

ANNUAL REPORT  
2022-23

# ENRICHING LIVES, WINNING AS



PROTECTING INVESTING **FINANCING** ADVISING

**Aditya Birla Capital Limited**  
Subsidiaries Financial Statements



**ADITYA BIRLA  
CAPITAL**

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Aditya Birla Sun Life Insurance Company Limited



**ADITYA BIRLA  
CAPITAL**

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# Independent Auditor's Report

To The Members of

## Aditya Birla Sun Life Insurance Company Limited

### REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

#### Opinion

1. We have audited the accompanying standalone financial statements of **Aditya Birla Sun Life Insurance Company Limited** (the "Company"), which comprises the Standalone Balance Sheet as at March 31, 2023, the related Standalone Revenue Account (also called the "Policyholders' Account" or the "Technical Account"), the Standalone Profit and Loss Account (also called the "Shareholders' Account" or the "Non-Technical Account") and Standalone Receipts and Payments Account for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by provisions of the Insurance Act, 1938, as amended (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999, as amended (the "IRDA Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), including circulars/orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") in this regard and the Companies Act, 2013, as amended (the "Act") in the manner so required to give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended ("Accounting Standards") and other accounting principles generally accepted in India, as applicable to insurance companies:

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2023;
- ii. in the case of the Revenue Account, of the net surplus for the year ended March 31, 2023;
- iii. in the case of the Profit and Loss Account, of the profit for the year ended March 31, 2023; and
- iv. in the case of the Receipts and Payments Account, of the receipts and payments for the year ended March 31, 2023.

#### Basis for Opinion

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

#### Key Audit Matter

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

Independent Auditor’s Report (Contd.)

Key Audit Matter	How the matter was addressed in our audit
<p><b>Information Technology Systems:</b></p> <p>The Company is dependent on its Information Technology (“IT”) systems due to the significant number of transactions that are processed daily across such multiple and discrete IT systems. Also, IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner and under controlled environments. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data. On account of the pervasive use of its IT systems, the testing of the general computer controls of the IT systems used in financial reporting was considered to be a Key Audit Matter.</p>	<p>With the assistance of our IT specialists, we obtained an understanding of the Company’s IT applications, databases and operating systems relevant to financial reporting and the control environment. For these elements of the IT infrastructure the areas of our focus included access security (including controls over privileged access), program change controls, database management and network operations. In particular:</p> <ul style="list-style-type: none"> <li>• We tested the design, implementation, and operating effectiveness of the Company’s general IT controls over the IT systems relevant to financial reporting. This included evaluation of Company’s controls over segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being recertified during the period of audit.</li> <li>• We also tested key automated business cycle controls and logic for the reports generated through the IT infrastructure that were relevant for financial reporting or were used in the exercise of internal financial controls with reference to financial statements. Our tests included testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the Financial Statements.</li> </ul>

**Information Other than the Financial Statements and Auditor’s Report Thereon**

- The Company’s Board of Directors is responsible for the other information, comprising of the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Corporate Governance Report and such other disclosures related information, but does not include the standalone financial statements, consolidated financial statements and our auditor’s report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

**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 Standalone Balance Sheet, the related Standalone Revenue Account, the Standalone Profit and Loss Account and Standalone Receipts and Payments Account of the Company in accordance with the provisions of the Insurance Act, the IRDA Act, the IRDA Financial Statements Regulations and circulars/orders/directions issued by the IRDAI in this regard and Accounting Standards and other accounting principles generally accepted in India, as applicable to the insurance companies.

## Independent Auditor's Report (Contd.)

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

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

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

### **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

7. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance; but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
8. As part of our audit in accordance with SAs we exercise professional judgement and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, to design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. 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

**Independent Auditor's Report (Contd.)**

factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

**Other Matter**

10. The actuarial valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2023, is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2023, has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. We have relied upon Appointed Actuary's certificate in forming our opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists in standalone financial statements of the Company.

**Report on Other Legal and Regulatory Requirements**

1. As required by the IRDA Financial Statements Regulations, we have issued a separate certificate dated April 25, 2023 certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDA Financial Statements Regulations.
2. As required by the IRDA Financial Statements Regulations, read with Section 143(3) of the Act based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books.
  - c) As the Company's financial accounting system is centralized, no returns for the purposes of our audit are prepared at the branches of the Company.
  - d) The Balance Sheet, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account dealt with by this report are in agreement with the books of account.
  - e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, to the extent not inconsistent with the accounting principles prescribed in the IRDA Financial Statements Regulations, the Insurance Act, the IRDA Act and circulars/orders/directions issued by the IRDAI in this regard.
  - f) In our opinion and to the best of our information and according to the explanations given to us, investments have been valued in accordance with the provisions of the Insurance Act, the IRDA Financial Statements Regulations and/or orders/directions/circulars issued by IRDAI in this regard.
  - g) On the basis of the written representations received from the directors of the Company as on March 31, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31,

## Independent Auditor's Report (Contd.)

2023 from being appointed as a director in terms of Section 164 (2) of the Act.

- h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act read with section 34A of the Insurance Act.
- j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Schedule 16 Note 37 to the standalone financial statements;
  - ii. The liability for insurance contracts, is determined by the Company's Appointed Actuary as per Schedule 16 Note 11, and is covered by the Appointed Actuary's certificate, referred to in Other Matter section above, on which we have placed reliance; and the Company did not have any other long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer Schedule 16 Note 36 to the standalone financial statements;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company for the year ended March 31, 2023.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

## Independent Auditor's Report (Contd.)

- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year. Hence, reporting the compliance with section 123 of the Act is not applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account

For **S.B. Billimoria & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration  
No. 101496W / W100774

**Jayesh Parmar**  
Partner  
Membership No. 106388  
UDIN: 23106388BGUGJC8898

Mumbai, April 25, 2023

using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014, as amended, is not applicable for the financial year ended March 31, 2023.

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

**Purushottam Nyati**  
Partner  
Membership No. 118970  
UDIN: 23118970BGWTMD4659

Mumbai, April 25, 2023

# ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls with reference to standalone financial statements of **Aditya Birla Sun Life Insurance Company Limited** (the "Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

The actuarial valuation of liabilities for life policies in force and policies where premium is discontinued is required to be certified by the Appointed Actuary as per the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations") and has been relied upon by us, as mentioned in "Other Matter" para of our audit report on the standalone financial statements of the Company as at and for the year ended March 31, 2023. Accordingly, we have not audited the internal financial controls with reference to standalone financial statements in respect of the valuation and accuracy of the aforesaid actuarial valuation.

## Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required by provisions of the Insurance Act, 1938, as amended (the "Insurance Act"), the Insurance Regulatory and

Development Authority Act, 1999, as amended (the "IRDA Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), circulars/orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") in this regard and the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, as applicable to insurance companies.

## Auditor's Responsibility

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

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

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

## Meaning of Internal financial controls with reference to Financial Statements

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

## Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For S.B. Billimoria & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration  
No. 101496W / W100774

**Jayesh Parmar**  
Partner  
Membership No. 106388  
UDIN: 23106388BGUGJC8898

Mumbai, April 25, 2023

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

**Purushottam Nyati**  
Partner  
Membership No. 118970  
UDIN: 23118970BGWTMD4659

Mumbai, April 25, 2023

**FORM A-RA**Registration Number: 109 dated 31<sup>st</sup> January 2001**Revenue Account** for the year ended 31<sup>st</sup> March 2023

Policyholders' Account (Technical Account)

(Amounts in Thousands of Indian Rupees)

Particulars	Schedule	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
<b>Premiums earned - net</b>			
(a) Premium	1	15,06,96,854	12,14,02,283
(b) Reinsurance ceded		(53,02,319)	(49,87,834)
(c) Reinsurance accepted		-	-
<b>Sub - Total</b>		<b>14,53,94,535</b>	<b>11,64,14,449</b>
<b>Income from Investments</b>			
(a) Interest, Dividends & Rent - Gross (Refer Schedule 16 Note 2(g))		3,58,66,060	2,98,81,707
(b) Profit on sale / redemption of investments		1,42,36,541	2,33,39,885
(c) (Loss on sale / redemption of investments)		(50,25,755)	(27,44,494)
(d) Transfer/Gain (Loss) on revaluation / change in fair value*		(1,05,00,810)	25,42,917
<b>Sub - Total</b>		<b>3,45,76,036</b>	<b>5,30,20,015</b>
<b>Other Income</b>			
(a) Contribution from the Shareholders' Account towards deficit funding		28,47,187	7,70,321
(b) Contribution from Shareholders Account towards Excess EoM (Refer Schedule 16 Note 43)		500	-
(c) Others (profit on sale of liquid funds, interest etc.)		5,61,567	5,20,204
<b>Sub - Total</b>		<b>34,09,254</b>	<b>12,90,525</b>
<b>Total (A)</b>		<b>18,33,79,825</b>	<b>17,07,24,989</b>
Commission	2	84,36,054	59,62,323
Operating Expenses related to Insurance Business	3	2,09,65,020	1,52,09,008
Provision for doubtful debts		7,472	13,079
Bad debts written off		-	-
Provision for Tax (Refer Schedule 16 Note 38(a))		5,31,497	4,45,669
Provision (other than taxation)		-	9,751
(a) For diminution in the value of investments (Net) (Refer Schedule 16 Note 45)		-	9,751
(b) Others - Provision for standard and non standard assets (Refer Schedule 16 Note 47)		(163)	(163)
Goods and Services Tax on Linked Charges		11,94,711	12,15,246
<b>Total (B)</b>		<b>3,11,34,591</b>	<b>2,28,54,913</b>
Benefits Paid (Net)	4	5,77,22,998	6,75,42,312
Interim & Terminal Bonuses Paid		65,797	1,05,540
Change in valuation of liability in respect of life policies		-	-
(a) Gross**		8,82,36,653	6,19,37,122
(b) (Amount ceded in Re-insurance)		(1,81,520)	(43,98,876)
(c) Amount accepted in Re-insurance		-	-
(d) Fund Reserve		9,93,532	1,90,34,463
(e) Premium Discontinuance Fund - Linked		24,78,728	28,94,027
<b>Total (C)</b>		<b>14,93,16,188</b>	<b>14,71,14,588</b>
<b>Surplus (D) = (A) - (B) - (C)</b>		<b>29,29,046</b>	<b>7,55,488</b>
<b>Appropriations</b>			
Transfer to Shareholders' Account (Refer Schedule 16 Note 5)		29,29,046	7,55,488
Transfer to Other Reserves		-	-
Balance being Funds for Future Appropriations		-	-
<b>Total</b>		<b>29,29,046</b>	<b>7,55,488</b>
The total surplus as mentioned below:			
(a) Interim Bonuses Paid		64,165	1,02,809
(b) Terminal Bonus Paid		1,632	2,731
(c) Allocation of Bonus to policyholders		28,40,554	26,62,603
(d) Surplus shown in the Revenue Account		29,29,046	7,55,488
<b>Total Surplus [(a)+(b)+(c)+(d)]</b>		<b>58,35,397</b>	<b>35,23,631</b>
Significant Accounting Policies and Notes	16		

The Schedules and accompanying notes are an integral part of this Revenue account.

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

\*\*Represents Mathematical Reserves after allocation of bonus.

In terms of our report attached

**For S.B. Billimoria & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration  
No. 101496W / W100774

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

**Jayesh Parmar**  
Partner  
Membership No. 106388

**Purushottam Nyati**  
Partner  
Membership No. 118970

For and on behalf of the Board of Directors

**Vishakha Mulye**  
Chairman  
(DIN: 00203578)

**Pinky Mehta**  
Director  
(DIN: 00020429)

**Sandeep Asthana**  
Director  
(DIN: 00401858)

**Kamlesh Rao**  
Managing Director & CEO  
(DIN: 07665616)

**Sandesh Joshi**  
Chief Financial Officer

**Nakul Yadav**  
Appointed Actuary

**Sangeeta Shetty**  
Company Secretary

Mumbai, 25<sup>th</sup> April, 2023

**FORM A-PL**

 Registration Number: 109 dated 31<sup>st</sup> January 2001

# Statement of Profit and Loss Account

 for the year ended 31<sup>st</sup> March 2023

Shareholders' Account (Non-technical Account)

(Amounts in Thousands of Indian Rupees)

Particulars	Schedule	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
Amounts transferred from Policyholders' Account (Technical Account) (Refer Schedule 16 Note 5)		29,29,046	7,55,488
<b>Income from Investments</b>			
(a) Interest, Dividends & Rent - Gross (Refer Schedule 16 Note 2(g))		23,36,624	20,40,762
(b) Profit on sale / redemption of investments		52,425	88,307
(c) (Loss on sale / redemption of investments)		-	(7,367)
Other Income		-	-
<b>Total (A)</b>		<b>53,18,095</b>	<b>28,77,190</b>
Expense other than those directly related to the insurance business	3A	8,40,562	6,15,605
Bad debts written off		-	-
Provision (other than taxation)			
(a) For diminution in the value of investments (net) (Refer Schedule 16 Note 45)		-	-
(b) Provision for doubtful debts		-	-
(c) Others		-	-
Contribution to Policyholders Account towards Excess EoM* (Refer Schedule 16 Note 43)		500	-
Contribution towards the Remuneration of MD/ CEOs (Refer Schedule 16 Note 8)		91,351	82,267
Contribution to the Policyholders' Account towards deficit funding (Refer Schedule 16 Note 5)		28,47,187	7,70,321
<b>Total (B)</b>		<b>37,79,600</b>	<b>14,68,193</b>
Profit before tax		<b>15,38,495</b>	<b>14,08,997</b>
Less: Provision for Taxation (Refer Schedule 16 Note 38(a))		1,53,524	1,40,617
Profit after tax		<b>13,84,971</b>	<b>12,68,380</b>
<b>Appropriations</b>			
(a) Balance at the beginning of the year		17,47,646	8,29,266
(b) Interim dividends paid during the year		-	-
(c) Proposed final dividend		-	-
(d) Dividend distribution tax		-	-
(e) Debenture redemption reserve (Refer Schedule 16 Note 48(c))		-	3,50,000
(f) Transfer to reserves / other accounts		-	-
<b>Profit carried forward to the Balance Sheet</b>		<b>31,32,617</b>	<b>17,47,646</b>
Earning Per Share (Basic and Diluted), Face Value of ₹10 (in ₹) (Refer Schedule 16 Note 10)		0.72	0.67
Significant Accounting Policies and Notes	16		

The Schedules and accompanying notes are an integral part of this Profit and Loss Account.

In terms of our report attached

For **S.B. Billimoria & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration  
No. 101496W / W100774

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

**Jayesh Parmar**  
Partner  
Membership No. 106388

**Purushottam Nyati**  
Partner  
Membership No. 118970

For and on behalf of the Board of Directors

**Vishakha Mulye**  
Chairman  
(DIN: 00203578)

**Pinky Mehta**  
Director  
(DIN: 00020429)

**Sandeep Asthana**  
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**Kamlesh Rao**  
Managing Director & CEO  
(DIN: 07665616)

**Sandesh Joshi**  
Chief Financial Officer

**Nakul Yadav**  
Appointed Actuary

**Sangeeta Shetty**  
Company Secretary

 Mumbai, 25<sup>th</sup> April, 2023

**FORM A-BS**Registration Number: 109 dated 31<sup>st</sup> January 2001**Balance Sheet** as at 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

Particulars	Schedule	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>Sources of Funds</b>			
Shareholders' Funds:			
Share Capital	5	1,93,82,292	1,90,12,080
Reserves and Surplus	6	95,19,710	60,08,183
Credit/(Debit) / Fair Value Change Account		3,58,991	4,66,062
<b>Sub - Total</b>		<b>2,92,60,993</b>	<b>2,54,86,325</b>
Borrowings			
Policyholders' Funds:	7	50,00,000	50,00,000
Credit/(Debit) Fair Value Change Account		20,94,250	21,83,112
Policy Liabilities		37,04,56,790	28,24,01,658
Insurance Reserves			
Provision for Linked Liabilities		26,92,97,621	25,79,32,479
Funds for discontinued policies			
(i) Discontinued on account of non-payment of premium		1,43,16,009	1,18,37,281
(ii) Others		-	-
Credit/(Debit) Fair Value Change Account (Linked)		2,14,60,501	3,18,32,111
Total Linked Liabilities		<b>30,50,74,131</b>	<b>30,16,01,871</b>
<b>Sub - Total</b>		<b>68,26,25,171</b>	<b>59,11,86,641</b>
Funds for Future Appropriations			
- Linked Liabilities		-	-
<b>Total</b>		<b>71,18,86,164</b>	<b>61,66,72,966</b>
<b>Application of Funds</b>			
Investments			
Shareholders'	8	3,29,80,491	2,92,14,758
Policyholders'	8A	36,24,56,326	27,71,40,624
Assets Held to Cover Linked Liabilities	8B	30,50,74,131	30,16,01,871
Loans	9	40,57,281	29,40,596
Fixed Assets	10	12,64,539	11,92,188
Current Assets			
Cash and Bank Balances	11	95,75,582	70,49,434
Advances and Other Assets	12	1,87,12,938	1,76,94,798
<b>Sub - Total (A)</b>		<b>2,82,88,520</b>	<b>2,47,44,232</b>
Current Liabilities			
Provisions	13	2,09,34,390	1,88,54,304
	14	13,00,734	13,06,999
<b>Sub - Total (B)</b>		<b>2,22,35,124</b>	<b>2,01,61,303</b>
<b>Net Current Assets (C) = (A-B)</b>			
		<b>60,53,396</b>	<b>45,82,929</b>
Miscellaneous Expenditure (to the extent not written off or adjusted)	15	-	-
Debit Balance In Profit and Loss Account (Shareholders' Account)		-	-
<b>Total</b>		<b>71,18,86,164</b>	<b>61,66,72,966</b>
Contingent Liabilities (Refer Schedule 16 Note 3)			
Significant Accounting Policies and Notes	16		

The Schedules and accompanying notes are an integral part of this Balance Sheet.

In terms of our report attached

For **S.B. Billimoria & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration  
No. 101496W / W100774

**Jayesh Parmar**  
Partner  
Membership No. 106388

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

**Purushottam Nyati**  
Partner  
Membership No. 118970

For and on behalf of the Board of Directors

**Vishakha Mulye**  
Chairman  
(DIN: 00203578)

**Kamlesh Rao**  
Managing Director & CEO  
(DIN: 07665616)

**Nakul Yadav**  
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(DIN: 00020429)

**Sandesh Joshi**  
Chief Financial Officer

**Sangeeta Shetty**  
Company Secretary

**Sandeep Asthana**  
Director  
(DIN: 00401858)

Mumbai, 25<sup>th</sup> April, 2023

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Receipts and Payments account (Cash Flow Statement)

 For the Year ended 31<sup>st</sup> March, 2023

(Amounts in Thousands of Indian Rupees)

Particulars	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Premium received from policyholders, including advance receipts	15,02,01,022	12,03,96,651
Payments to the re-insurers, net of commissions and claims	(23,36,570)	29,02,329
Application money deposit & due to Policy holders	(4,58,988)	27,71,252
Payments of commission and brokerage	(71,81,786)	(56,89,600)
Payments of other operating expenses	(1,86,04,489)	(1,48,05,439)
Payments of claims	(6,12,58,917)	(7,49,70,220)
Deposits & others	1,15,044	(6,05,825)
Other receipts	4,45,866	4,17,638
Income taxes paid (Net)	(7,40,869)	(6,14,281)
Goods and Services taxes paid	(14,14,636)	(13,67,495)
<b>Cash flows before extraordinary items</b>	<b>5,87,65,677</b>	<b>2,84,35,010</b>
Cash flow from extraordinary operations	-	-
<b>Net cash Inflow / (outflow) from operating activities (A)</b>	<b>5,87,65,677</b>	<b>2,84,35,010</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(5,60,387)	(4,17,080)
Proceeds from sale of fixed assets	14,850	3,247
Loan against Policies	(8,54,022)	(5,89,698)
Purchase of investment	(5,48,77,39,131)	(5,54,59,31,019)
Proceeds from sale of investment	5,39,75,72,148	5,48,65,89,117
Expenses related to investments	(32,763)	(34,376)
Interest received	3,07,57,136	2,77,73,466
Dividend received	23,75,677	16,96,734
<b>Net cash Inflow / (Outflow) from investing activities (B)</b>	<b>(5,84,66,492)</b>	<b>(3,09,09,609)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Share capital issued / (Redemption)	3,70,212	-
Share premium	22,29,787	-
Proceeds from borrowing	-	35,00,000
Interest paid on borrowing	(3,73,036)	(2,47,417)
<b>Net cash used in financing activities (C)</b>	<b>22,26,963</b>	<b>32,52,583</b>
<b>Net (Decrease)/ Increase in cash and cash equivalents (D=A+B+C)</b>	<b>25,26,148</b>	<b>7,77,984</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>70,46,934</b>	<b>62,68,950</b>
<b>Cash and cash equivalents as at end of the year</b>	<b>95,73,082</b>	<b>70,46,934</b>
<b>Notes:</b>		
1. Cash and cash equivalents at end of the year/period includes:		
Cash and Bank Balances (including cheques,drafts and stamps)	49,77,005	30,78,534
Short Term Bank Deposits	45,98,577	39,70,900
Less: Bank deposits having original maturity period of more than 3 months considered in operating activities (Refer Schedule 16 Note 14 vi)	2,500	2,500
<b>Cash and cash equivalents as at the end of the year</b>	<b>95,73,082</b>	<b>70,46,934</b>

For Cash and cash equivalents - refer schedule 16 note 2 (r)

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Receipts and Payments account (Cash Flow Statement)

For the Year ended 31<sup>st</sup> March, 2023

(Amounts in Thousands of Indian Rupees)

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

Amount spent during the year by Company for Corporate Social Responsibility expenses on:	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
(i) Construction/acquisition of any asset		
In Cash	-	-
Yet to be paid in cash	-	-
<b>Total</b>	-	-
(ii) On purposes other than (i) above		
In Cash	12,500	12,500
Yet to be paid in cash	-	-
<b>Total</b>	12,500	12,500

In terms of our report attached

**For S.B. Billimoria & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration  
No. 101496W / W100774

**For Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration  
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**Jayesh Parmar**  
Partner  
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Mumbai, 25<sup>th</sup> April, 2023

For and on behalf of the Board of Directors

**Vishakha Mulye**  
Chairman  
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**Pinky Mehta**  
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Chief Financial Officer

**Nakul Yadav**  
Appointed Actuary

**Sangeeta Shetty**  
Company Secretary

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 1 PREMIUM\*

Particulars	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
1 First year premiums	3,23,59,751	2,39,29,586
2 Renewal Premiums	7,39,69,438	6,47,52,812
3 Single Premiums	4,43,67,665	3,27,19,885
<b>Total Premiums</b>	<b>15,06,96,854</b>	<b>12,14,02,283</b>
Premium Income from Business written :		
In India	15,06,96,854	12,14,02,283
Outside India	-	-
<b>Total Premiums</b>	<b>15,06,96,854</b>	<b>12,14,02,283</b>

Note:

1 Refer Schedule 16 Note 2(c)(i) and Note 4

\* Net of Goods and Services Tax

## SCHEDULE 2 COMMISSION EXPENSES

	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
Commission paid		
Direct - First year premiums	55,81,935	35,65,233
Renewal premiums	21,09,404	19,66,655
Single premiums	2,94,591	1,62,458
<b>Sub-total</b>	<b>79,85,930</b>	<b>56,94,346</b>
Add: Commission on Re-insurance Accepted	-	-
Less: Commission on Re-insurance Ceded	-	-
<b>Net Commission</b>	<b>79,85,930</b>	<b>56,94,346</b>
Rewards and Remuneration to Agents/Brokers/Other intermediaries	4,50,124	2,67,977
<b>Total Commission and rewards &amp; remuneration</b>	<b>84,36,054</b>	<b>59,62,323</b>

### Breakup of Total Commission including Rewards & Remuneration

Particulars	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
Individual Agents	35,23,551	24,25,272
Corporate Agents	45,76,191	33,24,065
Brokers	3,15,020	2,04,810
Web aggregator	(1,492)	3,112
Others (POS)	22,784	5,064
<b>Total</b>	<b>84,36,054</b>	<b>59,62,323</b>

Note: Refer Schedule 16 Note 2 (f)

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 3 OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

Particulars	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
1 Employees' remuneration and welfare benefits (Refer Schedule 16 Note 26 and 44)	1,01,66,971	76,58,597
2 Travel, conveyance and vehicle running expenses	2,41,442	1,08,343
3 Training expenses	7,86,000	2,39,996
4 Rents, rates and taxes	5,40,881	5,48,724
5 Repairs	2,39,812	2,27,410
6 Printing and stationery	43,422	27,798
7 Communication expenses	1,01,823	82,602
8 Legal and professional charges	1,57,913	86,681
9 Medical fees	1,14,740	1,52,236
10 Auditor's fees, expenses etc.		
(a) as auditor	13,011	11,897
(b) as adviser or in any other capacity, in respect of		
i) Taxation matters	-	-
ii) Insurance matters	-	-
iii) Management services	-	-
(c) in any other capacity - Certification services	1,171	866
11 Advertisement and publicity	56,03,206	37,69,325
12 Interest and Bank Charges	87,926	1,32,305
13 Others: a) Distribution expenses	54,366	20,062
b) Agents recruitment, seminar and other expenses	8,912	74,972
c) Recruitment and seminar expenses	1,86,995	63,922
d) IT expenses (including maintenance)	9,52,347	7,94,546
e) Policy stamps	5,44,034	2,84,477
f) Loss on sale of assets	247	11,257
g) Electricity expenses	94,414	77,418
h) Miscellaneous expenses	99,702	88,224
i) Outsourcing expenses	4,88,258	4,03,378
14 Depreciation	4,37,427	3,43,972
<b>Total</b>	<b>2,09,65,020</b>	<b>1,52,09,008</b>

Note: Refer Schedule 16 Note 6, Note 7 and Note 9

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

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

Particulars	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
1 Employees' remuneration and welfare benefits (Refer Schedule 16 Note 26 and 44)	2,50,502	1,96,812
2 Legal and professional charges	35,106	11,012
3 Auditors Fees (Reporting Pack)	2,688	2,690
4 Interest and bank charges	9,585	16,490
5 Interest on non convertible debenture (NCD) (Refer Schedule 16 Note 2(w) & 48)	3,73,038	2,48,135
6 Corporate social responsibility expenses (Refer Schedule 16 Note 40)	12,500	12,500
7 Others: Miscellaneous expenses	1,57,143	1,27,965
<b>Total</b>	<b>8,40,562</b>	<b>6,15,605</b>

## SCHEDULE 4 BENEFITS PAID (NET)

Particulars	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
<b>1 Insurance Claims</b>		
(a) Claims by Death	76,96,919	1,48,44,832
(b) Claims by Maturity	86,43,522	1,48,77,255
(c) Annuities / Pension payment	3,03,404	2,27,072
(d) Other benefits		
(i) Surrender	4,11,72,199	4,20,36,549
(ii) Riders	70,208	70,486
(iii) Health	28,722	26,772
(iv) Survival and Others	28,00,322	23,63,919
<b>2 (Amount ceded in reinsurance):</b>		
(a) Claims by Death	(29,64,317)	(68,78,442)
(b) Claims by Maturity	-	-
(c) Annuities / Pension payment	-	-
(d) Other benefits (Health)	(27,981)	(26,131)
<b>3 Amount accepted in reinsurance:</b>		
(a) Claims by Death	-	-
(b) Claims by Maturity	-	-
(c) Annuities / Pension Payment	-	-
(d) Other benefits	-	-
<b>Total</b>	<b>5,77,22,998</b>	<b>6,75,42,312</b>
<b>Benefits paid to Claimants</b>		
1. In India	5,77,22,998	6,75,42,312
2. Outside India	-	-
<b>Total</b>	<b>5,77,22,998</b>	<b>6,75,42,312</b>

Note:

- 1 Claims include specific claims settlement costs, wherever applicable.
- 2 Legal, other fees and expenses also form part of the claims cost, wherever applicable.
- 3 Refer Schedule 16 Note 2 (d) and Note 54

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 5 SHARE CAPITAL

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>1 Authorised Capital</b>		
3,75,00,00,000 Equity Shares of ₹10/- each	3,75,00,000	3,75,00,000
<b>2 Issued Capital</b>		
1,93,82,29,200 Equity Shares	1,93,82,292	1,90,12,080
(Previous Year : 1,90,12,08,000 Equity Shares) of ₹10/- each fully paid up		
<b>3 Subscribed Capital</b>		
1,93,82,29,200 Equity Shares	1,93,82,292	1,90,12,080
(Previous Year : 1,90,12,08,000 Equity Shares) of ₹10/- each fully paid up		
<b>4 Called-up Capital</b>		
Equity Shares of ₹10/- Each	1,93,82,292	1,90,12,080
Less : Calls unpaid	-	-
Add : Shares forfeited (Amount originally paid up)	-	-
Less : Par value of Equity Shares bought back	-	-
Less: Preliminary Expenses (Expenses including commission or brokerage on underwriting or subscription on shares)	-	-
<b>Total</b>	<b>1,93,82,292</b>	<b>1,90,12,080</b>

Out of the total equity share capital, 98,84,96,892 equity shares (31<sup>st</sup> March, 2022 - 96,96,16,080 equity shares) of ₹10 each are held by the holding company, Aditya Birla Capital Limited.

Note: Refer Schedule 16 Note 49

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

Shareholder	Audited As at 31 Mar 23		Audited As at 31 Mar 22	
	Number of Shares	% of Holding	Number of Shares	% of Holding
<b>Promoters:</b>				
Indian (Aditya Birla Capital Limited)	98,84,96,892	51%	96,96,16,080	51%
Foreign (Sun Life Financial (India) Insurance Investments Inc.)	94,97,32,308	49%	93,15,91,920	49%
<b>Others</b>	-	-	-	-
<b>Total</b>	<b>1,93,82,29,200</b>	<b>100%</b>	<b>1,90,12,08,000</b>	<b>100%</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 6 RESERVES AND SURPLUS

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 23	Audited As at 31 Mar 22	Audited As at 31 Mar 22
1 Capital Reserve*		-		-
2 Capital Redemption Reserve*		6,82,920		6,82,920
3 Share Premium				
Opening balance	20,00,028		20,00,028	
Add: Additions during the year	22,29,787		-	
Less: Deductions during the year	-	42,29,815	-	20,00,028
4 Revaluation Reserve*		-		-
5 General reserves*		4,06,127		4,06,127
6 Catastrophe Reserve*		-		-
7 Other Reserves :				
a) Debenture Redemption Reserve (Refer Schedule 16 Note 48):				
Opening balance	5,00,000		1,50,000	
Add: Additions during the year	-		3,50,000	
Less: Deductions during the year	-	5,00,000	-	5,00,000
b) Realised Hedge Reserves non linked policyholder (Refer Schedule 16 Note 22)		5,68,231		6,71,462
8 Balance of profit in Profit and Loss Account				
Opening balance	17,47,646		8,29,266	
Add: Additions during the year	13,84,971		9,18,380	
Less: Deductions during the year	-	31,32,617	-	17,47,646
<b>Total</b>		<b>95,19,710</b>		<b>60,08,183</b>

\* No Change during the year

## SCHEDULE 7 BORROWINGS

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
1 Debentures/Bonds (Refer Schedule 16 Note 2(w) & 48)	50,00,000	50,00,000
2 Banks	-	-
3 Financial Institutions	-	-
4 Others	-	-
<b>Total</b>	<b>50,00,000</b>	<b>50,00,000</b>

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 8 INVESTMENTS - SHAREHOLDERS

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>LONG TERM INVESTMENTS</b>		
1 Government securities and Government guaranteed bonds including Treasury Bills (Refer Note 4 below)	1,13,91,173	92,57,858
2 Other Approved Securities	4,60,141	2,61,955
3 Other Investments		
(a) Shares		
(aa) Equity (Refer Note 8 below)	49,568	95,691
(bb) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures / Bonds	92,82,119	67,44,626
(e) Other Securities (Fixed Deposits)	-	-
(f) Subsidiaries (Refer Note 3 below)	7,30,000	6,90,000
Investment Properties - Real Estate	2,99,975	-
4 Investments in Infrastructure and Social Sector	81,75,182	81,74,500
5 Other than Approved Investments	20,20,245	18,37,252
<b>Total (A)</b>	<b>3,24,08,403</b>	<b>2,70,61,882</b>
<b>SHORT TERM INVESTMENTS</b>		
1 Government securities and Government guaranteed bonds including Treasury Bills (Refer Note 4 below)	-	34,679
2 Other Approved Securities	-	-
3 Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds (Refer Note 8 below)	-	-
(c) Derivative Instruments	-	-
(d) Debentures / Bonds	1,00,041	11,73,480
(e) Other Securities		
- Fixed Deposits (Refer Note 5 below)	-	-
- Others	34,987	7,88,670
(f) Subsidiaries	-	-
Investment Properties-Real Estate	-	-
4 Investments in Infrastructure and Social Sector	1,49,726	1,56,047
5 Other than Approved Investments	2,87,334	-
<b>Total (B)</b>	<b>5,72,088</b>	<b>21,52,876</b>
<b>TOTAL (A) + (B)</b>	<b>3,29,80,491</b>	<b>2,92,14,758</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>Notes:</b>		
1 Aggregate amount of Company's investments and the market value:		
a) Aggregate amount of Company's investment other than listed Equity Securities & Mutual Funds	3,14,27,304	2,81,98,632
b) Market Value of above investment	3,17,60,037	2,94,30,427
2 Investment in holding company at cost	-	-
3 Investment in subsidiaries company at cost	7,30,000	6,90,000
4 Government Securities deposited with the Clearing Corporation of India Ltd (CCIL)	-	-
a) Amortised cost	9,35,291	9,78,361
b) Market Value of above investment	9,23,854	10,01,258
5 Fixed Deposits towards margin requirement for equity trade settlement and Bank Guarantee		
a) Deposited with National Securities Clearing Corporation Limited (NSCCL)	-	-
b) Deposited with Indian Clearing Corporation Limited (ICCL)	-	-
6 Investment made out of catastrophe reserve	-	-
7 Debt Securities are held to maturity and reduction in market values represent market conditions and not a permanent diminution in the value of investments, if any.		
8 Historical cost of equity and equity related securities included above:		
a. Mutual Funds	-	-
b. Equity Stocks	4,05,216	4,60,064
c. Additional Tier 1 Bonds	7,88,981	90,000
9 The value of equity shares lent by the Company under securities lending and borrowing scheme (SLB) and outstanding	74,138	-
10 Refer Schedule 16 Note 2(g), 14 & 45		

## SCHEDULE 8A INVESTMENTS - POLICYHOLDERS

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>LONG TERM INVESTMENTS</b>		
1 Government securities and Government guaranteed bonds including Treasury Bills	21,66,26,644	15,13,10,145
2 Other Approved Securities	19,31,667	10,31,684
3 (a) Shares		
(aa) Equity (Refer Note 7 below)	1,74,58,967	1,23,80,717
(bb) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures / Bonds	5,38,48,940	3,56,66,961
(e) Other Securities (Fixed Deposits)	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	31,90,606	20,40,568
4 Investment in Infrastructure and Social Sector	5,58,14,731	5,28,61,038
5 Other than Approved Investments	53,31,318	37,66,815
<b>Total (A)</b>	<b>35,42,02,873</b>	<b>25,90,57,928</b>

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>SHORT TERM INVESTMENTS</b>		
1 Government securities and Government guaranteed bonds including Treasury Bills	10,91,619	10,42,701
2 Other Approved Securities		
- Fixed Deposits	-	-
- Others	-	8,434
Other Investments		
3 (a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual funds (Refer Note 7 below)	-	-
(c) Derivative Instruments	-	-
(d) Debentures / Bonds	4,49,937	23,08,934
(e) Other Securities	-	-
- Fixed Deposits	1,00,000	50,000
- Others	51,15,256	1,38,87,317
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
4 Investment in Infrastructure and Social Sector	13,30,416	7,85,310
5 Other than Approved Investments	1,66,225	-
<b>Total (B)</b>	<b>82,53,453</b>	<b>1,80,82,696</b>
<b>TOTAL (A) + (B)</b>	<b>36,24,56,326</b>	<b>27,71,40,624</b>

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>Notes:</b>		
1 Aggregate amount of Company's investments and the market value:		
a) Aggregate amount of Company's investment other than listed Equity Securities & Mutual Funds	33,51,04,631	25,78,82,005
b) Market Value of above investment	33,63,72,809	26,50,67,413
2 Investment in holding company at cost	3,982	3,982
3 Investment in subsidiaries company at cost	-	-
4 Government Securities deposited with the Clearing Corporation of India Ltd (CCIL)		
a) Amortised cost	-	-
b) Market Value of above investment	-	-
5 Investment made out of catastrophe reserve	-	-
6 Debt Securities are held to maturity and reduction in market values represent market conditions and not a permanent diminution in the value of investments, if any.		
7 Historical cost of equity and equity related securities included above:		
a. Mutual Funds	-	-
b. Equity Stocks	1,87,58,894	1,30,90,727
c. Additional Tier 1 Bonds	24,53,422	3,10,000
d. Infrastructure Investment Trusts	7,65,986	7,72,406
e. Alternate Investment Funds	12,88,823	13,61,511
f. Real Estate Investment Properties	28,02,806	17,99,384

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
8 The value of equity shares lent by the Company under securities lending and borrowing scheme (SLB) and outstanding	6,443	-
9 Refer Schedule 16 Note 2(g), 14, 45 & 47		

## SCHEDULE 8B ASSETS HELD TO COVER LINKED LIABILITIES

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>LONG TERM INVESTMENTS</b>		
1 Government securities and Government guaranteed bonds including Treasury Bills	6,20,68,269	5,79,65,085
2 Other Approved Securities	67,025	3,29,871
3 (a) Shares		
(aa) Equity (Refer Note 6 below)	11,02,11,256	10,58,22,728
(bb) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures / Bonds	2,90,72,494	2,65,36,403
(e) Other Securities (Fixed Deposits)	2,50,000	2,50,000
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	10,02,501	5,14,930
4 Investments in Infrastructure and Social Sector	4,72,59,368	5,04,34,906
5 Other than Approved Investments	1,54,23,824	1,63,60,597
<b>Total (A)</b>	<b>26,53,54,737</b>	<b>25,82,14,520</b>
<b>SHORT TERM INVESTMENTS</b>		
1 Government securities and Government guaranteed bonds including Treasury Bills)	1,65,12,616	1,04,75,911
2 Other Approved Securities	1,48,612	2,56,898
- Fixed Deposits	-	-
- Others	-	-
3 (a) Shares	-	-
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds (Refer Note 6 below)	-	1,50,979
(c) Derivative Instruments	-	-
(d) Debentures / Bonds	30,95,063	87,60,977
(e) Other Securities	-	-
- Fixed Deposits	14,00,000	1,50,000
- Others	1,24,31,657	1,74,79,736
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
4 Investments in Infrastructure and Social Sector	30,68,693	40,11,307
5 Other than Approved Investments	-	38,018
<b>Total (B)</b>	<b>3,66,56,641</b>	<b>4,13,23,826</b>

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>OTHER ASSETS</b>		
1 Bank Balances	9,011	20,291
2 Interest Accrued and Dividend Receivable	34,79,119	37,28,667
3 Fund Charges	-	-
4 Outstanding Contracts : (Refer Schedule 16 Note 16)		
(a) Investment sold - pending for settlement	3,46,857	11,88,806
(b) Investment purchased - pending for settlement	(14,61,849)	(29,27,382)
(c) Net receivable/(payable) from/(to) unit linked funds	4,23,667	(3,49,231)
(d) Other receivable	2,65,948	4,02,374
<b>Total (C)</b>	<b>30,62,753</b>	<b>20,63,525</b>
<b>TOTAL (A) + (B) + (C)</b>	<b>30,50,74,131</b>	<b>30,16,01,871</b>

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>Notes</b>		
1 Aggregate amount of Company's investments and the market value:		
a) Aggregate amount of Company's investment other than listed Equity Securities & Mutual Funds	16,26,33,303	16,22,51,964
b) Market Value of above investment	16,06,74,280	16,32,73,129
2 Investment in holding company at cost	3,91,878	3,94,012
3 Investment in subsidiaries company at cost		-
4 Investment made out of catastrophe reserve		-
5 Debt Securities are held to maturity and reduction in market values represent market conditions and not a permanent diminution in the value of investments, if any.		
6 Historical cost of equity and equity related securities included above:		
a. Mutual Funds	29,76,199	51,80,839
b. Equity Stocks	11,49,41,376	10,02,73,431
c. Redeemable Preference Shares		-
7 The value of equity shares lent by the Company under securities lending and borrowing scheme (SLB) and outstanding	2,09,170	1,10,111
8 Refer Schedule 16 Note 2(g)		

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 9 LOANS

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>1 SECURITY-WISE CLASSIFICATION</b>		
Secured		
(a) On mortgage of property		
(aa) In India	-	-
(bb) Outside India	-	-
(b) On Shares, Bonds, Govt. Securities, etc	-	-
(c) Loans against policies	40,57,281	29,40,596
(d) Others	-	-
Unsecured	-	-
<b>Total</b>	<b>40,57,281</b>	<b>29,40,596</b>
<b>2 BORROWER-WISE CLASSIFICATION</b>		
(a) Central and State Governments	-	-
(b) Banks and Financial Institutions	-	-
(c) Subsidiaries	-	-
(d) Companies	-	-
(e) Loans against policies	40,57,281	29,40,596
(f) Others	-	-
<b>Total</b>	<b>40,57,281</b>	<b>29,40,596</b>
<b>3 PERFORMANCE-WISE CLASSIFICATION</b>		
(a) Loans classified as standard		
(aa) In India	40,57,281	29,40,596
(bb) Outside India	-	-
(b) Non-standard loans less provisions		
(aa) In India	-	-
(bb) Outside India	-	-
<b>Total</b>	<b>40,57,281</b>	<b>29,40,596</b>
<b>4 MATURITY-WISE CLASSIFICATION</b>		
(a) Short-Term	48,033	25,115
(b) Long-Term	40,09,248	29,15,481
<b>Total</b>	<b>40,57,281</b>	<b>29,40,596</b>

Note:

- Short-term loans include those which are repayable within 12 months from the date of Balance Sheet. Long term loans are the loans other than short-term loans.
- Loans considered doubtful and the amount of provision created against such loans is ₹ Nil (Previous year ₹ Nil).
- Refer Schedule 16 Note 2 (h)

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 10 FIXED ASSETS

Particulars	As on		Cost/ Gross Block		Depreciation/Amortization		Net Block	
	1 Apr 2022	31 Mar 2023	Additions	Deductions	As on 1 Apr 2022	On sales / adjustments for the year	As on 31 Mar 2023	As at 31 Mar 2022
Goodwill	-	-	-	-	-	-	-	-
Intangibles (Software)	27,33,886	30,47,113	58,773	3,13,036	21,89,018	51,862	24,50,192	5,44,868
Land-Freehold	-	-	-	-	-	-	-	-
Leasehold property	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-
Furniture & Fittings	2,11,927	2,43,628	46,785	15,084	1,29,570	13,632	1,35,706	82,357
Information Technology Equipment	7,69,206	7,78,950	42,276	32,532	6,67,205	44,011	6,79,060	1,02,001
Vehicles	88,669	1,03,320	31,169	16,518	51,508	12,670	55,548	37,161
Office Equipment	2,33,272	2,33,747	20,063	19,588	1,93,873	17,479	1,92,206	39,399
Others (Leasehold improvements)	3,93,020	3,33,564	31,028	90,484	3,05,830	26,424	2,43,839	87,190
<b>TOTAL</b>	<b>44,29,980</b>	<b>5,43,321</b>	<b>2,32,979</b>	<b>47,40,322</b>	<b>35,37,004</b>	<b>4,37,428</b>	<b>37,56,551</b>	<b>8,92,976</b>
Capital Work in Progress including capital advances	-	-	-	-	-	-	-	2,80,768
<b>GRAND TOTAL</b>	<b>44,29,980</b>	<b>5,43,321</b>	<b>2,32,979</b>	<b>47,40,322</b>	<b>35,37,004</b>	<b>4,37,428</b>	<b>37,56,551</b>	<b>11,92,188</b>
<b>Previous Year</b>	<b>42,09,736</b>	<b>3,92,055</b>	<b>1,71,811</b>	<b>44,29,980</b>	<b>33,50,336</b>	<b>3,43,976</b>	<b>35,37,004</b>	<b>11,92,188</b>

1. Refer Schedule 16 Note 2 (i) and Note 39

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

3. All software are other than those generated internally.

Particulars	As on		Cost/ Gross Block		Depreciation/Amortization		Net Block	
	1 Apr 2021	31 Mar 2022	Additions	Deductions	As on 1 Apr 2021	On sales / adjustments for the year	As on 31 Mar 2022	As at 31 Mar 2021
Goodwill	-	-	-	-	-	-	-	-
Intangibles (Software)	25,80,356	1,91,159	37,629	27,33,886	19,82,274	31,873	21,89,018	5,98,082
Land-Freehold	-	-	-	-	-	-	-	-
Leasehold property	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-
Furniture & Fittings	1,88,517	44,659	21,249	2,11,927	1,37,908	9,747	1,29,570	50,609
Information Technology Equipment	7,67,426	40,944	39,164	7,69,206	6,60,310	45,691	6,67,205	1,07,116
Vehicles	79,487	24,331	15,149	88,669	47,617	15,404	51,508	31,870
Office Equipment	2,25,561	23,011	15,300	2,33,272	1,92,285	16,291	1,93,873	33,276
Others (Leasehold improvements)	3,68,389	67,951	43,320	3,93,020	3,29,942	18,226	3,05,830	38,446
<b>TOTAL</b>	<b>42,09,736</b>	<b>3,92,055</b>	<b>1,71,811</b>	<b>44,29,980</b>	<b>33,50,336</b>	<b>3,43,976</b>	<b>35,37,004</b>	<b>8,92,976</b>
Capital Work in Progress including capital advances	-	-	-	-	-	-	-	2,99,212
<b>GRAND TOTAL</b>	<b>42,09,736</b>	<b>3,92,055</b>	<b>1,71,811</b>	<b>44,29,980</b>	<b>33,50,336</b>	<b>3,43,976</b>	<b>35,37,004</b>	<b>9,70,543</b>
<b>Previous Year</b>	<b>39,48,320</b>	<b>3,19,745</b>	<b>58,332</b>	<b>42,09,733</b>	<b>30,62,434</b>	<b>3,42,632</b>	<b>33,50,338</b>	<b>9,70,545</b>

1. Refer Schedule 16 Note 2 (i)

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

3. All software are other than those generated internally.

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 11 CASH AND BANK BALANCES

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
1 Cash (including cheques,drafts and stamps) (Refer Note 2 below)	10,76,173	7,69,790
2 Bank Balances		
(a) Deposit Accounts		
(aa) Short - term (due within 12 months of the date of Balance Sheet)	45,96,077	39,68,400
(ab) Others (Refer Note 1 below)	2,500	2,500
(b) Current Accounts	39,00,832	23,08,744
(c) Others	-	-
3 Money at Call and Short Notice		
(a) With Banks	-	-
(b) With other Institutions	-	-
4 Others	-	-
<b>Total</b>	<b>95,75,582</b>	<b>70,49,434</b>
Balances with non-scheduled banks included in 2 above	-	-
Cash and Bank Balances		
1. In India	95,75,582	70,49,434
2. Outside India	-	-
<b>Total</b>	<b>95,75,582</b>	<b>70,49,434</b>

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>Note :</b>		
1 Deposited with ICICI Bank in the form of fixed deposits, which is earmarked and in lien against the Bank guarantee given by ICICI Bank on behalf of the Company to Unique Identification Authority of India (UIDAI).		
2 Breakup of Cash (including cheques, drafts and stamps) :		
Cash in Hand	39,843	52,642
Postal Franking and revenue stamps	62,923	41,081
Cheques in Hand	9,73,407	6,76,066
<b>Total</b>	<b>10,76,173</b>	<b>7,69,790</b>

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 12 ADVANCES AND OTHER ASSETS

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 23	Audited As at 31 Mar 22	Audited As at 31 Mar 22
<b>ADVANCES</b>				
1 Reserve deposits with ceding companies		-		-
2 Application money for investments		-		-
3 Prepayments		4,29,324		3,60,800
4 Advances to Directors / Officers		-		-
5 Advance tax paid and taxes deducted at source (Net of provision for taxation of ₹16,08,870 (Previous year ₹9,23,849)).*		34,011		21,093
6 Others:				
a) Advance to Suppliers/Contractors		79,407		28,203
b) Gratuity and Advances to Employees		6,56,417		6,17,226
c) Other Advances		87,113		36,861
<b>Total (A)</b>		<b>12,86,272</b>		<b>10,64,183</b>
<b>OTHER ASSETS</b>				
1 Income accrued on investments		76,97,504		62,04,372
2 Outstanding Premiums		31,53,614		26,45,379
3 Agents' Balances (gross)	19,356		14,751	
Less: Provision for doubtful debts ( Refer Schedule 16 Note 2 (u))	(3,104)	16,252	(5,635)	9,116
4 Foreign Agencies Balances		-		-
5 Due from other entities carrying on insurance business (including reinsures)	1,51,149		2,42,040	
Less: Provision for doubtful debts	-	1,51,149	-	2,42,040
6 Due from Subsidiaries/ holding company		679		429
7 Deposit with Reserve Bank of India [pursuant to section 7 of Insurance Act,1938]		-		-
8 Others:				
a) Deposits (Gross)	9,23,588		6,15,373	
Less: Provision for doubtful deposits	(10,318)	9,13,270	(4,963)	6,10,410
b) Outstanding Trades		29,94,514		34,24,432
c) Insurance Policies (Leave Encashment)		4,20,964		4,07,764
d) Unclaimed Fund	18,52,439		24,71,753	
Add: Income accrued on unclaimed fund	1,26,086	19,78,525	95,895	25,67,648
e) MTM Margin receivable - FRA		97,567		5,13,772
f) Goods and Services tax unutilised credits		2,628		5,253
<b>Total (B)</b>		<b>1,74,26,666</b>		<b>1,66,30,615</b>
<b>Total (A+B)</b>		<b>1,87,12,938</b>		<b>1,76,94,798</b>

\*Netting off done on year-on-year basis

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 13 CURRENT LIABILITIES

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
1 Agents' Balances	19,61,513	10,86,077
2 Balances due to other insurance companies	6,68,297	7,85,738
3 Deposits held on re-insurance ceded	-	-
4 Premiums received in advance	1,61,697	1,22,759
5 Unallocated premiums	19,63,669	10,02,166
6 Sundry creditors (Refer Schedule 16 Note 46)	47,30,315	29,07,039
7 Due to Subsidiaries/ holding company	45,763	41,141
8 Claims outstanding	1,73,148	1,22,874
9 Annuities Due	-	-
10 Due to Officers/Directors	-	-
11 Others:		
(a) Policy Application and other Deposits	18,15,847	20,64,193
(b) Due to Policyholders	68,18,233	71,68,489
(c) Statutory Dues Payable	4,29,101	3,00,690
(d) GST Payable	1,87,562	97,455
(e) Unclaimed amounts of policyholders	18,52,439	24,71,753
Add: Income accrued on unclaimed fund	1,26,086	95,895
(f) Derivative Liability	-	5,87,317
(g) Interest Payable on NCD	720	718
<b>Total</b>	<b>2,09,34,390</b>	<b>1,88,54,304</b>

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 14 PROVISIONS

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
1 For taxation (less payments and taxes deducted at source of ₹5,53,379 (Previous year ₹5,52,687))*	1,90,436	1,88,096
2 For proposed dividends	-	-
3 For dividend distribution tax	-	-
4 Others		
a) Provision for long term Incentive plan [Refer Schedule 16, Note 26]	2,16,846	2,83,182
b) Provision for gratuity [Refer Schedule 16, Note 26]	6,93,766	6,58,028
c) Provision for Compensated absences [Refer Schedule 16, Note 26]	1,99,686	1,77,693
<b>Total</b>	<b>13,00,734</b>	<b>13,06,999</b>

\*Netting off done on year-on-year basis

## SCHEDULE 15 MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
1 Discount Allowed in issue of shares / debentures	-	-
2 Others	-	-
Total	-	-

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 16

### NOTES TO THE FINANCIAL STATEMENTS

#### 1 Corporate Information

Aditya Birla Sun Life Insurance Company Limited ('the Company' or 'ABSLI') (CIN: U99999MH2000PLC128110), headquartered at Mumbai, had commenced operations on 19<sup>th</sup> March 2001, after receiving the license to transact life insurance business in India from the Insurance Regulatory and Development Authority ('IRDA') on 31<sup>st</sup> January 2001. It was incorporated on August 4, 2000 as a Company under the Companies Act, 1956 ('the Act'). The Company is a subsidiary of Aditya Birla Capital Limited (formerly known as Aditya Birla Financial Services Limited) which holds 51 percent of paid up share capital. Further, Sun Life Financials (India) Insurance Investments Inc., subsidiary of Sun Life Assurance Company of Canada holds 49 percent of paid up share capital. The Insurance Regulatory and Development Authority of India (IRDAI) vide its circular dated 7<sup>th</sup> April, 2015 bearing reference number IRDA/F&A/CIR/GLD/062/04/2015 has pursuant to amendment in Insurance Laws (Amendment) Act 2015 to Section 3A of the Insurance Act, 1938, discontinued the requirement to apply for Renewal Certificate of Registration (IRDA/R6) on an annual basis. Accordingly, upon payment of the annual fees for the financial year 2021-22, the certificate of registration which was valid for financial year ended 31<sup>st</sup> March, 2017 shall continue to be valid for financial year ended 31<sup>st</sup> March, 2023 and the same is in force as on the date of this report.

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

#### 2 Significant Accounting Policies

##### a) Basis of Preparation

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

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

##### b) Use of Estimates

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

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## c) Revenue Recognition

### i) Premium Income

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

For unit linked business, premium income is recognized when the associated units are created. Premium on lapsed policies is recognized as income when such policies are reinstated.

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

Products having regular premium paying plans with limited premium payment term and/or pre-determined policy term are treated as regular business with due classification of premium into first year and renewal. Premium income on products other than aforesaid is classified as single premium.

Top up premiums are considered as single premium.

### ii) Income from Investments

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

Dividend income is recognized on ex-dividend date.

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

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

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

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

### iii) Reinsurance premium ceded

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

### iv) Income from linked policies

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

### v) Fees and Charges

Interest income on loans is recognized on an accrual basis.

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## d) Benefits Paid (Including Claims)

Benefits paid comprise of policy benefits and claim settlement costs, if any. Death and other claims are accounted for, when intimated. Survival and maturity benefits are accounted when due. Surrenders / Withdrawals under linked policies are accounted in the respective schemes when the associated units are cancelled as per IRDAI Guidelines and under non linked policies are accounted on the receipt of intimation. Amount payable on lapsed/discontinued policies are accounted for on expiry of lock in period of these policies. Surrenders, withdrawals and lapsation are disclosed at net of charges recoverable. Reinsurance recoverable thereon, if any, is accounted for in the same period as the related claim. Repudiated claims disputed before judicial authorities are provided for based on management prudence considering the facts and evidences available in respect of such claims.

## e) Unclaimed amounts of policyholders

Pursuant to IRDAI circular no. IRDA/F&A/CIR/CLD/114/05/2015 dated May 28, 2015, IRDA/F&A/CIR/CPM/134/07/2015 dated July 24, 2015 on "Handling of unclaimed amounts pertaining to policyholders" ("the Regulations") and IRDA/F&A/CIR MISC/282/11/2020 dated November 17, 2020, the Company has created a single segregated fund to manage all unclaimed monies.

Unclaimed amount of policyholders' liability is determined on the basis of NAV of the units outstanding as at the valuation date.

Assets held for unclaimed amount of policyholders and unclaimed amount of policyholders' liability are considered as Current Assets & Current Liabilities, and disclosed in Schedule 12 "Advances and Other Assets" and Schedule 13 "Current Liabilities" respectively.

Income on unclaimed amount of policyholders is accreted to the unclaimed fund and is accounted for on an accrual basis, net of fund management charges.

The unclaimed amount of policyholders which are more than 10 years as on 30<sup>th</sup> September every year, are transferred to the Senior Citizens' Welfare Fund (SCWF) on or before 1<sup>st</sup> March of that financial year.

## f) Acquisition Costs

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

## g) Investments

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

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

### i. Classification

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

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

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## ii. Valuation

### a) Debt securities

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

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

- Policyholders' linked funds:

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

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

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

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

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

### b) ii) Redeemable Preference shares :

Policyholders' non-linked funds and shareholders' investments:

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

#### Policyholders' linked funds:

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

### c) Mutual Funds

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

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

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

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

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

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

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

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

Social Venture Fund/ Venture Capital Funds are valued at latest available NAV at each reporting date. If such NAV is not available for more than eighteen months, Social Venture Fund / Venture Capital Fund will be valued at cost.

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

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

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

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

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

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

- ii. Derivatives are undertaken by Company solely for the purpose of hedging interest rate risks on account of following:
- Reinvestment of maturity proceeds of existing fixed income investments;
  - Investment of interest income receivable; and
  - Expected policy premium income receivable on insurance contracts which are already underwritten.
- iii. Investment transfer

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

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

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

iv. Impairment on Investment

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

## h) Loans Against Policies

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

## i) Fixed Assets, Capital work in progress and impairment.

i. Fixed assets and depreciation

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

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

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

Sr. No.	Assets Type	Useful Lives as per Company's Policy	As per Schedule II of Companies Act, 2013
1	Leasehold Improvements and Furniture and fittings at leased premises	5	Not specified
2	Furniture & Fittings (Other than (1) above)	10	10
3	Vehicles*	5	8
4	Office Equipment	5	5
5	Mobile Phones*	2	5
6	Intangibles (Software)	5	Not specified
7	Information Technology Equipment		
	- Server	6	6
	- Tablet*	2	3
	- Other*	5	3

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

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

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## ii. Intangibles

Intangible assets comprise of software licenses which are stated at cost less amortization. Software licenses are amortised using Straight Line Method over a period of 5 years from the date of being put to use (To be read along with Note 39)

## iii. Capital work in progress

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

## iv. Impairment of Assets

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

## j) Operating Leases

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

## k) Employee Benefits

### i. Short Term Employee Benefits

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

### ii. Long Term Employment Benefits

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

#### • Defined Contribution Plans:

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

National Pension Scheme (which is Company contribution) are the defined contribution plans for the employees. The contributions paid/payable under the plan are made when due and charged to the Revenue Account and the Profit and Loss Account on an undiscounted basis during the period in which the employee renders the related service. The Company does not have any further obligation beyond the contributions made to the funds.

#### • Defined Benefit Plans:

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

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

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

### iii. Other Long Term Employee Benefits

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

Long term incentives plans are subject to fulfilment of criteria prescribed by the Company and are accounted for at the present value of future expected benefits payable using an appropriate discount rate. Actuarial gains or losses, if any, due to experience adjustments and the effects of changes in actuarial assumptions are accounted for in the Revenue Account, as the case may be, in the period in which they arise.

### l) Foreign Currency Transactions

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

### m) Segment Reporting

As per Accounting Standard 17 (AS 17) on 'Segment Reporting' read with the "Preparation of Financial Statements, Auditor's Report of Insurance Companies, Regulations 2002" read with the Insurance Laws (Amendment) Act 2015, the Company is required to report segment results separately for linked, non-linked, health and pension businesses. The business is broadly classified as Participating non-linked, Non Participating Unit Linked and Non Linked businesses, which are further segmented into Individual Life, Group Life, Group Life Variable, Individual Pension, Annuity Individual, Group Pension, Group Pension Variable and Individual Health businesses. Accordingly, the Company has prepared the revenue account and balance sheet for these primary business segments separately. Since the business operation of the Company is in India only, the same is considered as one geographical segment.

#### Allocation Methodology:

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

- Revenues, other Income, expenses, assets and liabilities directly attributable and identifiable to business segments, are allocated on actual basis; and
- Revenues, other income, other expenses, assets and liabilities which are not directly identifiable though attributable to a business segment, are allocated on the following basis, as considered appropriate by the management:
  - First Year Premium & 10% of Single Premium ;
  - First year / gross commission;
  - Sum assured;
  - Policy liability;
  - Asset under management;
  - New Business Policy Count;
  - Enforce policy count
  - Employee Cost

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

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## n) Taxation

### i. Direct Taxes

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

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

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

### ii. Indirect Taxes

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

## o) Provisions and Contingencies

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

## p) Funds for Future Appropriation

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

There is no FFA created during the year.

## q) Earnings Per Share

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

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

**r) Cash and Cash Equivalents**

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

**s) Receipts and Payments Account**

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

**t) Actuarial Liability Valuation**

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

**u) Provision for Doubtful Debts**

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

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

Corporate Loans are valued at cost less provision.

**w) Borrowings**

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

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

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

### 3 Contingent Liabilities

Sr. No.	Particulars	Current Year	Previous Year
1	Partly paid-up investments	25,04,368	23,33,907
2	Claims, other than against policies, not acknowledged as debts by the Company	23,447	23,447
3	Underwriting commitments outstanding	Nil	Nil
4	Guarantees given by or on behalf of the Company	2,500	2,500
5	Statutory demands / liabilities in dispute, not provided for	Refer Note Below	Refer Note Below
6	Reinsurance obligations to the extent not provided for in the accounts	NA	NA
7	Others *	5,05,312	4,75,258

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

Note:- The company has received Show Cause-Cum-Demand notices for earlier period relating to Service Tax demands of ₹438,098 as at 31<sup>st</sup> March, 2023, (as at 31<sup>st</sup> March, 2022 ₹438,098) as plus applicable interest and penalty. Basis legal opinion obtained, management is of the opinion that these show-cause cum demand notices are not legally tenable and has contested at appellate authority.

### 4 Percentage of Business Sector-wise

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

Sector	Particulars	Current Year	Previous Year
Rural	Number of New Policies (A)	51,889	48,721
	% of rural sector policies to total policies (A / D)	21.28%	21.61%
	Premium underwritten	39,05,363	29,08,903
Social	Number of New Policies (B)	-	64
	Number of New Lives (C)	6,24,617	3,23,540
	Premium underwritten	4,69,561	1,90,914
	Social Sector lives as a % of total business [C / (D+G) ]	10.84%	11.62%
	Social Sector lives as a % of total business of preceeding financial year [C / (D+G) of previous year]	22.44%	16.38%
Total	Number of Individual life policies (D)	2,43,389	2,25,498
	Number of Individual lives covered (E)	2,49,614	2,32,770
	Number of Group Schemes issued (F)	420	290
	Number of Group lives covered (G)	55,18,536	25,58,609

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## 5 Contribution from Shareholders'/ Policyholders' Account

The net surplus of ₹81,859 (Previous year deficit: ₹14,833) based on the actuarial valuation made in accordance with the Insurance Act, and as certified by the appointed actuary is being transferred from policyholders' account to shareholders' account. The details are tabulated below:

Surplus / (Deficit) of Business Segments	Current Year	Previous Year
<b>Non Par Linked</b>		
Individual	10,75,370	(1,20,911)
Group	2,04,443	2,11,048
Individual Pensions	1,12,990	78,403
Group Pensions	67,546	70,267
Health	20,598	45,604
<b>Non Par Non Linked</b>		
Individual	(26,76,080)	89,784
Group	9,33,990	(6,24,032)
Group Life Variable	63,378	77,079
Individual Pensions	(3,445)	19,182
Annuity Individual	88,068	42,523
Group Pensions	(1,67,662)	5,395
Group Pension Variable	59,084	1,01,833
Health	19,739	14,360
<b>Par Non Linked</b>		
Individual	2,83,840	(25,368)
<b>Contribution from Shareholders</b>	<b>28,47,187</b>	<b>7,70,321</b>
<b>Transfer to shareholders</b>	<b>29,29,046</b>	<b>7,55,488</b>
<b>Net Surplus / (Deficit) for Policyholders</b>	<b>81,859</b>	<b>(14,833)</b>

## 6 Operating Lease Commitments

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

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

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

Particulars	Current Year	Previous Year
Total lease rentals charged to Revenue Account	4,53,552	4,86,086
Lease obligations for operating leases		
- Within one year of the balance sheet date	4,66,311	3,87,556
- Due in a period between one year and five years	15,31,869	9,22,700
- Due after five years	7,85,162	2,98,531

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

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## 7 Foreign Exchange Gain / (Loss)

The Company has recorded foreign exchange loss of ₹1,539 in the Revenue Account and the same is included under “Interest and Bank Charges” in Schedule 3 (Previous Year Loss ₹6)

## 8 Managerial Remuneration

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

Particulars	Current Year	Previous Year
	Mr. Kamlesh Rao	Mr. Kamlesh Rao
Salary	13,329	12,143
Other allowances	76,929	46,067
Contribution to :		
- Provident fund	1,599	1,457
- Superannuation fund	-	-
Perquisites	14,494	37,601
<b>Total*</b>	<b>1,06,351</b>	<b>97,267</b>
Employee stock options exercised during the year	70,033	-

\*The managerial remuneration mentioned above does not include the perquisite value as per Income Tax Act, 1961 of employee stock options of holding company exercised and the actuarially valued employee benefits that are accounted as per Accounting Standard (AS) 15 (Revised), “Employee Benefits”, that are determined on an overall Company basis.

Further, in accordance with the IRDAI circular IRDA/F&A/GDL/LSTD/155/08/2016 dated August 5 2016 read with IRDA/F&A/CIR/MISC/184/10/2019 dated October 4, 2019, annual managerial remuneration in excess of 15,000 is required to be borne by the Shareholders’ and separately disclosed in the Profit and Loss account.

Accordingly, Of the above, amount of ₹91,351 (Previous year ₹82,267) has been borne by shareholders. The remuneration stated above includes gratuity and leave encashment, accrued based on actuarial valuation for the Company’s overall liability.

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

Particulars	Current Year	Previous Year
Outsourcing Expenses	4,88,258	4,03,378
Business Development Expenses	2,50,273	1,58,956
Market Support and Advertisement Expenses	56,03,206	37,69,325

## 10 Earnings Per Share

Particulars	Current Year	Previous Year
Profit as per profit and loss account	13,84,971	12,68,380
Weighted average number of equity shares (Nos of shares in 000)	19,16,929	19,01,208
Earnings per share (Basic and Diluted) in ₹	0.72	0.67
Face Value per share *	10	10

\* Amount in absolute Indian Rupees

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## 11 Actuarial Assumptions

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

### Unit Reserves

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

### Non Unit Reserves

Prospective gross premium cash flow method is used to compute the non unit liabilities in respect of the policies in force as at March 31, 2023. The cash flows are projected based on assumptions that reflect the expected future experience and have an appropriate allowance for margins for adverse deviations. The major assumptions relate to mortality, interest, expenses, policy persistency and premium persistency.

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

Additional provisions are made towards:

- I. Investment guarantees for unit linked business
- II. Substandard lives
- III. Unearned premium (in accordance with IRDAI Circular 50/IRDA/ACTL/CIR/GEN/050/03/2010)
- IV. Reserves for free look option given to the policyholders

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

- V. Lapse policies eligible for revivals (in accordance with IRDAI Circular 41/IRDA/ACTL/Mar-2006).
- VI. New Business Closure Reserve
- VII. Cash Surrender Value Deficiency Reserve
- VIII. Premium Waiver Claim Provision
- IX. Incurred But Not Reported Reserve

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

For the valuation as on 31<sup>st</sup> March 2023, ABSLI has used following valuation assumptions. All these assumptions include margin for adverse deviations.

#### 1 Interest

The interest rates used are in the range **5.55%** (Previous Year - 5.66%) per annum to **7.3%** (Previous Year - 7.3%) per annum.

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# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## 2 Mortality Rates

The mortality rates used for the valuation of assurance benefits under each segment of business are based on the published IALM (2012-14) Ultimate Mortality Table modified to convert it from nearest birthday to last birth day mortality rates. Further to reflect the expected experience for own portfolio, ABSLI has taken multiple of the modified IALM (2012-14) mortality rates. Such mortality multiples are in the range of **22.58% to 332.78%** (Previous Year - 22.58% to 309.38%). The mortality rates used for valuation of annuities are based on the 56.88% - 84.38% of the latest standard Annuitant Mortality Rates.

## 3 Expenses

The per policy maintenance expenses assumed for the valuation of liabilities are set looking at our recent experience and expected per policy expenses in future as per our business plan. The per policy maintenance expense is upto **₹880\*** (Previous Year - upto ₹838\*) depending on the product. Commission scales have been allowed in accordance with the product filing with IRDA.

\* in absolute ₹

## 4 Policy Termination Rates

The policy termination rates used for the valuation of liabilities ranges **from 0.0% per annum to 48% per annum** (Previous Year - from 0.0% per annum to 48% per annum) for the first three policy years thereafter in the range of **0.0% per annum to 14% per annum** (Previous Year - 0.6% per annum to 14% per annum) .

## 5 Bonus Rates

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

## 6 Policyholder's Reasonable Expectations

For unit linked products Policyholders know that the returns on such plans are market linked and hence ultimate benefit payout would depend upon the mark to market performance of the underlying funds. Each ULIP proposal form is accompanied by a signed sales illustration illustrating values using gross return of **4% and 8% pa** (Previous Year - 4% and 8% pa). For par products the bonus rates are declared consistent with the performance of the par fund and the illustrated rate of bonuses in the sales illustration provided at the time of selling the policy.

## 7 Taxation and Shareholder Transfers

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

## 8 Basis of provisions for incurred but not reported (IBNR)

IBNR for individual life business, one-year renewable group term business and group credit life business is determined using chain ladder method taking into account the claim reporting pattern from past claim experience.

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## 12 Disclosure of discontinued linked policies

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

Particulars	Current Year		Previous Year	
	Sub-total	Total	Sub-total	Total
<b>a) Fund for Discontinued Policies</b>				
Opening Balance of Funds for Discontinued Policies		1,18,37,281		89,43,254
Add: Fund of policies discontinued during the year	54,82,818		52,50,747	
Less: Fund of policies revived during the year	2,97,627		5,17,747	
Add: Net Income/ Gains on investment of the Fund	6,19,164		5,29,012	
Less: Fund Management Charges levied	80,582		64,323	
Less: Amount refunded to policyholders during the year	32,45,045		23,03,661	
Closing Balance of Fund for Discontinued Policies		1,43,16,009		1,18,37,281
<b>Other disclosures</b>				
b) No. of policies discontinued during the year		20,251		20,272
c) Percentage of discontinued policies to total policies (product-wise) during the year				
ABSLI Wealth Aspire V05		1.60%		1.41%
ABSLI Wealth Secure V06		1.91%		1.12%
ABSLI Fortune Elite V04		0.02%		0.02%
ABSLI Wealth Assure Plus V02		1.70%		0.33%
ABSLI Empower Pension Product 2020		5.83%		1.74%
ABSLI Wealth Infinia		0.07%		0.07%
ABSLI Smart Growth Plan		23.95%		12.12%
No. of policies revived during the year		1,252		1,563
Percentage of policies revived (to discontinued policies) during the year		6%		8%
d) Charges imposed on account of discontinued policies		97,966		86,852
e) Charges readjusted on account of revival of policies		40,979		33,878

## 13 Percentage of Risk-Retained and Risk-Reinsured

Particulars	Current Year		Previous Year	
	Sum Assured	%	Sum Assured	%
<b>Individual Business</b>				
Risk-retained	1,15,87,22,139	41.68%	1,03,97,52,850	39.96%
Risk-reinsured	1,62,10,51,565	58.32%	1,56,19,05,765	60.04%
Total Individual Risk	2,77,97,73,704	100.00%	2,60,16,58,615	100.00%
<b>Group Business</b>				
Risk-retained	2,18,77,49,000	43.49%	1,11,43,20,939	45.80%
Risk-reinsured	2,84,26,81,233	56.51%	1,31,87,87,356	54.20%
Total Group Risk	5,03,04,30,233	100.00%	2,43,31,08,295	100.00%

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# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## 14 Encumbrances

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

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

Particulars	Current Year	Previous Year
Fixed deposit with NSCCL	-	-
Fixed deposit with ICCL	-	-

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

Particulars	Current Year	Previous Year
Government Security of face value	1,94,200	2,08,400
Cash	100	100

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

Particulars	Current Year	Previous Year
Government Security of face value	7,40,000	7,40,000
Cash	36,100	36,100

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

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

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

Particulars	Current Year	Previous Year
Government Security of face value	8,400	8,400
Cash	600	300

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

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

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

There are no assets required to be deposited by the Company under any local laws or otherwise encumbered in or outside india as at March 31, 2023 (March 31, 2022: Nil).

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

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## 15 Commitments Made and Outstanding on Fixed Assets

Estimated amount of contracts remaining to be executed on fixed assets to the extent not provided for (net of advance) is ₹1,25,151 (Previous Year: ₹1,74,111)

## 16 Investments

### i Value of Contract Outstanding

Particulars	Current Year	Previous Year
Purchase where payment is not made and deliveries are pending	14,61,875	29,27,404
Purchase where payments are made and deliveries are pending	NIL	NIL
Sales where receivables are pending	3,46,856	11,88,806

### ii. Historical costs

Particulars	Current Year	Previous Year
Aggregate historical cost of Linked investments	28,00,99,027	26,75,12,174
Aggregate market value of Linked investments	30,20,11,378	29,95,38,345

### iii. All investments are performing assets except assets impaired.

## 17 Allocation of Investments and Income

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

## 18 Policyholders' Liabilities Adequately Backed by Assets

Particulars	Current Year	Previous Year
Policyholders' liabilities	(37,04,56,790)	(28,24,01,658)
Investments (As per schedule 8A )	36,24,56,326	27,71,40,624
Loans to policyholders (As per schedule 9)	37,10,289	25,89,195
Fixed Asset	7,45,019	6,43,509
Net Current Assets	51,69,469	29,45,793

## 19 Assets in the Internal Funds

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

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

## 20 Assets Restructured During the Year

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

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 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## 21 Disclosure for ULIP business

### Investment Management

- a. Activities Outsourced: ₹ Nil (Previous Year: Nil)
- b. Fees Paid for various activities charged to policyholders account for the period ended 31<sup>st</sup> March 2023: ₹ Nil (Previous Year: ₹ Nil)

## 22 1. Nature and Term of Outstanding Derivative Contract

### a) Forward rate Agreement

Sr. No.	Particulars	Current Year	Previous Year
i)	Total notional principal amount of forward rate agreement undertaken during the year (instrument-wise)		
	7.73% GOI 2034 (MD 19/12/2034)	-	6,71,011
	8.13% GOI 2045 (MD 22/06/2045)	13,68,390	10,72,570
	8.30% GOI 2040 (MD 02/07/2040)	18,70,350	5,06,817
	8.30% GOI 2042 (MD 31/12/2042)	48,22,270	9,93,100
	8.33% GOI 2036 (MD 07/06/2036)	3,48,240	26,97,335
	8.83% GOI 2041 (MD 12/12/2041)	16,23,110	17,11,720
	9.23% GOI 2043 (MD 23/12/2043)	24,56,000	7,18,720
	8.17% GOI 2044 (MD 01/12/2044)	20,04,180	7,97,910
	7.06% GOI 2046 (MD 10/10/2046)	11,33,600	7,64,260
	7.72% GOI 2055 (MD 26/10/2055)	-	16,45,109
	7.63% GOI 2059 (MD 17/06/2059)	-	6,80,850
	6.67% GOI 2050 (MD 17/12/2050)	-	18,72,650
	6.64% GOI 2035 (MD 16/06/2035)	-	29,17,003
	6.76% GOI 2061 (MD 22/02/2061)	-	7,80,705
	7.50% GOI 2034 (MD 10.08.2034)	-	4,74,889
	6.99% GOI 2051 (MD 15/12/2051)	7,37,100	5,59,396
	7.54% GOI 2036 (MD 23/05/2036)	87,76,395	-
	6.95% GOI 2061 (MD 16/12/2061)	1,74,000	-
	6.67% GOI 2035 (MD 15/12/2035)	1,34,000	3,82,230
	7.40% GOI 2062 (MD 19/09/2062)	43,80,040	-
	7.41% GOI 2036 (MD 19/12/2036)	46,52,720	-
	7.36% GOI 2052 (MD 12/09/2052)	50,60,080	-
ii)	Total notional principal amount of forward rate agreement outstanding as on end of the year (instrument-wise)		
	7.40% GOI 2035 (MD 09/09/2035)	5,88,592	9,12,403
	7.62% GOI 2039 (MD 15/09/2039)	28,95,187	40,30,760
	7.73% GOI 2034 (MD 19/12/2034)	14,16,571	25,19,161
	7.95% GOI 2032 (MD 28.08.2032)	17,86,825	26,33,682
	8.13% GOI 2045 (MD 22/06/2045)	29,34,460	15,66,070
	8.24% GOI 2033 (MD 10/11/2033)	9,06,110	12,74,160
	8.28% GOI (MD 15/02/2032)	5,02,095	5,02,095
	8.30% GOI 2040 (MD 02/07/2040)	26,46,847	7,76,497
	8.30% GOI 2042 (MD 31/12/2042)	65,47,250	26,77,080
	8.32% GOI (MD 02/08/2032)	13,58,510	13,58,510

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for the year ended 31<sup>st</sup> March 2023

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Sr. No.	Particulars	Current Year	Previous Year
	8.33% GOI 2036 (MD 07/06/2036)	44,19,546	49,05,310
	8.83% GOI 2041 (MD 12/12/2041)	38,22,350	23,03,580
	8.97% GOI 2030 (MD 05/12/2030)	-	2,66,440
	9.20% GOI 2030 (MD 30/09/2030)	17,00,770	32,77,370
	9.23% GOI 2043 (MD 23/12/2043)	33,71,887	9,57,257
	8.17% GOI 2044 (MD 01/12/2044)	31,02,620	10,98,440
	7.06% GOI 2046 (MD 10/10/2046)	21,44,324	11,36,454
	7.63% GOI 2059 (MD 17/06/2059)	3,56,590	6,80,850
	7.72% GOI 2055 (MD 26/10/2055)	12,32,670	16,45,109
	6.67% GOI 2050 (MD 17/12/2050)	15,65,510	18,72,650
	6.76% GOI 2061 (MD 22/02/2061)	3,25,115	7,80,705
	6.64% GOI 2035 (MD 16/06/2035)	27,34,852	29,17,003
	6.99% GOI 2051 (MD 15/12/2051)	12,96,496	5,59,396
	7.50% GOI 2034 (MD 10.08.2034)	4,40,051	4,74,889
	6.95% GOI 2061 (MD 16/12/2061)	1,74,000	-
	7.36% GOI 2052 (MD 12/09/2052)	50,60,080	-
	7.54% GOI 2036 (MD 23/05/2036)	69,69,005	-
	7.40% GOI 2062 (MD 19/09/2062)	43,80,040	-
	7.41% GOI 2036 (MD 19/12/2036)	46,52,720	-
	6.67% GOI 2035 (MD 15/12/2035)	5,16,230	3,82,230
iii)	Notional principal amount of forward rate agreement outstanding and not 'highly effective' as at Balance Sheet date	-	-
iv)	Mark-to-market value of forward rate agreement outstanding and not 'highly effective' as at Balance Sheet date	-	-
v)	Loss which would be incurred if counter party failed to fulfil their obligation under agreements	-	-

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

Sr. No.	Hedging Instrument	Current Year	Previous Year
i)	7.40% GOI 2035 (MD 09/09/2035)	5,852	9,607
ii)	7.62% GOI 2039 (MD 15/09/2039)	(81,406)	(1,46,955)
iii)	7.73% GOI 2034 (MD 19/12/2034)	(18,185)	(22,675)
iv)	7.95% GOI 2032 (MD 28.08.2032)	38,546	10,134
v)	8.13% GOI 2045 (MD 22/06/2045)	(12,037)	(38,374)
vi)	8.24% GOI 2033 (MD 10/11/2033)	28,376	24,938
vii)	8.28% GOI (MD 15/02/2032)	26,136	26,739
viii)	8.30% GOI 2040 (MD 02/07/2040)	(15,893)	(14,344)
ix)	8.30% GOI 2042 (MD 31/12/2042)	(29,653)	(61,672)
x)	8.32% GOI (MD 02/08/2032)	41,520	39,111
xi)	8.33% GOI 2036 (MD 07/06/2036)	(46,077)	(76,069)
xii)	8.83% GOI 2041 (MD 12/12/2041)	45,829	(17,057)
xiii)	8.97% GOI 2030 (MD 05/12/2030)	-	6,634
xiv)	9.20% GOI 2030 (MD 30/09/2030)	19,744	47,011

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Sr. No.	Hedging Instrument	Current Year	Previous Year
xv)	9.23% GOI 2043 (MD 23/12/2043)	22,884	4,878
xvi)	8.17% GOI 2044 (MD 01/12/2044)	(19,442)	(34,312)
xvii)	7.06% GOI 2046 (MD 10/10/2046)	(5,194)	(18,366)
xviii)	7.63% GOI 2059 (MD 17/06/2059)	(8,016)	(32,712)
xix)	7.72% GOI 2055 (MD 26/10/2055)	124	(40,021)
xx)	6.67% GOI 2050 (MD 17/12/2050)	(16,178)	(39,222)
xxi)	6.76% GOI 2061 (MD 22/02/2061)	4,958	3,319
xxii)	6.64% GOI 2035 (MD 16/06/2035)	(49,524)	(62,485)
xxiii)	6.99% GOI 2051 (MD 15/12/2051)	20,351	(6,293)
xxiv)	7.50% GOI 2034 (MD 10.08.2034)	(98)	(2,233)
xxv)	6.95% GOI 2061 (MD 16/12/2061)	3,158	-
xxvi)	7.40% GOI 2062 (MD 19/09/2062)	3,359	-
xxvii)	7.41% GOI 2036 (MD 19/12/2036)	(1,707)	-
xxviii)	7.36% GOI 2052 (MD 12/09/2052)	49,613	-
xxix)	7.54% GOI 2036 (MD 23/05/2036)	40,210	-
xxx)	6.67% GOI 2035 (MD 15/12/2035)	2,238	889

## c) Movement in Hedge Reserve

Sr. No.	Hedge Reserve Account	Current Year			Previous Year		
		Realised*	Unrealised	Total	Realised*	Unrealised	Total
i)	Balance at the beginning of the year	(6,71,462)	(2,58,521)	(9,29,983)	(3,46,712)	(7,92,721)	(11,39,433)
ii)	Add: Changes in the fair value during the Year	50,264	(5,53,964)	(5,03,700)	(3,64,935)	5,34,200	1,69,266
iii)	Less: Amounts reclassified to Revenue /Profit & Loss Account	(52,967)	-	(52,967)	(40,185)	-	(40,185)
iv)	Balance at the end of the year	(5,68,231)	(8,12,485)	(13,80,716)	(6,71,462)	(2,58,521)	(9,29,983)

An amount of ₹1,36,995 (Previous year ₹1,39,322) was recognised in Revenue Account being the loss of the portion determined to be ineffective.

\* The Guidance note on Hedge accounting dated June 1, 2015 issued by Institute of Chartered Accountants of India specifically provides that any cumulative gain or loss on the hedging instrument that remains recognized directly in the appropriate equity account from the period when the hedge was effective should remain recognized in the equity account until the forecast transaction occurs. In addition, IRDAI regulation on Preparation of Financial Statements and Auditors report of Insurance Companies, 2002 clearly defines the Fair value change to reflect only unrealized gains / losses arising due to changes in the fair value of listed equity shares and derivative instruments. Considering the above guidance and in the absence of any other line item to classify the released gains on Policyholders' Account in the Balance Sheet, the Company has reclassified the cumulative realized gains on forward rate agreements as "Realised Hedge Reserve" under schedule 6 (Reserves and Surplus) of the Financial Statements. The amount under this account shall be recycled to Revenue Account basis the forecasted transaction impacts the Revenue Account. Till such time, the amount reflected as part of Realised Hedge Reserve will not be available for payment of dividends to shareholders.

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## d) Counter Party wise Details

Sr. No.	Particulars	Current Year	Previous Year
i)	Name of the Counter Party	HSBC Bank, J.P.Morgan, Citi Bank, Credit Suisse, HDFC Bank, Deutsche Bank; Standard Chartered Bank, DBS, Kotak Bank and ICICI Bank	HSBC Bank, J.P.Morgan, Citi Bank, Credit Suisse, HDFC Bank, Deutsche Bank; Standard Chartered Bank
ii)	Hedge Designation	Cash flow hedge	Cash flow hedge
iii)	Likely impact of one percentage change in interest rate (100*PVO1)		
	a) Underlying being hedged	Sovereign Bonds	Sovereign Bonds
	b) Derivative	Forward Rate Agreement	Forward Rate Agreement
iv)	Credit Exposure	-	-

## 23 Claims

The claims settled and remaining unpaid for a period of more than six months as at the balance sheet date are 0 case (Previous Year 0 case) other than unclaimed. Reinsurance recoverable is netted off against claim expenses incurred.

## 24 Foreign Currency Exposure

The company does not have any open foreign currency exposure with respect to reinsurance as on the Balance Sheet date.

## 25 Disclosure for Unclaimed Amount of Policyholders

i)

Particulars	Total Amount	AGE-WISE ANALYSIS#						
		0-6 months	7-12 months	13-18 months	19- 24 months	25 - 30 months	31 - 36 months	Beyond 36 Months
Claims settled but not paid to the policyholders / insured's due to any reasons except under litigation from the insured / policyholders	2,22,318	35,851	16,503	39,305	34,057	12,810	32,315	51,477
	2,06,412	55,152	41,436	13,401	31,252	34,673	3,320	27,177
Sum due to the insured / policyholders on maturity or otherwise	2,80,541	2,035	69,523	48,497	27,314	26,940	13,393	92,839
	3,21,178	3,437	78,548	73,154	31,904	42,089	14,545	77,500
Any excess collection of the premium / tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Cheques issued but not encashed by the policyholder/ insured	14,75,666	204	1,14,352	1,03,182	58,768	64,325	67,049	10,67,786
	20,40,055	812	1,21,529	1,10,297	1,04,198	76,150	95,741	15,31,328
<b>Total</b>	<b>19,78,525</b>	<b>38,090</b>	<b>2,00,378</b>	<b>1,90,984</b>	<b>1,20,139</b>	<b>1,04,075</b>	<b>1,12,757</b>	<b>12,12,102</b>
	25,67,645	59,402	2,41,512	1,96,852	1,67,353	1,52,913	1,13,607	16,36,005

The cheques issued but not encashed by policyholder/insured category does not include ₹557,681 pertaining to cheques which are within the validity period but not yet encashed by policyholders as on 31<sup>st</sup> March, 2023 (Previous Year ₹575,248). This amount forms a part of bank reconciliation statement and consequently not considered in unclaimed amount of policyholders under Schedule 13 – Current Liabilities.

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# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

- ii) Pursuant to IRDAI circular No. IRDA/F&A/CIR/CLD/114/05/2015 dated May 28, 2015 and IRDA/F&A/CIR/CPM/134/07/2015 dated July 24, 2015 on "Handling of unclaimed amounts pertaining to policyholders", the Company has created a single segregated fund to manage all the unclaimed monies. The amount in such unclaimed fund has been invested in money market instruments and /or fixed deposit of scheduled banks.

The amount in the unclaimed fund has been disclosed in Schedule 12 as 'Unclaimed Fund' along with 'Income accrued on unclaimed fund'.

Further in accordance with the master circular IRDA/F&A/CIR/Misc/282/11/2020 issued by the IRDAI on November 17, 2020, the details of unclaimed amounts and investment income at March 31, 2023 is tabulated as under:

Particulars	Current Year		Previous Year	
	Policy Dues	Interest accrued	Policy Dues	Interest accrued
Opening Balance (A)*	21,39,359	4,28,289	24,89,861	4,53,510
Add: Amount Transferred to Unclaimed Amount (B)	7,09,431	-	7,90,498	-
Add: Cheques issued out of the unclaimed amount but not encashed by the policy holders (To be included only when the cheques are stale) (C)	5,120	-	14,490	-
Add: Investment Income (D)	-	1,26,086	-	95,895
Less: Amount paid during the year (E)	9,07,220	82,798	10,64,416	87,975
Less: Amount transferred to Senior Citizens Welfare Fund ("SCWF") - (F)	3,04,300	1,35,443	91,074	33,142
Closing balance (G=A+B+C+D-E-F)	16,42,390	3,36,134	21,39,359	4,28,289

## 26 Employee benefits

### a) Defined Benefit Plans

#### (i) Gratuity

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

Change in Defined benefit obligations	Current Year	Previous Year
<b>Present value of Defined benefit obligations as at beginning of the year</b>	6,58,028	5,81,721
Service cost	57,071	52,429
Interest cost	38,507	31,623
Liability assumed on acquisition / Settled on divestiture	-	-
Benefits paid	(74,764)	(63,522)
Past service cost	-	-
Acquisition/Business Combination/Divestiture	6,920	-
Actuarial loss / (gain) due to curtailment	-	-
Actuarial loss / (gain) due on obligations	8,004	55,777
<b>Present value of Defined benefit obligations as at end of the year</b>	6,93,766	6,58,028
<b>Reconciliation of present value of the obligation and the fair value of the plan assets</b>		
Opening Fair Value of Plan assets	6,14,986	5,02,679
Contributions by the employer for the year	84,211	1,30,663

## Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

Change in Defined benefit obligations	Current Year	Previous Year
Benefits paid	(74,764)	(63,522)
Expected Return on Plan Assets	38,450	30,834
Acquisition/Business Combination/Divestiture	6,920	-
Actuarial Gain / (Loss)	(15,584)	14,332
<b>Closing Fair Value of Plan assets</b>	<b>6,54,219</b>	<b>6,14,986</b>
<b>Net asset/ (liability) as at end of the year</b>	<b>(39,549)</b>	<b>(43,043)</b>
<b>Cost recognised for the year</b>		
Current service cost	57,071	52,429
Interest cost	38,507	31,623
Expected return on plan assets	(38,450)	(30,834)
Past service cost	-	-
Actuarial (gain) / loss due to curtailment	-	-
Cost of Gratuity for FFS not part of Valuation	-	-
Actuarial (gain) / loss	23,588	41,445
<b>Net gratuity cost</b>	<b>80,717</b>	<b>94,662</b>
Transitional Liability expended in Revenue Account	-	-
<b>Investment in Category of Assets (% Allocation)</b>		
Insurer Managed Funds*	100.00%	100.00%
Group Stable Fund	0.00%	0.00%
Group Short Term Debt Fund	0.00%	0.00%
<b>Actuarial assumptions used</b>		
Discount rate	7.31%	6.17%
Rate of return on plan	7.31%	6.17%
Salary escalation rate	7.50%	7.50%

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

Asset allocation	Current Year	Previous Year
Debt securities	100.00%	100.00%
Equity and money market	0.00%	0.00%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

Asset allocation	2022-23	2021-22	2020-21	2019-20	2018-19
Defined Benefit Obligation	6,93,766	6,58,028	5,81,721	4,24,673	3,69,248
Plan Assets	6,54,219	6,14,986	5,02,679	3,97,072	3,58,746
Net Surplus / (Deficit)	(39,548)	(43,042)	(79,043)	(27,600)	(10,502)
Experience adjustment on Plan Liabilities	69,405	51,940	20,952	31,949	(9,629)
Experience adjustment on Plan Assets	(15,584)	14,332	33,925	(8,526)	4,503

The contributions expected to be paid to the plan during the annual period beginning after the balance sheet date is ₹68,977 (Previous Year: ₹53,470)

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## b) Defined Contribution Plans

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

Particulars	Current Year	Previous Year
Contribution to Superannuation Fund	2,461	2,680
Contribution to Employee State Insurance Corporation	20,114	23,339
Contribution to National Pension Scheme	15,124	10,292
Contribution to Employees Provident Fund	1,79,834	1,49,526
Contribution to Employee Deposit Linked Insurance Scheme	31,350	23,277

## c) Other Long Term Benefits

### (i) Accumulated Compensated Absences

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

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

Particulars	Current Year	Previous Year
Present value of obligations as at end of the year	1,99,686	1,77,693
Fair value of plan assets	4,20,964	4,07,764
<b>Actuarial assumptions used</b>		
Discount rate	7.31%	6.17%
Salary escalation rate	7.50%	7.50%
Cost recognised during the year	56,118	21,862

### (ii) Long Term Incentive Plan

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

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

Particulars	Long Term Incentive Plan	
	Current Year	Previous Year
Opening balance	2,83,182	2,09,728
Additional provision made	1,71,364	2,27,606
Incurred and charged	(2,34,990)	(1,30,301)
Unused amount reversed *	(2,710)	(23,851)
Closing balance	2,16,846	2,83,182
Nature of obligation	Long Term Incentive	Long Term Incentive
Expected timing	Up to 3 Year	Up to 4 Years

\*The unused amount of Long Term Bonus Plan has been credited to "Employees remuneration, welfare benefits" under Schedule 3.

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## 27 Segment reporting

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

## 28 Related Party Disclosure

During the year ended 31<sup>st</sup> March 2023, the Company has had transactions with related parties as defined in Accounting Standard 18 on "Related Party Disclosures". Related Parties have been identified by the management on the basis of the information available with the Company. Details of related parties with whom, the Company had transactions, nature of the relationship, transactions with them and balances at year-end, are detailed in **Annexure 2**.

## 29 Summary of financial statements

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

## 30 Accounting Ratios

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

## 31 Statement containing names, descriptions, occupations of and directorships held by the persons in charge of management of the business under section 11 (3) of Insurance Act read with Insurance (Amendment) Act 2021:

Name	: Mr.Kamlesh Rao
Designation	: Managing Director & CEO
Occupation	: Service
Directorships Held during the year	
Director in	: Aditya Birla Sun Life Insurance Company Limited – Appointed w.e.f 19/08/2019
	: Aditya Birla Sun Life Pension Management Limited - Appointed w.e.f. 18/10/2019
	: Aditya Birla Finance Limited - Appointed w.e.f. 07/07/2021

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# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## 32 Penalty

As required by Para 2.9.5 'Information on Penal Action taken on an Insurer under IRDAI Circular reference: IRDA/F&A/CIR/232/12/2013 dated 11<sup>th</sup> December 2013 Master Circular on Preparation of Financial Statements and Filing Returns of Life Insurance Business, the details of various penal actions taken by various Government Authorities for the financial year 2022-23 are mentioned below:-

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

## 33 Disclosures relating to controlled Fund

As required by circular no. IRDA/F&I/CIR/F&A/045/03/2010 dated 17<sup>th</sup> March, 2010, the details of controlled fund for the financial year 2022-2023 and 2021-2022 are mentioned below:-

### a) Statement Showing Controlled Fund

Particulars	Current Year	Previous Year
<b>Computation of Controlled fund as per the Balance Sheet</b>		
<b>Policyholders' Fund (Life Fund)</b>		
<b>Participating</b>		
Individual Assurance	7,82,20,962	6,27,58,618
Individual Pension	-	-
Any other (Pl. Specify)	-	-
<b>Non-participating</b>		
Individual Assurance	18,90,89,960	14,13,87,198
Group Assurance	3,66,52,513	2,92,35,842
Group Life Variable	99,09,875	84,80,603
Individual Pension	2,53,540	2,87,932
Individual Annuity	68,66,289	46,40,917
Group Pension	4,28,42,133	2,67,67,712
Group Pension Variable	64,15,001	86,41,765
Health	2,06,518	2,01,072
Others	-	-

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

Particulars	Current Year	Previous Year
<b>Linked</b>		
Individual Assurance	20,04,48,085	20,46,43,990
Group Assurance	8,13,22,774	7,46,63,056
Individual Pension	71,22,910	78,65,936
Group Superannuation	1,55,20,147	1,37,53,047
Group Gratuity	-	-
Health	6,60,215	6,75,842
Funds for Future Appropriations	-	-
Credit/(Debit) Fair Value Change Account	20,94,250	21,83,111
<b>Total (A)</b>	<b>67,76,25,172</b>	<b>58,61,86,641</b>
<b>Shareholders' Fund</b>		
Paid up Capital	1,93,82,292	1,90,12,080
Reserves & Surplus	95,19,710	60,08,183
Fair Value Change	3,58,991	4,66,062
Borrowings	50,00,000	50,00,000
<b>Total (B)</b>	<b>3,42,60,993</b>	<b>3,04,86,325</b>
Misc. expenses not written off	-	-
(Debit) from P&L A/c.	-	-
<b>Total (C)</b>	<b>-</b>	<b>-</b>
Total shareholders' funds (B+C)	3,42,60,993	3,04,86,325
<b>Controlled Fund (Total (A+B-C))</b>	<b>71,18,86,165</b>	<b>61,66,72,966</b>

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

Particulars	Current Year	Previous Year
Opening Balance of Controlled Fund	61,66,72,966	53,25,95,053
Add: Inflow		
Income		
Premium Income	15,06,96,854	12,14,02,283
Less: Reinsurance ceded	(53,02,319)	(49,87,834)
Net Premium	14,53,94,535	11,64,14,449
Investment Income	3,45,76,036	5,30,20,015
Other Income	5,61,567	5,20,204
Funds transferred from Shareholders' Accounts	28,47,688	7,70,321
Total Income	18,33,79,826	17,07,24,989
Less: Outgo		
(i) Benefits paid (Net)	5,77,22,998	6,75,42,312
(ii) Interim Bonus Paid	65,797	1,05,540
(iii) Change in Valuation of Liability	9,15,27,393	7,94,66,736
(iv) Commission	84,36,054	59,62,323
(v) Operating Expenses	2,21,67,203	1,64,37,333
(vi) Provision for Taxation		
(a) FBT	-	-
(b) I.T.	5,31,497	4,45,669
Other Provisions	(163)	9,588
Total Outgo	18,04,50,779	16,99,69,501

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# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

Particulars	Current Year	Previous Year
Surplus of the Policyholders' Fund	29,29,047	7,55,488
Less: transferred to Shareholders' Account	29,29,047	7,55,488
Net Flow in Policyholders' account	-	-
Add: Net income in Shareholders' Fund	13,84,971	12,68,380
Less : Interim Dividend & Dividend distribution tax thereon	-	-
Net In Flow / Outflow	13,84,971	12,68,380
Add: change in valuation Liabilities	9,15,27,393	7,94,66,736
Add: Increase in Paid up Capital	3,70,212	-
Add: Increase in Securities Premium	22,29,787	-
Add: Increase in Borrowings	0	35,00,000
Add: Increase in Realised Hedge Reserves non inked policyholder	(1,03,231)	3,24,750
Add: Credit/(Debit) / Fair Value Change Account	(1,95,932)	(4,81,953)
Closing Balance of Controlled Fund	71,18,86,164	61,66,72,966
As Per Balance Sheet	71,18,86,164	61,66,72,966
Difference, if any	-	-

## c) Reconciliation with Shareholders' and Policyholders' Fund

Particulars	Current Year	Previous Year
<b>Policyholders' Funds</b>		
<b>Policyholders' Funds - Traditional-PAR and NON-PAR</b>		
Opening Balance of the Policyholders' Fund	28,24,01,658	22,48,63,412
Add: Surplus of the Revenue Account	-	-
Add: change in valuation Liabilities	8,80,55,133	5,75,38,246
<b>Total</b>	<b>37,04,56,791</b>	<b>28,24,01,658</b>
As per Balance Sheet	37,04,56,791	28,24,01,659
Difference, if any	-	-
<b>Policyholders' Funds - Linked</b>		
Opening Balance of the Policyholders' Fund	30,16,01,871	27,96,73,381
Add: Surplus of the Revenue Account	-	-
Add: change in valuation Liabilities	34,72,260	2,19,28,490
<b>Total</b>	<b>30,50,74,131</b>	<b>30,16,01,871</b>
As per Balance Sheet	30,50,74,131	30,16,01,871
Difference, if any	-	-
<b>Shareholders' Funds</b>		
Opening Balance of Shareholders' Fund	2,54,86,325	2,39,82,314
Add: net income of Shareholders' account (P&L)	13,84,971	12,68,380
Add: Infusion of Capital	25,99,999	-
Add: Credit/(Debit) / Fair Value Change Account	(1,07,071)	(89,119)
Add: Realised Hedge Reserves non linked policyholder	(1,03,231)	3,24,750
Less: Interim Dividend/Proposed and final & Dividend distribution tax thereon	-	-
Closing Balance of the Shareholders' fund	2,92,60,993	2,54,86,325
As per Balance Sheet	2,92,60,993	2,54,86,325
Difference, if any	-	-
Includes Funds for Future Appropriations		

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## 34 Bonus paid to participating Policyholders

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

## 35 Transfer to and from Revenue account (Policyholder's account)

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

The Board of Director of the Company has noted that contribution from shareholder account to policyholder is ₹28,47,187 (Previous year ₹7,70,321) and the same has been charged to shareholders' account. The board has recommended that the same would be subjected to approval of the shareholders of the Company at the ensuing annual general meeting. The transfer amount is irreversible in nature and will not be recouped to the shareholder at any point of time in future.

Shareholders' contribution of ₹7,70,321/- to the Policyholders' account for the previous year has been approved by shareholders at the Annual General Meeting held on 8<sup>th</sup> August, 2022.

## 36 Long term Contracts

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

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

## 37 Pending Litigations

The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with regulatory authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. Refer Note 3 for details on contingent liabilities. In respect of litigations, basis management assessment, the Company has made a provision of ₹116,158 as at 31<sup>st</sup> March 2023 (Previous year ₹112,890).

## 38 Taxation

### a. Provision for tax

During the year, the Company has made provision for tax (net) amounting to ₹531,497 (Previous year ₹445,669) charged to the Revenue Account and ₹1,53,524 (Previous Year ₹1,40,617) charged to Profit and Loss Account in accordance with the Income Tax Act, 1961 and Rules and Regulations there under as applicable to the Company.

### b. Others

The Company has paid ₹1,68,029 pursuant to the GST query for GST input tax credit on business promotion expenses. Pending further developments on the same, the mentioned amount has been treated as deposit under "Advances and Other Assets" as at March 31, 2023.

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# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## 39 Reassessment of Useful Life of Fixed Assets

During the year ended March 31, 2023, the company has reassessed the useful lives of certain business application. Management believes that the revised useful lives of the below assets reflect the period over which these assets are expected to be used based on technical inputs, environmental scan and capability analysis. As a result of the change, the charge in the revenue account on account of depreciation for the year ended March 31, 2023, has reduced by ₹1,744.

## 40 Amount spent on Corporate Social Responsibility

In terms of Section 135 of the Companies Act 2013 read with The Companies (Corporate Social Responsibility Policy) Rules 2014, every company including its holding or subsidiary, and a foreign company defined under clause (42) of section 2 of the Act having its branch office or project office in India, which fulfils the criteria specified in sub-section (1) of section 135 of the Act shall comply with the provisions of section 135 of the Act and related rules.

Based on the applicability of Sec 135 of Companies Act, 2013, CSR contribution has been arrived as per below for FY 23:

Atleast 2% of average net profit of three immediately preceding years. Accordingly the CSR budget for FY 23 shall be atleast 2% of the average of the reported net profits (as per the existing companies act) for FY 20, FY 21 & FY 22.

Rule 2(1)(h) of the CSR Rules: “(h) “Net profit” means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely: -

- (i) any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise; and
- (ii) any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act:

Accordingly, the Profit to be considered for CSR as per above definition is NIL after reducing Dividend Income received from the companies complying with the provision of Sec 135 of the Act. However, the company has decided to contribute ₹12,500 for CSR initiatives/activities as excess contribution for FY'23.

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

Particulars	In Cash		Yet to be paid in Cash		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
a. Gross Amount Required to be spent	-	-	-	-	-	-
b. Amount Spent During the year on:						
i Construction/acquisition of any assets	-	-	-	-	-	-
ii Purpose other than i above	12,500	12,500	-	-	12,500	12,500

Amounts of related party transactions with Aditya Birla Capital Foundation pertaining to CSR related activities for year ended March 31, 2023 is ₹12,500 (Previous year: ₹12,500)

There is no unspent amount for the year under section 135 (5) of Companies Act 2013.

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

Details of amount spent in excess of the requirement and excess amount to be carried forward to the succeeding financial year under section 135 (5) of Companies Act as mentioned below. Such excess contribution may be set off against the requirement to spend up to immediate succeeding three financial years subject to fulfillment of conditions as mentioned in the Act.

Particulars	Current Year	Previous Year
Opening balance (Excess spent carried forward)	12,500	-
Amount spent during the year	12,500	12,500
Amount required to be spent during the year	-	-
Amount spent during the year but not carried forward	-	-
Closing balance (Excess spent carried forward)	25,000	12,500

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

Name of Auditor	Nature of work	Current Year	Previous Year
S.B.Billimoria & Co. LLP	Towards Group reporting pack (Sch 3A)	1344	1,344
Haribhakti & Co. LLP	Towards Group reporting pack (Sch 3A)	1344	1,344
S.B.Billimoria & Co. LLP	Certification fees (Sch 3)	448	479
Haribhakti & Co. LLP	Certification fees (Sch 3)	723	744

## 42 Payment of sitting fees to independent directors

Sitting Fees paid to independent directors in the current year is ₹3,750 (Previous Year: ₹3,750).

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

In accordance with IRDAI notification dated 9<sup>th</sup> May, 2016 bearing reference no IRDAI/Reg/14/126/2016, the Company has worked out Expense of Management by considering allowance at 100% (Previous year 100%) on segment basis to ascertain the excess thereof which has been borne by the shareholders. Accordingly, amount aggregating ₹500 (Previous year ₹ Nil) has been shown as "Contribution from Shareholders Account towards Excess EoM", as Income under Revenue Account under and "Contribution to Policyholders Account towards Excess EoM", as expense under Profit & Loss Account.

## 44 Employee Stock Option Plan

Pursuant to ESOP Plan being established by the holding company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company during the financial year. Total cost incurred by the holding company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹20,338 (Previous year ₹25,872) has been recovered by the holding Company during the year, which has been recorded in the Statement of Profit and Loss. The balance sum of ₹6,265 (Previous year ₹21,399) will be recovered from the company in future periods.

## 45 Diminution in the value of Investments.

In accordance with impairment policy of the company, diminution in value of investments has been recognised under the head "provision for diminution in the value of investments (Net)" in the revenue account and profit and loss account. The total impairment loss recognized for the year ended 31<sup>st</sup> March 2023, is ₹Nil (Previous Year recognised ₹9,751) in revenue account and ₹ Nil (Previous Year ₹ Nil) in profit and loss account.

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

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

According to the information available with the management, on the basis of the intimation received from the suppliers, regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the company has ₹25,445 due to Micro and Small Enterprises under the said Act as at 31<sup>st</sup> March 2023 (Previous Year : ₹34,196). This based on the information available with the Company which has been relied upon by the auditors.

Particulars	Current Year	Previous Year
a) (i) Principal amount remaining unpaid to supplier under MSMED Act	25,445	34,196
(ii) Interest on (a) (i) above	-	-
b) (i) Amount of principal paid beyond the appointed date (as per section 16)	-	-
(ii) Amount of interest paid beyond the appointed date (as per section 16)	-	-
c) Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under section 16 of the MSMED Act	-	-
d) Amount of interest accrued and due	-	-
e) Amount of further interest remaining due and payable even in succeeding years	-	-

## 47 Provision for Standard and Non Standard Assets

Provision for standard assets is made In line with the 'Guidelines on Prudential norms for income recognition, Asset classification, Provisioning and other related matters in respect of Standard Assets as specified by IRDAI vide the Master Circular dated May 03, 2017. During the year, there is a provision reversal on standard assets recognised in Revenue Account amounting to ₹163 (Previous year reversal of provision of ₹163) and outstanding balance of provision as on 31<sup>st</sup> March, 2023 is of ₹465 (Previous year ₹627) as required under IRDAI (Investment) Regulations 2016.

## 48 Terms of Borrowings

During the year ended March 31, 2023, the Company has not raised any amount through an issue of listed, unsecured redeemable subordinated non - Convertible debentures through private placements in the nature of subordinated debt which qualifies as other forms of capital under Insurance Regulatory and Development Authority of India (other Forms of Capital) Regulations, 2015.

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

Unlisted Debt	Tranche 1
Type, Nature and Seniority of Instrument	Unsecured, subordinated, unlisted, redeemable and non-convertible debentures
Issue Size	₹15,00,000
Issue Date / Date of Allotment	20.01.2021
Redemption Date	20.01.2031
Call option Date	20.01.2026
Coupon Rate	7.30% per annum
Frequency of the Interest Payment	Annual

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

Listed Debt	Tranche 2	Tranche 3
Type, Nature and Seniority of Instrument	Unsecured, subordinated, listed, rated, fully paid-up, redeemable, taxable, non-cumulative, non-convertible debentures	Unsecured, subordinated, listed, rated, fully paid-up, redeemable, taxable, non-cumulative, non-convertible debentures
Face Value	₹1,000,000 per debenture	₹1,000,000 per debenture
Issue Size	₹19,50,000	₹15,50,000
Issue Date / Date of Allotment	26-07-2021	30-11-2021
Redemption Date	25-07-2031	30-11-2031
Call option Date	July 24, 2026, and annually thereafter on July 26, 2027, July 26, 2028, July 26, 2029 and July 26, 2030	Nov 30, 2026, and annually thereafter on Nov 30, 2027, Nov 30, 2028, Nov 30, 2029 and Nov 30, 2030
Coupon Rate	7.45%	7.63%
Credit Rating	CRISIL AA+/Stable, ICRA AA+/Stable	CRISIL AA+/Stable, ICRA AA+/Stable
Listing	NSE and BSE - WDM Segment	NSE and BSE - WDM Segment
Frequency of the Interest Payment	Annually every Year on 31 <sup>st</sup> March	Annually every Year on 31 <sup>st</sup> March

Interest of ₹3,73,038 (Previous year ended March 31, 2022: ₹2,48,135) on the said NCDs has been charged to the Profit and Loss Account for the year ended 31<sup>st</sup> March, 2023.

## (B) Maturity Pattern from the date of issue:

Maturity Buckets	Current Year	Previous Year
1 to 5 years	-	-
Above 5 years	₹50,00,000	₹50,00,000

## (C) Debenture Redemption Reserve:

As per the Companies (Share Capital & Debentures) Amendment Rules, 2019, Rule 18, sub rule 7(b)(iv)(B) issued on August 16, 2019, unlisted companies are required to create DRR at 10% of the value outstanding of the debentures. However, the company has created debenture redemption reserve (DRR) of ₹ Nil in FY 23 (PY ₹3,50,000). Total DRR as on 31<sup>st</sup> March, 2023 is ₹5,00,000.

## 49 Capital Infusion

During the year ended March 31, 2023, the Company has issued 3,70,21,200 equity shares of ₹10 each to Aditya Birla Capital Limited and Sun Life Financial (India) Insurance Investments Inc. in the existing ratio of 51% and 49% respectively.

## 50 The Code on Social Security, 2020:

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

## 51 Ind AS Implementation

IRDAI had issued a letter on 14<sup>th</sup> July, 2022 (Ref No : 100/2/Ind AS - Mission Mode/2022-23/31) requiring Insurance Companies to initiate implementation of Ind AS in the Insurance Sector.

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

ICAI has issued exposure draft of amendments in Ind AS 117 (Insurance Contracts) , converged with IFRS 17 on 8<sup>th</sup> February,2022 and the amended Ind AS 117 is under process of notification. Vide this circular, the Company has formed a Steering Committee comprising of members from Actuary, Finance and Information Technology team which is headed by the CFO to manage the progress of Ind AS Implementation. A progress report on the status of Ind AS implementation in the Company is presented to the Audit Committee on a quarterly basis.

## 52 Securities lending and Borrowing Scheme (SLB)

Equity Shares transferred under SLB continues to be recognised on the Balance Sheet as the Company retains all the associated risks and rewards of these securities. The value of equity shares lent by the Company under SLB and outstanding at 31<sup>st</sup> March, 2023 is ₹209,170 (31<sup>st</sup> March, 2022 is ₹110,111)

## 53 Reporting under Rule 11 of Companies (Audit and Auditors) Rules, 2014

There are no funds advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

There are no funds received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## 54 Previous year comparatives:

Previous year’s figures have been regrouped and reclassified wherever necessary to conform to current year’s presentation.

Sr. No.	Regrouped from	Amount	Regrouped to	Reason
1	Sch 4 - Benefits Paid (Rider)	23,100	Sch 4 - Benefits Paid (Health)	Health claim paid in health products is now recorded as Health claim vis a vis earlier practice of recorded it as rider claim.
2	Sch 4 - Benefits Paid (Surrender)	10,439	Sch 4 - Benefits Paid (Death)	Fund value paid on account of death is now recorded as Death claim vis a vis earlier practice of recording it as Surrender Claim.

For and on behalf of the Board of Directors

**Vishakha Mulye**

Chairman  
(DIN: 00203578)

**Kamlesh Rao**

Managing Director & CEO  
(DIN: 07665616)

**Nakul Yadav**

Appointed Actuary

**Pinky Mehta**

Director  
(DIN: 00020429)

**Sandesh Joshi**

Chief Financial Officer

**Sangeeta Shetty**

Company Secretary

**Sandeep Asthana**

Director  
(DIN: 00401858)

Mumbai, 25<sup>th</sup> April,2023

# Annexure - 1

(Amounts in Thousands of Indian Rupees)

## Form A - RA REVENUE ACCOUNT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023 Policyholders' Account (Technical Account)

Particulars	Linked Business			Non-Linked Business			Group Pension Variable	Group Pension	Annuity Individual	Group Pension	Group Pension Variable	Health Individual	Per Non-Linked Individual Life	Total
	Individual Life	Group Life	Pension Individual	Group Life	Individual Life	Group Life								
<b>Premium earned-net</b>														
(a) Premium	2,56,87,133	1,09,09,546	7,61,959	29,78,421	21,045	6,19,11,537	1,50,48,804	29,08,471	1,604	2,42,17,761	1,36,28,094	6,44,611	1,60,99,599	15,06,96,854
(b) Reinsurance ceded	(6,79,910)	(504)	(169)		(3,434)	(13,29,591)	(32,07,013)					(14,637)	(67,061)	(53,02,319)
(c) Reinsurance accepted														
<b>Sub - Total</b>	<b>2,30,07,223</b>	<b>1,09,08,842</b>	<b>7,61,790</b>	<b>29,78,421</b>	<b>17,611</b>	<b>6,05,81,946</b>	<b>1,18,41,791</b>	<b>29,08,471</b>	<b>1,604</b>	<b>24,21,761</b>	<b>1,36,28,094</b>	<b>49,824</b>	<b>1,60,32,538</b>	<b>14,53,94,535</b>
<b>Income from Investments</b>														
(a) Interest, Dividend & Rent - Gross	73,88,073	48,45,789	3,38,689	8,62,349	32,018	1,12,76,325	2,28,99,996	6,43,890	7,007	3,90,001	25,89,990	5,48,752	46,51,828	3,58,66,060
(b) Profit on sale / redemption of Investments	11,47,8019	9,14,551	3,01,944	2,63,973	30,223	4,38,085	11,40,666	34,870	688	1,54,828	1,54,828	32,454	4,72,086	1,42,36,341
(c) Loss on sale / redemption of Investments	(38,90,941)	(628,589)	(1,31,616)	(1,35,289)	(16,016)	(71,413)	(19,461)	(8,860)	(33)	(27,310)	(6,979)	(8,953)	(8)	(50,25,759)
(d) Transfer / Gain (Loss) on evaluation / change in Fair value*	(77,13,923)	(20,16,886)	(2,06,613)	(4,17,993)	(4,419)	(1,29,200)								(1,05,00,810)
<b>Sub - Total</b>	<b>75,69,528</b>	<b>31,14,665</b>	<b>3,02,414</b>	<b>5,72,930</b>	<b>32,030</b>	<b>1,15,14,797</b>	<b>23,84,601</b>	<b>6,69,900</b>	<b>7,662</b>	<b>3,90,001</b>	<b>27,17,508</b>	<b>5,74,227</b>	<b>50,24,384</b>	<b>3,45,76,036</b>
<b>Other Income</b>														
(a) Contribution from the Shareholders' Account towards deficit funding														
(b) Contribution from Shareholders Account Towards Excess F&M					500									
(c) Others (Interest etc)	59,877	11,461	825	3,056	29	3,21,465	19,485	3,020	5	2,573	13,851	365	182	5,61,567
<b>Sub - Total</b>	<b>59,877</b>	<b>11,461</b>	<b>825</b>	<b>3,056</b>	<b>29</b>	<b>28,97,545</b>	<b>19,495</b>	<b>3,020</b>	<b>5</b>	<b>2,573</b>	<b>13,851</b>	<b>365</b>	<b>182</b>	<b>5,61,567</b>
<b>TOTAL (A)</b>	<b>3,08,35,628</b>	<b>1,40,34,968</b>	<b>10,65,029</b>	<b>35,54,407</b>	<b>50,170</b>	<b>7,50,94,288</b>	<b>1,46,45,887</b>	<b>35,81,391</b>	<b>12,716</b>	<b>28,14,335</b>	<b>1,65,27,115</b>	<b>8,29,211</b>	<b>51,395</b>	<b>18,33,78,825</b>
Commission	8,64,975	3,947	20,202	55	587	59,17,114	3,311,63	1,199	13	76,419	1,65,27,115	1,480	3,584	84,36,054
Operating Expenses related to Insurance Business	27,49,969	1,11,361	27,960	9,532	3,095	1,40,93,436	18,56,310	20,439	169	66,432	9,403	30,455	19,73,143	2,09,65,020
Provision for doubtful debts	766	3	18		1	5,241	285	1	68		1	3	1,076	7,472
Bad Debts written off														
Provision for tax														
Provision (other than taxation)														
(a) For diminution in the value of investment (Net)														
(b) Others - Provision for standard and non standard assets						(163)								(163)
<b>TOTAL (B)</b>	<b>10,50,093</b>	<b>1,38,619</b>	<b>28,233</b>	<b>24,531</b>	<b>3,235</b>	<b>2,00,15,628</b>	<b>21,87,766</b>	<b>21,639</b>	<b>182</b>	<b>1,46,919</b>	<b>10,141</b>	<b>31,946</b>	<b>37,20,285</b>	<b>31,13,45,91</b>
Benefits paid (Net)	2,88,58,559	69,17,453	16,24,938	16,84,748	39,438	73,58,699	37,06,883	20,67,101	40,638	3,57,977	4,43,449	29,64,946	8,150	5,77,22,998
Interim Bonuses Paid														
Change in valuation of liability against life policies in force														
(a) Gross **	(53,766)	(2,337)	(6,298)	897	(1,005)	4,78,87,931	75,12,518	14,29,273	(28,104)	2,22,53,71	1,60,75,525	(22,28,765)	(913)	8,82,36,653
(b) Amount ceded in Re-insurance	36,567	1,760	11		(152)	(1,67,970)	(96,270)					7,516	36,018	(1,81,520)
(c) Amount accepted in Re-insurance	(65,23,318)	66,59,719	(8,94,340)		(15,627)									9,93,532
(d) Fund Reserve - PDF	23,27,413		1,51,315											24,78,728
<b>TOTAL (C)</b>	<b>2,46,45,455</b>	<b>1,55,76,595</b>	<b>8,75,626</b>	<b>34,52,743</b>	<b>22,654</b>	<b>5,50,78,660</b>	<b>1,11,24,131</b>	<b>34,96,374</b>	<b>12,534</b>	<b>25,83,348</b>	<b>1,65,16,974</b>	<b>7,38,181</b>	<b>14,753</b>	<b>14,93,16,188</b>
<b>Surplus / Deficit (D) = (A) - (B) - (C)</b>	<b>10,75,370</b>	<b>2,04,443</b>	<b>1,12,990</b>	<b>67,546</b>	<b>20,598</b>	<b>9,33,990</b>	<b>63,378</b>	<b>63,378</b>	<b>-</b>	<b>88,068</b>	<b>-</b>	<b>59,084</b>	<b>19,739</b>	<b>28,29,046</b>
<b>Appropriations</b>														
Transfer to Shareholders Account	107,53,70	2,04,443	1,12,990	67,546	20,598	9,33,990	63,378	63,378	-	88,068	-	59,084	19,739	28,29,046
Transfer to Other Reserves														
Balance being Funds for Future Appropriations														
<b>TOTAL (D)</b>	<b>10,75,370</b>	<b>2,04,443</b>	<b>1,12,990</b>	<b>67,546</b>	<b>20,598</b>	<b>9,33,990</b>	<b>63,378</b>	<b>63,378</b>	<b>-</b>	<b>88,068</b>	<b>-</b>	<b>59,084</b>	<b>19,739</b>	<b>28,29,046</b>
The total surplus as mentioned below:														
(a) Interim Bonuses Paid														64,165
(b) Terminal Bonus Paid														1,652
(c) Allocation of Bonus to policyholders														28,40,854
(d) Surplus/(Deficit) shown in the Revenue Account	10,75,370	2,04,443	1,12,990	67,546	20,598	9,33,990	63,378	63,378	-	88,068	-	59,084	19,739	29,29,046
<b>(e) Total Surplus (a+b+c+d)</b>	<b>10,75,370</b>	<b>2,04,443</b>	<b>1,12,990</b>	<b>67,546</b>	<b>20,598</b>	<b>9,33,990</b>	<b>63,378</b>	<b>63,378</b>	<b>-</b>	<b>88,068</b>	<b>-</b>	<b>59,084</b>	<b>19,739</b>	<b>58,35,397</b>

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

\*\*\*Represents Mathematical Reserves after allocation of bonus.

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 1

(Amounts in Thousands of Indian Rupees)

## Form A - RA REVENUE ACCOUNT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022 Policyholders' Account (Technical Account)

Particulars	Linked Business			Non-Linked Business			Group Pension Variable	Group Pension	Annuity Individual	Group Pension Variable	Health Individual	Per Non-Linked Individual Life	Total	
	Individual Life	Group Life	Pension Individual	Health Individual	Individual Life	Group Life								Group Pension Variable
<b>Premium earned-net</b>														
(a) Premium	2,46,52,873	1,02,22,228	9,11,819	27,91,482	28,959	4,18,15,378	1,24,86,456	20,26,894	17,38,747	91,32,771	4,57,982	1,50,67,047	12,14,02,285	
(b) Reinsurance ceded	(68,14,691)	(1,57,919)	(181)	(3,150)	(3,150)	(11,37,566)	(30,81,362)	-	-	-	-	(60,694)	(48,97,854)	
(c) Reinsurance accepted	2,39,71,404	1,02,20,849	9,11,638	27,91,482	25,809	4,06,77,812	94,05,094	20,26,894	17,38,747	91,32,771	4,57,982	1,50,06,353	11,64,14,449	
<b>Income from investments</b>														
(a) Interest, Dividend & Rent - Gross	73,53,576	41,82,172	3,35,522	6,83,335	30,658	86,30,263	17,97,950	6,24,149	2,56,109	14,85,299	9,07,687	36,85,539	2,98,81,707	
(b) Profit on sale / redemption of investments	1,77,53,520	18,81,996	4,98,599	4,86,748	62,440	13,91,336	1,78,823	41,151	4,730	71,735	1,11,146	8,35,597	2,33,39,885	
(c) Loss on sale / redemption of investments	(22,53,647)	(1,65,801)	(48,764)	(56,020)	(5,245)	(83,233)	(23,774)	(7,822)	(480)	(1)	(87,530)	(6)	(21,977)	
(d) Transfer / Gain / Loss on revaluation / change in fair value*	32,74,585	(5,59,760)	1,02,328	(68,249)	27,458	(2,32,445)	-	-	-	-	-	-	25,42,917	
<b>Sub - Total</b>	<b>2,61,46,034</b>	<b>53,38,607</b>	<b>8,86,685</b>	<b>1,06,5,814</b>	<b>1,15,313</b>	<b>96,05,921</b>	<b>19,52,999</b>	<b>6,57,478</b>	<b>2,56,122</b>	<b>15,47,838</b>	<b>9,31,303</b>	<b>44,99,159</b>	<b>5,30,20,015</b>	
<b>Other Income</b>														
(a) Contribution from the Shareholders Account	1,20,918	-	-	-	-	6,24,035	-	-	-	-	-	25,368	7,70,321	
(b) Contribution from Shareholders Account Towards Excess EoM	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c) Others (Interest etc)	67,632	9,546	907	2,495	40	2,87,661	14,789	1,865	11	1,550	8,010	231	1,24,912	
<b>Sub - Total</b>	<b>1,88,550</b>	<b>9,546</b>	<b>907</b>	<b>2,495</b>	<b>40</b>	<b>2,87,661</b>	<b>6,38,824</b>	<b>1,865</b>	<b>11</b>	<b>1,550</b>	<b>8,010</b>	<b>231</b>	<b>1,24,912</b>	
<b>TOTAL (A)</b>	<b>5,03,03,988</b>	<b>1,55,89,002</b>	<b>17,99,230</b>	<b>38,53,801</b>	<b>1,41,162</b>	<b>5,05,71,394</b>	<b>11,93,619</b>	<b>26,86,237</b>	<b>19,225</b>	<b>19,96,419</b>	<b>1,06,88,619</b>	<b>45,383</b>	<b>1,96,55,792</b>	<b>17,07,24,989</b>
Commission	10,57,975	3,774	28,881	47	935	34,76,988	2,37,441	39	27	28,230	138	3,558	11,23,290	
Operating Expenses related to Insurance Business	37,38,711	89,368	37,900	8,057	3,176	86,88,906	8,84,237	13,563	203	7,759	4,908	13,365	16,96,954	
Provision for doubtful debts	2,322	8	63	-	2	7,627	521	-	64	-	-	8	2,464	
Bad Debts written off	-	-	-	-	-	-	-	-	-	-	-	-	-	
Provision for Tax	-	-	-	-	-	-	-	-	-	-	-	-	4,45,669	
(a) For diminution in the value of investment (Net)	-	-	-	-	-	9,751	-	-	-	-	-	-	9,751	
(b) Others - Provision for standard and non standard assets	-	-	-	-	-	(1,63)	-	-	-	-	-	-	(1,63)	
<b>TOTAL (B)</b>	<b>10,30,471</b>	<b>1,27,051</b>	<b>31,080</b>	<b>20,810</b>	<b>5,634</b>	<b>1,21,83,109</b>	<b>11,22,189</b>	<b>13,602</b>	<b>37,053</b>	<b>4,908</b>	<b>22,039</b>	<b>32,68,377</b>	<b>2,28,54,913</b>	
Goods and Services Tax on Charges	58,29,479	2,20,201	97,924	28,914	9,947	1,21,83,109	11,22,189	13,602	230	37,053	4,908	32,68,377	2,28,54,913	
Benefits paid (Net)	3,39,70,922	69,85,707	15,19,557	9,94,548	50,513	66,75,771	51,54,685	24,85,510	89,381	2,95,573	61,140	16,55,695	6,75,42,312	
Item Bonuses Paid	-	-	-	-	-	-	-	-	-	-	-	-	1,05,540	
Change in valuation of liability against life policies in force	(4,68,026)	9,529	23,546	557	(8,764)	3,44,69,895	73,73,948	1,10,046	(89,588)	16,21,270	1,06,17,176	13,942	1,46,27,092	
(a) Gross **	1,10,088	(1,506)	1	-	226	(28,47,180)	(16,53,918)	-	-	-	-	(5,696)	(910)	
(b) Amount ceded in Re-insurance	80,03,862	81,46,023	45,427	27,95,515	43,636	-	-	-	-	-	-	-	1,90,34,463	
(c) Amount accepted in Re-insurance	23,58,656	54,372	-	-	-	-	-	-	-	-	-	-	29,34,027	
(d) Fund Reserve - PDF	4,44,76,502	1,51,37,753	1,622,903	37,60,620	85,611	3,82,98,506	1,08,74,715	25,95,656	(1,87)	19,16,843	1,06,78,316	14,072	1,63,87,415	
<b>TOTAL (C)</b>	<b>7</b>	<b>2,11,048</b>	<b>78,403</b>	<b>70,267</b>	<b>45,604</b>	<b>89,779</b>	<b>3</b>	<b>77,079</b>	<b>19,182</b>	<b>42,523</b>	<b>5,395</b>	<b>1,01,833</b>	<b>7,55,488</b>	
<b>Appropriations</b>														
Transfer to Shareholders Account	7	2,11,048	78,403	70,267	45,604	89,779	3	77,079	19,182	42,523	5,395	1,01,833	7,55,488	
Transfer to Other Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	
Balance being Funds for Future Appropriations	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>TOTAL (D)</b>	<b>7</b>	<b>2,11,048</b>	<b>78,403</b>	<b>70,267</b>	<b>45,604</b>	<b>89,779</b>	<b>3</b>	<b>77,079</b>	<b>19,182</b>	<b>42,523</b>	<b>5,395</b>	<b>1,01,833</b>	<b>7,55,488</b>	
The total surplus as mentioned below:														
(a) Item Bonuses Paid	-	-	-	-	-	-	-	-	-	-	-	-	1,02,809	
(b) Terminal Bonus Paid	-	-	-	-	-	-	-	-	-	-	-	-	2,731	
(c) Allocation of Bonus to policyholders	-	-	-	-	-	-	-	-	-	-	-	-	26,62,603	
(d) Surplus/(Deficit) shown in the Revenue Account	7	2,11,048	78,403	70,267	45,604	89,779	3	77,079	19,182	42,523	5,395	1,01,833	7,55,488	
<b>(e) Total Surplus (a+b+c+d)</b>	<b>7</b>	<b>2,11,048</b>	<b>78,403</b>	<b>70,267</b>	<b>45,604</b>	<b>89,779</b>	<b>3</b>	<b>77,079</b>	<b>19,182</b>	<b>42,523</b>	<b>5,395</b>	<b>1,01,833</b>	<b>35,23,643</b>	

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

\*\*\*Represents Mathematical Reserves after allocation of bonus.



Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 1

(Amounts in Thousands of Indian Rupees)

## Form A-B BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2022

Particulars	Linked Business				Non-Linked Business				Shareholders		Total	
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life Variable	Group Pension Variable	Group Pension	Health Individual		Per Non-Linked Individual Life
<b>Sources of Funds</b>												
<b>Shareholders' Funds:</b>												
Share Capital	-	-	-	-	-	-	-	-	-	-	-	1,90,12,080
Reserves and Surplus	-	-	-	-	-	6,71,462	-	-	-	-	-	53,36,721
Credit/(Debit) / Fair Value Change Account	-	-	-	-	-	-	-	-	-	-	-	4,66,082
<b>Sub - Total</b>	-	-	-	-	-	6,71,462	-	-	-	-	-	2,48,14,863
Borrowings	-	-	-	-	-	-	-	-	-	-	-	50,00,000
<b>Policyholders' Funds:</b>												
Credit/(Debit) Fair Value Change Account	-	-	-	-	-	10,97,725	55,473	31,036	25,276	138	9,44,550	-
Policy Liabilities	27,88,467	51,495	1,36,173	7,903	1,83,536	13,85,987	2,91,84,347	2,67,59,808	86,41,765	17,536	6,27,58,618	-
Insurance Reserves	-	-	-	-	-	-	-	-	-	-	-	-
Funds for discontinued policies	16,67,66,077	7,15,39,129	6,17,783	1,28,82,970	5,66,372	-	-	-	-	-	-	-
Provision for future appropriation	1,10,82,467	-	754,814	-	-	-	-	-	-	-	-	-
Provision for Unlied Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Funds for discontinued policies	-	-	-	-	-	-	-	-	-	-	-	-
Provision for future appropriation	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Unlied Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	20,74,32,457	7,47,14,551	80,02,109	1,37,60,950	8,59,378	14,03,67,918	2,92,39,820	85,06,732	1,54,543	46,40,917	6,37,03,168	2,98,14,863
<b>Application of Funds</b>												
<b>Investments</b>												
Shareholders'	-	-	-	-	-	-	-	-	-	-	-	-
Policyholders'	12,55,334	18,901	45,412	3,437	76,925	13,66,01,992	2,86,54,675	85,41,533	2,23,910	42,19,013	30,949	6,16,42,031
Assets Held to Cover Linked Liabilities	20,46,43,990	7,46,63,056	7,86,59,36	1,37,55,047	6,75,842	-	-	-	-	-	-	-
Loans	351,401	-	-	-	-	18,30,479	-	-	-	-	7,58,716	-
Fixed Assets	2,42,095	1,00,385	8,954	27,413	284	410,632	1,22,619	19,904	33	17,075	88,685	4,497
Current Assets	10,90,102	76,397	43,067	19,962	1,391	29,16,298	25,13,352	32,685	1,159	1,20,926	1,37,753	14,135
Cash and Bank Balances	13,71,321	3,37,909	30,906	85,053	2,689	93,75,125	13,47,869	3,71,984	1,16,659	1,37,206	8,25,448	1,96,739
Advances and Other Assets*	37,14,847	5,32,249	4,72,673	1,51,399	1,29,822	-	-	-	-	2,49,965	-	-
Inter fund Assets**	61,76,270	9,66,555	5,46,646	2,56,414	1,35,882	1,22,91,423	38,61,221	40,4,679	1,17,818	508,097	9,63,201	2,10,874
Sub - Total (A)	50,09,420	9,40,133	4,56,435	2,53,633	27,688	60,31,794	33,66,500	2,66,979	1,74,549	87,243	8,96,476	48,198
Current Liabilities	2,27,214	94,213	8,404	25,728	267	3,85,390	1,15,081	18,681	31	16,025	84,172	4,221
Provisions	-	-	-	-	-	434,942	1,18,114	-	-	28,687	3,75,227	8,229
Inter fund liability**	52,36,634	10,34,346	4,64,839	2,79,361	27,555	1,07,66,608	35,98,695	4,39,384	1,87,118	1,03,288	10,06,335	4,27,646
Sub - Total (B)	9,39,636	(67,91)	81,807	(22,947)	1,06,327	15,24,815	2,62,526	(54,705)	(63,300)	4,04,829	(46,134)	(2,16,772)
Net Current Assets (C) = (A-B)	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Expenditure	-	-	-	-	-	-	-	-	-	-	-	-
(To the extent not written off or Adjusted)	-	-	-	-	-	-	-	-	-	-	-	-
Debit Balance in Profit and Loss Account (Shareholders' Account)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	20,74,32,457	7,47,14,551	80,02,109	1,37,60,950	8,59,378	14,03,67,918	2,92,39,820	85,06,732	1,54,543	46,40,917	6,37,03,168	2,98,14,864

\*Advances and other assets allocated to shareholders' include tax assets.  
\*\* Inter fund asset/liability is created to represent receivable/payable between various segments  
Refer Schedule 16 note 27

# Annexure - 1

(Amounts in Thousands of Indian Rupees)

## PREMIUM FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023\* SCHEDULE 1

Particulars	Linked Business				Non Linked Business				Par Non Linked				
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Pension Individual	Group Pension	Group Pension Variable	Health Individual	Individual Life	Total
1. First year premiums	49,43,717	-	2,48,072	44,072	-	21,39,304	24,85,890	-	6,18,107	94,843	18,274	8,446	3,23,59,751
2. Renewal Premiums	1,85,11,764	-	4,92,300	4,24,349	21,045	3,74,55,253	32,13,444	-	1,604	42,079	1,57,255	56,015	7,39,69,438
3. Single Premiums	2,31,652	1,09,09,346	21,587	25,10,000	-	30,63,238	93,49,470	29,08,471	18,03,654	1,34,91,172	79,090	-	4,43,67,685
<b>Total Premiums</b>	<b>2,36,87,133</b>	<b>1,09,09,346</b>	<b>7,61,959</b>	<b>29,78,421</b>	<b>21,045</b>	<b>6,19,11,537</b>	<b>1,50,48,804</b>	<b>29,08,471</b>	<b>1,604</b>	<b>24,21,761</b>	<b>2,54,619</b>	<b>64,461</b>	<b>15,06,96,854</b>

\* Net of GST/Service Tax  
Refer Schedule 16 note 27

## PREMIUM FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022 SCHEDULE 1

Particulars	Linked Business				Non Linked Business				Par Non Linked				
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Pension Individual	Group Pension	Group Pension Variable	Health Individual	Individual Life	Total
1. First year premiums	69,27,629	-	4,61,284	2,32,097	-	1,24,90,623	18,33,143	-	1,36	7,515	8,363	19,68,796	2,39,29,586
2. Renewal Premiums	1,70,96,268	-	4,14,985	3,39,172	28,957	2,91,68,075	42,18,235	-	3,337	57,260	2,70,835	57,837	6,47,52,812
3. Single Premiums	6,28,976	1,02,22,228	35,550	22,20,223	2	1,56,680	64,35,078	20,26,894	17,38,747	90,75,375	1,79,632	-	3,27,19,885
<b>Total Premiums</b>	<b>2,46,52,873</b>	<b>1,02,22,228</b>	<b>9,11,819</b>	<b>27,91,492</b>	<b>28,959</b>	<b>4,18,15,378</b>	<b>1,24,86,456</b>	<b>20,26,894</b>	<b>3,337</b>	<b>17,38,747</b>	<b>4,57,982</b>	<b>66,500</b>	<b>12,14,02,283</b>

\* Net of GST/Service Tax  
Refer Schedule 16 note 27

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 1

(Amounts in Thousands of Indian Rupees)

## COMMISSION EXPENSES FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023 SCHEDULE 2

Particulars	Linked Business			Non Linked Business					Par Non Linked Business			Total				
	Individual Life	Group Life	Pension Individual	Health Individual	Pension Group	Group Life Variable	Pension Individual	Group Life Variable	Group Pension	Group Pension Variable	Health Individual		Pension Individual	Life		
<b>Commission paid</b>																
Direct - First year premiums	4,70,752	-	12,260	-	1	-	44,25,803	56,595	-	-	43,269	-	2	1,346	5,71,907	55,81,935
Renewal premiums	3,72,668	-	5,022	587	54	13	10,84,015	63,275	6	151	151	-	67	1,984	5,81,562	21,09,404
Single premiums	3,751	3,857	359	-	-	-	51,319	2,05,162	1,166	-	26,901	720	1,388	-	(32)	2,94,591
<b>Sub - Total</b>	<b>8,47,171</b>	<b>3,857</b>	<b>17,641</b>	<b>587</b>	<b>55</b>	<b>13</b>	<b>55,61,137</b>	<b>3,25,032</b>	<b>1,172</b>	<b>151</b>	<b>70,321</b>	<b>720</b>	<b>1,457</b>	<b>3,330</b>	<b>11,53,437</b>	<b>79,85,930</b>
Add: Commission on Re-insurance Accepted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Commission on Re-insurance Ceded	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Commission</b>	<b>8,47,171</b>	<b>3,857</b>	<b>17,641</b>	<b>587</b>	<b>55</b>	<b>13</b>	<b>55,61,137</b>	<b>3,25,032</b>	<b>1,172</b>	<b>151</b>	<b>70,321</b>	<b>720</b>	<b>1,457</b>	<b>3,330</b>	<b>11,53,437</b>	<b>79,85,930</b>
Rewards and Remuneration to Agents/ Brokers/Other intermediaries	17,804	90	2,561	-	-	-	3,55,977	6,131	27	-	6,098	17	33	254	61,132	4,50,124
<b>Total Commission</b>	<b>8,64,975</b>	<b>3,947</b>	<b>20,202</b>	<b>587</b>	<b>55</b>	<b>13</b>	<b>59,17,114</b>	<b>3,31,163</b>	<b>1,199</b>	<b>151</b>	<b>76,419</b>	<b>737</b>	<b>1,490</b>	<b>3,584</b>	<b>12,14,569</b>	<b>84,36,054</b>

Refer Schedule 16 note 27

## COMMISSION EXPENSES FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022 SCHEDULE 2

Particulars	Linked Business			Non Linked Business					Par Non Linked Business			Total				
	Individual Life	Group Life	Pension Individual	Health Individual	Pension Group	Group Life Variable	Pension Individual	Group Life Variable	Group Pension	Group Pension Variable	Health Individual		Pension Individual	Life		
<b>Commission paid</b>																
Direct - First year premiums	6,24,819	(113)	19,421	-	-	-	24,25,427	26,929	-	-	-	-	(109)	1,312	4,67,547	35,65,233
Renewal premiums	3,95,062	-	4,621	935	44	27	8,92,027	89,699	-	-	27	-	30	1,971	5,82,239	19,66,655
Single premiums	9,276	3,840	664	-	3	-	2,852	1,18,989	39	-	26,483	-	216	-	96	1,62,458
<b>Sub - Total</b>	<b>10,29,157</b>	<b>3,727</b>	<b>24,706</b>	<b>935</b>	<b>47</b>	<b>27</b>	<b>33,20,306</b>	<b>2,35,617</b>	<b>39</b>	<b>27</b>	<b>26,483</b>	<b>-</b>	<b>137</b>	<b>3,283</b>	<b>10,49,882</b>	<b>56,94,346</b>
Add: Commission on Re-insurance Accepted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Commission on Re-insurance Ceded	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Commission</b>	<b>10,29,157</b>	<b>3,727</b>	<b>24,706</b>	<b>935</b>	<b>47</b>	<b>27</b>	<b>33,20,306</b>	<b>2,35,617</b>	<b>39</b>	<b>27</b>	<b>26,483</b>	<b>-</b>	<b>137</b>	<b>3,283</b>	<b>10,49,882</b>	<b>56,94,346</b>
Rewards and Remuneration to Agents/ Brokers/Other intermediaries	28,818	47	4,175	-	-	-	1,56,682	1,824	-	-	2,747	-	1	275	75,408	2,67,977
<b>Total Commission</b>	<b>10,57,975</b>	<b>3,774</b>	<b>28,881</b>	<b>935</b>	<b>47</b>	<b>27</b>	<b>34,76,988</b>	<b>2,37,441</b>	<b>39</b>	<b>27</b>	<b>29,230</b>	<b>-</b>	<b>138</b>	<b>3,558</b>	<b>11,23,290</b>	<b>59,62,323</b>

Refer Schedule 16 note 27

**Annexure - 1**

(Amounts in Thousands of Indian Rupees)

**OPERATING EXPENSES RELATED TO INSURANCE BUSINESS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023  
SCHEDULE 3**

Particulars	Linked Business				Non Linked Business				PAR Non Linked		Total				
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Variable Life	Pension Individual	Health Individual		Individual Life			
Employees' remuneration and welfare benefits	14,90,721	75,108	9,879	6,799	1,390	68,01,037	7,89,464	13,412	88	19,061	6,983	19,957	4,818	9,28,255	1,01,66,971
Travel/conveyance and vehicle running expenses	40,391	3,018	161	245	42	1,64,098	9,014	528	2	144	36	857	143	22,763	2,41,442
Training expenses	1,23,338	868	100	21	27	5,30,701	66,337	251	1	90	159	315	97	63,694	7,86,000
Rents, rates and taxes	93,050	8,329	675	652	187	3,50,070	25,465	1,472	9	555	4	2,407	638	57,389	5,40,881
Repairs	43,615	392	280	31	78	1,67,203	1,200	69	4	230	0	113	265	26,333	2,39,812
Printing and stationery	8,171	81	114	6	30	27,567	1,238	16	1	108	2	25	104	5,959	43,422
Communication expenses	18,890	545	179	44	49	67,615	1,639	96	2	147	5	156	168	12,289	1,01,823
Legal and professional charges	28,706	1,278	422	199	91	99,101	6,979	175	6	434	430	196	281	19,615	1,57,913
Medical fees	12,384	-	68	-	-	94,663	-	-	-	607	-	-	802	6,217	1,14,740
Auditor's fees/expenses, etc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) as auditor	2,734	-	47	-	13	8,028	-	-	1	38	-	-	44	2,106	13,011
(b) as adviser or in any other capacity, in respect of	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Taxation & Matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Management services	246	-	4	-	1	723	-	-	0	3	-	-	4	190	1,171
(c) in any other capacity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advertisement and publicity	4,38,105	6,350	11,416	156	1	41,16,952	4,51,472	1,799	0	40,295	994	2,307	1,305	5,32,054	56,03,206
Interest and bank charges	18,508	-	317	-	88	54,330	-	-	4	259	-	-	299	14,120	87,926
Others: 1) Distribution expenses	4,787	0	121	0	1	43,339	0	0	0	419	0	0	17	5,681	54,366
2) Agents recruitment, seminar and other expenses	1,382	4	23	0	4	6,286	13	1	0	40	0	1	15	1,143	8,912
3) Recruitment and seminar expenses	29,375	722	63	56	3	1,37,121	2,726	128	0	190	1	209	19	16,382	1,86,995
4) IT expenses (including maintenance)	1,75,979	5,623	1,648	440	457	6,31,128	17,192	984	21	1,352	3	1,625	1,556	1,14,328	9,52,347
5) Policy stamps	10,049	52	55	-	-	76,816	4,50,867	-	-	492	8	-	651	5,045	5,44,034
6) (Profit)/Loss on sale of assets	57	-	1	-	0	138	-	-	0	1	-	-	1	49	247
7) Electricity expenses	16,612	178	61	14	17	67,469	544	31	1	51	0	51	58	9,327	94,414
8) Miscellaneous expenses	21,524	2,002	404	344	83	58,137	1,609	247	7	311	752	256	225	13,802	99,702
9) Outsourcing expenses	94,658	2,087	1,386	156	382	3,00,592	16,104	384	18	1,163	23	614	1,298	69,393	4,88,258
Depreciation	76,708	4,725	536	370	149	2,90,324	14,447	835	7	441	2	1,366	508	47,009	4,37,427
<b>Total</b>	<b>27,49,969</b>	<b>1,11,361</b>	<b>27,960</b>	<b>9,532</b>	<b>3,095</b>	<b>1,40,93,436</b>	<b>18,56,310</b>	<b>20,439</b>	<b>169</b>	<b>66,432</b>	<b>9,403</b>	<b>30,455</b>	<b>13,316</b>	<b>19,73,143</b>	<b>2,09,65,020</b>

Refer Schedule 16 note 27

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 1

(Amounts in Thousands of Indian Rupees)

## OPERATING EXPENSES RELATED TO INSURANCE BUSINESS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022 SCHEDULE 3

Particulars	Linked Business			Non Linked Business			PAR Non Linked Individual Life			Total					
	Individual Life	Group Life	Pension Individual	Health Individual	Group Life Variable	Pension Individual	Group Pension Variable	Health Individual	Pension Individual						
Employees' remuneration and welfare benefits	21,31,090	65,216	11,561	6,182	1,492	42,03,103	4,05,775	10,059	106	3,414	4,183	16,160	4,704	7,95,554	76,56,597
Travel/conveyance and vehicle running expenses	34,391	909	(30)	72	(9)	61,006	2,743	160	(0)	(17)	4	261	(29)	8,883	1,08,343
Training expenses	66,884	704	43	31	8	1,20,191	32,405	35	1	21	27	65	26	19,556	2,39,996
Rents, rates and taxes	1,61,805	3,596	749	281	201	3,04,638	10,998	636	11	405	-	1,041	649	63,713	5,48,724
Repairs	67,931	845	316	66	85	1,27,940	2,583	149	5	171	-	244	274	26,900	2,27,410
Printing and stationery	7,933	522	11	41	(1)	15,091	1,598	92	(0)	(2)	-	151	(2)	2,363	27,798
Communication expenses	21,779	1,212	216	96	58	43,323	3,686	214	3	116	2	350	186	11,361	82,602
Legal and professional charges	21,578	1,100	426	157	77	47,212	1,549	151	5	174	222	228	226	13,575	86,681
Medical fees	18,827	(0)	(0)	-	-	1,26,285	(291)	-	-	524	(0)	-	1,171	5,720	1,52,236
Auditor's fees, expenses, etc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) as auditor	3,071	-	52	-	14	6,554	-	-	1	28	-	-	45	2,132	11,897
(b) as adviser or in any other capacity, in respect of	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Taxation & Matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Management services	224	-	4	-	1	477	-	-	0	2	-	-	3	155	866
(c) in any other capacity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advertisement and publicity	6,26,594	4,007	19,545	99	(21)	24,39,415	2,08,992	165	(1)	(13)	-	333	1,306	4,68,904	37,69,325
Interest and bank charges	34,159	-	580	-	156	72,891	-	-	9	312	-	-	500	23,697	1,32,305
Others: 1) Distribution expenses	3,550	0	109	0	(0)	13,775	0	0	(0)	(1)	-	0	6	2,622	20,062
2) Agents' recruitment, seminar and other expenses	24,024	4	11	0	(2)	44,082	12	1	(0)	(4)	-	1	(5)	6,847	74,972
3) Recruitment and seminar expenses	22,374	251	(132)	20	(38)	37,780	762	44	(2)	(76)	1	72	(121)	2,988	63,922
4) IT expenses (including maintenance)	2,18,008	8,147	1,854	638	500	4,27,647	24,911	1,441	28	1,001	-	2,358	1,602	1,06,412	7,94,546
5) Policy stamps	12,404	3	-	-	-	83,179	1,84,005	-	-	345	0	-	772	3,789	2,84,477
6) (Profit)/Loss on sale of assets	3,108	-	36	-	10	6,296	-	-	1	20	-	-	31	1,756	11,257
7) Electricity expenses	23,758	316	64	25	17	43,796	966	56	1	35	-	91	56	8,238	77,418
8) Miscellaneous expenses	23,959	1,705	508	284	107	44,317	1,004	212	9	257	468	304	288	14,801	86,224
9) Outsourcing expenses	1,11,100	607	1,227	48	320	2,25,525	1,857	107	18	641	-	176	1,028	60,725	4,03,378
Depreciation	1,00,161	224	749	18	202	1,94,382	686	40	11	404	-	65	647	46,384	3,43,972
<b>Total</b>	<b>37,38,711</b>	<b>89,368</b>	<b>37,900</b>	<b>8,057</b>	<b>3,176</b>	<b>86,83,906</b>	<b>8,84,237</b>	<b>13,563</b>	<b>203</b>	<b>7,759</b>	<b>4,908</b>	<b>21,901</b>	<b>13,365</b>	<b>16,96,954</b>	<b>1,52,09,008</b>

Refer Schedule 16 note 27

**Annexure - 1**

(Amounts in Thousands of Indian Rupees)

**BENEFITS PAID (NET) FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023  
SCHEDULE 4**

Particulars	Linked Business				Non Linked Business				PAR Non Linked		Total					
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Variable	Group Life Variable	Health Individual		Individual Life				
<b>1. Insurance Claims</b>																
(a) Claims by Death	13,01,448	2,024	38,235	6,102	2,326	25,93,384	31,65,685	87	4,313	47,148	1,946	19,752	(64)	5,14,533	76,96,919	
(b) Claims by Maturity	79,06,709	-	4,22,213	-	-	3,14,961	-	-	36	-	-	-	-	(397)	86,43,522	
(c) Annuities / Pension Payment	-	-	-	-	-	(1,806)	-	-	-	3,05,210	-	-	-	-	3,03,404	
(d) Other benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(i) Surrender	2,01,33,537	69,15,429	11,57,427	16,78,646	37,036	30,71,775	19,02,795	20,67,014	19,836	3,983	4,41,503	29,45,194	(46)	7,98,070	4,11,72,199	
(ii) Riders	12,026	-	-	-	-	34,819	15,950	-	-	-	-	-	-	1,081	6,332	70,208
(iii) Health	-	-	-	-	(42)	-	-	-	-	-	-	-	-	28,764	-	28,722
(iv) Survival and Others	64,178	-	7,063	-	118	23,66,053	-	-	16,453	1,636	-	-	-	6,396	3,38,425	28,00,322
<b>2. (Amount ceded in reinsurance)</b>																
(a) Claims by Death	(5,59,339)	-	-	-	-	(10,20,487)	(13,77,547)	-	-	-	-	-	-	-	(6,944)	(29,64,317)
(b) Claims by Maturity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Annuities / Pension payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Other benefits (Health)	-	-	-	-	-	-	-	-	-	-	-	-	-	(27,981)	-	(27,981)
<b>3. Amount accepted in reinsurance:</b>																
(a) Claims by Death	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Claims by Maturity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Annuities / Pension Payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Other benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>2,88,58,559</b>	<b>69,17,453</b>	<b>16,24,938</b>	<b>16,84,748</b>	<b>39,438</b>	<b>73,58,699</b>	<b>37,06,883</b>	<b>20,67,101</b>	<b>40,638</b>	<b>3,57,977</b>	<b>4,43,449</b>	<b>29,64,946</b>	<b>8,150</b>	<b>16,50,019</b>	<b>5,77,22,998</b>	

Refer Schedule 16 Note 27 and Note 54

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 1

(Amounts in Thousands of Indian Rupees)

## BENEFITS PAID (NET) FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022 SCHEDULE 4

Particulars	Linked Business			Non Linked Business			PAR Non Linked Individual Life			Total					
	Individual Life	Group Life	Pension Individual	Group Life Variable	Health Individual	Pension Individual	Group Pension Variable	Health Individual	Pension Individual						
<b>1. Insurance Claims</b>															
(a) Claims by Death	26,81,134	-	78,203	15,395	3,036	44,51,769	66,97,640	4,122	69,817	8,42,650	1,48,44,832				
(b) Claims by Maturity	1,41,63,859	-	3,89,187	-	-	3,18,572	-	-	-	537	1,48,77,255				
(c) Annuities / Pension Payment	1,979	-	-	-	-	-	31	-	2,25,062	-	2,27,072				
(d) Other benefits	-	-	-	-	-	-	-	-	-	-	-				
(i) Surrender	1,81,44,683	70,06,243	10,41,497	9,49,153	44,772	22,35,974	18,49,881	24,85,510	(7)	(716)	5,38,121	4,20,36,549			
(ii) Riders	12,547	-	300	-	-	24,105	11,531	-	-	2,661	19,342	70,486			
(iii) Health	837	-	-	-	2,590	-	-	-	-	23,345	-	26,772			
(iv) Survival and Others	62,753	-	11,006	-	96	19,73,021	-	-	701	6,683	2,81,395	23,63,919			
<b>2. (Amount ceded in reinsurance)</b>															
(a) Claims by Death	(10,96,850)	(22,536)	(636)	-	-	(23,27,670)	(34,04,398)	-	-	-	(26,352)	(68,78,442)			
(b) Claims by Maturity	-	-	-	-	-	-	-	-	-	-	-	-			
(c) Annuities / Pension payment	-	-	-	-	-	-	-	-	-	-	-	-			
(d) Other benefits (Health)	-	-	-	-	19	-	-	-	-	(26,150)	-	(26,151)			
<b>3. Amount accepted in reinsurance:</b>															
(a) Claims by Death	-	-	-	-	-	-	-	-	-	-	-	-			
(b) Claims by Maturity	-	-	-	-	-	-	-	-	-	-	-	-			
(c) Annuities / Pension Payment	-	-	-	-	-	-	-	-	-	-	-	-			
(d) Other benefits	-	-	-	-	-	-	-	-	-	-	-	-			
<b>TOTAL</b>	<b>3,39,70,922</b>	<b>69,83,707</b>	<b>15,19,557</b>	<b>9,64,548</b>	<b>50,513</b>	<b>66,75,771</b>	<b>51,54,685</b>	<b>24,85,510</b>	<b>89,381</b>	<b>2,95,573</b>	<b>61,140</b>	<b>76,29,486</b>	<b>5,826</b>	<b>16,55,693</b>	<b>6,75,42,312</b>

Refer Schedule 16 Note 27 and Note 54

## Annexure - 2

(Amounts in Thousands of Indian Rupees)

### DISCLOSURES IN RESPECT OF TRANSACTIONS WITH RELATED PARTIES AND OUTSTANDING FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023

**(A) Name of related parties where control exists**

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

**(B) Key Management Personnel  
Relatives of Key Managerial Personnel**

Mr. Kamlesh Rao (MD & CEO)
Mrs. Akila Kamlesh Rao (Spouse)
Mrs. Sudha Dayanand Rao (Mother)
Mr. Ronak Kamlesh Rao (Son)
Mrs. Harsaana Sirsikar (Sister)
Mr. Rajesh Dayanand Rao (Brother)

**(C) Disclosures of transaction between the Company and related parties and outstanding balances for the period ended :**

Sr. No.	Name of the related party with whom the transaction has been made	Description of relationship with the party	Nature of Transaction	Audited Transactions during the year ended		Outstanding balance recoverable /(payable) as on	
				31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
1	2	3	4	5	6	7	8
1	Grasim Industries Limited	Ultimate Holding Company	a) Interest income on NCD	23,050	19,219	19,936	20,084
			b) Outstanding NCD	-	-	3,00,000	3,00,000
			c) Group Insurance Premium	40,120	74,893	(13,855)	(17,499)
2	Aditya Birla Capital Limited	Holding Company	a) Reimbursement of expenses	3,74,724	3,01,129	(45,302)	(33,922)
			b) Rent Expenses	5,534	5,534	(461)	(922)
			c) Recovery of expenses	21,028	7,947	679	429
			d) Employee Stock Options	20,338	25,872	-	(5,747)
			e) Security Deposit Paid	-	2,520	2,520	2,520
			f) Issue of Equity Share Capital	13,25,999	-	-	-
			g) Group Insurance Premium	2,603	5,474	(576)	(664)
3	Aditya Birla Finance Limited	Fellow Subsidiary	a) Recovery of expenses	44	83	-	40
			b) Rent Income	75,376	5,160	13,670	120
			c) Security Deposit Receivable	6,342	9,460	-	139
			d) Maturity of NCD / Outstanding NCD	-	15,00,000	24,50,000	14,50,000
			e) Interest income on NCD	1,52,225	2,30,025	1,20,422	96,753
			f) Rent Expenses	22,650	-	(9,091)	-
			g) Reimbursement of expenses	31,776	13,984	(1,027)	(2)
			h) Security Deposit Refundable - Liability	-	8,830	(15,801)	(9,460)
			i) Transfer of Asset	2,480	-	-	-
			j) Security Deposit Refundable - Asset	5,467	-	5,467	-

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Annexure - 2

(Amounts in Thousands of Indian Rupees)

Sr. No.	Name of the related party with whom the transaction has been made	Description of relationship with the party	Nature of Transaction	Audited Transactions during the year ended		Outstanding balance recoverable /(payable) as on	
				31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
1	2	3	4	5	6	7	8
			k) Policy Claims Paid	29,349	15,503	-	-
			l) Group Insurance Premium	3,73,834	2,36,704	(68,857)	(46,544)
4	Aditya Birla Money Insurance Advisory Services Limited	Fellow Subsidiary	a) Commission expenses	34,630	30,534	(3,986)	(3,634)
			b) Recovery of Expenses	400	-	-	-
			c) Group Insurance Premium	620	707	(104)	(28)
5	Aditya Birla Money Limited	Fellow Subsidiary	a) Brokerage expenses	7,540	8,346	-	-
			b) Reimbursement of expenses	2,420	913	(40)	(74)
			c) Rent Expenses	-	-	(26)	(31)
			d) Security Deposit Receivable	2,115	810	508	810
			e) Rent Income	12,910	32	2,476	-
			f) Recovery of expenses	938	347	-	1
			g) Purchase of NCD / (Sale of NCD)	-	1,75,454	-	-
			h) Purchase of Fixed Asset	-	-	-	(2)
			i) Security Deposit Refundable	-	-	(2,925)	-
			j) Group Insurance Premium	1,814	2,315	(1,070)	(1,565)
6	Aditya Birla Financial Shared Services Limited	Fellow Subsidiary	a) Advance given for expenses	1,20,321	1,07,003	19,927	15,274
			b) Reimbursement of expenses	7,70,434	5,35,049	(1,16,482)	(64,931)
			c) Recovery of expenses	2,403	257	138	-
			d) Group Insurance Premium	3,673	4,535	(1,046)	(946)
7	Aditya Birla Wellness Private Limited	Fellow Subsidiary	a) Reimbursement of expenses	-	20	-	(4)
			b) Professional Fees	2,501	-	(90)	-
			c) Recovery of Expenses	153	-	-	-
			d) Group Insurance Premium	146	185	(154)	(119)
8	Aditya Birla Insurance Brokers Limited	Fellow Subsidiary	a) Recovery of expenses	248	991	-	-
			b) Rent Income	2,816	-	570	-
			c) Commission expenses	5,073	8,089	(176)	(716)
			d) Reimbursement of Expenses	391	335	-	(93)
			e) Rent Expenses	1,074	628	(1,079)	(575)
			f) Reinsurance payment on behalf of reinsurer	2,593	3,723	-	-
			g) Security Deposit Receivable	217	377	-	-
			h) Security Deposit Refundable	-	-	(594)	-
			i) Group Insurance Premium	2,623	3,978	(1,328)	(909)
9	Aditya Birla Capital Technology Services Limited	Fellow Subsidiary	a) Business Support Services	34,347	46,728	(2,040)	(3,801)
			b) Software Development Expenses	22,361	21,893	(1,359)	(1,755)
			c) Advance given for expenses	9,019	8,093	2,201	2,013
			d) Reimbursement of Expenses	130	382	(130)	(382)
			e) Recovery of Expenses	377	-	-	-
			f) Group Insurance Premium	118	177	(46)	(305)

**Annexure - 2**

(Amounts in Thousands of Indian Rupees)

Sr. No.	Name of the related party with whom the transaction has been made	Description of relationship with the party	Nature of Transaction	Audited Transactions during the year ended		Outstanding balance recoverable /(payable) as on				
				31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022			
1	2	3	4	5	6	7	8			
10	Aditya Birla Sun Life Asset Management Company Limited	Fellow Subsidiary	a) Recovery of expenses	4,100	602	1,075	268			
			b) Rent Income	60,008	1,477	11,768	-			
			c) Rent Expenses	11,703	1,125	(2,870)	(1,125)			
			d) Reimbursement of expenses	4,913	2,743	(420)	(1,826)			
			e) Purchase of Fixed Asset	-	-	-	-			
			f) Security Deposit Refundable	-	7,760	(13,417)	(7,760)			
			g) Security Deposit Payable	-	3,088	-	(3,088)			
			h) Security Deposit Receivable	5,657	-	2,229	-			
			i) Security Deposit Paid	-	-	3,088	-			
			j) Group Insurance Premium	1,35,405	1,67,575	(37,519)	(31,429)			
11	Aditya Birla Housing Finance Limited	Fellow Subsidiary	a) Interest income on NCD	8,500	8,500	7,429	7,429			
			b) Sale of NCD	-	-	1,00,000	1,00,000			
			c) Commission expenses	22,197	18,453	(2,683)	(2,837)			
			d) Reimbursement of expenses	11,457	36,162	-	-			
			e) Rent Income	30,932	605	4,706	554			
			f) Security Deposit Receivable	4,690	2,775	2,298	2,775			
			g) Rent Expenses	3,563	4,132	(2,040)	(2,689)			
			h) Security Deposit Refundable	-	-	-	-			
			i) Policy Claims Paid	76,514	84,247	-	-			
			j) Security Deposit Refundable	-	-	(7,465)	-			
			k) Group Insurance Premium	3,90,876	3,21,056	(19,626)	(13,946)			
			12	Aditya Birla Sun Life Pension Management Limited	Subsidiary	a) Rent Income	3,598	3,596	-	-
						b) Reimbursement of expenses	6,337	5,646	-	(3,675)
c) Recovery of expenses	950	2,518				-	-			
d) Investment in Subsidiary	40,000	3,00,000				-	-			
e) Transfer of Asset	122	-				-	-			
f) Group Insurance Premium	164	185				(7)	(0)			
13	Aditya Birla Health Insurance Limited	Associate of Holding Company	a) Recovery of expenses	7,611	1,957	356	136			
			b) Rent Income	47,123	1,288	12,292	-			
			c) Group Mediciam premium paid	1,961	40,593	150	13,646			
			d) Security Deposit Receivable	4,469	6,084	830	1,276			
			e) Reimbursement of Expenses	7,820	7,924	(7,013)	-			
			f) Security Deposit Refundable - Liability	-	-	(10,553)	(6,084)			
			g) Security Deposit Payable	198	-	-	-			
			h) Rent Expenses	627	-	(324)	-			
			i) Security Deposit Refundable - Asset	-	-	198	-			
			j) NCD Outstanding	-	-	(1,00,000)	-			
			k) Group Mediciam Deposit refund	9,935	-	-	-			
			l) Asset Transfer	67	-	-	-			

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Annexure - 2

(Amounts in Thousands of Indian Rupees)

Sr. No.	Name of the related party with whom the transaction has been made	Description of relationship with the party	Nature of Transaction	Audited Transactions during the year ended		Outstanding balance recoverable /(payable) as on	
				31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
1	2	3	4	5	6	7	8
			m) Interest expense on NCD	7,450	5,062	-	-
			n) Group Insurance Premium	15,830	15,025	(1,554)	(10,557)
14	UltraTech Cement Limited	Fellow Subsidiary	a) Interest income on NCD	15,060	21,838	9,160	9,119
			b) Sale of NCD / Outstanding NCD	-	1,50,000	2,00,000	2,00,000
			c) Recovery of Expenses	102	709	-	-
			d) Group Insurance Premium	45,168	95,371	(1,882)	(3,932)
15	Aditya Birla Capital Foundation	Associate of Holding Company	a) CSR Contributions	12,500	12,500	-	-
			b) Reimbursement of Expenses	-	-	-	-
16	Sunlife Assurance company of Canada	Holding of Foreign Promoter	a) Secondment Expenses	32,960	21,454	(9,850)	(13,046)
			b) Subordinated debt	-	-	(15,00,000)	(15,00,000)
			d) Interest on Subordinated debt	1,09,500	1,09,500	-	-
17	Sun Life Financial (India) Insurance Investments Inc	Foreign Promoter	a) Issue of Equity Share Capital	12,73,999	-	-	-
18	Mr. Kamlesh Rao	Key Management Personnel	a) Managerial remuneration	92,914	90,234	-	-
			b) Reimbursement of Expenses	438	-	-	-

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

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

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

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

**Annexure - 3**

(Amounts in Thousands of Indian Rupees)

**FORM A-RA(UL)  
FUND REVENUE ACCOUNT FOR THE PERIOD ENDED 31<sup>st</sup> MARCH 2023**

Particulars	Sch	Ind. Assure		Ind. Income Advantage		Ind. Protector		Ind. Builder		Ind. Balancer	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULIF01008/07/05BSSLMASSURE109	ULIF01507/08/08BSLUNICADV109	ULIF00313/03/01BSLPROTECT109	ULIF00113/03/01BSLBUILDER109	ULIF00831/05/05BSLBALANCE109					
<b>Income from investments</b>											
Interest income		1,90,776	2,08,831	5,52,775	5,29,843	2,01,879	2,07,663	1,46,010	1,49,134	10,452	14,589
Dividend income		-	-	-	-	4,556	4,306	7,215	6,364	744	970
Profit / Loss on sale of investment		(29,731)	1,688	(1,39,153)	71,462	(12,585)	2,12,872	41,127	82,980	2,963	20,468
Profit / Loss on inter fund transfer/ sale of investment		(5,322)	7,238	685	50,668	(4,044)	4,131	3,609	(1,587)	(578)	3,561
Miscellaneous Income / (Expenses)		-	-	-	-	-	-	-	-	-	-
Unrealised Gain/loss*		(8,435)	(34,479)	(50,092)	(1,87,628)	(66,737)	(1,86,449)	(93,418)	(13,784)	(5,205)	(10,041)
<b>Total (A)</b>		<b>1,47,288</b>	<b>1,83,278</b>	<b>3,64,215</b>	<b>4,64,345</b>	<b>1,23,069</b>	<b>2,42,523</b>	<b>1,04,543</b>	<b>2,23,107</b>	<b>8,376</b>	<b>29,547</b>
Fund management expenses		30,077	33,142	82,200	84,031	32,512	36,459	26,290	28,051	2,722	4,032
Fund administration expenses		-	-	-	-	-	-	-	-	-	-
Other charges	F-5	17,905	22,454	58,684	76,112	37,607	50,501	21,812	27,279	1,953	3,271
GST		8,637	10,008	25,359	28,826	13,159	15,787	8,658	9,959	887	1,315
<b>Total (B)</b>		<b>56,619</b>	<b>65,604</b>	<b>1,66,243</b>	<b>1,88,969</b>	<b>83,278</b>	<b>1,02,747</b>	<b>56,760</b>	<b>65,289</b>	<b>5,562</b>	<b>8,618</b>
<b>Net income for the year (A-B)</b>		<b>90,669</b>	<b>1,17,674</b>	<b>1,97,972</b>	<b>2,75,376</b>	<b>39,791</b>	<b>1,39,776</b>	<b>47,783</b>	<b>1,57,818</b>	<b>2,814</b>	<b>20,929</b>
Add: Fund revenue account at the beginning of the year		13,16,874	11,99,200	38,20,791	35,45,415	32,95,913	31,56,137	30,31,489	28,73,671	2,25,290	2,04,361
<b>Fund revenue account at the end of the year</b>		<b>14,07,543</b>	<b>13,16,874</b>	<b>40,18,763</b>	<b>38,20,791</b>	<b>33,35,704</b>	<b>32,95,913</b>	<b>30,79,272</b>	<b>30,31,489</b>	<b>2,28,104</b>	<b>2,25,290</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Sch	Ind. Enhancer		Ind. Creator		Ind. Magnifier		Ind. Maximiser		Ind. Multiplier	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
		ULIF00213/03/01BSLENHANCE109	ULIF00704/02/04BSLCREATOR109	ULIF00826/06/04BSLMAGNIFIER109	ULIF01101/06/07BSLINMAXI109	ULIF01217/10/07BSLINMULTI109					
<b>Income from investments</b>											
Interest income		30,49,009	1,70,967	1,63,090	58,438	59,365	18,078	7,881	54,924	20,562	
Dividend income		2,70,522	35,181	30,337	1,24,177	1,16,645	2,95,687	2,39,785	3,17,031	2,17,050	
Profit / Loss on sale of investment		6,57,669	1,82,982	3,64,325	10,80,355	11,07,005	12,77,840	25,56,560	24,27,187	39,99,508	
Profit / Loss on inter fund transfer/ sale of investment		(25,462)	3,980	(14,205)	(72,956)	(2,588)	(2,77,509)	26,814	(52,284)	45,216	
Miscellaneous Income / (Expenses)		-	-	-	-	-	-	-	-	-	
Unrealised Gain/loss*		(17,72,647)	(2,27,612)	1,21,903	(9,37,435)	9,37,169	(7,15,487)	16,54,823	(19,43,468)	7,32,664	
<b>Total (A)</b>		<b>21,79,091</b>	<b>1,65,498</b>	<b>6,65,450</b>	<b>2,52,579</b>	<b>22,17,596</b>	<b>5,98,609</b>	<b>44,85,863</b>	<b>8,03,390</b>	<b>50,15,000</b>	
Fund management expenses		7,77,149	8,36,533	68,392	1,50,523	1,57,821	3,14,960	3,05,197	3,66,118	3,06,695	
Fund administration expenses		-	-	-	-	-	-	-	-	-	
Other charges	F-5	8,65,346	10,62,345	33,184	68,500	86,947	1,32,404	1,57,750	1,82,140	2,02,997	
GST		2,95,649	3,41,798	18,284	39,424	44,059	80,526	83,330	98,686	91,744	
<b>Total (B)</b>		<b>19,38,144</b>	<b>22,40,676</b>	<b>1,19,860</b>	<b>2,58,447</b>	<b>2,88,827</b>	<b>5,27,890</b>	<b>5,46,277</b>	<b>6,46,944</b>	<b>6,01,436</b>	
<b>Net Income for the year (A-B)</b>		<b>2,40,947</b>	<b>39,06,149</b>	<b>5,45,590</b>	<b>(5,868)</b>	<b>19,28,769</b>	<b>70,719</b>	<b>39,39,586</b>	<b>1,56,446</b>	<b>44,13,564</b>	
Add: Fund revenue account at the beginning of the year		3,46,77,708	3,07,71,559	50,91,213	1,37,94,242	1,18,65,473	1,99,55,338	1,60,15,752	1,13,14,812	69,01,248	
<b>Fund revenue account at the end of the year</b>		<b>3,49,18,655</b>	<b>3,46,77,708</b>	<b>56,36,803</b>	<b>1,37,88,374</b>	<b>1,37,94,242</b>	<b>2,00,26,057</b>	<b>1,99,55,338</b>	<b>1,14,71,258</b>	<b>1,13,14,812</b>	

**Annexure - 3**

(Amounts in Thousands of Indian Rupees)

Particulars	Sch	Ind. Super 20		Ind. Platinum Plus- 1		Ind. Platinum Plus- 2		Ind. Platinum Plus- 3		Ind. Platinum Plus- 4	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
		ULIF01723/06/09BBSLSUPER20109	ULIF01325/02/08BBSLIPLAT1109	ULIF01425/02/08BBSLIPLAT2109	ULIF01628/04/09BBSLIPLAT3109	ULIF01816/09/09BBSLIPLAT4109					
<b>Income from investments</b>	<b>SFIN</b>										
Interest income		14,847	6,442	-	-	-	-	-	-	-	-
Dividend income		1,75,947	1,18,099	-	-	-	-	-	-	-	-
Profit / Loss on sale of investment		8,33,063	13,17,777	-	-	-	-	-	-	-	-
Profit / Loss on inter fund transfer/ sale of investment		4,632	21,276	-	-	-	-	-	-	-	-
Miscellaneous Income / (Expenses)		-	-	-	-	-	-	-	-	-	-
Unrealised Gain/loss*		(41,105)	7,04,857	-	-	-	-	-	-	-	-
<b>Total (A)</b>		<b>9,87,384</b>	<b>21,68,451</b>	-	-	-	-	-	-	-	-
Fund management expenses		2,03,072	1,82,201	-	-	-	-	-	-	-	-
Fund administration expenses		-	-	-	-	-	-	-	-	-	-
Other charges	F-5	98,710	1,00,275	-	-	-	-	20	-	-	-
GST		54,321	50,845	-	-	-	-	4	-	-	-
<b>Total (B)</b>		<b>3,56,103</b>	<b>3,33,321</b>	-	-	-	-	<b>24</b>	-	-	-
<b>Net income for the year (A-B)</b>		<b>6,31,281</b>	<b>18,35,130</b>	-	-	-	-	<b>(24)</b>	-	-	-
Add: Fund revenue account at the beginning of the year		89,10,958	70,75,828	16,83,147	16,83,147	50,83,113	50,83,113	38,15,686	38,15,686	27,39,492	27,39,492
<b>Fund revenue account at the end of the year</b>		<b>95,42,239</b>	<b>89,10,958</b>	<b>16,83,147</b>	<b>16,83,147</b>	<b>50,83,113</b>	<b>50,83,113</b>	<b>38,15,662</b>	<b>38,15,686</b>	<b>27,39,492</b>	<b>27,39,492</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Sch	Ind. Platinum Advantage		Ind. Platinum Premier		Ind. Foresight- 5 Pay		Ind. Foresight- Single Pay		Ind. Titanium- 1	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
		ULIF02408/09/10BSLPLATAVD109	ULIF02203/02/10BSLPLATPR1109	ULIF02510/02/11BSLFSITSP1109	ULIF02610/02/11BSLFSITSP1109	ULIF01911/12/09BSLTTITAN1109					
<b>Income from investments</b>											
Interest income		32,562	13	1,82,115	8	6,03,575	1,349	14,859	-	-	-
Dividend income		-	-	-	-	-	-	-	-	-	-
Profit / Loss on sale of investment		(21,938)	-	(15,053)	-	(1,93,180)	-	(2,266)	-	-	-
Profit / Loss on inter fund transfer/ sale of investment		4,354	-	(231)	-	507	708	191	-	-	-
Miscellaneous Income / (Expenses)		-	-	-	-	-	-	-	-	-	-
Unrealised Gain/loss*		17,133	-	474	-	9,362	(743)	(2,592)	-	-	-
<b>Total (A)</b>		<b>32,111</b>	<b>13</b>	<b>1,67,305</b>	<b>8</b>	<b>4,20,264</b>	<b>1,314</b>	<b>10,192</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund management expenses		10,182	4	68,718	4	1,78,377	450	4,620	1	1	1
Fund administration expenses		-	-	-	-	-	-	-	-	-	-
Other charges	F-5	1,663	-	-	-	-	-	-	-	-	-
GST		2,132	1	12,369	1	32,108	81	832	-	-	-
<b>Total (B)</b>		<b>13,977</b>	<b>5</b>	<b>81,087</b>	<b>5</b>	<b>2,10,485</b>	<b>531</b>	<b>5,452</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Net income for the year (A-B)</b>		<b>18,134</b>	<b>8</b>	<b>86,218</b>	<b>3</b>	<b>2,09,779</b>	<b>783</b>	<b>4,740</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>
Add: Fund revenue account at the beginning of the year		56,10,358	38,78,777	1,20,66,276	38,78,774	1,18,56,497	6,18,688	6,13,948	2,29,060	2,29,061	
<b>Fund revenue account at the end of the year</b>		<b>56,28,492</b>	<b>38,78,785</b>	<b>1,21,52,494</b>	<b>38,78,777</b>	<b>1,20,66,276</b>	<b>6,19,471</b>	<b>6,18,688</b>	<b>2,29,059</b>	<b>2,29,060</b>	

**Annexure - 3**

(Amounts in Thousands of Indian Rupees)

Particulars	Sch	Ind. Titanium- 2		Ind. Titanium- 3		Ind. Pure Equity		Ind. Value Momentum		Ind. Liquid Plus	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
		ULFO201.1/12/09BSLITITAN2109	ULFO211.1/12/09BSLITITAN3109	ULFO2707/10/11BSLIPUREEQ109	ULFO2907/10/11BSLIVALUEM109	ULFO2807/10/11BSLIQPLUS109					
<b>Income from investments</b>	<b>SFIN</b>										
Interest income		-	-	24,371	24,134	6,524	4,114	1,60,700	1,61,261		
Dividend income		-	-	1,98,674	71,580	1,33,689	1,15,833	-	-		
Profit / Loss on sale of investment		-	-	12,44,801	19,64,120	6,02,732	9,04,838	(22,778)	(37,768)		
Profit / Loss on inter fund transfer/ sale of investment		-	-	(4,393)	51	12,160	4,713	(6,333)	(14,854)		
Miscellaneous Income / (Expenses)		-	-	-	-	-	-	-	-		
Unrealised Gain/loss*		-	-	(15,30,539)	(1,23,142)	(4,56,846)	1,13,492	14,799	2,175		
<b>Total (A)</b>		-	-	<b>(67,086)</b>	<b>19,36,743</b>	<b>2,98,259</b>	<b>11,42,990</b>	<b>1,46,388</b>	<b>1,10,814</b>		
Fund management expenses		-	-	1,71,399	1,31,276	82,287	81,013	25,450	25,957		
Fund administration expenses		-	-	-	-	-	-	-	-		
Other charges	F-5	-	-	1,15,333	1,08,188	35,239	46,754	25,391	35,946		
GST		-	-	51,612	43,104	21,155	22,998	9,151	11,142		
<b>Total (B)</b>		-	-	<b>3,38,344</b>	<b>2,82,568</b>	<b>1,38,681</b>	<b>1,50,765</b>	<b>59,992</b>	<b>73,045</b>		
<b>Net income for the year (A-B)</b>		-	-	<b>(4,05,430)</b>	<b>16,54,175</b>	<b>1,59,578</b>	<b>9,92,225</b>	<b>86,396</b>	<b>37,769</b>		
Add: Fund revenue account at the beginning of the year		64,439	28,640	34,12,248	17,58,073	17,50,191	7,57,966	4,08,357	3,70,588		
<b>Fund revenue account at the end of the year</b>		<b>64,439</b>	<b>28,640</b>	<b>30,06,818</b>	<b>34,12,248</b>	<b>19,09,769</b>	<b>17,50,191</b>	<b>4,94,753</b>	<b>4,08,357</b>		

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Sch	Ind. Pension Growth		Ind. Pension Enrich		Ind. Pension Nourish		Ind. Income Advantage Guaranteed		Ind. Maximiser Guaranteed	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
		ULIF00504/03/03BSLIGROWTH109	ULIF00404/03/03BSLIENRICH109	ULIF00604/03/03BSLINOURISH109	ULIF03127/08/13BSLINADGT109	ULIF03027/08/13BSLIMAXGT109					
<b>Income from investments</b>											
Interest income		12,210	12,379	57,208	59,298	4,909	5,098	70,832	83,964	93	43
Dividend income		580	551	5,747	5,422	104	96	-	-	1,044	901
Profit / Loss on sale of investment		3,412	7,695	35,613	71,240	401	2,046	4,876	7,131	4,323	7,709
Profit / Loss on inter fund transfer/ sale of investment		(784)	599	(2,579)	1,570	(155)	882	(424)	1,978	1,118	1,942
Miscellaneous Income / (Expenses)		-	-	-	-	-	-	-	-	-	-
Unrealised Gain/loss*		(6,091)	(2,076)	(52,177)	(2,810)	(2,026)	(2,452)	(31,772)	(28,537)	(4,246)	4,725
<b>Total (A)</b>		<b>9,327</b>	<b>19,148</b>	<b>43,812</b>	<b>1,34,720</b>	<b>3,233</b>	<b>5,670</b>	<b>43,512</b>	<b>64,536</b>	<b>2,332</b>	<b>15,320</b>
Fund management expenses		2,134	2,364	14,933	16,357	766	832	12,217	15,851	1,315	1,307
Fund administration expenses		-	-	-	-	-	-	-	-	-	-
Other charges	F-5	2,426	3,056	12,776	16,050	910	1,133	485	721	21	30
GST		821	976	4,988	5,833	302	354	2,286	2,983	241	240
<b>Total (B)</b>		<b>5,381</b>	<b>6,396</b>	<b>32,697</b>	<b>38,240</b>	<b>1,978</b>	<b>2,319</b>	<b>14,988</b>	<b>19,555</b>	<b>1,577</b>	<b>1,577</b>
<b>Net income for the year (A-B)</b>		<b>3,946</b>	<b>12,752</b>	<b>11,115</b>	<b>96,480</b>	<b>1,255</b>	<b>3,351</b>	<b>28,524</b>	<b>44,981</b>	<b>755</b>	<b>13,743</b>
Add: Fund revenue account at the beginning of the year		3,94,714	3,81,362	20,69,471	19,72,991	1,25,418	1,22,067	6,37,755	5,92,774	55,044	41,301
<b>Fund revenue account at the end of the year</b>		<b>3,98,660</b>	<b>3,94,714</b>	<b>20,80,586</b>	<b>20,69,471</b>	<b>1,26,673</b>	<b>1,25,418</b>	<b>6,66,279</b>	<b>6,37,755</b>	<b>55,799</b>	<b>55,044</b>

**Annexure - 3**

(Amounts in Thousands of Indian Rupees)

Particulars	Sch	Gr. Fixed Interest		Gr. Gilt		Gr. Bond		Gr. Money Market		Gr. Short Term Debt	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
		ULGF00416/07/02BSLGFINT109	ULGF00630/05/03BSLGRGILT109	ULGF00530/05/03BSLGRBOND109	ULGF00824/08/04BSLGRMMKT109	ULGF01322/09/09BSLSGHTD8TL09					
<b>Income from investments</b>	<b>SFIN</b>										
Interest income		15,05,592	14,50,371	30,050	17,612	2,95,450	3,15,179	1,19,678	75,212	30,851	31,152
Dividend income		-	-	-	-	-	-	-	-	-	-
Profit / Loss on sale of investment		(45,742)	23,647	(315)	-	4,441	4,851	(6,872)	(27,840)	(4,725)	659
Profit / Loss on inter fund transfer/ sale of investment		(16,385)	1,42,082	-	381	(21,531)	78,773	(3,038)	(3,689)	(1,105)	4,714
Miscellaneous Income / (Expenses)		-	-	-	-	-	-	-	-	-	-
Unrealised Gain/loss*		(5,75,563)	(5,06,875)	(349)	(8,711)	(1,28,491)	(1,01,448)	6,252	7,296	(2,538)	(9,347)
<b>Total (A)</b>		<b>8,67,902</b>	<b>11,09,225</b>	<b>29,386</b>	<b>9,282</b>	<b>1,50,069</b>	<b>2,97,355</b>	<b>1,16,020</b>	<b>50,979</b>	<b>22,483</b>	<b>27,178</b>
Fund management expenses		2,03,382	2,09,551	4,302	2,779	41,183	46,481	18,812	12,252	4,345	4,620
Fund administration expenses		-	-	-	-	-	-	-	-	-	-
Other charges	F-5	-	-	-	-	-	-	-	-	-	-
GST		36,609	37,719	774	500	7,413	8,367	3,386	2,205	782	832
<b>Total (B)</b>		<b>2,39,991</b>	<b>2,47,270</b>	<b>5,076</b>	<b>3,279</b>	<b>48,596</b>	<b>54,848</b>	<b>22,198</b>	<b>14,457</b>	<b>5,127</b>	<b>5,452</b>
<b>Net Income for the year (A-B)</b>		<b>6,27,911</b>	<b>8,61,955</b>	<b>24,310</b>	<b>6,003</b>	<b>1,01,473</b>	<b>2,42,507</b>	<b>93,822</b>	<b>36,522</b>	<b>17,356</b>	<b>21,726</b>
Add: Fund revenue account at the beginning of the year		78,47,101	69,85,146	1,33,788	1,27,785	33,54,218	31,11,711	12,30,491	11,93,969	4,31,467	4,09,741
<b>Fund revenue account at the end of the year</b>		<b>84,75,012</b>	<b>78,47,101</b>	<b>1,58,098</b>	<b>1,33,788</b>	<b>34,55,691</b>	<b>33,54,218</b>	<b>13,24,313</b>	<b>12,30,491</b>	<b>4,48,823</b>	<b>4,31,467</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Sch	Gr. Growth Advantage		Gr. Income Advantage		Gr. Secure		Gr. Stable		Gr. Growth	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
		ULGF01.026/11/078SUGRADV109	ULGF01.425/02/108SLGNCADV109	ULGF00212/06/018SLGSECURE109	ULGF00312/06/018SLGSTABLE109	ULGF00112/06/018SLGGRWTH109					
<b>SFIN</b>											
<b>Income from investments</b>											
Interest income		26,634	25,603	34,727	32,349	27,32,125	21,07,760	4,49,027	4,01,778	2,17,792	2,11,594
Dividend income		7,202	6,283	-	-	1,23,414	79,251	44,078	33,896	39,772	31,894
Profit / Loss on sale of investment		20,745	87,447	(646)	(269)	2,46,123	9,39,865	1,48,108	4,50,284	2,75,194	4,05,297
Profit / Loss on inter fund transfer/ sale of investment		(3,833)	(2,235)	380	16,063	(97,487)	-	(34,408)	12,066	(56,376)	2,431
Miscellaneous Income / (Expenses)		-	-	-	-	-	-	-	-	-	-
Unrealised Gain/loss*		(21,805)	13,137	(13,125)	(21,634)	(11,49,722)	(1,38,406)	(2,72,043)	19,851	(2,52,266)	1,11,225
<b>Total (A)</b>		<b>28,943</b>	<b>1,30,235</b>	<b>21,336</b>	<b>26,509</b>	<b>18,54,453</b>	<b>29,88,470</b>	<b>3,34,762</b>	<b>9,17,875</b>	<b>2,24,116</b>	<b>7,62,441</b>
Fund management expenses		8,986	9,715	4,679	4,663	4,63,715	3,76,009	93,234	88,651	57,369	58,491
Fund administration expenses		-	-	-	-	-	-	-	-	-	-
Other charges	F-5	-	-	-	-	-	-	-	-	-	-
GST		1,617	1,749	842	839	83,469	67,682	16,782	15,957	10,326	10,528
<b>Total (B)</b>		<b>10,603</b>	<b>11,464</b>	<b>5,521</b>	<b>5,502</b>	<b>5,47,184</b>	<b>4,43,691</b>	<b>1,10,016</b>	<b>1,04,608</b>	<b>67,695</b>	<b>69,019</b>
<b>Net income for the year (A-B)</b>		<b>18,340</b>	<b>1,18,771</b>	<b>15,815</b>	<b>21,007</b>	<b>13,07,269</b>	<b>25,44,779</b>	<b>2,24,746</b>	<b>8,13,267</b>	<b>1,56,421</b>	<b>6,93,422</b>
Add: Fund revenue account at the beginning of the year		6,29,987	5,11,216	4,17,608	3,96,601	1,66,97,302	1,41,52,523	69,13,589	61,00,322	55,59,164	48,65,742
<b>Fund revenue account at the end of the year</b>		<b>6,48,327</b>	<b>6,29,987</b>	<b>4,33,423</b>	<b>4,17,608</b>	<b>1,80,04,571</b>	<b>1,66,97,302</b>	<b>71,38,335</b>	<b>69,13,589</b>	<b>57,15,585</b>	<b>55,59,164</b>

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Sch	Gr. Fixed Interest II		Gr. Money Market II		Gr. Short Term Debt II		Gr. Stable II		Gr. Growth II	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
		ULGF01728/11/11BSLGFINT2109	ULGF01928/11/11BSLGRMMKT2109	ULGF02128/11/11BSLGSHTDB2109	ULGF02228/11/11BSLGSSTAB2109	ULGF01828/11/11BSLGRWTH2109					
<b>SFIN</b>											
<b>Income from investments</b>											
Interest income		1,699	1,855	239	206	18,741	1,436	1,126	19,916	17,318	
Dividend income		-	-	-	-	-	152	112	3,730	2,933	
Profit / Loss on sale of investment		-	-	(107)	(37)	(379)	436	1,094	12,701	30,131	
Profit / Loss on inter fund transfer/sale of investment		1,562	120	-	-	-	(139)	-	(3,116)	182	
Miscellaneous Income / (Expenses)		-	-	-	-	-	-	-	-	-	
Unrealised Gain/loss*		(2,421)	(617)	56	(49)	(4,661)	(557)	498	(14,583)	11,733	
<b>Total (A)</b>		<b>840</b>	<b>1,358</b>	<b>188</b>	<b>120</b>	<b>13,701</b>	<b>1,328</b>	<b>2,830</b>	<b>18,648</b>	<b>62,297</b>	
Fund management expenses		-	-	-	-	-	-	-	-	-	
Fund administration expenses		-	-	-	-	-	-	-	-	-	
Other charges	F-5	-	-	-	-	-	-	-	-	-	
GST		-	-	-	-	-	-	-	-	-	
<b>Total (B)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Net Income for the year (A-B)</b>		<b>840</b>	<b>1,358</b>	<b>188</b>	<b>120</b>	<b>13,701</b>	<b>1,328</b>	<b>2,830</b>	<b>18,648</b>	<b>62,297</b>	
Add: Fund revenue account at the beginning of the year		32,564	31,206	3,641	3,521	2,26,706	21,773	18,943	3,47,878	2,85,581	
<b>Fund revenue account at the end of the year</b>		<b>33,404</b>	<b>32,564</b>	<b>3,829</b>	<b>3,641</b>	<b>2,40,407</b>	<b>23,101</b>	<b>21,773</b>	<b>3,66,526</b>	<b>3,47,878</b>	

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Sch	Pension Discontinued		Life Discontinued		Discontinued Policy		Ind. Asset Allocation		Ind. Capped Nifty Index	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
		UIF03305/07/13BSLIPNDIS109	UIF03205/07/13BSLUIDIS109	UIF02301/07/10BSLIDISOPF109	UIF03430/10/14BSLIASTALC109	UIF03530/10/14BSLICNFDX109					
<b>Income from investments</b>	<b>SFIN</b>										
Interest income		52,431	40,720	7,02,764	4,93,423	-	1	13,275	79,446	947	406
Dividend income		-	-	-	-	-	-	25,623	5,518	24,189	20,054
Profit / Loss on sale of investment		(15,108)	(51)	(1,20,924)	(3,823)	-	-	29,000	42,079	68,238	53,040
Profit / Loss on inter fund transfer/ sale of investment		-	(526)	-	(732)	-	-	13,172	1,089	647	224
Miscellaneous Income / (Expenses)		-	-	-	-	-	-	-	-	-	-
Unrealised Gain/loss*		9,477	(8,510)	59,346	(1,01,122)	-	-	15,293	1,07,967	(50,657)	1,75,620
<b>Total (A)</b>		<b>46,800</b>	<b>31,633</b>	<b>6,41,186</b>	<b>3,87,746</b>	<b>-</b>	<b>1</b>	<b>96,363</b>	<b>2,36,099</b>	<b>43,364</b>	<b>2,49,344</b>
Fund management expenses		4,479	4,077	63,811	50,434	-	-	29,164	29,072	19,089	16,612
Fund administration expenses		-	-	-	-	-	-	-	-	-	-
Other charges	F-5	2,490	1,893	47,274	45,126	(8)	16	11,343	15,407	7,107	7,142
GST		1,254	1,075	19,995	17,201	(1)	3	7,292	8,006	4,715	4,276
<b>Total (B)</b>		<b>8,223</b>	<b>7,045</b>	<b>1,31,080</b>	<b>1,12,761</b>	<b>(9)</b>	<b>19</b>	<b>47,799</b>	<b>52,485</b>	<b>30,911</b>	<b>28,030</b>
<b>Net income for the year (A-B)</b>		<b>38,577</b>	<b>24,588</b>	<b>5,10,106</b>	<b>2,74,985</b>	<b>9</b>	<b>(18)</b>	<b>48,564</b>	<b>1,83,614</b>	<b>12,453</b>	<b>2,21,314</b>
Add: Fund revenue account at the beginning of the year		2,13,898	1,89,310	10,20,367	7,45,382	22,17,999	22,18,017	7,06,086	5,22,472	5,82,053	3,60,739
<b>Fund revenue account at the end of the year</b>		<b>2,52,475</b>	<b>2,13,898</b>	<b>15,30,473</b>	<b>10,20,367</b>	<b>22,18,008</b>	<b>22,17,999</b>	<b>7,54,650</b>	<b>7,06,086</b>	<b>5,94,506</b>	<b>5,82,053</b>

## Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Sch	MNC		Total	
		Current Year	Previous Year	Current Year	Previous Year
SFIN		ULIF03722/06/18ABSLIMUMNC109			
<b>Income from investments</b>					
Interest income		3,615	5,896	1,12,80,844	1,08,97,081
Dividend income		51,375	23,524	18,90,433	13,84,048
Profit / Loss on sale of investment		83,873	49,344	88,52,519	1,76,81,853
Profit / Loss on inter fund transfer/ sale of investment		(28,024)	222	(6,71,289)	4,43,088
Miscellaneous Income / (Expenses)		-	-	-	-
Unrealised Gain/loss*		(56,516)	18,450	(1,03,71,611)	27,75,361
<b>Total (A)</b>		<b>54,323</b>	<b>97,436</b>	<b>1,09,80,896</b>	<b>3,31,81,431</b>
Fund management expenses		38,550	31,992	34,95,519	34,78,804
Fund administration expenses		-	-	-	-
Other charges	F-5	22,720	28,995	17,97,438	21,38,744
GST		11,029	10,978	9,53,316	10,11,295
<b>Total (B)</b>		<b>72,299</b>	<b>71,965</b>	<b>62,46,273</b>	<b>66,28,843</b>
<b>Net Income for the year (A-B)</b>		<b>(17,976)</b>	<b>25,471</b>	<b>47,34,623</b>	<b>2,65,52,588</b>
Add: Fund revenue account at the beginning of the year		3,07,992	2,82,521	19,95,60,465	17,30,07,877
<b>Fund revenue account at the end of the year</b>		<b>2,90,016</b>	<b>3,07,992</b>	<b>20,42,95,088</b>	<b>19,95,60,465</b>

\*Net change in mark to market value of investments

There is no unit balance as of 31<sup>st</sup> March 2023 and neither there was any movement in Gr. Capital Protection, Gr. Floating Rate, Gr. Secure- II & Gr. Bond II for the period starting from 01<sup>st</sup> April 2014 till 31<sup>st</sup> March 2023.

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

## FORM A-BS(UL) FUND BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2023

Particulars	Sch	Ind. Assure		Ind. Income Advantage		Ind. Protector		Ind. Builder		Ind. Balancer	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>SFIN</b>		ULIF01008/07/05BBSLASSURE109		ULIF01507/08/08BSLINCADV109		ULIF00313/03/01BSLPROTECT109		ULIF00113/03/01BSLBUILDER109		ULIF00331/05/05BSLBALANCE109	
<b>Sources of Funds</b>											
<b>Policyholders' Funds:</b>											
Policyholders' contribution	F-1	15,50,585	18,19,090	39,92,305	49,79,623	(2,87,164)	1,59,511	(5,38,759)	(2,49,868)	(25,164)	12,562
Revenue Account		14,07,543	13,16,874	40,18,763	38,20,791	33,35,704	32,95,913	30,79,272	30,31,489	2,28,104	2,25,290
<b>Total</b>		<b>29,58,128</b>	<b>31,35,964</b>	<b>80,11,068</b>	<b>88,00,414</b>	<b>30,48,540</b>	<b>34,55,424</b>	<b>25,40,513</b>	<b>27,81,621</b>	<b>2,02,940</b>	<b>2,37,852</b>
<b>Application of Funds</b>											
Investments	F-2	29,80,541	30,50,061	77,69,850	84,55,761	29,76,173	33,39,317	24,97,214	27,23,301	1,99,671	2,30,226
Current Assets	F-3	85,710	97,281	2,81,333	3,67,778	79,808	1,24,973	46,887	61,399	3,270	8,595
Less: Current Liabilities and Provisions	F-4	1,08,123	11,378	40,115	23,125	7,441	8,866	3,588	3,079	1	969
Net current assets		(22,413)	85,903	2,41,218	3,44,653	72,367	1,16,107	43,299	58,320	3,269	7,626
<b>(a) Total</b>		<b>29,58,128</b>	<b>31,35,964</b>	<b>80,11,068</b>	<b>88,00,414</b>	<b>30,48,540</b>	<b>34,55,424</b>	<b>25,40,513</b>	<b>27,81,621</b>	<b>2,02,940</b>	<b>2,37,852</b>
<b>(b) Number of Units outstanding (in thousands)</b>		74,797	82,336	2,29,757	2,61,021	54,959	64,027	33,697	37,984	4,079	4,903
NAV per Unit (a)/(b) (₹)	Plan I	39.55	38.09	34.87	33.72	55.47	53.97	75.39	73.23	49.75	48.51

Particulars	Sch	Ind. Enhancer		Ind. Creator		Ind. Magnifier		Ind. Maximiser		Ind. Multiplier	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>SFIN</b>		ULIF00215/03/01BSLENHANCE109		ULIF00704/02/04BSLCREATOR109		ULIF00626/06/04BSLMAGN109		ULIF0101/06/07BSLJINMAX109		ULIF01217/10/07BSLJINMULT109	
<b>Sources of Funds</b>											
<b>Policyholders' Funds:</b>											
Policyholders' contribution	F-1	2,47,10,588	3,05,30,724	(7,62,086)	(1,58,524)	(29,64,571)	(21,16,210)	33,70,780	37,31,220	1,70,32,913	1,43,56,001
Revenue Account		3,49,18,655	3,46,77,708	56,93,591	56,36,803	1,37,88,374	1,37,94,242	2,00,26,057	1,99,55,338	1,14,71,258	1,13,14,812
<b>Total</b>		<b>5,96,29,243</b>	<b>6,52,08,432</b>	<b>49,31,505</b>	<b>54,78,279</b>	<b>1,08,23,803</b>	<b>1,16,78,032</b>	<b>2,33,96,837</b>	<b>2,36,86,558</b>	<b>2,85,04,171</b>	<b>2,56,70,813</b>
<b>Application of Funds</b>											
Investments	F-2	5,86,91,001	6,39,60,660	48,40,667	53,75,034	1,07,16,964	1,16,00,254	2,30,72,946	2,35,59,341	2,85,23,485	2,57,39,748
Current Assets	F-3	10,47,258	13,53,206	1,36,761	1,19,129	1,23,906	1,49,868	3,78,134	3,98,677	3,55,176	4,58,199
Less: Current Liabilities and Provisions	F-4	1,09,016	1,05,434	45,923	15,884	17,067	72,090	54,243	2,71,460	3,74,490	5,27,134
Net current assets		9,38,242	12,47,772	90,838	1,03,245	1,06,839	77,778	3,23,891	1,27,217	(19,314)	(68,935)
<b>(a) Total</b>		<b>5,96,29,243</b>	<b>6,52,08,432</b>	<b>49,31,505</b>	<b>54,78,279</b>	<b>1,08,23,803</b>	<b>1,16,78,032</b>	<b>2,33,96,837</b>	<b>2,36,86,558</b>	<b>2,85,04,171</b>	<b>2,56,70,813</b>
<b>(b) Number of Units outstanding (in thousands)</b>		6,96,821	7,78,208	63,650	71,947	1,24,096	1,34,785	5,07,215	5,18,212	5,09,078	4,64,824
NAV per Unit (a)/(b) (₹)	Plan I	85.57	83.79	77.48	76.14	87.22	86.64	46.13	45.71	55.99	55.23

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Sch	Ind. Super 20		Ind. Platinum Plus- 1		Ind. Platinum Plus- 2		Ind. Platinum Plus- 3		Ind. Platinum Plus- 4	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>SFIN</b>		ULIF01.1725/06/09BSLSL.SUPER20109		ULIF01.325/02/08BSLPLAT1109		ULIF01.425/02/08BSLPLAT2109		ULIF01.628/04/09BSLPLAT3109		ULIF01.816/09/09BSLPLAT4109	
<b>Sources of Funds</b>											
<b>Policyholders' Funds:</b>											
Policyholders' contribution	F-1	64,42,641	56,23,006	(16,83,147)	(16,83,147)	(50,83,113)	(50,83,113)	(38,15,662)	(38,15,686)	(27,39,492)	(27,39,492)
Revenue Account		95,42,239	89,10,958	16,83,147	16,83,147	50,83,113	50,83,113	38,15,662	38,15,686	27,39,492	27,39,492
<b>Total</b>		<b>1,59,84,880</b>	<b>1,45,33,964</b>	-	-	-	-	-	-	-	-
<b>Application of Funds</b>											
Investments	F-2	1,58,92,529	1,45,38,575	-	-	-	-	-	-	-	-
Current Assets	F-3	1,71,701	1,66,315	-	-	-	-	-	-	-	-
Less: Current Liabilities and Provisions	F-4	79,350	1,70,926	-	-	-	-	-	-	-	-
Net current assets		92,351	(4,611)	-	-	-	-	-	-	-	-
<b>(a) Total</b>		<b>1,59,84,880</b>	<b>1,45,33,964</b>	-	-	-	-	-	-	-	-
<b>(b) Number of Units outstanding</b>		<b>3,37,071</b>	<b>3,21,493</b>	-	-	-	-	-	-	-	-
NAV per Unit (a)/(b) (₹)	Plan I	47.42	45.21	-	-	-	-	-	-	-	-
<b>SFIN</b>											
<b>Sources of Funds</b>		ULIF02.408/09/10BSLPLATADV109		ULIF02.03/02/10BSLPLATPR109		ULIF02.510/02/10BSLFSIT5P109		ULIF02.610/02/10BSLFSIT5P109		ULIF01.911/12/09BSLTTANT109	
<b>Policyholders' Funds:</b>											
Policyholders' contribution	F-1	(54,20,230)	(45,37,680)	(38,78,481)	(38,78,481)	(1,04,87,523)	(66,06,032)	(6,06,617)	(5,80,063)	(2,29,013)	(2,29,013)
Revenue Account		56,28,492	56,10,358	38,78,785	38,78,777	1,21,52,494	1,20,66,276	6,19,471	6,18,688	2,29,059	2,29,060
<b>Total</b>		<b>2,08,262</b>	<b>10,72,678</b>	<b>304</b>	<b>296</b>	<b>16,64,971</b>	<b>54,60,244</b>	<b>12,854</b>	<b>38,625</b>	<b>46</b>	<b>47</b>
<b>Application of Funds</b>											
Investments	F-2	2,56,500	12,17,863	250	250	20,45,683	64,43,931	14,994	1,07,654	-	-
Current Assets	F-3	251	7,471	54	46	21,457	1,56,844	93	100	46	47
Less: Current Liabilities and Provisions	F-4	48,489	1,52,656	-	-	4,02,169	11,40,531	2,233	69,129	-	-
Net current assets		(48,238)	(1,45,185)	54	46	(3,80,712)	(9,83,687)	(2,140)	(69,029)	46	47
<b>(a) Total</b>		<b>2,08,262</b>	<b>10,72,678</b>	<b>304</b>	<b>296</b>	<b>16,64,971</b>	<b>54,60,244</b>	<b>12,854</b>	<b>38,625</b>	<b>46</b>	<b>47</b>
<b>(b) Number of Units outstanding</b>		<b>10,313</b>	<b>54,809</b>	<b>14</b>	<b>14</b>	<b>83,102</b>	<b>2,79,809</b>	<b>564</b>	<b>1,744</b>	<b>2</b>	<b>2</b>
NAV per Unit (a)/(b) (₹)	Plan I	20.19	19.57	22.29	21.70	20.04	19.51	22.80	22.15	20.89	21.26

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Ind. Titanium- 2		Ind. Titanium- 3		Ind. Pure Equity		Ind. Value Momentum		Ind. Liquid Plus	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>SFIN</b>	ULIF0201.1/12/09BSLITITAN2109	ULIF0211.1/12/09BSLITITAN3109	ULIF02707/10/11BSLIPUREEQ109	ULIF02907/10/11BSLIVALUEM109	ULIF02907/10/11BSLIQPLUS109					
<b>Sources of Funds</b>										
<b>Policyholders' Funds:</b>										
Policyholders' contribution	(64,439)	(28,640)	1,11,27,180	81,98,511			38,07,608	46,06,028	22,88,206	25,64,988
Revenue Account	64,439	28,640	30,06,818	34,12,248			19,09,769	17,50,191	4,94,753	4,08,357
<b>Total</b>	-	-	<b>1,41,33,998</b>	<b>1,16,10,759</b>			<b>57,17,377</b>	<b>63,56,219</b>	<b>27,82,959</b>	<b>29,73,345</b>
<b>Application of Funds</b>										
Investments	-	-	1,41,06,839	1,13,06,746			57,41,240	64,65,473	26,23,566	27,77,534
Current Assets	-	-	3,35,947	8,45,398			48,996	1,19,680	2,22,907	2,12,073
Less: Current Liabilities and Provisions	-	-	3,08,788	5,41,385			72,859	2,28,934	63,514	16,262
Net current assets	-	-	27,159	3,04,013			(23,863)	(1,09,254)	1,59,393	1,95,811
<b>(a) Total</b>	-	-	<b>1,41,33,998</b>	<b>1,16,10,759</b>			<b>57,17,377</b>	<b>63,56,219</b>	<b>27,82,959</b>	<b>29,73,345</b>
<b>(b) Number of Units outstanding (in thousands)</b>										
	-	-	3,08,362	2,48,381			1,86,293	2,13,366	1,39,261	1,55,832
NAV per Unit (a)/(b) (₹)	-	-	45.84	46.75			30.69	29.79	19.98	19.08

Particulars	Ind. Pension Growth		Ind. Pension Enrich		Ind. Pension Nourish		Ind. Income Advantage Guaranteed		Ind. Maximiser Guaranteed	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>SFIN</b>	ULIF00504/03/03BSLIGROWTH109	ULIF00404/03/03BSLENRICH109	ULIF00604/03/03BSLINDOURISH109	ULIF0312/08/13BSLIINADGT109	ULIF03027/08/13BSLIINMAGT109					
<b>Sources of Funds</b>										
<b>Policyholders' Funds:</b>										
Policyholders' contribution	(1,97,982)	(1,73,196)	(9,65,741)	(8,31,378)	(54,310)	(45,448)	1,86,761	4,93,828	28,191	29,677
Revenue Account	3,98,660	3,94,714	20,80,586	20,69,471	1,26,673	1,25,418	6,66,279	6,37,755	55,799	55,044
<b>Total</b>	<b>2,00,678</b>	<b>2,21,518</b>	<b>11,14,845</b>	<b>12,38,093</b>	<b>72,363</b>	<b>79,970</b>	<b>8,53,040</b>	<b>11,31,583</b>	<b>83,990</b>	<b>84,721</b>
<b>Application of Funds</b>										
Investments	1,96,409	2,14,880	10,95,861	12,04,184	70,428	77,847	8,43,992	11,42,539	84,051	81,836
Current Assets	5,057	6,821	20,599	35,149	2,334	2,323	30,302	54,718	533	3,660
Less: Current Liabilities and Provisions	788	183	1,615	1,240	399	200	21,254	65,674	594	775
Net current assets	4,269	6,638	18,984	33,909	1,935	2,123	9,048	(10,956)	(61)	2,885
<b>(a) Total</b>	<b>2,00,678</b>	<b>2,21,518</b>	<b>11,14,845</b>	<b>12,38,093</b>	<b>72,363</b>	<b>79,970</b>	<b>8,53,040</b>	<b>11,31,583</b>	<b>83,990</b>	<b>84,721</b>
<b>(b) Number of Units outstanding (in thousands)</b>										
	3,116	3,553	14,316	16,258	1,512	1,723	43,727	59,975	3,042	3,111
NAV per Unit (a)/(b) (₹)	64.39	62.35	77.88	76.15	47.87	46.40	19.51	18.87	27.61	27.23

**Annexure - 3**

(Amounts in Thousands of Indian Rupees)

Particulars	Sch	Gr. Fixed Interest		Gr. Gilt		Gr. Bond		Gr. Money Market		Gr. Short Term Debt	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>SFIN</b>		ULGF00416/07/02BSLGFINT109	ULGF00630/05/03BSLGRGILT109	ULGF00550/05/03BSLGRBOND109	ULGF00824/08/04BSLGRMMKT109	ULGF01322/09/08BSLGSHTDBT109					
<b>Sources of Funds</b>											
<b>Policyholders' Funds:</b>											
Policyholders' contribution	F-1	1,23,77,244	1,36,02,750	3,26,213	2,33,941	6,42,810	9,08,360	4,18,119	(1,01,325)	(15,319)	24,605
Revenue Account		84,75,012	78,47,101	1,58,098	1,33,788	34,55,691	33,54,218	13,24,313	12,30,491	4,48,823	4,31,467
<b>Total</b>		<b>2,08,52,256</b>	<b>2,14,49,851</b>	<b>4,84,311</b>	<b>3,67,729</b>	<b>40,98,501</b>	<b>42,62,578</b>	<b>17,42,432</b>	<b>11,29,166</b>	<b>4,33,504</b>	<b>4,56,072</b>
<b>Application of Funds</b>											
Investments	F-2	2,02,78,777	2,11,74,511	4,76,208	3,62,501	40,12,507	41,24,328	17,16,590	11,45,842	4,20,066	4,29,047
Current Assets	F-3	5,80,738	6,55,798	8,103	5,228	1,26,433	1,63,065	26,917	24,994	23,750	27,025
Less: Current Liabilities and Provisions	F-4	7,259	3,80,458	-	-	40,439	24,815	1,075	41,670	10,312	-
Net current assets		5,73,479	2,75,340	8,103	5,228	85,994	1,38,250	25,842	(16,676)	13,438	27,025
<b>(a) Total</b>		<b>2,08,52,256</b>	<b>2,14,49,851</b>	<b>4,84,311</b>	<b>3,67,729</b>	<b>40,98,501</b>	<b>42,62,578</b>	<b>17,42,432</b>	<b>11,29,166</b>	<b>4,33,504</b>	<b>4,56,072</b>
<b>(b) Number of Units outstanding (in thousands)</b>		4,15,313	4,40,820	13,346	10,674	97,586	1,04,080	44,859	30,445	14,732	16,145
NAV per Unit (a)/(b) (₹)	Plan I	50.21	48.66	36.29	34.45	42.00	40.95	38.84	37.09	29.43	28.25
<b>SFIN</b>		ULGF01026/11/07BSLUGRADV109	ULGF01425/02/10BSLGINCADV109	ULGF00312/06/10BSLGSSECURE109	ULGF00312/06/10BSLGSSTABLE109	ULGF00112/06/10BSLGGROWTH109					
<b>Sources of Funds</b>											
<b>Policyholders' Funds:</b>											
Policyholders' contribution	F-1	3,11,802	2,70,744	50,458	48,683	3,40,18,511	2,63,90,001	25,61,483	22,46,791	(6,16,920)	6,36,965
Revenue Account		6,48,327	6,29,987	4,33,423	4,17,608	1,80,04,571	1,66,97,302	71,38,335	69,13,589	57,15,585	55,59,164
<b>Total</b>		<b>9,60,129</b>	<b>9,00,731</b>	<b>4,83,881</b>	<b>4,66,291</b>	<b>5,20,23,082</b>	<b>4,30,87,303</b>	<b>96,99,818</b>	<b>91,60,380</b>	<b>50,98,665</b>	<b>61,96,129</b>
<b>Application of Funds</b>											
Investments	F-2	9,46,159	8,89,342	4,48,565	4,51,515	5,12,40,299	4,25,65,671	95,53,439	89,96,759	50,39,411	61,71,615
Current Assets	F-3	13,970	11,528	35,316	14,776	15,09,178	12,93,658	1,80,015	1,65,348	69,754	81,524
Less: Current Liabilities and Provisions	F-4	-	139	-	-	7,26,395	7,72,026	33,636	1,727	10,500	57,010
Net current assets		13,970	11,389	35,316	14,776	7,82,783	5,21,632	1,46,379	1,63,621	59,254	24,514
<b>(a) Total</b>		<b>9,60,129</b>	<b>9,00,731</b>	<b>4,83,881</b>	<b>4,66,291</b>	<b>5,20,23,082</b>	<b>4,30,87,303</b>	<b>96,99,818</b>	<b>91,60,380</b>	<b>50,98,665</b>	<b>61,96,129</b>
<b>(b) Number of Units outstanding (in thousands)</b>		18,563	17,846	17,467	17,402	6,85,718	5,83,086	89,135	86,208	36,207	45,036
NAV per Unit (a)/(b) (₹)	Plan I	51.72	50.47	27.70	26.80	75.87	73.90	108.82	106.26	140.82	137.58

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Sch	Gr. Fixed Interest II		Gr. Money Market II		Gr. Short Term Debt II		Gr. Stable II		Gr. Growth II	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>SFIN</b>											
<b>Sources of Funds</b>		ULGF01728/11/11BSLQFNNT2109		ULGF01928/11/11BSLGRMMKT2109		ULGF02128/11/11BSLQSHDTR2109		ULGF02228/11/11BSLQSTABL2109		ULGF01828/11/11BSLGRWTH2109	
<b>Policyholders' Funds:</b>											
Policyholders' contribution	F-1	(10,540)	(8,761)	(199)	(174)	85,162	87,765	9,200	9,035	2,01,628	2,05,747
Revenue Account		33,404	32,564	3,829	3,641	2,54,231	2,40,407	23,101	21,773	3,66,526	3,47,878
<b>Total</b>		<b>22,864</b>	<b>23,803</b>	<b>3,630</b>	<b>3,467</b>	<b>3,39,393</b>	<b>3,28,172</b>	<b>32,301</b>	<b>30,808</b>	<b>5,68,154</b>	<b>5,53,625</b>
<b>Application of Funds</b>											
Investments	F-2	22,388	23,778	3,475	3,319	3,31,195	3,20,910	32,090	30,506	5,63,543	5,48,415
Current Assets	F-3	476	100	155	148	8,198	7,282	211	541	4,611	6,487
Less: Current Liabilities and Provisions	F-4	-	75	-	-	-	20	-	239	-	1,277
Net current assets		476	25	155	148	8,198	7,262	211	302	4,611	5,210
<b>(a) Total</b>		<b>22,864</b>	<b>23,803</b>	<b>3,630</b>	<b>3,467</b>	<b>3,39,393</b>	<b>3,28,172</b>	<b>32,301</b>	<b>30,808</b>	<b>5,68,154</b>	<b>5,53,625</b>
<b>(b) Number of Units outstanding (in thousands)</b>		840	907	173	174	14,179	14,292	1,028	1,018	16,100	16,219
NAV per Unit (a)/(b) (₹)	Plan I	27.23	26.25	21.03	19.95	23.94	22.96	31.43	30.25	35.29	34.13
<b>SFIN</b>											
<b>Sources of Funds</b>		ULIF03305/07/13BSLIPNDIS109		ULIF02205/07/13BSLUDIS109		ULIF02301/07/10BSLUDISCFP109		ULIF03430/10/14BSLIJASTALC109		ULIF03530/10/14BSLICNFIDIX109	
<b>Policyholders' Funds:</b>											
Policyholders' contribution	F-1	6,53,653	5,40,916	1,18,79,408	1,00,62,101	(22,18,008)	(22,17,999)	15,63,724	16,64,202	10,16,009	8,49,893
Revenue Account		2,52,475	2,13,898	15,30,473	10,20,367	22,18,008	22,17,999	7,54,650	7,06,086	5,94,506	5,82,053
<b>Total</b>		<b>9,06,128</b>	<b>7,54,814</b>	<b>1,34,09,881</b>	<b>1,10,82,468</b>	<b>-</b>	<b>-</b>	<b>23,18,374</b>	<b>23,70,288</b>	<b>16,10,515</b>	<b>14,31,946</b>
<b>Application of Funds</b>											
Investments	F-2	9,20,716	7,78,822	1,38,33,496	1,14,66,956	-	-	22,85,205	23,52,593	15,90,771	14,30,831
Current Assets	F-3	9,596	6,942	1,27,575	1,08,100	-	-	35,915	26,436	31,684	40,466
Less: Current Liabilities and Provisions	F-4	24,184	30,950	5,51,190	4,92,588	-	-	2,746	8,741	11,940	39,351
Net current assets		(14,588)	(24,008)	(4,23,615)	(3,84,488)	-	-	33,169	17,695	19,744	1,115
<b>(a) Total</b>		<b>9,06,128</b>	<b>7,54,814</b>	<b>1,34,09,881</b>	<b>1,10,82,468</b>	<b>-</b>	<b>-</b>	<b>23,18,374</b>	<b>23,70,288</b>	<b>16,10,515</b>	<b>14,31,946</b>
<b>(b) Number of Units outstanding (in thousands)</b>		55,955	48,786	8,27,362	7,14,186	-	-	1,13,499	1,19,093	73,974	66,504
NAV per Unit (a)/(b) (₹)	Plan I	16.19	15.47	16.21	15.52	-	-	20.43	19.90	21.77	21.53

## Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Sch	MNC		Total	
		Current Year	Previous Year	Current Year	Previous Year
SFIN		ULIF03722/06/18ABSLMUMNC109			
<b>Sources of Funds</b>					
<b>Policyholders' Funds:</b>					
Policyholders' contribution	F-1	28,18,977	23,02,808	10,07,79,039	10,20,41,407
Revenue Account		2,90,016	3,07,992	20,42,95,088	19,95,60,465
<b>Total</b>		<b>31,08,993</b>	<b>26,10,800</b>	<b>30,50,74,127</b>	<b>30,16,01,872</b>
<b>Application of Funds</b>					
Investments	F-2	30,55,621	26,58,069	30,20,11,375	29,95,38,345
Current Assets	F-3	71,894	1,32,819	62,63,009	75,22,015
Less: Current Liabilities and Provisions	F-4	18,522	1,80,088	32,00,257	54,58,488
Net current assets		53,372	(47,269)	30,62,752	20,63,527
<b>(a) Total</b>		<b>31,08,993</b>	<b>26,10,800</b>	<b>30,50,74,127</b>	<b>30,16,01,872</b>
<b>(b) Number of Units outstanding (in thousands)</b>		<b>2,42,277</b>	<b>2,04,725</b>		
NAV per Unit (a)/(b) (₹)	Plan I	12.83	12.75		

There is no unit balance as of 31<sup>st</sup> March 2023 and neither there was any movement in Gr. Capital Protection, Gr. Floating Rate, Gr. Secure- II & Gr. Bond II for the period starting from 01<sup>st</sup> April 2014 till 31<sup>st</sup> March 2023.

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

## SCHEDULES TO FUND BALANCE SHEET SCHEDULE: F-1 POLICYHOLDERS' CONTRIBUTION

Particulars	Ind. Assure		Ind. Income Advantage		Ind. Protector		Ind. Builder		Ind. Balancer	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULF01008/07/05B5LIASSURE109	ULF01507/08/08BSLIINCADV109	ULF00313/03/01BSLIPROTECT109	ULF00113/03/01BSLIBUILDER109	ULF00931/05/05BSBALANCE109					
Opening balance	18,19,090	19,52,833	49,79,623	45,74,011	1,59,511	5,56,480	(2,49,868)	(1,20,938)	12,562	1,45,874
Add: Additions during the year**	24,59,277	31,46,104	35,22,746	44,18,962	4,73,523	5,93,256	3,21,023	3,80,682	8,972	13,566
Less: Deductions during the year	27,27,782	32,79,847	45,10,064	40,13,350	9,20,198	9,90,225	6,09,914	5,09,612	46,698	1,46,878
<b>Closing balance</b>	<b>15,50,585</b>	<b>18,19,090</b>	<b>39,92,305</b>	<b>49,79,623</b>	<b>(2,87,164)</b>	<b>1,59,511</b>	<b>(5,38,759)</b>	<b>(2,49,868)</b>	<b>(25,164)</b>	<b>12,562</b>

Particulars	Ind. Enhancer		Ind. Creator		Ind. Magnifier		Ind. Maximiser		Ind. Multiplier	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULF00213/03/01BSLENHANCE109	ULF00704/02/04BSLCREATOR109	ULF00826/06/04BSLIMAGN109	ULF01110/10/07BSLINMAX109	ULF01217/10/07BSLINMULT109					
Opening balance	3,05,30,724	3,52,99,087	(1,58,524)	82,179	(21,16,210)	(10,79,892)	37,31,220	44,57,780	1,43,56,001	1,10,68,045
Add: Additions during the year**	29,50,763	36,22,450	5,81,507	7,85,712	11,30,437	14,52,982	51,61,212	47,43,351	98,94,393	96,92,137
Less: Deductions during the year	87,70,899	83,90,813	11,85,069	10,26,415	19,78,798	24,89,300	55,21,652	54,69,911	72,17,481	64,04,181
<b>Closing balance</b>	<b>2,47,10,588</b>	<b>3,05,30,724</b>	<b>(7,62,086)</b>	<b>(1,58,524)</b>	<b>(29,64,571)</b>	<b>(21,16,210)</b>	<b>33,70,780</b>	<b>37,31,220</b>	<b>1,70,32,913</b>	<b>1,43,56,001</b>

Particulars	Ind. Super 20		Ind. Platinum Plus- 1		Ind. Platinum Plus- 2		Ind. Platinum Plus- 3		Ind. Platinum Plus- 4	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULF01723/06/09B5LSUPER20109	ULF01325/02/08BSLIPLAT1109	ULF01425/02/08BSLIPLAT2109	ULF01628/04/09BSLIPLAT3109	ULF01816/09/09BSLIPLAT4109					
Opening balance	56,23,006	51,84,080	(16,83,147)	(16,83,147)	(50,83,113)	(50,83,113)	(38,15,686)	(38,15,686)	(27,39,492)	605
Add: Additions during the year**	71,58,564	61,70,676	2,141	-	-	-	789	97	116	605
Less: Deductions during the year	63,38,929	57,31,750	2,141	-	-	-	765	97	116	605
<b>Closing balance</b>	<b>64,42,641</b>	<b>56,23,006</b>	<b>(16,83,147)</b>	<b>(16,83,147)</b>	<b>(50,83,113)</b>	<b>(50,83,113)</b>	<b>(38,15,662)</b>	<b>(38,15,686)</b>	<b>(27,39,492)</b>	<b>(27,39,492)</b>

Particulars	Ind. Platinum Advantage		Ind. Platinum Premier		Ind. Foresight- 5 Pay		Ind. Foresight- Single Pay		Ind. Titanium- 1	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULF02408/09/10BSLPLATAV109	ULF02203/02/10BSLPLATPR1109	ULF02510/02/11BSLFSF5P1109	ULF02610/02/11BSLFSFSP1109	ULF01911/12/09BSLTTITANI109					
Opening balance	(45,37,680)	(25,94,923)	(38,78,481)	(38,78,481)	(66,06,032)	26,61,393	(5,80,063)	(66,689)	(2,29,013)	(2,29,013)
Add: Additions during the year**	12,336	10,570	332	2,045	56,070	11,28,522	1,610	37,322	-	-
Less: Deductions during the year	8,94,886	19,53,327	332	2,045	39,37,561	1,03,95,947	28,164	5,50,696	-	-
<b>Closing balance</b>	<b>(54,20,230)</b>	<b>(45,37,680)</b>	<b>(38,78,481)</b>	<b>(38,78,481)</b>	<b>(1,04,87,523)</b>	<b>(66,06,032)</b>	<b>(6,06,617)</b>	<b>(5,80,063)</b>	<b>(2,29,013)</b>	<b>(2,29,013)</b>

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Ind. Titanium - 2		Ind. Titanium - 3		Ind. Pure Equity		Ind. Value Momentum		Ind. Liquid Plus	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF02011/12/09BSLITITAN2109	ULIF02111/12/09BSLITITAN3109	ULIF02707/10/11BSLIPUREEQ109	ULIF02907/10/11BSLIVALUEM109	ULIF02807/10/11BSLIQPLUS109					
Opening balance	(64,439)	(64,439)	(28,640)	(28,640)	81,98,511	57,39,912	46,06,028	45,52,700	25,64,988	24,58,728
Add: Additions during the year **	-	-	-	-	71,92,933	61,44,816	12,04,041	17,16,876	55,37,255	53,07,302
Less: Deductions during the year	-	-	-	-	42,64,264	36,86,217	20,02,461	16,63,548	58,14,037	52,01,042
<b>Closing balance</b>	<b>(64,439)</b>	<b>(64,439)</b>	<b>(28,640)</b>	<b>(28,640)</b>	<b>81,98,511</b>	<b>81,98,511</b>	<b>38,07,608</b>	<b>46,06,028</b>	<b>22,88,206</b>	<b>25,64,988</b>
Particulars	Ind. Pension Growth		Ind. Pension Enrich		Ind. Pension Nourish		Ind. Income Advantage Guaranteed		Ind. Maximiser Guaranteed	
SFIN	ULIF0504/03/03BSLIGROWTH109	ULIF00404/03/03BSLIENRICH109	ULIF00604/03/03BSLINOUBRISH109	ULIF03127/08/13BSLINADGTL109	ULIF03027/08/13BSLIMAXGTL109					
Opening balance	(1,73,196)	(1,44,419)	(8,31,378)	(6,84,606)	(45,448)	(39,381)	4,93,828	8,46,151	29,677	38,087
Add: Additions during the year **	4,508	3,960	19,741	25,638	1,753	2,934	3,14,664	5,23,247	19,064	20,687
Less: Deductions during the year	29,294	32,737	1,54,104	1,72,410	10,615	9,001	6,21,731	8,75,570	20,550	29,097
<b>Closing balance</b>	<b>(1,97,982)</b>	<b>(1,73,196)</b>	<b>(9,65,741)</b>	<b>(8,31,378)</b>	<b>(54,310)</b>	<b>(45,448)</b>	<b>1,86,761</b>	<b>4,93,828</b>	<b>28,191</b>	<b>29,677</b>
Particulars	Gr. Fixed Interest		Gr. Gift		Gr. Bond		Gr. Money Market		Gr. Short Term Debt	
SFIN	ULGF00416/07/02BSLIFIXINT109	ULGF00630/05/03BSLIGRGLT109	ULGF00530/05/03BSLIGRBOND109	ULGF00824/08/04BSLIGRMMKT109	ULGF01322/09/08BSLIGSHTDBT109					
Opening balance	1,36,02,750	1,36,32,893	2,33,941	75,712	9,08,360	27,76,549	(1,01,325)	95,303	24,605	80,746
Add: Additions during the year **	41,20,589	50,82,194	1,04,740	1,75,029	5,89,802	5,27,437	44,30,105	10,90,056	40,192	24,367
Less: Deductions during the year	53,46,095	51,12,337	12,468	16,800	8,55,352	23,95,626	39,10,661	12,86,684	80,116	80,508
<b>Closing balance</b>	<b>1,23,77,244</b>	<b>1,36,02,750</b>	<b>3,26,213</b>	<b>2,33,941</b>	<b>6,42,810</b>	<b>9,08,360</b>	<b>4,18,119</b>	<b>(1,01,325)</b>	<b>(15,319)</b>	<b>24,605</b>
Particulars	Gr. Growth Advantage		Gr. Income Advantage		Gr. Secure		Gr. Stable		Gr. Growth	
SFIN	ULGF01026/11/07BSLIGRADV109	ULGF01425/02/10BSLIGNCADV109	ULGF00212/06/01BSLIGSECURE109	ULGF00312/06/01BSLIGSTABLE109	ULGF00112/06/01BSLIGGROWTH109					
Opening balance	2,70,744	5,21,702	48,683	64,512	2,63,90,001	1,87,80,040	22,46,791	22,92,278	6,36,965	4,30,645
Add: Additions during the year **	1,03,445	1,69,501	1,775	1,537	1,10,09,254	1,10,17,030	11,87,580	5,82,281	4,69,675	12,78,079
Less: Deductions during the year	62,387	4,20,459	-	17,366	33,80,744	34,07,069	8,72,888	6,27,768	17,23,560	10,71,759
<b>Closing balance</b>	<b>3,11,802</b>	<b>2,70,744</b>	<b>50,458</b>	<b>48,683</b>	<b>3,40,18,511</b>	<b>2,63,90,001</b>	<b>25,61,483</b>	<b>22,46,791</b>	<b>(6,16,920)</b>	<b>6,36,965</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Gr. Fixed Interest II		Gr. Money Market II		Gr. Short Term Debt II		Gr. Stable II		Gr. Growth II	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>SFIN</b>	ULGF01728/11/11BSLGFINT2109		ULGF01928/11/11BSLGRMMKT2109		ULGF02128/11/11BSLGSHTDB2109		ULGF02228/11/11BSLGSSTABL2109		ULGF01828/11/11BSLGRGROWTH2109	
Opening balance	(8,761)	(5,346)	(174)	(150)	87,765	90,981	9,035	7,163	2,05,747	2,10,827
Add: Additions during the year**	11	55	-	-	6	25	4,416	9,972	50	31
Less: Deductions during the year	1,790	3,470	25	24	2,609	3,241	4,251	8,100	4,169	5,111
<b>Closing balance</b>	<b>(10,540)</b>	<b>(8,761)</b>	<b>(199)</b>	<b>(174)</b>	<b>85,162</b>	<b>87,765</b>	<b>9,200</b>	<b>9,035</b>	<b>2,01,628</b>	<b>2,05,747</b>
<b>Particulars</b>	<b>Pension Discontinued</b>		<b>Life Discontinued</b>		<b>Discontinued Policy</b>		<b>Ind. Asset Allocation</b>		<b>Ind. Capped Nifty Index</b>	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>SFIN</b>	ULIF03305/07/13BSLUPNDIS109		ULIF03205/07/13BSLIDIS109		ULIF02301/07/10BSLIDISCPFI109		ULIF03430/10/14BSLIASALC109		ULIF03530/10/14BSLICNFDX109	
Opening balance	5,40,916	5,31,002	1,00,62,101	74,77,505	(22,17,999)	(22,17,961)	16,64,202	18,05,774	8,49,893	8,33,122
Add: Additions during the year**	6,94,068	6,32,195	1,29,17,300	1,28,14,762	6,981	22,392	7,59,807	9,65,897	8,70,660	6,30,817
Less: Deductions during the year	5,81,331	6,22,281	1,10,99,993	1,02,30,166	6,990	22,430	8,60,285	11,07,469	7,04,544	6,14,046
<b>Closing balance</b>	<b>6,53,653</b>	<b>5,40,916</b>	<b>1,18,79,408</b>	<b>1,00,62,101</b>	<b>(22,18,008)</b>	<b>(22,17,999)</b>	<b>15,63,724</b>	<b>16,64,202</b>	<b>10,16,009</b>	<b>8,49,893</b>
<b>Particulars</b>	<b>MNC</b>		<b>SFIN</b>		<b>Total</b>		<b>Current Year</b>		<b>Previous Year</b>	
	ULIF03722/06/18ABSLMUMNC109		ULIF03722/06/18ABSLMUMNC109		ULIF03722/06/18ABSLMUMNC109		Current Year		Previous Year	
Opening balance	23,02,808		18,17,727		10,20,41,407		10,20,41,407		10,66,65,505	
Add: Additions during the year**	16,85,046		16,00,712		8,70,25,272		8,70,25,272		8,65,68,868	
Less: Deductions during the year	11,68,877		11,15,631		8,82,87,640		8,82,87,640		9,11,92,966	
<b>Closing balance</b>	<b>28,18,977</b>		<b>23,02,808</b>		<b>10,07,79,039</b>		<b>10,07,79,039</b>		<b>10,20,41,407</b>	

\* Additions represents units creation & deductions represent unit cancellations

\*\* Includes Last Day Collections

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

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

## SCHEDULES TO FUND BALANCE SHEET SCHEDULE: F-2 INVESTMENTS

Particulars	Ind. Assure		Ind. Income Advantage		Ind. Protector		Ind. Builder		Ind. Balancer	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	ULIF01008/07/05BSLIASSUREI09	ULIF01507/08/08BSLIINCADVI09	ULIF00313/03/01BSLIPROTECTI09	ULIF00113/03/01BSLBUILDERI09	ULIF00931/05/05BSLBALANCEI09					
<b>Approved Investments</b>										
Government Bonds	8,23,948	3,43,119	39,71,242	31,39,458	13,20,811	9,92,955	9,96,160	9,72,956	1,17,932	67,413
Corporate Bonds	16,84,889	14,90,631	32,98,265	26,70,054	9,75,732	11,65,604	5,15,583	5,09,067	20,574	46,368
Infrastructure Bonds	3,79,588	7,46,311	4,22,122	15,51,156	3,51,094	7,53,659	4,27,908	5,30,904	-	46,878
Equity	-	-	-	-	2,94,392	3,18,608	4,82,969	5,10,857	48,258	54,428
Money Market	92,116	3,45,000	78,221	8,92,640	20,143	84,575	43,384	1,60,746	10,046	10,897
Fixed Deposits	-	1,25,000	-	75,000	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>29,80,541</b>	<b>30,50,061</b>	<b>77,69,850</b>	<b>83,28,308</b>	<b>29,62,172</b>	<b>33,15,401</b>	<b>24,66,004</b>	<b>26,84,530</b>	<b>1,96,810</b>	<b>2,25,984</b>
<b>Other Investments</b>										
Corporate Bonds	-	-	-	89,435	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	38,018	-	-	-	-	-	-
Equity	-	-	-	-	14,001	23,916	31,210	38,771	2,861	4,242
Money Market	-	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,27,453</b>	<b>14,001</b>	<b>23,916</b>	<b>31,210</b>	<b>38,771</b>	<b>2,861</b>	<b>4,242</b>
<b>GRAND TOTAL</b>	<b>29,80,541</b>	<b>30,50,061</b>	<b>77,69,850</b>	<b>84,55,761</b>	<b>29,76,173</b>	<b>33,39,317</b>	<b>24,97,214</b>	<b>27,23,301</b>	<b>1,99,671</b>	<b>2,30,226</b>
% of Approved Investments to Total	100%	100%	100%	98%	100%	99%	99%	99%	99%	98%
% of Other Investments to Total	0%	0%	0%	2%	0%	1%	1%	1%	1%	2%

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Ind. Enhancer		Ind. Creator		Ind. Magnifier		Ind. Maximiser		Ind. Multiplier	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	ULIF0213/03/01BSLENHANCE109	ULIF00704/02/04BSLCREATOR109	ULIF00826/06/04BSLMAGNII09	ULIF01101/06/07BSLINMAXI109	ULIF01217/10/07BSLINMULTI109					
<b>Approved Investments</b>										
Government Bonds	1,96,73,460	1,99,12,711	10,24,983	7,34,635	2,79,241	5,05,009	-	-	37,549	2,18,443
Corporate Bonds	64,71,170	73,94,777	6,69,661	8,17,781	1,98,842	1,33,445	-	-	1,40,521	-
Infrastructure Bonds	1,18,50,264	1,47,74,832	6,09,499	6,66,235	4,70,948	3,87,364	-	-	-	-
Equity	1,70,37,695	1,84,07,242	23,51,471	24,95,274	87,62,859	91,35,521	2,03,79,068	1,97,76,696	2,32,29,573	2,16,75,736
Money Market	18,51,957	19,85,722	16,044	4,57,767	1,08,360	1,43,444	13,995	2,00,242	3,20,581	1,23,564
Fixed Deposits	6,50,000	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>5,75,34,546</b>	<b>6,24,75,284</b>	<b>46,71,658</b>	<b>51,71,692</b>	<b>98,20,250</b>	<b>1,03,04,783</b>	<b>2,03,93,063</b>	<b>1,99,76,938</b>	<b>2,37,28,224</b>	<b>2,20,17,743</b>
<b>Other Investments</b>										
Corporate Bonds	-	1,34,153	42,482	-	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-
Equity	11,56,455	13,51,223	1,26,527	2,03,342	7,16,989	5,61,261	14,60,244	13,90,178	42,67,233	35,27,339
Money Market	-	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	1,79,725	7,34,210	12,19,639	21,92,225	5,28,028	1,94,666
<b>Total</b>	<b>11,56,455</b>	<b>14,85,376</b>	<b>1,69,009</b>	<b>2,03,342</b>	<b>8,96,714</b>	<b>12,95,471</b>	<b>26,79,883</b>	<b>35,82,403</b>	<b>47,95,261</b>	<b>37,22,005</b>
<b>GRAND TOTAL</b>	<b>5,86,91,001</b>	<b>6,39,60,660</b>	<b>48,40,667</b>	<b>53,75,034</b>	<b>1,07,16,964</b>	<b>1,16,00,254</b>	<b>2,30,72,946</b>	<b>2,35,59,341</b>	<b>2,85,23,485</b>	<b>2,57,39,748</b>
% of Approved Investments to Total	98%	98%	97%	96%	92%	89%	88%	85%	83%	86%
% of Other Investments to Total	2%	2%	3%	4%	8%	11%	12%	15%	17%	14%

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Ind. Super 20		Ind. Platinum Plus- 1		Ind. Platinum Plus- 2		Ind. Platinum Plus- 3		Ind. Platinum Plus- 4	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULFO1723/06/09BSLSUPER20109	ULFO1325/02/08BSLIPLAT1109	ULFO1425/02/08BSLIPLAT2109	ULFO1628/04/09BSLIPLAT3109	ULFO1816/09/09BSLIPLAT4109					
<b>Approved Investments</b>										
Government Bonds	-	55,404	-	-	-	-	-	-	-	-
Corporate Bonds	-	-	-	-	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-
Equity	1,44,01,434	1,19,96,959	-	-	-	-	-	-	-	-
Money Market	1,37,699	89,124	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,45,39,133</b>	<b>1,21,41,487</b>	-	-	-	-	-	-	-	-
<b>Other Investments</b>										
Corporate Bonds	-	-	-	-	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-
Equity	-	3,28,907	-	-	-	-	-	-	-	-
Money Market	-	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	13,53,396	20,68,181	-	-	-	-	-	-	-	-
<b>Total</b>	<b>13,53,396</b>	<b>23,97,088</b>	-	-	-	-	-	-	-	-
<b>GRAND TOTAL</b>	<b>1,58,92,529</b>	<b>1,45,38,575</b>	-	-	-	-	-	-	-	-
% of Approved Investments to Total	91%	84%	100%	100%	100%	100%	100%	100%	100%	100%
% of Other Investments to Total	9%	16%	0%	0%	0%	0%	0%	0%	0%	0%

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Ind. Platinum Advantage		Ind. Platinum Premier		Ind. Foresight- 5 Pay		Ind. Foresight- Single Pay		Ind. Titanium- 1	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	ULIF02408/09/108SLPLATAV109	ULIF02203/02/108SLPLATPR1109	ULIF02510/02/11BLSLFSITSP1109	ULIF02610/02/11BLSLFSITSP1109	ULIF01911/12/098SLITTANI109					
<b>Approved Investments</b>										
Government Bonds	29,609	4,01,695	-	-	9,24,276	25,50,195	-	-	-	-
Corporate Bonds	-	-	-	-	2,32,189	18,56,096	-	-	-	-
Infrastructure Bonds	3,974	9,203	-	-	2,90,554	10,00,352	-	743	-	-
Equity	-	-	-	-	-	-	-	-	-	-
Money Market	2,22,917	8,06,965	250	250	5,98,664	10,37,288	14,994	1,06,911	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2,56,500</b>	<b>12,17,863</b>	<b>250</b>	<b>250</b>	<b>20,45,683</b>	<b>64,43,931</b>	<b>14,994</b>	<b>1,07,654</b>	<b>-</b>	<b>-</b>
<b>Other Investments</b>										
Corporate Bonds	-	-	-	-	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	-	-	-	-
Money Market	-	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>GRAND TOTAL</b>	<b>2,56,500</b>	<b>12,17,863</b>	<b>250</b>	<b>250</b>	<b>20,45,683</b>	<b>64,43,931</b>	<b>14,994</b>	<b>1,07,654</b>	<b>-</b>	<b>-</b>
<b>% of Approved Investments to Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>% of Other Investments to Total</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Ind. Titanium- 2		Ind. Titanium- 3		Ind. Pure Equity		Ind. Value Momentum		Ind. Liquid Plus	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	ULIF02011/12/098SLTTAN2109	ULIF02111/12/098SLTTAN3109	ULIF020707/10/11BSLPUREEQ109	ULIF02907/10/11BSLVALUEM109	ULIF02807/10/11BSLLIQLPLUS109					
<b>SFIN</b>										
<b>Approved Investments</b>										
Government Bonds	-	-	-	-	-	-	-	-	30,464	90,053
Corporate Bonds	-	-	944	973	402	414	4,27,001	10,54,512	8,27,022	4,93,623
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-
Equity	-	-	1,21,69,595	1,02,21,311	46,35,021	55,21,354	12,89,079	10,39,346	-	-
Money Market	-	-	3,03,288	3,12,959	1,21,255	1,48,957	50,000	1,00,000	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>1,24,73,827</b>	<b>1,05,35,243</b>	<b>47,56,678</b>	<b>56,70,725</b>	<b>26,23,566</b>	<b>27,77,534</b>		
<b>Other Investments</b>										
Corporate Bonds	-	-	-	-	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-
Equity	-	-	16,33,012	7,71,503	9,12,753	2,50,893	-	-	-	-
Money Market	-	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	71,809	5,43,855	-	-
<b>Total</b>	-	-	<b>16,33,012</b>	<b>7,71,503</b>	<b>9,84,562</b>	<b>7,94,748</b>	<b>26,23,566</b>	<b>27,77,534</b>		
<b>GRAND TOTAL</b>	-	-	<b>1,41,06,839</b>	<b>1,13,06,746</b>	<b>57,41,240</b>	<b>64,65,473</b>	<b>26,23,566</b>	<b>27,77,534</b>		
<b>% of Approved Investments to Total</b>	<b>100%</b>	<b>100%</b>	<b>88%</b>	<b>93%</b>	<b>83%</b>	<b>88%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>% of Other Investments to Total</b>	<b>0%</b>	<b>0%</b>	<b>12%</b>	<b>7%</b>	<b>17%</b>	<b>12%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Ind. Pension Growth		Ind. Pension Enrich		Ind. Pension Nourish		Ind. Income Advantage Guaranteed		Ind. Maximiser Guaranteed	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	ULIF00504/03/03BSLIGROWTH109	ULIF00404/03/03BSLENRICH109	ULIF00604/03/03BSLNOURISH109	ULIF03127/08/13BSLINADGT109	ULIF03027/08/13BSLIMAXGT109					
<b>SFIN</b>										
<b>Approved Investments</b>										
Government Bonds	89,427	63,248	4,13,794	3,95,407	28,474	24,588	3,71,539	2,96,169	-	-
Corporate Bonds	37,667	43,900	69,685	80,849	13,616	19,145	1,21,631	2,04,790	-	-
Infrastructure Bonds	28,511	54,771	2,08,264	2,82,767	20,279	22,963	2,61,429	3,43,839	-	-
Equity	36,768	40,042	3,64,399	3,93,285	6,597	7,278	-	-	73,623	66,876
Money Market	750	9,547	12,495	19,494	900	3,299	51,631	1,91,844	1,649	2,049
Fixed Deposits	-	-	-	-	-	-	-	50,000	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,93,123</b>	<b>2,11,508</b>	<b>10,68,637</b>	<b>11,71,802</b>	<b>69,866</b>	<b>77,273</b>	<b>8,06,230</b>	<b>10,86,642</b>	<b>75,272</b>	<b>68,925</b>
<b>Other Investments</b>										
Corporate Bonds	-	-	-	-	-	-	37,762	55,897	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-
Equity	3,286	3,372	27,224	32,382	562	574	-	-	3,939	3,792
Money Market	-	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	4,840	9,119
<b>Total</b>	<b>3,286</b>	<b>3,372</b>	<b>27,224</b>	<b>32,382</b>	<b>562</b>	<b>574</b>	<b>37,762</b>	<b>55,897</b>	<b>8,779</b>	<b>12,911</b>
<b>GRAND TOTAL</b>	<b>1,96,409</b>	<b>2,14,880</b>	<b>10,95,861</b>	<b>12,04,184</b>	<b>70,428</b>	<b>77,847</b>	<b>8,43,992</b>	<b>11,42,539</b>	<b>84,051</b>	<b>81,836</b>
<b>% of Approved Investments to Total</b>	<b>98%</b>	<b>98%</b>	<b>98%</b>	<b>97%</b>	<b>99%</b>	<b>99%</b>	<b>96%</b>	<b>95%</b>	<b>90%</b>	<b>84%</b>
<b>% of Other Investments to Total</b>	<b>2%</b>	<b>2%</b>	<b>2%</b>	<b>3%</b>	<b>1%</b>	<b>1%</b>	<b>4%</b>	<b>5%</b>	<b>10%</b>	<b>16%</b>

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Gr. Fixed Interest		Gr. Gilt		Gr. Bond		Gr. Money Market		Gr. Short Term Debt	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	ULGF00416/07/02BSLGRXINT109	ULGF00630/05/03BSLGRGILT109	ULGF00630/05/03BSLGRGILT109	ULGF00530/05/03BSLGRBOND109	ULGF00824/08/04BSLGRMMKT109	ULGF01322/09/08BSLGSHTDBT109				
<b>SFIN</b>										
<b>Approved Investments</b>										
Government Bonds	83,00,095	79,26,251	3,55,053	2,28,440	-	-	-	-	77,992	80,217
Corporate Bonds	60,51,105	55,59,187	-	-	21,05,644	23,46,961	3,16,499	4,66,221	1,78,776	1,52,441
Infrastructure Bonds	50,84,084	58,04,731	-	-	12,36,329	17,53,524	1,49,248	1,75,583	1,29,461	1,39,206
Equity	-	-	-	-	-	-	-	-	-	-
Money Market	6,93,493	14,53,877	1,21,155	1,34,061	5,20,534	23,843	12,50,843	4,54,038	33,837	57,183
Fixed Deposits	1,50,000	-	-	-	1,50,000	-	-	50,000	-	-
Mutual Funds	-	1,50,979	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2,02,78,777</b>	<b>2,08,95,025</b>	<b>4,76,208</b>	<b>3,62,501</b>	<b>40,12,507</b>	<b>41,24,328</b>	<b>17,16,590</b>	<b>11,45,842</b>	<b>4,20,066</b>	<b>4,29,047</b>
<b>Other Investments</b>										
Corporate Bonds	-	2,79,486	-	-	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	-	-	-	-
Money Market	-	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>2,79,486</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>GRAND TOTAL</b>	<b>2,02,78,777</b>	<b>2,11,74,511</b>	<b>4,76,208</b>	<b>3,62,501</b>	<b>40,12,507</b>	<b>41,24,328</b>	<b>17,16,590</b>	<b>11,45,842</b>	<b>4,20,066</b>	<b>4,29,047</b>
% of Approved Investments to Total	100%	99%	100%	100%	100%	100%	100%	100%	100%	100%
% of Other Investments to Total	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Gr. Growth Advantage		Gr. Income Advantage		Gr. Secure		Gr. Stable		Gr. Growth	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	ULGF01026/11/07BLSIGGRADV109	ULGF01425/02/10BSLGINCADV109	ULGF00212/06/01BLSIGSECURE109	ULGF00312/06/01BLSIGSTABLE109	ULGF00112/06/01BSLGGROWTH109					
<b>SFIN</b>										
<b>Approved Investments</b>										
Government Bonds	1,96,092	1,99,672	1,79,489	1,53,144	2,00,57,947	1,59,30,484	35,99,245	26,43,311	12,76,729	14,96,202
Corporate Bonds	84,657	36,306	1,75,156	1,77,476	72,77,855	73,81,870	13,75,264	14,97,956	6,20,549	6,44,899
Infrastructure Bonds	59,632	62,090	73,956	1,08,998	92,79,631	77,64,312	9,19,869	6,49,023	4,71,720	5,64,921
Equity	5,21,308	4,94,477	-	-	94,70,501	77,58,690	30,98,259	29,31,298	23,35,952	28,23,266
Money Market	43,484	55,484	15,244	11,897	37,80,783	30,91,250	2,18,169	10,30,600	1,35,300	4,10,480
Fixed Deposits	-	-	-	-	5,50,000	-	1,00,000	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>9,05,173</b>	<b>8,48,029</b>	<b>4,43,845</b>	<b>4,51,515</b>	<b>5,04,16,717</b>	<b>4,19,26,606</b>	<b>93,10,806</b>	<b>87,52,188</b>	<b>48,40,250</b>	<b>59,39,768</b>
<b>Other Investments</b>										
Corporate Bonds	-	-	4,720	-	89,685	-	-	-	14,161	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-
Equity	40,986	41,313	-	-	7,33,897	6,39,065	2,42,633	2,44,571	1,85,000	2,31,847
Money Market	-	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>40,986</b>	<b>41,313</b>	<b>4,720</b>	<b>-</b>	<b>8,23,582</b>	<b>6,39,065</b>	<b>2,42,633</b>	<b>2,44,571</b>	<b>1,99,161</b>	<b>2,31,847</b>
<b>GRAND TOTAL</b>	<b>9,46,159</b>	<b>8,89,342</b>	<b>4,48,565</b>	<b>4,51,515</b>	<b>5,12,40,299</b>	<b>4,25,65,671</b>	<b>95,53,439</b>	<b>89,96,759</b>	<b>50,39,411</b>	<b>61,71,615</b>
<b>% of Approved Investments to Total</b>	<b>96%</b>	<b>95%</b>	<b>99%</b>	<b>100%</b>	<b>98%</b>	<b>98%</b>	<b>97%</b>	<b>97%</b>	<b>96%</b>	<b>96%</b>
<b>% of Other Investments to Total</b>	<b>4%</b>	<b>5%</b>	<b>1%</b>	<b>0%</b>	<b>2%</b>	<b>2%</b>	<b>3%</b>	<b>3%</b>	<b>4%</b>	<b>4%</b>

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Gr. Fixed Interest II		Gr. Money Market II		Gr. Short Term Debt II		Gr. Stable II		Gr. Growth II	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	ULGF01728/11/11BSLGFINT2109	ULGF01928/11/11BSLGRMMKT2109	ULGF02128/11/11BSLGSFTDB2109	ULGF02228/11/11BSLGSSTABL2109	ULGF01828/11/11BSLGRWTH2109					
<b>SFIN</b>										
<b>Approved Investments</b>										
Government Bonds	20,139	22,978	2,525	2,519	1,60,915	1,19,388	8,798	9,120	1,61,633	1,66,577
Corporate Bonds	-	-	-	-	22,902	4,183	-	-	39,321	10,211
Infrastructure Bonds	-	-	-	-	81,799	89,870	1,013	1,077	60,103	62,853
Equity	-	-	-	-	-	-	10,368	9,716	2,59,246	2,54,575
Money Market	2,249	800	950	800	65,579	1,07,469	11,096	9,797	22,742	32,890
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>22,388</b>	<b>23,778</b>	<b>3,475</b>	<b>3,319</b>	<b>3,31,195</b>	<b>3,20,910</b>	<b>31,275</b>	<b>29,710</b>	<b>5,43,045</b>	<b>5,27,106</b>
<b>Other Investments</b>										
Corporate Bonds	-	-	-	-	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	815	796	20,498	21,309
Money Market	-	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>815</b>	<b>796</b>	<b>20,498</b>	<b>21,309</b>
<b>GRAND TOTAL</b>	<b>22,388</b>	<b>23,778</b>	<b>3,475</b>	<b>3,319</b>	<b>3,31,195</b>	<b>3,20,910</b>	<b>32,090</b>	<b>30,506</b>	<b>5,63,543</b>	<b>5,48,415</b>
<b>% of Approved Investments to Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>97%</b>	<b>97%</b>	<b>96%</b>	<b>96%</b>
<b>% of Other Investments to Total</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>3%</b>	<b>3%</b>	<b>4%</b>	<b>4%</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Pension Discontinued		Life Discontinued		Discontinued Policy		Ind. Asset Allocation		Ind. Capped Nifty Index	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	ULIF03305/07/13BSLIPNDIS109	ULIF03205/07/13BSLIDIS109	ULIF02301/07/10BSLIDISCPFI109	ULIF03430/10/14BSLIJASTALC109	ULIF03530/10/14BSLICNFIDX109					
<b>SFIN</b>										
<b>Approved Investments</b>										
Government Bonds	70,021	3,24,930	25,15,101	58,03,916	-	-	3,53,752	3,48,773	-	-
Corporate Bonds	-	-	-	-	-	-	43,956	45,809	-	-
Infrastructure Bonds	-	-	-	-	-	-	33,085	36,052	-	-
Equity	-	-	-	-	-	-	17,39,579	16,64,896	15,16,022	13,26,426
Money Market	8,50,695	4,53,892	1,13,18,395	56,63,040	-	-	15,444	63,082	17,094	34,490
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>9,20,716</b>	<b>7,78,822</b>	<b>1,38,33,496</b>	<b>1,14,66,956</b>	<b>-</b>	<b>-</b>	<b>21,85,816</b>	<b>21,58,612</b>	<b>15,33,116</b>	<b>13,60,916</b>
<b>Other Investments</b>										
Corporate Bonds	-	-	-	-	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	78,861	1,03,265	57,655	69,915
Money Market	-	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	20,528	90,716	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>99,389</b>	<b>1,93,981</b>	<b>57,655</b>	<b>69,915</b>
<b>GRAND TOTAL</b>	<b>9,20,716</b>	<b>7,78,822</b>	<b>1,38,33,496</b>	<b>1,14,66,956</b>	<b>-</b>	<b>-</b>	<b>22,85,205</b>	<b>23,52,593</b>	<b>15,90,771</b>	<b>14,30,831</b>
<b>% of Approved Investments to Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>96%</b>	<b>92%</b>	<b>96%</b>	<b>95%</b>
<b>% of Other Investments to Total</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>4%</b>	<b>8%</b>	<b>4%</b>	<b>5%</b>

## Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	MNC		Total	
	Current Year	Previous Year	Current Year	Previous Year
	ULIF03722/06/18ABSLMUMNC109			
	SFIN			
<b>Approved Investments</b>				
Government Bonds	-	39,231	6,74,68,435	6,62,58,611
Corporate Bonds	-	381	3,31,70,056	3,58,12,307
Infrastructure Bonds	-	-	3,37,31,386	3,88,77,840
Equity	28,77,128	24,27,797	12,61,02,085	12,03,12,608
Money Market	38,086	65,781	2,44,65,590	2,13,27,384
Fixed Deposits	-	-	16,50,000	4,00,000
Mutual Funds	-	-	-	1,50,979
Preference Shares	-	-	-	-
<b>Total</b>	29,15,214	25,33,190	28,65,87,552	28,31,39,729
<b>Other Investments</b>				
Corporate Bonds	-	-	1,88,810	5,58,971
Infrastructure Bonds	-	-	-	38,018
Equity	1,40,407	1,24,879	1,18,57,048	99,68,655
Money Market	-	-	-	-
Fixed Deposits	-	-	-	-
Mutual Funds	-	-	33,77,965	58,32,972
<b>Total</b>	1,40,407	1,24,879	1,54,23,823	1,63,98,616
<b>GRAND TOTAL</b>	30,55,621	26,58,069	30,20,11,375	29,95,38,345
<b>% of Approved Investments to Total</b>	95%	95%	95%	95%
<b>% of Other Investments to Total</b>	5%	5%	5%	5%

There is no unit balance as of 31<sup>st</sup> March 2023 and neither there was any movement in Gr. Capital Protection, Gr. Floating Rate, Gr. Secure- II & Gr. Bond II for the period starting from 01<sup>st</sup> April 2014 till 31<sup>st</sup> March 2023.

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Annexure - 3

(Amounts in Thousands of Indian Rupees)

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

Particulars	Ind. Assure		Ind. Income Advantage		Ind. Protector		Ind. Builder		Ind. Balancer	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF01008/07/0585SLASSURE109	ULIF01507/08/08BSLINCADV109	ULIF00313/03/01BSLPROTECT109	ULIF00113/03/01BSLBUILDER109	ULIF00851/05/05BSLBALANCE109					
Accrued Interest	69,596	76,390	2,13,481	2,36,497	76,458	95,273	44,883	48,724	3,090	4,647
Cash & Bank Balance	117	291	149	723	139	250	103	244	78	57
Dividend Receivable	-	-	-	-	2	4	6	7	-	1
Receivable for Sale of Investments	-	-	-	-	-	9,300	-	10,060	-	3,220
Receivable from policy holder	15,700	20,303	67,703	1,30,558	3,209	19,524	1,895	2,364	102	137
Margin Money	-	-	-	-	-	622	-	-	-	533
Share Application Money	-	-	-	-	-	-	-	-	-	-
Other Current Assets (for Investments)	297	297	-	-	-	-	-	-	-	-
<b>Total</b>	<b>85,710</b>	<b>97,281</b>	<b>2,81,333</b>	<b>3,67,778</b>	<b>79,808</b>	<b>1,24,973</b>	<b>46,887</b>	<b>61,399</b>	<b>3,270</b>	<b>8,595</b>

Particulars	Ind. Enhancer		Ind. Creator		Ind. Magnifier		Ind. Maximiser		Ind. Multiplier	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF00213/03/01BSLENHANCE109	ULIF00704/02/04BSLCREATOR109	ULIF00826/06/04BSLMAGNI109	ULIF01101/06/07BSLINMAXI109	ULIF01217/10/07BSLINMULTI109					
Accrued Interest	9,93,317	11,01,035	74,567	67,661	20,133	15,707	-	-	7,659	-
Cash & Bank Balance	1,224	3,658	111	503	181	638	239	1,234	482	1,269
Dividend Receivable	154	1,345	22	30	-	988	1,871	2,021	4,779	1,746
Receivable for Sale of Investments	0	1,97,089	22,186	25,874	28,591	93,923	46,428	91,924	83,780	1,40,367
Receivable from policy holder	52,547	38,468	18,964	25,061	27,072	38,612	2,15,364	2,52,444	2,58,476	2,25,702
Margin Money	-	11,608	-	-	-	-	-	51,054	-	89,115
Share Application Money	-	-	20,911	-	47,929	-	1,14,232	-	-	-
Other Current Assets (for Investments)	16	3	-	-	-	-	-	-	-	-
<b>Total</b>	<b>10,47,258</b>	<b>13,53,206</b>	<b>1,36,761</b>	<b>1,19,129</b>	<b>1,23,906</b>	<b>1,49,868</b>	<b>3,78,134</b>	<b>3,98,677</b>	<b>3,55,176</b>	<b>4,58,199</b>

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Ind. Super 20		Ind. Platinum Plus- 1		Ind. Platinum Plus- 2		Ind. Platinum Plus- 3		Ind. Platinum Plus- 4	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>SFIN</b>	ULFO1723/06/09BSLSUPER20109	ULFO1325/02/08BSLIPLAT1109	ULFO1425/02/08BSLIPLAT2109	ULFO1628/04/09BSLIPLAT5109	ULFO1816/09/09BSLIPLAT4109					
Accrued Interest	-	-	-	-	-	-	-	-	-	-
Cash & Bank Balance	258	752	-	-	-	-	-	-	-	-
Dividend Receivable	-	-	-	-	-	-	-	-	-	-
Receivable for Sale of Investments	-	21,416	-	-	-	-	-	-	-	-
Receivable from policy holder	1,71,443	1,44,147	-	-	-	-	-	-	-	-
Margin Money	-	-	-	-	-	-	-	-	-	-
Share Application Money	-	-	-	-	-	-	-	-	-	-
Other Current Assets (for Investments)	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,71,701</b>	<b>1,66,315</b>	-	-	-	-	-	-	-	-
<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>	<b>Current Year</b>	<b>Previous Year</b>	<b>Current Year</b>	<b>Previous Year</b>	<b>Current Year</b>	<b>Previous Year</b>	<b>Current Year</b>	<b>Previous Year</b>
<b>SFIN</b>	ULFO2408/09/10BSLPLATADV109	ULFO2203/02/10BSLPLATPR1109	ULFO2510/02/11BSLFSITSPI109	ULFO2610/02/11BSLFSITSPI109	ULFO1911/12/09BSLITITAN1109					
Accrued Interest	7	6,998	-	-	21,113	1,56,170	-	1	-	-
Cash & Bank Balance	64	472	54	46	344	672	92	99	46	47
Dividend Receivable	-	-	-	-	-	-	-	-	-	-
Receivable for Sale of Investments	-	-	-	-	-	-	-	-	-	-
Receivable from policy holder	180	1	-	-	-	2	1	-	-	-
Margin Money	-	-	-	-	-	-	-	-	-	-
Share Application Money	-	-	-	-	-	-	-	-	-	-
Other Current Assets (for Investments)	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>251</b>	<b>7,471</b>	<b>54</b>	<b>46</b>	<b>21,457</b>	<b>1,56,844</b>	<b>93</b>	<b>100</b>	<b>46</b>	<b>47</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Ind. Titanium-2		Ind. Titanium-3		Ind. Pure Equity		Ind. Value Momentum		Ind. Liquid Plus	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF02011/12/09BSLITITAN2109	ULIF02111/12/09BSLITITAN3109	ULIF02707/10/11BSLIPUREEQ109	ULIF02807/10/11BSLIVALLEM109	ULIF02807/10/11BSLIMAXGT109	ULIF02807/10/11BSLIQPLUS109				
Accrued Interest	-	-	44	44	19	19	54,550	45,931		
Cash & Bank Balance	-	-	284	706	128	426	85	236		
Dividend Receivable	-	-	6,051	-	2,384	1,485	-	-		
Receivable for Sale of Investments	-	-	76,132	4,22,596	28,163	31,686	-	-		
Receivable from policy holder	-	-	2,53,436	2,52,470	18,302	27,262	1,67,872	1,65,506		
Margin Money	-	-	-	1,69,582	-	58,802	-	-		
Share Application Money	-	-	-	-	-	-	-	-		
Other Current Assets (for Investments)	-	-	-	-	-	-	400	400		
<b>Total</b>	-	-	<b>3,35,947</b>	<b>8,45,398</b>	<b>48,996</b>	<b>1,19,680</b>	<b>2,22,907</b>	<b>2,12,073</b>		
<hr/>										
Particulars	Ind. Pension Growth		Ind. Pension Enrich		Ind. Pension Nourish		Ind. Income Advantage Guaranteed		Ind. Maximiser Guaranteed	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF00504/03/03BSLIGROWTH109	ULIF00404/03/03BSLIENRICH109	ULIF00604/03/03BSLINOURISH109	ULIF03127/08/13BSLINADGT109	ULIF03027/08/13BSLIMAXGT109					
Accrued Interest	4,256	4,931	14,441	17,307	2,124	2,064	16,578	18,450	-	-
Cash & Bank Balance	45	72	81	187	62	41	64	164	40	46
Dividend Receivable	-	1	-	6	-	-	-	-	8	8
Receivable for Sale of Investments	569	1,767	5,275	17,174	99	177	-	-	-	-
Receivable from policy holder	187	50	802	475	49	41	13,660	36,104	485	3,606
Margin Money	-	-	-	-	-	-	-	-	-	-
Share Application Money	-	-	-	-	-	-	-	-	-	-
Other Current Assets (for Investments)	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>5,057</b>	<b>6,821</b>	<b>20,599</b>	<b>35,149</b>	<b>2,334</b>	<b>2,323</b>	<b>30,302</b>	<b>54,718</b>	<b>533</b>	<b>3,660</b>

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Gr. Fixed Interest		Gr. Gift		Gr. Bond		Gr. Money Market		Gr. Short Term Debt	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>SFIN</b>	ULGF00416/07/02BSLGRINT109	ULGF00630/05/03BSLGRILT109	ULGF00530/05/03BSLGRBOND109	ULGF00824/08/04BSLGRMMKT109	ULGF01322/09/08BSLGRDDBT109					
Accrued Interest	5,12,262	5,18,122	7,979	5,113	1,23,149	1,36,613	15,302	21,821	11,341	15,247
Cash & Bank Balance	618	1,418	123	115	309	192	89	181	87	96
Dividend Receivable	-	-	-	-	-	-	-	-	-	-
Receivable for Sale of Investments	-	-	-	-	-	-	-	-	-	-
Receivable from policy holder	67,725	1,36,125	1	-	2,975	26,260	11,526	2,992	12,322	11,682
Margin Money	-	-	-	-	-	-	-	-	-	-
Share Application Money	-	-	-	-	-	-	-	-	-	-
Other Current Assets (for Investments)	133	133	-	-	-	-	-	-	-	-
<b>Total</b>	<b>5,80,738</b>	<b>6,55,798</b>	<b>8,103</b>	<b>5,228</b>	<b>1,26,433</b>	<b>1,63,065</b>	<b>26,917</b>	<b>24,994</b>	<b>23,750</b>	<b>27,025</b>

Particulars	Gr. Growth Advantage		Gr. Income Advantage		Gr. Secure		Gr. Stable		Gr. Growth	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>SFIN</b>	ULGF01026/11/07BSLGRADV109	ULGF01425/02/10BSLGINADV109	ULGF00212/06/01BSLGRSECURE109	ULGF00312/06/01BSLGRSTABLE109	ULGF00112/06/01BSLGRGROWTH109					
Accrued Interest	8,736	6,552	12,943	14,741	8,74,036	7,97,726	1,41,318	1,15,639	64,109	61,708
Cash & Bank Balance	64	88	88	35	1,887	2,747	257	853	156	431
Dividend Receivable	52	53	-	-	918	708	305	290	232	273
Receivable for Sale of Investments	-	2,273	22,254	-	33,381	35,651	-	16,472	-	11,669
Receivable from policy holder	5,118	2,498	31	-	5,15,804	4,55,006	38,135	31,524	5,257	6,843
Margin Money	-	64	-	-	-	1,820	-	570	-	600
Share Application Money	-	-	-	-	83,152	-	-	-	-	-
Other Current Assets (for Investments)	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>13,970</b>	<b>11,528</b>	<b>35,316</b>	<b>14,776</b>	<b>15,09,178</b>	<b>12,93,658</b>	<b>1,80,015</b>	<b>1,65,348</b>	<b>69,754</b>	<b>81,524</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Gr. Fixed Interest II		Gr. Money Market II		Gr. Short Term Debt II		Gr. Stable II		Gr. Growth II	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	ULGF01728/11/11BSLQFVINT2109	ULGF01928/11/11BSLQRMMKT2109	ULGF02128/11/11BSLGSHTDB2109	ULGF02228/11/11BSLGSSTABL2109	ULGF01828/11/11BSLGROWTH2109					
Accrued Interest	414	34	77	62	8,116	7,142	174	174	4,508	3,619
Cash & Bank Balance	61	65	77	85	82	140	37	38	78	60
Dividend Receivable	-	-	-	-	-	-	1	1	26	25
Receivable for Sale of Investments	-	-	-	-	-	-	-	15	-	2,734
Receivable from policy holder	1	1	1	1	-	-	(1)	311	(1)	1
Margin Money	-	-	-	-	-	-	-	2	-	48
Share Application Money	-	-	-	-	-	-	-	-	-	-
Other Current Assets (for Investments)	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>476</b>	<b>100</b>	<b>155</b>	<b>148</b>	<b>8,198</b>	<b>7,282</b>	<b>211</b>	<b>541</b>	<b>4,611</b>	<b>6,487</b>

Particulars	Pension Discontinued		Life Discontinued		Discontinued Policy		Ind. Asset Allocation		Ind. Capped Nifty Index	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	ULIF03305/07/13BSLIPNDIS109	ULIF03205/07/13BSLILDIS109	ULIF02301/07/10BSLIDISCPFF109	ULIF03430/10/14BSLIASSTALC109	ULIF03550/10/14BSLICNFDX109					
Accrued Interest	1,824	6,821	55,323	1,06,912	-	-	2,982	2,482	-	-
Cash & Bank Balance	55	72	253	313	-	-	74	149	37	153
Dividend Receivable	-	-	-	-	-	-	27	26	-	11
Receivable for Sale of Investments	-	-	-	-	-	-	-	-	-	13,763
Receivable from policy holder	7,717	49	71,999	875	-	-	32,832	23,779	31,647	26,539
Margin Money	-	-	-	-	-	-	-	-	-	-
Share Application Money	-	-	-	-	-	-	-	-	-	-
Other Current Assets (for Investments)	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>9,596</b>	<b>6,942</b>	<b>1,27,575</b>	<b>1,08,100</b>	<b>-</b>	<b>-</b>	<b>35,915</b>	<b>26,436</b>	<b>31,684</b>	<b>40,466</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	MNC		Total	
	Current Year	Previous Year	Current Year	Previous Year
<b>SFIN</b>	<b>ULIF03722/06/18ABSLIMUMNC109</b>			
Accrued Interest	-	17	34,60,909	37,18,394
Cash & Bank Balance	109	225	9,011	20,289
Dividend Receivable	529	409	17,367	9,438
Receivable for Sale of Investments	-	39,657	3,46,858	11,88,807
Receivable from policy holder	71,256	74,382	21,61,794	21,81,705
Margin Money	-	18,129	-	4,02,549
Share Application Money	-	-	2,66,224	-
Other Current Assets (for Investments)	-	-	846	833
<b>Total</b>	<b>71,894</b>	<b>1,32,819</b>	<b>62,63,009</b>	<b>75,22,015</b>

There is no unit balance as of 31<sup>st</sup> March 2023 and neither there was any movement in Gr. Capital Protection, Gr. Floating Rate, Gr. Secure- II & Gr. Bond II for the period starting from 01<sup>st</sup> April 2014 till 31<sup>st</sup> March 2023.

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

## SCHEDULES TO FUND BALANCE SHEET SCHEDULE: F - 4 CURRENT LIABILITIES AND PROVISIONS

Particulars	Ind. Assure		Ind. Income Advantage		Ind. Protector		Ind. Builder		Ind. Balancer	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF01008/07/06BSLJASSURE109	ULIF01507/08/08BSLJINCADV109	ULIF00313/03/01BSLPROTECT109	ULIF00313/03/01BSLBUILDER109	ULIF00831/05/05BSLBALANCE109					
Payable for Purchase of Investments	51,456	-	-	1,026	-	-	-	-	-	913
Other Current Liabilities	-	-	-	-	-	-	-	-	-	-
Payable to Policy holder	56,667	11,378	40,115	23,125	7,441	7,840	3,588	3,079	1	56
<b>Total</b>	<b>1,08,123</b>	<b>11,378</b>	<b>40,115</b>	<b>23,125</b>	<b>7,441</b>	<b>8,866</b>	<b>3,588</b>	<b>3,079</b>	<b>1</b>	<b>969</b>
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Particulars	Ind. Enhancer		Ind. Creator		Ind. Magnifier		Ind. Maximiser		Ind. Multiplier	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF00213/03/01BSLENHANCE109	ULIF00704/02/04BSLCREATOR109	ULIF00826/06/04BSLMAGN109	ULIF01101/06/07BSLINMAX109	ULIF01217/10/07BSLINMULTI109					
Payable for Purchase of Investments	-	20,072	-	-	-	50,180	-	1,85,539	3,07,787	4,85,923
Other Current Liabilities	12	9	-	-	2	-	(3)	(3)	233	147
Payable to Policy holder	1,09,004	85,353	45,923	15,884	17,065	21,910	54,246	85,924	66,470	41,064
<b>Total</b>	<b>1,09,016</b>	<b>1,05,434</b>	<b>45,923</b>	<b>15,884</b>	<b>17,067</b>	<b>72,090</b>	<b>54,243</b>	<b>2,71,460</b>	<b>3,74,490</b>	<b>5,27,134</b>
<hr/>										
Particulars	Ind. Super 20		Ind. Platinum Plus- 1		Ind. Platinum Plus- 2		Ind. Platinum Plus- 3		Ind. Platinum Plus- 4	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF01723/06/08BSLSUPER20109	ULIF01325/02/08BSLPLAT1109	ULIF01425/02/08BSLPLAT2109	ULIF01628/04/09BSLPLAT3109	ULIF01816/09/09BSLPLAT4109					
Payable for Purchase of Investments	-	1,04,594	-	-	-	-	-	-	-	-
Other Current Liabilities	-	-	-	-	-	-	-	-	-	-
Payable to Policy holder	79,350	66,332	-	-	-	-	-	-	-	-
<b>Total</b>	<b>79,350</b>	<b>1,70,926</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<hr/>										
Particulars	Ind. Platinum Advantage		Ind. Platinum Premier		Ind. Foresight- 5 Pay		Ind. Foresight- Single Pay		Ind. Titanium- 1	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF02408/09/10BSLPLATAV109	ULIF02203/02/10BSLPLATPR109	ULIF02510/02/11BSLFSIT5P1109	ULIF02610/02/11BSLFSITSP1109	ULIF01911/12/09BSLTIITAN1109					
Payable for Purchase of Investments	-	-	-	-	-	-	-	-	-	-
Other Current Liabilities	-	-	-	-	-	-	-	-	-	-
Payable to Policy holder	48,489	1,52,656	-	-	4,02,169	11,40,531	2,233	69,129	-	-
<b>Total</b>	<b>48,489</b>	<b>1,52,656</b>	<b>-</b>	<b>-</b>	<b>4,02,169</b>	<b>11,40,531</b>	<b>2,233</b>	<b>69,129</b>	<b>-</b>	<b>-</b>



Registration Number: 109 dated 31<sup>st</sup> January 2001

## Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Gr. Fixed Interest II		Gr. Money Market II		Gr. Short Term Debt II		Gr. Stable II		Gr. Growth II	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	ULGF01728/11/11BSLQFVINT2109	ULGF01928/11/11BSLQRMMKT2109	ULGF02128/11/11BSLGSHTDR2109	ULGF02228/11/11BSLGSSTABL2109	ULGF01828/11/11BSLGRWTH2109					
Payable for Purchase of Investments	-	-	-	-	47	-	-	-	-	1,233
Other Current Liabilities	-	-	-	-	-	-	-	-	-	-
Payable to Policy holder	-	75	-	20	-	192	-	-	-	44
<b>Total</b>	-	<b>75</b>	-	<b>20</b>	-	<b>239</b>	-	-	-	<b>1,277</b>

Particulars	Pension Discontinued		Life Discontinued		Discontinued Policy		Ind. Asset Allocation		Ind. Capped Nifty Index	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	ULIF03305/07/13BSLIPNDIS109	ULIF03205/07/13BSLILDIS109	ULIF02301/07/10BSLIDISCPF109	ULIF03430/10/14BSLIASTALC109	ULIF03530/10/14BSLIGNFDIX109					
Payable for Purchase of Investments	-	-	-	-	-	-	-	-	-	28,915
Other Current Liabilities	-	-	-	-	-	-	-	-	-	-
Payable to Policy holder	24,184	30,950	5,51,190	4,92,588	-	-	2,746	8,741	11,940	10,436
<b>Total</b>	<b>24,184</b>	<b>30,950</b>	<b>5,51,190</b>	<b>4,92,588</b>	-	-	<b>2,746</b>	<b>8,741</b>	<b>11,940</b>	<b>39,351</b>

Particulars	MNC		Total	
	Current Year	Previous Year	Current Year	Previous Year
	ULIF03722/06/18ABSLLIMMNC109			
Payable for Purchase of Investments	13,094	1,79,580	14,61,875	29,27,401
Other Current Liabilities	7	-	250	152
Payable to Policy holder	5,421	508	17,38,132	25,30,935
<b>Total</b>	<b>18,522</b>	<b>1,80,088</b>	<b>32,00,257</b>	<b>54,58,488</b>

There is no unit balance as of 31<sup>st</sup> March 2023 and neither there was any movement in Gr. Capital Protection, Gr. Floating Rate, Gr. Secure- II & Gr. Bond II for the period starting from 01<sup>st</sup> April 2014 till 31<sup>st</sup> March 2023.

**Annexure - 3**

(Amounts in Thousands of Indian Rupees)

**SCHEDULES TO FUND REVENUE ACCOUNT  
SCHEDULE: F- 5 OTHER EXPENSES \***

Particulars	Ind. Assure		Ind. Income Advantage		Ind. Protector		Ind. Builder		Ind. Balancer	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF01008/07/0565SLASSURE109	ULIF01507/08/08BSLINCADV109	ULIF00313/03/01BSLPROTECT109	ULIF00113/03/01BSLBUILDER109	ULIF00831/05/05BSLBALANCE109					
<b>(A) Other charges</b>										
Policy Administration charge	1,888	3,034	9,338	14,756	10,098	14,529	7,598	9,877	999	1,651
Surrender charge	-	-	-	-	-	-	-	-	-	-
Switching charge	35	55	16	32	10	24	7	9	-	-
Mortality charge	15,982	19,361	49,330	61,321	27,499	35,947	14,207	17,393	954	1,620
Discontinuance charge	-	-	-	-	-	-	-	-	-	-
Miscellaneous charge**	-	4	-	3	-	1	-	-	-	-
<b>Total</b>	<b>17,905</b>	<b>22,454</b>	<b>58,684</b>	<b>76,112</b>	<b>37,607</b>	<b>50,501</b>	<b>21,812</b>	<b>27,279</b>	<b>1,953</b>	<b>3,271</b>
<b>(B) GST</b>										
GST on charges	3,223	4,042	10,563	13,700	7,307	9,224	3,926	4,910	397	589
<b>Total</b>	<b>3,223</b>	<b>4,042</b>	<b>10,563</b>	<b>13,700</b>	<b>7,307</b>	<b>9,224</b>	<b>3,926</b>	<b>4,910</b>	<b>397</b>	<b>589</b>
<b>Total (A+B)</b>	<b>21,128</b>	<b>26,496</b>	<b>69,247</b>	<b>89,812</b>	<b>44,914</b>	<b>59,725</b>	<b>25,738</b>	<b>32,189</b>	<b>2,350</b>	<b>3,860</b>
Particulars	Ind. Enhancer		Ind. Creator		Ind. Magnifier		Ind. Maximiser		Ind. Multiplier	
SFIN	ULIF00213/03/01BSLENHANCE109	ULIF00704/02/04BSLCREATOR109	ULIF00826/06/04BSLMAGNI109	ULIF01101/06/07BSLINNAMI109	ULIF01217/10/07BSLINMULTI109					
<b>(A) Other charges</b>										
Policy Administration charge	3,25,917	4,08,357	5,197	6,823	12,959	19,195	36,042	47,461	39,486	46,411
Surrender charge	-	2	-	-	1	-	-	-	(90)	-
Switching charge	5	12	4	11	23	43	21	35	33	62
Mortality charge	5,39,424	6,53,973	21,986	26,349	55,517	67,706	96,341	1,10,250	1,42,711	1,56,517
Discontinuance charge	-	-	-	-	-	-	-	-	-	-
Miscellaneous charge**	-	1	-	1	-	3	-	4	-	7
<b>Total</b>	<b>8,65,346</b>	<b>10,62,345</b>	<b>27,187</b>	<b>33,184</b>	<b>68,500</b>	<b>86,947</b>	<b>1,32,404</b>	<b>1,57,750</b>	<b>1,82,140</b>	<b>2,02,997</b>
<b>(B) GST</b>										
GST on charges	1,55,762	1,91,222	4,894	5,973	12,330	15,651	23,833	28,395	32,785	36,539
<b>Total</b>	<b>1,55,762</b>	<b>1,91,222</b>	<b>4,894</b>	<b>5,973</b>	<b>12,330</b>	<b>15,651</b>	<b>23,833</b>	<b>28,395</b>	<b>32,785</b>	<b>36,539</b>
<b>Total (A+B)</b>	<b>10,21,108</b>	<b>12,53,567</b>	<b>32,081</b>	<b>39,157</b>	<b>80,830</b>	<b>1,02,598</b>	<b>1,56,237</b>	<b>1,86,145</b>	<b>2,14,925</b>	<b>2,39,536</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Ind. Super 20		Ind. Platinum Plus- 1		Ind. Platinum Plus- 2		Ind. Platinum Plus- 3		Ind. Platinum Plus- 4	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULF01723/06/09BSLSUPR20109	UJF01325/02/08BSLIPLAT1109	UJF01425/02/08BSLIPLAT2109	ULF01628/04/09BSLIPLAT3109	ULF01816/09/09BSLIPLAT4109					
<b>(A) Other charges</b>										
Policy Administration charge	19,618	23,123	-	-	17	-	-	-	-	-
Surrender charge	-	-	-	-	-	-	-	-	-	-
Switching charge	44	73	-	-	-	-	-	-	-	-
Mortality charge	79,048	77,071	-	-	3	-	-	-	-	-
Discontinuance charge	-	-	-	-	-	-	-	-	-	-
Miscellaneous charge**	-	8	-	-	-	-	-	-	-	-
<b>Total</b>	<b>98,710</b>	<b>1,00,275</b>	-	-	<b>20</b>	-	-	-	-	-
<b>(B) GST</b>										
GST on charges	17,768	18,049	-	-	4	-	-	-	-	-
<b>Total</b>	<b>17,768</b>	<b>18,049</b>	-	-	<b>4</b>	-	-	-	-	-
<b>Total (A+B)</b>	<b>1,16,478</b>	<b>1,18,324</b>	-	-	<b>24</b>	-	-	-	-	-
<hr/>										
Particulars	Ind. Platinum Advantage		Ind. Platinum Premier		Ind. Foresight- 5 Pay		Ind. Foresight- Single Pay		Ind. Titanium- 1	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULF02408/09/10BSLPLATADV109	ULF02203/02/10BSLPLATPR1109	ULF02510/02/11BSLFSITSP1109	ULF02610/02/11BSLFSITSP1109	ULF01911/12/09BSLTTITANI1109					
<b>(A) Other charges</b>										
Policy Administration charge	975	3,250	-	1	-	-	-	-	-	-
Surrender charge	-	-	-	-	-	-	-	-	-	-
Switching charge	-	-	-	-	-	-	-	-	-	-
Mortality charge	688	1,922	-	(1)	-	-	-	-	-	-
Discontinuance charge	-	-	-	-	-	-	-	-	-	-
Miscellaneous charge**	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,663</b>	<b>5,172</b>	-	-	-	-	-	-	-	-
<b>(B) GST</b>										
GST on charges	299	931	-	-	-	-	-	-	-	-
<b>Total</b>	<b>299</b>	<b>931</b>	-	-	-	-	-	-	-	-
<b>Total (A+B)</b>	<b>1,962</b>	<b>6,103</b>	-	-	-	-	-	-	-	-

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Ind. Titanium- 2		Ind. Titanium- 3		Ind. Pure Equity		Ind. Value Momentum		Ind. Liquid Plus	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>SFIN</b>	ULIF020311/12/09BSLTTITAN2109	ULIF02111/12/09BSLTTITAN3109	ULIF02707/10/11BSLPUREEQ109	ULIF02807/10/11BSLVALUEM109	ULIF02807/10/11BSLPUPLUS109					
<b>(A) Other charges</b>										
Policy Administration charge	-	-	16,840	18,297	3,690	7,705	3,967	6,436		
Surrender charge	-	-	-	(10)	-	(40)	(10)	-		
Switching charge	-	-	25	43	3	6	16	24		
Mortality charge	-	-	98,468	89,852	31,546	39,082	21,418	29,483		
Discontinuance charge	-	-	-	-	-	-	-	-		
Miscellaneous charge**	-	-	-	6	-	1	-	3		
<b>Total</b>	-	-	<b>1,15,333</b>	<b>1,08,188</b>	<b>35,239</b>	<b>46,754</b>	<b>25,391</b>	<b>35,946</b>		
<b>(B) GST</b>										
GST on charges	-	-	20,760	19,474	6,343	8,416	4,570	6,470		
<b>Total</b>	-	-	<b>20,760</b>	<b>19,474</b>	<b>6,343</b>	<b>8,416</b>	<b>4,570</b>	<b>6,470</b>		
<b>Total (A+B)</b>	-	-	<b>1,36,093</b>	<b>1,27,662</b>	<b>41,582</b>	<b>55,170</b>	<b>29,961</b>	<b>42,416</b>		
<b>Particulars</b>	<b>Ind. Pension Growth</b>	<b>Ind. Pension Enrich</b>	<b>Ind. Pension Nourish</b>	<b>Ind. Income Advantage Guaranteed</b>	<b>Ind. Maximiser Guaranteed</b>					
<b>SFIN</b>	ULIF00504/03/03BSLUGROWTH109	ULIF00404/03/03BSLIENRICH109	ULIF00604/03/03BSLINOUSHI109	ULIF03127/08/13BSLINADGTL109	ULIF03027/08/13BSLIMAXGTL109					
<b>(A) Other charges</b>										
Policy Administration charge	2,374	12,416	880	1,098	487	725	21	30		
Surrender charge	-	-	-	-	-	-	-	-		
Switching charge	-	-	-	-	-	-	-	-		
Mortality charge	52	360	30	35	(2)	(4)	-	-		
Discontinuance charge	-	-	-	-	-	-	-	-		
Miscellaneous charge**	-	-	-	-	-	-	-	-		
<b>Total</b>	<b>2,426</b>	<b>12,776</b>	<b>910</b>	<b>1,133</b>	<b>485</b>	<b>721</b>	<b>21</b>	<b>30</b>		
<b>(B) GST</b>										
GST on charges	437	2,300	164	204	87	130	4	5		
<b>Total</b>	<b>437</b>	<b>2,300</b>	<b>164</b>	<b>204</b>	<b>87</b>	<b>130</b>	<b>4</b>	<b>5</b>		
<b>Total (A+B)</b>	<b>2,863</b>	<b>15,076</b>	<b>1,074</b>	<b>1,337</b>	<b>572</b>	<b>851</b>	<b>25</b>	<b>35</b>		

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Gr. Fixed Interest		Gr. Gift		Gr. Bond		Gr. Money Market		Gr. Short Term Debt	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULGF00416/07/02BSLGFIMINT109	ULGF00630/05/03BSLGRGLT109	ULGF00530/05/03BSLGRBOND109	ULGF00624/08/04BSLGRMMKT109	ULGF001322/09/08BSLGSHTDBT109					
<b>(A) Other charges</b>										
Policy Administration charge	-	-	-	-	-	-	-	-	-	-
Surrender charge	-	-	-	-	-	-	-	-	-	-
Switching charge	-	-	-	-	-	-	-	-	-	-
Mortality charge	-	-	-	-	-	-	-	-	-	-
Discontinuance charge	-	-	-	-	-	-	-	-	-	-
Miscellaneous charge**	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-	-	-
<b>(B) GST</b>										
GST on charges	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-	-	-
<b>Total (A+B)</b>	-	-	-	-	-	-	-	-	-	-

Particulars	Gr. Growth Advantage		Gr. Income Advantage		Gr. Secure		Gr. Stable		Gr. Growth	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULGF01026/11/07BSLIGERADV109	ULGF01425/02/10BSLGINCADV109	ULGF00212/06/01BSLIGSECURE109	ULGF00312/06/01BSLIGSTABLE109	ULGF00112/06/01BSLIGGROWTH109					
<b>(A) Other charges</b>										
Policy Administration charge	-	-	-	-	-	-	-	-	-	-
Surrender charge	-	-	-	-	-	-	-	-	-	-
Switching charge	-	-	-	-	-	-	-	-	-	-
Mortality charge	-	-	-	-	-	-	-	-	-	-
Discontinuance charge	-	-	-	-	-	-	-	-	-	-
Miscellaneous charge**	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-	-	-
<b>(B) GST</b>										
GST on charges	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-	-	-
<b>Total (A+B)</b>	-	-	-	-	-	-	-	-	-	-

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	Gr. Fixed Interest II		Gr. Money Market II		Gr. Short Term Debt II		Gr. Stable II		Gr. Growth II	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULFO1728/11/11BSLGFINT2109	ULFO1928/11/11BSLGRMMKT2109	ULFO2128/11/11BSLGSHTDB2109	ULFO2228/11/11BSLSTABL2109	ULFO2128/11/11BSLGRMMKT2109	ULFO2228/11/11BSLGSHTDB2109	ULFO2228/11/11BSLSTABL2109	ULFO2128/11/11BSLGRMMKT2109	ULFO2228/11/11BSLGSHTDB2109	ULFO2228/11/11BSLSTABL2109
<b>(A) Other charges</b>										
Policy Administration charge	-	-	-	-	-	-	-	-	-	-
Surrender charge	-	-	-	-	-	-	-	-	-	-
Switching charge	-	-	-	-	-	-	-	-	-	-
Mortality charge	-	-	-	-	-	-	-	-	-	-
Discontinuance charge	-	-	-	-	-	-	-	-	-	-
Miscellaneous charge**	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-	-	-
<b>(B) GST</b>										
GST on charges	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-	-	-
<b>Total (A+B)</b>	-	-	-	-	-	-	-	-	-	-
Particulars	Pension Discontinued		Life Discontinued		Discontinued Policy		Ind. Asset Allocation		Ind. Capped Nifty Index	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF03305/07/13BSLIPNDIS109	ULIF03205/07/13BSLILDIS109	ULIF02301/07/10BSLIDISCP109	ULIF03430/10/14BSLIAS7ALC109	ULIF03530/10/14BSLICNFIDX109	ULIF03305/07/13BSLIPNDIS109	ULIF03205/07/13BSLILDIS109	ULIF02301/07/10BSLIDISCP109	ULIF03430/10/14BSLIAS7ALC109	ULIF03530/10/14BSLICNFIDX109
<b>(A) Other charges</b>										
Policy Administration charge	12	14	1,405	1,813	-	6	2,344	3,772	1,630	2,029
Surrender charge	-	-	-	-	-	-	-	-	-	-
Switching charge	-	-	-	-	-	-	2	7	9	9
Mortality charge	-	-	46	297	-	12	8,997	11,628	5,468	5,103
Discontinuance charge	2,478	1,879	45,823	43,016	(8)	(2)	-	-	-	-
Miscellaneous charge**	-	-	-	-	-	-	-	-	-	1
<b>Total</b>	2,490	1,893	47,274	45,126	(8)	16	11,343	15,407	7,107	7,142
<b>(B) GST</b>										
GST on charges	448	341	8,509	8,123	(1)	3	2,042	2,773	1,279	1,286
<b>Total</b>	448	341	8,509	8,123	(1)	3	2,042	2,773	1,279	1,286
<b>Total (A+B)</b>	2,938	2,234	55,783	53,249	(9)	19	13,385	18,180	8,386	8,428

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Annexure - 3

(Amounts in Thousands of Indian Rupees)

Particulars	MNC		Total	
	Current Year	Previous Year	Current Year	Previous Year
<b>SFIN</b>	<b>ULIF03722/06/18ABSLMUMNC109</b>			
<b>(A) Other charges</b>				
Policy Administration charge	4,151	6,645	5,20,349	6,65,659
Surrender charge	-	-	(99)	(48)
Switching charge	1	3	254	448
Mortality charge	18,568	22,347	12,28,641	14,27,749
Discontinuance charge	-	-	48,293	44,893
Miscellaneous charge**	-	-	-	43
<b>Total</b>	<b>22,720</b>	<b>28,995</b>	<b>17,97,438</b>	<b>21,38,744</b>
<b>(B) GST</b>				
GST on charges	4,090	5,219	3,24,123	3,85,108
<b>Total</b>	<b>4,090</b>	<b>5,219</b>	<b>3,24,123</b>	<b>3,85,108</b>
<b>Total (A+B)</b>	<b>26,810</b>	<b>34,214</b>	<b>21,21,561</b>	<b>25,23,852</b>

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

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

There is no unit balance as of 31<sup>st</sup> March 2023 and neither there was any movement in Gr. Capital Protection, Gr. Floating Rate, Gr. Secure- II & Gr. Bond II for the period starting from 01<sup>st</sup> April 2014 till 31<sup>st</sup> March 2023.

**Annexure - 3**

(Amounts in Thousands of Indian Rupees)

**ANNEXURE TO REVENUE ACCOUNT-BREAK UP OF UNIT LINKED BUSINESS (UL)  
REVENUE ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023  
Policyholders' Account (Technical Account)**

Particulars	Individual Life			Pension Individual			Group Life			Group Pension			Health Individual			Total Unit Linked
	Non-Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total	
	(1)	(2)	(3)=(1)+(2)	(4)	(5)	(6)=(4)+(5)	(7)	(8)	(9)=(7)+(8)	(10)	(11)	(12)=(10)+(11)	(13)	(14)	(15)=(13)+(14)	
<b>Premiums earned - net</b>																
(a) Premium	11,60,948	2,25,26,185	2,36,87,133	41,223	7,20,756	7,61,959	(4,56,185)	1,13,65,531	1,09,09,346	(68,227)	30,46,648	29,78,421	-	21,045	21,045	3,83,57,904
(b) Reinsurance ceded	(6,79,910)	-	(6,79,910)	(1,69)	-	(1,69)	(504)	-	-	-	(3,434)	-	-	-	(3,434)	(6,84,017)
<b>Income from Investments</b>																
(a) Interest, Dividend & Rent - Gross	1,47,691	72,40,382	73,88,073	6,185	3,32,514	3,38,699	2,588	48,43,201	48,45,789	433	8,61,916	8,62,349	9,682	22,526	32,018	1,34,66,928
(b) Profit on sale/redemption of investments	13,944	1,14,84,075	1,14,78,019	611	3,01,333	3,01,944	254	9,14,097	9,14,351	40	2,63,853	2,63,873	931	29,292	30,223	1,29,88,410
(c) Loss on sale/redemption of investments	(620)	(38,80,021)	(38,80,641)	(50)	(1,31,586)	(1,31,616)	(12)	(6,28,577)	(6,28,589)	(2)	(1,35,297)	(1,35,299)	(41)	(15,975)	(16,016)	(47,92,161)
(d) Unrealised gain/(loss)	(1)	(77,15,922)	(77,15,923)	-	(2,06,613)	(2,06,613)	1	(20,16,887)	(20,16,886)	-	(4,17,993)	(4,17,993)	-	(4,41,995)	(4,41,995)	(1,03,71,610)
(e) Gain/Loss on Amortisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other Income:</b>																
(a) Linked Income	53,39,447	(53,39,447)	-	1,38,842	(1,38,842)	-	9,02,217	(9,02,217)	-	1,67,261	(1,67,261)	-	19,330	(19,330)	-	-
(b) Contribution from the Shareholders' a/c	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	500
(c) Others (Interest etc)	59,877	-	59,877	825	11,461	12,286	11,461	3,056	14,347	3,056	29	14,376	29	14,405	29	75,248
<b>TOTAL (A)</b>	<b>60,41,376</b>	<b>2,42,95,252</b>	<b>3,03,36,628</b>	<b>1,87,487</b>	<b>8,77,542</b>	<b>10,65,029</b>	<b>4,59,820</b>	<b>1,35,75,148</b>	<b>1,40,34,968</b>	<b>1,02,561</b>	<b>34,51,846</b>	<b>35,54,407</b>	<b>27,007</b>	<b>23,163</b>	<b>50,170</b>	<b>4,90,41,202</b>
Commission	8,64,975	-	8,64,975	20,202	3,947	12,594	3,947	-	3,947	55	587	4,534	-	-	587	8,89,766
Operating Expenses related to Insurance Business	27,49,969	-	27,49,969	27,890	1,11,361	1,39,251	1,11,361	9,532	14,068	9,532	3,095	17,163	3,095	3,095	29,01,917	
Service Tax on Charges*	10,00,093	-	10,00,093	28,233	1,38,619	1,66,852	1,38,619	24,531	1,91,383	24,531	3,235	213,118	3,235	3,235	1,19,47,111	
Provision for doubtful debts	766	-	766	18	3	21	3	-	24	-	1	25	-	1	26	788
<b>TOTAL (B)</b>	<b>46,15,903</b>	<b>-</b>	<b>46,15,903</b>	<b>76,413</b>	<b>2,53,930</b>	<b>3,30,343</b>	<b>2,53,930</b>	<b>34,118</b>	<b>3,64,453</b>	<b>34,118</b>	<b>6,918</b>	<b>41,031</b>	<b>6,918</b>	<b>6,918</b>	<b>47,949</b>	<b>4,95,201,182</b>
Benefits Paid (Net)	3,67,402	2,84,91,157	2,88,58,559	4,371	16,20,567	16,24,938	2,024	69,15,429	69,17,453	-	16,84,748	16,84,748	648	36,790	39,438	3,91,25,136
Interim Bonus Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in valuation of liability in respect of life policies	(17,199)	(41,95,905)	(42,13,104)	(6,287)	(7,43,025)	(7,49,312)	(577)	66,59,719	66,59,142	897	17,67,098	17,67,995	(1,157)	(15,627)	(16,784)	34,47,937
<b>TOTAL (C)</b>	<b>3,50,203</b>	<b>2,42,95,252</b>	<b>2,46,45,455</b>	<b>(1,916)</b>	<b>8,77,542</b>	<b>8,75,626</b>	<b>1,447</b>	<b>1,35,75,148</b>	<b>1,35,76,595</b>	<b>897</b>	<b>34,51,846</b>	<b>34,52,743</b>	<b>(509)</b>	<b>23,163</b>	<b>22,654</b>	<b>4,25,73,073</b>
<b>SURPLUS / (DEFICIT) (D) = (A)-(B)-(C)</b>	<b>10,75,370</b>	<b>-</b>	<b>10,75,370</b>	<b>1,12,990</b>	<b>-</b>	<b>1,12,990</b>	<b>2,04,443</b>	<b>-</b>	<b>2,04,443</b>	<b>67,546</b>	<b>-</b>	<b>67,546</b>	<b>-</b>	<b>-</b>	<b>20,598</b>	<b>1,48,00,947</b>
<b>APPROPRIATIONS</b>																
Insurance reserve at the beginning of the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Shareholders' a/c	10,75,370	-	10,75,370	1,12,990	-	1,12,990	2,04,443	-	2,04,443	67,546	-	67,546	20,598	-	20,598	14,80,947
Funds available for future appropriations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total (D)</b>	<b>10,75,370</b>	<b>-</b>	<b>10,75,370</b>	<b>1,12,990</b>	<b>-</b>	<b>1,12,990</b>	<b>2,04,443</b>	<b>-</b>	<b>2,04,443</b>	<b>67,546</b>	<b>-</b>	<b>67,546</b>	<b>20,598</b>	<b>-</b>	<b>20,598</b>	<b>1,48,00,947</b>

\* GST on charges w.e.f 1<sup>st</sup> July 2017

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

## ANNEXURE TO REVENUE ACCOUNT-BREAK UP OF UNIT LINKED BUSINESS (UL) REVENUE ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022 Policyholders' Account (Technical Account)

Particulars	Individual Life		Pension Individual		Group Life		Group Pension		Health Individual		Total Unit Linked					
	Non-Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total				
	(1)	(2)	(3)=(1)+(2)	(4)	(5)	(6)=(4)+(5)	(7)	(8)	(9)=(7)+(8)	(10)	(11)	(12)=(10)+(11)	(13)	(14)	(15)=(13)+(14)	
<b>Premiums earned - net</b>																
(a) Premium	11,64,349	2,34,88,524	2,46,52,873	50,361	8,61,458	9,11,819	(4,20,041)	1,06,42,269	1,02,22,228	(45,768)	28,37,260	27,91,492	28,959	28,959	3,86,07,371	
(b) Reinsurance ceded	(6,81,469)	-	(6,81,469)	(181)	-	(181)	(1,379)	-	(1,379)	-	(3,150)	-	-	(3,150)	(6,86,179)	
<b>Income from Investments</b>																
(a) Interest/Dividend & Rent - Gross	1,75,184	71,75,392	73,50,576	6,125	3,29,397	3,35,522	2,850	41,79,322	41,82,172	435	6,82,900	6,83,335	10,906	19,752	30,658	
(b) Profit on sale/redemption of Investments	70,362	1,77,05,158	1,77,75,520	2,517	4,96,082	4,98,599	1,252	18,80,744	18,81,996	1,76	4,86,572	4,86,748	4,437	58,003	62,440	
(c) Loss on sale/redemption of Investments	(8,040)	(22,45,607)	(22,53,647)	(304)	(48,460)	(48,764)	(125)	(1,65,676)	(1,65,801)	(22)	(55,988)	(56,020)	(519)	(4,724)	(5,243)	
(d) Unrealised gain/(loss)	(1)	32,73,586	32,73,585	-	1,02,528	1,02,528	-	(5,59,760)	(5,59,760)	-	(68,249)	(68,249)	-	27,458	27,75,362	
(e) Gain/Loss on Amortisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Other Income:</b>																
(a) Linked Income	54,96,803	(54,96,803)	-	1,54,685	(1,54,685)	-	82,4,633	(8,24,633)	-	1,42,422	(1,42,422)	-	37,826	(37,826)	-	
(b) Contribution from the Shareholders a/c	1,20,918	-	1,20,918	-	-	-	-	-	-	-	-	-	-	-	1,20,918	
(c) Others (Interest etc)	67,632	-	67,632	907	95,46	97,369	95,46	9,546	9,546	2,495	2,495	40	40	80,620		
<b>TOTAL (A)</b>	<b>64,05,838</b>	<b>4,39,00,150</b>	<b>5,05,05,988</b>	<b>2,14,110</b>	<b>15,85,120</b>	<b>17,99,230</b>	<b>4,16,736</b>	<b>1,51,52,266</b>	<b>1,55,69,002</b>	<b>99,738</b>	<b>37,60,063</b>	<b>38,59,801</b>	<b>49,540</b>	<b>91,622</b>	<b>1,41,162</b>	<b>7,16,75,183</b>
Commission	10,57,975	-	10,57,975	28,881	-	28,881	3,774	-	3,774	47	935	47	935	-	10,91,612	
Operating Expenses related to Insurance Business	37,38,711	-	37,38,711	37,900	-	37,900	89,368	-	89,368	8,057	8,057	3,176	3,176	-	38,77,212	
Service Tax on Charges*	10,30,471	-	10,30,471	31,080	-	31,080	1,27,051	-	1,27,051	20,810	20,810	5,834	5,834	-	12,15,246	
Provision for doubtful debts	2,322	-	2,322	63	-	63	8	-	8	-	2	-	2	-	2,395	
<b>TOTAL (B)</b>	<b>58,29,479</b>	<b>-</b>	<b>58,29,479</b>	<b>97,824</b>	<b>-</b>	<b>97,824</b>	<b>2,20,201</b>	<b>-</b>	<b>2,20,201</b>	<b>28,914</b>	<b>9,64,548</b>	<b>9,934,247</b>	<b>9,947</b>	<b>-</b>	<b>61,86,465</b>	
Benefit Paid (Net)	9,34,280	3,30,36,632	3,39,70,912	14,236	15,05,321	15,19,557	(22,536)	70,06,243	69,83,707	-	9,64,548	9,64,548	2,527	47,986	505,13	
Interim Bonus Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Changes in valuation of liability in respect of life policies	(5,57,338)	1,08,63,518	1,05,05,580	23,547	79,799	1,03,346	8,023	81,46,023	81,54,046	557	27,95,515	27,96,072	(8,538)	45,636	35,098	
<b>TOTAL (C)</b>	<b>5,76,562</b>	<b>4,39,00,150</b>	<b>4,44,76,602</b>	<b>37,783</b>	<b>15,85,120</b>	<b>16,22,903</b>	<b>(14,513)</b>	<b>1,51,52,266</b>	<b>1,51,37,753</b>	<b>557</b>	<b>37,60,063</b>	<b>37,60,620</b>	<b>(6,011)</b>	<b>91,622</b>	<b>65,083,389</b>	
<b>SURPLUS / (DEFICIT) (D) = (A)-(B)-(C)</b>	<b>7</b>	<b>-</b>	<b>7</b>	<b>78,403</b>	<b>-</b>	<b>78,403</b>	<b>2,11,048</b>	<b>-</b>	<b>2,11,048</b>	<b>70,267</b>	<b>45,604</b>	<b>70,267</b>	<b>45,604</b>	<b>-</b>	<b>4,05,329</b>	
<b>APPROPRIATIONS</b>																
Insurance reserve at the beginning of the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer to Shareholders a/c	7	-	7	78,403	-	78,403	2,11,048	-	2,11,048	70,267	45,604	70,267	45,604	-	4,05,329	
Funds available for future appropriations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total (D)</b>	<b>7</b>	<b>-</b>	<b>7</b>	<b>78,403</b>	<b>-</b>	<b>78,403</b>	<b>2,11,048</b>	<b>-</b>	<b>2,11,048</b>	<b>70,267</b>	<b>45,604</b>	<b>70,267</b>	<b>45,604</b>	<b>-</b>	<b>4,05,329</b>	

\* GST on charges w.e.f 1<sup>st</sup> July 2017

**Annexure - 3**

(Amounts in Thousands of Indian Rupees)

**SCHEDULES TO ANNEXURE TO REVENUE ACCOUNT (UL) FORMING PART OF FINANCIAL STATEMENTS SCHEDULE-UL1  
LINKED INCOME (RECOVERED FROM LINKED FUNDS) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**

Particulars	Individual Life	Pension Individual	Group Life	Group Pension	Health Individual	Total
Fund Administration charges	NA	NA	NA	NA	NA	NA
Fund Management charge	29,55,027	1,04,152	9,01,154	1,60,854	9,455	41,30,642
Policy Administration charge	6,71,912	31,212	1,063	6,407	3,314	7,13,909
Surrender charge	119	-	-	-	-	119
Switching charge	451	0	-	-	-	451
Mortality charge / Rider Premium Charge	16,57,736	555	-	-	6,561	16,64,852
Miscellaneous charge	139	0	-	-	-	139
Discontinuance charges	54,063	2,923	-	-	-	56,986
<b>TOTAL (UL-1)</b>	<b>53,39,447</b>	<b>1,38,842</b>	<b>9,02,217</b>	<b>1,67,261</b>	<b>19,330</b>	<b>65,67,097</b>

Charges are inclusive of Goods and Service tax

**SCHEDULES TO ANNEXURE TO REVENUE ACCOUNT (UL) FORMING PART OF FINANCIAL STATEMENTS SCHEDULE-UL1  
LINKED INCOME (RECOVERED FROM LINKED FUNDS) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

Particulars	Individual Life	Pension Individual	Group Life	Group Pension	Health Individual	Total
Fund Administration charges	NA	NA	NA	NA	NA	NA
Fund Management charge	30,32,693	1,09,760	8,23,473	1,36,116	9,718	41,11,760
Policy Administration charge	7,51,901	35,002	1,160	6,306	2,078	7,96,447
Surrender charge	22	-	-	-	-	22
Switching charge	578	57	-	-	-	634
Mortality charge / Rider Premium Charge	16,70,018	561	-	-	26,030	16,96,609
Miscellaneous charge	197	17	-	-	-	214
Discontinuance charges	41,494	9,289	-	-	-	50,783
<b>TOTAL (UL-1)</b>	<b>54,96,903</b>	<b>1,54,685</b>	<b>8,24,633</b>	<b>1,42,422</b>	<b>37,826</b>	<b>66,56,470</b>

Charges are inclusive of Goods and Service tax

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

## SCHEDULE--UL2 BENEFITS PAID [NET] FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

Sr. No.	Particulars	Individual Life			Pension Individual			Group Life			Group Pension			Health Individual		Total Unit Linked Health	
		Non-Unit	Unit	Linked Life	Non-Unit	Unit	Linked Pension	Non-Unit	Unit	Linked Group	Non-Unit	Unit	Linked Group	Non-Unit	Unit		Linked Health
1	<b>Insurance Claims</b>	(1)	(2)	(3)= (1)+(2)	(4)	(5)	(6)= (4)+(5)	(7)	(8)	(9)= (7)+(8)	(10)	(11)	(12)= (10)+(11)	(13)	(14)	(15)= (13)+(14)	(16)= (3)+ (6)+ (9)+ (12)+ (15)
	(a) Claims by Death	9,17,862	3,83,586	13,01,448	5,304	32,831	38,235	2,024	-	2,024	-	6,102	6,102	650	1,636	2,326	13,50,135
	(b) Claims by Maturity	-	79,06,709	79,06,709	-	4,22,213	4,22,213	-	-	-	-	-	-	-	-	-	85,28,922
	(c) Annuities / Pension payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(d) Other benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(i) Surrender	208	2,01,33,329	2,01,33,537	228	11,57,199	11,57,427	-	69,15,429	69,15,429	-	16,78,646	16,78,646	-	37,036	37,036	2,99,22,075
	(ii) Riders	12,026	-	12,026	-	-	-	-	-	-	-	-	-	-	-	-	12,026
	(iii) Health	-	-	-	-	-	-	-	-	-	-	-	-	(42)	(42)	-	(42)
	(iv) Survival	-	5,199	5,199	-	-	-	-	-	-	-	-	-	-	-	-	5,199
	(v) Others	(3,355)	62,334	58,979	(1,161)	8,224	7,063	-	-	-	-	-	-	-	118	118	66,160
	<b>Sub Total (A)</b>	<b>9,26,741</b>	<b>2,84,91,157</b>	<b>2,84,17,898</b>	<b>4,371</b>	<b>16,20,567</b>	<b>16,24,938</b>	<b>2,024</b>	<b>69,15,429</b>	<b>69,17,453</b>	<b>-</b>	<b>16,84,748</b>	<b>16,84,748</b>	<b>648</b>	<b>38,790</b>	<b>39,438</b>	<b>3,96,84,475</b>
2	<b>Amount Ceded in reinsurance</b>																
	(a) Claims by Death	5,59,339	-	5,59,339	-	-	-	-	-	-	-	-	-	-	-	-	5,59,339
	(b) Claims by Maturity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(c) Annuities / Pension payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(d) Other benefits- Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub Total (B)</b>	<b>5,59,339</b>	<b>-</b>	<b>5,59,339</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,59,339</b>
	<b>TOTAL (A) - (B)</b>	<b>3,67,402</b>	<b>2,84,91,157</b>	<b>2,88,58,559</b>	<b>4,371</b>	<b>16,20,567</b>	<b>16,24,938</b>	<b>2,024</b>	<b>69,15,429</b>	<b>69,17,453</b>	<b>-</b>	<b>16,84,748</b>	<b>16,84,748</b>	<b>648</b>	<b>38,790</b>	<b>39,438</b>	<b>3,91,25,136</b>
	<b>Benefits paid to claimants:</b>																
	In India	3,67,402	2,84,91,157	2,88,58,559	4,371	16,20,567	16,24,938	2,024	69,15,429	69,17,453	-	16,84,748	16,84,748	648	38,790	39,438	3,91,25,136
	Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>TOTAL (UL2)</b>	<b>3,67,402</b>	<b>2,84,91,157</b>	<b>2,88,58,559</b>	<b>4,371</b>	<b>16,20,567</b>	<b>16,24,938</b>	<b>2,024</b>	<b>69,15,429</b>	<b>69,17,453</b>	<b>-</b>	<b>16,84,748</b>	<b>16,84,748</b>	<b>648</b>	<b>38,790</b>	<b>39,438</b>	<b>3,91,25,136</b>

# Annexure - 3

(Amounts in Thousands of Indian Rupees)

## SCHEDULE-UL2 BENEFITS PAID [NET] FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022

Sr. No.	Particulars	Individual Life		Pension Individual		Group Life		Group Pension		Health Individual		Total Unit Linked			
		Non Unit	Unit	Linked Life	Non-Unit	Unit	Linked Pension	Non-Unit	Unit	Linked Group	Non-Unit		Unit	Linked Health	
	(1)	(2)	(3)=(1)+(2)	(4)	(5)	(6)=(4)+(5)	(7)	(8)	(9)=(7)+(8)	(10)	(11)	(12)=(10)+(11)	(13)	(14)	(15)=(13)+(14)+(15)
<b>1</b>	<b>Insurance Claims</b>														
(a)	Claims by Death	20,36,046	6,45,088	26,81,134	15,129	65,074	78,203	-	4,966	4,966	3,118	3,036	(82)	3,118	27,67,329
(b)	Claims by Maturity	-	1,41,63,839	1,41,63,839	-	3,89,187	3,89,187	-	-	-	-	-	-	-	1,45,53,026
(c)	Amuities / Pension payment	-	1,979	1,979	-	-	-	-	-	-	-	-	-	-	1,979
(d)	Other benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Surrender	1,254	1,81,45,249	1,81,44,683	(9)	10,41,506	10,41,497	-	70,06,243	70,06,243	-	9,59,592	-	44,772	2,71,96,787
(h)	Riders	12,547	-	12,547	-	300	300	-	-	-	-	-	-	-	12,847
(iii)	Health	837	-	837	-	-	-	-	-	-	-	-	2,590	-	3,427
(iv)	Survival	-	12,941	12,941	-	-	-	-	-	-	-	-	2,590	-	12,941
(v)	Others	(19,624)	69,436	49,812	(248)	11,254	11,006	-	-	-	-	-	-	96	60,914
	<b>Sub Total (A)</b>	<b>20,31,140</b>	<b>3,30,36,632</b>	<b>3,50,67,772</b>	<b>14,872</b>	<b>15,05,321</b>	<b>15,20,193</b>	<b>-</b>	<b>70,06,243</b>	<b>70,06,243</b>	<b>-</b>	<b>9,64,548</b>	<b>2,508</b>	<b>47,986</b>	<b>4,46,09,250</b>
<b>2</b>	<b>Amount Ceded in reinsurance</b>														
(a)	Claims by Death	10,96,650	-	10,96,650	636	-	636	22,536	-	22,536	-	-	-	-	11,20,022
(b)	Claims by Maturity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Amuities / Pension payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Other benefits- Health	-	-	-	-	-	-	-	-	-	-	-	(19)	-	(19)
	<b>Sub Total (B)</b>	<b>10,96,650</b>	<b>-</b>	<b>10,96,650</b>	<b>636</b>	<b>-</b>	<b>636</b>	<b>22,536</b>	<b>-</b>	<b>22,536</b>	<b>-</b>	<b>-</b>	<b>(19)</b>	<b>-</b>	<b>11,20,003</b>
	<b>TOTAL (A) - (B)</b>	<b>9,34,290</b>	<b>3,30,36,632</b>	<b>3,39,70,922</b>	<b>14,236</b>	<b>15,05,321</b>	<b>15,19,557</b>	<b>(22,536)</b>	<b>70,06,243</b>	<b>69,83,707</b>	<b>-</b>	<b>9,64,548</b>	<b>2,527</b>	<b>47,986</b>	<b>50,513</b>
	<b>Benefits paid to claimants:</b>														
	In India	9,34,290	3,30,36,632	3,39,70,922	14,236	15,05,321	15,19,557	(22,536)	70,06,243	69,83,707	-	9,64,548	2,527	47,986	4,34,89,247
	Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>TOTAL (UL2)</b>	<b>9,34,290</b>	<b>3,30,36,632</b>	<b>3,39,70,922</b>	<b>14,236</b>	<b>15,05,321</b>	<b>15,19,557</b>	<b>(22,536)</b>	<b>70,06,243</b>	<b>69,83,707</b>	<b>-</b>	<b>9,64,548</b>	<b>2,527</b>	<b>47,986</b>	<b>50,513</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Appendix 1 to Annexure 3A

 Performance of ULIP funds (Absolute Growth - %) Returns as on 31<sup>st</sup> March 2023

## INDIVIDUAL LIFE

Fund Name	Year of Inception	FY 2022-23	FY 2021-22	FY 2020-21	Since Inception
Ind. Assure Fund	12-Sep-05	3.84%	4.46%	6.79%	295.50%
Ind. Income Adv Fund	22-Aug-08	3.42%	4.45%	7.40%	248.68%
Ind. Protector	22-Mar-01	2.78%	5.58%	10.18%	454.69%
Ind. Builder	22-Mar-01	2.95%	7.03%	15.45%	653.93%
Ind. Balancer	18-Jul-05	2.57%	7.56%	19.96%	397.54%
Ind. Enhancer	22-Mar-01	2.12%	7.99%	22.86%	755.73%
Ind. Creator	23-Feb-04	1.75%	11.47%	32.22%	674.79%
Ind. Magnifier	12-Aug-04	0.67%	19.30%	57.63%	772.23%
Ind. Maximiser	12-Jun-07	0.92%	20.42%	67.22%	361.28%
Ind. Multiplier	30-Oct-07	1.39%	25.26%	81.98%	459.92%
Super 20	06-Jul-09	4.90%	15.92%	61.90%	374.23%
Ind. Platinum Plus 1%	17-Mar-08	NA	NA	NA	NA
Ind. Platinum Plus 2%%	08-Sep-08	NA	NA	NA	NA
Ind. Platinum Plus 3%%%	15-May-09	NA	NA	NA	NA
Ind. Platinum Plus 4%%%	15-Sep-09	NA	NA	NA	NA
Ind. Platinum Premier	15-Feb-10	2.74%	1.03%	1.41%	122.90%
Ind. Platinum Advantage	20-Sep-10	3.18%	1.75%	2.39%	101.94%
Ind. Foresight FP	25-Feb-11	2.67%	2.03%	3.69%	100.35%
Ind. Foresight SP	25-Feb-11	2.93%	1.63%	3.95%	127.95%
Titanium 1	16-Dec-09	-1.75%	-1.76%	-1.75%	108.88%
Titanium 2#	16-Mar-10	NA	NA	0.41%	NA
Titanium 3###	16-Jun-10	NA	NA	0.74%	NA
Ind. Liquid Plus	09-Mar-12	4.73%	3.14%	4.37%	99.84%
Ind. Pure Equity	09-Mar-12	-1.95%	22.97%	65.31%	358.36%
Ind. Value Momentum	09-Mar-12	3.02%	19.86%	71.50%	206.90%
IPP - Nourish	12-Mar-03	3.16%	5.79%	12.65%	378.71%
IPP - Growth	18-Mar-03	3.28%	7.10%	17.99%	543.94%
IPP - Enrich	12-Mar-03	2.26%	9.22%	25.95%	678.75%
Discontinued Policy Fund###	24-Jan-11	NA	2.19%	2.62%	NA
Income Advantage Guaranteed Fund	01-Jan-14	3.40%	3.56%	6.61%	95.08%
Maximiser Guaranteed Fund	01-Jan-14	1.38%	18.33%	64.74%	176.08%
Linked Discontinued Policy Fund	01-Jan-14	4.45%	3.30%	3.63%	62.08%
Pension Discontinued Policy Fund	01-Jan-14	4.67%	3.36%	3.70%	61.94%
Asset Allocation Fund	24-Sep-15	2.63%	9.10%	19.16%	104.26%
Capped Nifty Index Fund	24-Sep-15	1.11%	19.36%	66.72%	117.71%
Unclaim Fund	01-Apr-16	5.04%	3.51%	3.86%	45.00%
MNC Fund	15-Feb-19	0.62%	3.40%	38.61%	28.32%

## Appendix 1 to Annexure 3A

Performance of ULIP funds (Absolute Growth - %) Returns as on 31<sup>st</sup> March 2023

### GROUP LIFE

Fund Name	Year of Inception	FY 2022-23	FY 2021-22	FY 2020-21	Since Inception
Gr. Fixed Interest Plan I	18-Nov-02	3.18%	4.31%	6.94%	402.09%
Gr. Gilt Plan I	28-Apr-04	5.34%	1.46%	5.25%	262.89%
Gr. Bond Plan I	28-Apr-04	2.55%	5.29%	7.69%	300.67%
Gr. Money Market Plan I	31-Mar-05	4.73%	3.02%	3.96%	288.43%
Gr. Short Term Debt Plan I	10-Dec-08	4.17%	4.78%	7.21%	194.27%
Gr. Capital Protection Plan I**	31-Mar-06	NA	NA	NA	NA
Gr. Floating Rate Plan I***	28-Apr-04	NA	NA	NA	NA
Gr. Secure Plan I	19-Jun-01	2.67%	7.31%	16.10%	658.67%
Gr. Stable Plan I	31-Aug-01	2.41%	9.76%	23.97%	988.21%
Gr. Growth Plan I	31-Aug-01	2.35%	12.50%	33.62%	1308.19%
Gr. Growth Advantage	18-Feb-08	2.47%	13.81%	39.35%	417.22%
Gr. Income Advantage	23-Mar-10	3.39%	4.62%	6.90%	177.03%
Gr. Growth Maximsier****	23-Mar-10	NA	NA	NA	NA
Gr. Bond 2^	28-Nov-11	NA	NA	NA	NA
Gr. Fixed Interest 2	28-Nov-11	3.75%	5.39%	7.96%	172.34%
Gr. Growth 2	28-Nov-11	3.38%	12.58%	34.76%	252.89%
Gr. Money Market 2	28-Nov-11	5.44%	3.59%	3.63%	110.33%
Gr. Secure 2^^	28-Nov-11	NA	NA	NA	NA
Gr. Short Term Debt 2	28-Nov-11	4.24%	4.33%	4.98%	139.36%
Gr. Stable 2	28-Nov-11	3.90%	9.79%	25.75%	214.30%

\*\*The Group Capital Protection Fund became a dormant fund on 12<sup>th</sup> August 2008 on account of no units.

\*\*\*The Group Floating Fund became a dormant fund on 12<sup>th</sup> October 2009 on account of no units.

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

^The Group Bond 2 Fund became a dormant fund on 31<sup>st</sup> March 2012 on account of no units

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

% Platinum Plus I fund has matured on 29<sup>th</sup> September 2018.

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

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

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

#Titanium II fund has matured on 15<sup>th</sup> June 2020. Fund performance is given as on 15<sup>th</sup> June 2020.

##Titanium III fund has matured on 15<sup>th</sup> Sep 2020. Fund performance is given as on 15<sup>th</sup> Sep 2020

###Discontinued Policy Fund has matured on 29<sup>th</sup> Nov 2021. Fund performance is given as on 29<sup>th</sup> Nov 2021

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Appendix 1 to Annexure 3A

 Performance of ULIP funds (Absolute Growth - %) Returns as on 31<sup>st</sup> March 2023

## RELATED PARTY TRANSACTIONS

**Related Party :** Aditya Birla Finance Ltd.

**Service :** Purchase / sale of securities

Particulars	Purchase of Investments		Sale of Investments		Interest Received	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Gr. Bond	60,026	-	-	-	-	-
Gr. Short Term Debt	20,009	-	-	-	-	-
Ind. Assure	1,50,065	-	-	-	-	-
Gr. Income Advantage	20,009	-	-	-	-	-
Ind. Enhancer	-	-	-	4,65,000	-	43,239
Gr. Secure	-	-	-	1,40,000	-	13,229
Gr. Stable	-	-	-	1,00,000	-	9,449
Ind. Foresight- 5 Pay	-	-	-	30,000	-	2,835
Ind. Builder	-	-	-	80,000	-	7,559
Ind. Creator	-	-	-	65,000	-	6,142
Ind. Income Advantage Guaranteed	-	-	-	10,000	-	945
Gr. Growth Advantage	-	-	-	10,000	-	945

**Related Party :** GRASIM INDUSTRIES LIMITED

**Service :** Purchase / sale of securities

Particulars	Purchase of Investments		Sale of Investments		Interest Received	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Gr. Fixed Interest	-	-	-	-	3,562	3,533
Gr. Secure	-	-	-	-	237	236
Gr. Short Term Debt II	-	-	-	-	158	157
Ind. Creator	-	-	-	-	3,957	3,925
Ind. Income Advantage	-	1,58,531	-	-	11,462	-
Ind. Protector	-	52,844	-	-	3,821	-

## Appendix 1 to Annexure 3A

Performance of ULIP funds (Absolute Growth - %) Returns as on 31<sup>st</sup> March 2023

### RELATED PARTY TRANSACTIONS

**Related Party :** Aditya Birla Money Limited  
**Service :** Brokerage for purchase / sale of securities  
**Basis of Payment:** As per agreed % of trade value

Fund Name	SFIN	Current Year	Previous Year
Ind. Balancer	ULIF00931/05/05BSLBALANCE109	-	4
Ind. Asset Allocation	ULIF03430/10/14BSLIASTALC109	-	10
Ind. Capped Nifty Index	ULIF03530/10/14BSLICNFIDX109	-	-
Ind. Maximiser Guaranteed	ULIF03027/08/13BSLIMAXGT109	2	2
Ind. Pure Equity	ULIF02707/10/11BSLIPUREEQ109	2,178	1,347
Ind. Value Momentum	ULIF02907/10/11BSLIVALUEM109	484	895
Ind. Foresight- 5 Pay	ULIF02510/02/11BSLFSIT5P1109	-	-
Ind. Foresight- Single Pay	ULIF02610/02/11BSLFSITSP1109	-	-
Ind. Builder	ULIF00113/03/01BSLBUILDER109	-	27
Ind. Creator	ULIF00704/02/04BSLCREATOR109	-	166
Ind. Enhancer	ULIF00213/03/01BSLENHANCE109	32	268
Ind. Magnifier	ULIF00826/06/04BSLIIMAGNI109	512	496
Ind. Maximiser	ULIF01101/06/07BSLIINMAXI109	816	565
Ind. Multiplier	ULIF01217/10/07BSLINMULTI109	1,918	3,276
Ind. Protector	ULIF00313/03/01BSLPROTECT109	-	13
Ind. Pension Enrich	ULIF00404/03/03BSLIENRICH109	9	2
Ind. Pension Growth	ULIF00504/03/03BSLIGROWTH109	1	-
Ind. Pension Nourish	ULIF00604/03/03BSLNOURISH109	-	-
Ind. Platinum Advantage	ULIF02408/09/10BSLPLATADV109	-	-
Ind. Super 20	ULIF01723/06/09BSLSUPER20109	602	774
MNC Fund	ULIF03722/06/18ABSLMUMNC109	120	11
Gr. Growth II	ULGF01828/11/11BSLGGROWTH2109	11	6
Gr. Stable II	ULGF02228/11/11BSLGGSTABL2109	-	-
Gr. Growth Advantage	ULGF01026/11/07BSLIGGRADV109	19	14
Gr. Growth	ULGF00112/06/01BSLGGGROWTH109	337	88
Gr. Secure	ULGF00212/06/01BSLGGSECURE109	365	271
Gr. Stable	ULGF00312/06/01BSLGGSTABLE109	130	111
<b>Total</b>		<b>7,536</b>	<b>8,346</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Appendix 2 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### INVESTMENT IN PROMOTER GROUP COMPANIES As on March 31, 2023

Name of the Company	Ind. Protector		Ind. Builder		Ind. Balancer		Ind. Capped Nifty Index		Ind. Creator		Ind. Magnifier	
	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund
ADITYA BIRLA CAPITAL LIMITED	-	-	-	-	-	-	-	-	-	-	-	-
ADITYA BIRLA FINANCE LTD	-	-	-	-	-	-	-	-	-	-	-	-
ADITYA BIRLA SUNLIFE MUTUAL FUND	-	-	-	-	-	-	-	-	-	-	1,79,725	1.66%
GRASIM INDUSTRIES LTD	9,987	0.33%	-	-	-	-	-	-	50,067	1.01%	-	-
HINDALCO INDUSTRIES LTD	2,339	0.08%	4,645	0.18%	495	0.24%	15,839	1.00%	19,051	0.38%	61,220	0.57%
ULTRATECH CEMENT LTD	5,717	0.19%	10,290	0.40%	1,067	0.53%	23,636	1.49%	37,120	0.75%	1,00,841	0.93%
PILANI INVESTMENT & INDUSTRIES CORP LTD	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Investment in Promoter Companies</b>	<b>18,043</b>	<b>0.59%</b>	<b>14,935</b>	<b>0.59%</b>	<b>1,562</b>	<b>0.77%</b>	<b>39,475</b>	<b>2.48%</b>	<b>1,06,238</b>	<b>2.14%</b>	<b>3,41,786</b>	<b>3.16%</b>
<b>Asset held</b>	<b>30,52,772</b>		<b>25,42,205</b>		<b>2,02,840</b>		<b>15,90,808</b>		<b>49,58,464</b>		<b>1,08,13,796</b>	

Name of the Company	Ind. Maximiser		Ind. Multiplier		Gr. Growth II		Gr. Short Term Debt I		Ind. Enhancer		Gr. Growth	
	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund
ADITYA BIRLA CAPITAL LIMITED	-	-	-	-	-	-	-	-	96,040	1.94%	-	-
ADITYA BIRLA FINANCE LTD	-	-	-	-	-	-	-	-	5,049	0.10%	-	-
ADITYA BIRLA SUNLIFE MUTUAL FUND	1,16,436	3.81%	-	-	-	-	-	-	-	-	-	-
GRASIM INDUSTRIES LTD	-	-	-	-	-	-	2,003	0.13%	39,948	0.81%	-	-
HINDALCO INDUSTRIES LTD	1,52,298	4.99%	1,45,679	5.73%	1,909	0.94%	-	-	1,24,090	2.50%	16,956	0.16%
ULTRATECH CEMENT LTD	4,13,662	13.55%	-	-	5,214	2.57%	-	-	2,81,381	5.67%	46,754	0.43%
PILANI INVESTMENT & INDUSTRIES CORP LTD	-	-	-	-	-	-	-	-	3,96,176	7.99%	-	-
<b>Total Investment in Promoter Companies</b>	<b>6,82,396</b>	<b>22.35%</b>	<b>1,45,679</b>	<b>5.73%</b>	<b>7,123</b>	<b>3.51%</b>	<b>2,003</b>	<b>0.13%</b>	<b>9,42,684</b>	<b>19.01%</b>	<b>63,710</b>	<b>0.59%</b>
<b>Asset held</b>	<b>2,32,35,719</b>		<b>2,83,12,165</b>		<b>5,68,154</b>		<b>3,39,393</b>		<b>5,96,85,700</b>		<b>51,03,908</b>	

## Appendix 2 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### INVESTMENT IN PROMOTER GROUP COMPANIES

As on March 31, 2023

Name of the Company	Ind. Asset Allocation		Ind. Super 20		Gr. Stable		Ind. Maximiser Guaranteed		Gr. Growth Advantage		Ind. Assure	
	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund
ADITYA BIRLA CAPITAL LIMITED	-	-	-	-	-	-	-	-	-	-	-	-
ADITYA BIRLA FINANCE LTD	-	-	-	-	-	-	-	-	-	-	1,46,422	1.35%
ADITYA BIRLA SUNLIFE MUTUAL FUND	-	-	2,30,722	9.08%	-	-	406	0.03%	-	-	-	-
GRASIM INDUSTRIES LTD	-	-	-	-	-	-	-	-	-	-	-	-
HINDALCO INDUSTRIES LTD	-	-	-	-	22,651	11.17%	640	0.04%	3,814	0.08%	-	-
ULTRATECH CEMENT LTD	42,402	1.59%	4,57,192	17.98%	59,963	29.56%	1,555	0.10%	10,450	0.21%	-	-
PILANI INVESTMENT & INDUSTRIES CORP LTD	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Investment in Promoter Group Companies</b>	<b>42,402</b>	<b>1.59%</b>	<b>6,87,913</b>	<b>27.06%</b>	<b>82,614</b>	<b>40.73%</b>	<b>2,601</b>	<b>0.16%</b>	<b>14,264</b>	<b>0.29%</b>	<b>1,46,422</b>	<b>1.35%</b>
<b>Asset held</b>	<b>22,88,286</b>		<b>1,58,92,787</b>		<b>96,95,317</b>		<b>84,099</b>		<b>9,55,011</b>		<b>29,99,096</b>	

Name of the Company	Gr. Secure		Ind. Liquid Plus		Ind. Pension Enrich		Ind. Pension Nourish		Gr. Fixed Interest		Gr. Stable II	
	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund
ADITYA BIRLA CAPITAL LIMITED	-	-	-	-	-	-	-	-	-	-	-	-
ADITYA BIRLA FINANCE LTD	-	-	-	-	-	-	-	-	-	-	-	-
ADITYA BIRLA SUNLIFE MUTUAL FUND	-	-	-	-	-	-	-	-	-	-	-	-
GRASIM INDUSTRIES LTD	3,004	0.10%	-	-	-	-	-	-	45,060	0.91%	-	-
HINDALCO INDUSTRIES LTD	65,432	2.14%	-	-	2,813	1.39%	49	0.00%	-	-	81	0.00%
ULTRATECH CEMENT LTD	2,01,046	6.59%	-	-	4,040	1.99%	84	0.01%	-	-	191	0.00%
PILANI INVESTMENT & INDUSTRIES CORP LTD	3,86,743	12.67%	1,13,193	4.45%	-	-	-	-	-	-	-	-
<b>Total Investment in Promoter Group Companies</b>	<b>6,56,225</b>	<b>21.50%</b>	<b>1,13,193</b>	<b>4.45%</b>	<b>6,853</b>	<b>3.36%</b>	<b>132</b>	<b>0.01%</b>	<b>45,060</b>	<b>0.91%</b>	<b>272</b>	<b>0.00%</b>
<b>Asset held</b>	<b>5,15,07,976</b>		<b>26,78,602</b>		<b>11,15,658</b>		<b>72,713</b>		<b>2,07,91,791</b>		<b>32,301</b>	

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Appendix 2 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

## INVESTMENT IN PROMOTER GROUP COMPANIES As on March 31, 2023

Name of the Company	Gr. Bond		Ind. Income Advantage		Ind. Pension Growth		Ind. Pure Equity		Ind. Value Momentum		Gr. Short Term Debt	
	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund
ADITYA BIRLA CAPITAL LIMITED	-	-	-	-	-	-	-	-	-	-	-	-
ADITYA BIRLA FINANCE LTD	60,588	1.98%	-	-	-	-	-	-	-	-	20,196	0.19%
ADITYA BIRLA SUNLIFE MUTUAL FUND	-	-	-	-	-	-	-	-	71,809	1.46%	-	-
GRASIM INDUSTRIES LTD	-	-	1,49,807	5.89%	-	-	-	-	-	-	-	-
HINDALCO INDUSTRIES LTD	-	-	-	-	280	0.14%	-	-	31,042	0.63%	-	-
ULTRATECH-CEMENT LTD	-	-	-	-	381	0.19%	4,72,421	29.70%	-	-	-	-
PILANI INVESTMENT & INDUSTRIES CORP LTD	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Investment in Promoter Group Companies</b>	<b>60,588</b>	<b>1.98%</b>	<b>1,49,807</b>	<b>5.89%</b>	<b>661</b>	<b>0.33%</b>	<b>4,72,421</b>	<b>29.70%</b>	<b>1,02,851</b>	<b>2.07%</b>	<b>20,196</b>	<b>0.19%</b>
<b>Asset held</b>	<b>40,95,980</b>		<b>79,85,480</b>		<b>2,01,278</b>		<b>1,39,23,581</b>		<b>57,23,844</b>		<b>4,21,488</b>	

Name of the Company	Gr. Income Advantage		Gr. Money Market	
	Amount	% to the Fund	Amount	% to the Fund
ADITYA BIRLA CAPITAL LIMITED	-	-	-	-
ADITYA BIRLA FINANCE LTD	20,196	0.66%	-	-
ADITYA BIRLA SUNLIFE MUTUAL FUND	-	-	-	-
GRASIM INDUSTRIES LTD	-	-	-	-
HINDALCO INDUSTRIES LTD	-	-	-	-
ULTRATECH-CEMENT LTD	-	-	-	-
PILANI INVESTMENT & INDUSTRIES CORP LTD	-	-	47,164	1.86%
<b>Total Investment in Promoter Group Companies</b>	<b>20,196</b>	<b>0.66%</b>	<b>47,164</b>	<b>1.86%</b>
<b>Asset held</b>	<b>4,83,652</b>		<b>17,31,981</b>	

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### IND. ASSURE FUND

as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			<b>8,42,721</b>	<b>28.49</b>	<b>7,72,367</b>	<b>24.63</b>
	7.70% AXIS FINANCE LIMITED (MD 08/09/27)	Debt	2,50,281	8.46		
	8.50% CHOLAMANDALAM INVT AND FIN CO LTD NCD (MD 27/03/2026)	Debt	1,52,113	5.14		
	7.92% ABFL NCD (MD 27/12/2027)	Debt	1,46,422	4.95		
	5.70% KOTAK MAHINDRA PRIME LTD NCD (MD 19/07/2024)	Debt	1,17,126	3.96		
	7.90% MAHINDRA AND MAHINDRA FIN SERV LTD NCD (MD 30/08/2027)	Debt	1,00,837	3.41		
	8.85% AXIS BANK NCD (MD 05/12/2024)	Debt	50,862	1.72		
	8.08% CAN FIN HOMES LTD. NCD MD (23/03/2026)	Debt	25,079	0.85		
Investments in Housing Finance			<b>4,38,518</b>	<b>14.82</b>	<b>3,32,678</b>	<b>10.61</b>
	7.7201% LIC HOUSING FINANCE LTD NCD (MD 12/02/2026)	Debt	2,00,285	6.77		
	7.77% HDFC LTD. NCD AA-008 MD (28/06/2027)	Debt	1,10,409	3.73		
	5.70% BAJAJ HOUSING FINANCE LTD NCD (MD 10/06/2024)	Debt	97,795	3.31		
	7.79% LIC HOUSING FINANCE LTD NCD (MD 18/10/2024)	Debt	30,029	1.02		
Manufacture of chemicals and chemical products			<b>3,12,799</b>	<b>10.57</b>	<b>3,63,614</b>	<b>11.59</b>
	6.43% GODREJ INDUSTRIES LTD. NCD MD (26/04/24) (STEP UP)	Debt	1,57,138	5.31		
	6.59% RASHTRIYA CHEM. & FERTILIZERS LTD. NCD (MD 31/01/2025)	Debt	1,55,660	5.26		
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>4,48,027</b>	<b>15.15</b>	<b>3,69,141</b>	<b>11.77</b>
<b>Gsec</b>			<b>9,16,064</b>	<b>30.97</b>	<b>6,88,119</b>	<b>21.94</b>
<b>Total AUM</b>			<b>29,58,128</b>	<b>100.00</b>	<b>31,35,964</b>	<b>100.00</b>

Note:

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

Sector	Market value	% holding
Infrastructure Finance	<b>6,10,045</b>	<b>19.45</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### IND. INCOME ADV

**as on 31<sup>st</sup> March 2023**

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			<b>20,76,439</b>	<b>25.92</b>	<b>17,03,366</b>	<b>19.36</b>
		Debt	3,90,955	4.88		
		Debt	3,57,725	4.47		
		Debt	3,48,697	4.35		
		Debt	2,44,414	3.05		
		Debt	2,42,253	3.02		
		Debt	2,40,326	3.00		
		Debt	99,218	1.24		
		Debt	84,091	1.05		
		Debt	48,416	0.60		
		Debt	20,345	0.25		
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>18,85,166</b>	<b>23.53</b>	<b>30,64,951</b>	<b>34.83</b>
<b>G-sec</b>			<b>40,49,463</b>	<b>50.55</b>	<b>40,32,098</b>	<b>45.82</b>
<b>Total AUM</b>			<b>80,11,068</b>	<b>100.00</b>	<b>88,00,414</b>	<b>100.00</b>

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### IND. PROTECTOR

as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			<b>6,19,409</b>	<b>20.32</b>	<b>8,47,912</b>	<b>24.54</b>
	5.65% BAJAJ FINANCE LIMITED NCD (MD 10/05/2024)	Debt	2,25,154	7.39		
	6.48% SUNDARAM FINANCE LTD. NCD (MD 15/05/2026)	Debt	1,93,663	6.35		
	5.70% KOTAK MAHINDRA PRIME LTD NCD (MD 19/07/2024)	Debt	92,725	3.04		
	HDFC BANK LIMITED	Equity	26,686	0.88		
	ICICI BANK LIMITED	Equity	24,033	0.79		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	15,995	0.52		
	AXIS BANK LIMITED	Equity	8,834	0.29		
	KOTAK MAHINDRA BANK LIMITED	Equity	8,597	0.28		
	STATE BANK OF INDIA	Equity	7,065	0.23		
	BAJAJ FINANCE LIMITED	Equity	5,111	0.17		
	BAJAJ FINSERV LIMITED	Equity	2,672	0.09		
	INDUSIND BANK LIMITED	Equity	2,264	0.07		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	2,103	0.07		
	CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED	Equity	1,226	0.04		
	BANK OF BARODA	Equity	1,082	0.04		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	844	0.03		
	SBI CARDS AND PAYMENTS SERVICES LIMITED	Equity	681	0.02		
	ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED	Equity	674	0.02		
<b>Investments in Housing Finance</b>			<b>4,24,919</b>	<b>13.94</b>	<b>4,39,610.20</b>	<b>12.72</b>
	7.79% LIC HOUSING FINANCE LTD NCD (MD 18/10/2024)	Debt	2,00,196	6.57		
	8.05% HDFC NCD (MD 22/10/2029)-W003 SR	Debt	1,02,288	3.36		
	8.00% HDFC LTD. NCD AA-009 MD (27/07/2032)	Debt	71,376	2.34		
	8.45% HDFC LTD. NCD MD (18/05/2026) (SERIES P - 012)	Debt	51,059	1.67		
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>6,63,259</b>	<b>21.76</b>	<b>10,90,372</b>	<b>31.56</b>
<b>G-Sec</b>			<b>13,40,954</b>	<b>43.99</b>	<b>10,77,530</b>	<b>31.18</b>
<b>Total AUM</b>			<b>30,48,540</b>	<b>100.00</b>	<b>34,55,424</b>	<b>100.00</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

## DISCLOSURE OF INVESTMENT - INDUSTRYWISE

### IND. BUILDER

**as on 31<sup>st</sup> March 2023**

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			<b>5,14,215</b>	<b>20.24</b>	<b>5,45,097</b>	<b>19.60</b>
	5.70% KOTAK MAHINDRA PRIME LTD NCD (MD 19/07/2024)	Debt	1,95,211	7.68		
	8.12% EXPORT IMPORT BANK OF INDIA NCD (MD 25/04/2031) SR-T02	Debt	51,257	2.02		
	8.85% AXIS BANK NCD (MD 05/12/2024)	Debt	50,862	2.00		
	HDFC BANK LIMITED	Equity	43,590	1.72		
	5.08% HDB FINANCIAL SERVICES LTD NCD (MD 28/11/2023)Sr-160	Debt	39,308	1.55		
	ICICI BANK LIMITED	Equity	39,255	1.55		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	26,153	1.03		
	AXIS BANK LIMITED	Equity	14,603	0.57		
	KOTAK MAHINDRA BANK LIMITED	Equity	13,804	0.54		
	STATE BANK OF INDIA	Equity	12,475	0.49		
	BAJAJ FINANCE LIMITED	Equity	8,088	0.32		
	BAJAJ FINSERV LIMITED	Equity	4,559	0.18		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	3,667	0.14		
	INDUSIND BANK LIMITED	Equity	3,578	0.14		
	CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED	Equity	1,896	0.07		
	SBI CARDS AND PAYMENTS SERVICES LIMITED	Equity	1,836	0.07		
	BANK OF BARODA	Equity	1,658	0.07		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	1,358	0.05		
	ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED	Equity	1,059	0.04		
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>9,86,754</b>	<b>38.84</b>	<b>11,51,450</b>	<b>41.39</b>
<b>G-Sec</b>			<b>10,39,544</b>	<b>40.92</b>	<b>10,85,074</b>	<b>39.01</b>
<b>Total AUM</b>			<b>25,40,513</b>	<b>100.00</b>	<b>27,81,621</b>	<b>100.00</b>

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### IND. BALANCER

as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES	5.75% SUNDARAM FINANCE LTD. NCD (MD 07/05/2024)	Debt	38,224	18.84	57,855	24.32
	10,781	5.31				
	5.65% BAJAJ FINANCE LIMITED NCD (MD 10/05/2024)	Debt	9,789	4.82		
	HDFC BANK LIMITED	Equity	4,394	2.17		
	ICICI BANK LIMITED	Equity	3,748	1.85		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	2,767	1.36		
	AXIS BANK LIMITED	Equity	1,451	0.71		
	KOTAK MAHINDRA BANK LIMITED	Equity	1,449	0.71		
	STATE BANK OF INDIA	Equity	1,130	0.56		
	BAJAJ FINANCE LIMITED	Equity	843	0.42		
	BAJAJ FINSERV LIMITED	Equity	443	0.22		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	385	0.19		
	INDUSIND BANK LIMITED	Equity	352	0.17		
	BANK OF BARODA	Equity	176	0.09		
	CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED	Equity	175	0.09		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	145	0.07		
	ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED	Equity	107	0.05		
SBI CARDS AND PAYMENTS SERVICES LIMITED	Equity	89	0.04			
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>36,738</b>	<b>18.10</b>	<b>54,809</b>	<b>23.04</b>
<b>G-Sec</b>			<b>1,27,978</b>	<b>63.06</b>	<b>78,310</b>	<b>32.92</b>
<b>Total AUM</b>			<b>2,02,940</b>	<b>100.00</b>	<b>2,37,852</b>	<b>100.00</b>

Note:

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

Sector	Market value	% holding
Infrastructure Finance	46,878	19.71

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### IND. ENHANCER

 as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			<b>1,13,99,052</b>	<b>19.12</b>	<b>1,06,92,824</b>	<b>16.40</b>
	HDFC BANK LIMITED	Equity	15,11,493	2.53		
	ICICI BANK LIMITED	Equity	13,43,091	2.25		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	9,62,558	1.61		
	KOTAK MAHINDRA BANK LIMITED	Equity	5,30,597	0.89		
	8.90% SBI 10 YEAR BASEL 3 COMPLIANT TIER 2 SR 1(02/11/28)	Debt	5,28,799	0.89		
	AXIS BANK LIMITED	Equity	5,18,955	0.87		
	STATE BANK OF INDIA	Equity	4,50,514	0.76		
	PILANI INVESTMENT & INDUSTRIES CORP LTD CP (MD 21/12/2023)	Debt	3,96,176	0.66		
	BAJAJ FINANCE LIMITED	Equity	3,06,135	0.51		
	8.25% KARUR VYSYA BANK FD QTR COMP (MD 24/04/2024)	Debt	2,50,000	0.42		
	6.45% CHOLAMANDALAM INVT AND FIN CO LTD NCD (MD 23/02/2024)	Debt	2,47,155	0.41		
	5.65% BAJAJ FINANCE LIMITED NCD (MD 10/05/2024)	Debt	2,44,732	0.41		
	HDFC BANK LIMITED CD (MD 12/09/2023)	Debt	2,42,530	0.41		
	6.44% HDFC BANK LTD. INFRA BOND NCD (MD 27/09/2028)	Debt	2,37,428	0.40		
	6.80% SBI 15 YEAR BASEL 3 TIER 2 [Call 21/8/30](21/08/2035)	Debt	2,32,527	0.39		
	8.08% CAN FIN HOMES LTD. NCD (MD 23/03/2026)	Debt	2,25,714	0.38		
	8.30% CHOLAMANDALAM INVT AND FIN CO LTD NCD (MD 12/12/2025)	Debt	2,21,660	0.37		
	8.12% UJJIVAN SMALL FINANCE BANK FD QTR COMP (MD 27/10/2023)	Debt	2,00,000	0.34		
	BAJAJ FINSERV LIMITED	Equity	1,54,640	0.26		
	6.70% DCB FD QTR COMP (MD 24/06/2023) (F.V. 5CR)	Debt	1,50,000	0.25		
	7.80% CAN FIN HOMES LTD. NCD (MD 24/11/2025)	Debt	1,49,442	0.25		
	7.38% CHOLAMANDALAM INVT AND FIN CO LTD NCD (MD 31/07/2024)	Debt	1,48,828	0.25		
	6.70% CAN FIN HOMES LTD. NCD (MD 25/02/2025)	Debt	1,46,720	0.25		
	KARUR VYSYA BANK LIMITED	Equity	1,45,714	0.24		
	7.15% BAJAJ FINANCE LIMITED NCD (MD 02/12/2031)	Debt	1,44,947	0.24		
	INDUSIND BANK LIMITED	Equity	1,40,200	0.24		
	10.90% AU SMALL FINANCE BANK LIMITED NCD (MD 30/05/2025)	Debt	1,26,136	0.21		
	8.85% AXIS BANK NCD (MD 05/12/2024)	Debt	1,22,070	0.20		

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
	5.08% HDB FINANCIAL SERVICES LTD NCD (MD 28/11/2023)Sr-160	Debt	1,08,097	0.18		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	1,08,062	0.18		
	8.12% EXPORT IMPORT BANK OF INDIA NCD (MD 25/04/2031) SR-T02	Debt	1,04,565	0.18		
	ADITYA BIRLA CAPITAL LIMITED	Equity	96,040	0.16		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	92,512	0.16		
	KFIN TECHNOLOGIES LIMITED	Equity	60,593	0.10		
	CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED	Equity	58,612	0.10		
	ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED	Equity	55,526	0.09		
	9.75% CHOLAMANDALAM INVT AND FIN CO LTD NCD (MD 23/08/2028)	Debt	53,817	0.09		
	9.50% GRUH FINANCE LTD NCD (MD 30/10/28) F 016	Debt	53,007	0.09		
	9.70% HDB FIN.SER.LTD NCD T-II S-2014I/1/7SUB(MD 20/06/2024)	Debt	51,105	0.09		
	9.20% CHOLAMANDALAM INVT AND FIN CO LTD NCD (MD 09/11/2023)	Debt	50,279	0.08		
	6.70% DCB FD QTR COMP (MD 30/06/2023) (F.V. 5CR)	Debt	50,000	0.08		
	7.60% ICICI Bank Ltd NCD (MD 07/10/2023)	Debt	49,946	0.08		
	7.60% AXIS BANK LTD NCD (MD 20/10/2023)	Debt	49,936	0.08		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	49,003	0.08		
	SBI CARDS AND PAYMENTS SERVICES LIMITED	Equity	45,707	0.08		
	UJJIVAN SMALL FINANCE BANK LTD	Equity	43,974	0.07		
	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	Equity	42,350	0.07		
	MAX FINANCIAL SERVICES LIMITED	Equity	31,159	0.05		
	8.45% BAJAJ FINANCE LIMITED SUB TIER II NCD (MD 29/09/2026)	Debt	30,689	0.05		
	5.70% KOTAK MAHINDRA PRIME LTD NCD (MD 19/07/2024)	Debt	29,282	0.05		
	7.92% ABFL NCD (MD 27/12/2027)	Debt	5,049	0.01		
	5.75% SUNDARAM FINANCE LTD. NCD (MD 07/05/2024)	Debt	980	0.00		
	<b>Others (Other than G-Sec &amp; incl NCA)</b>		<b>2,73,43,481</b>	<b>45.86</b>	<b>2,35,21,369</b>	<b>36.07</b>
	<b>G-Sec</b>		<b>2,08,86,710</b>	<b>35.03</b>	<b>2,18,98,433</b>	<b>33.58</b>
	<b>Total AUM</b>		<b>5,96,29,243</b>	<b>100.00</b>	<b>6,52,08,432</b>	<b>100.00</b>

Note:

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

Sector	Market value	% holding
Infrastructure Finance	90,95,807	13.95

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### IND. CREATOR

**as on 31<sup>st</sup> March 2023**

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			<b>10,51,987</b>	<b>21.33</b>	<b>11,06,951</b>	<b>20.21</b>
	HDFC BANK LIMITED	Equity	2,15,960	4.38		
	ICICI BANK LIMITED	Equity	1,87,323	3.80		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	1,32,963	2.70		
	5.75% SUNDARAM FINANCE LTD. NCD (MD 07/05/2024)	Debt	79,387	1.61		
	AXIS BANK LIMITED	Equity	70,088	1.42		
	KOTAK MAHINDRA BANK LIMITED	Equity	65,840	1.34		
	STATE BANK OF INDIA	Equity	61,086	1.24		
	5.70% KOTAK MAHINDRA PRIME LTD NCD (MD 19/07/2024)	Debt	53,683	1.09		
	6.67% HDFC LIFE INSURANCE CO LTD CALL(29/07/25) MD(29/07/30)	Debt	42,482	0.86		
	BAJAJ FINANCE LIMITED	Equity	37,239	0.76		
	BAJAJ FINSERV LIMITED	Equity	24,317	0.49		
	INDUSIND BANK LIMITED	Equity	17,813	0.36		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	16,010	0.32		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	11,157	0.23		
	5.65% BAJAJ FINANCE LIMITED NCD (MD 10/05/2024)	Debt	9,789	0.20		
	CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED	Equity	8,542	0.17		
	7.15% BAJAJ FINANCE LIMITED NCD (MD 02/12/2031)	Debt	6,764	0.14		
	SBI CARDS AND PAYMENTS SERVICES LIMITED	Equity	6,603	0.13		
	ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED	Equity	4,941	0.10		
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>28,38,491</b>	<b>57.56</b>	<b>24,88,097</b>	<b>45.42</b>
<b>G-Sec</b>			<b>10,41,027</b>	<b>21.11</b>	<b>11,92,401</b>	<b>21.77</b>
<b>Total AUM</b>			<b>49,31,505</b>	<b>100.00</b>	<b>54,78,279</b>	<b>100.00</b>

Note:

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

Sector	Market value	% holding
MANUFACTURE OF COKE AND REFINED PETROLEUM PRODUCTS	6,90,830	12.61

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### IND. MAGNIFIER

as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			<b>31,76,791</b>	<b>29.35</b>	<b>28,09,499</b>	<b>24.06</b>
	HDFC BANK LIMITED	Equity	7,68,528	7.10		
	ICICI BANK LIMITED	Equity	7,26,447	6.71		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	4,42,349	4.09		
	AXIS BANK LIMITED	Equity	2,86,627	2.65		
	KOTAK MAHINDRA BANK LIMITED	Equity	2,72,388	2.52		
	STATE BANK OF INDIA	Equity	2,28,881	2.11		
	BAJAJ FINANCE LIMITED	Equity	1,37,723	1.27		
	BAJAJ FINSERV LIMITED	Equity	64,629	0.60		
	INDUSIND BANK LIMITED	Equity	62,464	0.58		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	44,628	0.41		
	LIFE INSURANCE CORPORATION OF INDIA	Equity	42,769	0.40		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	38,443	0.36		
	CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED	Equity	31,632	0.29		
MAX FINANCIAL SERVICES LIMITED	Equity	29,280	0.27			
			<b>12,42,894</b>	<b>11.48</b>	<b>16,92,895</b>	<b>14.50</b>
COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES	INFOSYS LIMITED	Equity	5,95,067	5.50		
	TATA CONSULTANCY SERVICES LIMITED	Equity	3,61,074	3.34		
	HCL TECHNOLOGIES LIMITED	Equity	1,27,202	1.18		
	TECH MAHINDRA LIMITED	Equity	72,436	0.67		
	WIPRO LIMITED	Equity	51,548	0.48		
	NAZARA TECHNOLOGIES LTD	Equity	35,568	0.33		
Others (Other than G-Sec & incl NCA)			<b>60,16,517</b>	<b>55.59</b>	<b>65,75,157</b>	<b>56.30</b>
G-Sec			<b>3,87,601</b>	<b>3.58</b>	<b>6,00,481</b>	<b>5.14</b>
<b>Total AUM</b>			<b>1,08,23,803</b>	<b>100.00</b>	<b>1,16,78,032</b>	<b>100.00</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### IND. MAXIMISER

 as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES	HDFC BANK LIMITED	Equity	69,45,592	29.69	58,00,293	24.49
	ICICI BANK LIMITED	Equity	16,65,414	7.12		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	11,70,238	5.00		
	AXIS BANK LIMITED	Equity	4,87,058	2.08		
	STATE BANK OF INDIA	Equity	4,70,404	2.01		
	KOTAK MAHINDRA BANK LIMITED	Equity	4,62,168	1.98		
	BAJAJ FINANCE LIMITED	Equity	3,93,790	1.68		
	INDUSIND BANK LIMITED	Equity	1,71,075	0.73		
	LIFE INSURANCE CORPORATION OF INDIA	Equity	1,35,517	0.58		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	1,34,444	0.57		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	1,10,852	0.47		
	CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED	Equity	81,931	0.35		
	BAJAJ FINSERV LIMITED	Equity	75,990	0.32		
	BANK OF BARODA	Equity	69,304	0.30		
			<b>29,03,401</b>	<b>12.41</b>	<b>33,94,237</b>	<b>14.33</b>
COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES	INFOSYS LIMITED	Equity	13,95,885	5.97		
	TATA CONSULTANCY SERVICES LIMITED	Equity	7,96,429	3.40		
	HCL TECHNOLOGIES LIMITED	Equity	3,06,561	1.31		
	TECH MAHINDRA LIMITED	Equity	1,83,359	0.78		
	WIPRO LIMITED	Equity	1,35,588	0.58		
	LTIMINDTREE LIMITED	Equity	85,579	0.37		
Others (Other than G-Sec & incl NCA)			<b>1,35,33,849</b>	<b>57.84</b>	<b>1,42,91,786</b>	<b>60.34</b>
G-Sec			<b>13,995</b>	<b>0.06</b>	<b>2,00,242</b>	<b>0.85</b>
<b>Total AUM</b>			<b>2,33,96,837</b>	<b>100.00</b>	<b>2,36,86,558</b>	<b>100.00</b>

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### IND. MULTIPLIER

as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			<b>40,17,331</b>	<b>14.09</b>	<b>32,73,139</b>	
	FEDRAL BANK LIMITED	Equity	6,19,527	2.17		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	5,88,707	2.07		
	ICICI BANK LIMITED	Equity	4,55,907	1.60		
	LIC HOUSING FINANCE LIMITED	Equity	4,20,480	1.48		
	AU SMALL FINANCE BANK LIMITED	Equity	3,92,654	1.38		
	STATE BANK OF INDIA	Equity	3,73,402	1.31		
	MAX FINANCIAL SERVICES LIMITED	Equity	3,57,734	1.26		
	MAHINDRA N MAHINDRA FINANCIAL SERVICES LIMITED	Equity	3,12,871	1.10		
	YES BANK LIMITED	Equity	2,77,190	0.97		
	IDFC BANK LIMITED	Equity	2,18,861	0.77		
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>2,41,28,710</b>	<b>84.65</b>	<b>2,20,55,667</b>	
<b>G-Sec</b>			<b>3,58,130</b>	<b>1.26</b>	<b>3,42,007</b>	
<b>Total AUM</b>			<b>2,85,04,171</b>	<b>100.00</b>	<b>2,56,70,813</b>	

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### IND. SUPER 20

 as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			<b>46,56,492</b>	<b>29.13</b>	<b>35,85,968</b>	<b>24.67</b>
	HDFC BANK LIMITED	Equity	14,71,789	9.21		
	ICICI BANK LIMITED	Equity	14,05,298	8.79		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	8,55,165	5.35		
	KOTAK MAHINDRA BANK LIMITED	Equity	4,99,165	3.12		
	STATE BANK OF INDIA	Equity	4,25,076	2.66		
			<b>22,29,607</b>	<b>13.95</b>	<b>21,17,835</b>	<b>14.57</b>
<b>COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES</b>						
	INFOSYS LIMITED	Equity	14,17,415	8.87		
	TATA CONSULTANCY SERVICES LIMITED	Equity	8,12,192	5.08		
Others (Other than G-Sec & incl NCA)			<b>89,61,083</b>	<b>56.06</b>	<b>66,17,452</b>	<b>45.53</b>
G-Sec			<b>1,37,699</b>	<b>0.86</b>	<b>1,44,528</b>	<b>0.99</b>
<b>Total AUM</b>			<b>1,59,84,880</b>	<b>100.00</b>	<b>1,45,33,964</b>	<b>100.00</b>

Note:

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

Sector	Market value	% holding
EXCHANGE TRADED FUNDS	<b>20,68,181</b>	<b>14.23</b>

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### IND. PLATINUM ADVANTAGE

 as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
Others (Other than G-Sec & incl NCA)			(44,264)	(21.25)	(1,35,982)	(12.68)
G-Sec			2,52,526	121.25	12,08,660	112.68
<b>Total AUM</b>			<b>2,08,262</b>	<b>100.00</b>	<b>10,72,678</b>	<b>100.00</b>

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### IND. PLATINUM PREMIER

 as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
Others (Other than G-Sec & incl NCA)			54	17.88	46	15.63
G-Sec			250	82.12	250	84.37
<b>Total AUM</b>			<b>304</b>	<b>100.00</b>	<b>296</b>	<b>100.00</b>

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### IND. FORESIGHT FP

as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
Financial and insurance activities			1,74,520	10.48	8,06,504	14.77
	HDFC BANK LIMITED CD (MD 12/09/2023)	Debt	77,610	4.66		
	7.38% CHOLAMANDALAM INVT AND FIN CO LTD NCD (MD 31/07/2024)	Debt	74,414	4.47		
	TATA IND LTD. ZERO COUPON (6.69% XIRR) NCD (MD 16/01/2026)	Debt	22,496	1.35		
Others (Other than G-Sec & incl NCA)			45,121	2.71	1,59,479	2.92
G-Sec			14,45,330	86.81	31,31,699	57.35
<b>Total AUM</b>			<b>16,64,971</b>	<b>100.00</b>	<b>54,60,244</b>	<b>100.00</b>

Note:

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

Sector	Market value	% holding
Financial and insurance activities	13,62,563	24.95

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### IND. FORESIGHT SP

as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
Others (Other than G-Sec & incl NCA)			(2,141)	(16.66)	(68,285)	(176.79)
G-Sec			14,994	116.66	1,06,911	276.79
<b>Total AUM</b>			<b>12,854</b>	<b>100.00</b>	<b>38,625</b>	<b>100.00</b>

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### TITANIUM 1

as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
Others (Other than G-Sec & incl NCA)			46	100.00	47	100.00
<b>Total AUM</b>			<b>46</b>	<b>100.00</b>	<b>47</b>	<b>100.00</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### PURE EQUITY

**as on 31<sup>st</sup> March 2023**

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
Manufacture of pharmaceuticals, medicinal chemical and botanical products	SUN PHARMACEUTICALS INDUSTRIES LIMITED	Equity	15,95,346	11.29	12,32,839	10.62
	GLAXOSMITHKLINE PHARMACEUTICALS LIMITED	Equity	5,38,237	3.81		
	SUPRIYA LIFESCIENCE LIMITED	Equity	5,00,247	3.54		
	CIPLA LIMITED FV 2	Equity	2,91,578	2.06		
	GLENMARK PHARMACEUTICALS LIMITED	Equity	1,39,776	0.99		
Others (Other than G-Sec & incl NCA)						
G-Sec			1,22,35,365	86.57	84,92,930	73.15
<b>Total AUM</b>			<b>3,03,288</b>	<b>2.15</b>	<b>3,12,959</b>	<b>2.70</b>
			<b>1,41,33,998</b>	<b>100.00</b>	<b>1,16,10,759</b>	<b>100.00</b>

Note:

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

Sector	Market value	% holding
MANUFACTURE OF CHEMICALS AND CHEMICAL PRODUCTS	15,72,030	13.54

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### VALUE MOMENTUM

as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			<b>14,99,765</b>	<b>26.23</b>	<b>12,76,575</b>	<b>20.08</b>
	ICICI BANK LIMITED	Equity	4,50,626	7.88		
	HDFC BANK LIMITED	Equity	3,38,102	5.91		
	STATE BANK OF INDIA	Equity	1,79,049	3.13		
	UJJIVAN SMALL FINANCE BANK LTD	Equity	1,63,759	2.86		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	1,41,777	2.48		
	KOTAK MAHINDRA BANK LIMITED	Equity	77,441	1.35		
	LIC HOUSING FINANCE LIMITED	Equity	66,934	1.17		
	LIFE INSURANCE CORPORATION OF INDIA	Equity	52,420	0.92		
	INDUSIND BANK LIMITED	Equity	29,657	0.52		
<b>COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES</b>			<b>8,33,327</b>	<b>14.58</b>	<b>9,19,172</b>	<b>14.46</b>
	INFOSYS LIMITED	Equity	3,67,440	6.43		
	TATA CONSULTANCY SERVICES LIMITED	Equity	2,03,937	3.57		
	NAZARA TECHNOLOGIES LTD	Equity	1,36,392	2.39		
	HCL TECHNOLOGIES LIMITED	Equity	87,775	1.54		
	TECH MAHINDRA LIMITED	Equity	37,782	0.66		
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>32,63,031</b>	<b>57.07</b>	<b>40,11,515</b>	<b>63.11</b>
<b>G-Sec</b>			<b>1,21,255</b>	<b>2.12</b>	<b>1,48,957</b>	<b>2.34</b>
<b>Total AUM</b>			<b>57,17,377</b>	<b>100.00</b>	<b>63,56,219</b>	<b>100.00</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

## DISCLOSURE OF INVESTMENT - INDUSTRYWISE

### IND. PENSION GROWTH FUND

**as on 31<sup>st</sup> March 2023**

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			<b>31,375</b>	<b>15.63</b>	<b>33,268</b>	<b>15.02</b>
	8.375% EXIM BANK MD 24/07/2025 (Sr. S 02-2025)	Debt	17,236	8.59		
	HDFC BANK LIMITED	Equity	3,477	1.73		
	ICICI BANK LIMITED	Equity	2,927	1.46		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	1,995	0.99		
	AXIS BANK LIMITED	Equity	1,288	0.64		
	KOTAK MAHINDRA BANK LIMITED	Equity	1,144	0.57		
	STATE BANK OF INDIA	Equity	1,126	0.56		
	BAJAJ FINANCE LIMITED	Equity	652	0.32		
	INDUSIND BANK LIMITED	Equity	331	0.16		
	BAJAJ FINSERV LIMITED	Equity	253	0.13		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	242	0.12		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	190	0.09		
	LIFE INSURANCE CORPORATION OF INDIA	Equity	182	0.09		
	CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED	Equity	137	0.07		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	113	0.06		
	MAX FINANCIAL SERVICES LIMITED	Equity	83	0.04		
<b>Investments in Housing Finance</b>			<b>20,432</b>	<b>10.18</b>	<b>40,399</b>	<b>18.24</b>
	8.025% LIC HOUSING FINANCE LTD NCD (MD 23/03/2033)	Debt	12,275	6.12		
	8.00% HDFC LTD. NCD AA-009 MD (27/07/2032)	Debt	8,157	4.06		
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>58,695</b>	<b>29.25</b>	<b>75,057</b>	<b>33.88</b>
<b>G-Sec</b>			<b>90,176</b>	<b>44.94</b>	<b>72,795</b>	<b>32.86</b>
<b>Total AUM</b>			<b>2,00,678</b>	<b>100.00</b>	<b>2,21,518</b>	<b>100.00</b>

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### IND. PENSION ENRICH FUND

as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES	8.12% EXPORT IMPORT BANK OF INDIA NCD (MD 25/04/2031) SR-T02	Debt	1,87,177	16.79	2,06,948	16.72
	HDFC BANK LIMITED	Equity	49,207	4.41		
	ICICI BANK LIMITED	Equity	33,649	3.02		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	29,846	2.68		
	AXIS BANK LIMITED	Equity	18,906	1.70		
	KOTAK MAHINDRA BANK LIMITED	Equity	13,075	1.17		
	STATE BANK OF INDIA	Equity	11,466	1.03		
	BAJAJ FINANCE LIMITED	Equity	10,857	0.97		
	INDUSIND BANK LIMITED	Equity	6,178	0.55		
	BAJAJ FINSERV LIMITED	Equity	3,086	0.28		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	2,406	0.22		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	1,872	0.17		
	LIFE INSURANCE CORPORATION OF INDIA	Equity	1,807	0.16		
	CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED	Equity	1,758	0.16		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	1,325	0.12		
	MAX FINANCIAL SERVICES LIMITED	Equity	970	0.09		
			768	0.07		
<b>ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY</b>			<b>1,36,669</b>	<b>12.26</b>	<b>1,43,429</b>	<b>11.58</b>
	9.25% POWER GRID CORPORATION LTD NCD (MD 09/03/2027)	Debt	1,05,249	9.44		
	8.05% NTPC LTD NCD (MD 05/05/2026)-Series 60	Debt	20,208	1.81		
	NTPC LIMITED	Equity	4,605	0.41		
	POWER GRID CORPORATION OF INDIA LIMITED	Equity	3,872	0.35		
	TATA POWER COMPANY LIMITED	Equity	1,448	0.13		
	GAIL (INDIA) LIMITED	Equity	1,287	0.12		
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>3,64,710</b>	<b>32.71</b>	<b>3,23,014</b>	<b>26.09</b>
<b>G-Sec</b>			<b>4,26,289</b>	<b>38.24</b>	<b>4,14,901</b>	<b>33.51</b>
<b>Total AUM</b>			<b>11,14,845</b>	<b>100.00</b>	<b>12,38,093</b>	<b>100.00</b>

#### Note:

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

Sector	Market value	% holding
Infrastructure Finance	1,49,801	12.10

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

## DISCLOSURE OF INVESTMENT - INDUSTRYWISE

### IND. PENSION NOURISH FUND

 as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>	5.75% SUNDARAM FINANCE LTD. NCD (MD 07/05/2024)	Debt	9,397	12.99	11,834.49	14.80
	HDFC BANK LIMITED	Equity	628	0.87		
	ICICI BANK LIMITED	Equity	563	0.78		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	331	0.46		
	AXIS BANK LIMITED	Equity	215	0.30		
	KOTAK MAHINDRA BANK LIMITED	Equity	208	0.29		
	STATE BANK OF INDIA	Equity	198	0.27		
	BAJAJ FINANCE LIMITED	Equity	112	0.16		
	INDUSIND BANK LIMITED	Equity	64	0.09		
	BAJAJ FINSERV LIMITED	Equity	51	0.07		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	44	0.06		
	LIFE INSURANCE CORPORATION OF INDIA	Equity	32	0.04		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	30	0.04		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	25	0.03		
	CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED	Equity	23	0.03		
	MAX FINANCIAL SERVICES LIMITED	Equity	13	0.02		
<b>INFRASTRUCTURE FINANCE</b>			<b>15,274</b>	<b>21.11</b>	<b>17,802</b>	<b>22.26</b>
	8.22% NABARD GOI NCD PMAYG-PB-2 (MD 13/12/2028)	Debt	3,106	4.29		
	8.30% IRFC NCD (MD 25/03/2029)	Debt	3,100	4.28		
	8.70% POWER FINANCE CORPORATION LTD. NCD (MD 14/05/2025)	Debt	3,057	4.23		
	10.70% IRFC NCD (MD 11/09/2023)	Debt	2,026	2.80		
	7.68% POWER FINANCE CORPORATION LTD (MD 15/07/2030) SR 201	Debt	2,000	2.76		
	7.44% POWER FINANCE CORPN. LTD. NCD (MD 11/06/2027)	Debt	1,985	2.74		
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>18,319</b>	<b>25.32</b>	<b>22,446</b>	<b>28.07</b>
<b>G-Sec</b>			<b>29,374</b>	<b>40.59</b>	<b>27,888</b>	<b>34.87</b>
<b>Total AUM</b>			<b>72,363</b>	<b>100.00</b>	<b>79,970</b>	<b>100.00</b>

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### IND. INCOME ADVANTAGE GUARANTEED

as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES	10.90% AU SMALL FINANCE BANK LIMITED NCD (MD 30/05/2025)	Debt	1,00,491	11.78	1,60,910	14.22
	6.67% HDFC LIFE INSURANCE CO LTD CALL(29/07/25) MD(29/07/30)	Debt	52,557	6.16		
	8.85% AXIS BANK NCD (MD 05/12/2024)	Debt	37,762	4.43		
			10,172	1.19		
INFRASTRUCTURE FINANCE			1,32,887	15.58	1,91,839	16.95
	8.51% NABARD NCD (MD 19/12/2033) SERIES LTIF 3C	Debt	52,901	6.20		
	7.68% POWER FINANCE CORPORATION LTD (MD 15/07/2030) SR 201	Debt	27,995	3.28		
	8.70% POWER FINANCE CORPORATION LTD. NCD (MD 14/05/2025)	Debt	15,287	1.79		
	5.27% NABARD NCD SR 22B (MD 23/07/2024)	Debt	11,649	1.37		
	8.49% L AND T INFRA DEBT FUND LTD NCD (MD 28/01/2025)	Debt	10,131	1.19		
	7.34% POWER FINANCE CORPN. LTD. NCD (MD 29/09/2035)	Debt	9,721	1.14		
	8.30% RURAL ELECTRIFICATION CRPLTDNCD GOI S-VIIIMD 25/03/202	Debt	5,204	0.61		
INFRASTRUCTURE FINANCE			1,08,200	12.68	1,25,280	11.07
	8.14% NUCLEAR POWER CORPN OF INDIA LTD (MD 25/03/2026) SR-X	Debt	40,662	4.77		
	8.50% NHPC LTD NCD SR-T STRRP L (MD 14/07/2030)	Debt	26,113	3.06		
	9.25% POWER GRID CORPORATION LTD NCD (MD 09/03/2027)	Debt	21,050	2.47		
	8.14% NUCLEAR POWER CORPN OF INDIA LTD (MD 25/03/2027) SR-XX	Debt	15,320	1.80		
	7.93% POWER GRID CORPORATION NCD (MD 20/05/2028) [L]	Debt	5,056	0.59		
Others (Other than G-Sec & incl NCA)			88,291	10.35	1,65,541	14.63
G-Sec			4,23,170	49.61	4,88,013	43.13
Total AUM			8,53,040	100.00	11,31,583	100.00

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### IND. MAXIMISER GUARANTEED

 as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES	HDFC BANK LIMITED	Equity	25,061	29.84	19,863	23.45
	ICICI BANK LIMITED	Equity	5,991	7.13		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	5,414	6.45		
	AXIS BANK LIMITED	Equity	4,479	5.33		
	KOTAK MAHINDRA BANK LIMITED	Equity	1,882	2.24		
	STATE BANK OF INDIA	Equity	1,733	2.06		
	BAJAJ FINANCE LIMITED	Equity	1,647	1.96		
	INDUSIND BANK LIMITED	Equity	1,629	1.94		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	598	0.71		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	573	0.68		
	CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED	Equity	419	0.50		
	LIFE INSURANCE CORPORATION OF INDIA	Equity	403	0.48		
			294	0.35		
			<b>10,647</b>	<b>12.68</b>	<b>11,599</b>	<b>13.69</b>
COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES	INFOSYS LIMITED	Equity	4,869	5.80		
	TATA CONSULTANCY SERVICES LIMITED	Equity	3,039	3.62		
	HCL TECHNOLOGIES LIMITED	Equity	1,273	1.52		
	TECH MAHINDRA LIMITED	Equity	661	0.79		
	WIPRO LIMITED	Equity	471	0.56		
	LTIMINDTREE LIMITED	Equity	333	0.40		
Others (Other than G-Sec & incl NCA)			<b>46,632</b>	<b>55.52</b>	<b>42,091</b>	<b>49.68</b>
G-Sec			<b>1,649</b>	<b>1.96</b>	<b>2,049</b>	<b>2.42</b>
<b>Total AUM</b>			<b>83,990</b>	<b>100</b>	<b>84,721</b>	<b>100.00</b>

#### Note:

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

Sector	Market value	% holding
EXCHANGE TRADED FUNDS	9,119	10.76

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### GR. FIXED INTEREST

as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>INFRASTRUCTURE</b>			<b>28,74,294</b>	<b>13.78</b>	<b>31,24,287</b>	<b>14.57</b>
<b>FINANCE</b>	8.30% RURAL ELECTRIFICATION CRPLTDNCD GOI S-VIIIIMD 25/03/202	Debt	6,24,446	2.99		
	8.85% POWER FINANCE CORPN. LTD. NCD (MD 25/05/2029)	Debt	4,24,086	2.03		
	8.30% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 10/04/2025)	Debt	3,03,403	1.46		
	7.75% POWER FINANCE CORPN. LTD. NCD (MD 11/06/2030)	Debt	2,50,989	1.20		
	6.75% INDIA INFRADEBT LTD NCD (MD 14/06/2027)	Debt	2,22,777	1.07		
	7.68% POWER FINANCE CORPORATION LTD (MD 15/07/2030) SR 201	Debt	1,79,969	0.86		
	8.65% POWER FINANCE CORPN. LTD. NCD (MD 28/12/2024)	Debt	1,56,286	0.75		
	7.25% NIIF INFRASTRUCTURE FINANCE LTC NCD(MD 04.02.31)	Debt	1,46,190	0.70		
	9.37% POWER FINANCE CORPORATION LTD NCD (MD 19/08/2024)	Debt	1,02,072	0.49		
	8.98% POWER FINANCE CORPN LTD NCD (MD 08/10/24) PUT (08/10/1	Debt	1,01,732	0.49		
	7.43% NABARD GOI FULLY SERVICED NCD (MD 31/01/2030)	Debt	99,387	0.48		
	7.50% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 28/02/2030)	Debt	99,003	0.47		
	8.94% POWER FINANCE CORPORATION LTD (MD 25/03/2028)	Debt	88,402	0.42		
	8.75% POWER FINANCE CORPN. LTD. NCD (MD 15/06/2025) SR-66 B	Debt	33,681	0.16		
	8.75% REC Limited NCD (MD 12/07/2025)	Debt	25,530	0.12		
	8.90% POWER FINANCE CORPN NCD (MD 15/03/2025) SERIES 63.III	Debt	16,343	0.08		

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>Investments in Housing Finance</b>			<b>29,79,730</b>	<b>14.29</b>		
	8.00% HDFC LTD. NCD AA-009 MD (27/07/2032)	Debt	4,07,861	1.96		
	9.05 HDFC LTD. NCD SERIES U-001 (MD 16/10/2028)	Debt	3,72,315	1.79		
	8.05% HDFC NCD (MD 22/10/2029)-W003 SR	Debt	3,68,238	1.77		
	8.70% LIC Housing Finance NCD (MD 23/03/2029)	Debt	3,15,667	1.51		
	7.97% HDFC LTD. NCD AB-002 MD (17/02/2033)	Debt	2,54,701	1.22		
	9.00 HDFC LTD. NCD (MD 29/11/2028) SERIES U-005	Debt	2,40,180	1.15		
	8.025% LIC HOUSING FINANCE LTD NCD (MD 23/03/2033)	Debt	2,17,877	1.04		
	8.55% HDFC Ltd NCD (MD 27/03/2029)	Debt	2,09,059	1.00		
	9.24% LIC HOUSING FINANCE LTD NCD (MD 30/09/2024)	Debt	1,73,503	0.83		
	7.85% LIC HOUSING FINANCE LTD NCD (MD 18/08/2032)	Debt	1,41,390	0.68		
	7.80% HDFC LTD. NCD AA-010 MD (06/09/2032)	Debt	1,00,668	0.48		
	9.22% LIC HOUSING FINANCE LTD NCD (MD 16/10/2024)	Debt	51,047	0.24		
	8.55% LIC HOUSING FINANCE LTD. NCD (MD 14/08/2025)	Debt	50,895	0.24		
	7.25% HDFC LTD NCD (MD 17/06/2030)	Debt	29,281	0.14		
	7.50% HDFC LTD. NCD MD (08/01/2025) SERIES W-006	Debt	26,913	0.13		
	9.05 HDFC LTD. NCD (MD 20/11/2023) SERIES U-004	Debt	20,135	0.10		
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>60,04,645</b>	<b>28.80</b>	<b>89,45,436</b>	<b>41.70</b>
<b>G-Sec</b>			<b>89,93,588</b>	<b>43.13</b>	<b>93,80,128</b>	<b>43.73</b>
<b>Total AUM</b>			<b>2,08,52,256</b>	<b>100.00</b>	<b>2,14,49,851</b>	<b>100.00</b>

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### GR. GILT

 as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>8,103</b>	<b>1.67</b>	<b>5,228</b>	<b>1.42</b>
<b>G-Sec</b>			<b>4,76,208</b>	<b>98.33</b>	<b>3,62,501</b>	<b>98.58</b>
<b>Total AUM</b>			<b>4,84,311</b>	<b>100.00</b>	<b>3,67,729</b>	<b>100.00</b>

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### GR. BOND

as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			<b>12,62,066</b>	<b>30.79</b>	<b>10,89,491</b>	<b>24.46</b>
	8.12% UJJIVAN SMALL FINANCE BANK FD QTR COMP (MD 27/10/2023)	Debt	1,50,000	3.66		
	7.80% CAN FIN HOMES LTD. NCD MD (24/11/2025)	Debt	1,49,442	3.65		
	7.90% MAHINDRA AND MAHINDRA FIN SERV LTD NCD (MD 30/08/2027)	Debt	1,10,920	2.71		
	8.30% CHOLAMANDALAM INVT AND FIN CO LTD NCD (MD 12/12/2025)	Debt	1,00,755	2.46		
	7.65% AXIS BANK NCD (MD 30/01/2027)	Debt	99,961	2.44		
	7.02% BAJAJ FINANCE LIMITED NCD (MD 18/04/2031)	Debt	96,093	2.34		
	7.92% CHOLAMANDALAM INVT AND FIN CO LTD NCD (MD 08/07/2025)	Debt	79,872	1.95		
	7.15% BAJAJ FINANCE LIMITED NCD (MD 02/12/2031)	Debt	77,305	1.89		
	7.92% ABFL NCD (MD 27/12/2027)	Debt	60,588	1.48		
	8.08% CAN FIN HOMES LTD. NCD MD (23/03/2026)	Debt	60,191	1.47		
	KOTAK MAHINDRA INVESTMENTS LTD CP (MD 21/11/2023)	Debt	57,156	1.39		
	9.40% EXPORT IMPORT BANK OF INDIA NCD (MD 14/08/2023)	Debt	50,239	1.23		
	7.39% SBI CARDS & PAYMENT LTD NCD (MD 15/09/2025)	Debt	49,684	1.21		
	8.25% MAHINDRA AND MAHINDRA FIN S LTD NCD (MD 26/03/26)	Debt	40,619	0.99		
	6.70% CAN FIN HOMES LTD. NCD MD (25/02/2025)	Debt	39,125	0.95		
	7.47% ICICI Bank Ltd NCD OPTION II (MD 25/06/2027)	Debt	24,830	0.61		
	8.3774% HDB 2026_Series 2023 A/1(FX)/191 NCD (MD 24/04/2026)	Debt	15,287	0.37		
<b>ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY</b>			<b>4,78,573</b>	<b>11.68</b>	<b>7,23,417</b>	<b>16.24</b>
	5.45% NTPC Ltd NCD (MD 15/10/2025)	Debt	2,47,104	6.03		
	8.40% POWER GRID CORPORATION NCD (MD 27/05/2027) [I]	Debt	1,02,545	2.50		
	8.40% NUCLEAR POWER CORP OF INDIA LTD (A) (MD 28/11/2025) Se	Debt	51,048	1.25		
	8.40% POWER GRID CORPORATION NCD (MD 27/05/2024) [F]	Debt	32,231	0.79		
	8.64 % POWER GRID CORPORATION MD(08/07/24)	Debt	25,267	0.62		
	8.64 % POWER GRID CORPORATION MD(08/07/25)	Debt	20,378	0.50		

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>INFRASTRUCTURE FINANCE</b>			<b>5,51,610</b>	<b>13.46</b>	<b>8,39,626</b>	<b>18.85</b>
	7.69% NABARD NCD (MD 29/05/2024) SERIES 20C	Debt	2,24,929	5.49		
	7.00% INDIA INFRADEBT LTD NCD (MD 12/11/2025)	Debt	1,47,673	3.60		
	7.63% POWER FINANCE CORPN. LTD. NCD (SERIES: 150 OPTION: B)	Debt	49,939	1.22		
	7.40% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 26/11/2024)	Debt	49,767	1.21		
	8.70% POWER FINANCE CORPORATION LTD. NCD (MD 14/05/2025)	Debt	30,574	0.75		
	6.75% INDIA INFRADEBT LTD NCD (MD 14/06/2027)	Debt	19,372	0.47		
	8.39% POWER FINANCE CORPN. LTD. NCD (MD 19/04/2025)	Debt	14,186	0.35		
	8.98% POWER FINANCE CORPN LTD NCD (MD 08/10/24) PUT 081016B	Debt	10,173	0.25		
	7.54% NABARD NCD GOI FULLY SERVICED LTIF A-5 (MD 29/03/2032)	Debt	4,998	0.12		
<b>Investments in Housing Finance</b>			<b>4,20,964</b>	<b>10.27</b>	<b>0.00</b>	<b>0.00</b>
	7.82% LIC HOUSING FINANCE LTD NCD (MD 18/11/2032)	Debt	1,31,059.89	3.20		
	6.00% HDFC LTD. NCD Z-001 MD (29/05/2026)	Debt	85,940.73	2.10		
	8.00% HDFC LTD. NCD AA-009 MD (27/07/2032)	Debt	82,591.81	2.02		
	8.55% LIC HOUSING FINANCE LTD. NCD (MD 14/08/2025)	Debt	61,074.24	1.49		
	9.05 HDFC LTD. NCD (MD 20/11/2023) SERIES U-004	Debt	30,202.20	0.74		
	7.99% HDFC LTD NCD (MD 11/07/24) SERIES V-006	Debt	30,094.86	0.73		
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>9,21,909</b>	<b>22.49</b>	<b>10,56,155</b>	<b>23.72</b>
<b>G-Sec</b>			<b>4,63,378</b>	<b>11.31</b>	<b>2,63,251</b>	<b>5.91</b>
<b>Total AUM</b>			<b>40,98,501</b>	<b>100.00</b>	<b>42,62,578</b>	<b>100.00</b>

### Note:

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

Sector	Market value	% holding
MANUFACTURE OF COKE AND REFINED PETROLEUM PRODUCTS	4,81,426	10.81

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### GR. MONEY MARKET

as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES	HDFC BANK LIMITED CD (MD 12/09/2023)	Debt	5,07,206	29.11	2,56,332	22.70
	EXPORT IMPORT BANK OF INDIA CD (MD 17/08/2023)	Debt	1,45,518	8.35		
	FEDERAL BANK LTD CD (MD 13/11/2023)	Debt	1,26,671	7.27		
	5.08% HDB FINANCIAL SERVICES LTD NCD (MD 28/11/2023)Sr-160	Debt	1,19,285	6.85		
	PILANI INVESTMENT & INDUSTRIES CORP LTD CP (MD 21/12/2023)	Debt	54,049	3.10		
	KOTAK MAHINDRA INVESTMENTS LTD CP (MD 21/11/2023)	Debt	47,164	2.71		
	7.60% AXIS BANK LTD NCD (MD 20/10/2023)	Debt	9,526	0.55		
			4,994	0.29		
INFRASTRUCTURE FINANCE			2,38,383	13.68	1,34,469	11.91
	NABARD CD (MD 23/01/2024)	Debt	94,128	5.40		
	5.04% IRFC NCD (MD 05/05/2023)	Debt	79,841	4.58		
	5.69% REC Limited NCD (MD 30/09/2023)	Debt	59,412	3.41		
	8.82% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 12/04/2023)	Debt	5,002	0.29		
Others (Other than G-Sec & incl NCA)			2,88,292	16.55	4,67,548	41.41
G-Sec			7,08,551	40.66	2,70,817	23.98
<b>Total AUM</b>			<b>17,42,432</b>	<b>100.00</b>	<b>11,29,166</b>	<b>100.00</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### GR. SHORT TERM DEBT

**as on 31<sup>st</sup> March 2023**

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>Financial and insurance activities</b>			<b>1,23,220</b>	<b>28.42</b>	-	-
	8.3774% HDB 2026_Series 2023 A/1(FX)/191 NCD (MD 24/04/2026)	Debt	35,669	8.23		
	8.30% CHOLAMANDALAM INVT AND FIN CO LTD NCD (MD 12/12/2025)	Debt	30,226	6.97		
	7.92% ABFL NCD (MD 27/12/2027)	Debt	20,196	4.66		
	7.39% SBI CARDS & PAYMENT LTD NCD (MD 15/09/2025)	Debt	19,874	4.58		
	8.25% MAHINDRA AND MAHINDRA FIN S LTD NCD (MD 26/03/26)	Debt	10,155	2.34		
	9.60% EXIM BANK MD 07/02/2024 (Sr. S 29-2024)	Debt	7,101	1.64		
<b>Infrastructure Finance</b>			<b>1,14,192</b>	<b>26.34</b>	<b>1,30,196</b>	<b>29.25</b>
	8.30% KOTAK INFRASTRUCTURE DEBT FUND LTD NCD (MD 19.05.28)	Debt	39,118	9.02		
	8.75% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 08/06/2025)	Debt	22,451	5.18		
	7.69% NABARD NCD (MD 29/05/2024) SERIES 20C	Debt	16,995	3.92		
	8.98% POWER FINANCE CORPN LTD NCD (MD 08/10/24) PUT 081016B	Debt	15,260	3.52		
	9.37% POWER FINANCE CORPORATION LTD NCD (MD 19/08/2024)	Debt	10,207	2.35		
	8.80% POWER FINANCE CORPN. . NCD (15/01/2025) SERIES 62 B	Debt	5,089	1.17		
	7.93% POWER FINANCE CORPN. LTD. NCD (MD 31/12/2029)	Debt	5,072	1.17		
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>84,263</b>	<b>19.44</b>	<b>1,58,502</b>	<b>35.61</b>
<b>G-Sec</b>			<b>1,11,830</b>	<b>25.80</b>	<b>1,56,350</b>	<b>35.13</b>
<b>Total AUM</b>			<b>4,33,504</b>	<b>100.00</b>	<b>4,56,072</b>	<b>100.00</b>

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### GR. GROWTH ADVANTAGE FUND

as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			<b>2,10,772</b>	<b>21.95</b>	<b>1,87,610</b>	<b>20.83</b>
	HDFC BANK LIMITED	Equity	49,307	5.14		
	ICICI BANK LIMITED	Equity	44,354	4.62		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	30,004	3.13		
	KOTAK MAHINDRA BANK LIMITED	Equity	16,271	1.69		
	AXIS BANK LIMITED	Equity	16,210	1.69		
	STATE BANK OF INDIA	Equity	14,096	1.47		
	7.92% CHOLAMANDALAM INVT AND FIN CO LTD NCD (MD 08/07/2025)	Debt	9,984	1.04		
	BAJAJ FINANCE LIMITED	Equity	9,380	0.98		
	INDUSIND BANK LIMITED	Equity	4,282	0.45		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	3,424	0.36		
	LIFE INSURANCE CORPORATION OF INDIA	Equity	3,318	0.35		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	3,190	0.33		
	CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED	Equity	2,634	0.27		
	BAJAJ FINSERV LIMITED	Equity	2,356	0.25		
	BANK OF BARODA	Equity	1,960	0.20		
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>5,09,781</b>	<b>53.10</b>	<b>4,57,965</b>	<b>50.84</b>
<b>G-Sec</b>			<b>2,39,576</b>	<b>24.95</b>	<b>2,55,156</b>	<b>28.33</b>
<b>Total AUM</b>			<b>9,60,129</b>	<b>100.00</b>	<b>9,00,731</b>	<b>100.00</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### GR. INC. ADVANTAGE

 as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>INFRASTRUCTURE</b>			<b>58,958</b>	<b>12.18</b>	<b>82,943</b>	<b>17.79</b>
<b>FINANCE</b>	9.37% POWER FINANCE CORPORATION LTD NCD (MD 19/08/2024)	Debt	20,414	4.22		
	8.39% POWER FINANCE CORPN. LTD. NCD (MD 19/04/2025)	Debt	20,266	4.19		
	8.30% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 10/04/2025)	Debt	10,113	2.09		
	9.34% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 25/08/2024)	Debt	8,164	1.69		
<b>Financial and insurance activities</b>			<b>1,04,010</b>	<b>21.49</b>	<b>88,458</b>	<b>18.97</b>
	7.92% CHOLAMANDALAM INVT AND FIN CO LTD NCD (MD 08/07/2025)	Debt	39,936	8.25		
	5.65% BAJAJ FINANCE LIMITED NCD (MD 10/05/2024)	Debt	39,157	8.09		
	7.92% ABFL NCD (MD 27/12/2027)	Debt	20,196	4.17		
	6.67% HDFC LIFE INSURANCE CO LTD CALL(29/07/25) MD(29/07/30)	Debt	4,720	0.98		
<b>Investments in Housing Finance</b>			<b>66,084</b>	<b>13.66</b>	<b>52,520</b>	<b>11.26</b>
	8.05% HDFC NCD (MD 22/10/2029)-W003 SR	Debt	30,686	6.34		
	8.025% LIC HOUSING FINANCE LTD NCD (MD 23/03/2033)	Debt	25,572	5.28		
	6.52% INDIA GRID TRUST NCD (MD 07/04/2025)	Debt	9,826	2.03		
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>60,094</b>	<b>12.42</b>	<b>77,329</b>	<b>16.58</b>
<b>G-Sec</b>			<b>1,94,734</b>	<b>40.24</b>	<b>1,65,041</b>	<b>35.39</b>
<b>Total AUM</b>			<b>4,83,881</b>	<b>100.00</b>	<b>4,66,291</b>	<b>100.00</b>

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### GR. FIXED INTEREST 2

 as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>475</b>	<b>2.08</b>	<b>25</b>	<b>0.10</b>
<b>G-Sec</b>			<b>22,389</b>	<b>97.92</b>	<b>23,778</b>	<b>99.90</b>
<b>Total AUM</b>			<b>22,864</b>	<b>100.00</b>	<b>23,803</b>	<b>100.00</b>

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### GR. STABLE 2

as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			<b>4,025</b>	<b>12.46</b>	<b>3,467</b>	<b>11.25</b>
	HDFC BANK LIMITED	Equity	1,008	3.12		
	ICICI BANK LIMITED	Equity	883	2.73		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	585	1.81		
	AXIS BANK LIMITED	Equity	334	1.03		
	KOTAK MAHINDRA BANK LIMITED	Equity	329	1.02		
	STATE BANK OF INDIA	Equity	287	0.89		
	BAJAJ FINANCE LIMITED	Equity	180	0.56		
	INDUSIND BANK LIMITED	Equity	85	0.26		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	66	0.20		
	LIFE INSURANCE CORPORATION OF INDIA	Equity	64	0.20		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	60	0.19		
	CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED	Equity	53	0.16		
	BAJAJ FINSERV LIMITED	Equity	51	0.16		
	BANK OF BARODA	Equity	39	0.12		
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>8,382</b>	<b>25.95</b>	<b>8,424</b>	<b>27.34</b>
<b>G-Sec</b>			<b>19,894</b>	<b>61.59</b>	<b>18,917</b>	<b>61.40</b>
<b>Total AUM</b>			<b>32,301</b>	<b>100.00</b>	<b>30,808</b>	<b>100.00</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### GR. GROWTH II

 as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			<b>1,00,001</b>	<b>17.60</b>	<b>91,082</b>	<b>16.45</b>
	HDFC BANK LIMITED	Equity	24,536	4.32		
	ICICI BANK LIMITED	Equity	22,234	3.91		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	14,978	2.64		
	KOTAK MAHINDRA BANK LIMITED	Equity	8,110	1.43		
	AXIS BANK LIMITED	Equity	8,109	1.43		
	STATE BANK OF INDIA	Equity	7,066	1.24		
	BAJAJ FINANCE LIMITED	Equity	4,662	0.82		
	INDUSIND BANK LIMITED	Equity	1,965	0.35		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	1,707	0.30		
	LIFE INSURANCE CORPORATION OF INDIA	Equity	1,646	0.29		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	1,458	0.26		
	CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED	Equity	1,378	0.24		
	BAJAJ FINSERV LIMITED	Equity	1,178	0.21		
	BANK OF BARODA	Equity	974	0.17		
Others (Other than G-Sec & incl NCA)			2,83,779	49.95	2,63,076	47.52
G-Sec			1,84,375	32.45	1,99,467	36.03
<b>Total AUM</b>			<b>5,68,154</b>	<b>100.00</b>	<b>5,53,625</b>	<b>100.00</b>

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### GROUP MONEY MARKET FUND -2

 as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
Others (Other than G-Sec & incl NCA)			154	4.26	148	4.26
G-Sec			3,475	95.74	3,319	95.74
<b>Total AUM</b>			<b>3,630</b>	<b>100.00</b>	<b>3,467</b>	<b>100.00</b>

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### LINKED DISCONTINUED POLICY FUND

as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>Financial and insurance activities</b>			<b>20,07,535</b>	<b>14.97</b>	<b>26,12,615</b>	<b>23.57</b>
	SIDBI BANK CD (MD 30/05/2023)	Debt	3,66,364	2.73		
	KOTAK MAHINDRA BANK CD (MD 06/12/2023)	Debt	2,37,826	1.77		
	ICICI BANK CD (MD 25/07/2023)	Debt	2,35,319	1.75		
	CANARA BANK CD (MD 18/08/2023)	Debt	2,24,204	1.67		
	STATE BANK OF INDIA CD (MD 12/09/2023)	Debt	2,18,538	1.63		
	SUNDARAM FINANCE LTD CP (MD 23/06/2023)	Debt	2,16,779	1.62		
	HDFC LTD CP (MD 25/07/2023)	Debt	1,61,559	1.20		
	INDIAN BANK CD (MD 05/02/2024)	Debt	1,40,743	1.05		
	EXPORT IMPORT BANK OF INDIA CD (MD 17/08/2023)	Debt	1,16,927	0.87		
	UNION BANK OF INDIA CD (MD 05/03/2024)	Debt	69,874	0.52		
	HDFC BANK LIMITED CD (MD 12/09/2023)	Debt	19,402	0.14		
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>(129)</b>	<b>(0.00)</b>	<b>5,53,302</b>	<b>4.99</b>
<b>G-Sec</b>			<b>1,14,02,475</b>	<b>85.03</b>	<b>79,16,551</b>	<b>71.43</b>
<b>Total AUM</b>			<b>1,34,09,881</b>	<b>100.00</b>	<b>1,10,82,468</b>	<b>100.00</b>

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### PENSION DISCONTINUED POLICY FUND

as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>(18)</b>	<b>(0.00)</b>	<b>92,650</b>	<b>12.27</b>
<b>G-Sec</b>			<b>9,06,147</b>	<b>100.00</b>	<b>5,25,807</b>	<b>69.66</b>
<b>Total AUM</b>			<b>9,06,128</b>	<b>100.00</b>	<b>7,54,814</b>	<b>100.00</b>

#### Note:

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

Sector	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES	1,36,357	18.06

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### IND. ASSET ALLOCATION

**as on 31<sup>st</sup> March 2023**

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			<b>6,63,249</b>	<b>28.61</b>	<b>5,18,043</b>	<b>21.86</b>
	HDFC BANK LIMITED	Equity	1,65,225	7.13		
	ICICI BANK LIMITED	Equity	1,52,581	6.58		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	1,01,224	4.37		
	AXIS BANK LIMITED	Equity	45,419	1.96		
	KOTAK MAHINDRA BANK LIMITED	Equity	43,183	1.86		
	STATE BANK OF INDIA	Equity	42,070	1.81		
	TATA IND LTD. ZERO COUPON (6.69% XIRR) NCD (MD 16/01/2026)	Debt	33,744	1.46		
	BAJAJ FINANCE LIMITED	Equity	29,319	1.26		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	14,380	0.62		
	CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED	Equity	10,087	0.44		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	9,355	0.40		
	ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED	Equity	8,727	0.38		
	SBI CARDS AND PAYMENTS SERVICES LIMITED	Equity	7,935	0.34		
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>12,85,929</b>	<b>55.47</b>	<b>14,40,392</b>	<b>60.77</b>
<b>G-Sec</b>			<b>3,69,196</b>	<b>15.92</b>	<b>4,11,854</b>	<b>17.38</b>
<b>Total AUM</b>			<b>23,18,374</b>	<b>100.00</b>	<b>23,70,288</b>	<b>100.00</b>

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### IND. CAPPED NIFTY INDEX

as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			<b>4,65,976</b>	<b>28.93</b>	<b>3,35,172</b>	<b>23.41</b>
	HDFC BANK LIMITED	Equity	1,15,733	7.19		
	ICICI BANK LIMITED	Equity	1,00,238	6.22		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	77,177	4.79		
	KOTAK MAHINDRA BANK LIMITED	Equity	40,386	2.51		
	AXIS BANK LIMITED	Equity	37,451	2.33		
	STATE BANK OF INDIA	Equity	32,059	1.99		
	BAJAJ FINANCE LIMITED	Equity	24,489	1.52		
	BAJAJ FINSERV LIMITED	Equity	11,300	0.70		
	INDUSIND BANK LIMITED	Equity	11,272	0.70		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	7,952	0.49		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	7,919	0.49		
<b>COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES</b>			<b>2,07,852</b>	<b>12.91</b>	<b>1,92,700</b>	<b>13.46</b>
	INFOSYS LIMITED	Equity	99,981	6.21		
	TATA CONSULTANCY SERVICES LIMITED	Equity	62,993	3.91		
	HCL TECHNOLOGIES LIMITED	Equity	21,922	1.36		
	TECH MAHINDRA LIMITED	Equity	12,834	0.80		
	WIPRO LIMITED	Equity	10,123	0.63		
<b>Others (Other than G-Sec &amp; incl NCA)</b>			<b>9,19,593</b>	<b>57.10</b>	<b>8,69,584</b>	<b>60.73</b>
<b>G-Sec</b>			<b>17,094</b>	<b>1.06</b>	<b>34,490</b>	<b>2.41</b>
<b>Total AUM</b>			<b>16,10,515.01</b>	<b>100.00</b>	<b>14,31,946</b>	<b>100.00</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Appendix 3 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### DISCLOSURE OF INVESTMENT - INDUSTRYWISE

#### MNC FUND

 as on 31<sup>st</sup> March 2023

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
<b>MANUFACTURE OF CHEMICAL PRODUCTS</b>			<b>4,28,231</b>	<b>13.77</b>	<b>3,81,273</b>	<b>14.60</b>
	HINDUSTAN UNILEVER LIMITED	Equity	2,29,192	7.37		
	BASF INDIA LIMITED	Equity	45,498	1.46		
	BAYER CROPSCIENCE LIMITED	Equity	45,184	1.45		
	KANSAI NEROLAC PAINTS LIMITED	Equity	41,788	1.34		
	PROCTER AND GAMBLE HYGIENE AND HEALTH CARE LIMITED	Equity	35,750	1.15		
	COLGATE PALMOLIVE INDIA LIMITED	Equity	30,818	0.99		
			<b>3,78,393</b>	<b>12.17</b>		
<b>Manufacture of pharmaceuticals, medicinal chemical and botanical products</b>						
	GLAXOSMITHKLINE PHARMACEUTICALS LIMITED	Equity	2,17,761	7.00		
	ABBOTT INDIA LTD	Equity	1,60,632	5.17		
			<b>3,30,063</b>	<b>10.62</b>	<b>3,33,048</b>	<b>12.76</b>
<b>MANUFACTURE OF ELECTRICAL EQUIPMENT</b>						
	ABB INDIA LIMITED	Equity	1,06,911	3.44		
	SIEMENS LIMITED	Equity	1,03,874	3.34		
	WHIRLPOOL OF INDIA LIMITED	Equity	64,860	2.09		
	GE POWER INDIA LIMITED	Equity	54,419	1.75		
			<b>3,48,682</b>	<b>11.22</b>		
<b>Manufacture of motor vehicles, trailers and semi-trailers</b>						
	MARUTI SUZUKI INDIA LIMITED	Equity	2,17,735.27	7.00		
	BOSCH LIMITED	Equity	75,155	2.42		
	WABCO INDIA LIMITED	Equity	55,791	1.79		
			<b>15,85,538</b>	<b>51.00</b>	<b>17,91,466</b>	<b>68.62</b>
<b>Others (Other than G-Sec &amp; incl NCA)</b>						
<b>G-Sec</b>			<b>38,086</b>	<b>1.23</b>	<b>1,05,012</b>	<b>4.02</b>
<b>Total AUM</b>			<b>31,08,993</b>	<b>100.00</b>	<b>26,10,800</b>	<b>100.00</b>

## Appendix 4 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### NAV HIGHEST, LOWEST AND CLOSING

as on 31<sup>st</sup> March 2023

#### Individual Life

Fund Name	Highest		Lowest		Closing	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Ind. Assure	39.5488	38.0875	37.6829	36.4668	39.5488	38.0875
Ind. Income Advantage	34.8945	33.7496	32.8863	32.2834	34.8675	33.7153
Ind. Protector	55.4694	53.9775	52.2493	51.0709	55.4694	53.9683
Ind. Builder	75.5573	73.5830	70.1383	68.1976	75.3927	73.2309
Ind. Balancer	50.0857	48.8189	46.3069	44.8519	49.7536	48.5075
Ind. Enhancer	86.6139	84.8923	79.3362	77.0105	85.5731	83.7930
Ind. Creator	79.8139	77.9751	70.5017	67.4250	77.4791	76.1428
Ind. Magnifier	92.8782	91.2844	76.8157	70.5390	87.2233	86.6422
Ind. Maximiser	49.4206	48.5384	40.2311	36.7636	46.1281	45.7082
Ind. Multiplier	60.7314	60.4540	47.0242	42.3178	55.9919	55.2270
Super 20	50.3218	47.6529	40.5190	37.7463	47.4229	45.2077
Ind. Platinum Plus 1 %	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Ind. Platinum Plus 2%%	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Ind. Platinum Plus 3%%%	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Ind. Platinum Plus 4%%%	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Ind. Platinum Premier	22.2903	21.6953	21.6960	21.4754	22.2903	21.6953
Ind. Platinum Advantage	20.1937	19.5719	19.5732	19.2352	20.1937	19.5711
Ind. Foresight FP	20.0352	19.5142	19.4322	19.1057	20.0352	19.5142
Ind. Foresight SP	22.7954	22.1462	22.1515	21.7470	22.7954	22.1462
Titanium Plus 1	21.2602	21.6402	20.9798	21.2613	20.8884	21.2613
Titanium Plus 2	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Titanium Plus 3	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Ind. Liquid Plus	19.9837	19.0804	19.0811	18.4969	19.9837	19.0804
Ind. Pure Equity	49.9467	50.4633	40.8853	36.8660	45.8356	46.7457
Ind. Value Momentum	33.2639	31.2434	26.5290	24.1567	30.6903	29.7902
IPP - Nourish	47.8713	46.4045	45.0288	43.7883	47.8713	46.4045
IPP - Growth	64.4122	62.6618	59.7676	58.0508	64.3938	62.3464
IPP - Enrich	79.1398	77.2070	71.7790	69.1845	77.8750	76.1514
Discontinued Policy Fund	10.0000	19.8705	10.0000	10.0000	10.0000	10.0000
Income Advantage Guaranteed Fund	19.5148	18.8963	18.4881	18.2208	19.5084	18.8675
Maximiser Guaranteed Fund	29.6495	28.8869	24.0996	22.3472	27.6076	27.2315
Linked Discontinued Policy Fund	16.2079	15.5176	15.5191	15.0239	16.2079	15.5176
Pension Discontinued Policy Fund	16.1938	15.4719	15.4740	14.9711	16.1938	15.4719
Asset Allocation Fund	21.5577	19.9209	18.1564	18.1545	20.4264	19.9029
Capped Nifty Index Fund	23.5737	22.7739	19.0760	17.7015	21.7713	21.5316
Unclaim Fund	14.5031	13.8071	13.8085	13.3395	14.5031	13.8071
MNC Fund	13.9013	14.3001	11.6417	11.8681	12.8324	12.7527

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Appendix 4 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

### Group Life

Fund Name	Highest		Lowest		Closing	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Gr. Fixed Interest Plan I	50.2086	48.7144	47.3686	46.6536	50.2086	48.6589
Gr. Gilt Plan I	36.3516	34.7537	33.3684	33.4337	36.2894	34.4499
Gr. Bond Plan I	41.9990	40.9549	40.0584	38.8736	41.9990	40.9549
Gr. Money Market Plan I	38.8427	37.0889	37.0931	35.9735	38.8427	37.0889
Gr. Short Term Debt Plan I	29.4266	28.2484	27.8352	26.9627	29.4266	28.2484
Gr. Capital Protection Plan I**	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Gr. Floating Rate Plan I***	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Gr. Secure Plan I	75.9361	74.2737	70.6735	68.5675	75.8666	73.8953
Gr. Stable Plan I	110.3913	107.6860	100.3199	95.8745	108.8214	106.2585
Gr. Growth Plan I	144.6737	140.6139	127.6913	120.6406	140.8187	137.5815
Gr. Growth Advantage	53.5712	51.9362	46.3005	43.4408	51.7217	50.4738
Gr. Income Advantage	27.7026	26.8261	26.1252	25.6162	27.7026	26.7950
Gr. Growth Maximsier****	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Gr. Bond 2 ^	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Gr. Fixed Interest 2	27.2368	26.2790	25.5378	24.9105	27.2343	26.2491
Gr. Growth 2	36.1068	34.8338	31.7443	29.9211	35.2889	34.1341
Gr. Money Market 2	21.0325	19.9516	19.9512	19.2590	21.0325	19.9475
Gr. Secure 2 ^^	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Gr. Short Term Debt 2	23.9356	22.9627	22.6938	22.0130	23.9356	22.9627
Gr. Stable 2	31.7192	30.6310	28.9245	27.3374	31.4300	30.2504

\*\*The Group Capital Protection Fund became a dormant fund on 12<sup>th</sup> August 2008 on account of no units.

\*\*\*The Group Floating Fund became a dormant fund on 12<sup>th</sup> October 2009 on account of no units.

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

^The Group Bond 2 Fund became a dormant fund on 31<sup>st</sup> March 2012 on account of no units.

% Platinum Plus I fund has matured on 29<sup>th</sup> September 2018.

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

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

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

#MNC Fund has not completed 3 year as on 31<sup>st</sup> March 2019

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

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

\$ Discontinued Policy Fund has matured on 29<sup>th</sup> Nov 2021.

## Appendix 5 and 6 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

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

As on 31<sup>st</sup> Mar 2023

Fund name	SFIN	Gross Income Ratio	Expense Ratio
Ind. Balancer	ULIF00931/05/05BSLBALANCE109	3.85%	1.47%
Ind. Asset Allocation	ULIF03430/10/14BSLIASTALC109	4.12%	1.47%
Ind. Capped Nifty Index	ULIF03530/10/14BSLICNFIDX109	2.84%	1.48%
Discontinued Policy	ULIF02301/07/10BSLIDISCPF109	0.00%	0.00%
Life Discontinued	ULIF03205/07/13BSLILDIS109	5.02%	0.59%
Pension Discontinued	ULIF03305/07/13BSLIPNDIS109	5.22%	0.59%
Ind. Income Advantage Guaranteed	ULIF03127/08/13BSLIINADGT109	4.45%	1.48%
Ind. Maximiser Guaranteed	ULIF03027/08/13BSLIMAXGT109	2.82%	1.88%
Ind. Pure Equity	ULIF02707/10/11BSLIPUREEQ109	-0.53%	1.59%
Ind. Value Momentum	ULIF02907/10/11BSLIVALUEM109	4.86%	1.58%
Ind. Liquid Plus	ULIF02807/10/11BSLIQLPLUS109	5.75%	1.18%
Ind. Foresight- 5 Pay	ULIF02510/02/11BSLFSIT5P1109	4.26%	2.07%
Ind. Foresight- Single Pay	ULIF02610/02/11BSLFSITSP1109	4.67%	1.89%
Ind. Income Advantage	ULIF01507/08/08BSLIINCADV109	4.43%	1.18%
Ind. Assure	ULIF01008/07/05BSLIASSURE109	4.90%	1.18%
Ind. Builder	ULIF00113/03/01BSLBUILDER109	3.98%	1.18%
Ind. Creator	ULIF00704/02/04BSLCREATOR109	3.19%	1.48%
Ind. Enhancer	ULIF00213/03/01BSLENHANCE109	3.50%	1.47%
Ind. Magnifier	ULIF00826/06/04BSLIIMAGNI109	2.25%	1.58%
Ind. Maximiser	ULIF01101/06/07BSLIINMAXI109	2.55%	1.58%
Ind. Multiplier	ULIF01217/10/07BSLINMULTI109	2.95%	1.59%
Ind. Protector	ULIF00313/03/01BSLPROTECT109	3.79%	1.18%
Ind. Pension Enrich	ULIF00404/03/03BSLIENRICH109	3.67%	1.48%
Ind. Pension Growth	ULIF00504/03/03BSLIGROWTH109	4.37%	1.18%
Ind. Pension Nourish	ULIF00604/03/03BSLNOURISH109	4.22%	1.18%
Ind. Platinum Plus- 2	ULIF01425/02/08BSLIPLAT2109	0.00%	0.00%
Ind. Platinum Plus- 3	ULIF01628/04/09BSLIPLAT3109	0.00%	0.00%
Ind. Platinum Plus- 4	ULIF01816/09/09BSLIPLAT4109	0.00%	0.00%
Ind. Platinum Advantage	ULIF02408/09/10BSLPLATADV109	4.73%	1.77%
Ind. Platinum Plus- 1	ULIF01325/02/08BSLIPLAT1109	0.00%	0.00%
Ind. Platinum Premier	ULIF02203/02/10BSLPLATPR1109	4.34%	1.67%
Ind. Super 20	ULIF01723/06/09BSLSUPER20109	6.49%	1.58%
Ind. Titanium- 1	ULIF01911/12/09BSLITITAN1109	0.00%	2.16%
Ind. Titanium- 2	ULIF02011/12/09BSLITITAN2109	0.00%	0.00%
Ind. Titanium- 3	ULIF02111/12/09BSLITITAN3109	0.00%	0.00%

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Appendix 5 and 6 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

<b>Fund name</b>	<b>SFIN</b>	<b>Gross Income Ratio</b>	<b>Expense Ratio</b>
MNC Fund	ULIF03722/06/18ABSLMUMNC109	1.90%	1.59%
Gr. Fixed Interest II	ULGF01728/11/11BSLGFINT2109	3.63%	0.00%
Gr. Money Market II	ULGF01928/11/11BSLGRMMKT2109	5.31%	0.00%
Gr. Growth II	ULGF01828/11/11BSLGROWTH2109	3.35%	0.00%
Gr. Short Term Debt II	ULGF02128/11/11BSLGSHTDB2109	4.18%	0.00%
Gr. Stable II	ULGF02228/11/11BSLGSTABL2109	4.05%	0.00%
Gr. Growth Advantage	ULGF01026/11/07BSLIGGRADV109	3.22%	1.18%
Gr. Bond	ULGF00530/05/03BSLIGRBOND109	3.64%	1.18%
Gr. Short Term Debt	ULGF01322/09/08BSLGSHTDBT109	5.17%	1.18%
Gr. Fixed Interest	ULGF00416/07/02BSLGFIXINT109	4.27%	1.18%
Gr. Gilt	ULGF00630/05/03BSLIGRGILT109	6.83%	1.18%
Gr. Growth	ULGF00112/06/01BSLGGROWTH109	3.91%	1.18%
Gr. Income Advantage	ULGF01425/02/10BSLGINCADV109	4.56%	1.18%
Gr. Money Market	ULGF00824/08/04BSLIGRMMKT109	6.17%	1.18%
Gr. Secure	ULGF00212/06/01BSLGSECURE109	4.00%	1.18%
Gr. Stable	ULGF00312/06/01BSLGSTABLE109	3.59%	1.18%

# Appendix 7 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

## FUND WISE DISCLOSURE OF APPRECIATION AND/OR (DEPRECIATION) IN VALUE OF INVESTMENT SEGREGATED CLASS WISE as on 31<sup>st</sup> Mar 2023

Particulars	Ind. Assure		Ind. Income Advantage		Ind. Protector		Ind. Builder		Ind. Balancer		Ind. Enhancer		Ind. Creator		Ind. Magnifier		Ind. Maximiser	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFN	ULF0008/07/05 ESLIASSURE109	781 (8,887)	ULF0008/07/08 ESLIINCAV109	ULF0003/03/01 ESLPROTECT109	ULF0010/03/01 ESLBUILDR109	ULF0037/05/05 ESLBALANCE109	ULF0203/03/01 ESLENHANCE109	ULF0074/02/04 BSLCREATOR109	ULF0026/06/04 BSLIIMAGN109	ULF0107/06/07 BSLIIMAX109								
Approved Investments																		
Government Bonds																		
Corporate Bonds																		
Infrastructure Bonds																		
Equity Shares																		
Money Market																		
Mutual Funds																		
Preference Shares																		
<b>Total</b>	<b>(6,065)</b>	<b>2,370</b>	<b>(17,674)</b>	<b>22,465</b>	<b>1,16,375</b>	<b>1,42,150</b>	<b>2,32,089</b>	<b>16,506</b>	<b>21,143</b>	<b>50,27,067</b>	<b>66,77,696</b>	<b>6,84,963</b>	<b>8,82,928</b>	<b>25,53,453</b>	<b>32,61,007</b>	<b>46,15,199</b>	<b>51,45,556</b>	
Other Investments																		
Corporate Bonds																		
Infrastructure Bonds																		
Equity Shares																		
Money Market																		
Mutual Funds																		
Preference Shares																		
<b>Total</b>																		
<b>GRAND TOTAL</b>	<b>(6,065)</b>	<b>2,370</b>	<b>(17,674)</b>	<b>32,418</b>	<b>1,25,628</b>	<b>1,46,928</b>	<b>2,42,346</b>	<b>17,186</b>	<b>22,392</b>	<b>51,64,879</b>	<b>69,37,526</b>	<b>7,07,467</b>	<b>9,35,078</b>	<b>26,24,385</b>	<b>35,62,020</b>	<b>49,37,932</b>	<b>56,53,419</b>	

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Appendix 7 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

## FUND WISE DISCLOSURE OF APPRECIATION AND/OR (DEPRECIATION) IN VALUE OF INVESTMENT SEGREGATED CLASS WISE as on 31<sup>st</sup> Mar 2023

Particulars	Ind. Multiplier		Ind. Super 20		Ind. Platinum Plus-1		Ind. Platinum Plus-2		Ind. Platinum Plus-3		Ind. Platinum Plus-4		Ind. Platinum Advantage		Ind. Platinum Premier		Ind. Foresight- 5 Pay	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SPN	ULIF0127/10/07 BSLNMULT109	ULIF0127/10/07 BSLNMULT109	ULIF0723/06/09 BSLSUPER2009	ULIF0723/06/09 BSLSUPER2009	ULIF0325/02/08 BSLPLAT109	ULIF0325/02/08 BSLPLAT109	ULIF0425/02/08 BSLPLAT209	ULIF0425/02/08 BSLPLAT209	ULIF0628/04/09 BSLPLAT309	ULIF0628/04/09 BSLPLAT309	ULIF0816/09/09 BSLPLAT409	ULIF0816/09/09 BSLPLAT409	ULIF2408/09/10 BSLPLATADY/09	ULIF2408/09/10 BSLPLATADY/09	ULIF2020/02/10 BSLPLATPR109	ULIF2020/02/10 BSLPLATPR109	ULIF0250/02/11 BSLFS5P109	ULIF0250/02/11 BSLFS5P109
Approved Investments																		
Government Bonds	873	(2,217)	-	54	-	-	-	-	-	-	-	-	1,386	(20,977)	-	-	93,961	96,561
Corporate Bonds	(1,455)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(9,880)	(8,941)
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-	-	-	3,974	9,203	-	-	(515)	(3,529)
Equity Shares	14,16,184	30,99,519	33,51,664	30,20,267	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>14,15,602</b>	<b>30,97,302</b>	<b>33,51,664</b>	<b>30,20,321</b>	<b>-</b>	<b>5,360</b>	<b>(11,774)</b>	<b>-</b>	<b>-</b>	<b>83,566</b>	<b>83,091</b>							
Other Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Shares	(316,352)	53,429	-	1,22,630	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mutual Funds	1,23,782	15,768	1,04,304	3,54,122	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>(1,82,570)</b>	<b>69,197</b>	<b>1,04,304</b>	<b>4,76,752</b>	<b>-</b>	<b>5,360</b>	<b>(11,774)</b>	<b>-</b>	<b>-</b>	<b>83,566</b>	<b>83,091</b>							
<b>GRAND TOTAL</b>	<b>12,23,032</b>	<b>31,66,499</b>	<b>34,55,968</b>	<b>34,97,073</b>	<b>-</b>	<b>5,360</b>	<b>(11,774)</b>	<b>-</b>	<b>-</b>	<b>83,566</b>	<b>83,091</b>							

# Appendix 7 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

## FUND WISE DISCLOSURE OF APPRECIATION AND/OR (DEPRECIATION) IN VALUE OF INVESTMENT SEGREGATED CLASS WISE as on 31<sup>st</sup> Mar 2023

Particulars	Ind. Foresight- Single Pay		Ind. Titanium- 1		Ind. Titanium- 2		Ind. Titanium- 3		Ind. Pure Equity		Ind. Value Momentum		Ind. Liquid Plus		Ind. Pension Growth		Ind. Pension Emrich			
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year		
SFN	ULFD2610/02/11 BSLFSITSP109	ULFD1911/12/09 BSLJTITANT109	ULFD2011/12/09 BSLJTITANT2109	ULFD2111/12/09 BSLJTITANT3109	ULFR2707/10/11 BSJUPUREQ109	ULFD2907/10/11 BSJUALUEM109	ULFR2807/10/11 BSLIQPLUS109	ULFD0604/03/03 BSJIGROWTH109	ULFD0404/03/03 BSLENRICH109											
<b>Approved Investments</b>																				
Government Bonds	-	-	-	-	-	-	-	-	-	-	-	(210)	(2,791)	(445)	834	6,252	16,143			
Corporate Bonds	-	-	-	-	(23)	5	1,233	(494)	2	(10)	2	1,233	(494)	(1,081)	(217)	1,226	4,234			
Infrastructure Bonds	-	743	-	-	-	-	-	-	-	-	-	623	(9,867)	(288)	536	(2,354)	10,093			
Equity Shares	-	-	-	-	65,215	15,73,440	-	-	4,38,664	8,34,645	-	-	-	-	12,768	15,966	1,13,545	1,39,581		
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Total</b>	-	743	-	-	63,192	15,73,445	4,38,654	8,34,647	10,954	17,119	1,18,669	1,70,051								
Other Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Corporate Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Equity Shares	-	-	-	-	(1,22,490)	(1,02,204)	18,698	(43,176)	561	487	3,659	4,453								
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Mutual Funds	-	-	-	-	(833)	(1,855)	-	-	-	-	-	-	-	-	-	-	-	-		
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Total</b>	-	743	-	-	(1,22,490)	(1,02,204)	16,843	(44,009)	561	487	3,659	4,453								
<b>GRAND TOTAL</b>	-	743	-	-	(59,298)	14,71,241	3,94,645	8,51,490	11,515	17,606	1,22,328	1,74,504								

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Appendix 7 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

## FUND WISE DISCLOSURE OF APPRECIATION AND/OR (DEPRECIATION) IN VALUE OF INVESTMENT SEGREGATED CLASS WISE as on 31<sup>st</sup> Mar 2023

Particulars	Ind. Pension Nourish		Ind. Income Advantage Guaranteed		Ind. Maximiser Guaranteed		Gr. Fixed Interest		Gr. Gilt		Gr. Bond		Gr. Money Market		Gr. Short Term Debt		Gr. Growth Advantage		
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	
SFIN	UJLF0604/03/03 BSUNOURISH09	UJLF03127/08/13 BSUNADGT09	UJLF03027/08/13 BSUNMANGT09	UJLF0046/07/02 BSLGRNNT09	UJLF0030/05/03 BSLGRGILT09	UJLF0030/05/03 BSLGRBOND09	UJLF0024/08/04 BSLGRMMKT09	UJLF0032/09/08 BSLGSHTDFT09	UJLF0026/11/07 BSLUGRADV09										
<b>Approved Investments</b>																			
Government Bonds	540	715	2,910	3,601	-	-	(2,01,862)	(97,528)	5,893	6,242	-	-	(3,421)	(1,197)	(7,151)	(3,041)			
Corporate Bonds	(405)	62	631	9,095	-	-	22,900	2,46,654	-	-	(41,293)	32,976	1,422	(973)	(218)	1,431			
Infrastructure Bonds	(545)	480	25	14,973	-	-	(86,658)	1,28,351	-	-	(53,753)	20,469	789	(3,068)	(4,419)	(1,961)			
Equity Shares	2,163	2,754	-	-	19,941	23,151	-	-	-	-	-	-	-	-	-	93,428	1,06,239		
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Mutual Funds	-	-	-	-	-	-	979	-	-	-	-	-	-	-	-	-	-		
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Total</b>	<b>1,953</b>	<b>3,991</b>	<b>3,566</b>	<b>27,669</b>	<b>19,941</b>	<b>23,151</b>	<b>(2,65,620)</b>	<b>2,80,456</b>	<b>5,893</b>	<b>6,242</b>	<b>(75,046)</b>	<b>53,445</b>	<b>2,211</b>	<b>(4,041)</b>	<b>(6,446)</b>	<b>(3,908)</b>	<b>81,640</b>	<b>1,02,668</b>	
Other Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Corporate Bonds	-	-	(1,772)	5,897	-	-	-	29,486	-	-	-	-	-	-	-	-	-		
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Equity Shares	97	83	-	-	437	1,169	-	-	-	-	-	-	-	-	-	-	5,170	5,949	
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Mutual Funds	-	-	-	-	1,044	1,346	-	-	-	-	-	-	-	-	-	-	-		
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Total</b>	<b>97</b>	<b>83</b>	<b>(1,772)</b>	<b>5,897</b>	<b>1,481</b>	<b>2,515</b>	<b>-</b>	<b>29,486</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,170</b>	<b>5,949</b>	
<b>GRAND TOTAL</b>	<b>2,050</b>	<b>4,074</b>	<b>1,794</b>	<b>33,566</b>	<b>21,422</b>	<b>25,666</b>	<b>(2,65,620)</b>	<b>3,09,942</b>	<b>5,893</b>	<b>6,242</b>	<b>(75,046)</b>	<b>53,445</b>	<b>2,211</b>	<b>(4,041)</b>	<b>(6,446)</b>	<b>(3,908)</b>	<b>86,810</b>	<b>1,08,617</b>	

# Appendix 7 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

## FUND WISE DISCLOSURE OF APPRECIATION AND/OR (DEPRECIATION) IN VALUE OF INVESTMENT SEGREGATED CLASS WISE as on 31<sup>st</sup> Mar 2023

Particulars	Gr. Income Advantage		Gr. Secure		Gr. Stable		Gr. Growth		Gr. Fixed Interest II		Gr. Money Market II		Gr. Short Term Debt II		Gr. Stable II		Gr. Growth II		
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	
SFN	ULGF0445/02/10 BSLGINCADV109	1,502	ULGF0212/06/01 BSLGSSECURE109	17,44,758	ULGF0032/06/01 BSLGSSTABLE109	8,05,011	ULGF0012/06/01 BSLGGFROWTH109	6,98,922	ULGF0728/11/11 BSLGFINT2109	2,416	ULGF0928/11/11 BSLGRMMKT2109	(74)	ULGF0228/11/11 BSLGSHTDB2109	(1,48)	ULGF0228/11/11 BSLGSSTABL2109	2,809	ULGF0128/11/11 BSLGFROWTH2109	56,202	72,220
Approved Investments																			
Government Bonds	(1,344)	1,502	(1,27,898)	(9,310)	(1,03,730)	(9,310)	(3,352)	11,192	(5)	2,416	(18)	(74)	(6,618)	(2,077)	(53)	289	(1,943)	3,000	
Corporate Bonds	(3,847)	959	(1,95,934)	89,450	(25,067)	36,448	(4,999)	18,170	-	-	-	-	(1,00)	58	-	-	107	211	
Infrastructure Bonds	94	5,346	(2,75,473)	1,44,33	(26,654)	1,279	(20,664)	2,636	-	-	-	-	(1,155)	1,871	(83)	(19)	(2,812)	(6)	
Equity Shares	-	-	16,29,487	1,768,773	6,99,734	7,76,594	4,86,511	6,66,924	-	-	-	-	-	-	2,391	2,559	62,850	69,015	
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>(5,097)</b>	<b>7,807</b>	<b>6,00,879</b>	<b>17,44,758</b>	<b>5,44,283</b>	<b>8,05,011</b>	<b>4,57,496</b>	<b>6,98,922</b>	<b>(5)</b>	<b>2,416</b>	<b>(18)</b>	<b>(74)</b>	<b>(7,873)</b>	<b>(1,48)</b>	<b>2,255</b>	<b>2,809</b>	<b>56,202</b>	<b>72,220</b>	
Other Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Corporate Bonds	(221)	-	(5,510)	-	-	-	(1,118)	-	-	-	-	-	-	-	-	-	-	-	
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Equity Shares	-	-	1,02,131	1,02,463	35,120	46,435	27,738	37,459	-	-	-	-	-	-	124	128	2,935	3,500	
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>(221)</b>	<b>-</b>	<b>96,621</b>	<b>1,02,463</b>	<b>35,120</b>	<b>46,435</b>	<b>26,620</b>	<b>37,459</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(74)</b>	<b>(7,873)</b>	<b>(1,48)</b>	<b>124</b>	<b>128</b>	<b>2,935</b>	<b>3,500</b>	
<b>GRAND TOTAL</b>	<b>(5,318)</b>	<b>7,807</b>	<b>6,97,500</b>	<b>18,47,221</b>	<b>5,79,403</b>	<b>8,51,446</b>	<b>4,84,116</b>	<b>7,36,381</b>	<b>(5)</b>	<b>2,416</b>	<b>(18)</b>	<b>(74)</b>	<b>(7,873)</b>	<b>(1,48)</b>	<b>2,379</b>	<b>2,937</b>	<b>61,137</b>	<b>75,720</b>	

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Appendix 7 to Annexure 3A

(Amounts in Thousands of Indian Rupees)

## FUND WISE DISCLOSURE OF APPRECIATION AND/OR (DEPRECIATION) IN VALUE OF INVESTMENT SEGREGATED CLASS WISE as on 31<sup>st</sup> Mar 2023

Particulars	Pension Discontinued		Life Discontinued		Discontinued Policy		Ind. Asset Allocation		Ind. Capital Nifty Index		MNC		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	UUF03035/0713 BSLPNDIS109	UUF03035/0713 BSLPNDIS109	UUF02301/0710 BSLDISCPFD09	UUF03430/1014 BSLJASTALC109	UUF03530/1014 BSLUCNFDX109	UUF0222/09/09A BSLJUMMNC109								
<b>Approved Investments</b>														
Government Bonds	(701)	(10,178)	(49,503)	(1,08,848)	-	-	22,453	9,596	-	-	601	(6,98,480)	(59,441)	
Corporate Bonds	-	-	-	(887)	880	-	(887)	880	-	-	2	(4,60,773)	5,83,751	
Infrastructure Bonds	-	-	-	(362)	1,227	-	(362)	1,227	-	-	-	(7,88,966)	4,53,728	
Equity Shares	-	-	-	2,85,467	2,74,964	-	4,17,935	4,63,073	2,87,440	3,38,540	-	2,28,69,248	2,89,50,656	
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	979	
Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>(701)</b>	<b>(10,178)</b>	<b>(49,503)</b>	<b>(1,08,848)</b>	<b>-</b>	<b>-</b>	<b>3,06,671</b>	<b>2,86,667</b>	<b>4,63,073</b>	<b>2,87,440</b>	<b>3,39,143</b>	<b>2,09,21,029</b>	<b>2,99,29,673</b>	
<b>Other Investments</b>														
Corporate Bonds	-	-	-	-	-	-	-	-	-	-	-	(10,800)	42,602	
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-	-	-	518	
Equity Shares	-	-	-	8,410	12,913	-	15,438	20,958	12,680	17,492	-	1,48,507	10,57,177	
Money Market	-	-	-	2,845	3,055	-	-	-	-	-	-	-	-	
Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	8,02,132	
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,255</b>	<b>15,968</b>	<b>-</b>	<b>15,438</b>	<b>20,958</b>	<b>12,680</b>	<b>17,492</b>	<b>-</b>	<b>5,39,467</b>	<b>19,02,429</b>	
<b>GRAND TOTAL</b>	<b>(701)</b>	<b>(10,178)</b>	<b>(49,503)</b>	<b>(1,08,848)</b>	<b>-</b>	<b>-</b>	<b>3,17,926</b>	<b>3,02,635</b>	<b>4,84,031</b>	<b>3,00,120</b>	<b>3,56,635</b>	<b>2,14,60,496</b>	<b>3,18,32,102</b>	

There is no unit balance as of 31<sup>st</sup> March 2023 and neither there was any movement in Gr. Capital Protection, Gr. Floating Rate, Gr. Growth Maximisier, Gr. Secure - II & Gr. Bond II for the period starting from 01<sup>st</sup> April 2014 till 31<sup>st</sup> March 2023.

## SUMMARY OF FINANCIAL STATEMENTS

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 4\*

(Amounts in Thousands of Indian Rupees)

Sr. No.	Particulars	2022 -23	2021 -22	2020 -21	2019 -20	2018 -19
<b>POLICYHOLDERS' A/C</b>						
1	Gross Premium Income	15,06,96,854	12,14,02,283	9,77,52,242	8,00,99,740	7,51,12,612
2	Net Premium Income <sup>#</sup>	14,53,94,535	11,64,14,449	9,48,22,799	7,75,78,025	7,28,56,254
3	Income from investments(Net) <sup>@</sup>	3,45,76,036	5,30,20,015	7,75,02,103	39,82,650	3,10,83,204
4	Other Income	5,61,567	5,20,204	5,51,736	4,50,810	4,33,357
5	Total Income	18,05,32,138	16,99,54,668	17,28,76,638	8,20,11,485	10,43,72,815
6	Commissions	84,36,054	59,62,323	54,28,235	48,24,376	44,90,706
7	Brokerage	-	-	-	-	-
8	Operating Expenses related to insurance Business **	2,21,66,540	1,64,46,921	1,43,94,888	1,34,03,455	1,18,14,856
9	Total Expenses	3,06,02,594	2,24,09,244	1,98,23,123	1,82,27,831	1,63,05,562
10	Payment to Policy holders	5,77,88,795	6,76,47,852	4,79,13,020	5,54,98,705	5,25,16,478
11	Increase in Actuarial Liability	9,15,27,393	7,94,66,736	10,49,27,302	77,98,255	3,47,77,724
12	Provision for Tax	5,31,497	4,45,669	3,90,463	3,35,674	2,40,365
13	Surplus/(Deficit) from operations	81,859	(14,833)	(1,77,270)	1,51,020	5,32,686
<b>SHAREHOLDERS' A/C</b>						
14	Total Income under Shareholders' Account	23,89,049	21,21,702	18,60,859	18,34,038	21,43,929
15	Total Expenses under Shareholder's Account	9,32,413	6,97,872	5,04,109	9,40,762	14,20,503
16	Profit / (loss) Before Tax	15,38,495	14,08,997	11,79,480	10,44,296	12,56,183
17	Profit / (loss) After Tax	13,84,971	12,68,380	10,64,604	10,44,296	12,56,183
18	Profit / (loss) carried to Balance Sheet	31,32,617	17,47,646	8,29,266	(85,338)	(11,29,634)
19	(A) Policyholders' account:					
	Total funds (incl Funds for Future Appropriation)	67,76,25,171	58,61,86,641	50,71,12,739	39,88,63,365	39,24,26,856
	Total Investments (including policy loans)	67,15,87,738	58,16,83,091	50,38,54,837	38,98,69,808	38,47,47,547
	Yield on investments					
	- Linked Fund(%) <sup>§</sup>	3.69%	12.11%	28.24%	-3.12%	9.05%
	- Non Par Non-Linked Fund (%)	7.58%	7.98%	9.20%	7.40%	8.65%
	- Par Non-Linked Fund (%)	6.75%	9.41%	11.37%	5.17%	7.84%
	(B) Shareholders' account:					
	Total funds (including unrealised gain and borrowings)	3,42,60,993	3,04,86,325	2,54,82,314	2,19,97,808	2,09,97,855
	Total investments	3,29,80,491	2,92,14,758	2,44,45,514	2,30,54,405	2,08,17,297
	Yield on investments (%)	7.62%	7.87%	10.80%	8.51%	9.34%
20	Yield on total investments	5.67%	10.21%	19.39%	0.99%	8.90%
21	Paid up equity capital	1,93,82,292	1,90,12,080	1,90,12,080	1,90,12,080	1,90,12,080
22	Net worth	2,92,60,993	2,54,86,325	2,39,82,314	2,19,97,808	2,09,97,855
23	Total Assets	71,18,86,164	61,66,72,966	53,25,95,053	42,08,61,173	41,34,24,711
24	Earnings per share (share of FV of ₹ 10 each)	0.72	0.67	0.56	0.55	0.66
25	Book value per share (share of FV of ₹ 10 each)	15.10	13.41	12.61	11.57	11.04

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

# Net of Reinsurance

@ Net of Losses

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

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 5

(Amounts in Thousands of Indian Rupees)

## ANALYTICAL RATIOS

Sr. No.	Ratios for Life Insurers	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
1	New business premium income growth (segment-wise) (New business premium for current year less new business premium for previous year divided by new business premium for previous year)		
	a) Linked Individual Life	-31.51%	32.93%
	b) Linked Group Life	6.72%	18.57%
	c) Linked Pension Individual	-45.72%	-4.15%
	d) Linked Group Pension	4.15%	652.00%
	e) Linked Health Individual	-100.00%	0.00%
	f) Non-Linked Individual Life	93.37%	11.99%
	g) Non-Linked Group Life	43.14%	16.26%
	h) Non-Linked Group Life Variable	43.49%	-27.03%
	i) Non-Linked Pension Individual	0.00%	0.00%
	j) Non-Linked Annuity Individual	39.28%	59.37%
	k) Non-Linked Group Pension	49.70%	415.57%
	l) Non-Linked Group Pension Variable	-47.97%	-95.63%
	m) Non-Linked Health	0.99%	-32.20%
	n) Par Non-Linked Individual Life	27.22%	-8.84%
2	Net Retention Ratio (Net premium divided by gross premium)	96.48%	95.89%
3	Expense of Management to gross Direct Premium Ratio (Expenses of Management = Gross Commission + Operating Expenses related to Insurance Business by total gross premium net of service tax / GST)	19.51%	17.44%
4	Commission Ratio (gross Commission paid to gross Premium)	5.60%	4.91%
5	Ratio of Policyholders' Liabilities to Shareholders' Funds (Policyholders' Liabilities = Policy Liabilities + Funds for Future Appropriations + Provision for Linked Liabilities + Credit/(Debit) fair value change account (Linked & Non Linked) (Shareholders' Funds = Share Capital + Reserves & Surplus + Credit / (Debit) fair value account + Credit / (Debit) balance in Profit & Loss account.)	2315.80%	2300.00%
6	Growth Rate of Shareholders' Funds (Current year shareholders' funds less previous year shareholders' funds divided by previous year shareholders' funds) X 100	14.81%	6.27%
7	Ratio of Surplus / (Deficit) to Policyholders Liabilities (Surplus or deficit as per revenue account divided by policyholders' liability as described in ratio 5 above)	0.43%	0.13%
8	Change in Net Worth (₹ in '000) (Current year shareholders' funds less previous year shareholders' funds as described in ratio 5 above)	37,74,668	15,04,011
9	Profit after Tax / Total Income (Total Income = Total Income under Policyholders' account excluding shareholders' contribution + Total Income under Shareholders' Account excluding policyholders' contribution)	0.76%	0.74%
10	(Total Real Estate + Loans) / Cash & Invested Assets	0.57%	0.48%

# Annexure - 5

(Amounts in Thousands of Indian Rupees)

Sr. No.	Ratios for Life Insurers	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
	Loan amount is as shown in Balance Sheet divided by Cash (cash and bank balance as shown in the balance sheet) and Invested assets (investments of shareholders' funds + investments of policyholders' funds + assets held to cover linked liabilities)		
11	Total Investments / (Capital + Surplus)	2394.01%	2385.43%
	Total Investments = Sum of investments of shareholders' funds (schedule 8), investments of policyholders' funds (schedule 8A) and assets held to cover linked liabilities (schedule 8B).		
12	Total Affiliated Investments / (Capital + Surplus)*	30.87%	37.69%
	(Total Affiliated Investments is investments made to related parties divided by Capital and reserves and surplus as shown in Balance Sheet)		
13	Investment Yield (gross and net)		
	A. With Unrealized gains		
	Shareholders' Funds	4.30%	5.31%
	Policyholders' Funds :		
	Non- Linked Participating	4.72%	6.27%
	Non- Linked Non Participating	5.55%	5.12%
	Linked Non Participating	2.28%	10.60%
	B. Without Unrealized gains		
	Shareholders' Funds	7.85%	8.08%
	Policyholders' Funds :		
	Non- Linked Participating	7.58%	8.72%
	Non- Linked Non Participating	7.70%	8.26%
	Linked Non Participating	6.42%	10.72%
14	<b>Conservation Ratio</b>		
	(Renewal Premium for current year net of service tax / GST divided by first year premium + renewal premium net of service tax / GST for previous year)		
	Non Participating Linked - Individual Life	77.06%	80.13%
	Non Participating Linked - Group Life	NA	NA
	Non Participating Linked - Individual Pension	56.18%	48.50%
	Non Participating Linked - Group Pension	74.28%	93.46%
	Non Participating Linked - Individual Health	72.68%	76.71%
	Non Participating Non Linked - Individual Life	89.91%	90.01%
	Non Participating Non Linked - Group Life	53.10%	153.59%
	Non Participating Non Linked - Group Life Variable	NA	NA
	Non Participating Non Linked - Individual Pension	48.07%	26.83%
	Non Participating Non Linked - Individual Annuity	NA	NA
	Non Participating Non Linked - Group Pension	73.31%	92.33%
	Non Participating Non Linked - Group Pension Variable	56.50%	38.03%
	Non Participating Non Linked - Individual Health	84.49%	82.34%
	Participating Non Linked - Individual Life	90.23%	93.15%

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Annexure - 5

(Amounts in Thousands of Indian Rupees)

Sr. No.	Ratios for Life Insurers	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
15	<b>Persistency Ratio<sup>#</sup></b>		
	<b>Persistency rate based on premium</b>		
	For 13 <sup>th</sup> month	87.48%	84.60%
	For 25 <sup>th</sup> month	71.83%	72.08%
	For 37 <sup>th</sup> month	66.83%	66.78%
	For 49 <sup>th</sup> Month	64.79%	58.79%
	For 61 <sup>st</sup> month	54.25%	51.66%
	<b>Persistency rate based on count</b>		
	For 13 <sup>th</sup> month	79.40%	74.48%
	For 25 <sup>th</sup> month	63.17%	63.35%
	For 37 <sup>th</sup> month	58.50%	56.70%
	For 49 <sup>th</sup> Month	53.86%	46.09%
	For 61 <sup>st</sup> month	44.00%	40.21%
16	<b>NPA Ratio</b>		
	Gross NPA Ratio	Nil	Nil
	Net NPA Ratio	Nil	Nil
17	<b>Solvency Ratio</b>	1.73	1.88

\*The ratio after considering the policyholders' funds for the Current year is 0.01 (Previous Year: 0.02).

<sup>#</sup> The persistency ratios for the year ended March 31, 2023 have been computed as per IRDAI Circular IRDA/ACT/CIR/MISC/035/01/2014 dated January 23, 2014.

Persistency Ratios for balance periods have been computed as per circular IRDA/F&A/CIR/MISC/256/09/2021 taking into account the effect of the grace period. Persistency ratios for year ended March 31, 2022 is calculated for the policies issued in April to March period of the relevant year. e.g. 13<sup>th</sup> month persistency for current year is calculated for the policies issued in the period April 2020 to March 2021.

# Management Report for the period ended 31<sup>st</sup> March 2023

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

In accordance with the Insurance Regulatory and Development Authority of India ('IRDAI') (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, read with circular no. IRDA/F&A/CIR/CPM/056/03/2016 dated 4<sup>th</sup> April, 2016 the following Management Report is submitted by the management on behalf of Board of Directors for the financial year ended March 31, 2023.

## 1. CERTIFICATE OF REGISTRATION

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

## 2. STATUTORY DUES

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

## 3. SHAREHOLDING PATTERN

We confirm that there is no change in the shareholding pattern during the year and transfer of shares of the Company is in accordance with the requirements of the Insurance Act, 1938, Insurance Laws (Amendment) Act, 2015 and the Insurance Regulatory and Development Authority (Registration of Indian Insurance Companies) Regulations, 2000.

## 4. INVESTMENT OF FUNDS

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

## 5. SOLVENCY MARGIN

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

## 6. VALUATION OF ASSETS

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

Market values of fixed income investments made in the shareholders' funds and non-linked policyholders funds which are valued at amortized cost as per the IRDA regulations, is higher by their carrying amounts by ₹ 1,600,075 (previous year higher by ₹ 8,416,677) in aggregate as at 31<sup>st</sup> March, 2023, details below:

Particulars	Current Year		
	Market Value	Amortized Cost	Difference
Shareholder's Fund	31,021,475	30,689,579	331,896
Non Linked Fund	336,372,809	335,104,631	1,268,179
<b>Total</b>	<b>367,394,284</b>	<b>365,794,209</b>	<b>1,600,075</b>

## Management Report (Contd.)

Particulars	Previous year		
	Market Value	Amortized Cost	Difference
Shareholder's Fund	28,732,177	27,500,907	1,231,269
Non- Linked Fund	265,067,413	257,882,005	7,185,408
<b>Total</b>	<b>293,799,589</b>	<b>285,382,912</b>	<b>8,416,677</b>

### 7. INVESTMENT PATTERN

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

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

### 8. RISK MINIMIZATION STRATEGIES

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

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

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

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

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

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

## Management Report (Contd.)

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

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

### 9. COUNTRY RISK

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

### 10. AGEING OF CLAIMS

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

Period	Average claim settlement time (In days)
2022-23	2.5
2021-22	5.7
2020-21	4.0
2019-20	2.0
2018-19	3.0

#### Ageing of claims outstanding

##### For Non Linked Business

Period	Claims registered and not settled				Claims registered and settled			
	Current Year		Previous Year		Current Year		Previous Year	
	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount
Less than 30 Days	-	-	1	300	-	-	-	-
30 days to 6 months	7	16,428	7	9,076	-	-	-	-
6 months to 1 year	1	10,000	2	23,642	-	-	-	-
1 year to 5 years	1	20,000	-	-	-	-	-	-
5 years and above	-	-	-	-	-	-	-	-
<b>Total for the Period</b>	<b>9</b>	<b>46,428</b>	<b>10</b>	<b>33,018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Management Report (Contd.)**
**For Linked Business**

Period	Claims registered and not settled				Claims registered and settled			
	Current Year		Previous Year		Current Year		Previous Year	
	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount
Less than 30 Days	-	-	-	-	-	-	-	-
30 days to 6 months	-	-	-	-	-	-	-	-
6 months to 1 year	-	-	-	-	-	-	-	-
1 year to 5 years	-	-	-	-	-	-	-	-
5 years and above	-	-	-	-	-	-	-	-
<b>Total for the Period</b>	-	-	-	-	-	-	-	-

**11. VALUATION OF INVESTMENTS**

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

- Debt Securities including government securities, redeemable preference shares and money market instruments are valued on the basis of the yield based amortised value derived through effective interest rate method for these assets.
- Additional Tier 1 (BASEL III) bonds are valued through CRISIL Bond Valuer.
- The Investment in Units of REIT / InvITs are valued at Market Value (last Quoted price should not be later than 30 days). Where Market Quote is not available for the last 30 days, the Units are valued as per the latest NAV (not more than 6 months old) of the Units published by the trust. However, if the latest NAV (not more than 6 months old) is not available then it is valued at Cost.
- Equities are valued on the last quoted closing price of the security on the National Stock Exchange of India Limited (NSE). In case the shares are not traded on NSE, valuation is done on closing price at Bombay Stock Exchange (BSE). ETFs shall be valued at the Net Asset Value (per Unit) as on the previous business day. If the NAV per unit for the previous business day is not available, value available as of the earliest previous day shall be taken for pricing. Equity, Exchange traded funds shares acquired through primary markets and awaiting listing are valued at Cost. Investment in Unlisted equity shares would be valued at historical cost with provision for diminution in value of securities. Redeemable Preference Shares are valued at historical cost, subject to amortization of premium or discount which is the difference between the purchase price and the redemption amount on effective interest rate over the remaining period to maturity of these securities.
- Social Venture Fund and Venture Capital Funds are valued at cost initially and on the basis of latest available valuation provided by an independent valuer appointed by the Manager of the Fund. The same price will be continued till next valuation is provided. However, if valuation as per independent valuer is not available then Valuation is carried out at either unaudited NAV or cost whichever is lower.
- Mutual Funds are valued on previous day's NAV per unit published by the respective mutual funds.

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

- G-sec, SDL valued, at the fair valuation price provided in the CRISIL price file with effect from the trade date. Debt Securities having residual maturity of more than 182 days, would be valued effective trade date through CRISIL Bond Valuer. Additional Tier 1 (BASEL III) bonds are valued through CRISIL Bond Valuer. Debt securities with a residual maturity of less than or equal to 182 days are amortized over the remaining days to maturity through CRISIL Bond Valuer.
- Securities with call option are valued at the lower of the value as obtained by valuing the security upto final maturity date or the call option date. In case there are multiple call options, the security is valued at the lowest value obtained by valuing the security at various call dates or upto the final maturity date. Securities with put option are valued at the higher of the value as obtained by valuing the security upto final maturity date or the put option date. In case there are multiple put options, the security is valued at the highest value obtained by valuing the security at various put dates

## Management Report (Contd.)

or upto the final maturity date. The market yield on the basis of the matrix provided by CRISIL and for securities with residual maturity of less than or equal to 182 days by amortizing the difference between purchase price and redemption value over the remaining days to maturity through CBV. The same will follow for Deemed maturity securities.

- Equities and Preference Shares are valued on the last quoted closing price of the security on the National Stock Exchange of India Limited (NSE). In case the shares are not traded on NSE, valuation is done on closing price at Bombay Stock Exchange (BSE). ETFs shall be valued at the Net Asset Value (per Unit) as on the previous business day. If the NAV per unit for the previous business day is not available, value available as of the earliest previous day shall be taken for pricing. Equity, Exchange traded funds shares acquired through primary markets and awaiting listing are valued at Cost. Investment in Unlisted equity shares would be valued at historical Cost with provision for diminution in value of securities.
- The Investment in Units of REIT / InvITs are valued at Market Value (last Quoted price should not be later than 30 days). Where Market Quote is not available for the last 30 days, the Units are valued as per the latest NAV (not more than 6 months old) of the Units published by the trust. However, if the latest NAV (not more than 6 months old) is not available then it is valued at Cost.
- Money Market Instruments (including T Bills) are valued on the basis of the amortised value derived through effective interest rate method.
- Mutual Funds are valued on previous day's NAV per unit published by the respective mutual funds.

## 12. REVIEW OF ASSET QUALITY AND PERFORMANCE OF INVESTMENTS

### Shareholders' Fund

The company has invested more than 34.65% of the Shareholder funds in sovereign rated instrument like Government securities, Government Guaranteed Bonds and Tri Party Repo (TREPS). Around 48.92% of the funds have been invested in AAA/AA+ rated securities (which include Infrastructure & Housing bonds). No funds are invested in the Fixed Deposits and liquid schemes mutual funds. The company has invested approx. 2.24% of the Shareholder funds in unlisted equity shares.

### Policyholders' Fund

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

## 13. DIRECTORS RESPONSIBILITY STATEMENT

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 state that:

- In the preparation of the Annual Accounts for the Financial Year ended 31st March 2023, the applicable accounting standards have been followed and there were no material departures from the same;
- The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2023 and of the profit of the Company for Financial Year ended on that date;

**Management Report (Contd.)**

- The Directors had 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;
- The Directors had prepared the Annual Accounts on a 'going concern basis';
- The Directors had laid down Internal Financial Controls and that such Internal Financial Controls were adequate and were operating effectively; and
- 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.

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

Sr. No.	Name of Director	Entity in Which Director is interested	Interested as	Amount Paid (in ₹ '000)	
				Current Year March'2023	Current Year March'2022
1	Mr. Kumar Mangalam Birla	Aditya Birla Management Corporation Private Limited	Director	157	476
		Aditya Birla Sun Life Asset Management Company Limited	Director	16,785	660
		Svatantra Microfin Pvt Ltd	Director	95,004	-
		Grasim Industries Limited	Director	-	-
		UltraTech Cement Limited	Director	102	-
		Aditya Birla Capital Limited	Director	3,92,644	3,55,549
2	Pinky Mehta	Aditya Birla Money Limited	Director	2,457	835
		Aditya Birla ARC Ltd	Director	-	-
		Aditya Birla PE Advisors Private Limited	Director	-	-
		Aditya Birla Capital Limited	CFO	3,92,644	3,55,549
		Aditya Birla Renewables Limited	Director	-	-
		Aditya Birla Capital Technology Services limited	Director	70,074	1,06,345
3	Mr. Sandeep Asthana	Aditya Birla Sun Life Asset Management Company Limited	Director	16,785	660
		Aditya Birla Sun Life Pension Management Company Limited	Director	10,012	1,971
4	Arun Adhikari	Aditya Birla Capital Limited	Independent Director	3,92,644	3,55,549
		Ultratech Cement Limited	Independent Director	102	-
5	Kamlesh Rao	Aditya Birla Sun Life Pension Management Company Limited	Director	10,012	1,971
		Aditya Birla Finance Limited	Director	23,510	17,148
6	Krishna Kishore Maheshwari	Aditya Birla Management Corporation Private Limited	Director	157	476
		Ultratech Cement Limited	Director and Non-executive Chairman	102	-

## Management Report (Contd.)

Sr. No.	Name of Director	Entity in Which Director is interested	Interested as	Amount Paid (in ₹ '000)	
				Current Year March'2023	Current Year March'2022
7	Vishakha Mulye	Aditya Birla Sun Life Asset Management Company Limited	Director	16,785	660
		Aditya Birla Housing Finance Limited	Director	14,198	42,201
		Aditya Birla Finance Limited	Director	23,510	17,148
		Aditya Birla ARC Ltd	Additional Director	-	-
		Aditya Birla Health Insurance Limited	Director	4,239	87,167
		Aditya Birla Management Corporation Private Limited	Director	157	476
		Aditya Birla Capital Foundation	Additional Director	12,500	12,500

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

**Vishakha Mulye**  
Chairman  
(DIN: 00203578)

**Pinky Mehta**  
Director  
(DIN: 00020429)

**Sandeep Asthana**  
Director  
(DIN: 00401858)

**Kamlesh Rao**  
Managing Director & CEO  
(DIN: 07665616)

**Sandesh Joshi**  
Chief Financial Officer

**Nakul Yadav**  
Appointed Actuary

**Sangeeta Shetty**  
Company Secretary

Mumbai, 25<sup>th</sup> April, 2023

# Independent Auditor's Report

To The Members of

## Aditya Birla Sun Life Insurance Company Limited

### REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

#### Opinion

- 1) We have audited the accompanying consolidated financial statements of **Aditya Birla Sun Life Insurance Company Limited** (hereinafter referred to as “the Parent”/ “the Holding Company”) and its subsidiary, Aditya Birla Sun Life Pension Management Limited (the Parent/ Holding Company and its subsidiary together referred to as the “Group”), comprising of the Consolidated Balance Sheet as at March 31, 2023, the related Consolidated Revenue Account (also called the “Policyholders’ Account” or the “Technical Account”), the Consolidated Profit and Loss Account (also called the “Shareholders’ Account” or the “Non-Technical Account”) and the Consolidated Receipts and Payments Account for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.
- 2) In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements of the subsidiary referred to in paragraph no. 11 of the Other Matters section below, the aforesaid consolidated financial statements give the information required by provisions of the Insurance Act, 1938, as amended (the “Insurance Act”), the Insurance Regulatory and Development Authority Act, 1999, as amended (the “IRDA Act”), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor’s Report of Insurance Companies) Regulations, 2002 (the “IRDA Financial Statements Regulations”), including circulars/orders/directions issued by the Insurance Regulatory and Development Authority of India (the “IRDAI”) in this regard and the Companies Act, 2013, as amended (the “Act”) in the manner so required to give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended (“Accounting Standards”) and other accounting principles generally accepted in India, as

applicable to the insurance companies:

- i. in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March, 31 2023;
- ii. in the case of the Consolidated Revenue Account, of the net surplus for the year ended March 31, 2023;
- iii. in the case of the Consolidated Profit and Loss Account, of the profit for the year ended March 31, 2023; and
- iv. in the case of the Consolidated Receipts and Payments Account, of the receipts and payments for the year ended March 31, 2023.

#### Basis for Opinion

- 3) We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (the “SAs”) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the “ICAI”) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’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 consolidated financial statements.

#### Key Audit Matter

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

Description of Key Audit Matter

Key Audit Matter	How the matter was addressed in our audit
<p><b>Information Technology Systems:</b></p> <p>The Holding Company is dependent on its Information Technology (“IT”) systems due to the significant number of transactions that are processed daily across such multiple and discrete IT systems. Also, IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner and under controlled environments. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data. On account of the pervasive use of its IT systems, the testing of the general computer controls of the IT systems used in financial reporting was considered to be a Key Audit Matter.</p>	<p>With the assistance of our IT specialists, we obtained an understanding of the Holding Company’s IT applications, databases and operating systems relevant to financial reporting and the control environment. For these elements of the IT infrastructure the areas of our focus included access security (including controls over privileged access), program change controls, database management and network operations. In particular:</p> <ul style="list-style-type: none"> <li>• We tested the design, implementation, and operating effectiveness of the Holding Company’s general IT controls over the IT systems relevant to financial reporting. This included evaluation of Holding Company’s controls over segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being recertified during the period of audit.</li> <li>• We also tested key automated business cycle controls and logic for the reports generated through the IT infrastructure that were relevant for financial reporting or were used in the exercise of internal financial controls with reference to financial statements. Our tests included testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the Financial Statements.</li> </ul>

**Information Other than the Financial Statements and Auditor’s Report Thereon**

5) The Holding Company’s Board of Directors is responsible for the other information, comprising of the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Corporate Governance Report and such other disclosures related information, but does not include the consolidated financial statements, standalone financial statements and our auditor’s report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary audited by the other auditor, to the extent

it relates to that entity and, in doing so, place reliance on the work of the other auditor and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary is traced from its financial statements audited by the other auditor.

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

**Management’s Responsibility for the Consolidated Financial Statements**

6) The Holding Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated

## Independent Auditor's Report (Contd.)

financial statements that give a true and fair view of the Consolidated Balance Sheet, the related Consolidated Revenue Account, the Consolidated Profit and Loss Account and Consolidated Receipts and Payments Account of the group in accordance with the accounting principles generally accepted in India, including the provisions of the Insurance Act, the IRDA Act, the IRDA Financial Statements Regulations and circulars/orders/directions issued by the IRDAI in this regard and the Accounting Standards and other accounting principles generally accepted in India, as applicable to the insurance companies.

This respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

- 7) Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
- 8) As part of our audit in accordance with the SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, to design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 ability of the

## Independent Auditor's Report (Contd.)

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by the other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.
- 9) Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit

findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

### Other Matters

- 10) The actuarial valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2023, is the responsibility of the Holding Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2023, has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. We have relied upon Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists in consolidated financial statements of the Group.
- 11) We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets of

## Independent Auditor's Report (Contd.)

₹ 615,455 thousand as at March 31, 2023, total revenues of ₹ 50,296 thousand and net cash inflows amounting to ₹ 3,976 thousand for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

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

### Report on Other Legal and Regulatory Requirements

- 1) As required by the IRDA Financial Statements Regulations read with Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statement referred to in the Other Matters section above, we report to the extent applicable that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.
  - (c) As the Holding Company's financial accounting system is centralized, no returns for the purposes of our audit are prepared at the branches of the Holding Company.
- (d) The Consolidated Balance Sheet, the Consolidated Revenue Account, the Consolidated Profit and Loss Account and the Consolidated Receipts and Payments Account dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of these consolidated financial statements.
- (e) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act to the extent not inconsistent with the accounting principles prescribed in the IRDA Financial Statements Regulations, the Insurance Act, the IRDA Act and circulars/orders/directions issued by the IRDAI in this regard.
- (f) In our opinion and to the best of our information and according to the explanations given to us, investments have been valued in accordance with the provisions of the Insurance Act, the IRDA Financial Statements Regulations and/or orders/directions issued by the IRDAI in this regard.
- (g) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 and taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary, none of the directors of the Group companies is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (h) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate report in Annexure "A", which is based on the auditors' reports of the Holding Company and its subsidiary. Our report expresses an

## Independent Auditor's Report (Contd.)

unmodified opinion on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Group.

- (i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the report of the auditor of the subsidiary, the remuneration paid by the Holding company and subsidiary to their respective directors during the year is in accordance with the provisions of section 197 of the Act read with section 34A of the Insurance Act.
- (j) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 17 to the consolidated financial statements.
  - (ii) The liability for insurance contracts, is determined by the Holding Company's Appointed Actuary and is covered by the Appointed Actuary's certificate, referred to in Other Matters paragraph above, on which we have placed reliance; and the Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary.
  - (iv) (a) The respective Managements of the Holding Company and its subsidiary, whose financial

statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or the subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or the subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Holding Company and its subsidiary, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to accounts, no funds have been received by the Holding Company or the subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or the subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in

## Independent Auditor's Report (Contd.)

the circumstances performed by us and that performed by the auditor of the subsidiary whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- (v) The Holding Company and the subsidiary have not declared or paid any dividend during the year and

For **S.B. Billimoria & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration  
No. 101496W / W100774

**Jayesh Parmar**  
Partner  
Membership No. 106388  
UDIN: 23106388BGUGJD8163

Mumbai, April 25, 2023

have not proposed final dividend for the year.

- (vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Holding Company and its subsidiary and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

**Purushottam Nyati**  
Partner  
Membership No. 118970  
UDIN: 23118970BGWTME6502

Mumbai, April 25, 2023

# ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(REFERRED TO IN PARAGRAPH 1(H) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Aditya Birla Sun Life Insurance Company Limited (hereinafter referred to as the "Parent" / "Holding Company") and its subsidiary, which includes internal financial controls with reference to consolidated financial statements of the subsidiary as of that date.

The actuarial valuation of liabilities for life policies in force and policies where premium is discontinued is required to be certified by the Appointed Actuary as per the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations") and has been relied upon by us, as mentioned in paragraph 10 under Other Matters section of our audit report on the consolidated financial statements of the Holding Company as at and for the year ended March 31, 2023. Accordingly, we have not audited the internal financial controls with reference to consolidated financial statements in respect of the valuation and accuracy of the aforesaid actuarial valuation.

## Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information,

as required under the provisions of the Insurance Act, 1938, as amended (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999, as amended (the "IRDA Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), including circulars/orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") in this regard and the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, as applicable to insurance companies.

## Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the subsidiary, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our

audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary.

### Meaning of Internal financial controls with reference to Financial Statements

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

### Inherent Limitations of Internal financial controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may

occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditor referred to in the Other Matter paragraph below, the Holding Company and its subsidiary have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### Other Matter

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

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

For **S.B. Billimoria & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration  
No. 101496W/W100774

**Jayesh Parmar**  
Partner  
Membership No. 106388  
UDIN: 23106388BGUGJD8163

Mumbai, April 25, 2023

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

**Purushottam Nyati**  
Partner  
Membership No. 118970  
UDIN: 23118970BGWTME6502

Mumbai, April 25, 2023

**FORM A-RA**Registration Number: 109 dated 31<sup>st</sup> January 2001**Consolidated Revenue Account** for the year ended 31<sup>st</sup> March 2023

Policyholders' Account (Technical Account)

(Amounts in Thousands of Indian Rupees)

Particulars	Schedule	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
<b>Premiums earned - net</b>			
(a) Premium	1	15,06,96,854	12,14,02,283
(b) Reinsurance ceded		(53,02,319)	(49,87,834)
(c) Reinsurance accepted		-	-
<b>Sub - Total</b>		<b>14,53,94,535</b>	<b>11,64,14,449</b>
<b>Income from Investments</b>			
(a) Interest, Dividends & Rent - Gross (Refer Schedule 16 Note 2(g))		3,58,66,060	2,98,81,707
(b) Profit on sale / redemption of investments		1,42,36,541	2,33,39,885
(c) (Loss on sale / redemption of investments)		(50,25,755)	(27,44,494)
(d) Transfer/Gain (Loss) on revaluation / change in fair value*		(1,05,00,810)	25,42,917
<b>Sub - Total</b>		<b>3,45,76,036</b>	<b>5,30,20,015</b>
<b>Other Income</b>			
(a) Contribution from the Shareholders' Account towards deficit funding		28,47,187	7,70,321
(b) Contribution from Shareholders Account towards Excess EoM (Refer Schedule 16 Note 21)		500	-
(c) Others (profit on sale of liquid funds, interest etc.)		5,61,567	5,20,204
<b>Sub - Total</b>		<b>34,09,254</b>	<b>12,90,525</b>
<b>Total (A)</b>		<b>18,33,79,825</b>	<b>17,07,24,989</b>
Commission	2	84,36,054	59,62,323
Operating Expenses related to Insurance Business	3	2,09,65,020	1,52,09,008
Provision for doubtful debts		7,472	13,079
Bad debts written off		-	-
Provision for Tax (Refer Schedule 16 Note 26)		5,31,497	4,45,669
Provision (other than taxation)			
(a) For diminution in the value of investments (Net) (Refer Schedule 16 Note 23)		-	9,751
(b) Others - Provision for standard and non standard assets (Refer Schedule 16 Note 25)		(163)	(163)
Goods and Services Tax on Linked Charges		11,94,711	12,15,246
<b>Total (B)</b>		<b>3,11,34,591</b>	<b>2,28,54,913</b>
Benefits Paid (Net)	4	5,77,22,998	6,75,42,312
Interim Bonuses Paid		65,797	1,05,540
Change in valuation of liability in respect of life policies			
(a) Gross**		8,82,36,653	6,19,37,122
(b) (Amount ceded in Re-insurance)		(1,81,520)	(43,98,876)
(c) Amount accepted in Re-insurance		-	-
(d) Fund Reserve		9,93,532	1,90,34,463
(e) Premium Discontinuance Fund - Linked		24,78,728	28,94,027
<b>Total (C)</b>		<b>14,93,16,188</b>	<b>14,71,14,588</b>
<b>Surplus (D) = (A) - (B) - (C)</b>		<b>29,29,046</b>	<b>7,55,488</b>
<b>Appropriations</b>			
Transfer to Shareholders' Account		29,29,046	7,55,488
Transfer to Other Reserves		-	-
Balance being Funds for Future Appropriations		-	-
<b>Total</b>		<b>29,29,046</b>	<b>7,55,488</b>
The total surplus as mentioned below:			
(a) Interim Bonuses Paid		64,165	1,02,809
(b) Terminal Bonus Paid		1,632	2,731
(c) Allocation of Bonus to policyholders		28,40,554	26,62,603
(d) Surplus shown in the Revenue Account		29,29,046	7,55,488
<b>Total Surplus [(a)+(b)+(c)+(d)]</b>		<b>58,35,397</b>	<b>35,23,631</b>
Significant Accounting Policies and Notes	16		

The Schedules and accompanying notes are an integral part of this Revenue account.

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

\*\*Represents Mathematical Reserves after allocation of bonus.

In terms of our report attached

For and on behalf of the Board of Directors

**For S.B. Billimoria & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration  
No. 101496W / W100774

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

**Vishakha Mulye**  
Chairman  
(DIN: 00203578)

**Pinky Mehta**  
Director  
(DIN: 00020429)

**Sandeep Asthana**  
Director  
(DIN: 00401858)

**Jayesh Parmar**  
Partner  
Membership No. 106388

**Purushottam Nyati**  
Partner  
Membership No. 118970

**Kamlesh Rao**  
Managing Director & CEO  
(DIN: 07665616)

**Sandesh Joshi**  
Chief Financial Officer

**Nakul Yadav**  
Appointed Actuary

**Sangeeta Shetty**  
Company Secretary

Mumbai, 25<sup>th</sup> April, 2023

**FORM A-PL**

 Registration Number: 109 dated 31<sup>st</sup> January 2001

# Consolidated Statement of Profit and Loss Account

 for the year ended 31<sup>st</sup> March 2023

Shareholders' Account (Non-technical Account)

(Amounts in Thousands of Indian Rupees)

Particulars	Schedule	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
Amounts transferred from Policyholders' Account (Technical Account)		29,29,046	7,55,488
<b>INCOME FROM INVESTMENTS</b>			
(a) Interest, Dividends & Rent - Gross (Refer Schedule 16 Note 2(g))		23,73,308	20,61,300
(b) Profit on sale / redemption of investments		57,382	89,164
(c) (Loss on sale / redemption of investments)		-	(7,367)
Other Income		8,655	3,058
<b>Total (A)</b>		<b>53,68,391</b>	<b>29,01,643</b>
Expense other than those directly related to the insurance business	3A	9,33,579	6,62,821
Bad debts written off		-	-
Provision (other than taxation)			
(a) For diminution in the value of investments (net) (Refer Schedule 16 Note 23)		-	-
(b) Provision for doubtful debts		-	-
(c) Others		-	-
Contribution to Policyholders Account towards Excess EoM (Refer Schedule 16 Note 21)		500	
Contribution towards the Remuneration of MD/ CEOs		91,351	82,267
Contribution to the Policyholders' Account		28,47,187	7,70,321
<b>Total (B)</b>		<b>38,72,617</b>	<b>15,15,409</b>
Profit before tax		<b>14,95,774</b>	<b>13,86,234</b>
Less: Provision for Taxation		1,53,524	1,40,617
Profit after tax		<b>13,42,250</b>	<b>12,45,617</b>
<b>Appropriations</b>			
(a) Balance at the beginning of the year		16,12,929	7,17,312
(b) Interim dividends paid during the year		-	-
(c) Proposed final dividend		-	-
(d) Dividend distribution tax		-	-
(e) Debenture redemption reserve (Refer Schedule 16 Note 27(c))		-	3,50,000
(f) Transfer to reserves / other accounts		-	-
<b>Profit carried forward to the Balance Sheet</b>		<b>29,55,179</b>	<b>16,12,929</b>
Earning Per Share (Basic and Diluted), Face Value of ₹ 10 (in ₹) (Refer Schedule 16 Note 6)		0.70	0.66
Significant Accounting Policies and Notes	16		

The Schedules and accompanying notes are an integral part of this Profit and Loss Account.

In terms of our report attached

**For S.B. Billimoria & Co. LLP**  
 Chartered Accountants  
 ICAI Firm Registration  
 No. 101496W / W100774

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

**Jayesh Parmar**  
 Partner  
 Membership No. 106388

**Purushottam Nyati**  
 Partner  
 Membership No. 118970

For and on behalf of the Board of Directors

**Vishakha Mulye**  
 Chairman  
 (DIN: 00203578)

**Pinky Mehta**  
 Director  
 (DIN: 00020429)

**Sandeep Asthana**  
 Director  
 (DIN: 00401858)

**Kamlesh Rao**  
 Managing Director & CEO  
 (DIN: 07665616)

**Sandesh Joshi**  
 Chief Financial Officer

**Nakul Yadav**  
 Appointed Actuary

**Sangeeta Shetty**  
 Company Secretary

 Mumbai, 25<sup>th</sup> April, 2023

**FORM A-BS**Registration Number: 109 dated 31<sup>st</sup> January 2001**Consolidated Balance Sheet** as at 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

Particulars	Schedule	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>Sources of Funds</b>			
Shareholders' Funds:			
Share Capital	5	1,93,82,292	1,90,12,080
Reserves and Surplus	6	93,42,273	58,73,467
Credit/(Debit) / Fair Value Change Account		3,58,991	4,66,062
<b>Sub - Total</b>		<b>2,90,83,556</b>	<b>2,53,51,609</b>
Borrowings			
Policyholders' Funds:	7	50,00,000	50,00,000
Credit/(Debit) Fair Value Change Account		20,94,250	21,83,112
Policy Liabilities		37,04,56,790	28,24,01,658
Insurance Reserves		-	-
Provision for Linked Liabilities		26,92,97,621	25,79,32,479
Funds for discontinued policies		-	-
(i) Discontinued on account of non-payment of premium		1,43,16,009	1,18,37,281
(ii) Others		-	-
Credit/(Debit) Fair Value Change Account (Linked)		2,14,60,501	3,18,32,111
Total Linked Liabilities		<b>30,50,74,131</b>	<b>30,16,01,871</b>
<b>Sub - Total</b>		<b>68,26,25,171</b>	<b>59,11,86,641</b>
Funds for Future Appropriations			
- Linked Liabilities		-	-
<b>Total</b>		<b>71,17,08,727</b>	<b>61,65,38,250</b>
<b>Application of Funds</b>			
Investments			
Shareholders'	8	3,27,73,254	2,90,46,854
Policyholders'	8A	36,24,56,326	27,71,40,624
Assets Held to Cover Linked Liabilities	8B	30,50,74,131	30,16,01,871
Loans	9	40,57,281	29,40,596
Fixed Assets	10	12,65,335	11,94,129
Current Assets			
Cash and Bank Balances	11	96,04,739	70,57,410
Advances and Other Assets	12	1,87,75,677	1,77,42,609
<b>Sub - Total (A)</b>		<b>2,83,80,416</b>	<b>2,48,00,019</b>
Current Liabilities			
Provisions	13	2,09,90,786	1,88,75,466
<b>Sub - Total (B)</b>	14	<b>13,07,230</b>	<b>13,10,377</b>
<b>Net Current Assets (C) = (A-B)</b>		<b>60,82,400</b>	<b>46,14,176</b>
Miscellaneous Expenditure (to the extent not written off or adjusted)	15	-	-
Debit Balance In Profit and Loss Account (Shareholders' Account)		-	-
<b>Total</b>		<b>71,17,08,727</b>	<b>61,65,38,250</b>
Contingent Liabilities (Refer Schedule 16 Note 3)			
Significant Accounting Policies and Notes	16		

The Schedules and accompanying notes are an integral part of this Balance Sheet.

In terms of our report attached

For **S.B. Billimoria & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration  
No. 101496W / W100774

**Jayesh Parmar**  
Partner  
Membership No. 106388

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

**Purushottam Nyati**  
Partner  
Membership No. 118970

For and on behalf of the Board of Directors

**Vishakha Mulye**  
Chairman  
(DIN: 00203578)

**Kamlesh Rao**  
Managing Director & CEO  
(DIN: 07665616)

**Nakul Yadav**  
Appointed Actuary

**Pinky Mehta**  
Director  
(DIN: 00020429)

**Sandesh Joshi**  
Chief Financial Officer

**Sangeeta Shetty**  
Company Secretary

**Sandeep Asthana**  
Director  
(DIN: 00401858)

Mumbai, 25<sup>th</sup> April, 2023

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Consolidated Receipts and Payments account (Cash Flow Statement)

 For the Year ended 31<sup>st</sup> March, 2023

Amounts in Thousands of Indian Rupees)

Particulars	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
<b>CASH FLOWS FROM OPERATING ACTIVITIES (A)</b>		
Premium received from policyholders, including advance receipts	15,02,01,022	12,03,96,651
Payments to the re-insurers, net of commissions and claims	(23,36,570)	29,02,329
Application money deposit & due to Policy holders	(4,58,988)	27,71,252
Payments of commission and brokerage	(71,81,786)	(56,89,600)
Payments of other operating expenses	(1,85,42,672)	(1,47,81,173)
Payments of claims	(6,12,58,917)	(7,49,70,220)
Deposits & others	97,838	(6,05,825)
Other receipts	3,61,515	3,73,695
Income taxes paid (Net)	(7,41,226)	(6,14,247)
Goods and Service taxes paid	(14,14,636)	(13,67,495)
<b>Cash flows before extraordinary items</b>	<b>5,87,25,580</b>	<b>2,84,15,367</b>
Cash flow from extraordinary operations	-	-
<b>Net cash inflow / (outflow) from operating activities (A)</b>	<b>5,87,25,580</b>	<b>2,84,15,367</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES (B)</b>		
Purchase of fixed assets	(5,60,604)	(4,18,330)
Proceeds from sale of fixed assets	14,850	3,247
Loan against Policies	(8,54,022)	(5,89,698)
Purchase of investment	(5,49,12,18,915)	(5,54,60,02,208)
Proceeds from sale of investment	5,40,10,96,222	5,48,66,85,030
Expenses related to investments	(32,763)	(34,376)
Interest received (net of tax deducted at source)	3,07,57,136	2,77,73,466
Dividend received	23,75,677	16,96,734
<b>Net cash inflow / (Outflow) from investing activities (B)</b>	<b>(5,84,22,419)</b>	<b>(3,08,86,135)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES ( C )</b>		
Share capital issued / (Redemption)	3,70,212	-
Share premium	22,29,787	-
Dividend paid	-	-
Dividend distribution tax	-	-
Capital Redemption Reserve	-	-
Proceeds from borrowing	-	35,00,000
Interest paid on borrowing	(3,73,036)	(2,47,417)
<b>Net cash used in financing activities (C)</b>	<b>22,26,963</b>	<b>32,52,583</b>
<b>Net (Decrease)/ Increase in cash and cash equivalents (D=A+B+C)</b>	<b>25,30,124</b>	<b>7,81,815</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>70,54,910</b>	<b>62,73,095</b>
<b>Cash and cash equivalents as at end of the year</b>	<b>95,85,034</b>	<b>70,54,910</b>
<b>Notes:</b>		
1. Cash and cash equivalents at end of the year/period includes:		
Cash and Bank Balances (including cheques,drafts and stamps)	50,08,661	30,89,010
Short Term investments	45,96,078	39,68,400
Less: Bank deposits having maturity period of more than 3 months considered in operating activities	19,705	2,500
<b>Cash and cash equivalents as at the end of the year</b>	<b>95,85,034</b>	<b>70,54,910</b>

For Cash and cash equivalents - refer schedule 16 note 2 (r)

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Consolidated Receipts and Payments account (Cash Flow Statement)

For the Year ended 31<sup>st</sup> March, 2023

(Amounts in Thousands of Indian Rupees)

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

	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
<b>Amount spent during the year by Group for Corporate Social Responsibility expenses on:</b>		
(i) Construction/acquisition of any asset		
In Cash	-	-
Yet to be paid in cash	-	-
<b>Total</b>	-	-
(ii) On purposes other than (i) above		
In Cash	12,500	12,500
Yet to be paid in cash	-	-
<b>Total</b>	12,500	12,500

In terms of our report attached

**For S.B. Billimoria & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration  
No. 101496W / W100774

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

**Jayesh Parmar**  
Partner  
Membership No. 106388

**Purushottam Nyati**  
Partner  
Membership No. 118970

Mumbai, 25<sup>th</sup> April, 2023

For and on behalf of the Board of Directors

**Vishakha Mulye**  
Chairman  
(DIN: 00203578)

**Pinky Mehta**  
Director  
(DIN: 00020429)

**Sandeep Asthana**  
Director  
(DIN: 00401858)

**Kamlesh Rao**  
Managing Director & CEO  
(DIN: 07665616)

**Sandesh Joshi**  
Chief Financial Officer

**Nakul Yadav**  
Appointed Actuary

**Sangeeta Shetty**  
Company Secretary

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 1 PREMIUM\*

Particulars	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
1 First year premiums	3,23,59,751	2,39,29,586
2 Renewal Premiums	7,39,69,438	6,47,52,812
3 Single Premiums	4,43,67,665	3,27,19,885
<b>Total Premiums</b>	<b>15,06,96,854</b>	<b>12,14,02,283</b>
Premium Income from Business written :		
In India	15,06,96,854	12,14,02,283
Outside India	-	-
<b>Total Premiums</b>	<b>15,06,96,854</b>	<b>12,14,02,283</b>

Note:

- Refer Schedule 16 Note 2(c)(i)  
\* Net of Goods and Services Tax

## SCHEDULE 2 COMMISSION EXPENSES

Particulars	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
Commission paid		
Direct - First year premiums	55,81,935	35,65,233
Renewal premiums	21,09,404	19,66,655
Single premiums	2,94,591	1,62,458
<b>Sub-total</b>	<b>79,85,930</b>	<b>56,94,346</b>
Add: Commission on Re-insurance Accepted	-	-
Less: Commission on Re-insurance Ceded	-	-
<b>Net Commission</b>	<b>79,85,930</b>	<b>56,94,346</b>
Rewards and Remuneration to Agents/Brokers/Other intermediaries	4,50,124	2,67,977
<b>Total Commission and rewards &amp; remuneration</b>	<b>84,36,054</b>	<b>59,62,323</b>

### Breakup of Total Commission including Rewards & Remuneration

Particulars	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
Individual Agents	35,23,551	24,25,272
Corporate Agents	45,76,191	33,24,065
Brokers	3,15,020	2,04,810
Web aggregator	(1,492)	3,112
Others (POS)	22,784	5,064
<b>Total</b>	<b>84,36,054</b>	<b>59,62,323</b>

Note: Refer Schedule 16 Note 2 (f)

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 3 OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

Particulars	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
1 Employees' remuneration and welfare benefits (Refer Schedule 16 Note 12 and 22)	1,01,66,971	76,58,597
2 Travel, conveyance and vehicle running expenses	2,41,442	1,08,343
3 Training expenses	7,86,000	2,39,996
4 Rents, rates and taxes	5,40,881	5,48,724
5 Repairs	2,39,812	2,27,410
6 Printing and stationery	43,422	27,798
7 Communication expenses	1,01,823	82,602
8 Legal and professional charges	1,57,913	86,681
9 Medical fees	1,14,740	1,52,236
10 Auditor's fees, expenses etc.	-	-
(a) as auditor	13,011	11,897
(b) as adviser or in any other capacity, in respect of		
i) Taxation matters	-	-
ii) Insurance matters	-	-
iii) Management services	-	-
(c) in any other capacity - Certification services	1,171	866
11 Advertisement and publicity	56,03,206	37,69,325
12 Interest and Bank Charges	87,926	1,32,305
13 Others: a) Distribution expenses	54,366	20,062
b) Agents recruitment, seminar and other expenses	8,912	74,972
c) Recruitment and seminar expenses	1,86,995	63,922
d) IT expenses (including maintenance)	9,52,347	7,94,546
e) Policy stamps	5,44,034	2,84,477
f) Loss on sale of assets	247	11,257
g) Electricity expenses	94,414	77,418
h) Miscellaneous expenses	99,702	88,224
i) Outsourcing expenses	4,88,258	4,03,378
14 Depreciation	4,37,427	3,43,972
<b>Total</b>	<b>2,09,65,020</b>	<b>1,52,09,008</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

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

Particulars	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
1 Employees' remuneration, welfare benefits and other manpower costs (Refer Schedule 16 Note 12 and 22)	3,15,238	2,27,091
2 Legal and professional charges	35,106	12,920
3 Auditors Fees (Reporting Pack)	2,688	3,173
4 Interest and bank charges	9,585	16,490
5 Interest on non convertible debenture (NCD) (Refer Schedule 16 Note 2(w) & 27)	3,73,038	2,48,135
6 Corporate social responsibility expenses (Refer Schedule 16 Note 18)	12,500	12,500
7 Others: Miscellaneous expenses	1,85,424	1,42,511
<b>Total</b>	<b>9,33,579</b>	<b>6,62,821</b>

## SCHEDULE 4 BENEFITS PAID (NET)

Particulars	Audited Year ended 31 Mar 23	Audited Year ended 31 Mar 22
<b>1 Insurance Claims</b>		
(a) Claims by Death	76,96,919	1,48,34,393
(b) Claims by Maturity	86,43,522	1,48,77,255
(c) Annuities / Pension payment	3,03,404	2,27,072
(d) Other benefits		
(i) Surrender	4,11,72,199	4,20,46,988
(ii) Riders	70,208	93,586
(iii) Health	28,722	3,672
(iv) Survival and Others	28,00,322	23,63,919
<b>2 (Amount ceded in reinsurance):</b>		
(a) Claims by Death	(29,64,317)	(68,78,442)
(b) Claims by Maturity	-	-
(c) Annuities / Pension payment	-	-
(d) Other benefits (Health)	(27,981)	(26,131)
<b>3 Amount accepted in reinsurance:</b>		
(a) Claims by Death	-	-
(b) Claims by Maturity	-	-
(c) Annuities / Pension Payment	-	-
(d) Other benefits	-	-
<b>Total</b>	<b>5,77,22,998</b>	<b>6,75,42,312</b>
<b>Benefits paid to Claimants</b>		
1. In India	5,77,22,998	6,75,42,312
2. Outside India	-	-
<b>Total</b>	<b>5,77,22,998</b>	<b>6,75,42,312</b>

Note:

- 1 Claims include specific claims settlement costs, wherever applicable.
- 2 Legal, other fees and expenses also form part of the claims cost, wherever applicable.
- 3 Refer Schedule 16 Note 2(d) and Note 33

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 5 SHARE CAPITAL

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>1 Authorised Capital</b>		
3,75,00,00,000 Equity Shares of ₹10/- each	3,75,00,000	3,75,00,000
<b>2 Issued Capital</b>		
1,93,82,29,200 Equity Shares	1,93,82,292	1,90,12,080
(Previous Year: 1,90,12,08,000 Equity Shares) of ₹10/- each fully paid up		
<b>3 Subscribed Capital</b>		
1,93,82,29,200 Equity Shares	1,93,82,292	1,90,12,080
(Previous Year: 1,90,12,08,000 Equity Shares) of ₹10/- each fully paid up		
<b>4 Called-up Capital</b>		
Equity Shares of ₹10/- Each	1,93,82,292	1,90,12,080
Less: Calls unpaid	-	-
Add: Shares forfeited (Amount originally paid up)	-	-
Less: Par value of Equity Shares bought back	-	-
Less: Preliminary Expenses (Expenses including commission or brokerage on underwriting or subscription on shares)	-	-
<b>Total</b>	<b>1,93,82,292</b>	<b>1,90,12,080</b>

Out of the total equity share capital, 98,84,96,892 equity shares (31 March, 2022 - 96,96,16,080 equity shares) of ₹10 each are held by the holding company, Aditya Birla Capital Limited.

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

Shareholder	Audited As at 31 Mar 23		Audited As at 31 Mar 22	
	Number of Shares	% of Holding	Number of Shares	% of Holding
<b>Promoters:</b>				
Indian (Aditya Birla Capital Limited)	98,84,96,892	51%	96,96,16,080	51%
Foreign (Sun Life Financial (India) Insurance Investments Inc.)	94,97,32,308	49%	93,15,91,920	49%
<b>Others</b>	-	-	-	-
<b>Total</b>	<b>1,93,82,29,200</b>	<b>100%</b>	<b>1,90,12,08,000</b>	<b>100%</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 6 RESERVES AND SURPLUS

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 23	Audited As at 31 Mar 22	Audited As at 31 Mar 22
1 Capital Reserve*		-		-
2 Capital Redemption Reserve*		6,82,920		6,82,920
3 Share Premium		-		-
Opening balance	20,00,028		20,00,028	
Add: Additions during the year	22,29,787		-	
Less: Deductions during the year	-	42,29,815	-	20,00,028
4 Revaluation Reserve*		-		-
5 General reserves*		4,06,127		4,06,127
6 Catastrophe Reserve*		-		-
7 Other Reserve				
a) Debenture Redemption Reserve (Refer Schedule 16 Note 27)				
Opening balance	5,00,000		1,50,000	
Add: Additions during the year	-		3,50,000	
Less: Deductions during the year	-	5,00,000	-	5,00,000
b) Realised Hedge Reserves non linked policyholder (Refer Schedule 16 Note 10)		5,68,231		6,71,462
8 Balance of profit in Profit and Loss Account				-
Opening balance	16,12,930		7,17,312	
Add: Additions during the year	13,42,250		8,95,618	
Less: Deductions during the year	-	29,55,180	-	16,12,930
<b>Total</b>		<b>93,42,273</b>		<b>58,73,467</b>

\* No Change during the year

## SCHEDULE 7 BORROWINGS

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
1 Debentures/Bonds (Refer Schedule 16 Note 2(w) & 27)	50,00,000	50,00,000
2 Banks	-	-
3 Financial Institutions	-	-
4 Others	-	-
<b>Total</b>	<b>50,00,000</b>	<b>50,00,000</b>

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 8 INVESTMENTS - SHAREHOLDERS

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>LONG TERM INVESTMENTS</b>		
1 Government securities and Government guaranteed bonds including Treasury Bills (Refer Note 3 below)	1,14,71,409	92,57,858
2 Other Approved Securities	4,60,141	2,61,955
3 Other Investments	-	-
(a) Shares	-	-
(aa) Equity (Refer Note 7 below)	49,568	95,691
(bb) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures / Bonds	97,12,120	69,83,172
(e) Other Securities (Fixed Deposits)	-	-
(f) Subsidiaries	-	-
Investment Properties - Real Estate	2,99,975	-
4 Investments in Infrastructure and Social Sector	81,75,182	81,74,500
5 Other than Approved Investments	20,20,245	18,37,252
<b>Total (A)</b>	<b>3,21,88,640</b>	<b>2,66,10,428</b>
<b>SHORT TERM INVESTMENTS</b>		
1 Government securities and Government guaranteed bonds including Treasury Bills (Refer Note 3 below)	-	34,679
2 Other Approved Securities	-	-
3 Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds (Refer Note 7 below)	12,526	2,83,550
(c) Derivative Instruments	-	-
(d) Debentures / Bonds	1,00,041	11,73,480
(e) Other Securities		
- Fixed Deposits (Refer 4 below)	-	-
- Others	34,987	7,88,670
(f) Subsidiaries	-	-
Investment Properties-Real Estate	-	-
4 Investments in Infrastructure and Social Sector	1,49,726	1,56,047
5 Other than Approved Investments	2,87,334	-
<b>Total (B)</b>	<b>5,84,614</b>	<b>24,36,426</b>
<b>TOTAL (A) + (B)</b>	<b>3,27,73,254</b>	<b>2,90,46,854</b>

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>Notes:</b>		
1 Aggregate amount of Group's investments and the market value:		
a) Aggregate amount of Group's investment other than listed Equity Securities & Mutual Funds	3,18,57,305	2,84,37,178
b) Market Value of above investment	3,21,98,990	2,96,75,889
2 Investment in holding company at cost	-	-
3 Government Securities deposited with the Clearing Corporation of India Ltd (CCIL)	-	-
a) Amortised cost	10,15,527	9,78,361
b) Market Value of above investment	10,05,886	10,01,258
4 Fixed Deposits towards margin requirement for equity trade settlement and Bank Guarantee		
a) Deposited with National Securities Clearing Corporation Limited (NSCCL)	-	-
b) Deposited with Indian Clearing Corporation Limited (ICCL)	-	-
5 Investment made out of catastrophe reserve	-	-
6 Debt Securities are held to maturity and reduction in market values represent market conditions and not a permanent diminution in the value of investments, if any.		
7 Historical cost of equity and equity related securities included above:		
a. Mutual Funds	12,526	2,83,550
b. Equity Stocks	4,05,216	4,60,064
c. Additional Tier 1 Bonds	7,88,981	90,000
8 The value of equity shares lent by the Company under securities lending and borrowing scheme (SLB) and outstanding	74,138	-
9 Refer Schedule 16 Note 2(g), 8 & 23		

## SCHEDULE 8A INVESTMENTS - POLICYHOLDERS

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>LONG TERM INVESTMENTS</b>		
1 Government securities and Government guaranteed bonds including Treasury Bills (Refer Note 3 below)	21,66,26,644	15,13,10,145
2 Other Approved Securities	19,31,667	10,31,684
3 (a) Shares	-	-
(aa) Equity (Refer Note 6 below)	1,74,58,967	1,23,80,717
(bb) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures / Bonds	5,38,48,940	3,56,66,961
(e) Other Securities (Fixed Deposits)	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	31,90,606	20,40,568
4 Investment in Infrastructure and Social Sector	5,58,14,731	5,28,61,038
5 Other than Approved Investments	53,31,318	37,66,815
<b>Total (A)</b>	<b>35,42,02,873</b>	<b>25,90,57,928</b>

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>SHORT TERM INVESTMENTS</b>		
1 Government securities and Government guaranteed bonds including Treasury Bills (Refer Note 3 below)	10,91,619	10,42,701
2 Other Approved Securities		
- Fixed Deposits	-	-
- Others	-	8,434
Other Investments		
3 (a) Shares	-	-
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual funds (Refer Note 6 below)	-	-
(c) Derivative Instruments	-	-
(d) Debentures / Bonds	4,49,937	23,08,934
(e) Other Securities		
- Fixed Deposits	1,00,000	50,000
- Others	51,15,256	1,38,87,317
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
4 Investment in Infrastructure and Social Sector	13,30,416	7,85,310
5 Other than Approved Investments	1,66,225	-
<b>Total (B)</b>	<b>82,53,453</b>	<b>1,80,82,696</b>
<b>TOTAL (A) + (B)</b>	<b>36,24,56,326</b>	<b>27,71,40,624</b>

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>Notes:</b>		
1 Aggregate amount of Group's investments and the market value:		
a) Aggregate amount of Group's investment other than listed Equity Securities & Mutual Funds	33,51,04,631	25,78,82,005
b) Market Value of above investment	33,63,72,809	26,50,67,413
2 Investment in holding company at cost	3,982	3,982
3 Government Securities deposited with the Clearing Corporation of India Ltd (CCIL)		
a) Amortised cost	-	-
b) Market Value of above investment	-	-
4 Investment made out of catastrophe reserve	-	-
5 Debt Securities are held to maturity and reduction in market values represent market conditions and not a permanent diminution in the value of investments,if any.		
6 Historical cost of equity and equity related securities included above:		
a. Mutual Funds	-	-
b. Equity Stocks	1,87,58,894	1,30,90,727
c. Additional Tier 1 Bonds	24,53,422	3,10,000
d. Infrastructure Investment Trusts	7,65,986	7,72,406
e. Alternate Investment Funds	12,88,823	13,61,511
f. Real Estate Investment Properties	28,02,806	17,99,384

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
7 The value of equity shares lent by the Company under securities lending and borrowing scheme (SLB) and outstanding	6,443	-
8 Refer Schedule 16 Note 2(g), 8, 23 & 25		

## SCHEDULE 8B ASSETS HELD TO COVER LINKED LIABILITIES

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>LONG TERM INVESTMENTS</b>		
1 Government securities and Government guaranteed bonds including Treasury Bills	6,20,68,269	5,79,65,085
2 Other Approved Securities	67,025	3,29,871
3 (a) Shares	-	-
(aa) Equity (Refer Note 5 below)	11,02,11,256	10,58,22,728
(bb) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures / Bonds	2,90,72,494	2,65,36,403
(e) Other Securities (Fixed Deposits)	2,50,000	2,50,000
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	10,02,501	5,14,930
4 Investments in Infrastructure and Social Sector	4,72,59,368	5,04,34,906
5 Other than Approved Investments	1,54,23,824	1,63,60,597
<b>Total (A)</b>	<b>26,53,54,737</b>	<b>25,82,14,520</b>
<b>SHORT TERM INVESTMENTS</b>		
1 Government securities and Government guaranteed bonds including Treasury Bills	1,65,12,616	1,04,75,911
2 Other Approved Securities	1,48,612	2,56,898
3 (a) Shares	-	-
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds (Refer Note 5 below)	-	1,50,979
(c) Derivative Instruments	-	-
(d) Debentures / Bonds	30,95,063	87,60,977
(e) Other Securities	-	-
- Fixed Deposits	14,00,000	1,50,000
- Others	1,24,31,657	1,74,79,736
(g) Investment Properties-Real Estate	-	-
4 Investments in Infrastructure and Social Sector	30,68,693	40,11,307
5 Other than Approved Investments	-	38,018
<b>Total (B)</b>	<b>3,66,56,641</b>	<b>4,13,23,826</b>

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>OTHER ASSETS</b>		
1 Bank Balances	9,011	20,291
2 Interest Accrued and Dividend Receivable	34,79,119	37,28,667
3 Fund Charges	-	-
4 Outstanding Contracts (Net)	-	-
(a) Investment sold - pending for settlement	3,46,857	11,88,806
(b) Investment purchased - pending for settlement	(14,61,849)	(29,27,382)
(c) Net receivable/(payable) from/(to) unit linked funds	4,23,667	(3,49,231)
(d) Other receivable	2,65,948	4,02,374
<b>Total (C)</b>	<b>30,62,753</b>	<b>20,63,525</b>
<b>TOTAL (A) + (B) + (C)</b>	<b>30,50,74,131</b>	<b>30,16,01,871</b>

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>Notes</b>		
1 Aggregate amount of Group's investments and the market value:		
a) Aggregate amount of Group's investment other than listed Equity Securities & Mutual Funds	16,26,33,303	16,22,51,964
b) Market Value of above investment	16,06,74,280	16,32,73,129
2 Investment in holding company at cost	3,91,878	3,94,012
3 Investment made out of catastrophe reserve	-	-
4 Debt Securities are held to maturity and reduction in market values represent market conditions and not a permanent diminution in the value of investments, if any.		
5 Historical cost of equity and equity related securities included above:		
a. Mutual Funds	29,76,199	51,80,839
b. Equity Stocks	11,49,41,376	10,02,73,431
c. Redeemable Preference Shares	-	-
6 The value of equity shares lent by the Company under securities lending and borrowing scheme (SLB) and outstanding	2,09,170	1,10,111
7 Refer Schedule 16 Note 2(g)		

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 9 LOANS

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>1 SECURITY-WISE CLASSIFICATION</b>		
Secured		
(a) On mortgage of property		
(aa) In India	-	-
(bb) Outside India	-	-
(b) On Shares, Bonds, Govt. Securities, etc	-	-
(c) Loans against policies	40,57,281	29,40,596
(d) Others	-	-
Unsecured	-	-
<b>Total</b>	<b>40,57,281</b>	<b>29,40,596</b>
<b>2 BORROWER-WISE CLASSIFICATION</b>		
(a) Central and State Governments	-	-
(b) Banks and Financial Institutions	-	-
(c) Subsidiaries	-	-
(d) Companies	-	-
(e) Loans against policies	40,57,281	29,40,596
(f) Others	-	-
<b>Total</b>	<b>40,57,281</b>	<b>29,40,596</b>
<b>3 PERFORMANCE-WISE CLASSIFICATION</b>		
(a) Loans classified as standard		
(aa) In India	40,57,281	29,40,596
(bb) Outside India	-	-
(b) Non-standard loans less provisions		
(aa) In India	-	-
(bb) Outside India	-	-
<b>Total</b>	<b>40,57,281</b>	<b>29,40,596</b>
<b>4 MATURITY-WISE CLASSIFICATION</b>		
(a) Short-Term	48,033	25,115
(b) Long-Term	40,09,248	29,15,481
<b>Total</b>	<b>40,57,281</b>	<b>29,40,596</b>

Note:

- Short-term loans include those which are repayable within 12 months from the date of Balance Sheet. Long term loans are the loans other than short-term loans.
- Loans considered doubtful and the amount of provision created against such loans is ₹ Nil (Previous year ₹ Nil).
- Refer Schedule 16 Note 2 (h)

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

Particulars	Cost/ Gross Block			Depreciation/Amortization			Net Block			
	Opening	Additions	Deductions	Closing	As on 1 Apr 2022	For the year	On Sales / Adjustments	As on 31 Mar 2023	As on 31 Mar 2022	As on 31 Mar 2023
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles (Software)	27,40,815	3,72,000	58,773	30,54,042	21,94,161	3,14,249	51,862	24,56,548	5,97,494	5,46,654
Land-Freehold	-	-	-	-	-	-	-	-	-	-
Leasehold property	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-
Furniture & Fittings	2,11,923	46,785	15,084	2,43,624	1,29,571	19,768	13,632	1,35,707	1,07,917	82,352
Information Technology Equipment	7,74,468	42,472	32,532	7,84,408	6,72,328	44,150	32,156	6,84,322	1,00,086	1,02,140
Vehicles	88,669	31,169	16,518	1,03,320	51,508	16,710	12,670	55,548	47,772	37,161
Office Equipment	2,33,376	20,084	19,588	2,33,872	1,93,953	17,489	19,146	1,92,296	41,576	39,423
Others (Leasehold improvements)	3,93,020	31,028	90,484	3,33,564	3,05,833	26,424	88,415	2,43,842	89,722	87,187
<b>TOTAL</b>	<b>44,42,271</b>	<b>5,43,538</b>	<b>2,32,979</b>	<b>47,52,830</b>	<b>35,47,354</b>	<b>4,38,790</b>	<b>2,17,881</b>	<b>37,68,263</b>	<b>9,84,567</b>	<b>8,94,917</b>
Capital Work in Progress including capital advances	-	-	-	-	-	-	-	-	-	2,99,212
<b>GRAND TOTAL</b>	<b>44,42,271</b>	<b>5,43,538</b>	<b>2,32,979</b>	<b>47,52,830</b>	<b>35,47,354</b>	<b>4,38,790</b>	<b>2,17,881</b>	<b>37,68,263</b>	<b>12,65,335</b>	<b>11,94,129</b>
<b>Previous Year/Period</b>	<b>42,20,879</b>	<b>3,93,309</b>	<b>1,71,917</b>	<b>44,42,271</b>	<b>33,59,017</b>	<b>3,45,746</b>	<b>1,57,409</b>	<b>35,47,354</b>	<b>11,94,129</b>	

1. Refer Schedule 16 Note 2 (i)
2. Sale / Adjustments as appearing in gross block includes closure of branches and assets written off thereon
3. All software are other than those generated internally.

Particulars	Cost/ Gross Block			Depreciation/Amortization			Net Block			
	As on 1 Apr 2021	Additions	Deductions	As on 31 Mar 2022	As on 1 Apr 2021	For the year	On Sales / Adjustments	As on 31 Mar 2022	As on 31 Mar 2021	As on 31 Mar 2022
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles (Software)	25,86,104	1,92,340	37,629	27,40,815	19,86,269	2,39,765	31,873	21,94,161	5,46,654	5,99,835
Land-Freehold	-	-	-	-	-	-	-	-	-	-
Leasehold property	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-
Furniture & Fittings	1,88,513	44,659	21,249	2,11,923	1,37,909	9,747	18,085	1,29,571	82,352	50,604
Information Technology Equipment	7,72,676	41,017	39,225	7,74,468	6,64,903	46,282	38,857	6,72,328	1,02,140	1,07,773
Vehicles	79,487	24,331	15,149	88,669	47,617	15,404	11,513	51,508	37,161	31,870
Office Equipment	2,25,710	23,011	15,345	2,33,376	1,92,374	16,322	14,743	1,93,953	39,423	33,336
Others (Leasehold improvements)	3,68,389	67,951	43,320	3,93,020	3,29,945	18,226	42,338	3,05,833	87,187	38,444
<b>TOTAL</b>	<b>42,20,879</b>	<b>3,93,309</b>	<b>1,71,917</b>	<b>44,42,271</b>	<b>33,59,017</b>	<b>3,45,747</b>	<b>1,57,409</b>	<b>35,47,354</b>	<b>8,94,917</b>	<b>8,61,862</b>
Work in Progress including capital advances	-	-	-	-	-	-	-	-	-	2,99,212
<b>GRAND TOTAL</b>	<b>42,20,879</b>	<b>3,93,309</b>	<b>1,71,917</b>	<b>44,42,271</b>	<b>33,59,017</b>	<b>3,45,747</b>	<b>1,57,409</b>	<b>35,47,354</b>	<b>11,94,129</b>	<b>9,73,012</b>
<b>Previous Year/Period</b>	<b>39,58,253</b>	<b>3,71,885</b>	<b>1,67,983</b>	<b>39,58,253</b>	<b>30,69,266</b>	<b>2,95,061</b>	<b>1,50,495</b>	<b>30,69,266</b>	<b>9,62,922</b>	<b>9,62,922</b>

- Note:
1. Refer Schedule 16 Note 2 (i)
  2. Sale / Adjustments as appearing in gross block includes closure of branches and assets written off thereon
  3. All software are other than those generated internally.

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 11 CASH AND BANK BALANCES

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
1 Cash (including cheques,drafts and stamps) (Refer Note 2 below)	10,76,173	7,69,790
2 Bank Balances		
(a) Deposit Accounts		
(aa) Short - term (due within 12 months of the date of Balance Sheet)	45,96,078	39,68,400
(ab) Others (Refer Note 1 below)	19,705	2,500
(b) Current Accounts	39,12,783	23,16,720
(c) Others	-	-
3 Money at Call and Short Notice		
(a) With Banks	-	-
(b) With other Institutions	-	-
4 Others	-	-
<b>Total</b>	<b>96,04,739</b>	<b>70,57,410</b>
Balances with non-scheduled banks included in 2 above	-	-
Cash and Bank Balances		
1. In India	96,04,739	70,57,410
2. Outside India	-	-
<b>Total</b>	<b>96,04,739</b>	<b>70,57,410</b>

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
<b>Note :</b>		
1 Deposited with ICICI Bank in the form of fixed deposits, which is earmarked and in lien against the Bank guarantee given by ICICI Bank on behalf of the Group to Unique Identification Authority of India (UIDAI).		
2 Breakup of Cash (including cheques, drafts and stamps) :		
Cash in Hand	39,843	52,642
Postal Franking and revenue stamps	62,923	41,081
Cheques in Hand	9,73,407	6,76,066
<b>Total</b>	<b>10,76,173</b>	<b>7,69,790</b>

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 12 ADVANCES AND OTHER ASSETS

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 23	Audited As at 31 Mar 22	Audited As at 31 Mar 22
<b>ADVANCES</b>				
1 Reserve deposits with ceding companies		-		-
2 Application money for investments		-		-
3 Prepayments		4,29,324		3,60,800
4 Advances to Directors / Officers		-		-
5 Advance tax paid and taxes deducted at source (Net of provision for Tax of ₹ 16,08,870 (Previous year ₹ 9,23,849)).*		34,575		21,298
6 Others:		-		-
a) Advance to Suppliers/Contractors		79,407		28,203
b) Gratuity and Advances to Employees		6,62,298		6,17,226
c) Other Advances		87,715		37,328
<b>Total (A)</b>		<b>12,93,319</b>		<b>10,64,855</b>
<b>OTHER ASSETS</b>				
1 Income accrued on investments		77,20,789		62,18,221
2 Outstanding Premiums		31,53,614		26,45,379
3 Agents' Balances (gross)	19,356		14,751	
Less: Provision for doubtful debts (Refer Schedule 16 Note 2 (u))	(3,104)	16,252	(5,635)	9,116
4 Foreign Agencies Balances		-		-
5 Due from other entities carrying on insurance business (including reinsures)	1,51,149	-	2,42,040	-
Less: Provision for doubtful debts	-	1,51,149	-	2,42,040
6 Due from Holding company		679		429
7 Deposit with Reserve Bank of India [pursuant to section 7 of Insurance Act,1938]		-		-
8 Others:				
a) Deposits	9,26,738			6,13,560
Less: Provision for doubtful deposits	(10,318)	9,16,420		
b) Outstanding Trades		29,94,514		34,24,432
c) Insurance Policies (Leave Encashment)		4,20,964		4,07,764
d) Unclaimed Fund	18,52,439		24,71,753	
Income accrued on unclaimed fund	1,26,086	19,78,525	95,895	25,67,648
e) MTM Margin receivable - FRA		97,567		5,13,772
f) Goods and Services tax unutilised credits		31,885		35,393
<b>Total (B)</b>		<b>1,74,82,358</b>		<b>1,66,77,754</b>
<b>Total (A+B)</b>		<b>1,87,75,677</b>		<b>1,77,42,609</b>

\*Netting off done on year-on-year basis

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 13 CURRENT LIABILITIES

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
1 Agents' Balance	19,61,513	10,86,077
2 Balances due to other insurance companies	6,68,297	7,85,738
3 Deposits held on re-insurance ceded	-	-
4 Premiums received in advance	1,61,697	1,22,759
5 Unallocated premiums	19,63,669	10,02,166
6 Sundry creditors (Refer Schedule 16 Note 24)	47,83,948	29,30,499
7 Due to holding company	45,763	37,466
8 Claims outstanding	1,73,148	1,22,874
9 Annuities Due	-	-
10 Due to Officers/Directors	-	-
11 Others:	-	-
(a) Policy Application and other Deposits	18,15,847	20,64,193
(b) Due to Policyholders	68,18,233	71,68,489
(c) Statutory Dues Payable	4,31,864	3,02,067
(d) GST Payable	1,87,562	97,455
(e) Unclaimed amounts of policyholders	18,52,439	24,71,753
Income accrued on unclaimed fund	1,26,086	95,895
(f) Derivative Liability	-	5,87,317
(g) Interest Payable on NCD	720	718
<b>Total</b>	<b>2,09,90,786</b>	<b>1,88,75,466</b>

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 14 PROVISIONS

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
1 For taxation (Net of Advance Tax of ₹ 5,53,379 (Previous year ₹ 5,52,687))*	1,90,436	1,88,096
2 For proposed dividends	-	-
3 For dividend distribution tax	-	-
4 Others		
a) Provision for long term Incentive plan [Refer Schedule 16, Note 12]	2,16,846	2,83,182
b) Provision for gratuity [Refer Schedule 16, Note 12]	6,98,973	6,60,667
c) Provision for Compensated absences [Refer Schedule 16, Note 12]	2,00,974	1,78,432
d) Provision for Bonus	-	-
<b>Total</b>	<b>13,07,230</b>	<b>13,10,377</b>

\*Netting off done on year-on-year basis

## SCHEDULE 15 MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

Particulars	Audited As at 31 Mar 23	Audited As at 31 Mar 22
1 Discount Allowed in issue of shares / debentures	-	-
2 Others	-	-
Total	-	-

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## SCHEDULE 16

### CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

#### 1 Corporate Information

Aditya Birla Sun Life Insurance Company Limited ('the Company' or 'ABSLI') (CIN: U99999MH2000PLC128110), headquartered at Mumbai, had commenced operations on 19<sup>th</sup> March 2001, after receiving the license to transact life insurance business in India from the Insurance Regulatory and Development Authority ('IRDA') on 31<sup>st</sup> January 2001. It was incorporated on August 4, 2000 as a Company under the Companies Act, 1956 ('the Act'). The Company is a subsidiary of Aditya Birla Capital Limited (formerly known as Aditya Birla Financial Services Limited) which holds 51 percent of paid up share capital. Further, Sun Life Financials (India) Insurance Investments Inc., subsidiary of Sun Life Assurance Company of Canada holds 49 percent of paid up share capital. The Insurance Regulatory and Development Authority of India (IRDAI) vide its circular dated 7<sup>th</sup> April, 2015 bearing reference number IRDA/F&A/CIR/GLD/062/04/2015 has pursuant to amendment in Insurance Laws (Amendment) Act 2015 to Section 3A of the Insurance Act, 1938, discontinued the requirement to apply for Renewal Certificate of Registration (IRDA/R6) on an annual basis. Accordingly, upon payment of the annual fees for the financial year 2022-23, the certificate of registration which was valid for financial year ended 31<sup>st</sup> March, 2017 shall continue to be valid for financial year ended 31<sup>st</sup> March, 2023 and the same is in force as on the date of this report.

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

Aditya Birla Sun Life Pension Management Limited ("the Company") formerly known as Birla Sun Life Pension Management Limited is a wholly owned subsidiary of Birla Sun Life Insurance Company Limited. The Company is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company was incorporated on January 09, 2015 with Registration Number U66000MH2015PLC260801 with specific purpose of managing pension fund business. Pension Fund Regulatory and Development Authority ("PFRDA") has granted Certificate of Registration vide a letter dated February 23, 2016 (bearing registration No.: PFRDA/Birla PF/2016) to Birla Sun Life Pension Management Limited to act as pension fund under National Pension System (NPS). The Company commenced its operations from 5<sup>th</sup> May 2017.

#### 2 Significant Accounting Policies

##### a) Basis of Preparation

These consolidated financial statements of the the Company and its subsidiaries (collectively referred to as the "Group") are prepared in accordance with the principles and procedures for preparation and presentation of consolidated financial statements as laid down under the Accounting Standard (AS) 21, "Consolidated Financial Statements" and are presented in the same format as that of the Company. The financial statements of the Group have been combined on a line-by-line basis by adding together similar items of assets, liabilities, income and expenses in respective components of financial statements after eliminating intra-group balances and transactions. The Policyholders' account specifically dealing with direct insurance business governed by IRDAI regulations has retained its distinct independent form in these consolidated financial statements.

The accompanying financial statements have been prepared and presented under the historical cost convention, unless otherwise stated, and on accrual basis of accounting, in accordance with accounting principles generally accepted in India, including the provisions of the Insurance Act, 1938 (the "Insurance Act") as amended by the Insurance Laws (Amendment) Act 2015, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), orders/circulars/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") in this regard, the Accounting Standards

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

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specified under Section 133 of the Companies Act, 2013 to the extent applicable, the Master Circular on Preparation of Financial Statements and Filing of Returns of Life Insurance Business Ref No. IRDA/F&A/Cir/232/12/2013 dated 11 December 2013 ("the Master Circular") and various circulars issued by IRDAI and practices prevailing in the insurance industry in India. The accounting policies have been consistently applied by the Group except where differential treatment is required as per new pronouncements made by the regulatory authorities.

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

## b) Use of Estimates

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

## c) Revenue Recognition

### i) Premium Income

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

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

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

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

Products having regular premium paying plans with limited premium payment term and/or pre-determined policy term are treated as regular business with due classification of premium into first year and renewal. Premium income on products other than aforesaid is classified as single premium.

Top up premiums are considered as single premium.

### ii) Income from Investments

Interest income on investments is recognized on accrual basis. Amortization of discount/ premium relating to the debt securities (in case of non link policy holders) and money market securities is recognized using effective interest rate method (EIR) over the remaining period to maturity of these securities. (Refer Note 27)

Dividend income is recognized on ex-dividend date.

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

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

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

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

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## iii) Reinsurance premium ceded

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

## iv) Income from linked policies

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

## v) Fees and Charges

Interest income on loans is recognized on an accrual basis.

## vi) Investment management fees

Investment management fees are recognized on an accrual basis in accordance with the terms of the "Investment Management Agreement" (IMA) entered into with National Pension System (NPS) Trust. The Investment management fees are presented net of Goods and Services Tax.

## d) Benefits Paid (Including Claims)

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

Surrenders / Withdrawals under linked policies are accounted in the respective schemes when the associated units are cancelled as per IRDAI Guidelines and under non linked policies are accounted on the receipt of intimation. Amount payable on lapsed/discontinued policies are accounted for on expiry of lock in period of these policies. Surrenders, withdrawals and lapsation are disclosed at net of charges recoverable.

Reinsurance recoverable thereon, if any, is accounted for in the same period as the related claim. Repudiated claims disputed before judicial authorities are provided for based on management prudence considering the facts and evidences available in respect of such claims.

## e) Unclaimed amounts of policyholders

Pursuant to IRDAI circular no. IRDA/F&A/CIR/CLD/114/05/2015 dated May 28, 2015, IRDA/F&A/CIR/CPM/134/07/2015 dated July 24, 2015 on "Handling of unclaimed amounts pertaining to policyholders" ("the Regulations") and IRDA/F&A/CIR/MISC/282/11/2020 dated November 17, 2020, the Company has created a single segregated fund to manage all unclaimed monies.

Unclaimed amount of policyholders' liability is determined on the basis of NAV of the units outstanding as at the valuation date

Assets held for unclaimed amount of policyholders and unclaimed amount of policyholders' liability are considered as Current Assets & Current Liabilities, and disclosed in Schedule 12 "Advances and Other Assets" and Schedule 13 "Current Liabilities" respectively.

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

Income on unclaimed amount of policyholders is accreted to the unclaimed fund and is accounted for on an accrual basis, net of fund management charges.

The unclaimed amount of policyholders which are more than 10 years as on 30<sup>th</sup> September every year, are transferred to the Senior Citizens' Welfare Fund (SCWF) on or before 1<sup>st</sup> March of that financial year.

## f) Acquisition Costs

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

## g) Investments

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

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

### i. Classification

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

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

### ii. Valuation

#### a) Debt securities

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

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

- Policyholders' linked funds:

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

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

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

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

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

**b) ii) Redeemable Preference shares :**

Policyholders' non-linked funds and shareholders' investments:

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

**Policyholders' linked funds:**

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

**c) Mutual Funds**

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

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

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

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

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

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

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

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

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

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

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

For Cash Flow Hedges, hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The portion of fair value gain / loss on the Interest Rate Derivative that is determined to be an effective hedge is recognised directly in appropriate equity account i.e. 'Hedge Fluctuation Reserve'. The ineffective portion of the change in fair value of such instruments is recognised in the Revenue Account in the period in which they arise.

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If the hedging relationship ceases to be effective or it becomes probable that the expected forecast transaction will no longer occur, hedge accounting is discontinued and accumulated gains or losses that were recognised directly in the Hedge Fluctuation Reserve are reclassified into Revenue Account. All derivatives are initially recognised in the Balance sheet at their fair value, which usually represents their cost. They are subsequently re-measured at their fair value, with the method of recognising movements in this value depending on whether they are designated as hedging instruments and, if so, the nature of the item being hedged. All derivatives are carried as assets when the fair values are positive and as liabilities when the fair values are negative.

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

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

- ii. Derivatives are undertaken by Group solely for the purpose of hedging interest rate risks on account of following:
  - a. Reinvestment of maturity proceeds of existing fixed income investments;
  - b. Investment of interest income receivable; and
  - c. Expected policy premium income receivable on insurance contracts which are already underwritten.
- iii. Investment transfer

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

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

- iv. Impairment on Investment

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

## h) Loans Against Policies

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

## i) Fixed Assets, Capital work in progress and impairment.

### i. Fixed assets and depreciation

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

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

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

Sr. No.	Assets Type	Useful Lives as per Company's Policy	As per Schedule II of Companies Act, 2013
1	Leasehold Improvements and Furniture and fittings at leased premises	5	Not specified
2	Furniture & Fittings (Other than (1) above)	10	10
3	Vehicles*	5	8
4	Office Equipment	5	5
5	Mobile Phones*	2	5
6	Intangibles (Software)	5	Not specified
7	Information Technology Equipment		
	- Server	6	6
	- Tablet*	2	3
	- Other*	5	3

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

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

## ii. Intangibles

Intangible assets comprise of software licenses which are stated at cost less amortization. Software licenses are amortised using Straight Line Method over a period of 5 years from the date of being put to use.

## iii. Capital work in progress

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

## iv. Impairment of Assets

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

## j) Operating Leases

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

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## k) Employee Benefits

### i. Short Term Employee Benefits

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

### ii. Long Term Employment Benefits

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

#### • Defined Contribution Plans:

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

National Pension Scheme (which is Company contribution) are the defined contribution plans for the employees. The contributions paid/payable under the plan are made when due and charged to the Revenue Account and the Profit and Loss Account on an undiscounted basis during the period in which the employee renders the related service. The Group does not have any further obligation beyond the contributions made to the funds.

#### • Defined Benefit Plans:

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

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

### iii. Other Long Term Employee Benefits

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

Long term incentives plans are subject to fulfilment of criteria prescribed by the Group and are accounted for at the present value of future expected benefits payable using an appropriate discount rate. Actuarial gains or losses, if any, due to experience adjustments and the effects of changes in actuarial assumptions are accounted for in the Revenue Account, as the case may be, in the period in which they arise.

## l) Foreign Currency Transactions

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

## m) Segment Reporting

As per Accounting Standard 17 (AS 17) on 'Segment Reporting' read with the "Preparation of Financial Statements, Auditor's Report of Insurance Companies, Regulations 2002" read with the Insurance Laws (Amendment) Act 2015, the Group is required to report segment results separately for linked, non-linked, health and pension businesses. The business is broadly classified as Participating non-linked, Non Participating Unit Linked and Non Linked businesses, which are further segmented into Individual Life, Group Life, Group Life Variable, Individual Pension, Annuity Individual, Group Pension, Group Pension Variable and Individual Health businesses. Accordingly, the Group has prepared the revenue account and balance sheet for these primary business segments separately. Since the business operation of the Group is in India only, the same is considered as one geographical segment.

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## Allocation Methodology:

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

- Revenues, other Income, expenses, assets and liabilities directly attributable and identifiable to business segments, are allocated on actual basis; and
- Revenues, other income, other expenses, assets and liabilities which are not directly identifiable though attributable to a business segment, are allocated on the following basis, as considered appropriate by the management:
  - First Year Premium & 10% of Single Premium ;
  - First year / gross commission;
  - Sum assured;
  - Policy liability;
  - Asset under management;
  - New Business Policy Count;
  - Enforce policy count
  - Employee Cost

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

## **n) Taxation**

### **i. Direct Taxes**

The Income-Tax Act, 1961 prescribes that profits and gains of life insurance Companies will be the surplus or deficit disclosed by the actuarial valuation made in accordance with the Insurance Act, 1938.

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

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

### **ii. Indirect Taxes**

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

## **o) Provisions and Contingencies**

A provision is recognized when the Group has a present legal obligation as a result of past event/s and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect current best estimates. A disclosure for contingent liability is made when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources or it cannot be reliably estimated. When there is a possible obligation or a present obligation in respect of which

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the likelihood of outflow of resources is remote, no provision or disclosure is made. A contingent asset is neither recognized nor disclosed.

## **p) Funds for Future Appropriation**

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

There is no FFA created during the year.

## **q) Earnings Per Share**

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

## **r) Cash and Cash Equivalents**

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

## **s) Receipts and Payments Account**

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

## **t) Actuarial Liability Valuation**

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

## **u) Provision for Doubtful Debts**

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

## **v) Valuation of Loan to Body Corporate**

Corporate Loans are valued at cost less provision.

## **w) Borrowings**

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

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

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## 3 Contingent Liabilities

Sr. No.	Particulars	Current Year	Previous Year
1	Partly paid-up investments	25,04,368	23,33,907
2	Claims, other than against policies, not acknowledged as debts by the Group	23,447	23,447
3	Underwriting commitments outstanding	Nil	Nil
4	Guarantees given by or on behalf of the Group	5,500	5,500
5	Statutory demands / liabilities in dispute, not provided for	Refer Note Below	Refer Note Below
6	Reinsurance obligations to the extent not provided for in the accounts	NA	Nil
7	Others *	5,05,312	4,75,258

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

Note :- The Group has received Show Cause-Cum-Demand notices for earlier period relating to Service Tax demands of ₹ 438,098 as at 31st March, 2023, (as at 31st March, 2022 ₹ 438,098) as plus applicable interest and penalty. Basis legal opinion obtained, management is of the opinion that these show-cause cum demand notices are not legally tenable and has contested at appellate authority.

## 4 Operating Lease Commitments

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

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

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

Particulars	Current Year	Previous Year
Total lease rentals charged to Revenue Account	4,57,899	4,89,192
Lease obligations for operating leases		
- Within one year of the balance sheet date	4,66,311	3,87,556
- Due in a period between one year and five years	15,31,869	9,22,700
- Due after five years	7,85,162	2,98,531

## 5 Foreign Exchange Gain / (Loss)

The Company has recorded foreign exchange loss of ₹1,539 in the Revenue Account and the same is included under "Interest and Bank Charges" in Schedule 3 (Previous Year Loss ₹6)

## 6 Earnings Per Share

Particulars	Current Year	Previous Year
Profit as per profit and loss account	13,42,250	12,45,617
Weighted average number of equity shares (Nos of shares in 000)	19,16,929	19,01,208
Earnings per share (Basic and Diluted) in ₹	0.70	0.66
Face Value per share*	10	10

\* Amount in absolute Indian Rupees

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## 7 Actuarial Assumptions

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

### Unit Reserves

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

### Non Unit Reserves

Prospective gross premium cash flow method is used to compute the non unit liabilities in respect of the policies in force as at March 31, 2023. The cash flows are projected based on assumptions that reflect the expected future experience and have an appropriate allowance for margins for adverse deviations. The major assumptions relate to mortality, interest, expenses, policy persistency and premium persistency.

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

Additional provisions are made towards:

- I. Investment guarantees for unit linked business
- II. Substandard lives
- III. Unearned premium (in accordance with IRDA Circular 50/IRDA/ACTL/CIR/GEN/050/03/2010)
- IV. Reserves for free look option given to the policyholders

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

- V. Lapse policies eligible for revivals (in accordance with IRDA Circular 41/IRDA/ACTL/Mar-2006).
- VI. New Business Closure Reserve
- VII. Cash Surrender Value Deficiency Reserve
- VIII. Premium Waiver Claim Provision
- IX. Incurred But Not Reported Reserve

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

For the valuation as on 31<sup>st</sup> March 2023, ABSLI has used following valuation assumptions. All these assumptions include margin for adverse deviations.

#### 1 Interest

The interest rates used are in the range 5.55% (Previous Year - 5.66%) per annum to 7.3% (Previous Year - 7.3%) per annum.

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## 2 Mortality Rates

The mortality rates used for the valuation of assurance benefits under each segment of business are based on the published IALM (2012-14) Ultimate Mortality Table modified to convert it from nearest birthday to last birth day mortality rates. Further to reflect the expected experience for own portfolio, ABSLI has taken multiple of the modified IALM (2012-14) mortality rates. Such mortality multiples are in the range of 22.58% to 332.78% (Previous Year - 22.58% to 309.38%). The mortality rates used for valuation of annuities are based on the 56.88% - 84.38% of the latest standard Annuitant Mortality Rates.

## 3 Expenses

The per policy maintenance expenses assumed for the valuation of liabilities are set looking at our recent experience and expected per policy expenses in future as per our business plan. The per policy maintenance expense is upto ₹ 880\* (Previous Year - upto ₹ 838\*) depending on the product. Commission scales have been allowed in accordance with the product filing with IRDA.

\* in absolute ₹

## 4 Policy Termination Rates

The policy termination rates used for the valuation of liabilities ranges from 0.0% per annum to 48% per annum (Previous Year - from 0.0% per annum to 48% per annum) for the first three policy years thereafter in the range of 0.0% per annum to 14% per annum (Previous Year - 0.6% per annum to 14% per annum) .

## 5 Bonus Rates

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

## 6 Policyholder's Reasonable Expectations

For unit linked products Policyholders know that the returns on such plans are market linked and hence ultimate benefit payout would depend upon the mark to market performance of the underlying funds. Each ULIP proposal form is accompanied by a signed sales illustration illustrating values using gross return of 4% and 8% pa (Previous Year - 4% and 8% pa) . For par products the bonus rates are declared consistent with the performance of the par fund and the illustrated rate of bonuses in the sales illustration provided at the time of selling the policy.

## 7 Taxation and Shareholder Transfers

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

## 8 Basis of provisions for incurred but not reported (IBNR)

IBNR for individual life business, one-year renewable group term business and group credit life business is determined using chain ladder method taking into account the claim reporting pattern from past claim experience.

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## 8 Encumbrances

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

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

Particulars	Current Year	Previous Year
Fixed deposit with NSCCL	-	-
Fixed deposit with ICCL	-	-

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

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

Particulars	Current Year	Previous Year
Government Security of face value	1,94,200	2,08,400
Cash	100	100

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

Particulars	Current Year	Previous Year
Government Security of face value	7,40,000	7,40,000
Cash	36,100	36,100

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

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

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

Particulars	Current Year	Previous Year
Government Security of face value	8,400	8,400
Cash	600	300

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

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

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

There are no assets required to be deposited by the Company under any local laws or otherwise encumbered in or outside india as at March 31, 2023 (March 31, 2022: Nil).

**vii. Bank Guarantee provided to Pension Fund Regulatory Development Authority for being registered as a Pension Fund for managing the funds under the National Pension System.**

Particulars	Current Year	Previous Year
Fixed Deposits	3,000	3,000

There are no assets required to be deposited by the Company under any local laws or otherwise encumbered in or outside india as at March 31, 2023 (March 31, 2022: Nil).

## 9 Commitments Made and Outstanding on Fixed Assets

Estimated amount of contracts remaining to be executed on fixed assets to the extent not provided for (net of advance) is ₹ 1,25,151 (Previous Year: ₹ 1,74,111)

## 10 1. Nature and Term of Outstanding Derivative Contract

**a) Forward rate Agreement**

Sr. No.	Particulars	Current Year	Previous Year
i)	Total notional principal amount of forward rate agreement undertaken during the year (instrument-wise)		
	7.73% GOI 2034 (MD 19/12/2034)	-	6,71,011
	8.13% GOI 2045 (MD 22/06/2045)	13,68,390	10,72,570
	8.30% GOI 2040 (MD 02/07/2040)	18,70,350	5,06,817
	8.30% GOI 2042 (MD 31/12/2042)	48,22,270	9,93,100
	8.33% GOI 2036 (MD 07/06/2036)	3,48,240	26,97,335
	8.83% GOI 2041 (MD 12/12/2041)	16,23,110	17,11,720
	9.23% GOI 2043 (MD 23/12/2043)	24,56,000	7,18,720
	8.17% GOI 2044 (MD 01/12/2044)	20,04,180	7,97,910
	7.06% GOI 2046 (MD 10/10/2046)	11,33,600	7,64,260
	7.72% GOI 2055 (MD 26/10/2055)	-	16,45,109
	7.63% GOI 2059 (MD 17/06/2059)	-	6,80,850
	6.67% GOI 2050 (MD 17/12/2050)	-	18,72,650
	6.64% GOI 2035 (MD 16/06/2035)	-	29,17,003
	6.76% GOI 2061 (MD 22/02/2061)	-	7,80,705
	7.50% GOI 2034 (MD 10.08.2034)	-	4,74,889
	6.99% GOI 2051 (MD 15/12/2051)	7,37,100	5,59,396
	7.54% GOI 2036 (MD 23/05/2036)	87,76,395	-
	6.95% GOI 2061 (MD 16/12/2061)	1,74,000	-
	6.67% GOI 2035 (MD 15/12/2035)	1,34,000	3,82,230
	7.40% GOI 2062 (MD 19/09/2062)	43,80,040	-
	7.41% GOI 2036 (MD 19/12/2036)	46,52,720	-
	7.36% GOI 2052 (MD 12/09/2052)	50,60,080	-

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

Sr. No.	Particulars	Current Year	Previous Year
ii)	Total notional principal amount of forward rate agreement outstanding as on end of the year (instrument-wise)		
	7.40% GOI 2035 (MD 09/09/2035)	5,88,592	9,12,403
	7.62% GOI 2039 (MD 15/09/2039)	28,95,187	40,30,760
	7.73% GOI 2034 (MD 19/12/2034)	14,16,571	25,19,161
	7.95% GOI 2032 (MD 28.08.2032)	17,86,825	26,33,682
	8.13% GOI 2045 (MD 22/06/2045)	29,34,460	15,66,070
	8.24% GOI 2033 (MD 10/11/2033)	9,06,110	12,74,160
	8.28% GOI (MD 15/02/2032)	5,02,095	5,02,095
	8.30% GOI 2040 (MD 02/07/2040)	26,46,847	7,76,497
	8.30% GOI 2042 (MD 31/12/2042)	65,47,250	26,77,080
	8.32% GOI (MD 02/08/2032)	13,58,510	13,58,510
	8.33% GOI 2036 (MD 07/06/2036)	44,19,546	49,05,310
	8.83% GOI 2041 (MD 12/12/2041)	38,22,350	23,03,580
	8.97% GOI 2030 (MD 05/12/2030)	-	2,66,440
	9.20% GOI 2030 (MD 30/09/2030)	17,00,770	32,77,370
	9.23% GOI 2043 (MD 23/12/2043)	33,71,887	9,57,257
	8.17% GOI 2044 (MD 01/12/2044)	31,02,620	10,98,440
	7.06% GOI 2046 (MD 10/10/2046)	21,44,324	11,36,454
	7.63% GOI 2059 (MD 17/06/2059)	3,56,590	6,80,850
	7.72% GOI 2055 (MD 26/10/2055)	12,32,670	16,45,109
	6.67% GOI 2050 (MD 17/12/2050)	15,65,510	18,72,650
	6.76% GOI 2061 (MD 22/02/2061)	3,25,115	7,80,705
	6.64% GOI 2035 (MD 16/06/2035)	27,34,852	29,17,003
	6.99% GOI 2051 (MD 15/12/2051)	12,96,496	5,59,396
	7.50% GOI 2034 (MD 10.08.2034)	4,40,051	4,74,889
	6.95% GOI 2061 (MD 16/12/2061)	1,74,000	-
	7.36% GOI 2052 (MD 12/09/2052)	50,60,080	-
	7.54% GOI 2036 (MD 23/05/2036)	69,69,005	-
	7.40% GOI 2062 (MD 19/09/2062)	43,80,040	-
	7.41% GOI 2036 (MD 19/12/2036)	46,52,720	-
	6.67% GOI 2035 (MD 15/12/2035)	5,16,230	3,82,230
iii)	Notional principal amount of forward rate agreement outstanding and not 'highly effective' as at Balance Sheet date	-	-
iv)	Mark-to-market value of forward rate agreement outstanding and not 'highly effective' as at Balance Sheet date	-	-
v)	Loss which would be incurred if counter party failed to fulfil their obligation under agreements	-	-

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

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

Sr. No.	Hedging Instrument	Current Year		Previous Year	
i)	7.40% GOI 2035 (MD 09/09/2035)		5,852		9,607
ii)	7.62% GOI 2039 (MD 15/09/2039)		(81,406)		(1,46,955)
iii)	7.73% GOI 2034 (MD 19/12/2034)		(18,185)		(22,675)
iv)	7.95% GOI 2032 (MD 28.08.2032)		38,546		10,134
v)	8.13% GOI 2045 (MD 22/06/2045)		(12,037)		(38,374)
vi)	8.24% GOI 2033 (MD 10/11/2033)		28,376		24,938
vii)	8.28% GOI (MD 15/02/2032)		26,136		26,739
viii)	8.30% GOI 2040 (MD 02/07/2040)		(15,893)		(14,344)
ix)	8.30% GOI 2042 (MD 31/12/2042)		(29,653)		(61,672)
x)	8.32% GOI (MD 02/08/2032)		41,520		39,111
xi)	8.33% GOI 2036 (MD 07/06/2036)		(46,077)		(76,069)
xii)	8.83% GOI 2041 (MD 12/12/2041)		45,829		(17,057)
xiii)	8.97% GOI 2030 (MD 05/12/2030)		-		6,634
xiv)	9.20% GOI 2030 (MD 30/09/2030)		19,744		47,011
xv)	9.23% GOI 2043 (MD 23/12/2043)		22,884		4,878
xvi)	8.17% GOI 2044 (MD 01/12/2044)		(19,442)		(34,312)
xvii)	7.06% GOI 2046 (MD 10/10/2046)		(5,194)		(18,366)
xviii)	7.63% GOI 2059 (MD 17/06/2059)		(8,016)		(32,712)
xix)	7.72% GOI 2055 (MD 26/10/2055)		124		(40,021)
xx)	6.67% GOI 2050 (MD 17/12/2050)		(16,178)		(39,222)
xxi)	6.76% GOI 2061 (MD 22/02/2061)		4,958		3,319
xxii)	6.64% GOI 2035 (MD 16/06/2035)		(49,524)		(62,485)
xxiii)	6.99% GOI 2051 (MD 15/12/2051)		20,351		(6,293)
xxiv)	7.50% GOI 2034 (MD 10.08.2034)		(98)		(2,233)
xxv)	6.95% GOI 2061 (MD 16/12/2061)		3,158		-
xxvi)	7.40% GOI 2062 (MD 19/09/2062)		3,359		-
xxvii)	7.41% GOI 2036 (MD 19/12/2036)		(1,707)		-
xxviii)	7.36% GOI 2052 (MD 12/09/2052)		49,613		-
xxix)	7.54% GOI 2036 (MD 23/05/2036)		40,210		-
xxx)	6.67% GOI 2035 (MD 15/12/2035)		2,238		889

**c) Movement in Hedge Reserve**

Sr. No.	Hedge Reserve Account	Current Year			Previous Year		
		Realised	Unrealised	Total	Realised	Unrealised	Total
i)	Balance at the beginning of the year	(6,71,462)	(2,58,521)	(9,29,983)	(3,46,712)	(7,92,721)	(11,39,433)
ii)	Add: Changes in the fair value during the Year	50,264	(5,53,964)	(5,03,700)	(3,64,935)	5,34,200	1,69,266
iii)	Less: Amounts reclassified to Revenue /Profit & Loss Account	(52,967)	-	(52,967)	(40,185)	-	(40,185)
iv)	Balance at the end of the year	(5,68,231)	(8,12,485)	(13,80,716)	(6,71,462)	(2,58,521)	(9,29,983)

An amount of ₹ 1,36,995 (Previous year ₹ 1,39,322) was recognised in Revenue Account being the loss of the portion determined to be ineffective.

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## d) Counter Party wise Details

Sr. No.	Particulars	Current Year	Previous Year
i)	Name of the Counter Party	HSBC Bank, J.P.Morgan, Citi Bank, Credit Suisse, HDFC Bank, Deutsche Bank; Standard Chartered Bank, DBS , Kotak Bank and ICICI Bank	HSBC Bank, J.P.Morgan, Citi Bank, Credit Suisse, HDFC Bank, Deutsche Bank; Standard Chartered Bank
ii)	Hedge Designation	Cash flow hedge	Cash flow hedge
iii)	Likely impact of one percentage change in interest rate (100*PVO1)		
	a) Underlying being hedged	Sovereign Bonds	Sovereign Bonds
	b) Derivative	Forward Rate Agreement	Forward Rate Agreement
iv)	Credit Exposure	-	-

## 11 Foreign Currency Exposure

The company does not have any open foreign currency exposure with respect to reinsurance as on the Balance Sheet date.

## 12 Employee benefits

### a) Defined Benefit Plans

#### (i) Gratuity

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

Change in Defined benefit obligations	Current Year	Previous Year
<b>Present value of Defined benefit obligations as at beginning of the year</b>	6,60,667	5,81,721
Service cost	57,311	55,068
Interest cost	38,663	31,623
Liability assumed on acquisition / Settled on divestiture	-	-
Benefits paid	(75,438)	(63,522)
Past service cost	-	-
Acquisition/Business Combination/Divestiture	9,953	-
Actuarial loss / (gain) due to curtailment	(473)	-
Actuarial loss / (gain) due on obligations	8,288	55,777
<b>Present value of Defined benefit obligations as at end of the year</b>	6,98,973	6,60,667
<b>Reconciliation of present value of the obligation and the fair value of the plan assets</b>		
Opening Fair Value of Plan assets	6,14,986	5,02,679
Contributions by the employer for the year	88,951	1,30,663
Benefits paid	(74,764)	(63,522)
Expected Return on Plan Assets	38,450	30,834
Liability assumed on acquisition / Settled on divestiture	6,920	-
Actuarial Gain / (Loss)	(15,442)	14,332
<b>Closing Fair Value of Plan assets</b>	6,59,100	6,14,986
<b>Net asset/ (liability) as at end of the year</b>	(39,873)	(45,681)

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

 for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

Change in Defined benefit obligations	Current Year	Previous Year
<b>Cost recognised for the year</b>		
Current service cost	57,311	55,068
Interest cost	38,663	31,623
Expected return on plan assets	(38,450)	(30,834)
Past service cost	-	-
Actuarial (gain) / loss due to curtailment	-	-
Cost of Gratuity for FFS not part of Valuation	-	-
Actuarial (gain) / loss	23,588	41,445
<b>Net gratuity cost</b>	<b>81,112</b>	<b>97,302</b>
Transitional Liability expended in Revenue Account	-	-
<b>Investment in Category of Assets (% Allocation)</b>		
Insurer Managed Funds*	100.00%	100.00%
Group Stable Fund	0.00%	0.00%
Group Short Term Debt Fund	0.00%	0.00%
<b>Actuarial assumptions used</b>		
Discount rate	7.31%	6.17%
Rate of return on plan	7.31%	6.17%
Salary escalation rate	7.50%	7.50%

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

Asset allocation	Current Year	Previous Year
Debt securities	100.00%	100.00%
Equity and money market	0.00%	0.00%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
Defined Benefit Obligation	6,98,973	6,60,667	5,81,721	4,24,673	3,69,248
Plan Assets	6,59,100	6,14,986	5,02,679	3,97,072	3,58,746
Net Liability	(39,873)	(45,681)	(79,044)	(27,601)	(10,502)
Experience adjustment on Plan Liabilities	69,405	51,940	20,952	31,949	(9,629)
Experience adjustment on Plan Assets	(15,584)	14,332	33,925	(8,526)	4,503

The contributions expected to be paid to the plan during the annual period beginning after the balance sheet date is ₹ 68,977 (Previous Year: ₹ 53,470)

## b) Defined Contribution Plans

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

Particulars	Current Year	Previous Year
Contribution to Superannuation Fund	2,461	2,680
Contribution to Employee State Insurance Corporation	20,114	23,339
Contribution to National Pension Scheme	16,097	10,849
Contribution to Employees Provident Fund	1,81,858	1,50,697
Contribution to Employee Deposit Linked Insurance Scheme	31,350	23,277

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## c) Other Long Term Benefits

### (i) Accumulated Compensated Absences

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

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

Particulars	Current Year	Previous Year
Present value of obligations as at end of the year	2,00,974	1,78,432
Fair value of plan assets	4,20,964	4,07,764
<b>Actuarial assumptions used</b>		
Discount rate	7.31%	6.17%
Salary escalation rate	7.50%	7.50%
Cost recognised during the year	56,225	21,862

### (ii) Long Term Incentive Plan

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

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

Particulars	Long Term Incentive Plan	
	Current Year	Previous Year
Opening balance	2,83,182	2,09,728
Additional provision made	1,71,364	2,27,606
Incurred and charged	(2,34,990)	(1,30,301)
Unused amount reversed *	(2,710)	(23,851)
Closing balance	2,16,846	2,83,182
Nature of obligation	Long Term Incentive	Long Term Incentive
Expected timing	Up to 3 Year	Up to 4 Years

\*The unused amount of Long Term Bonus Plan has been credited to "Employees remuneration, welfare benefits" under Schedule 3.

## 13 Segment reporting

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

## 14 Related Party Disclosure

During the year ended 31<sup>st</sup> March 2023, the Group has had transactions with related parties as defined in Accounting Standard 18 on "Related Party Disclosures". Related Parties have been identified by the management on the basis of the information available with the Group. Details of related parties with whom, the Group had transactions, nature of the relationship, transactions with them and balances at year-end, are detailed in **Annexure 2**.

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## 15 Transfer to and from Revenue account (Policyholders' account)

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

The Board of Director of the Company has noted that contribution from shareholder account to policyholder is ₹ 28,47,187 (Previous year ₹ 7,70,321) and the same has been charged to shareholders' account. The board has recommended that the same would be subjected to approval of the shareholders of the Company at the ensuing annual general meeting. The transfer amount is irreversible in nature and will not be recouped to the shareholder at any point of time in future.

Shareholders' contribution of ₹ 7,70,321/- to the Policyholders' account for the previous year has been approved by shareholders at the Annual General Meeting held on 8<sup>th</sup> August, 2022

## 16 Long term Contracts

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

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

## 17 Pending Litigations

The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with regulatory authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. Refer Note 3 for details on contingent liabilities. In respect of litigations, basis management assessment, the Company has made a provision of ₹116,158 as at 31<sup>st</sup> March 2023 (Previous year ₹112,890).

## 18 Amount spent on Corporate Social Responsibility

In terms of Section 135 of the Companies Act 2013 read with The Companies (Corporate Social Responsibility Policy) Rules 2014, every company including its holding or subsidiary, and a foreign company defined under clause (42) of section 2 of the Act having its branch office or project office in India, which fulfils the criteria specified in sub-section (1) of section 135 of the Act shall comply with the provisions of section 135 of the Act and related rules.

Based on the applicability of Sec 135 of Companies Act, 2013, CSR contribution has been arrived as per below for FY 23:

Atleast 2% of average net profit of three immediately preceding years. Accordingly the CSR budget for FY 23 shall be atleast 2% of the average of the reported net profits (as per the existing companies act) for FY 20, FY 21 & FY 22.

Rule 2(1)(h) of the CSR Rules: (h) "Net profit" means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely:-

- (i) any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise; and
- (ii) any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act:

## Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

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Accordingly, the Profit to be considered for CSR as per above definition is NIL after reducing Dividend Income received from the companies complying with the provision of Sec 135 of the Act. However, the company has decided to contribute ₹ 12,500 for CSR initiatives/activities as excess contribution for FY'23.

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

Particulars	In Cash		Yet to be paid in Cash		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
a. Gross Amount Required to be spent	-	-	-	-	-	-
b. Amount Spent During the year on:						
i Construction/ acquisition of any assets	-	-	-	-	-	-
ii Purpose other than i above	12,500	12,500	-	-	12,500	12,500

Amounts of related party transactions with Aditya Birla Capital Foundation pertaining to CSR related activities for year ended March 31, 2023 is ₹ 12,500 (Previous year: ₹ 12,500)

There is no unspent amount for the year under section 135 (5) of Companies Act 2013.

Details of amount spent in excess of the requirement and excess amount to be carried forward to the succeeding financial year under section 135 (5) of Companies Act as mentioned below. Such excess contribution may be set off against the requirement to spend up to immediate succeeding three financial years subject to fulfillment of conditions as mentioned in the Act.

Particulars	Current Year	Previous Year
Opening balance (Excess spent carried forward)	12,500	-
Amount spent during the year	12,500	12,500
Amount required to be spent during the year	-	-
Amount spent during the year but not carried forward	-	-
Closing balance (Excess spent carried forward)	25,000	12,500

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

Name of Auditor	Nature of work	Current Year	Previous Year
S.B.Billimoria & Co. LLP	Towards Group reporting pack (Sch 3A)	1,344	465
Haribhakti & Co. LLP	Towards Group reporting pack (Sch 3A)	1,344	722
S.B.Billimoria & Co. LLP	Certification fees ( Sch 3)	448	110
Haribhakti & Co. LLP	Certification fees ( Sch 3)	723	61
Sharp & Tannan	Certification fees	-	8

### 20 Payment of sitting fees to independent directors

Sitting Fees paid to independent directors in the current year is ₹ 5,345 (Previous Year: ₹ 5,905).

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

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

In accordance with IRDAI notification dated 9<sup>th</sup> May, 2016 bearing reference no IRDAI/Reg/14/126/2016, the Company has worked out Expense of Management by considering allowance at 100% (Previous year 100%) on segment basis to ascertain the excess thereof which has been borne by the shareholders. Accordingly, amount aggregating ₹ 500 (Previous year ₹ NIL) has been shown as “Contribution from Shareholders Account towards Excess EoM”, as Income under Revenue Account under and “Contribution to Policyholders Account towards Excess EoM”, as expense under Profit & Loss Account.

## 22 Employee Stock Option Plan

Pursuant to ESOP Plan being established by the holding company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company during the financial year. Total cost incurred by the holding company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹ 20,338 (Previous year ₹ 25,872) has been recovered by the holding Company during the year, which has been recorded in the Statement of Profit and Loss. The balance sum of ₹ 6,265 (Previous year ₹ 21,399) will be recovered from the company in future periods.

## 23 Diminution in the value of Investments.

In accordance with impairment policy of the company, diminution in value of investments has been recognised under the head “provision for diminution in the value of investments (Net)” in the revenue account and profit and loss account. The total impairment loss recognized for the year ended 31<sup>st</sup> March 2023, is ₹ Nil (Previous Year recognised ₹ 9,751) in revenue account and ₹ Nil (Previous Year ₹ Nil) in profit and loss account.

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

According to the information available with the management, on the basis of the intimation received from the suppliers, regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the company has ₹ 25,445 due to Micro and Small Enterprises under the said Act as at 31<sup>st</sup> March 2023 (Previous Year : ₹ 34,196). This based on the information available with the Company which has been relied upon by the auditors.

Particulars	Current Year	Previous Year
a) (i) Principal amount remaining unpaid to supplier under MSMED Act	25,445	34,196
(ii) Interest on (a) (i) above	-	-
b) (i) Amount of principal paid beyond the appointed date (as per section 16)	-	-
(ii) Amount of interest paid beyond the appointed date (as per section 16)	-	-
c) Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under section 16 of the MSMED Act	-	-
d) Amount of interest accrued and due	-	-
e) Amount of further interest remaining due and payable even in succeeding years	-	-

## 25 Provision for Standard and Non Standard Assets

Provision for standard assets is made In line with the ‘Guidelines on Prudential norms for income recognition, Asset classification, Provisioning and other related matters in respect of Standard Assets as specified by IRDAI vide the Master Circular dated May 03, 2017. During the year, there is a provision reversal on standard assets recognised in Revenue Account amounting to ₹ 163 (Previous year reversal of provision of ₹ 163) and outstanding balance of provision as on 31<sup>st</sup> March, 2023 is of ₹ 465 (Previous year ₹ 627) as required under IRDAI (Investment) Regulations 2016.

## Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

### 26 Provision for tax

During the year, the Company has made provision for tax (net) amounting to ₹ 531,497 (Previous year ₹ 445,669) charged to the Revenue Account and ₹ 1,53,524 (Previous Year ₹ 1,40,617) charged to Profit and Loss Account in accordance with the Income Tax Act, 1961 and Rules and Regulations there under as applicable to the Company.

### 27 Terms of Borrowings

During the year ended March 31, 2023, the Company has not raised any amount through an issue of listed, unsecured redeemable subordinated non - Convertible debentures through private placements in the nature of subordinated debt which qualifies as other forms of capital under Insurance Regulatory and Development Authority of India (other Forms of Capital) Regulations, 2015.

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

Unlisted Debt	Tranche 1
Type, Nature and Seniority of Instrument	Unsecured, subordinated, unlisted, redeemable and non-convertible debentures
Issue Size	₹ 15,00,000
Issue Date / Date of Allotment	20.01.2021
Redemption Date	20.01.2031
Call option Date	20.01.2026
Coupon Rate	7.30% per annum
Frequency of the Interest Payment	Annual

Listed Debt	Tranche 2	Tranche 3
Type, Nature and Seniority of Instrument	Unsecured, subordinated, listed, rated, fully paid-up, redeemable, taxable, non-cumulative, non-convertible debentures	Unsecured, subordinated, listed, rated, fully paid-up, redeemable, taxable, non-cumulative, non-convertible debentures
Face Value	₹1,000,000 per debenture	₹1,000,000 per debenture
Issue Size	₹ 1,95,00,000	₹ 1,55,00,000
Issue Date / Date of Allotment	26-07-2021	30-11-2021
Redemption Date	25-07-2031	30-11-2031
Call option Date	July 24, 2026, and annually thereafter on July 26, 2027, July 26, 2028, July 26, 2029 and July 26, 2030	Nov 30, 2026, and annually thereafter on Nov 30, 2027, Nov 30, 2028, Nov 30, 2029 and Nov 30, 2030
Coupon Rate	7.45%	7.63%
Credit Rating	CRISIL AA+/Stable, ICRA AA+/Stable	CRISIL AA+/Stable, ICRA AA+/Stable
Listing	NSE and BSE - WDM Segment	NSE and BSE - WDM Segment
Frequency of the Interest Payment	Annually every Year on 31 <sup>st</sup> March	Annually every Year on 31 <sup>st</sup> March

Interest of ₹ 3,73,038 (Previous year ended March 31, 2022: ₹ 2,48,135) on the said NCDs has been charged to the Profit and Loss Account for the year ended 31<sup>st</sup> March, 2023.

#### (B) Maturity Pattern from the date of issue:

Maturity Buckets	Current Year	Previous Year
1 to 5 years	-	-
Above 5 years	₹50,00,000	₹50,00,000

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## (C) Debenture Redemption Reserve:

As per the Companies (Share Capital & Debentures) Amendment Rules, 2019, Rule 18, sub rule 7(b)(iv)(B) issued on August 16, 2019, unlisted companies are required to create DRR at 10% of the value outstanding of the debentures. However, the company has created debenture redemption reserve (DRR) of ₹ Nil in FY 23 (PY ₹ 3,50,000). Total DRR as on 31<sup>st</sup> March, 2023 is ₹ 5,00,000.

## 28 The Code on Social Security, 2020:

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

## 29 Securities lending and Borrowing Scheme (SLB)

Equity Shares transferred under SLB continues to be recognised on the Balance Sheet as the Company retains all the associated risks and rewards of these securities. The value of equity shares lent by the Company under SLB and outstanding at 31<sup>st</sup> March, 2023 is ₹ 209,170 (31<sup>st</sup> March, 2022 is ₹ 110,111)

## 30 Reporting under Rule 11 of Companies (Audit and Auditors) Rules, 2014

There are no funds advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

There are no funds received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## 31 Capital Infusion

During the year ended March 31, 2023, the Holding Company has issued 3,70,21,200 equity shares of ₹ 10 each to Aditya Birla Capital Limited and Sun Life Financial (India) Insurance Investments Inc. in the existing ratio of 51% and 49% respectively.

## 32 Reassessment of Useful Life of Fixed Assets

During the year ended March 31, 2023, the Holding Company has reassessed the useful lives of certain business application. Management believes that the revised useful lives of the below assets reflect the period over which these assets are expected to be used based on technical inputs, environmental scan and capability analysis. As a result of the change, the charge in the revenue account on account of depreciation for the year ended March 31, 2023, has reduced by ₹ 1,744.

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

## 33 Previous year comparatives:

Previous year's figures have been regrouped and reclassified wherever necessary to conform to current year's presentation.

Sr. No.	Regrouped from	Amount	Regrouped to	Reason
1	Sch 4 - Benefits Paid (Rider)	23,100	Sch 4 - Benefits Paid (Health)	Health claim paid in health products is now recorded as Health claim vis a vis earlier practice of recorded it as rider claim.
2	Sch 4 - Benefits Paid (Surrender)	10,439	Sch 4 - Benefits Paid (Death)	Fund value paid on account of death is now recorded as Death claim vis a vis earlier practice of recording it as Surrender Claim.

## 34 Disclosure for Unclaimed Amount of Policyholders

i)

Particulars	Total Amount	AGE-WISE ANALYSIS#						
		0-6 months	7-12 months	13-18 months	19- 24 months	25 - 30 months	31 - 36 months	Beyond 36 Months
Claims settled but not paid to the policyholders / insured's due to any reasons except under litigation from the insured / policyholders	<b>2,22,318</b>	<b>35,851</b>	<b>16,503</b>	<b>39,305</b>	<b>34,057</b>	<b>12,810</b>	<b>32,315</b>	<b>51,477</b>
	2,06,412	55,152	41,436	13,401	31,252	34,673	3,320	27,177
Sum due to the insured / policyholders on maturity or otherwise	<b>2,80,541</b>	<b>2,035</b>	<b>69,523</b>	<b>48,497</b>	<b>27,314</b>	<b>26,940</b>	<b>13,393</b>	<b>92,839</b>
	3,21,178	3,437	78,548	73,154	31,904	42,089	14,545	77,500
Any excess collection of the premium / tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Cheques issued but not encashed by the policyholder/ insured	<b>14,75,666</b>	<b>204</b>	<b>1,14,352</b>	<b>1,03,182</b>	<b>58,768</b>	<b>64,325</b>	<b>67,049</b>	<b>10,67,786</b>
	20,40,055	812	1,21,529	1,10,297	1,04,198	76,150	95,741	15,31,328
<b>Total</b>	<b>19,78,525</b>	<b>38,090</b>	<b>2,00,378</b>	<b>1,90,984</b>	<b>1,20,139</b>	<b>1,04,075</b>	<b>1,12,757</b>	<b>12,12,102</b>
	25,67,645	59,402	2,41,512	1,96,852	1,67,353	1,52,913	1,13,607	16,36,005

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Schedules forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(Amounts in Thousands of Indian Rupees)

The cheques issued but not encashed by policyholder/insured category does not include ₹ 557,681 pertaining to cheques which are within the validity period but not yet encashed by policyholders as on 31<sup>st</sup> March, 2023 (Previous Year ₹ 575,248). This amount forms a part of bank reconciliation statement and consequently not considered in unclaimed amount of policyholders under Schedule 13 – Current Liabilities.

- ii) Pursuant to IRDAI circular No. IRDA/F&A/CIR/CLD/114/05/2015 dated May 28, 2015 and IRDA/F&A/CIR/CPM/134/07/2015 dated July 24, 2015 on “Handling of unclaimed amounts pertaining to policyholders”, the Company has created a single segregated fund to manage all the unclaimed monies. The amount in such unclaimed fund has been invested in money market instruments and /or fixed deposit of scheduled banks.

The amount in the unclaimed fund has been disclosed in Sch 12 as ‘Unclaimed Fund’ along with ‘Income accrued on unclaimed fund’.

Further in accordance with the master circular IRDA/F&A/CIR/Misc/282/11/2020 issued by the IRDAI on November 17, 2020, the details of unclaimed amounts and investment income at March 31, 2023 is tabulated as under:

Particulars	Current Year		Previous Year	
	Policy Dues	Interest accrued	Policy Dues	Interest accrued
Opening Balance (A)*	21,39,359	4,28,289	24,89,861	4,53,510
Add: Amount Transferred to Unclaimed Amount (B)	7,09,431	-	7,90,498	-
Add: Cheques issued out of the unclaimed amount but not encashed by the policy holders (To be included only when the cheques are stale) (C)	5,120	-	14,490	-
Add: Investment Income (D)	-	1,26,086	-	95,895
Less: Amount paid during the year (E)	9,07,220	82,798	10,64,416	87,975
Less: Amount transferred to Senior Citizens Welfare Fund ("SCWF") - (F)	3,04,300	1,35,443	91,074	33,142
Closing balance (G=A+B+C+D-E-F)	16,42,390	3,36,134	21,39,359	4,28,289

For and on behalf of the Board of Directors

**Vishakha Mulye**  
Chairman  
(DIN: 00203578)

**Pinky Mehta**  
Director  
(DIN: 00020429)

**Sandeep Asthana**  
Director  
(DIN: 00401858)

**Kamlesh Rao**  
Managing Director & CEO  
(DIN: 07665616)

**Sandesh Joshi**  
Chief Financial Officer

**Nakul Yadav**  
Appointed Actuary

**Sangeeta Shetty**  
Company Secretary

Mumbai, 25<sup>th</sup> April, 2023

# Annexure - 1

(Amounts in Thousands of Indian Rupees)

## FORM A - RA REVENUE ACCOUNT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023 POLICYHOLDERS' ACCOUNT (TECHNICAL ACCOUNT)

Particulars	Linked Business			Non-Linked Business							Total			
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Amnity Individual		Group Pension	Group Pension Variable	Health Individual
<b>Premium earned-net</b>														
(a) Premium	2,56,671.33	1,09,09,346	7,61,959	29,78,421	21,045	6,19,11,537	1,50,48,804	29,08,471	1,604	2,42,17,61	1,36,28,094	2,54,619	64,461	1,60,99,599
(b) Reinsurance credit	(6,79,910)	(504)	(1,69)	-	(3,434)	(13,29,591)	(32,07,013)	-	-	-	-	-	(14,637)	(67,061)
(c) Reinsurance adopted	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Sub - Total</b>	<b>2,50,872.23</b>	<b>1,09,08,842</b>	<b>7,61,790</b>	<b>29,78,421</b>	<b>17,611</b>	<b>6,05,81,946</b>	<b>1,18,41,791</b>	<b>29,08,471</b>	<b>1,604</b>	<b>24,21,761</b>	<b>1,36,28,094</b>	<b>2,54,619</b>	<b>49,824</b>	<b>1,60,32,538</b>
<b>Income from Investments</b>														
(a) Interest, Dividend & Rent - Gross	73,880.73	48,45,789	3,38,699	8,62,349	32,018	1,12,76,325	22,89,996	6,43,890	7,007	3,90,001	25,89,990	5,48,752	1,343	46,51,828
(b) Profit on sale / redemption of Investments	11,47,801.9	9,14,551	3,01,944	26,38,73	30,223	4,59,085	11,40,66	34,870	688	-	1,54,828	32,454	54	4,72,086
(c) Loss on sale / redemption of Investments	(38,90,041)	(6,28,589)	(1,31,616)	(1,35,299)	(16,016)	(71,413)	(19,461)	(8,860)	(33)	-	(27,310)	(6,979)	(8)	(89,530)
(d) Transfer / Gain / Loss on revaluation / change in Fair value*	(77,15,923)	(20,16,886)	(2,06,613)	(4,17,993)	(4,41,99)	(1,29,200)	-	-	-	-	-	-	-	-
<b>Sub - Total</b>	<b>72,89,528</b>	<b>31,14,665</b>	<b>3,02,414</b>	<b>57,29,930</b>	<b>32,030</b>	<b>1,15,14,797</b>	<b>23,84,601</b>	<b>6,69,900</b>	<b>7,662</b>	<b>3,90,001</b>	<b>27,17,508</b>	<b>5,74,227</b>	<b>1,389</b>	<b>50,24,384</b>
<b>Other Income</b>														
(a) Contribution from the Shareholders' Account towards debit funding	-	-	-	-	-	26,76,080	-	-	3,445	-	1,67,662	-	-	-
(b) Contribution from Shareholders Account towards Excess EoM	-	-	-	-	500	-	-	-	-	-	-	-	-	-
(c) Other (Interest etc)	59,877	11,461	825	3,056	29	3,21,465	19,495	3,020	5	2,573	13,851	365	182	1,25,363
<b>Sub - Total</b>	<b>59,877</b>	<b>11,461</b>	<b>825</b>	<b>3,056</b>	<b>529</b>	<b>28,97,545</b>	<b>19,495</b>	<b>3,020</b>	<b>3,450</b>	<b>2,573</b>	<b>1,61,513</b>	<b>365</b>	<b>182</b>	<b>1,25,363</b>
<b>TOTAL (A)</b>	<b>3,03,356,628</b>	<b>1,40,34,968</b>	<b>10,65,029</b>	<b>35,54,407</b>	<b>50,170</b>	<b>7,50,94,288</b>	<b>1,42,45,887</b>	<b>35,81,391</b>	<b>12,716</b>	<b>28,14,335</b>	<b>1,65,27,115</b>	<b>8,29,211</b>	<b>51,395</b>	<b>2,11,82,285</b>
Commission	8,64,975	3,947	20,202	55	587	59,17,114	3,311,63	1,199	13	76,419	737	1,490	3,584	12,14,569
Operating Expenses related to Insurance Business	27,49,969	1,11,361	27,990	95,32	3,095	1,40,95,436	18,56,310	20,439	189	66,432	9,403	30,455	13,316	19,73,143
Provision for doubtful debts	766	5	18	-	1	5,241	293	-	-	68	1	1	3	1,076
Bad Debts written off	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision (other than taxation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) For diminution in the value of Investment (Net)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Others - Provision for standard and non standard assets	-	-	-	-	-	(1,63)	-	-	-	-	-	-	-	(1,63)
Goods and Services Tax on Charges	10,00,093	1,38,619	28,233	24,531	3,235	-	-	-	-	-	-	-	-	-
<b>TOTAL (B)</b>	<b>46,15,803</b>	<b>2,53,930</b>	<b>76,413</b>	<b>34,118</b>	<b>6,918</b>	<b>2,00,15,828</b>	<b>21,87,766</b>	<b>21,839</b>	<b>182</b>	<b>1,42,919</b>	<b>10,141</b>	<b>31,946</b>	<b>16,903</b>	<b>37,20,285</b>
Benefits paid (Net)	2,88,53,559	69,17,453	16,24,938	1,64,47,48	39,438	73,58,689	37,06,883	20,67,101	40,638	3,57,977	4,43,449	28,64,946	81,50	16,50,019
Interim Bonuses Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	65,797
Change in valuation of liability against life policies in force	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) Gross **	(53,766)	(2,337)	(6,298)	897	(1,005)	4,78,87,931	75,12,518	14,29,273	(28,104)	2,22,571	1,60,73,525	(22,26,765)	(913)	1,54,26,326
(b) Amount ceded in Re-insurance	3,65,67	1,760	11	-	(152)	(1,67,970)	(95,270)	-	-	-	-	-	7,516	36,018
(c) Amount accepted in Re-insurance	(65,23,318)	66,59,719	(8,94,340)	17,67,098	(15,827)	-	-	-	-	-	-	-	-	9,93,532
(d) Fund Reserve - PDF	2,32,74,13	-	1,51,315	-	-	-	-	-	-	-	-	-	-	24,78,728
<b>TOTAL (C)</b>	<b>2,46,45,455</b>	<b>1,35,76,595</b>	<b>8,75,626</b>	<b>34,52,743</b>	<b>22,654</b>	<b>5,50,78,660</b>	<b>1,11,24,131</b>	<b>34,96,374</b>	<b>12,554</b>	<b>25,83,348</b>	<b>1,65,16,974</b>	<b>7,38,181</b>	<b>14,753</b>	<b>1,71,78,160</b>
<b>Surplus / Deficit (D) = (A) - (B) - (C)</b>	<b>10,75,370</b>	<b>2,04,443</b>	<b>1,12,990</b>	<b>67,546</b>	<b>20,598</b>	<b>9,33,990</b>	<b>63,378</b>	<b>63,378</b>	<b>-</b>	<b>88,068</b>	<b>-</b>	<b>59,084</b>	<b>19,739</b>	<b>2,83,840</b>
Transfer to Shareholders Account	107,55,70	2,04,443	1,12,990	67,546	20,598	9,33,990	63,378	63,378	-	88,068	-	59,084	19,739	2,83,840
Transfer to Other Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance being Funds for Future Appropriations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL (D)</b>	<b>10,75,370</b>	<b>2,04,443</b>	<b>1,12,990</b>	<b>67,546</b>	<b>20,598</b>	<b>9,33,990</b>	<b>63,378</b>	<b>63,378</b>	<b>-</b>	<b>88,068</b>	<b>-</b>	<b>59,084</b>	<b>19,739</b>	<b>2,83,840</b>
The total surplus as mentioned below:														
(a) Interim Bonus Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	64,165
(b) Terminal Bonus Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	1,632
(c) Allocation of Bonus to policyholders	-	-	-	-	-	-	-	-	-	-	-	-	-	28,40,554
(d) Surplus / Deficit shown in the Revenue Account	107,55,70	2,04,443	1,12,990	67,546	20,598	9,33,990	63,378	63,378	-	88,068	-	59,084	19,739	29,29,046
<b>Total Surplus / (Deficit)</b>	<b>107,55,70</b>	<b>2,04,443</b>	<b>1,12,990</b>	<b>67,546</b>	<b>20,598</b>	<b>9,33,990</b>	<b>63,378</b>	<b>63,378</b>	<b>-</b>	<b>88,068</b>	<b>-</b>	<b>59,084</b>	<b>19,739</b>	<b>29,29,046</b>

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

\*\*Represents Mathematical Reserves after allocation of bonus.

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 1

(Amounts in Thousands of Indian Rupees)

## FORM A - RA REVENUE ACCOUNT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022 POLICYHOLDERS' ACCOUNT (TECHNICAL ACCOUNT)

Particulars	Linked Business			Non-Linked/Business			Group Pension Variable	Group Pension	Annuity Individual	Group Pension	Group Pension Variable	Health Individual	Par Non-Linked Individual Life	Total
	Individual Life	Group Life	Pension Individual	Health Individual	Individual Life	Group Life								
<b>Premium earned-net</b>														
(a) Premium	2,46,52,873	1,02,22,228	9,11,819	28,959	4,18,15,378	1,24,86,456	20,26,894	3,357	17,38,747	91,32,771	4,57,982	66,300	1,50,67,047	12,14,02,283
(b) Reinsurance ceded	(6,61,469)	(1,37,9)	(181)	(5,150)	(11,37,566)	(30,61,362)	-	-	-	-	-	(2,20,33)	(60,694)	(49,67,834)
(c) Reinsurance accepted	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Sub - Total</b>	<b>2,39,71,404</b>	<b>1,02,20,949</b>	<b>9,11,638</b>	<b>25,809</b>	<b>4,06,77,812</b>	<b>94,03,094</b>	<b>20,26,894</b>	<b>3,357</b>	<b>17,38,747</b>	<b>91,32,771</b>	<b>4,57,982</b>	<b>44,287</b>	<b>1,50,06,353</b>	<b>11,64,14,449</b>
<b>Income from Investments</b>														
(a) Interest, Dividend & Rent - Gross	75,50,576	41,82,172	3,55,522	30,658	86,30,263	17,97,950	6,24,148	11,627	2,56,109	14,85,299	9,07,687	821	36,85,539	2,98,81,707
(b) Profit on sale / redemption of investments	1,77,76,520	1,81,996	4,98,599	4,86,748	13,91,336	1,78,823	41,151	4,730	14	71,755	1,11,146	50	8,35,597	2,33,93,885
(c) Loss on sale / redemption of investments	(22,53,647)	(1,65,801)	(49,764)	(5,243)	(83,233)	(23,714)	(7,822)	(480)	(1)	(9,196)	(87,530)	(6)	(21,977)	(27,44,494)
(d) Transfer / Gain / Loss on revaluation / change in Fair value*	32,73,585	(5,59,760)	1,02,328	(68,249)	27,458	(2,32,445)	-	-	-	-	-	-	-	25,42,917
<b>Sub - Total</b>	<b>2,61,46,034</b>	<b>53,38,607</b>	<b>8,96,685</b>	<b>1,15,313</b>	<b>96,05,921</b>	<b>19,52,989</b>	<b>6,57,478</b>	<b>15,877</b>	<b>2,56,122</b>	<b>15,47,838</b>	<b>9,31,303</b>	<b>865</b>	<b>44,99,159</b>	<b>5,30,20,015</b>
<b>Other Income</b>														
(a) Contribution from the Shareholders Account	1,20,918	-	-	-	-	6,24,035	-	-	-	-	-	-	25,568	77,03,321
(b) Contribution from Shareholders Account towards Excess EVM	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Others (Interest etc)	67,632	9,546	907	2,485	40	2,87,661	1,865	11	1,550	8,010	555	231	1,24,912	5,20,204
<b>Sub - Total</b>	<b>1,88,550</b>	<b>9,546</b>	<b>907</b>	<b>2,485</b>	<b>40</b>	<b>6,38,824</b>	<b>1,865</b>	<b>11</b>	<b>1,550</b>	<b>8,010</b>	<b>555</b>	<b>231</b>	<b>1,50,280</b>	<b>12,90,525</b>
<b>TOTAL (A)</b>	<b>5,03,05,988</b>	<b>1,55,69,002</b>	<b>17,99,230</b>	<b>38,53,901</b>	<b>1,41,162</b>	<b>5,05,71,394</b>	<b>26,86,237</b>	<b>19,225</b>	<b>19,98,419</b>	<b>1,06,88,619</b>	<b>13,89,840</b>	<b>45,383</b>	<b>1,96,55,792</b>	<b>17,07,24,989</b>
Commission	10,57,975	3,774	28,881	47	935	34,76,988	2,37,441	39	28,230	1,06,88,619	1,38	3,558	11,23,290	59,62,323
Operating Expenses related to Insurance Business	37,38,711	89,368	37,900	8,057	31,76	86,88,906	8,84,237	203	7,759	4,908	21,901	13,365	16,96,954	1,52,09,008
Provision for doubtful debts	2,322	8	63	-	2	7,627	521	-	64	-	-	8	2,464	15,079
Bad Debts written off	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Tax	-	-	-	-	-	-	-	-	-	-	-	-	4,45,669	4,45,669
Provision (other than taxation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) For diminution in the value of Investment (Net)	-	-	-	-	-	9,751	-	-	-	-	-	-	-	9,751
(b) Others - Provision for standard and non standard assets	-	-	-	-	-	(163)	-	-	-	-	-	-	-	(163)
<b>Goods and Services Tax on Charges</b>	10,30,471	1,27,051	31,080	20,814	5,834	-	-	-	-	-	-	-	-	12,15,246
<b>TOTAL (B)</b>	<b>58,29,479</b>	<b>2,20,201</b>	<b>97,924</b>	<b>28,910</b>	<b>9,947</b>	<b>1,21,83,109</b>	<b>13,802</b>	<b>230</b>	<b>37,053</b>	<b>4,908</b>	<b>22,039</b>	<b>16,981</b>	<b>32,88,377</b>	<b>2,28,54,913</b>
Benefits paid (Net)	3,39,70,922	69,83,707	15,19,557	9,64,548	50,513	66,75,771	51,54,685	89,381	2,95,573	61,140	76,29,486	5,826	16,55,693	6,75,42,312
Interim Bonus Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	1,05,540
Change in valuation of liability against life policies in force	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) Gross **	(4,68,026)	9,529	23,546	557	(8,764)	3,44,69,895	1,10,046	(89,588)	16,21,270	1,06,17,176	(63,63,518)	13,942	1,46,27,092	6,19,37,122
(b) Amount ceded in Re-insurance	1,10,088	(1,506)	1	-	226	(28,47,160)	(16,53,918)	-	-	-	-	(5,696)	(910)	(43,98,876)
(c) Amount accepted in Re-insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Fund Reserve	80,03,862	81,46,023	45,427	27,95,515	43,656	-	-	-	-	-	-	-	-	1,90,34,463
(e) Fund Reserve - PDF	28,59,656	-	34,372	-	-	-	-	-	-	-	-	-	-	29,94,027
<b>TOTAL (C)</b>	<b>4,44,76,502</b>	<b>1,51,37,753</b>	<b>16,22,903</b>	<b>37,60,620</b>	<b>85,611</b>	<b>3,92,98,506</b>	<b>25,95,556</b>	<b>(1,87)</b>	<b>19,16,843</b>	<b>1,06,78,316</b>	<b>12,65,968</b>	<b>14,072</b>	<b>1,63,87,415</b>	<b>14,71,14,588</b>
<b>Surplus / (Deficit) (D) = (A) - (B) - (C)</b>	<b>7</b>	<b>2,11,048</b>	<b>78,403</b>	<b>70,267</b>	<b>45,604</b>	<b>89,779</b>	<b>3</b>	<b>77,079</b>	<b>45,523</b>	<b>5,595</b>	<b>1,01,833</b>	<b>14,360</b>	<b>-</b>	<b>7,55,488</b>
<b>Appropriations</b>														
Transfer to Shareholders Account	7	2,11,048	78,403	70,267	45,604	89,779	3	77,079	45,523	5,595	1,01,833	14,360	-	7,55,488
Transfer to Other Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance being Funds for Future Appropriations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL (D)</b>	<b>7</b>	<b>2,11,048</b>	<b>78,403</b>	<b>70,267</b>	<b>45,604</b>	<b>89,779</b>	<b>3</b>	<b>77,079</b>	<b>45,523</b>	<b>5,595</b>	<b>1,01,833</b>	<b>14,360</b>	<b>-</b>	<b>7,55,488</b>
The total surplus as mentioned below:														
(a) Interim Bonus Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	1,02,609
(b) Terminal Bonus Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	2,731
(c) Allocation of Bonus to policyholders	-	-	-	-	-	-	-	-	-	-	-	-	-	26,62,603
(d) Surplus / (Deficit) shown in the Revenue Account	7	2,11,048	78,403	70,267	45,604	89,779	3	77,079	45,523	5,595	1,01,833	14,360	-	7,55,488
<b>(e) Total Surplus (a+b+c+d)</b>	<b>7</b>	<b>2,11,048</b>	<b>78,403</b>	<b>70,267</b>	<b>45,604</b>	<b>89,779</b>	<b>3</b>	<b>77,079</b>	<b>45,523</b>	<b>5,595</b>	<b>1,01,833</b>	<b>14,360</b>	<b>-</b>	<b>35,23,631</b>

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

\*\*Represents Mathematical Reserves after allocation of bonus.

**Annexure - 1**

(Amounts in Thousands of Indian Rupees)

**FORM A-BS  
CONSOLIDATED BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2023**

Particulars	Linked Business				Non-Linked Business				Par Non-Linked Individual Life		Shareholders Fund		Total	
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life Variable	Pension Individual	Amnity Individual	Group Pension Variable	Health Individual	Individual Life		Fund
<b>Sources of Funds</b>														
Shareholders' Funds:														
Share Capital	-	-	-	-	-	-	-	-	-	-	-	-	1,93,82,292	1,93,82,292
Reserves and Surplus	-	-	-	-	-	-	-	-	-	-	-	-	87,74,942	87,74,942
Credit/(Debit) / Fair Value Change Account	-	-	-	-	-	-	-	-	-	-	-	-	3,58,991	3,58,991
<b>Sub - Total</b>	-	-	-	-	-	-	-	-	-	-	-	-	2,85,15,925	2,85,15,925
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	50,00,000	50,00,000
Policyholders' Funds														
Credit/(Debit) Fair Value Change Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Policy Liabilities	27,71,267	59,919	1,29,885	8,800	1,82,379	18,63,18,693	3,66,01,594	99,08,875	68,66,289	4,28,33,332	64,15,001	20,792	4,16,748	20,94,250
Insurance Reserves	16,78,87,673	8,02,65,982	55,49,803	1,50,17,804	5,76,349	-	-	-	-	-	-	-	-	-
Provision for Unlied Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Funds for discontinued policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i) Discontinued on account of non-payment of premium	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Others	1,34,09,881	-	9,06,128	-	-	-	-	-	-	-	-	-	-	1,43,16,009
Credit/(Debit) Fair Value Change Account (Unlied)	1,91,50,531	10,36,782	6,66,979	5,02,343	83,866	-	-	-	-	-	-	-	-	2,14,60,501
Total Lied Liabilities	20,04,48,085	8,13,22,774	71,22,910	1,55,20,147	6,60,215	-	-	-	-	-	-	-	-	30,50,74,131
<b>Sub - Total</b>	20,32,19,352	8,13,73,683	72,52,795	1,55,28,947	8,42,394	18,79,83,835	3,65,98,072	99,31,999	68,66,289	4,28,04,380	64,35,793	24,181	7,86,37,710	50,00,000
Funds for Future Appropriation	-	-	-	-	-	-	-	-	-	-	-	-	-	68,26,25,171
- Unlied Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	20,32,19,352	8,13,73,683	72,52,795	1,55,28,947	8,42,394	18,85,52,066	3,65,98,072	99,31,999	68,66,289	4,28,04,380	64,35,793	24,181	7,86,37,710	3,55,15,925
Application of Funds														
Investments														
Shareholders'														
Policyholders'	20,30,659	37,186	95,211	6,349	1,33,324	18,34,62,055	3,59,96,101	93,25,239	63,53,747	4,19,17,501	67,81,286	24,504	7,61,75,710	3,27,73,254
Assets Held to Cover Lied Liabilities	20,04,48,085	8,13,22,774	71,22,910	1,55,20,147	6,60,215	-	-	-	-	-	-	-	-	36,24,58,326
Loans	3,46,992	-	-	-	-	25,47,940	-	-	594	-	-	-	11,61,755	46,57,281
Fixed Assets	1,98,765	91,543	6,394	24,993	177	5,19,516	1,26,279	24,406	20,322	1,14,357	2,137	541	1,35,096	12,65,335
Current Assets														
Cash and Bank Balances	6,91,198	1,10,272	33,617	29,838	840	39,55,479	26,88,145	6,83,046	4,84,881	8,45,958	19,690	4,099	29,331	96,04,739
Advances and Other Assets*	8,44,803	1,76,277	18,706	61,742	3,183	98,10,293	13,96,410	10,17,075	1,73,001	12,01,675	1,43,146	15,692	29,53,600	8,95,870
Free Fund Assets	24,00,554	5,29,879	4,62,557	1,68,601	71,682	-	-	-	-	-	-	-	-	36,33,073
<b>Sub - Total (A)</b>	39,36,555	8,16,428	5,14,680	2,60,181	75,705	1,37,85,772	40,84,555	17,00,121	6,57,882	20,47,633	1,82,836	19,791	29,81,182	9,25,201
Current Liabilities	35,67,184	8,13,861	4,80,786	2,60,779	26,672	87,21,862	34,76,271	9,52,221	1,23,919	10,62,337	3,11,20	(4,311)	14,01,962	57,115
Provisions	1,74,521	80,377	5,614	21,944	155	4,56,149	1,10,876	21,429	17,843	1,00,408	1,876	475	3,08,530	7,021
Free Fund Liability	-	-	-	-	-	25,65,207	20,716	1,44,117	24,494	1,11,766	4,77,470	680	1,11,766	1,19,788
<b>Sub - Total (B)</b>	37,41,705	8,94,238	4,86,400	2,82,723	26,827	1,17,43,218	36,07,863	11,17,677	57,901	1,86,236	12,75,111	5,10,466	18,16,033	2,59,31,089
<b>Net Current Assets (C) = (A-B)</b>	1,94,851	(77,810)	28,280	(22,542)	48,878	20,22,554	4,76,692	5,82,354	7,066	4,91,626	(3,47,630)	(864)	1,165,149	60,82,400
Miscellaneous Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(To the extent not written off or Adjusted)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debit Balance in Profit and Loss Account (Shareholders' Account)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	20,32,19,352	8,13,73,683	72,52,795	1,55,28,947	8,42,394	18,85,52,066	3,65,98,072	99,31,999	68,66,289	4,28,04,380	64,35,793	24,181	7,86,37,710	3,55,15,925

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

Refer Schedule 16 note 13

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 1

(Amounts in Thousands of Indian Rupees)

## FORM A-BS CONSOLIDATED BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2022

Particulars	Linked Business			Non-Linked Business			Group Pension Variable	Group Pension	Annuity Individual	Group Pension Variable	Health Individual	Per Non-Linked Individual Life	Shareholders Fund		Total	
	Individual Life	Group Life	Pension Individual	Individual Life	Group Life Variable	Pension Individual							Shareholders Fund	Total		
<b>Sources of Funds</b>																
Shareholders' Funds:																
Share Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	1,90,12,080	1,90,12,080	1,90,12,080
Reserves and Surplus	-	-	-	6,71,462	-	-	-	-	-	-	-	-	-	52,02,005	58,73,467	58,73,467
Credit/(Debit) / Fair Value Change Account	-	-	-	-	-	-	-	-	-	-	-	-	-	4,66,062	4,66,062	4,66,062
<b>Sub - Total</b>	-	-	-	6,71,462	-	-	-	-	-	-	-	-	-	2,46,80,147	2,53,51,609	2,53,51,609
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	50,00,000	50,00,000	50,00,000
Policyholders' Funds																
Credit/(Debit) Fair Value Change Account	-	-	-	1,09,77,25	26,129	2,784	2,784	31,036	25,276	138	9,44,550	-	-	-	21,83,112	21,83,112
Policy Liabilities	27,88,467	51,495	1,83,536	13,85,987,31	2,91,84,347	84,80,603	1,51,759	2,67,59,808	86,41,765	17,536	6,27,58,618	-	-	-	28,24,01,658	28,24,01,658
Insurance Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Unlied Liabilities	16,67,66,077	7,15,39,129	6,17,7831	5,66,372	-	-	-	-	-	-	-	-	-	-	25,79,32,479	25,79,32,479
Funds for discontinued policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i) Discontinued on account of non-payment of premium	1,10,82,467	-	7,54,814	-	-	-	-	-	-	-	-	-	-	-	1,18,37,281	1,18,37,281
(ii) Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit/(Debit) Fair Value Change Account (Unlied)	2,67,95,446	31,23,927	933,191	1,09,470	-	-	-	-	-	-	-	-	-	-	3,18,32,111	3,18,32,111
Total Lied Liabilities	20,46,43,980	7,46,63,056	7,86,59,36	6,75,942	-	-	-	-	-	-	-	-	-	-	30,16,01,871	30,16,01,871
<b>Sub - Total</b>	20,74,32,457	7,47,14,551	8,02,109	13,96,96,456	2,92,39,820	85,06,732	1,54,543	2,67,90,844	86,67,041	17,674	6,37,03,168	-	-	50,00,000	59,11,86,641	59,11,86,641
Funds for Future Appropriation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Liend Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	20,74,32,457	7,47,14,551	8,02,109	14,05,67,918	2,92,39,820	85,06,732	1,54,543	2,67,90,844	86,67,041	17,674	6,37,03,168	-	-	2,96,80,147	61,65,38,250	61,65,38,250
<b>Application of Funds</b>																
Investments																
Shareholders'																
Policyholders'	12,55,334	18,901	45,412	3,457	76,925	13,66,01,992	2,86,54,675	85,41,533	2,23,810	42,19,013	2,67,47,293	88,79,316	30,949	6,16,42,031	-	2,77,14,40,624
Assets Held to Cover Liend Liabilities	20,46,43,980	7,46,63,056	7,86,59,36	1,37,53,047	6,75,942	-	-	-	-	-	-	-	-	-	-	30,16,01,871
Loans	3,51,401	-	-	-	18,30,479	-	-	-	-	-	-	-	-	-	29,40,596	29,40,596
Fixed Assets	2,42,095	1,00,385	8,954	27,413	284	4,10,652	1,22,619	19,904	89,685	4,497	651	1,47,961	1,941	11,94,129	11,94,129	
Current Assets	10,90,102	76,397	43,067	19,962	1,391	29,16,298	25,13,352	32,685	1,159	1,20,926	1,37,753	14,135	4,551	77,164	8,468	70,57,410
Cash and Bank Balances	13,71,321	3,37,009	85,053	2,689	93,75,125	13,47,869	3,71,994	1,16,659	1,37,206	8,25,448	1,96,739	8,287	27,70,133	7,65,271	1,77,42,609	1,77,42,609
Advances and Other Assets*	37,14,847	5,32,249	4,72,673	1,51,399	1,29,822	-	-	-	2,49,965	-	-	-	-	-	-	52,70,394
Interfund Assets	61,76,270	9,66,555	5,46,646	2,56,414	1,33,882	1,22,91,423	3,61,221	4,04,679	5,08,097	9,63,201	2,10,874	12,838	28,47,297	7,73,738	3,00,70,953	3,00,70,953
<b>Sub - Total (A)</b>	50,09,420	9,40,133	4,56,435	2,53,633	27,888	60,31,794	33,65,500	2,66,979	1,74,549	87,243	8,96,476	48,198	17,924	12,78,732	21,102	1,88,75,466
Current Liabilities	2,27,214	94,213	8,404	25,728	267	3,85,390	1,15,081	18,681	16,025	84,172	4,221	611	3,26,961	3,378	13,10,377	13,10,377
Provisions	-	-	-	-	-	43,94,224	1,18,114	1,73,724	12,558	28,687	3,75,227	8,229	87,144	1,17,946	52,70,394	52,70,394
Interfund Liability	52,36,634	10,34,346	4,64,839	2,79,361	27,555	1,07,66,608	35,98,695	4,98,384	1,87,118	1,03,288	4,27,646	26,764	16,92,837	1,42,365	2,54,56,777	2,54,56,777
<b>Sub - Total (B)</b>	9,39,637	(67,791)	81,807	(22,947)	1,06,327	15,24,815	2,62,526	(54,705)	4,04,829	(46,134)	(13,926)	11,54,460	-	6,31,353	46,14,176	46,14,176
Net Current Assets (C) = (A-B)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(to the extent not written off or Adjusted)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debit Balance in Profit and Loss Account (Shareholders' Account)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	20,74,32,457	7,47,14,551	8,02,109	14,05,67,918	2,92,39,820	85,06,732	1,54,543	2,67,90,844	86,67,041	17,674	6,37,03,168	-	-	2,96,80,147	61,65,38,250	61,65,38,250

Note: Advances and other assets allocated to shareholders' include tax assets. Refer Schedule 16 note 1.3

# Annexure - 1

(Amounts in Thousands of Indian Rupees)

## PREMIUM FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023\* SCHEDULE 1

Particulars	Linked Business				Non Linked Business				Par Non Linked Individual Life		
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Total
1. First year premiums	49,43,717	-	2,48,072	44,072	-	21,39,304	24,85,890	-	94,843	18,274	3,23,59,751
2. Renewal Premiums	1,85,11,764	-	4,92,300	4,24,349	21,045	3,74,55,253	32,13,444	-	42,079	1,57,255	7,39,69,438
3. Single Premiums	2,31,652	1,09,09,346	21,587	25,10,000	-	30,63,238	93,49,470	1,604	1,54,91,172	79,090	4,43,67,685
<b>Total Premiums</b>	<b>2,36,87,133</b>	<b>1,09,09,346</b>	<b>7,61,959</b>	<b>29,78,421</b>	<b>21,045</b>	<b>6,19,11,537</b>	<b>1,50,48,804</b>	<b>1,604</b>	<b>24,21,761</b>	<b>2,54,619</b>	<b>15,06,96,854</b>

\*Net of GST/Service Tax  
Refer Schedule 16 note 13

## PREMIUM FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022\* SCHEDULE 1

Particulars	Linked Business				Non Linked Business				Par Non Linked Individual Life		
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Total
1. First year premiums	69,27,629	-	4,61,284	2,32,097	-	1,24,90,623	18,33,143	-	1,36	7,515	2,39,29,586
2. Renewal Premiums	1,70,96,268	-	4,14,985	3,39,172	28,957	2,91,68,075	42,18,235	-	57,260	2,70,835	6,47,52,812
3. Single Premiums	6,28,976	1,02,22,228	35,550	22,20,223	2	1,56,680	64,35,078	-	90,75,375	1,79,632	3,27,19,885
<b>Total Premiums</b>	<b>2,46,52,873</b>	<b>1,02,22,228</b>	<b>9,11,819</b>	<b>27,91,492</b>	<b>28,959</b>	<b>4,18,15,378</b>	<b>1,24,86,456</b>	<b>3,337</b>	<b>17,38,747</b>	<b>4,57,982</b>	<b>12,14,02,283</b>

\*Net of GST/Service Tax  
Refer Schedule 16 note 13

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 1

(Amounts in Thousands of Indian Rupees)

## COMMISSION EXPENSES FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023 SCHEDULE 2

Particulars	Linked Business			Non Linked Business					Par Non Linked Business			Total	
	Individual Life	Group Life	Pension Individual	Health Individual	Individual Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual		Individual Life
<b>Commission paid</b>													
Direct - First year premiums	4,70,752	-	1,22,600	1	-	44,25,803	56,595	-	43,269	-	2	1,346	5,71,907
Renewal premiums	3,72,668	-	5,022	54	587	1,084,015	63,275	6	151	-	67	1,884	5,81,562
Single premiums	3,751	3,857	359	-	-	51,319	2,05,162	1,186	26,901	720	1,388	-	(32)
<b>Sub - Total</b>	<b>8,47,171</b>	<b>3,857</b>	<b>17,641</b>	<b>55</b>	<b>587</b>	<b>55,63,137</b>	<b>3,25,032</b>	<b>1,172</b>	<b>70,321</b>	<b>720</b>	<b>1,457</b>	<b>3,330</b>	<b>11,53,437</b>
Add: Commission on Re-insurance Accepted	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Commission on Re-insurance Ceded	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Commission</b>	<b>8,47,171</b>	<b>3,857</b>	<b>17,641</b>	<b>55</b>	<b>587</b>	<b>55,63,137</b>	<b>3,25,032</b>	<b>1,172</b>	<b>70,321</b>	<b>720</b>	<b>1,457</b>	<b>3,330</b>	<b>11,53,437</b>
Rewards and Remuneration to Agents/Brokers/Other intermediaries	17,804	90	2,561	-	-	3,55,977	6,131	27	6,098	17	33	254	61,132
<b>Total Commission</b>	<b>8,64,975</b>	<b>3,947</b>	<b>20,202</b>	<b>55</b>	<b>587</b>	<b>59,17,114</b>	<b>3,31,163</b>	<b>1,199</b>	<b>76,419</b>	<b>737</b>	<b>1,490</b>	<b>3,584</b>	<b>12,14,569</b>

Refer Schedule 16 note 1.3

## COMMISSION EXPENSES FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022 SCHEDULE 2

Particulars	Linked Business			Non Linked Business					Par Non Linked Business			Total	
	Individual Life	Group Life	Pension Individual	Health Individual	Individual Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual		Individual Life
<b>Commission paid</b>													
Direct - First year premiums	6,24,819	(113)	19,421	-	-	24,25,427	26,929	-	-	-	(109)	1,312	4,67,547
Renewal premiums	3,95,062	-	4,621	44	935	8,92,027	89,699	-	27	-	30	1,871	5,82,239
Single premiums	9,276	3,840	664	3	-	2,852	1,18,989	39	-	26,483	216	-	96
<b>Sub - Total</b>	<b>10,29,157</b>	<b>3,727</b>	<b>24,706</b>	<b>47</b>	<b>935</b>	<b>33,20,306</b>	<b>2,35,617</b>	<b>39</b>	<b>27</b>	<b>26,483</b>	<b>137</b>	<b>3,283</b>	<b>10,49,882</b>
Add: Commission on Re-insurance Accepted	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Commission on Re-insurance Ceded	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Commission</b>	<b>10,29,157</b>	<b>3,727</b>	<b>24,706</b>	<b>47</b>	<b>935</b>	<b>33,20,306</b>	<b>2,35,617</b>	<b>39</b>	<b>27</b>	<b>26,483</b>	<b>137</b>	<b>3,283</b>	<b>10,49,882</b>
Rewards and Remuneration to Agents/Brokers/Other intermediaries	28,818	47	4,175	-	-	1,56,682	1,824	-	2,747	-	1	275	73,408
<b>Total Commission</b>	<b>10,57,975</b>	<b>3,774</b>	<b>28,881</b>	<b>47</b>	<b>935</b>	<b>34,76,988</b>	<b>2,37,441</b>	<b>39</b>	<b>29,230</b>	<b>-</b>	<b>138</b>	<b>3,558</b>	<b>11,23,290</b>

Refer Schedule 16 note 1.3

# Annexure - 1

(Amounts in Thousands of Indian Rupees)

## OPERATING EXPENSES RELATED TO INSURANCE BUSINESS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023 SCHEDULE 3

Particulars	Linked Business				Non Linked Business				PAR Non Linked					
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Health Individual	Individual Life	Total	
Employees' remuneration and welfare benefits	14,90,721	75,108	9,879	6,799	1,390	68,01,037	7,89,464	86	19,061	6,983	19,957	4,818	9,28,255	1,01,66,971
Travel/conveyance and vehicle running expenses	40,391	3,018	161	245	42	1,64,098	9,014	528	2	144	36	857	143	2,41,442
Training expenses	1,23,338	868	100	21	27	5,30,701	66,337	251	1	90	159	315	97	63,694
Rent, rates and taxes	93,030	8,329	675	652	187	3,50,070	25,465	1,472	9	555	4	2,407	638	57,389
Repairs	43,615	392	280	31	78	1,67,203	1,200	69	4	230	0	113	265	26,333
Printing and stationery	8,171	81	114	6	30	27,567	1,238	16	1	108	2	25	104	5,959
Communication expenses	18,890	545	179	44	49	67,615	1,639	96	2	147	5	156	168	12,289
Legal and professional charges	28,706	1,278	422	199	91	99,101	6,979	175	6	434	430	196	281	19,615
Medical fees	12,384	-	68	-	-	94,663	-	-	-	607	-	-	802	6,217
Auditor's fees/expenses, etc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) as auditor	2,734	-	47	-	13	8,028	-	-	1	38	-	44	2,106	13,011
(b) as adviser or in any other capacity in respect of	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Taxation & Matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Management services	246	-	4	-	1	723	-	-	0	3	-	4	190	1,171
(c) in any other capacity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advertisement and publicity	4,38,105	6,350	11,416	156	1	41,16,952	4,51,472	1,799	0	40,295	994	2,307	1,305	5,32,054
Interest and bank charges	18,508	-	317	-	88	54,330	-	-	4	259	-	-	299	14,120
Others: 1) Distribution expenses	4,787	0	121	0	1	43,339	0	0	0	419	0	0	17	5,681
2) Agents recruitment, seminar and other expenses	1,382	4	23	0	4	6,286	13	1	0	40	0	1	15	1,143
3) Recruitment and seminar expenses	29,375	722	63	56	3	1,37,121	2,726	128	0	190	1	209	19	16,382
4) IT expenses (including maintenance)	1,75,979	5,623	1,648	440	457	6,31,128	17,192	984	21	1,352	3	1,625	1,556	1,14,328
5) Policy stamps	10,049	52	55	-	-	76,816	4,50,867	-	-	492	8	-	651	5,045
6) (Profit)/Loss on sale of assets	57	-	1	-	0	138	-	-	0	1	-	-	1	49
7) Electricity expenses	16,612	178	61	14	17	67,469	544	31	1	51	0	51	58	9,327
8) Miscellaneous expenses	21,524	2,002	404	344	83	58,137	1,609	247	7	311	752	256	225	13,802
9) Outsourcing expenses	94,658	2,087	1,386	156	382	3,00,592	16,104	384	18	1,163	23	614	1,298	69,393
Depreciation	76,708	4,725	536	370	149	2,90,324	14,447	835	7	441	2	1,366	508	47,009
<b>Total</b>	<b>27,49,969</b>	<b>1,11,361</b>	<b>27,960</b>	<b>9,552</b>	<b>3,095</b>	<b>1,40,93,436</b>	<b>18,56,310</b>	<b>20,439</b>	<b>169</b>	<b>66,432</b>	<b>9,403</b>	<b>30,455</b>	<b>13,316</b>	<b>2,09,65,020</b>

Refer Schedule 16 note 1.3

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 1

(Amounts in Thousands of Indian Rupees)

## OPERATING EXPENSES RELATED TO INSURANCE BUSINESS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022 SCHEDULE 3

Particulars	Linked Business				Non Linked Business				PAR Non Linked Individual Life		Total				
	Individual Life	Group Life	Pension Individual	Group Life Variable	Health Individual	Individual Life	Pension Individual	Group Life Variable	Health Individual	Individual Life					
Employees' remuneration and welfare benefits	21,31,090	65,216	11,561	6,182	1,492	42,03,103	4,05,775	10,059	106	3,414	4,183	16,160	4,704	7,95,554	76,56,597
Travel/conveyance and vehicle running expenses	34,391	909	(30)	72	(9)	61,006	2,743	160	(0)	(17)	4	261	(29)	8,883	1,08,343
Training expenses	66,884	704	43	31	8	1,20,191	32,405	35	1	21	27	65	26	19,556	2,39,996
Rents, rates and taxes	1,61,805	3,596	749	281	201	3,04,638	10,998	636	11	405	-	1,041	649	63,713	5,48,724
Repairs	67,931	845	316	66	85	1,27,940	2,583	149	5	171	-	244	274	26,900	2,27,410
Printing and stationery	7,933	522	11	41	(1)	15,091	1,598	92	(0)	(2)	-	151	(2)	2,363	27,798
Communication expenses	21,779	1,212	216	96	58	43,323	3,686	214	3	116	2	350	186	11,361	82,602
Legal and professional charges	21,578	1,100	426	157	77	47,212	1,549	151	5	174	222	228	226	13,575	86,681
Medical fees	18,827	(0)	(0)	-	-	1,26,285	(291)	-	-	524	(0)	-	1,171	5,720	1,52,236
Auditor's fees, expenses, etc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) as auditor	3,071	-	52	-	14	6,554	-	-	1	28	-	-	45	2,132	11,897
(b) as adviser or in any other capacity, in respect of	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Taxation & Matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Management services	224	-	4	-	1	477	-	-	0	2	-	-	3	155	866
(c) in any other capacity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advertisement and publicity	6,26,594	4,007	19,545	99	(21)	24,39,415	2,08,992	165	(1)	(13)	-	333	1,306	4,68,904	37,69,325
Interest and bank charges	34,159	-	580	-	156	72,891	-	-	9	312	-	-	500	23,697	1,32,305
Others: 1) Distribution expenses	3,550	0	109	0	(0)	13,775	0	0	(0)	(1)	-	0	6	2,622	20,062
2) Agents recruitment, seminar and other expenses	24,024	4	11	0	(2)	44,082	12	1	(0)	(4)	-	1	(5)	6,847	74,972
3) Recruitment and seminar expenses	22,374	251	(132)	20	(38)	37,780	762	44	(2)	(76)	1	72	(121)	2,988	63,922
4) IT expenses (including maintenance)	2,18,008	8,147	1,854	638	500	4,27,647	24,911	1,441	28	1,001	-	2,358	1,602	1,06,412	7,94,546
5) Policy stamps	12,404	3	-	-	-	83,179	1,84,005	-	-	345	0	-	772	3,789	2,84,477
6) (Profit)/Loss on sale of assets	3,108	-	36	-	10	6,296	-	-	1	20	-	-	31	1,756	11,257
7) Electricity expenses	23,758	316	64	25	17	43,796	966	56	1	35	-	91	56	8,238	77,418
8) Miscellaneous expenses	23,959	1,705	508	284	107	44,317	1,004	212	9	257	468	304	288	14,801	86,224
9) Outsourcing expenses	1,11,100	607	1,227	48	320	2,25,525	1,857	107	18	641	-	176	1,028	60,725	4,03,378
Depreciation	1,00,161	224	749	18	202	1,94,382	686	40	11	404	-	65	647	46,384	3,43,972
<b>Total</b>	<b>37,38,711</b>	<b>89,368</b>	<b>37,900</b>	<b>8,057</b>	<b>3,176</b>	<b>86,83,906</b>	<b>8,84,237</b>	<b>13,563</b>	<b>203</b>	<b>7,759</b>	<b>4,908</b>	<b>21,901</b>	<b>13,365</b>	<b>16,96,954</b>	<b>1,52,09,008</b>

Refer Schedule 16 note 13

# Annexure - 1

(Amounts in Thousands of Indian Rupees)

## BENEFITS PAID (NET) FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023 SCHEDULE 4

Particulars	Linked Business				Non Linked Business				PAR Non Linked		Total				
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Life Variable	Group Pension Variable	Health Individual		Life			
<b>1. Insurance Claims</b>															
(a) Claims by Death	13,01,448	2,024	36,235	6,102	2,326	25,93,384	31,65,685	87	4,313	47,148	1,946	1,9752	(64)	5,14,533	76,96,919
(b) Claims by Maturity	79,06,709	-	4,22,213	-	-	3,14,961	-	-	36	-	-	-	-	(397)	86,43,522
(c) Annuities / Pension Payment	-	-	-	-	-	(1,806)	-	-	-	3,05,210	-	-	-	-	3,03,404
(d) Other benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i) Surrender	2,01,33,537	69,15,429	11,57,427	16,78,646	37,036	30,71,775	19,02,795	20,67,014	19,836	3,983	4,41,503	29,45,194	(46)	7,98,070	4,11,72,199
(ii) Riders	12,026	-	-	-	-	34,819	15,950	-	-	-	-	-	-	1,081	70,208
(iii) Health	-	-	-	-	(42)	-	-	-	-	-	-	-	-	28,764	28,722
(iv) Survival and Others	64,178	-	7,063	-	118	23,66,053	-	-	16,453	1,636	-	-	6,396	3,38,425	28,00,322
<b>2. (Amount ceded in reinsurance)</b>															
(a) Claims by Death	(5,59,339)	-	-	-	-	(10,20,487)	(13,77,547)	-	-	-	-	-	-	(6,944)	(29,64,317)
(b) Claims by Maturity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Annuities / Pension payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Other benefits (Health)	-	-	-	-	-	-	-	-	-	-	-	-	(27,981)	-	(27,981)
<b>3. Amount accepted in reinsurance:</b>															
(a) Claims by Death	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Claims by Maturity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Annuities / Pension Payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Other benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>2,88,58,559</b>	<b>69,17,453</b>	<b>16,24,938</b>	<b>16,84,748</b>	<b>39,438</b>	<b>75,58,699</b>	<b>37,06,883</b>	<b>20,67,101</b>	<b>40,638</b>	<b>3,57,977</b>	<b>4,43,449</b>	<b>29,64,946</b>	<b>8,150</b>	<b>16,50,019</b>	<b>5,77,22,998</b>

Refer Schedule 16 Note 1.3 and Note 33

Registration Number: 109 dated 31<sup>st</sup> January 2001

# Annexure - 1

(Amounts in Thousands of Indian Rupees)

## BENEFITS PAID (NET) FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022 SCHEDULE 4

Particulars	Linked Business			Non Linked Business			PAR Non Linked Individual Life			Total			
	Individual Life	Group Life	Pension Individual	Group Life Variable	Health Individual	Group Life Variable	Group Pension	Group Pension Variable	Health Individual				
<b>1. Insurance Claims</b>													
(a) Claims by Death	26,81,134	-	78,203	15,395	3,036	44,51,769	66,97,640	4,122	-	3	8,42,650	1,48,44,832	
(b) Claims by Maturity	1,41,63,839	-	3,69,187	-	-	3,18,572	-	-	-	-	537	1,48,77,255	
(c) Annuities / Pension Payment	1,979	-	-	-	-	-	31	-	-	-	2,25,062	-	2,27,072
(d) Other benefits	-	-	-	-	-	-	-	-	-	-	-	-	-
(i) Surrender	1,81,44,683	70,06,243	10,41,497	9,49,153	44,772	22,35,974	18,49,881	57,018	76,29,486	(716)	5,38,121	4,20,36,549	
(ii) Riders	12,547	-	300	-	-	24,105	11,531	-	-	-	2,661	19,342	70,486
(iii) Health	837	-	-	-	2,590	-	-	-	-	-	23,345	-	26,772
(iv) Survival and Others	62,753	-	11,006	-	96	19,73,021	-	-	-	-	6,683	2,81,395	23,63,919
<b>2. (Amount ceded in reinsurance)</b>													
(a) Claims by Death	(10,96,850)	(22,536)	(636)	-	-	(23,27,670)	(34,04,398)	-	-	-	(26,352)	(68,78,442)	-
(b) Claims by Maturity	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Annuities / Pension payment	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Other benefits (Health)	-	-	-	-	19	-	-	-	-	-	(26,150)	-	(26,151)
<b>3. Amount accepted in reinsurance:</b>													
(a) Claims by Death	-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Claims by Maturity	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Annuities / Pension Payment	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Other benefits	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>3,39,70,922</b>	<b>69,83,707</b>	<b>15,19,557</b>	<b>9,64,548</b>	<b>50,513</b>	<b>66,75,771</b>	<b>51,54,685</b>	<b>61,140</b>	<b>76,29,486</b>	<b>5,826</b>	<b>16,55,693</b>	<b>6,75,42,312</b>	

Refer Schedule 16 Note 1.3 and Note 33

## Annexure - 2

(Amounts in Thousands of Indian Rupees)

### DISCLOSURES IN RESPECT OF TRANSACTIONS WITH RELATED PARTIES AND OUTSTANDING FOR THE YEAR ENDED 31ST MARCH, 2023 (CONSOLIDATED)

#### (A) Name of related parties where control exists

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

#### (B) Key Management Personnel Relatives of Key Managerial Personnel

Mr. Kamlesh Rao (MD & CEO)  
Mrs. Akila Kamlesh Rao (Spouse)  
Mrs. Sudha Dayanand Rao (Mother)  
Mr. Ronak Kamlesh Rao (Son)  
Mrs. Harsaana Sirsikar (Sister)  
Mr. Rajesh Dayanand Rao (Brother)

#### (C) Disclosures of transaction between the Company and related parties and outstanding balances for the period ended :

Sr. No.	Name of the related party with whom the transaction has been made	Description of relationship with the party	Nature of Transaction	Audited Transactions during the year ended		Outstanding balance recoverable /(payable) as on	
				31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
1	2	3	4	5	6	7	8
1	Grasim Industries Limited	Ultimate Holding Company	a) Interest income on NCD	23,050	19,219	19,936	20,084
			b) Outstanding NCD	-	-	3,00,000	3,00,000
			c) Group Insurance Premium	40,120	74,893	(13,855)	(17,499)
2	Aditya Birla Capital Limited	Holding Company	a) Reimbursement of expenses	3,74,724	3,01,129	(45,302)	(33,922)
			b) Rent Expenses	5,534	5,534	(461)	(922)
			c) Recovery of expenses	21,028	7,947	679	429
			d) Employee Stock Options	20,338	25,872	-	(5,747)
			e) Security Deposit Paid	-	2,520	2,520	2,520
			f) Issue of Equity Share Capital	13,25,999	-	-	-
			g) Group Insurance Premium	2,603	5,474	(576)	(664)
3	Aditya Birla Finance Limited	Fellow Subsidiary	a) Recovery of expenses	44	83	-	40
			b) Rent Income	75,376	5,160	13,670	120
			c) Security Deposit Receivable	6,342	9,460	-	139
			d) Maturity of NCD / Outstanding NCD	-	15,00,000	24,50,000	14,50,000
			e) Interest income on NCD	1,52,225	2,30,025	1,20,422	96,753
			f) Rent Expenses	22,650	-	(9,091)	-
			g) Reimbursement of expenses	31,776	13,984	(1,027)	(2)
			h) Security Deposit Refundable - Liability	-	8,830	(15,801)	(9,460)
			i) Transfer of Asset	2,480	-	-	-
			j) Security Deposit Refundable - Asset	5,467	-	5,467	-
			k) Policy Claims Paid	29,349	15,503	-	-

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Annexure - 2

(Amounts in Thousands of Indian Rupees)

Sr. No.	Name of the related party with whom the transaction has been made	Description of relationship with the party	Nature of Transaction	Audited Transactions during the year ended		Outstanding balance recoverable /(payable) as on	
				31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
1	2	3	4	5	6	7	8
			l) Group Insurance Premium	3,73,834	2,36,704	(68,857)	(46,544)
4	Aditya Birla Money Insurance Advisory Services Limited	Fellow Subsidiary	a) Commission expenses	34,630	30,534	(3,986)	(3,634)
			b) Recovery of Expenses	400	-	-	-
			c) Group Insurance Premium	620	707	(104)	(28)
5	Aditya Birla Money Limited	Fellow Subsidiary	a) Brokerage expenses	7,540	8,346	-	-
			b) Reimbursement of expenses	2,420	913	(40)	(74)
			c) Rent Expenses	-	-	(26)	(31)
			d) Security Deposit Receivable	2,115	810	508	810
			e) Rent Income	12,910	32	2,476	-
			f) Recovery of expenses	938	347	-	1
			g) Purchase of NCD / (Sale of NCD)	-	1,75,454	-	-
			h) Purchase of Fixed Asset	-	-	-	(2)
			i) Security Deposit Refundable	-	-	(2,925)	-
			j) Group Insurance Premium	1,814	2,315	(1,070)	(1,565)
6	Aditya Birla Financial Shared Services Limited	Fellow Subsidiary	a) Advance given for expenses	1,20,321	1,07,003	19,927	15,274
			b) Reimbursement of expenses	7,70,434	5,35,049	(1,16,482)	(64,931)
			c) Recovery of expenses	2,403	257	138	-
			d) Group Insurance Premium	3,673	4,535	(1,046)	(946)
7	Aditya Birla Wellness Private Limited	Fellow Subsidiary	a) Reimbursement of expenses	-	20	-	(4)
			b) Professional Fees	2,501	-	(90)	-
			c) Recovery of Expenses	153	-	-	-
			d) Group Insurance Premium	146	185	(154)	(119)
8	Aditya Birla Insurance Brokers Limited	Fellow Subsidiary	a) Recovery of expenses	248	991	-	-
			b) Rent Income	2,816	-	570	-
			c) Commission expenses	5,073	8,089	(176)	(716)
			d) Reimbursement of Expenses	391	335	-	(93)
			e) Rent Expenses	1,074	628	(1,079)	(575)
			f) Reinsurance payment on behalf of reinsurer	2,593	3,723	-	-
			g) Security Deposit Receivable	217	377	-	-
			h) Security Deposit Refundable	-	-	(594)	-
			i) Group Insurance Premium	2,623	3,978	(1,328)	(909)
9	Aditya Birla Capital Technology Services Limited	Fellow Subsidiary	a) Business Support Services	34,347	46,728	(2,040)	(3,801)
			b) Software Development Expenses	22,361	21,893	(1,359)	(1,755)
			c) Advance given for expenses	9,019	8,093	2,201	2,013
			d) Reimbursement of Expenses	130	382	(130)	(382)
			e) Recovery of Expenses	377	-	-	-
			f) Group Insurance Premium	118	177	(46)	(305)

**Annexure - 2**

(Amounts in Thousands of Indian Rupees)

Sr. No.	Name of the related party with whom the transaction has been made	Description of relationship with the party	Nature of Transaction	Audited Transactions during the year ended		Outstanding balance recoverable /(payable) as on	
				31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
1	2	3	4	5	6	7	8
10	Aditya Birla Sun Life Asset Management Company Limited	Fellow Subsidiary	a) Recovery of expenses	4,100	602	1,075	268
			b) Rent Income	60,008	1,477	11,768	-
			c) Rent Expenses	11,703	1,125	(2,870)	(1,125)
			d) Reimbursement of expenses	4,913	2,743	(420)	(1,826)
			e) Purchase of Fixed Asset	-	-	-	-
			f) Security Deposit Refundable	-	7,760	(13,417)	(7,760)
			g) Security Deposit Payable	-	3,088	-	(3,088)
			h) Security Deposit Receivable	5,657	-	2,229	-
			i) Security Deposit Paid	-	-	3,088	-
			j) Group Insurance Premium	1,35,405	1,67,575	(37,519)	(31,429)
11	Aditya Birla Housing Finance Limited	Fellow Subsidiary	a) Interest income on NCD	8,500	8,500	7,429	7,429
			b) Sale of NCD	-	-	1,00,000	1,00,000
			c) Commission expenses	22,197	18,453	(2,683)	(2,837)
			d) Reimbursement of expenses	11,457	36,162	-	-
			e) Rent Income	30,932	605	4,706	554
			f) Security Deposit Receivable	4,690	2,775	2,298	2,775
			g) Rent Expenses	3,563	4,132	(2,040)	(2,689)
			h) Security Deposit Refundable	-	-	-	-
			i) Policy Claims Paid	76,514	84,247	-	-
			j) Security Deposit Refundable	-	-	(7,465)	-
			k) Group Insurance Premium	3,90,876	3,21,056	(19,626)	(13,946)
			12	Aditya Birla Health Insurance Limited	Associate of Holding Company	a) Recovery of expenses	7,611
b) Rent Income	47,123	1,288				12,292	-
c) Group Medclaim premium paid	1,961	40,593				150	13,646
d) Security Deposit Receivable	4,469	6,084				830	1,276
e) Reimbursement of Expenses	7,820	7,924				(7,013)	-
f) Security Deposit Refundable - Liability	-	-				(10,553)	(6,084)
g) Security Deposit Payable	198	-				-	-
h) Rent Expenses	627	-				(324)	-
i) Security Deposit Refundable - Asset	-	-				198	-
j) NCD Outstnading	-	-				(1,00,000)	-
k) Group Medclaim Deposit refund	9,935	-				-	-
l) Asset Transfer	7,450	-				-	-
m) Interest expense on NCD	7,450	5,062				-	-
n) Group Insurance Premium	15,830	15,025				(1,554)	(10,557)

Registration Number: 109 dated 31<sup>st</sup> January 2001

## Annexure - 2

(Amounts in Thousands of Indian Rupees)

Sr. No.	Name of the related party with whom the transaction has been made	Description of relationship with the party	Nature of Transaction	Audited Transactions during the year ended		Outstanding balance recoverable /(payable) as on	
				31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
1	2	3	4	5	6	7	8
13	UltraTech Cement Limited	Fellow Subsidiary	a) Interest income on NCD	15,060	21,838	9,160	9,119
			b) Sale of NCD / Outstanding NCD	-	1,50,000	2,00,000	2,00,000
			c) Recovery of Expenses	102	709	-	-
			d) Group Insurance Premium	45,168	95,371	(1,882)	(3,932)
14	Aditya Birla Capital Foundation	Associate of Holding Company	a) CSR Contributions	12,500	12,500	-	-
			b) Reimbursement of Expenses	-	-	-	-
15	Sunlife Assurance company of Canada	Holding of Foreign Promoter	a) Secondment Expenses	32,960	21,454	(9,850)	(13,046)
			b) Subordinated debt	-	-	(15,00,000)	(15,00,000)
			c) Interest on Subordinated debt	1,09,500	1,09,500	-	-
16	Sun Life Financial (India) Insurance Investments Inc	Foreign Promoter	a) Issue of Equity Share Capital	12,73,999	-	-	-
17	Mr. Kamlesh Rao	Key Management Personnel	a) Managerial remuneration	92,914	90,234	-	-
			b) Reimbursement of Expenses	438	-	-	-

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

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

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

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

Aditya Birla Sun Life Pension Management Limited



**ADITYA BIRLA  
CAPITAL**

CIN: U66000MH2015PLC260801

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W: <https://pensionfund.adityabirlacapital.com/>

# Independent Auditor's Report

To the  
Members of **Aditya Birla Sun Life Pension  
Management Limited**

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of Aditya Birla Sun Life Pension Management Limited (the 'Company'), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2023, and the Statement of Profit and Loss and the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of Significant Accounting Policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2023, and its loss, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

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

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

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

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

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

## Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

or conditions may cause the Company to cease to continue as a going concern; and

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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, 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 appears from our examination of those books;
  - (c) the Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
  - (e) on the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on

Independent Auditor's Report (Contd.)

record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164(2) of the Act;

- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'B';
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197 (16) of the Act, as amended, the provisions of Section 197 of the Act as regards managerial remuneration are not applicable to the Company; and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us;
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – (Refer Note 25 to the financial statements);
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - (iv) (a) The management of the Company has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities (the 'Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether,

directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (the 'Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The management of the Company has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities (the 'Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (the 'Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures, we have considered reasonable and appropriate in the circumstances nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material mis-statement.
- (v) The Company neither declared nor paid dividend during the year. Accordingly, the Company is not required to comply with Section 123 of the Act.
- (vi) As the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended, is applicable for the companies from the accounting year commencing on or after 1<sup>st</sup> April, 2023, reporting under this paragraph is not applicable.

**SHARP & TANNAN**

Chartered Accountants

Firm's Registration No. 109982W

By the hand of

**Edwin Paul Augustine**

Partner

Place: Mumbai  
Date: 20<sup>th</sup> April, 2023

Membership No. 043385  
UDIN:23043385XXXXXXXXXX

# Annexure 'A' To The Independent Auditor's Report

(Referred to in paragraph 1 of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment;
- (B) The Company has maintained proper records showing full particulars of intangible assets;
- (b) As explained to us, property, plant and equipment have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size of the Company and nature of its assets. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification;
- (c) According to the information and explanations given to us, the Company does not hold any immovable property. Accordingly, the Paragraph 3(i)(c) of the Order is not applicable to the Company;
- (d) The Company has not revalued its property, plant and equipment (including Right of Use assets) or intangible assets during the year;
- (e) According to the information and explanations given to us, the Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, the Paragraph 3(i)(e) of the Order is not applicable to the Company;
- (ii) Since the Company is engaged in service activity, it does not hold any inventory and accordingly the Paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, during the financial year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the Paragraph 3 (iii) of the Order is not applicable to the Company.
- (iv) According to the information and explanation given to us, the Company has not advanced any loan, made any investment, given any guarantee or provided any security to the parties covered under Section 185 and 186 of the Act. Accordingly, the Paragraph 3(iv) of the Order is not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits or amount which are deemed to be deposits from the public during the year to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 and other relevant provisions of the Act and the rules framed thereunder apply.. Accordingly, the Paragraph 3(v) of the Order is not applicable to the Company;
- (vi) According to the information and explanations given to us, the maintenance of cost records specified by the Central Government under Section 148(1) of the Act is not applicable to the Company;
- (vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income tax, sales tax, services tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, where applicable, to the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records examined by us, there are no disputed statutory dues as at 31<sup>st</sup> March 2023 which have not been deposited on account of dispute.
- (viii) According to the information and explanations given to us and records of the Company examined by us, there are no instances of transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);

## Independent Auditor's Report (Contd.)

- (ix) (a) According to the information and explanations given to us and records of the Company examined by us, the Company has not taken any loans or other borrowings. Accordingly, the Paragraph 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and the records examined by us, the Company is not declared wilful defaulter by any bank or financial institution or other lender;
- (c) According to the information and explanations given to us and the records examined by us, the Company has not availed any term loan. Accordingly, the Paragraph 3(ix)(c) of the Order is not applicable to the Company;
- (d) According to the information and explanations given to us and the records examined by us, the Company has not utilized funds raised on short term basis for long term purposes;
- (e) According to the information and explanations given to us and the records examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, the Paragraph 3(ix)(e) of the Order is not applicable to the Company;
- (f) According to the information and explanations given to us and the records examined by us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, the Paragraph 3(viii)(f) of the Order is not applicable to the Company;
- (x) (a) According to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments). Accordingly, the Paragraph 3(x)(a) of the Order is not applicable to the Company;
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the Paragraph 3(x)(b) of the Order is not applicable to the Company;
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any fraud by the Company or any fraud on the Company or reported during the year nor have we been informed of such case by management;
- (b) According to the information and explanations given to us and the records examined by us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this report; Accordingly, the Paragraph 3(xi)(b) of the Order is not applicable to the Company;
- (c) According to the information and explanations given to us, no whistle-blower complaints have been received during the year by the Company.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the Paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us, all the transactions with the related parties are in compliance with Sections 177 and Section 188 of the Act, where applicable and the relevant details of such related party transactions have been disclosed in the financial statements, etc., as required under the applicable Indian Accounting Standards.
- (xiv) In our opinion and based on our examination and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- We have considered, the internal audit reports for the year under audit, issued to the Company during the year, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, the Paragraph 3 (xv) of the Order is not applicable to the Company.

(xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

(b) The Company has not conducted any Non-Banking financial or Housing Finance activity during the year.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India,

(xvii) The Company has incurred cash losses amounting to Rs. 41,689.01 in thousand and Rs. 20,992.64 in thousand in the financial year covered by our audit and in the immediately preceding financial year respectively.

(xviii) There has been no change in the statutory auditors of the Company during the year. Accordingly, the Paragraph 3 (xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the

financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee or any assurance that all liabilities falling due within a period of one year from the Balance Sheet date will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, the provisions of Section 135 of the Act are not applicable to the Company. Accordingly, the Paragraph 3 (xx) of the Order is not applicable to the Company.

**SHARP & TANNAN**

Chartered Accountants

Firm's Registration No. 109982W

By the hand of

**Edwin Paul Augustine**

Partner

Membership No. 043385

UDIN:23043385XXXXXXXXXX

Place: Mumbai

Date: 20<sup>th</sup> April, 2023

# Annexure 'B' To The Independent Auditor's Report

(Referred to in paragraph 2(f) of our report of even date)

## Report on the Internal Financial Controls under Section 143 (3) (i) of the Companies Act, 2013 (the 'Act')

We have audited the internal financial controls over financial reporting of Aditya Birla Sun Life Pension Management Limited (the 'Company'), as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

## Management's Responsibility for Internal Financial Controls

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

## Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

## Meaning of internal financial controls over financial reporting

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

### **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 to 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 31<sup>st</sup> March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

#### **SHARP & TANNAN**

Chartered Accountants  
Firm's Registration No. 109982W  
By the hand of

#### **Edwin Paul Augustine**

Place: Mumbai  
Date: 20<sup>th</sup> April, 2023

Partner  
Membership No. 043385  
UDIN:23043385XXXXXXXXXX

# Balance Sheet as at

as at 31<sup>st</sup> March 2023

(Rs in Thousand)

Particulars	Notes No	As at 31st Mar 2023	As at 31st Mar 2022
<b>I ASSETS</b>			
<b>1 Financial Assets</b>			
(a) Cash and Cash Equivalents	2	11,951.41	7,975.87
(b) Bank Balance other than (a) above	3	21,144.05	3,684.80
(c) Receivables			
(i) Trade Receivables	4	601.54	440.44
(ii) Other Receivables			
(d) Investments	5	5,38,858.92	5,43,638.69
(e) Other Financial Assets	6	150.00	3,824.78
<b>Sub-Total</b>		<b>5,72,705.92</b>	<b>5,59,564.58</b>
<b>2 Non Financial Assets</b>			
(a) Current Tax Assets (Net)	7	563.26	205.46
(b) Deferred tax assets (Net)		602.11	233.25
(c) Property, Plant and Equipment	8	224.90	157.33
(d) Other Intangible assets	9	571.14	1,783.69
(e) Other non-Financial assets	10	35,138.05	30,166.73
<b>Sub-Total</b>		<b>37,099.45</b>	<b>32,546.46</b>
<b>Total Assets</b>		<b>6,09,805.37</b>	<b>5,92,111.04</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>1 Financial Liabilities</b>			
(a) Payables			
Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	11	24,783.02	9,382.82
(b) Other Financial Liabilities	12	29,654.27	17,657.39
<b>Sub-Total</b>		<b>54,437.29</b>	<b>27,040.21</b>
<b>2 Non Financial Liabilities</b>			
(a) Other Non Financial Liabilities	13	1,957.96	1,175.28
(a) Provisions	13A	6,496.16	0.00
<b>Sub-Total</b>		<b>8,454.12</b>	<b>1,175.28</b>
<b>3 Equity</b>			
(a) Equity Share capital	14	7,30,000.00	6,90,000.00
(b) Other Equity	15	-1,83,086.03	-1,26,104.45
<b>Sub-Total</b>		<b>5,46,913.97</b>	<b>5,63,895.55</b>
<b>Total Equity and Liabilities</b>		<b>6,09,805.37</b>	<b>5,92,111.04</b>
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.

In terms of our report attached

**For SHARP & TANNAN**  
Chartered Accountants  
Firm's Registration No. 109982W

**Edwin Paul Augustine**  
Partner  
Membership No. 043385

For and on behalf of the Board of Directors  
**Aditya Birla Sun Life Pension Management Limited**

**Kamlesh Rao**  
Director  
DIN:07665616

**Sandeep Asthana**  
Director  
DIN:00401858

**Vikas Seth**  
CEO

**Jaibind Sahu**  
Company Secretary

**Sandhya Upadhyay**  
CFO

Mumbai: 20<sup>th</sup> April 2023

# Statement of Profit and Loss for the Year ended

for the year ended 31<sup>st</sup> March 2023

(Rs in Thousand)			
	Schedule	For the Year ended	
		31st Mar 2023	31st Mar 2022
<b>Revenue from Operations</b>			
Fees and Commission Income	16	8,654.98	3,058.41
<b>Other Income</b>			
Interest Income	17	36,684.20	20,538.05
Net Gain on Fair Value Changes	18	-9,672.55	-3,453.71
Excess Provision Written Back	19	0.00	5,694.52
<b>Total Other Income</b>		<b>27,011.64</b>	<b>22,778.86</b>
<b>Total Income (1+2)</b>		<b>35,666.62</b>	<b>25,837.27</b>
<b>Expenses</b>			
(a) Fees and Commission Expenses	20	13.28	388.62
(b) Employee Benefits Expense	21	65,066.42	35,973.92
(c) Depreciation and Amortisation Expense	22	1,361.52	1,769.95
(d) Other Expenses	23	26,905.70	14,778.56
<b>Total Expenses</b>		<b>93,346.92</b>	<b>52,911.05</b>
<b>Profit / (Loss) before Tax (3 - 4)</b>		<b>-57,680.30</b>	<b>-27,073.78</b>
Tax Expense			
Current Tax		0.00	0.00
Short/(Excess) Provision for Tax Related to Earlier Years (Net)		0.00	0.00
Deferred Tax		-368.86	256.29
<b>Total Tax Expense</b>		<b>-368.86</b>	<b>256.29</b>
<b>Profit / (Loss) after Tax (5-6)</b>		<b>-57,311.44</b>	<b>-27,330.07</b>
<b>Other Comprehensive Income (OCI)</b>			
Remeasurement Gain/(Loss) on defined benefit plan		329.85	-
<b>Total Comprehensive Income (7 + 8)</b>		<b>-56,981.59</b>	<b>-27,330.07</b>
<b>Paid Up Equity Share Capital</b>		<b>73,000.00</b>	<b>69,000.00</b>
<b>(Face Value of Rs. 10 each)</b>			
<b>Earnings per Equity Share of Rs.10 each</b>	24		
Basic- (Amount in Rupees)		-0.81	-0.63
Diluted - (Amount in Rupees)		-0.81	-0.63
Significant Accounting Policies			

The accompanying notes are an integral part of the financial statements.

In terms of our report attached

**For SHARP & TANNAN**  
Chartered Accountants  
Firm's Registration No. 109982W

For and on behalf of the Board of Directors  
**Aditya Birla Sun Life Pension Management Limited**

**Edwin Paul Augustine**  
Partner  
Membership No. 043385

**Kamlesh Rao**  
Director  
DIN:07665616

**Sandeep Asthana**  
Director  
DIN:00401858

**Vikas Seth**  
CEO

**Jaibind Sahu**  
Company Secretary

**Sandhya Upadhyay**  
CFO

Mumbai: 20<sup>th</sup> April 2023

# Statement of Cash Flow

for the year ended 31<sup>st</sup> March 2023

	(Rs in Thousand)	
	As at 31st Mar 2023	As at 31st Mar 2022
<b>Cash Flow from Operating Activities</b>		
Loss Before Tax	-57,680.30	-27,073.78
<b>Adjustment for-</b>		
Expense on Employee Stock Options Scheme		
Interest on Bonds	-36,102.56	-20,327.94
Interest on Fixed Deposit	-570.61	-207.50
Unrealised (Gain)/loss on investments	14,629.77	4,311.19
realised Gain on investments	-4,957.22	-857.48
Provision no longer required written back	-	-5,694.52
Loss on assets written off	-	5.18
Depreciation and Amortisation	1,361.52	1,769.95
<b>Operating Profit before Working Capital changes</b>	<b>-83,319.40</b>	<b>-48,074.89</b>
<b>Adjustment for-</b>		
Decrease/(Increase) in Trade Receivables	-161.10	-358.77
Decrease/(Increase) in Other Financial Assets	-13,213.87	-4,068.61
Decrease/(Increase) in Other Non Financial Assets	-4,971.32	-1,135.13
(Decrease)/Increase in Trade Payables	15,400.20	3,137.45
(Decrease)/Increase in other Financial Liabilities	12,326.73	9,377.01
(Decrease)/Increase in other Non Financial Liabilities	7,278.84	1,082.71
<b>Cash used in Operations</b>	<b>-66,659.91</b>	<b>-40,040.23</b>
Income Taxes Refund/(paid)	-357.79	34.19
<b>Net cash (Used in)/from operations (A)</b>	<b>-67,017.71</b>	<b>-40,006.05</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment and Intangibles	-216.54	-1,250.80
Purchase of Investments (non-current)	-2,76,901.72	-4,214.00
Purchase of Investments (Current)	-32,43,135.47	-3,66,975.00
Proceeds from sale of Investments (non-current)		
Proceeds from sale of Investments (Current)	35,19,116.91	95,913.15
Interest Received on Investments	32,130.07	20,363.68
<b>Net Cash (Used in)/from Investing Activities (B)</b>	<b>30,993.24</b>	<b>-2,56,162.97</b>
<b>Cash Flow from Financing activities</b>		
Share of Proceeds from Issue of Equity Shares	40,000.00	3,00,000.00
<b>Net Cash (Used in)/from financing Activities ( C )</b>	<b>40,000.00</b>	<b>3,00,000.00</b>
<b>Net increase in Cash and Cash Equivalents (A+B +C )</b>	<b>3,975.54</b>	<b>3,830.98</b>
Opening Cash and Cash Equivalents	7,975.87	4,144.90
Closing Cash and Cash Equivalents	11,951.41	7,975.87
<b>Net increase in Cash and Cash Equivalents</b>	<b>3,975.54</b>	<b>3,830.98</b>

## Notes

Cash and cash equivalents are as disclosed under Note 2 of the financial statements

The aforesaid statement has been prepared under the indirect method, as set out in "Indian Accounting Standard 7 - Statement of Cash Flows

## Significant Accounting Policies

The accompanying notes are an integral part of the financial statements.

In terms of our report attached

**For SHARP & TANNAN**  
Chartered Accountants  
Firm's Registration No. 109982W

**Edwin Paul Augustine**  
Partner  
Membership No. 043385

For and on behalf of the Board of Directors  
**Aditya Birla Sun Life Pension Management Limited**

**Kamlesh Rao**  
Director  
DIN:07665616

**Sandeep Asthana**  
Director  
DIN:00401858

**Vikas Seth**  
CEO

**Jaibind Sahu**  
Company Secretary

**Sandhya Upadhyay**  
CFO

Mumbai: 20<sup>th</sup> April 2023

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March 2023

## (A) EQUITY SHARE CAPITAL

(Rs in Thousand)

	As at 31st Mar 2023		As at 31st Mar 2022	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares of face value of ₹10/- each issued, subscribed and fully paid up	6,90,00,000	6,90,000	3,90,00,000	3,90,000
Balance at the beginning of the year	40,00,000	40,000	3,00,00,000	3,00,000
Changes in Equity share capital during the Period				
<b>Balance at the end of the period</b>	<b>7,30,00,000</b>	<b>7,30,000</b>	<b>6,90,00,000</b>	<b>6,90,000</b>

## (B) OTHER EQUITY

(Rs in Thousand)

Particulars	Reserve and Surplus Retained Earnings		Items of Other Comprehensive income			Equity attributable to Shareholders of Company	Equity Component of ESOP	Total Other Equity
	Surplus as per Statement of Profit and Loss	General Reserve	Financial Instrument through Other Comprehensive Income	Foreign Currency Translation reserve	Effective Portion of Cash flow hedges			
<b>Balance as of 1st April 2022</b>	(1,26,104.45)	-	-	-	-	(1,26,104.45)	-	(1,26,104.45)
Loss for the period	(56,981.59)	-	-	-	-	(56,981.59)	-	(56,981.59)
Total Comprehensive income	(1,83,086.03)	-	-	-	-	(1,83,086.03)	-	(1,83,086.03)
Addition during the year	-	-	-	-	-	-	-	-
Loss during the year	-	-	-	-	-	-	-	-
Comprehensive loss during the year	-	-	-	-	-	-	-	-
ESOP expenses	-	-	-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-	-	-
<b>Balance as on 31st March, 2023</b>	<b>(1,83,086.03)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,83,086.03)</b>	<b>-</b>	<b>(1,83,086.03)</b>

(Rs in Thousand)

Particulars	Reserve and Surplus Retained Earnings		Items of Other Comprehensive income			Equity attributable to Shareholders of Company	Equity Component of ESOP	Total Other Equity
	Surplus as per Statement of Profit and Loss	General Reserve	Financial Instrument through Other Comprehensive Income	Foreign Currency Translation reserve	Effective Portion of Cash flow hedges			
<b>Balance as of 1st April 2021</b>	(98,774.37)	-	-	-	-	(98,774.37)	-	(98,774.37)
Loss for the period	(27,330.07)	-	-	-	-	(27,330.07)	-	(27,330.07)
Total Comprehensive income	(1,26,104.45)	-	-	-	-	(1,26,104.45)	-	(1,26,104.45)
Addition during the year	-	-	-	-	-	-	-	-
Loss during the year	-	-	-	-	-	-	-	-
Comprehensive loss during the year	-	-	-	-	-	-	-	-
ESOP expenses	-	-	-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-	-	-
<b>Balance as on 31st March, 2022</b>	<b>(1,26,104.45)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,26,104.45)</b>	<b>-</b>	<b>(1,26,104.45)</b>

In terms of our report attached

**For SHARP & TANNAN**  
Chartered Accountants  
Firm's Registration No. 109982W

**Edwin Paul Augustine**  
Partner  
Membership No. 043385

For and on behalf of the Board of Directors  
**Aditya Birla Sun Life Pension Management Limited**

**Kamlesh Rao**  
Director  
DIN:07665616

**Sandeep Asthana**  
Director  
DIN:00401858

**Vikas Seth**  
CEO

**Jaibind Sahu**  
Company Secretary

**Sandhya Upadhyay**  
CFO

Mumbai: 20<sup>th</sup> April 2023

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 1

### 1.1 Corporate Information

Aditya Birla Sun Life Pension Management Limited (“the Company”) is a wholly owned subsidiary of Aditya Birla Sun Life Insurance Company Limited. The Company is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company was incorporated on January 09, 2015 with Registration Number U66000MH2015PLC260801 with specific purpose of managing pension fund business. Pension Fund Regulatory and Development Authority (“PFRDA”) has granted Certificate of Registration vide a letter dated February 23, 2016 (bearing registration No.: PFRDA/Birla PF/2016) to Aditya Birla Sun Life Pension Management Limited to act as pension fund under National Pension System (NPS).

### 1.2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financials statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### A. Basis of Preparation

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

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. These financial statements were authorized for issue by the Company’s Board of Director’s on 21<sup>st</sup> April 2022

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

- Certain financial assets and liabilities - measured at fair value (refer accounting policy regarding financial instruments)

- Net defined benefit (asset) / liability: plan assets are measured at fair value less present value of defined benefit obligation
- Assets held for sale: measured at fair value less costs to sell.

The financial statements are presented in Indian Rupees, which is the functional currency of the Company.

#### B. Summary of significant accounting policies

##### i. Use of Estimates and Judgement

The preparation of the financial statements in conformity with generally accepted accounting principles (“GAAP”) requires that the Company’s management make estimates and assumptions that affect the reported amounts of income and expenses for the year, reported balances of assets and liabilities and disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and assumptions used in the financial statements are based upon management’s evaluation of the relevant facts and circumstances as on date of the financial statement. Any revision to accounting estimates is recognised prospectively. Actual results could differ from those estimates

#### C. New standards and amendments to existing Ind AS

The Ministry of Corporate Affairs notifies new standard or amendments to existing standards. There is no such notification which would have been applicable from April 1, 2022.

#### D. Revenue Recognition of Income

- The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115, Revenue from Contracts with Customers to determine when to recognise revenue and at what amount.
- Revenue is measured based on the consideration specified in the contract with a customer. Revenue from contracts with customer is recognised when services are provided, and it is highly probable that

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

a significant reversal of revenue is not expected to occur.

- The Company manages the investments of the National Pension System as formed by the Government of India through the Pension Fund Regulatory & Development Authority (PFRDA). Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Investment Management Fee is recognised at specific rates agreed with the relevant schemes, applied on the daily net assets managed. The investment management fees are presented net of Goods and Services Tax in the Statement of Profit & Loss Account.
- The Company is engaged in the business of distribution and marketing of National Pension System as per the terms and condition of appointment as a Point of Presence as per the Certificate of Registration vide registration number POP254022019. The POP income includes account opening fees, contribution processing fees and persistency income. i) Account opening fees are due and recognised on generation of Permanent retirement account number (PRAN). ii) Contribution Processing fees are recognised on receipt of contribution from the customer. iii) Persistency Income is recognised on subscriber accounts active for more than six months. POP Income are presented net of Goods and Services Tax in the Statement of Profit & Loss Account.
- Purchase and sale of investments are recorded on trade date. The profit / loss on sale of investments is recognised in the Statement of Profit and Loss on the trade date, using the weighted average cost method.
- For all Financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of

a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of Profit & Loss Account.

## E. Financial Instruments

### 1. 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. However, trade receivables that do not contain a significant financing component are initially measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset. However, trade receivables that do not contain a significant financing component are initially measured at transaction price.

### Business model assessment

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

- the objectives for the portfolio, in particular, management's strategy of focusing on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets.
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Company's stated objective for managing the financial assets is achieved and how cash flows are realised

- the risks that affect the performance of the business model, the financial assets held within that business model and how those risks are managed.

### Assessment whether contractual cash flows are solely payments of principal and interest

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

## 2. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified based on the business model as per IND AS 109, for managing the financial assets and the contractual cashflow characteristics of the financial assets in following categories:

Financial asset at amortised cost

Financial asset at fair value through other comprehensive income (FVTOCI)

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

The Company classifies its financial assets as subsequently measured at either amortised cost or fair value for managing the financial assets and the contractual cashflow characteristics of the financial assets.

### i. 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.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

### ii. 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.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of Profit or Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

### iii. Financial asset at FVTPL

Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Financial instruments included within the FVTPL category are measured at fair value at each reporting date with all changes recognised in the Statement of Profit and Loss.

### Equity instruments at FVOCI

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI when such instruments meet the definition of definition of Equity under Ind AS 32 Financial Instruments:

Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

### iv. Financial liabilities

The company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Liabilities which are classified at fair value through profit or loss, including derivatives that are liabilities, shall be subsequently measured at fair value

## 3. Impairment of Financial Assets

### Methodology for computation of Expected Credit Losses (ECL)

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

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

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

- significant financial difficulty of the issuer or the borrower.
- a breach of contract, such as a default or past due event.
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization.
- the disappearance of an active market for that financial asset because of financial difficulties

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

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

#### 4. Derecognition of financial assets and financial liabilities

##### Financial assets

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

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

all the risks and rewards of the asset, but has transferred control of the asset.

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

##### Financial Liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

#### 5. Modifications of financial assets and financial liabilities

##### Financial assets

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

##### Financial liabilities

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

#### 6. Fair Values of Financial Instruments

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

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.

## F. Property, plant and equipment

### Property, plant and equipment and depreciation

Property, plant and equipment are stated at historical cost less depreciation. Historical costs include expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate only when it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repair and maintenance are charged to profit or loss during the reporting period in which they are incurred.

### Depreciation methods, estimated useful lives and residual values

Assets costing up to Rs.5000 are fully depreciated in the year of acquisition. Depreciation is calculated using the straight-line method to allocate their cost,

net of their residual values, over their useful lives as follows. The useful life of assets which are different from Schedule II to the Companies Act, 2013 are as under:

S. No	Asset Type	As per Schedule II of the Companies Act 2013 (years)	Estimated Useful life (years)
1	Computers	3	3
2	Vehicles	8	4
3	Office Equipment	5	5

### Intangible assets and amortisation

#### Computer Software

Costs associated with maintaining software programmes are recognised as expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets.

#### Amortisation methods and period

Software licenses are amortised using Straight Line Method over a period of 3 years from the date of being ready for use.

### Impairment of Assets

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

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## G. Taxation

### i) Direct Taxes

#### Current tax

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

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

#### Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

### ii) Indirect Taxes

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

## H. Provisions and Contingencies

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect current best estimates. A disclosure for contingent liability is made when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources or it cannot be reliably

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

estimated. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. A contingent asset is neither recognized nor disclosed.

## I. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding at the balance sheet date. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

## J. Cash and Cash Equivalents

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

## K. Cash Flow Statement:

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## L. Leases

### The Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

1. The contract involves the use of an identified asset
2. The Company has substantially all the economic benefits from use of the asset through the period of the lease and
3. The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes right – of – use (“ROU”) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value – in – use) is determined on an individual asset basis unless the asset generates cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## M. Segment Reporting

### Identification of Segments

Operating Segments are identified based on monitoring of operating results by the chief operating decision maker (CODM) separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss of the Company.

Operating Segment is identified based on the nature of products and services, the different risks and returns, and the internal business reporting system.

### Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

Further, inter-segment revenue has been accounted for based on the transaction price agreed to between segments, which is primarily market based.

Unallocated Corporate Items include general corporate income and expenses, which are not attributable to segments.

## N. Employee Benefit Expenses

### Short-Term Employee Benefits

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

### Long Term Employment Benefits

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

#### Defined Contribution Plans:

The Company makes defined contribution to schemes for provident fund to provide retirement benefits to its employees. The contributions are recognised as a part of "Employee Benefits Expenses" in the period in which the employee renders services, against which such contributions are due.

#### Defined Benefit Plans:

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

### Other Long Term Employment Benefits

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

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 2 CASH AND CASH EQUIVALENTS

	As at 31st Mar 2023	As at 31st Mar 2022
Cash on Hand	-	-
Balances with Banks		
Current Accounts	11,951.41	7,975.87
	<b>11,951.41</b>	<b>7,975.87</b>

## NOTE: 3 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

	As at 31st Mar 2023	As at 31st Mar 2022
Fixed Deposit Accounts (with original maturity period of more than 3 months)	21,144.05	3,684.80
	<b>21,144.05</b>	<b>3,684.80</b>

\* As per the PFRDA regulation , the Pension Fund company needs to provide a performance bank guarantee. Accordingly the fixed deposit of Rs. 3,000,000 (Previous year Rs.3,000,000) has been marked as lien against the bank guarantee.

## NOTE: 4 TRADE RECEIVABLES

	As at 31st Mar 2023	As at 31st Mar 2022
Unsecured, Considered Good	601.54	440.44
Unsecured, Considered doubtful	0.00	11.20
	<b>601.54</b>	<b>451.64</b>
Less: Provision for impairment	0.00	(11.20)
	<b>601.54</b>	<b>440.44</b>

	As at 31st Mar 2023	As at 31st Mar 2022
<b>Ageing</b>		
Outstanding for the following period from thbe due date of payments -		
Undisputed Trade Receivable considered Good		
Less than 6 months	601.54	440.44
6 months - 1 year		
1-2 years	0.00	0.00
2-3 years		
More than 3 years		
<b>Total</b>	<b>601.54</b>	<b>440.44</b>
Outstanding for the following period from thbe due date of payments -		
Undisputed Trade Receivable considered Doubtful		
Less than 6 months	0.00	0.00
6 months - 1 year		
1-2 years	0.00	11.20
2-3 years		
More than 3 years		
<b>Total</b>	<b>0.00</b>	<b>11.20</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 5 INVESTMENTS

S. No	Particular	As at 31st Mar 2023		As at 31st Mar 2022	
		Designated at Fair Value through PL	Total	Designated at Fair Value through PL	Total
<b>Unquoted Investments</b>					
1	Mutual Funds	12,744.70	12,744.7	2,85,012.66	2,85,012.7
	(Units)	(10511.6)	(10511.6)	(247904.9)	(247904.9)
<b>Quoted Investments</b>					
2	Others	2,53,536.77	2,53,536.77	4,545.92	4,545.92
	9.34% HDFC 28 <sup>th</sup> August 2024	1,07,408.88	1,07,408.88	1,13,127.90	1,13,127.90
	(Face Value)	(10000.00)	(10000.00)	(10000.00)	(10000.00)
	(Units)	(100.0)	(100.0)	(100.0)	(100.0)
	9.24% LICHF 30 <sup>th</sup> Sept 2024	53,103.59	53,103.59	56,096.69	56,096.69
	(Face Value)	(5000.00)	(5000.00)	(5000.00)	(5000.00)
	(Units)	(50.0)	(50.0)	(50.0)	(50.0)
	8.47% LICHF 15 <sup>th</sup> June 2026 Put 15 Jul 19	1,07,768.62	1,07,768.62	84,855.53	84,855.53
	(Face Value)	(10000.00)	(10000.00)	(7500.00)	(7500.00)
	(Units)	(100.0)	(100.0)	(75.0)	(75.0)
	9.39% POWER FINANCE CORPORATION LTD. SR-118 B-II BD 27AG24	4,296.35	4,296.35	4,545.92	4,545.92
	(Face Value)	(400)	(400)	(400)	(400.00)
	(Units)	(04.0)	(04.0)	(04)	(04.0)
	8.6% India Infradebt Limited Series I 30DC24	15437	15,437.21		
	(Face Value)	(15000.00)	(15000)		
	(Units)	(15.0)	(15.0)		
	8.4% IRFC 08JN29	74580	74,579.61		
	(Face Value)	(69000.00)	(69000)		
	(Units)	(69.0)	(69.0)		
	8.23% IRFC 29MR29	10735	10,735.43		
	(Face Value)	(10000.00)	(10000)		
	(Units)	(10.0)	(10.0)		
	8.12% NHPC Limited 22MR29	20842	20,841.96		
	(Face Value)	(20000.00)	(20000)		
	(Units)	(20.0)	(20.0)		
	6% HDFC 29 May 2026	49911	49,910.85		
	(Face Value)	(50000.00)	(50000)		
	(Units)	(50.0)	(50.0)		
	7.73% Gujarat State Development Loan	50795	50,795.13		
	(Face Value)	(50000.00)	(50000)		
	(Units)	(50.0)	(50.0)		
	7.70 Maharashtra SGS 2030	31237	31,236.57		
	(Face Value)	(30000.00)	(30000)		
	(Units)	(30.0)	(30.0)		
	<b>Total</b>	<b>5,38,858.92</b>	<b>5,38,858.92</b>	<b>5,43,638.69</b>	<b>5,43,638.69</b>
	Aggregate amount of Quoted Investments and market value thereof	5,26,114.21	5,26,114.21	2,58,626.03	2,58,626.03
	Aggregate amount of Unquoted Investments and market value thereof	12,744.70	12,744.70	2,85,012.66	2,85,012.66

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 6 OTHER FINANCIAL ASSETS

Particulars	As at 31st Mar 2023	As at 31st Mar 2022
(Unsecured, unless otherwise stated)		
Deposit	150.00	150.00
Receivable from Holding Company	-	3,674.78
	<b>150.00</b>	<b>3,824.78</b>

## NOTE: 7 INCOME TAXES

The major components of income tax expense are:

Particulars	As at 31st Mar 2023	As at 31st Mar 2022
<b>Profit or loss section</b>		
Current income tax:		
Current income tax charge	-	-
Adjustments in respect of current income tax of previous year	-	-
	-	-
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	-	-
Relating to origination and reversal of temporary differences of previous year	-368.86	256.29
<b>Income tax expense/(income) reported in Profit or Loss</b>	<b>-368.86</b>	<b>256.29</b>

## Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

Particulars	As at 31st Mar 2023	As at 31st Mar 2022
Accounting profit / (loss) before income tax	-57,680.30	-27,073.78
Corporate tax rate	26%	26%
Tax on Accounting profit / (loss)	-14,996.88	-7,039.18
Capital gains tax on sale of mutual funds		
Adjustments in respect of current income tax of previous years		
Adjustments in respect of Deferred Tax not being created on tax losses	14,628.02	7,295.47
Relating to origination and reversal of temporary differences		
Tax effect on other items		
<b>Income tax expense/ ( income ) reported in the statement of profit and loss</b>	<b>-368.86</b>	<b>256.29</b>

## Deferred tax relates to the following:

Shareholder	Balance Sheet		Profit & Loss	
	As at 31st Mar 2023	As at 31st Mar 2022	For the Year ended 31st Mar 2023	For the Year ended 31st Mar 2022
<b>Deferred tax Assets</b>				
Other items giving rise to temporary differences				
Depreciation	658.98	613.56	-45.41	-61.99
<b>Deferred tax Liabilities</b>				
Depreciation				
Other items giving rise to temporary differences	56.87	380.32	-323.45	318.28
<b>Deferred tax (expense)/income</b>	<b>602.11</b>	<b>233.24</b>	<b>-368.86</b>	<b>256.29</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Reflected in the balance sheet as follows:

Particulars	As at 31st Mar 2023	As at 31st Mar 2022
Deferred tax assets	658.98	613.56
Deferred tax liabilities	56.87	380.32
<b>Deferred tax Assets/(liabilities), net</b>	<b>602.11</b>	<b>233.24</b>

## Reconciliation of deferred tax Assets/ (liabilities) (net):

Particulars	As at 31st Mar 2023	As at 31st Mar 2022
<b>Opening balance as of 1st April Asset/ (Liabilities)</b>	<b>233.24</b>	<b>489.54</b>
Tax income/(expense) during the year recognised in profit or loss	368.87	-256.30
MAT Credit recognized directly in the Balance Sheet		
Relating to origination and reversal of temporary differences of previous year		
<b>Closing balance as of 31st March Asset/ (Liabilities)</b>	<b>602.11</b>	<b>233.24</b>

## Unused tax losses on which no deferred tax asset is recognised in the Balance Sheet

Particulars	Base amount	Deferred tax asset	Expiry date (A.Y)
<b>pertaining to Assessment year 2018-2019</b>			
- Unabsorbed depreciation	1,853.11	481.81	Indefinitely
- Brought forward business loss	12,138.68	3,156.06	AY 2026-2027
<b>pertaining to Assessment year 2019-2020</b>			
- Unabsorbed depreciation	2,155.02	560.31	Indefinitely
- Brought forward business loss	37,285.16	9,694.14	AY 2027-2028
<b>pertaining to Assessment year 2020-2021</b>			
- Unabsorbed depreciation	1,665.01	432.90	Indefinitely
- Brought forward business loss	39,752.85	10,335.74	AY 2028-2029
<b>pertaining to Assessment year 2021-2022</b>			
- Unabsorbed depreciation	1,637.87	425.85	Indefinitely
- Brought forward business loss	4,944.88	1,285.67	AY 2029-2030
<b>pertaining to Assessment year 2022-2023</b>			
- Unabsorbed depreciation	1,454.51	378.17	Indefinitely
- Brought forward business loss	20,790.27	5,405.47	AY 2031-2032
<b>pertaining to Assessment year 2023-2024</b>			
- Unabsorbed depreciation	1,186.86	308.58	Indefinitely
- Brought forward business loss	43,751.06	11,375.27	AY 2031-2032

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 8 PROPERTY, PLANT AND EQUIPMENT

	Computers	Office Equipments	Total
<b>Gross Block</b>			
<b>As at 1st April, 2021</b>	5,249.13	149.16	5,398.29
Additions	70.80		70.80
Deletions	(60.96)	(45.23)	(106.19)
<b>As at 31st March, 2022</b>	<b>5,258.97</b>	<b>103.93</b>	<b>5,362.90</b>
Additions	196.04	20.50	216.54
Deletions	-	-	-
<b>As at 31st March, 2023</b>	<b>5,455.01</b>	<b>124.43</b>	<b>5,579.44</b>
<b>Accumulated Depreciation</b>			
<b>As at 1st April, 2021</b>	4,594.10	90.40	4,684.50
For the year	590.81	31.27	622.08
Deletions	(60.96)	(40.05)	(101.01)
<b>As at 31st March, 2022</b>	<b>5,123.95</b>	<b>81.62</b>	<b>5,205.57</b>
For the year	138.79	10.18	148.97
Deletions	-	-	-
<b>As at 31st March, 2023</b>	<b>5,262.74</b>	<b>91.80</b>	<b>5,354.54</b>
As at 31 <sup>st</sup> March, 2022	135.02	22.31	157.33
As at 31 <sup>st</sup> March, 2023	192.27	32.63	224.90

## NOTE: 9 INTANGIBLE ASSETS

	Computers Software	Total
<b>Gross Block</b>		
<b>As at 1st April, 2021</b>	5,746.59	5,746.59
Additions	1,180.00	1,180.00
Deletions		
<b>As at 31st March, 2022</b>	<b>6,926.59</b>	<b>6,926.59</b>
Additions	-	-
Deletions	-	-
<b>As at 31st March, 2023</b>	<b>6,926.59</b>	<b>6,926.59</b>
<b>Accumulated Depreciation</b>		
<b>As at 1st April, 2021</b>	3,995.03	3,995.03
For the year	1,147.87	1,147.87
Deletions		
<b>As at 31st March, 2022</b>	<b>5,142.90</b>	<b>5,142.90</b>
For the year	1,212.55	1,212.55
Deletions		
<b>As at 31st March, 2023</b>	<b>6,355.45</b>	<b>6,355.45</b>
As at 31 <sup>st</sup> March, 2022	1,783.69	1,783.69
As at 31 <sup>st</sup> March, 2023	571.14	571.14

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 10 OTHER NON-FINANCIAL ASSETS

	As at 31st Mar 2023	As at 31st Mar 2022
(Unsecured, unless otherwise stated)		
Balance with Government authorities	29,257.00	30,140.46
Advances for expenses	0.00	26.27
Gratuity Assets Receivable	4,881.05	-
Gratuity Fund Receivable	1,000.00	-
	<b>35,138.05</b>	<b>30,166.73</b>

## NOTE: 11 TRADE PAYABLES

	As at 31st Mar 2023	As at 31st Mar 2022
- Total outstanding dues of micro enterprises and small enterprises		
- Total outstanding dues of creditors other than micro enterprises and small enterprises:	24,783.02	9,382.82
	<b>24,783.02</b>	<b>9,382.82</b>

### Note:

There are no Micro, Small and Medium Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at 31<sup>st</sup> March 2023 and no interest payment made during the year to any Micro, Small and Medium Enterprises. (Previous Year MSME/Interest: NIL), This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties has been identified on the basis of information available with the company.

### Ageing

	As at 31st Mar 2023	As at 31st Mar 2022
Outstanding for the following period from the due date of payments -		
MSME		
Unbilled Amounts		
Less than 6 months	-	-
6 months - 1 year	-	-
Others		
Unbilled Amounts	24,057.16	9,257.93
Less than 6 months	725.86	124.89
6 months - 1 year	-	-
	<b>24,783.02</b>	<b>9,382.82</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 12 OTHER FINANCIAL LIABILITIES

(Carried at amortised cost, except otherwise stated)

	As at 31st Mar 2023	As at 31st Mar 2022
Payable to NPS Trust	10,691.80	5,198.98
Other Payables		
Payable related to employees	18,962.47	12,458.41
	<b>29,654.27</b>	<b>17,657.39</b>

## NOTE: 13 OTHER NON FINANCIAL LIABILITIES

	As at 31st Mar 2023	As at 31st Mar 2022
Payable for Statutory Dues	1,957.96	1,175.28
	<b>1,957.96</b>	<b>1,175.28</b>

## NOTE: 13A PROVISIONS

	As at 31st Mar 2023	As at 31st Mar 2022
Provision for Employee Benefits	6,496.16	0.00
	<b>6,496.16</b>	<b>0.00</b>

## NOTE: 14 SHARE CAPITAL

	Numbers	As at 31st Mar 2023	Numbers	As at 31st Mar 2022
<b>Authorised:</b>				
<b>EQUITY SHARE CAPITAL</b>				
Equity Shares of Rs 10/- each	7,50,00,000	7,50,000.00	7,00,00,000	7,00,000.00
<b>Issued:</b>				
<b>EQUITY SHARE CAPITAL</b>				
Equity Shares of Rs10/- each	7,30,00,000	7,30,000	6,90,00,000	6,90,000
<b>Subscribed and Paid-up:</b>				
<b>EQUITY SHARE CAPITAL</b>				
Equity Shares of Rs 10/- each, fully paid-up	7,30,00,000	7,30,000	6,90,00,000	6,90,000

- 1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Description	As At 31st Mar 2023 Equity	As At 31st Mar 2022 Equity
No of Shares Outstanding at the beginning of the year	6,90,00,000	3,90,00,000
Allotment of fully paid up shares during the year	40,00,000	3,00,00,000
No. of Shares Outstanding at the end of the year	<b>7,30,00,000</b>	<b>6,90,00,000</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## 2 Term/Right Attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

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

There are no equity Shares issued as fully paid-up pursuant to any contract in consideration of other than cash or bonus shares or shares bought back during the preceding last five years.

## 3 Equity Shares in the Company held by each shareholder holding more than 5 per cent shares and the number of equity shares held are as under:

Description	As At 31st Mar 2023		As At 31st Mar 2022	
	No of shares held	% of Total Paid-up Equity Share Capital	No of shares held	% of Total Paid-up Equity Share Capital
Aditya Birla Sun Life Insurance Company Limited (with nominees)	7,30,00,000	100%	6,90,00,000	100%
	<b>7,30,00,000</b>	<b>100%</b>	<b>6,90,00,000</b>	<b>100%</b>

## NOTE: 15 OTHER EQUITY

	As at 31st Mar 2023	As at 31st Mar 2022
<b>i) Surplus in Profit and loss account</b>		
Opening Balance	-1,26,104.45	-98,774.37
Addition:		
Loss for the year	-56,981.59	-27,330.07
	<b>-1,83,086.03</b>	<b>-1,26,104.45</b>
	<b>-1,83,086.03</b>	<b>-1,26,104.45</b>

## NOTE: 16 FEES AND COMMISSION

Description	For the Year ended	
	31st Mar 2023	31st Mar 2022
Investment Management Fees	5,688.61	1,692.25
PoP fees	2,966.36	1,366.16
	<b>8,654.98</b>	<b>3,058.41</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 17 INTEREST INCOME

Description	For the Year ended	
	31st Mar 2023	31st Mar 2022
<b>Interest Income from Investments</b>		
On Financial Assets measured at fair value through OCI		
On financial Assets Measured at Amortised Cost		
On Financial Assets classified at fair value through profit or loss	36,102.56	20,327.94
<b>Interest on deposits with Banks</b>		
On Financial Assets measured at fair value through OCI		
On financial Assets Measured at Amortised Cost		
On Financial Assets classified at amortised cost	570.61	207.50
Other Interest ( on income tax refund)	11.03	2.62
	<b>36,684.20</b>	<b>20,538.05</b>

## NOTE: 18 NET GAIN ON FAIR VALUE CHANGES

Description	For the Year ended	
	31st Mar 2023	31st Mar 2022
Net gain / (loss) on financial instruments at fair value through profit or loss		
On trading portfolio		
Equity investment at FVTPL	-	-
Debt instrument at FVTPL	-9,672.55	-3,453.71
Others		
Gain / (loss) on sale of debt FVOCI instrument		
Derivative gain / (loss) financial instruments at FVTPL		
	<b>-9,672.55</b>	<b>-3,453.71</b>
Fair Value changes :		
Realised	4,957.22	857.48
Unrealised	-14,629.77	-4,311.19

## NOTE: 19 PROVISION NO LONGER REQUIRED WRITTEN BACK

Description	For the Year ended	
	31st Mar 2023	31st Mar 2022
Provision no longer required written back	-	5,694.52
	<b>-</b>	<b>5,694.52</b>

## NOTE: 20 FEES AND COMMISSION EXPENSES

Description	For the Year ended	
	31st Mar 2023	31st Mar 2022
Brokerage	13.28	371.95
Investment transaction cost	0.00	16.67
	<b>13.28</b>	<b>388.62</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 21 EMPLOYEE BENEFIT EXPENSES

Description	For the Year ended	
	31st Mar 2023	31st Mar 2022
Salaries and Wages	60,168.10	31,751.74
Contribution to Provident and Other Funds (Refer Note no 26A)	3,000.64	1,729.90
Gratuity (Refer Note no 26A)	395.53	755.76
Leave Encashment (Refer Note no 26A)	-107.05	484.72
Expense on Employee Stock Options Scheme (Refer Note no 26B)	0.00	102.04
Staff Welfare Expenses	1,609.21	1,149.77
	<b>65,066.42</b>	<b>35,973.92</b>

## NOTE: 22 DEPRECIATION AND AMORTISATION

Description	For the Year ended	
	31st Mar 2023	31st Mar 2022
Depreciation on Property, plant and equipment	148.97	622.08
Amortization of Intangible Assets	1,212.55	1,147.87
	<b>1,361.52</b>	<b>1,769.95</b>

## NOTE: 23 OTHER EXPENSES

Description	For the Year ended	
	31st Mar 2023	31st Mar 2022
Rent	4,347.66	3,106.10
Rates and Taxes	2,654.90	3,868.80
Repairs and Maintenance ( others)	1,125.00	307.39
Repairs and Maintenance (software)	2,553.58	1,000.00
Software license annual maintenance charges	1,545.24	800.00
Auditors remuneration		
- Audit Fees	328.00	100.00
- Other services	260.00	325.00
- Reimbursement of Expenses	2.26	3.29
Legal and Professional Expenses	2,413.36	2,348.46
Provision for Doubtful debts	0.00	11.20
Distribution & Marketing expenses	8,708.60	411.67
Insurance	16.38	16.13
Director sitting fees	1,595.00	2,155.00
Miscellaneous Expenses	1,352.76	325.52
<b>Total</b>	<b>26,905.70</b>	<b>14,778.56</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 24 DISCLOSURE AS REQUIRED BY IND AS 33 EARNING PER SHARE

	As at 31st Mar 2023	As at 31st Mar 2022
Earnings per Share (EPS) is calculated as under:		
Weighted-average Number of Equity Shares for calculation of Basic EPS (A)	7,06,66,667	4,32,50,000
Add: Shares Held in Abeyance		
Add: Dilutive impact of Employee Stock Options		
Add: Potential Equity Shares Due to Share Warrants		
Weighted-average number of Equity Shares for calculation of Diluted EPS (B)	7,06,66,667	4,32,50,000
Nominal Value of Shares (Rs.)	10.00	10.00
<b>Loss attributable to equity holders :</b>	<b>-57,311.44</b>	<b>-27,330.07</b>
<b>Continuing Operations (C)</b>		
Basic EPS (Rs.)	-0.81	-0.63
Diluted EPS (Rs.)	-0.81	-0.63
<b>Discontinued Operations (D)</b>		
Basic EPS (Rs.)	-	-
Diluted EPS (Rs.)	-	-
<b>Continuing and Discontinued Operations (E)</b>		
Basic EPS (Rs.)	-0.81	-0.63
Diluted EPS (Rs.)	-0.81	-0.63

## NOTE: 25 CONTINGENT LIABILITIES NOT PROVIDED FOR

	As at 31st Mar 2023	As at 31st Mar 2022
1 Claims Against the Company not acknowledged as debts		
Nature : others		
Performance Guarantee issued to Pension Fund Regulatory Development authority (PFRDA)	3,000.00	3,000.00
	<b>3,000.00</b>	<b>3,000.00</b>
2 Commitments made and outstanding on Fixed Assets		
Estimated amounts of contracts to be executed on capital account and not provided for ( net of advances)	-	-
	-	-

## NOTE: 26A EMPLOYEE BENEFITS

### Defined Contribution Plan

During the year the company has recognised the below amounts in the statement of profit and loss under defined contribution plan

Description	For the Year ended	
	31st Mar 2023	31st Mar 2022
Contribution to Employees Provident Fund	2,023.38	1,171.01
Contribution to National Pension Scheme	973.36	556.229
	<b>2,996.74</b>	<b>1,727.24</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Defined benefit plan

### Gratuity

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

Changes in Defined Benefit Obligations	For the Year ended 31st Mar 2023	For the Year ended 31st Mar 2022
Present value of Defined benefit obligations as at beginning of the year	2,639.48	
Service cost	239.57	2,639.48
Interest cost	155.96	
Liability assumed on acquisition / Settled on divestiture	-	
Benefits paid	(673.99)	
Past Service Cost	-	
Acquisition/Divestiture	3,033.57	
Actuarial loss due to curtailment	(472.60)	
Actuarial loss due on obligations	284.30	
Present value of Defined benefit obligations as at end of the year	5,206.28	2,639.48
Reconciliation of present value of the obligation and the fair value of the plan assets		
Opening Fair Value of Plan assets	-	
Contributios by the employer for the year	4,739.50	
Benefits paid	-	
Expected Return o Plan Assets	-	
Liability assumed on acquisition /Settled on divestiture	-	
Actuarial Gain/(Loss)	141.55	
Closing Fair Value of Plan Assets	4,881.05	
Net asset/(liability) as at end of the year	325.23	
Cost recognised for the year		
Current Service cost	5,206.28	
Interest cost		
Expected return on plan assets		
Past service cost	239.57	2,639.48
Actuarial (gain)/ loss due to curtailment	155.96	
Cost of Gratuity for FFS not part of Valuation		
Actuarial (gain)/ loss		
Net Gratuity Cost		
Transitional Liability expended in Revenue Account	395.53	2,639.48
Amount recognised through OCI		
Actuarial (gain)/ loss due to Financial Assumption changes in DBO	-472.60	
Actuarial (gain)/ loss due to Experience on DBO	284.30	
Return on Plan Assets (Greater)/Less than discount rate	-141.55	
Total Actuarial (Gain)/Loss included in OCI	-329.85	
Investment in Category of Asssets (% allocation)		
Insurer Managed Funds *	100%	
Group Stable Fund	-	
Group Short Term Debt Fund	-	
Actuarial Assumptions used		
Discount Rate	7.31%	
Rate of return on plan	7.31%	
Salary escalation rate	7.50%	

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Asset Allocation

Particular	As at 31st Mar 2023	As at 31st Mar 2022
Defined Benefit Obligation	5,206.28	2,639.48
Plan Assets	4,881.05	-
(surplus)/deficit	325.23	2,639.48
Experience adjustment on plan liabilities	-	
Experience adjustment on plan assets	-	

## Accumulated Compensated Absences

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

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

	For the Year ended 31st Mar 2023	For the Year ended 31st Mar 2022
Present value of obligations as at the end of the year	1,461.91	738.70
Fair value of plan assets		0.00
Acturial assumptions used		
Discount rate	7.31%	0.06
Salary escalation rate	7.50%	0.08
Cost recognised during the year	107.05	484.72

## NOTE: 26B EMPLOYEE STOCK OPTION PLAN

Pursuant to ESOP Plan being established by the intermediary holding company (i.e. Aditya Birla Capital Limited), stock options were not granted to the employees of the Company during the financial year.

## NOTE: 27 RELATED PARTY DISCLOSURE

List of related parties which exercise control and status of transactions entered during the year :

Name of the related party and nature of relationship	Transactions carried out during the year (Yes / No)
<b>Ultimate Holding Company</b>	
Grasim Industries Limited	No
<b>Intermediary Holding Company</b>	
Aditya Birla Capital Limited	No
<b>Holding Company</b>	
Aditya Birla Sun Life Insurance Company Limited (100% )	Yes
<b>Fellow Subsidiary Company</b>	
Aditya Birla Capital Technology Services Limited	No
Aditya Birla Financial Shared Services Limited	No
Aditya Birla Insurance Brokers Limited	No
Aditya Birla Finance Limited	No
<b>Group Company</b>	
Birla Management Centre Services Limited	Yes

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

List of key management personnel with whom transactions were carried out during the year

S C Barghav	- Independent Director
Vijay Agarwal	- Independent Director
Kumar Shardindu	- Independent Director
Vikas Seth	- Chief Executive Officer

The following transactions were carried out with the related parties in the ordinary course of business:

Nature of Transactions	For the Year ended	
	31st Mar 2023	31st Mar 2022
1 Aditya Birla Sun Life Insurance Company Limited		
Equity Share Capital	40,000.00	3,00,000.00
Reimbursement of expenses ( incl. taxes)	-1,665.54	-3,142.88
Rent ( incl. taxes)	3,597.55	3,596.27
Purchase of Asset	121.70	
Reimbursement of employee dues	7,391.07	
2 Aditya Birla Capital Limited		
- allotment of ESOP's to employees	-	102.04
3 Aditya Birla Capital Technology Services Limited		
- Software development service (incl. taxes)	-	-
4 Aditya Birla Financial Shared Services Limited		
Reimbursement of vaccination and oxygen contractor cost	-	22.98
5 Aditya Birla Insurance Brokers Limited		
- Employee cost (incl. taxes)	-	57.50
6 Aditya Birla Finance Limited		
- Employee cost (incl. taxes)	-	19.40
7 Birla Management Centre Services Limited		
- Payroll Support cost (incl.taxes)	44.65	9.41
8 Director sitting fees		
S.C Bhargav	640.00	715.00
Vijay Agarwal	515.00	820.00
Kumar Shardindu	440.00	620.00
9 Remuneration to Key Management Personnel		
Vikas Seth		
Short term employee benefits	19,861.05	9,197.02
Post employment benefits	-	-

## Amount due from related parties

Nature of transaction / relationship	As at	As at
	31st Mar 2023	31st Mar 2022
Receivable		
Aditya Birla Sun Life Insurance Company Ltd	0.00	3,674.78

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 28 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement are met through equity and operating cash flows.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2023

### 1 Financial instruments measured at fair value – Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position. The fair values include any deferred differences between the transaction price and the fair value on initial recognition when the fair value is based on a valuation technique that uses unobservable inputs.

#### Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2023

Particulars	Level 1	Level 2	Level 3	Total
<b>FVTPLAssets:</b>				
Equity				-
Treasurybills				-
Corporate NCDs	4,44,082.51			4,44,082.51
Government NCDs	82,031.70			82,031.70
Mutual fund investments		12,744.70		12,744.70
CBLO				-
Preferenceshares				-
Others				-
<b>Total</b>	<b>5,26,114.21</b>	<b>12,744.70</b>	<b>-</b>	<b>5,38,858.92</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2022:

Particulars	Level 1	Level 2	Level 3	Total
<b>FVTPLAssets:</b>				
Equity				-
Treasurybills				-
Corporate NCDs	2,58,626.03			2,58,626.03
Mutual fund investments		2,85,012.66		2,85,012.66
CBLO				-
Preferenceshares				-
Others				-
<b>Total</b>	<b>2,58,626.03</b>	<b>2,85,012.66</b>	<b>-</b>	<b>5,43,638.69</b>

The management assessed that cash and cash equivalents, other bank balances, trade payables and other financial liabilities, other financial assets approximate their carrying amount largely due to short term maturity of these instruments

### Key Inputs for Level 2 Fair Valuation Technique:

1. Mutual Funds: Based on Net Asset Value of the Scheme (Level 2)

## NOTE: 29 RISK MANAGEMENT FRAMEWORK

The Company has an Enterprise Risk Management (ERM) framework covering procedures to identify, assess and mitigate the key business risks. Aligned with the business planning process, the ERM framework covers all business risks including strategic risk, operational risks and investment risks. The key business risks identified are approved by the Board’s Risk Management Committee and monitored by the Risk Management team thereafter. The Company also has in place an Operational Risk Management (ORM) framework that supports excellence in business processes, system and facilitates matured business decisions to move to a proactive risk assessment and is in the process of implementing the key operational risk components.

ABSLPML recognizes that information is a critical business asset, and that our ability to operate effectively and succeed in a competitive market depends on our ability to ensure that business information is protected adequately through appropriate controls and proactive measures. Accordingly, BSLPML has an information security framework that ensures all the information assets are safeguarded by establishing comprehensive management processes throughout the organization.

The Company’s Investments Function is governed by the Investment Committee appointed by the Board of Directors. Investment Policy and Operating Guidelines laid down by the Board provide the framework for management and mitigation of the risks associated with investments.

### ERM encompasses the following areas:



# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Risk Policies

The following risk policies govern and implement effective risk management practices- Code of Conduct;Anti Money Laundering;Business Continuity Planning;Grievances redressal Policy;Information Security Policy;Information Security -Acceptable usage of assets;Investment Code of Conduct;Broker empanelment Policy;Credit Policy ;Investment Policy;PPP norms; Risk Management Policy;Valuation Policy;Voting Policy; Whistle Blower Policy

## Capital management objectives, policies and approach

The company has established the following capital management objectives, policies and approach to managing the risks that affect its capital position:

- 1) To allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and shareholders
- 2) To maintain financial strength to support new business growth and to satisfy the requirements of the policyholders, regulators and stakeholders
- 3) To maintain a healthy capital ratios in order to support its business objectives and maximise shareholders value

The company has met all of these requirements throughout the financial year.

## Approach to capital management

The company seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders

The company's approach to managing capital involves managing assets, liabilities and risks in a coordinated way, assessing shortfalls between reported and required capital levels (by regulated entity) on a regular basis and taking appropriate actions to influence the capital position of the company in the light of changes in economic conditions and risk characteristics. An important aspect of the company's overall capital management process is the setting of target risk adjusted rates of return, which are aligned to performance objectives and ensure that the company is focused on the creation of value for shareholders.

The primary source of capital used by the company is equity.

## Available capital resources at 31 March 2023

Particulars	Total
Paid up Capital	7,30,000.00
Retained earning	(1,83,086.03)
<b>Total</b>	<b>5,46,913.97</b>

## Available capital resources at 31 March 2022

Particulars	Total
Paid up Capital	6,90,000.00
Retained earning	(1,26,104.45)
<b>Total</b>	<b>5,63,895.55</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Regulatory framework

Regulators are primarily interested in protecting the rights of pension fund subscribers and monitor them closely to ensure that the company is satisfactorily managing affairs for their benefit. At the same time, regulators are also interested in ensuring that the company maintains an appropriate solvency position to meet unforeseeable liabilities arising from economic shocks or natural disasters. The operations of the company are subject to regulatory requirements within the jurisdictions in which it operates.

## NOTE: 30 FINANCIAL RISK

### 1. Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to other party by failing to discharge an obligation. We are subject to credit risk in connection with issuers of securities held in our investment portfolio. The losses may occur when a counterparty fails to make timely payments pursuant to the terms of the underlying contractual arrangement or when the counterparty's credit rating or risk profile otherwise deteriorates. The credit risk can occur at multiple levels, as a result of broad economic conditions, challenges within specific sectors of the economy, or from issues affecting individual companies. Events that result in defaults, impairments or downgrades of the securities in our investment portfolio would cause the company to record realized or unrealized losses and increase our provisions for asset default, adversely impacting earnings

Governance structure, in form of the Investment Committee, and well defined investment policies and processes are in place to ensure that the risks involved in investments are identified and acceptable levels are defined. Stringent investment norms and approval structure ensures healthy portfolio while delivering the expected performance. All regulatory and internal norms are built in the investment system.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Industry Analysis As on March 31, 2023

Particulars	Construction	Electricity, Gas, Steam And Air Conditioning Supply	Financial And Insurance Activities	Govt	Information And Communication	Manufacturing	Others	Total
<b>1 Financial Assets At FVTPL</b>								
Debt	15,437.21	25,138.32	4,03,506.98	82,031.70	-	-	-	5,26,114.21
Equity								
Equity Exchange Traded Funds								
Mutual Fund Units	-	-	12,744.70	-	-	-	-	12,744.70
Preference Shares								
<b>2 Amortised Cost Financial Assets</b>								
Debt								
<b>Total credit risk exposure</b>	<b>15,437.21</b>	<b>25,138.32</b>	<b>4,16,251.68</b>	<b>82,031.70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,38,858.92</b>

## As on March 31, 2022

Particulars	Construction	Electricity, Gas, Steam And Air Conditioning Supply	Financial And Insurance Activities	Govt	Information And Communication	Manufacturing	Others	Total
<b>1 Financial Assets At FVTPL</b>								
Debt	-	4,545.92	2,54,080.11	-	-	-	-	2,58,626.03
Equity								
Equity Exchange Traded Funds								
Mutual Fund Units	-	-	2,85,012.66	-	-	-	-	2,85,012.66
Preference Shares								
<b>2 Amortised Cost Financial Assets</b>								
Debt								
<b>Total credit risk exposure</b>	<b>-</b>	<b>4,545.92</b>	<b>5,39,092.77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,43,638.69</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Credit exposure by credit rating

As on March 31, 2023

Particulars	UNR	SOVEREIGN	AAA	AA+	AA	A1+	Others	Total
<b>1 Financial Assets At FVTPL</b>								
Debt		82,031.70	4,44,082.51					5,26,114.21
Equity								-
Equity Exchange Traded Funds								-
Mutual Fund Units					12,744.70			12,744.70
<b>Preference Shares</b>								-
<b>2 Amortised Cost Financial Assets</b>								-
Debt								-
<b>Total credit risk exposure</b>	-	82,031.70	4,44,082.51	-	-	12,744.70	-	5,38,858.92

As on March 31, 2022

Particulars	UNR	SOVEREIGN	AAA	AA+	AA	A1+	Others	Total
<b>1 Financial Assets At FVTPL</b>								
Debt			2,54,080.11					2,54,080.11
Equity								-
Equity Exchange Traded Funds								-
Mutual Fund Units					2,85,012.66			2,85,012.66
Preference Shares								-
<b>2 Amortised Cost Financial Assets</b>								-
Debt								-
<b>Total credit risk exposure</b>	-	-	2,54,080.11	-	-	2,85,012.66	-	5,39,092.77

It is the company's policy to maintain accurate and consistent risk ratings across its credit portfolio. This enables management to focus on the applicable risks and the comparison of credit exposures across all lines of business, geographic regions and products. The rating system is supported by a variety of financial analytics combined with processed market information to provide the main inputs for the measurement of counterparty risk. All internal risk ratings are tailored to the various categories and are derived in accordance with the company's rating policy. The attributable risk ratings are assessed and updated regularly.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 31 LIQUIDITY RISK

Liquidity risk is the possibility that the Company will not be able to fund all cash outflow commitments as they fall due. Our primary funding obligations arise in connection with the payment to subscribers. Sources of available cash flow include investment related inflows (such as maturities, principal repayments, investment income and proceeds of asset sales).

An asset-liability mismatch occurs when the financial terms of an institution's assets and liabilities do not correspond. These can lead to non-payment/deferment of claims, expenses, etc. Effective cash management and capital planning, ensures that, all obligations are properly met.

### Maturity analysis on expected maturity bases

#### As on March 31, 2023

Particulars	Less than 3 month	More than 3 month less than 6 month	More than 6 months to not more than 12 months	More than 12 months	Total
<b>Financial assets</b>					
Amortised Cost	150.00			21,144.05	21,294.05
FVOCI					-
FVTPL	12,744.70			5,26,114.21	5,38,858.92
<b>Investment contract liabilities</b>					-
Other financial liabilities	29,654.27				29,654.27
Trade and other payables	24,783.02				24,783.02

#### As on March 31, 2022

Particulars	Less than 3 month	More than 3 month less than 6 month	More than 6 months to not more than 12 months	More than 12 months	Total
<b>Financial assets</b>					
Amortised Cost	3,824.78			3,684.80	7,509.58
FVOCI					-
FVTPL	2,85,012.66			2,54,080.11	5,39,092.77
<b>Investment contract liabilities</b>					-
Other financial liabilities	17,657.39				17,657.39
Trade and other payables	9,382.82				9,382.82

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 32 MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. We are exposed to financial and capital market risks – the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes or volatility in market prices. Market risk includes equity market and interest rate risks

Market risk governance practices are in place, including independent monitoring and review and reporting to senior management and the Risk Management Committee. The company has an investment policy where all the guidelines are specified for asset allocation and limits.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments exposes the company to cash flow interest risk, whereas fixed interest rate instruments expose the company to fair value interest risk.

The following analysis is performed for reasonably possible movements in key variables with all other variables held constant, showing the impact on profit before tax and equity. The correlation of variables will have significant effect in determining the ultimate impact of interest rate risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis. It should be noted that movements in these variables are non-linear. The method used for deriving sensitivity information and significant variables has not changed from the previous period.

Market indices	Change in Interest rate	31st Mar 2023	
		Impact on loss before tax	Impact on equity
Interest rate	0.0025	Rs 40 lakhs	Rs 40 lakhs

Market indices	Change in Interest rate	31st Mar 2022	
		Impact on loss before tax	Impact on equity
Interest rate	0.0025	Rs 14.21 lakhs	Rs 14.21 lakhs

### Operational risks

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Company cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environment, technology and the industry are monitored through the Company’s strategic planning and budgeting process.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 33 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

Particulars	31-Mar-23			31-Mar-22		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Assets</b>						
<b>Financial assets</b>						
Cash and cash equivalents	11,951.41		11,951.41	7,975.87		7,975.87
Bank Balance other than above	17,205.40	3,938.65	21,144.05		3,684.80	3,684.80
Trade receivables	601.54		601.54	440.44		440.44
Investments	12,744.70	5,26,114.21	5,38,858.92	2,85,012.66	2,58,626.03	5,43,638.69
Other Financial Assets	150.00		150.00	3,674.78	150.00	3,824.78
<b>Total Financials Assets</b>	<b>42,653.05</b>	<b>5,30,052.87</b>	<b>5,72,705.92</b>	<b>2,97,103.76</b>	<b>2,62,460.83</b>	<b>5,59,564.58</b>
<b>Non-financial Assets</b>			-			-
Current tax asset	563.26		563.26	205.46		205.46
Deferred tax assets (Net)		602.11	602.11		233.25	233.25
Property, plant and equipment		224.90	224.90		157.33	157.33
Other intangible assets		571.14	571.14		1,783.69	1,783.69
Other Non Financial Assets	35,138.05		35,138.05	30,166.73		30,166.73
<b>Total non financial assets</b>	<b>35,701.30</b>	<b>1,398.15</b>	<b>37,099.45</b>	<b>30,372.19</b>	<b>2,174.27</b>	<b>32,546.46</b>
<b>Total assets</b>	<b>78,354.36</b>	<b>5,31,451.01</b>	<b>6,09,805.37</b>	<b>3,27,475.95</b>	<b>2,64,635.09</b>	<b>5,92,111.04</b>
<b>Liabilities</b>						
<b>Financial Liabilities</b>						
Trade payables						
(i) total outstanding dues of creditors other than micro enterprises and small enterprises	24,783.02		24,783.02	9,382.82		9,382.82
Other Financial Liabilities	29,654.27		29,654.27	17,657.39		17,657.39
<b>Total non financial assets</b>	<b>54,437.29</b>	<b>-</b>	<b>54,437.29</b>	<b>27,040.21</b>	<b>-</b>	<b>27,040.21</b>
Non-financial Liabilities	8,454.12		8,454.12	1,175.28		1,175.28
<b>Total Liabilities</b>	<b>62,891.41</b>	<b>-</b>	<b>62,891.41</b>	<b>28,215.49</b>	<b>-</b>	<b>28,215.49</b>
<b>Net</b>	<b>15,462.95</b>	<b>5,31,451.01</b>	<b>5,46,913.97</b>	<b>2,99,260.46</b>	<b>2,64,635.09</b>	<b>5,63,895.55</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 34 OPERATING SEGMENTS

The Company have two major operational segment such as POP ( distribution of NPS ) and managing the funds as a Pension Fund Manager (PFM).

S. N. Particulars	31st Mar 2023	31st Mar 2022
<b>1 Segment Revenue</b>		
Pension Fund Management (PFM)	5,689	1,692
Point of Presence (POP)	2,966	1,366
<b>Total Segmental Revenue</b>	<b>8,655</b>	<b>3,058</b>
Less: Inter Segment Revenue	-	-
<b>Total Income from Operations (Net)</b>	<b>8,655</b>	<b>3,058</b>
<b>2 Segment Results (Profit before Finance Costs and Tax)</b>		
Pension Fund Management (PFM)	(48,521)	(35,441)
Point of Presence (POP)	(24,703)	(6,749)
<b>Total Segment Result</b>	<b>(73,224)</b>	<b>(42,190)</b>
Less: Finance Costs		
Add: Interest Income	36,684	20,538
Add: Excess prov written back	-	5,695
Add/Less - Net gain on fair value changes	(9,673)	(3,454)
Less: Other Un-allocable (Expenditure) / Income - net	(10,823)	(7,662)
<b>Profit after Finance Costs but before Exceptional Items</b>	<b>(57,035)</b>	<b>(27,074)</b>
Exceptional Items		
<b>3 Profit before Tax</b>	<b>(57,035)</b>	<b>(27,074)</b>
<b>4 Capital Employed</b>		
(Segment Assets - Segment Liabilities)		
Pension Fund Management (PFM)	758	880
Point of Presence (POP)	5	854
<b>Total Segment Capital Employed</b>	<b>763</b>	<b>1,734</b>
Add: Unallocated Corporate Assets	6,09,042	5,90,377
<b>Total Capital Employed</b>	<b>6,09,805</b>	<b>5,92,111</b>

The Company is domiciled in India and conducts all its operations from within India. Hence the reporting requirements as regards revenue from customer and non currents by location of customer does not arise.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## **NOTE: 35 LEASES**

The Company has adopted Ind AS 116 - "Leases" w.e.f. 1<sup>st</sup> April, 2019. Since at the date of initial application, the lease term for all lease contracts were less than 12 months, the Company has elected not to apply the requirements of Ind AS 116 to such short term leases in accordance with the said standard. Considering the aforesaid, there is no impact on the financial statements on adoption of Ind AS 116.

The Company has taken computers and other accessories on cancellable operating lease. Lease rentals amounting to Rs 248.75 (Previous year Rs 104.20) has been charged to the Statement of Profit and Loss.

Furthermore based on the cost sharing arrangement with the holding Company, in respect of premises take on cancellable operating lease, lease rentals amounting to Rs.4,098.91 (Previous year Rs 3,001.90) have been charged to the Statement of Profit and Loss.

There are no restrictive covenants in the aforesaid lease agreements.

## **NOTE: 36 MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT 2006 (MSMED ACT)**

Based on the information and records available with the Company there are no dues payable to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to dues which were outstanding for more than 45 days as at March 31, 2023 together with interest payable under this Act does not arise. (Previous year - Nil)

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 37

Analytical Ratios	Numerator	Denominator	As at 31st Mar 2023	As at 31st Mar 2022	% of Variance	Remark
1	Current Assets	78,354.35	1.28			
	Current Liabilities	61,429.86				
		3,27,625.95		13.00	-90.18%	Working Capital Utilization
2	Debit Equity Ratio		NA	NA		Since no Debt
	Equity					
3	Debt Service Coverage Ratio		NA	NA		Since no Debt
4	Return on Equity	(57,311.44)	-0.10		112.91%	The business is in growth phase , there is increase in expenses resulting in higher losses
	Net Profit After Tax	5,55,404.76				
	Average Shareholder's equity	(27,330.07)		-0.05		
5	Trade Receivables	5,688.61	9.46		146.13%	Changes in the NPS trust approval process of approving the PFM fees
	Net Sales	601.54				
6	Trade Payables	1,692.25	1.09		-32.81%	The business is in growth phase, there is improvement in processing cycle
	Total Purchase	24,783.02		3.84		
7	Trade Payable	15,167.18	(1.60)		51.04%	The business is in growth phase , there is increase in expenses resulting in higher losses
	Net Profit After Tax	-56,981.59		1.62		
8	Return on Capital Employeed	-27,330.07	(0.11)		119.66%	The business is in growth phase , there is increase in expenses resulting in higher losses
	Net Profit Before Tax	5,46,913.97		(1.06)		
	Total Income	25,837.27				
	Tangible Net Worth	-27,073.78		(0.05)		

## NOTE: 38

Previous years figures have been regrouped, reclassified where ever necessary to make them comparable with those of the present year

In terms of our report attached  
**For SHARP & TANNAN**  
 Chartered Accountants  
 Firm's Registration No. 109982W

For and on behalf of the Board of Directors  
**Aditya Birla Sun Life Pension Management Limited**

**Edwin Paul Augustine**  
 Partner  
 Membership No. 043385

**Kamlesh Rao**  
 Director  
 DIN:07665616

**Sandeep Asthana**  
 Director  
 DIN:00401858

**Vikas Seth**  
 CEO

**Sandhya Upadhyay**  
 CFO

**Jaibind Sahu**  
 Company Secretary

Mumbai: 20<sup>th</sup> April 2023

Aditya Birla Wellness Private Limited



**ADITYA BIRLA  
CAPITAL**

CIN: U74999MH2016PTC282782

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W: <https://www.adityabirlacapital.com/multiply-wellness/#!/home>

# Independent Auditor's Report

To the members of **Aditya Birla Wellness Private Limited**

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying financial statements of Aditya Birla Wellness Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Information Other than the Financial Statements and Auditor's Report thereon

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

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

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

When we read the Board report including Annexures to Board Report, 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 (Revised), 'The Auditor's responsibilities Relating to Other Information'.

### Management's Responsibility for the Financial Statements

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

## Independent Auditor's Report (Contd.)

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

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

### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far it appears from our examination of those books;
  - c) The Balance sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, and Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
  - e) On the basis of written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023, from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information, as the Company is Private Limited Company, provisions of Section 197 read with Schedule V of the Act is not applicable to the Company.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note 21 to the financial statements);
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, as mentioned in note 41 (7) (i) to the financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The management has represented, that, to the best of its knowledge and belief, as mentioned in note 41 (7) (ii), no funds

## Independent Auditor's Report (Contd.)

- (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year and has not

proposed final dividend for the year.

- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March 2023.

For **PYS & CO LLP**

Chartered Accountants

Firm's Reg. No.: 012388S / S200048

**Sanjay Kokate**

Partner

Membership No. 130007

UDIN: 23130007BGRWTK1119

Place: Mumbai

Date: 28 April 2023

# Annexure 'A' to the Independent Auditors' Report

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

- I. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment.
  - (B) The Company has maintained proper records showing full particulars of its intangible assets.
  - (b) The Company has program of physical verification of Property, Plant and Equipment in phased manner so as to cover all the assets, which in our opinion, is reasonable having regard to size of the Company and nature of its assets. Pursuant to the program, all the Property, Plant and Equipment have been physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable properties. In view of this, clause 3 (i) (c) of the Order is not applicable to the Company.
  - (d) The Company has not revalued its Property, Plant and Equipment and Intangible assets during the year.
  - (e) According to information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the "Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- II. (a) The Company does not have any inventory and hence, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- III. According to information and explanations given to us, during the year, the Company has made investments in mutual funds, in our opinion, the investments made during the year are, prima facie, not prejudicial to the interest of the Company. Further, the Company has not provided any loans or advances any nature of loans or stood guarantee or security, secured or unsecured, to companies, firms, limited liability partnerships or any other parties, and hence, reporting under clause 3(iii)(a) and 3(iii)(c) to 3(iii)(f) of the Order is not applicable to the Company.
- IV. According to information and explanations given to us, the Company has not granted any loan, secured or unsecured, or provided any guarantee or security to the parties covered under Section 185 of the Act during the year. With respect to investments, provisions of Section 186 of the Act have been complied with.
- V. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules made thereunder. Accordingly, reporting under clause 3(v) of the Order are not applicable to the Company.
- VI. According to the information and explanations given to us, the requirement for maintenance of cost records specified by the Central Government under Section 148(1) of the Act is not applicable to the Company during the year.
- VII. In respect of statutory dues:
- a. According to the information and explanations given to us, the Company has been generally regular in depositing the undisputed statutory dues including provident fund, income tax, goods and service tax, cess and any other statutory dues as applicable to the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as on the last day of the financial year for a period of more than six months from the date they became payable.

## Annexure 'A' (Contd.)

- b. According to the information and explanations given to us and the records of the Company examined by us, the particulars of income tax as at 31 March 2023 which have not been deposited on account of any dispute are as under.

Name of the statute	Nature of the dues	Period to which the amount relates	Amount in Thousand	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	Asst. Year 2017-18 #	60,384	Commissioner of Income Tax (Appeals) Mumbai
		Asst. Year 2018-19	2,892	Commissioner of Income Tax (Appeals) - National Faceless Appeal Centre
<b>Total</b>			<b>63,276</b>	

(# net of Rs. 15,096 thousand which is paid under protest against the said demand)

- VIII. According to information and explanations given to us, no unrecorded transactions have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). (c) No whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- IX. The Company has not taken any loans or other borrowings on long-term or short-term basis from any entity or person and hence reporting on clause 3(ix) (a) to (f) of the Order is not applicable to the Company. XII. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- X. (a) According to the information and explanations given to us, the Company has not raised moneys by way of public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company. XIII. According to the information and explanations given to us, in our opinion, transactions with related parties are in compliance with Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (b) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company. XIV. According to the information and explanations given to us, in our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act 2013. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.
- XI. In respect of frauds and whistle blower complaints: XV. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (a) No fraud by the Company or on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report. XVI. In respect of the Reserve Bank of India Act, 1934:

(a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable to the Company.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

XVII. According to the information and explanations given to us, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

XVIII. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

XIX. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists

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

XX. The Company is not required to spent amounts towards Corporate Social Responsibility as it does not fulfil the condition given under section 135 of Companies Act, 2013. Accordingly, reporting on clauses 3(xx) (a) and 3(xx) (b) of the Order is not applicable to the Company.

For **PYS & CO LLP**  
Chartered Accountants  
Firm's Reg. No.: 012388S / S200048

**Sanjay Kokate**  
Partner  
Membership No. 130007  
UDIN: 23130007BGRWTK1119

Place: Mumbai  
Date: 28 April 2023

# Annexure 'B' to the Independent Auditors' Report

(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

## **REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")**

We have audited the internal financial controls over financial reporting of Aditya Birla Wellness Private Limited as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

## **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

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

## **AUDITORS' RESPONSIBILITY**

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

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

## **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded

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

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be

detected. Also, projections of any evaluation of the internal financial controls over financial reporting to further periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential

components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **PYS & CO LLP**

Chartered Accountants

Firm's Reg. No.: 012388S / S200048

**Sanjay Kokate**

Partner

Membership No. 130007

UDIN: 23130007BGRWTK1119

Place: Mumbai

Date: 28 April 2023

# Balance Sheet

as at 31<sup>st</sup> March 2023

(INR in '000)

PARTICULARS	Notes	As at 31 March 2023 Audited	As at 31 March 2022 Audited
<b>I ASSETS</b>			
<b>Non Current assets</b>			
(a) Property, plant and equipment	3	1,543	1,220
(b) Other intangible assets	3	83,009	78,010
(c) Intangible assets under development	3	-	8,081
(d) Income tax assets		25,955	21,553
		<b>1,10,507</b>	<b>1,08,864</b>
<b>Current assets</b>			
(a) Financial Assets			
(i) Investments	4	1,79,290	97,896
(ii) Trade receivables	5	31,211	15,014
(iii) Cash and cash equivalents	6	9,135	12,257
(iv) Other financial assets	7	76	2,026
(b) Other current assets	8	6,826	11,188
		<b>2,26,538</b>	<b>1,38,381</b>
<b>Total assets</b>		<b>3,37,045</b>	<b>2,47,245</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	9	1,16,661	1,16,661
(b) Other equity	10	1,14,353	93,368
<b>Total equity</b>		<b>2,31,014</b>	<b>2,10,029</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Long-term provisions	11	1,895	4,836
(b) Other Non current Liabilities	12	9,505	-
		<b>11,400</b>	<b>4,836</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables			
(a) Outstanding dues to micro and small enterprises	13	-	-
(b) Outstanding dues to other than micro and small enterprises		13,201	9,078
(ii) Other financial liabilities	14	8,465	11,819
(b) Other current liabilities	15	72,907	6,551
(c) Short-term provisions	16	58	4,932
		<b>94,631</b>	<b>32,380</b>
<b>Total liabilities</b>		<b>1,06,031</b>	<b>37,216</b>
<b>Total equity and liabilities</b>		<b>3,37,045</b>	<b>2,47,245</b>

The accompanying notes are an integral part of the financial statements

For **PYS & CO LLP**

For and behalf of Board of Directors of **Aditya Birla Wellness Private Limited**

Chartered Accountants

Firm's Reg. No.: 012388S / S200048

**Sanjay Kokate**

Partner

Membership No: 130007

Place : Mumbai

Date: 28 April, 2023

**Mayank Bathwal**

Director

DIN-06804440

Place : Mumbai

Date: 28 April, 2023

**Asokan Naidu**

Director

DIN-07425396

Place : Mumbai

Date: 28 April, 2023

**Vishal Gupta**

Chief Financial Officer

Place : Mumbai

Place : Mumbai

Date: 28 April, 2023

**Ritesh kadam**

Company Secretary

Membership No.-A56899

Place : Mumbai

Date: 28 April, 2023

# Statement of Profit and Loss

for the year ended 31<sup>st</sup> March 2023

(INR in '000)

Particulars	Note No.	Year Ended 31 March 2023 Audited	Year ended 31 March 2022 Audited
<b>I. Income</b>			
Revenue from operations	17	1,30,022	1,32,508
Other income	18	9,965	10,318
<b>Total Income</b>		<b>1,39,987</b>	<b>1,42,826</b>
<b>II. Expenses</b>			
(a) Employee benefits expense	19	41,162	51,247
(b) Depreciation and amortisation expense	3	37,087	31,075
(c) Other expenses	20	41,973	39,371
<b>Total Expenses</b>		<b>1,20,222</b>	<b>1,21,693</b>
<b>III. Profit before Tax (I-II)</b>		<b>19,765</b>	<b>21,133</b>
<b>IV. Tax expenses</b>			
- Current tax		-	-
- Deferred tax		-	-
<b>V. Profit for the year/period (III-IV)</b>		<b>19,765</b>	<b>21,133</b>
<b>VI. Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
1) Remeasurement of defined benefit plan		1,220	563
2) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Total Other Comprehensive Income</b>		<b>1,220</b>	<b>563</b>
<b>Total Comprehensive Income for the year (V+VI)</b>		<b>20,985</b>	<b>21,696</b>
<b>Earnings per equity share (in Rupees):</b>	24		
(1) Basic		1.69	1.81
(2) Diluted		1.69	1.81
<b>Nominal value of equity shares (in Rupees)</b>		<b>10</b>	<b>10</b>
<b>Significant accounting policies</b>	1 & 2		

The accompanying notes are an integral part of the financial statements

For **PYS & CO LLP**

For and behalf of Board of Directors of **Aditya Birla Wellness Private Limited**

Chartered Accountants

Firm's Reg. No.: 012388S / S200048

**Sanjay Kokate**

Partner

Membership No: 130007

Place : Mumbai

Date: 28 April, 2023

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Chief Financial Officer

Place : Mumbai

Place : Mumbai

Date: 28 April, 2023

**Ritesh kadam**

Company Secretary

Membership No.-A56899

Place : Mumbai

Date: 28 April, 2023

# Statement of Cash Flows

for the year ended 31<sup>st</sup> March 2023

(INR in '000)

Particulars	Year ended 31 March 2023 Audited	Year ended 31 March 2022 Audited
<b>(A) CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the year	19,765	21,133
Add: Depreciation and amortisation expense	37,087	31,075
Less: Provision written back	(2,521)	(6,000)
Net Gain / (Loss) on Financial Asset at FVTPL		
Less: Realised gain	(4,166)	(3,130)
Less: Unrealised Gain	(2,738)	(1,188)
<b>Operating loss before working capital changes</b>	<b>47,427</b>	<b>41,890</b>
Adjustments for working capital changes :		
(Increase) / decrease in other financial assets	6,312	6,268
(Increase) / decrease in trade receivables	(16,197)	14,114
Increase / (decrease) in trade payables and other current liabilities	72,999	(4,893)
Increase / (decrease) in other financial liabilities	(5,946)	(2,400)
Increase / (decrease) in long term and short term provisions	(6,594)	2,958
Increase / (decrease) in other non current liabilities	9,505	-
<b>Net change in working capital</b>	<b>60,079</b>	<b>16,047</b>
<b>Operating cash flows after working capital changes</b>	<b>1,07,506</b>	<b>57,937</b>
Direct taxes paid	(4,402)	(2,614)
<b>Net cash (used) in operating activities</b>	<b>1,03,104</b>	<b>55,323</b>
<b>(B) CASH FLOWS FROM INVESTMENT ACTIVITIES</b>		
Purchase \ Sale of current investments (net)	(74,490)	(18,235)
Purchase of Property, plant and equipment and intangible asset	(32,404)	(28,680)
Sale proceed from property plant and equipment	668	1,723
<b>Net cash (used) in investment activities</b>	<b>(1,06,226)</b>	<b>(45,192)</b>
<b>(C) CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Net cash generated from in financing activities</b>	<b>-</b>	<b>-</b>
<b>Net changes in cash and cash equivalents (A+B+C)</b>	<b>(3,122)</b>	<b>10,131</b>
<b>Cash and cash equivalents - opening balance</b>	<b>12,257</b>	<b>2,126</b>
<b>Cash and cash equivalents - closing balance</b>	<b>9,135</b>	<b>12,257</b>
<b>Net increase in cash and cash equivalents</b>	<b>(3,122)</b>	<b>10,131</b>

## Note:

The above statement of cash flow has been prepared under "Indirect method" as set out in the Indian Accounting standards (AS)-7 on "Statement of Cash Flow".

The accompanying notes are an integral part of the financial statements

For **PYS & CO LLP**

For and behalf of Board of Directors of **Aditya Birla Wellness Private Limited**

Chartered Accountants

Firm's Reg. No.: 012388S / S200048

**Sanjay Kokate**

Partner

Membership No: 130007

Place : Mumbai

Date: 28 April, 2023

**Mayank Bathwal**

Director

DIN-06804440

Place : Mumbai

Date: 28 April, 2023

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Director

DIN-07425396

Place : Mumbai

Date: 28 April, 2023

**Vishal Gupta**

Chief Financial Officer

Membership No.-A56899

Place : Mumbai

Date: 28 April, 2023

**Ritesh kadam**

Company Secretary

Membership No.-A56899

Place : Mumbai

Date: 28 April, 2023

# Statement of changes in equity

for the year ended 31<sup>st</sup> March 2023

## A. EQUITY SHARE CAPITAL (ESC)

(INR in '000)

Particulars	Opening balance	Changes in ESC due to prior period errors	Share application money pending allotment	Total Equity
Opening balance as on 01 April 2022	1,16,661	-	-	1,16,661
<b>Closing balance as on 31 March 2023</b>	<b>1,16,661</b>	-	-	<b>1,16,661</b>
Opening balance as on 01 April 2021	1,16,661	-	-	1,16,661
<b>Closing balance as on 31 March 2022</b>	<b>1,16,661</b>	-	-	<b>1,16,661</b>

## B. OTHER EQUITY

Particulars	Reserves and surplus			Items of other comprehensive income	Total
	General reserve	Retained earnings	Securities premium	Remeasurement of the defined benefit plan	
<b>Balance as at 1 April 2022</b>	-	<b>(1,38,975)</b>	<b>2,31,116</b>	<b>1,227</b>	<b>93,368</b>
Profit for the year	-	19,765	-	-	19,765
Other comprehensive income	-	-	-	1,220	1,220
<b>Total comprehensive income for the period</b>	-	<b>19,765</b>	-	<b>1,220</b>	<b>20,985</b>
<b>Balance as at 31 March 2023</b>	-	<b>(1,19,210)</b>	<b>2,31,116</b>	<b>2,447</b>	<b>1,14,353</b>
<b>Balance as at 1 April 2021</b>	-	<b>(1,60,108)</b>	<b>2,31,116</b>	<b>664</b>	<b>71,672</b>
Profit for the year	-	21,133	-	-	21,133
Other comprehensive income	-	-	-	563	563
<b>Total comprehensive income for the year</b>	-	<b>21,133</b>	-	<b>563</b>	<b>21,696</b>
<b>Balance as at 31 March 2022</b>	-	<b>(1,38,975)</b>	<b>2,31,116</b>	<b>1,227</b>	<b>93,368</b>

The accompanying notes are an integral part of the financial statements

For **PYS & CO LLP**

Chartered Accountants

Firm's Reg. No.: 012388S / S200048

For and behalf of Board of Directors of **Aditya Birla Wellness Private Limited**

**Sanjay Kokate**

Partner

Membership No: 130007

Place : Mumbai

Date: 28 April, 2023

**Mayank Bathwal**

Director

DIN-06804440

Place : Mumbai

Date: 28 April, 2023

**Asokan Naidu**

Director

DIN-07425396

Place : Mumbai

Date: 28 April, 2023

**Vishal Gupta**

Chief Financial Officer

Place : Mumbai

Place : Mumbai

Date: 28 April, 2023

**Ritesh kadam**

Company Secretary

Membership No.-A56899

Place : Mumbai

Date: 28 April, 2023

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## 1. CORPORATE INFORMATION :

Aditya Birla Wellness Private Limited (“the Company”) is a subsidiary Company of Aditya Birla Capital Limited (Formerly known as Aditya Birla Financial Services Limited) and the ultimate holding company is Grasim Industries Limited. The Company is a private limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company was incorporated on June 23, 2016 with Corporate Identification Number (CIN): U74999MH2016PTC282782 with specific purpose of providing and servicing incentives wellness programs and related programs.

Registered office and principal place of business of the Company is situated at One World Center, Tower I 9<sup>th</sup> Floor Jupiter Mill Compound, 841 SB Marg, Elphinstone Mumbai MH 400013 IN.

## 2. SIGNIFICANT ACCOUNTING POLICIES :

### a Basis of preparation of financial statements

These Financial Statements are prepared on accrual basis of accounting and all principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied to all the financial years presented.

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, and relevant amendment rules issued there after.

### b Basis of measurement

The financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

### c Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets

and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- Valuation of financial instruments
- Useful life of property, plant and equipment
- Employee Benefits

### d Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the company’s functional currency. All amounts have been rounded off up to the nearest thousands except where otherwise indicated.

### e Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

The Company has identified twelve months as its operating cycle.

## f Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

### Revenue from service fees and charges

Service fees and charges are recognised on the basis of services rendered as per the terms of contract entered into for the period to which they relate. Amount received or billed in advance for services as per terms of contract are recorded as unearned revenue.

In accordance with Ind AS 115, Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue from wellness services is recognized over period of time. The entity measures the progress towards completion of the performance obligation on the basis of the entity's efforts to the satisfaction of a performance obligation.

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable which is the rate which exactly discounts

estimated future cash receipts through the expected life of financial assets to that asset's net carrying amount on initial recognition.

## g Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes a financial asset or financial liability in its balance sheet only when the entity becomes party to the contractual provisions of the instrument.

### (i) Financial assets

A financial asset inter-alia includes any asset that is cash, equity instrument of another entity or contractual obligation to receive cash or another financial asset or to exchange financial asset or financial liability under condition that are potentially favourable to the Company.

#### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories;  
at amortised cost through profit or loss  
at fair value through other comprehensive income (FVTOCI)  
at fair value through profit or loss (FVTPL)

#### Financial Assets at amortised cost

A financial assets is measured at the amortised cost if both the following conditions are met :

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

This category is the most relevant to the Company i.e. Trade Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by impairment amount.

After initial measurement such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

## Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

## Impairment of financial assets

The Management has evaluated the impairment provision requirement under IND AS 109 and has listed down below major facts for trade and other receivables impairment provisioning:

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Expected Credit Loss (ECL) impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the statement of profit & loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortized cost and other contractual revenue receivables- ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

## (ii) Financial liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### Initial recognition and measurement

All financial liabilities are recognised initially at fair value net of directly attributable transaction costs in case of same subsequently measured at amortised cost. Transaction costs are directly recorded in Statement of Profit and Loss where financial liabilities are subsequently measured at fair value.

The Company's financial liabilities include trade and other payables.

### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to statement profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through statement profit and loss.

## Financial liabilities at amortised cost

This is the category most relevant to the Company. Financial Liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to interest-bearing loans and borrowings.

## Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

## Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

## Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

## h Property, Plant and Equipment

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

Intangible assets are recognised only if it is probable that the future economic benefits are attributable to the assets which will flow to the enterprise and the cost of the asset can be measured easily.

Depreciation on tangible assets is provided using the straight-line method based on the economic useful life of assets as determined by the management is as below;

S. No.	Asset Type	Estimated Useful life (Years)
1	IT Equipment	3 - 6
2	Office Equipment	2 - 5
3	Motor Car	5

The useful lives of tangible fixed assets are assessed taking into account technical advice, the nature of the asset, the estimated usage of the asset, the operating

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

condition of the asset, past history of replacement, anticipated technological changes etc. Further, for the class of assets, the management believe that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Assets having a value of less than INR 5000, have been fully depreciated in the year of purchase.

## **i Impairment of non financial assets:**

At each balance sheet date, management assesses whether there is any indication, based on internal / external factors, that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal.

## **j Cash and cash equivalents**

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

## **k Leases**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgment in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

## **l Direct and Indirect Tax**

### **(i) Direct Taxes**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company determines the tax as per the provisions of Income Tax Act, 1961 and other rules specified thereunder.

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

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

Deferred tax assets are 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 utilized.

Deferred Tax assets and liabilities is not recognised in the books owing to the fact that difference will not be reversed in foreseeable future and the taxable profit is not available against which the temporary difference can be utilized.

### **ii) Indirect Taxes**

The Company claims credit of service tax for input services, which is set off against tax on output services. The unutilized credits, if any are carried forward to the

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

future period for set off where there is reasonable certainty of utilization.

## **m Employee Benefits**

### **a) Short Term Employee Benefits**

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

### **b) Other Long Term Employment Benefits ( Earned Leave , Long Term Employment Benefit)**

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

### **c) Long Term Employment Benefits**

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

#### **i) Post employment Obligations**

The Company operates the following post - employment schemes :

- defined benefit plans such as gratuity and,
- defined contribution plans such as provident fund.

#### **ii) Defined contribution scheme**

The Company defined contribution schemes for provident fund to provide retirement benefits to its employees. These are plans in which the Company pays predefined amounts to recognised provident fund and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the employees' provident fund. The Company's payments to the defined contribution plans are reported as expenses during the period in which the employees perform the services that the payment covers.

#### **iii) Defined benefit scheme**

The Company provides for gratuity as per the Payment of Gratuity Act, 1972. Employee who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / terminations is the employee last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

Gratuity liability is defined benefit obligation and is funded. The Company accounts for liability for future gratuity benefits based on independent actuarial valuation under IND AS 19 'Employee Benefits'. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. The liability or assets recognised in the balance sheet in respect of defined benefit gratuity scheme is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

## **n Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding at the balance sheet date. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

## **o Provisions and contingent liabilities**

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

provision due to the passage of time is recognised as a finance cost.

A disclosure for contingent liability is made when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources or it cannot be reliably estimated. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. A contingent asset is neither recognized nor disclosed.

## **p Recent accounting pronouncements**

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting

policies. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Note 3.1 PROPERTY, PLANT AND EQUIPMENT

(INR in '000)

Particulars	Office Equipment	Vehicle	IT equipments	Total
<b>Gross carrying value</b>				
Balance as at 1 Apr 2022	39	876	5,214	6,129
Additions	53	775	705	1,533
Disposals	-	(876)	-	(876)
<b>Balance as at 31 March 2023</b>	<b>92</b>	<b>775</b>	<b>5,919</b>	<b>6,786</b>
<b>Accumulated Depreciation</b>				
Balance as at 1 Apr 2022	38	139	4,732	4,909
Depreciation for the period	5	143	394	542
Disposals	-	(208)	-	(208)
<b>Balance as at 31 March 2023</b>	<b>43</b>	<b>74</b>	<b>5,126</b>	<b>5,243</b>
<b>Net Block</b>				
<b>As at 31 March 2023</b>	<b>49</b>	<b>701</b>	<b>793</b>	<b>1,543</b>
<b>Gross carrying value</b>				
Balance as at 1 Apr 2021	39	-	5,316	5,355
Additions	-	2,708	-	2,708
Disposals	-	(1,832)	(102)	(1,934)
<b>Balance as at 31 March 2022</b>	<b>39</b>	<b>876</b>	<b>5,214</b>	<b>6,129</b>
<b>Accumulated Depreciation</b>				
Balance as at 1 Apr 2021	38	-	4,093	4,131
Depreciation for the year	-	248	741	989
Disposals	-	(109)	(102)	(211)
<b>Balance as at 31 March 2022</b>	<b>38</b>	<b>139</b>	<b>4,732</b>	<b>4,909</b>
<b>Net Block</b>				
<b>As at 31 March 2022</b>	<b>1</b>	<b>737</b>	<b>482</b>	<b>1,220</b>

## Note 3.2 INTANGIBLE ASSETS

(INR in '000)

Particulars	Software and website	Total
<b>Gross carrying value</b>		
Balance as at 1 Apr 2022	1,62,108	1,62,108
Additions	41,545	41,545
Disposals	-	-
<b>Balance as at 31 March 2023</b>	<b>2,03,653</b>	<b>2,03,653</b>
<b>Accumulated Depreciation</b>		
Balance as at 1 Apr 2022	84,098	84,098
Depreciation/amortisation for the period	36,546	36,546
Disposals	-	-
<b>Balance as at 31 March 2023</b>	<b>1,20,644</b>	<b>1,20,644</b>
<b>Net Block</b>		
<b>As at 31 March 2023</b>	<b>83,009</b>	<b>83,009</b>
<b>Gross carrying value</b>		

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

(INR in '000)

Particulars	Software and website	Total
Balance as at 01 April 2021	1,42,092	1,42,092
Additions	20,016	20,016
Disposals	-	-
<b>As at 31 March 2022</b>	<b>1,62,108</b>	<b>1,62,108</b>
<b>Accumulated Depreciation</b>		
Balance as at 01 April 2021	54,012	54,012
Depreciation/amortisation for the year	30,086	30,086
Disposals	-	-
<b>As at 31 March 2022</b>	<b>84,098</b>	<b>84,098</b>
<b>Net Block</b>		
<b>As at 31 March 2022</b>	<b>78,010</b>	<b>78,010</b>

## Note 3.3 TANGIBLE ASSETS IN TRANSIT

(INR in '000)

Particulars	Other than Applications	Total
<b>Balance as at 1 Apr 2022</b>	-	-
Additions	705	705
Assets capitalised during the period	(705)	(705)
<b>Balance as at 31 March 2023</b>	<b>-</b>	<b>-</b>

## Note 3.4 INTANGIBLE ASSETS UNDER DEVELOPMENT

(INR in '000)

Particulars	Software and Website	Total
Balance as at 1 Apr 2022	8,081	8,081
Additions	33,465	33,465
Assets capitalised during the period	(41,546)	(41,546)
<b>Balance as at 31 March 2023</b>	<b>-</b>	<b>-</b>
Balance as at 01 April 2021	-	-
Additions	11,190	11,190
Assets capitalised during the year	(3,109)	(3,109)
<b>Balance as at 31 March 2022</b>	<b>8,081</b>	<b>8,081</b>

## Note 3.5 Following is the ageing schedule of Intangible Assets Under Development

### Intangible Assets Under Development ageing schedule as on 31 March 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Multiply Wellness Core	-	-	-	-	-
Mobile App	-	-	-	-	-
Website	-	-	-	-	-
	-	-	-	-	-

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Intangible Assets Under Development ageing schedule as on 31 March 2022

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Multiply Wellness Core	2,361	-	-	-	2,361
Mobile App	2,860	-	-	-	2,860
Website	2,860	-	-	-	2,860
	<b>8,081</b>	-	-	-	<b>8,081</b>

### Note 3.6

There are no Intangible asset under development whose completion is overdue or has exceeded its cost compared to its original plan.

## NOTE 4 CURRENT INVESTMENTS

(INR in '000)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Investment in mutual fund (unquoted):</b>		
(fair value through profit or loss)		
381,258.63 (As at 31 March 2022; 219,837.93) Units of Aditya Birla Sun Life Saving Fund - Growth - Direct Plan	1,79,290	97,896
	<b>1,79,290</b>	<b>97,896</b>
Aggregate amount of unquoted investments	1,79,290	97,896
Aggregate amount of impairment in value of Investments	-	-
Reduction in the fair value of assets held for sale	-	-
Investments carried at cost	1,79,290	97,896
Investments carried at amortized cost	-	-
Investments carried at fair value through other comprehensive income	-	-
Investments carried at fair value through profit or loss	1,79,290	97,896

## NOTE 5 TRADE RECEIVABLES

(INR in '000)

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Considered good- secured,	-	-
(b) Considered good- unsecured,	31,211	15,014
(c) Trade receivables which have significant increase in credit risk	-	-
(d) Trade receivables - credit impaired	-	-
	<b>31,211</b>	<b>15,014</b>
Of the above, trade receivables from:		
Due from related party	16,940	12,998
Other receivables	14,272	2,016
	<b>31,211</b>	<b>15,014</b>

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Note 5.1 Ageing schedule of trade receivables as on 31 March 2023 are as under:

(INR in '000)

Particulars	As at 31 March 2023	As at 31 March 2022
Outstanding for following periods from due date of payments		
Unbilled receivables	322	-
Not due	-	-
Less than 6 months	30,427	15,009
6 months -1 year	462	5
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>31,211</b>	<b>15,014</b>

## Note 5.2

The Company has used a practical expedient for computing expected credit loss allowance for trade receivables taking into account historical credit loss experience.

As per management assessment, no provision was made for expected credit loss as there is no history of significant default and significant delay.

## Note 5.3

The average credit period from the date of invoice is 30 - 90 days.

## Note 5.4

The Company does not have Trade Receivables which have significant increase in credit risk and trade receivables- credit impaired

## NOTE 6 CASH AND CASH EQUIVALENTS

(INR in '000)

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with banks		
In current account	9,135	12,257
	<b>9,135</b>	<b>12,257</b>

## NOTE 7 OTHER FINANCIAL ASSETS

(INR in '000)

Particulars	As at 31 March 2023	As at 31 March 2022
Other receivables	76	2,026
	<b>76</b>	<b>2,026</b>

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 8 OTHER CURRENT ASSETS

(INR in '000)

Particulars	As at	As at
	31 March 2023	31 March 2022
Other advances	1,320	1,251
Prepaid expenses	2,777	4,478
Net Balances with statutory/Government authorities (Netoff including Provision for GST input of Rs. 1,256 thousands)	2,729	5,459
	<b>6,826</b>	<b>11,188</b>

## NOTE 9 SHARE CAPITAL

(INR in '000)

Particulars	As at	As at
	31 March 2023	31 March 2022
<b>Authorised:</b>		
15,000,000 (as at 31 March 2023; 15,000,000) equity shares of Rs.10 each	1,50,000	1,50,000
	<b>1,50,000</b>	<b>1,50,000</b>
<b>Issued, subscribed and fully paid-up</b>		
11,666,100 (as at 31 March 2023; 11,666,100) equity shares of Rs.10 each, fully paid up	1,16,661	1,16,661
	<b>1,16,661</b>	<b>1,16,661</b>

### a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

(INR in '000)

S. No.	Description	As at	As at
		31 March 2023	31 March 2022
		Equity Shares	Equity Shares
1	At the beginning of the year	1,16,66,100	1,16,66,100
2	Allotment of fully paid-up Shares during the Year	-	-
3	No of Shares outstanding at the end of the year	<b>1,16,66,100</b>	<b>1,16,66,100</b>

### b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution to all Preference Shareholders. The distribution will be in proportion to the number of the equity shares held by the shareholders.

c) Equity shares held by holding company "Aditya Birla Capital Limited" along with its nominee - No. of Shares - 5,949,712 (as at 31 March 2023; 5,949,712).

d) Shares in the Company held by each shareholder holding more than 5 percent shares and the number of shares held are as under:-

#### Equity Shares

(INR in '000)

S. No.	Name of the shareholder	As at 31 March 2023		As at 31 March 2022	
		No of Shares held	% of total paid-up equity share capital	No of Shares held	% of total paid-up equity share capital
		1	Aditya Birla Capital Limited along with its nominee	59,49,712	51.00%
2	MMI Strategic Investment Pty Ltd.	57,16,388	49.00%	57,16,388	49.00%

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

- e) During the last five years there were no Bonus Shares issued.
- f) Shares held by promoters and holding company at the end of the year

## Equity Shares

(INR in '000)

S. No.	Name of Promoter	As at 31 March 2023		As at 31 March 2022		% Change during the year
		No. of Shares Held	% of Total Paid-up Equity Share Capital	No of Shares held	% holding in that class of shares	
1	Aditya Birla Capital Limited along with its nominee	59,49,712	51.00%	59,49,712	51.00%	-
2	MMI Strategic Investment Pty Ltd.	57,16,388	49.00%	57,16,388	49.00%	-
	<b>Total</b>	<b>1,16,66,100</b>	<b>100.00%</b>	<b>1,16,66,100</b>	<b>100.00%</b>	<b>-</b>

(INR in '000)

S. No.	Name of Promoter	As at 31 March 2022		As at 31 March 2021		% Change during the previous year
		No. of Shares Held	% of Total Paid-up Equity Share Capital	No of Shares held	% holding in that class of shares	
1	Aditya Birla Capital Limited along with its nominee	59,49,712	51.00%	59,49,712	51.00%	-
2	MMI Strategic Investment Pty Ltd.	57,16,388	49.00%	57,16,388	49.00%	-
	<b>Total</b>	<b>1,16,66,100</b>	<b>100%</b>	<b>1,16,66,100</b>	<b>100%</b>	<b>-</b>

## NOTE 10 OTHER EQUITY

(INR in '000)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Securities Premium Account</b>		
Balance as per last financial statements	2,31,116	2,31,116
<b>Total (a)</b>	<b>2,31,116</b>	<b>2,31,116</b>
<b>Retained earnings</b>		
Balance as per last financial statements	(1,37,748)	(1,59,444)
Profit for the period	19,765	21,133
Comprehensive profit during the year	1,220	563
<b>Total (b)</b>	<b>(1,16,763)</b>	<b>(1,37,748)</b>
<b>Total (a+b)</b>	<b>1,14,353</b>	<b>93,368</b>

## NOTE 11 LONG-TERM PROVISIONS

(INR in '000)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits:		
Gratuity (unfunded) (Refer Note 26)	1,457	4,201
Leave encashment	438	635
	<b>1,895</b>	<b>4,836</b>

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 12 OTHER NON CURRENT LIABILITIES

(INR in '000)

Particulars	As at 31 March 2023	As at 31 March 2022
Unearned revenue	9,505	-
	<b>9,505</b>	<b>-</b>

## NOTE 13 TRADE PAYABLES

(INR in '000)

Particulars	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises;	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	13,201	9,078
	<b>13,201</b>	<b>9,078</b>

### Note 13.1

Ageing schedule of Trade payables as on 31st March 2023 are as under:

(INR in '000)

Particulars	As at 31 March 2023	As at 31 March 2022
Outstanding for following periods from due date of payments		
Unbilled payables	8,743	6,171
Less than 1 year	4,309	2,026
1-2 years	149	501
2-3 years	-	380
More than 3 years	-	-
<b>Total</b>	<b>13,201</b>	<b>9,078</b>

### Information relating to Micro and Small Enterprises, as per the Micro, Small and Medium Enterprises Development Act, 2006: :

(a) the principal amount overdue and the interest thereon remaining unpaid to any supplier at the end of each accounting year;	-	-
(b) the amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Development Act, 2006	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 14 OTHER FINANCIAL LIABILITIES

(INR in '000)

Particulars	As at 31 March 2023	As at 31 March 2022
Salary payable	5,613	9,487
Creditors for capital expenditure	2,592	2,125
Other payable due to a related party	241	190
Others	19	17
	<b>8,465</b>	<b>11,819</b>

## NOTE 15 OTHER CURRENT LIABILITIES

(INR in '000)

Particulars	As at 31 March 2023	As at 31 March 2022
Statutory dues payable	7,298	4,731
Unearned revenue	65,600	1,811
Advance from customers	9	9
	<b>72,907</b>	<b>6,551</b>

## NOTE 16 SHORT-TERM PROVISIONS

(INR in '000)

Particulars	As at 31 March 2023	As at 31 March 2022
Provisions for employee benefits:		
Gratuity (unfunded)	27	66
Leave encashment	31	46
Other long-term benefits	-	4,820
	<b>58</b>	<b>4,932</b>

## NOTE 17 REVENUE FROM OPERATIONS

(INR in '000)

Particulars	Year Ended 31 March 2023	Year ended 31 March 2022
Service fees and charges	1,30,022	1,32,508
	<b>1,30,022</b>	<b>1,32,508</b>
<b>Reconciliation of revenue from operation with invoices generated during the year</b>		
Total Invoice Generated during the year	2,02,994	1,30,056
Add: Previous year unearned revenue booked during the year	1,811	4,264
Add: Unbilled revenue during the year	322	-
Less: Amount transferred to Unearned revenue account during the year	(75,105)	(1,811)
<b>Net Revenue booked during the year</b>	<b>1,30,022</b>	<b>1,32,508</b>

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 18 OTHER INCOME

(INR in '000)

Particulars	Year Ended 31 March 2023	Year ended 31 March 2022
Net Gain / (Loss) on Financial Asset at FVTPL		
a) Realised Gain	4,166	3,130
b) Unrealised Gain	2,738	1,188
Sundry balances and provision written income	2,521	6,000
Foreign exchange gain (Net)	540	-
	<b>9,965</b>	<b>10,318</b>

## NOTE 19 EMPLOYEE BENEFITS EXPENSE

(INR in '000)

Particulars	Year Ended 31 March 2023	Year ended 31 March 2022
Salaries and allowances	37,915	48,056
Gratuity expenses	1,146	1,322
Contribution to provident fund and other funds	1,696	1,808
Staff welfare expenses	405	61
	<b>41,162</b>	<b>51,247</b>

## NOTE 20 OTHER EXPENSES

(INR in '000)

Particulars	Year Ended 31 March 2023	Year ended 31 March 2022
Rent	5,976	5,976
Repairs and maintenance - building	620	620
Housekeeping and security expenses	1,182	1,182
Rates and taxes	83	416
Advertisement	1,768	1,384
Legal and professional expenses	17,368	15,372
Printing and stationery	96	-
Travelling and conveyance	1,242	168
Call centre charges	1,360	1,627
Communication expenses	73	83
Auditors' remuneration:		
Statutory audit fees	618	562
Tax audit fees	109	99
Other services	250	138
Electricity charges	330	330
Foreign exchange loss (Net)	-	24
Sales promotion	654	803
Wellness tracking expenses*	7,978	10,090
Refferal commission	123	290
Provision for GST Input	1,256	-
Miscellaneous expenses	887	207
	<b>41,973</b>	<b>39,371</b>

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 21 CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR)

The Company has received Income Tax demand for Assessment Year 2017-18 and 2018-19 of INR 78,371 thousands. The details are as under:

(INR in '000)

Assessment Year	Remark	As at 31 March 2023	As at 31 March 2022
2017-2018	Company has paid INR 15,096 thousand under protest.	75,479	75,479
2018-2019	-	2,892	2,892
		<b>78,371</b>	<b>78,371</b>

## NOTE 22 CAPITAL COMMITMENT

(INR in '000)

Particulars	As at 31 March 2023	As at 31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for	2,737	4,519
	<b>2,737</b>	<b>4,519</b>

## NOTE 23

### a) expenditure in foreign currency (on accrual basis)

(INR in '000)

Particulars	As at 31 March 2023	As at 31 March 2022
Legal and professional expenses	-	2,361
Intangible assets	-	2,361
Wellness tracking expenses	-	-
	<b>-</b>	<b>4,722</b>

### b) foreign currency exposures as at year end not hedged are as follows

(INR in '000)

Particulars	Currency Type	As at 31 March 2023		As at 31 March 2022	
		Foreign currency ( '000)	Equivalent INR ( '000)	Foreign currency ( '000)	Equivalent INR ( '000)
Trade payable	ZAR	-	-	409	2,126
Creditors for capital expenditure	ZAR	-	-	409	2,126

## NOTE 24 EARNINGS PER SHARE

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

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

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

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

Particulars	As at	As at
	31 March 2023	31 March 2022
Profit attributable to equity holders for basic earnings (INR in '000)	19,765	21,133
Weighted average number of equity shares for basic EPS (Numbers)	1,16,66,100	1,16,66,100
Weighted average number of equity shares adjusted for the effect of dilution* (Numbers)	1,16,66,100	1,16,66,100
Face value per share (INR)	10	10
Basic earning per share (INR)	1.69	1.81
Diluted earning per share (INR)	1.69	1.81

\* There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

## NOTE 25 RELATED PARTY DISCLOSURES FOR THE QUARTER AND YEAR ENDED 31 MARCH 2023

### Related party relationships :

Nature of relationship	Name of related parties
<b>Ultimate Holding Company</b>	Grasim Industries Limited
<b>Holding company</b>	Aditya Birla Capital Limited
<b>Fellow Subsidiaries</b>	Aditya Birla Health Insurance Co. Ltd. (Up to 20 October 2022)
	Aditya Birla Sun Life Insurance Company Limited
	Aditya Birla ARC Limited
	Aditya Birla Capital Technology Services Limited
	Aditya Birla Finance Limited
	Aditya Birla Financial Shared Services Limited
	Aditya Birla Money Limited
	Aditya Birla Stressed Asset AMC Private Limited
	Aditya Birla Sun Life AMC Limited
	Aditya Birla Housing Finance Limited
	Aditya Birla Insurance Brokers Limited
	Aditya Birla Money Mart Ltd.
<b>Associates and other related parties</b>	Momentum Metropolitan Strategic Investment (Pty) Limited.
	Momentum Multiply (Pty) Ltd
	Momentum Metropolitan Services Private Limited
	Aditya Birla Health Insurance Co. Ltd. (w.e.f. 21 October 2022)
<b>Key Managerial Personal</b>	Murtuza Arsiwala (Manager upto 15 July 2022)
	Manoj Korgaonkar (Chief Financial Officer Upto 2 August 2022)
	Vishal Kumar Gupta (Chief Financial Officer w.e.f. 3 August 2022)
	Anupa Milan Naik (Manager w.e.f. 6 January 2023)
	Deepak Savalge (Company Secretary upto 27 February 2023)
	Ritesh Kumar (Company Secretary w.e.f. 24 March 2023)

### Notes:

- No amounts in respect of related parties have been written off/back during the period/ year.
- The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the period/ year.

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

(INR in '000)

Sr. No.	Transaction with related parties	31 March 2023	31 March 2022
<b>1</b>	<b>Service fees and charges</b>		
	Aditya Birla Health Insurance Co. Ltd.	1,74,401	1,23,477
		<b>1,74,401</b>	<b>1,23,477</b>
<b>2</b>	<b>Reimbursement of Expenses</b>		
	Aditya Birla Health Insurance Co. Ltd.	14,936	-
		<b>14,936</b>	<b>-</b>
<b>3</b>	<b>Rent, advertisement and other expense</b>		
	Aditya Birla Finance Limited	362	-
	Aditya Birla Sun Life Insurance Company Limited	-	10
	Momentum Multiply (Pty) Ltd	-	2,361
	Aditya Birla Financial Shared Services Limited	-	32
	Aditya Birla Health Insurance Co. Ltd.	8,247	8,208
		<b>8,609</b>	<b>10,611</b>
<b>4</b>	<b>Reimbursement of GST</b>		
	Aditya Birla Capital Limited	1,561	1,636
		<b>1,561</b>	<b>1,636</b>
<b>5</b>	<b>Transfer of Liability</b>		
	Aditya Birla Health Insurance Co. Ltd.	3,656	880
	Aditya Birla Finance Limited	-	559
	Aditya Birla Sun Life Insurance Company Limited	153	-
		<b>3,809</b>	<b>1,439</b>
<b>6</b>	<b>Addition in capital work in progress</b>		
	Momentum Metropolitan Services Private Limited	-	6,135
		<b>-</b>	<b>6,135</b>
<b>7</b>	<b>Income from Sale of Multiply Products/Contracts / (Credit note on account of reversal of sale) [Net]</b>		
	Aditya Birla Capital Limited	17	(1)
	Aditya Birla ARC Limited	8	-
	Aditya Birla Capital Technology Services Ltd	18	-
	Aditya Birla Finance Limited	2,828	34
	Aditya Birla Financial Shared Services Limited	60	(38)
	Aditya Birla Money Ltd.	198	2
	Aditya Birla Stressed Asset AMC Private Limited	1	-
	Aditya Birla Sun Life AMC Limited	692	5
	Aditya Birla Money Mart Ltd	2	-
	Aditya Birla Housing Finance Limited	704	7
	Aditya Birla Insurance Brokers Limited	168	30
	Aditya Birla Sun Life Insurance Company Limited	1,798	20
	Aditya Birla Health Insurance Co. Ltd.	-	26
		<b>6,494</b>	<b>85</b>
<b>8</b>	<b>PTHC for High &amp; Medium Risk Employees</b>		
	Aditya Birla ARC Limited	3	-
	Aditya Birla Capital Limited	7	-
	Aditya Birla Finance Limited	589	-

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

(INR in '000)

Sr. No.	Transaction with related parties	31 March 2023	31 March 2022
	Aditya Birla Financial Shared Services Limited	40	-
	Aditya Birla Housing Finance Limited	133	-
	Aditya Birla Insurance Brokers Limited	79	-
	Aditya Birla Money Ltd.	121	-
	Aditya Birla Money Mart Ltd	1	-
	Aditya Birla Sun Life AMC Limited	213	-
	Aditya Birla Sun Life Insurance Company Limited	337	-
		<b>1,523</b>	-
<b>9</b>	<b>Sale of Property, Plant &amp; Equipement</b>		
	Aditya Birla Health Insurance Co. Ltd.	668	-
	Aditya Birla Finance Limited	-	1,741
		<b>668</b>	<b>1,741</b>
<b>10</b>	<b>Purchase of Assets</b>		
	Aditya Birla Health Insurance Co. Ltd.	705	-
		<b>705</b>	-
<b>11</b>	<b>Purchase of Intangible Assets</b>		
	Momentum Metropolitan Services Private Limited	2,400	-
	Momentum Multiply (Pty) Ltd	-	2,361
		<b>2,400</b>	<b>2,361</b>
<b>12</b>	<b>Key Managerial Remuneration</b>		
	Anupa Milan Naik	2,142	-
	Murtuza Arsiwala	3,184	10,215
	Manoj Korgaonkar	837	2,158
	Vishal Kumar Gupta	1,715	-
	Deepak Savalge	939	900
		<b>8,817</b>	<b>13,273</b>
<b>13</b>	<b>Purchase of IT support service</b>		
	Momentum Metropolitan Services Private Limited	2,400	-
		<b>2,400</b>	-

(INR in '000)

Sr. No.	Balances with related parties	31 March 2023	31 March 2022
<b>1</b>	<b>Trade receivable</b>		
	Aditya Birla Health Insurance Co. Ltd.	16,806	12,994
	Aditya Birla ARC Limited	2	-
	Aditya Birla Financial Shared Services Limited	3	-
	Aditya Birla Money Ltd.	19	-
	Aditya Birla Sun Life Insurance Company Limited	108	4
		<b>16,938</b>	<b>12,998</b>
<b>2</b>	<b>Trade Payables</b>		
	Momentum Metropolitan Services Private Limited	5,184	-
	Momentum Multiply (Pty) Ltd	-	2,126
		<b>5,184</b>	<b>2,126</b>

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

(INR in '000)

Sr. No.	Balances with related parties	31 March 2023	31 March 2022
<b>3</b>	<b>Other Financial Liabilities</b>		
	Momentum Multiply (Pty) Ltd	-	2,126
	Aditya Birla Finance Limited	24	4
	Aditya Birla Sun Life AMC Limited	4	-
	Aditya Birla Capital Limited	213	185
		<b>241</b>	<b>2,316</b>
<b>4</b>	<b>Share Capital balance</b>		
	Aditya Birla Capital Limited	59,497	59,497
	Momentum Metropolitan Strategic Investment (Pty) Ltd.	57,164	57,164
		<b>1,16,661</b>	<b>1,16,661</b>
<b>5</b>	<b>Securities Premium balance</b>		
	Aditya Birla Capital Limited	1,17,994	1,17,994
	Momentum Metropolitan Strategic Investment (Pty) Ltd.	1,14,328	1,14,328
		<b>2,32,322</b>	<b>2,32,322</b>

- Related party relationship have been identified by the management and relied upon by the statutory auditors.

## NOTE 26 EMPLOYEE BENEFITS

### A Defined Contribution Plan

The amounts charged to the Statement of Profit and Loss during the year for Provident fund contribution aggregates to ₹1,696 Thousand (Previous year – 1,808 Thousand).

### B Defined Benefit Plans (Gratuity)

The scheme (non funded) is a non-contributory defined benefit arrangement providing gratuity benefits expressed in terms of final monthly salary and service. The following table shows the amounts recognised in the 'Balance Sheet and the Statement of Profit and Loss.'

(INR in '000)

Change in benefit obligation	As at 31 March 2023	As at 31 March 2022
<b>a Liability at the beginning of the year</b>	<b>4,267</b>	<b>4,408</b>
Transfer in/out	(2,516)	(900)
Past service cost		
Interest cost	310	304
Current service cost	836	1,018
Benefits paid	(192)	-
Actuarial (gain) / loss on obligations	(1,220)	(563)
<b>Liability at the end of the year</b>	<b>1,485</b>	<b>4,267</b>
<b>b Net actuarial (gain) / loss</b>		
Actuarial gain / (loss) on obligations	(1,220)	(563)
Actuarial gain / (loss) on plan assets	-	-
<b>Net actuarial gain / (loss)</b>	<b>(1,220)</b>	<b>(563)</b>
<b>c Amount recognised in the balance sheet</b>		
Defined benefit obligation as at end of the year	1,485	4,267
Fair value of plan assets at the end of the year	-	-

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

(INR in '000)

Change in benefit obligation	As at 31 March 2023	As at 31 March 2022
<b>Net liability / (asset)</b>	<b>1,485</b>	<b>4,267</b>
Current liability	27	66
Non current liability	1,457	4,201
<b>d Expense recognised in the statement of profit and loss</b>		
Past service cost	-	-
Current service cost	836	1,018
Interest cost	310	304
<b>Total included in "employee benefits"</b>	<b>1,146</b>	<b>1,322</b>
<b>e Expense recognised in other comprehensive income (OCI)</b>		
Net actuarial (gain) / loss	(1,220)	(563)
<b>Total included in other comprehensive income (OCI)</b>	<b>(1,220)</b>	<b>(563)</b>
<b>f Principal actuarial assumptions</b>		
Discount rate	7.49%	7.32%
Salary escalation rate	7.00%	7.00%
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate

A quantitative sensitivity analysis for significant assumption as at 31 March 2023 is as shown below, the sensitivity analysis is calculated by actuaries using the projected unit credit method.

(INR in '000)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount Rate ( -/+ 1%)	(14.66%)	17.84%	(13.20%)	15.89%
(% change compared to base due to sensitivity)	1,267	1,750	3,704	4,944
Salary Rate ( -/+ 1%)	18.02%	(15.04%)	15.72%	(13.31%)
(% change compared to base due to sensitivity)	1,752	1,261	4,937	3,699
Attrition Rate ( -/+ 0.5%)	(6.71%)	8.43%	(6.34%)	7.83%
(% change compared to base due to sensitivity)	1,385	1,609	3,996	4,601
Mortality Rate ( -/+ 0.1%)	(0.02%)	0.00%	(0.02%)	0.02%
(% change compared to base due to sensitivity)	1,484	1,485	4,266	4,267

The following payments are expected contributions to the defined benefit plan in future years:

(INR in '000)

Particulars	As at 31 March 2022
Within the next 12 months (next annual reporting period)	27.00
Between 2 and 5 years	143.00
Between 6 and 10 years	204.00
More than 10 years	5,432.00
<b>Total expected payments</b>	<b>5,806.00</b>

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 27 CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is not required to constitute a CSR Committee as the Company does not fulfill the condition given under section 135 of Companies Act, 2013.

## NOTE 28 TAXES

The Company provides for current tax on taxable income for the current accounting period as per the provision of the Income Tax Act, 1961.

Deferred tax charge or credit and corresponding deferred tax liabilities or assets are recognized for future tax consequences attributable to timing differences between accounting income and taxable income for the year.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realized in future. However, where there is unabsorbed depreciation or carry forward of losses under taxation laws, deferred tax assets are recognized only to the extent there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available against which deferred tax assets can be realized.

The Company has not made provision against current tax as it is not having taxable income as per provisions of the Income Tax Act, 1961. Further, the Company is having unabsorbed depreciation or carry forward losses under as per the provisions of Income Tax Act, 1961. Deferred tax assets has not been recognised on unabsorbed depreciation and carry forward losses as there is no virtual certainty supported by convincing evidence that there will be sufficient future taxable income available against which deferred tax assets can be realized.

Details of deferred tax asset not recognised in the financial statements are as under:

(INR in '000)

Deferred Tax Asset (Net)	As at 31 March 2023	As at 31 March 2022
<b>Deferred tax asset</b>		
Accumulated Business Loss	1,14,895	1,39,636
Unamortized share issue expense	-	96
Difference between carrying value and tax base of assets	6,459	
Expenses allowable u/s 43B on payment basis	1,953	(3,165)
	<b>1,23,307</b>	<b>1,36,567</b>
<b>Deferred tax Liability</b>		
Difference between tax depreciation and book depreciation	-	3,186
	-	3,186
Net Impact on timing difference (i-ii)	<b>1,23,307</b>	<b>1,33,381</b>
Effective Tax Rate	25%	26%
Net Deferred tax Asset (i-ii)	<b>31,036</b>	<b>34,679</b>

## NOTE 29 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 30 FINANCIAL INSTRUMENTS- FAIR VALUES AND RISK MANAGEMENT

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

(INR in '000)

Particulars	Carrying amount as at 31 March 2023			Fair value as at 31 March 2023		
	Mandatorily at FVTPL	At amortised cost	Total	Level 1 (NAV Prices)	Level 2 (Significant observable inputs)	Level 3 (Significant unobservable inputs)
<b>Financial assets measured at Fair value</b>						
Investment in Mutual Fund	1,79,290	-	1,79,290	1,79,290	-	-
	<b>1,79,290</b>	<b>-</b>	<b>1,79,290</b>	<b>1,79,290</b>	<b>-</b>	<b>-</b>
<b>Financial Assets not measured at Fair value</b>						
Cash and cash equivalents	-	9,135	9,135	-	-	-
Trade receivables	-	31,211	31,211	-	-	-
Other financial assets	-	76	76	-	-	-
<b>At end of the year</b>	<b>-</b>	<b>40,422</b>	<b>40,422</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities not measured at Fair value</b>						
Trade payables	-	13,201	13,201	-	-	-
Other financial liabilities	-	8,465	8,465	-	-	-
	<b>-</b>	<b>21,666</b>	<b>21,666</b>	<b>-</b>	<b>-</b>	<b>-</b>

(INR in '000)

Particulars	Carrying amount as at 31 March 2022			Fair value as at 31 March 2022		
	Mandatorily at FVTPL	At amortised cost	Total	Level 1 (NAV Prices)	Level 2 (Significant observable inputs)	Level 3 (Significant unobservable inputs)
<b>Financial assets measured at Fair value</b>						
Investment in Mutual Fund	97,896	-	97,896	97,896	-	-
	<b>97,896</b>	<b>-</b>	<b>97,896</b>	<b>97,896</b>	<b>-</b>	<b>-</b>
<b>Financial Assets not measured at Fair value</b>						
Cash and cash equivalents	-	12,257	12,257	-	-	-
Trade receivables	-	15,014	15,014	-	-	-
Other financial assets	-	2,026	2,026	-	-	-
<b>At end of the year</b>	<b>-</b>	<b>29,297</b>	<b>29,297</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities not measured at Fair value</b>						
Trade payables	-	9,078	9,078	-	-	-
Other financial liabilities	-	11,819	11,819	-	-	-
	<b>-</b>	<b>20,897</b>	<b>20,897</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Credit Risk :

'Credit risk from balances with banks is managed by the Company top management in accordance with the Company's policy. Financial assets that are potentially subject to concentrations of credit risk and failures by counter-parties to discharge their obligations in full or in a timely manner consist principally of trade receivable, cash and cash equivalents and other receivables. Credit risk on cash balances with Bank are limited because the counterparties are entities with acceptable credit ratings. The exposure to credit risk for trade receivable is limited because it is due from the related parties and the same are entities with acceptable credit rating.

## Refer Separate Note on Trade Recievables

(a) Ageing analysis of the age of trade receivable amounts that are not due as at the end of reporting year:

Particulars	As at	As at
	31 March 2023	31 March 2022
Within credit days	-	-
	-	-

(b) Ageing analysis of the age of trade receivable amounts that are past due as at the end of reporting year but not impaired:  
(INR in '000)

Particulars	As at	As at
	31 March 2023	31 March 2022
Trade receivables:		
Less than 180 days	30,427	15,009
6 months -1 year	462	5
1-2 years	-	-
<b>Total</b>	<b>30,889</b>	<b>15,014</b>

The Company has not recognised any loss allowance as company expect that there is no credit loss to the Company.

## NOTE 31 FOREIGN CURRENCY RISK

The Company is having nil foreign currency obligation due (PY 4251 Thousand).

(INR in '000)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Increase	Decrease	Increase	Decrease
Currency Rate ( -/+ 5%)	-	-	213	(213)

## NOTE 32 INTEREST RATE RISK

Currently, the Company does not have any financial asset or liability that is exposed to interest rate risk.

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 33 LIQUIDITY RISK

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system.

### As at 31 March 2023

Particulars	On demand	Less than 3 months	3 to 12 months	Total	Total
Other financial liabilities	-	8,465	-	8,465	-
Trade and other payables	-	13,201	-	13,201	-
	-	21,666	-	21,666	-

### As at 31 March 2022

Particulars	On demand	Less than 3 months	3 to 12 months	Total	Total
Other financial liabilities	-	11,819	-	11,819	-
Trade and other payables	-	9,078	-	9,078	-
	-	20,897	-	20,897	-

At present, the Company does not expect to repay all liabilities at their contractual maturity. In order to meet such cash commitments, the operating activity is expected to generate sufficient cash inflows.

## NOTE 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. The Company monitors capital using a gearing ratio is Net-Debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, trade and other payables and other financial liabilities, less cash and cash equivalent.

(INR in '000)

Particulars	As at 31 March 2023	As at 31 March 2022
Trade payables	13,201	9,078
Other financial liabilities	8,465	11,819
Less: cash and cash equivalents*	(9,135)	(12,257)
<b>Net debt</b>	<b>12,531</b>	<b>8,640</b>
Total equity	2,31,014	2,10,029
<b>Total member's capital</b>	<b>2,31,014</b>	<b>2,10,029</b>
<b>Capital and net debt</b>	<b>2,43,545</b>	<b>2,18,669</b>
Gearing ratio (%)*	5.15	3.95

\* Adjustment of cash and cash equivalent is made to the extent of , lower of free cash and cash equivalent and net debt.

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 35

In accordance with Indian Accounting Standard (Ind AS) – 108 ‘Operating Segments’, the Company operates in a single reporting segment i.e. “Providing services of wellness and health assessment” within India. Accordingly, no separate disclosure is required. The Board of Directors of the Company are collectively the Chief Operating Decision Makers of the Company.

## NOTE 36

There was no impairment loss on the property, plant and equipment and intangible assets on the basis of review carried out by the management in accordance with Indian Accounting Standard (Ind AS) – 36 ‘Impairment of Assets’.

## NOTE 37

The Company has adopted Ind AS\* 116 “Leases” effective from 1 April 2019 as notified by the Ministry of Corporate Affairs and applied the Standard to its leases. As there is no identified lease with the Company in respect of Ind AS 116, hence there is no impact for the same.

## NOTE 38 CODE ON SOCIAL SECURITY, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

## NOTE: 39 FINANCIAL RATIOS

Sr. No	Ratio	Formula	FY 2022-23	Ratio FY 2022-23	FY 2021-22	Ratio FY 2021-22	Variences	Remark
1	Current ratio	Total current assets	2,26,538	2.39	1,38,381	4.27	-188%	Current Ratio has decreased due to the increase in liabilities such as unearned revenue & trade payable vis a vis compared to previous year.
		Total current liabilities	94,631		32,380			
2	Return on Equity ratio	Net profit/(loss) after taxes	19,765	9%	21,133	11%	-2%	Reason is not required as the variance is below 25%.
		Average total equity	2,20,522		1,99,181			
3	Trade Receivables turnover ratio	Revenue from operations	1,30,022	5.63	1,32,508	6.00	-38%	Ratio has decreased due to decreased in revenue from operations.
		Average trade receivables	23,113		22,071			
4	Net Capital turnover ratio	Net sales	1,30,022	0.99	1,32,508	1.25	-26%	Ratio has decreased due to increased in current asset like investment and trade receivable into 2 times in comparison to previous year.
		Working capital	1,31,907		1,06,001			
5	Net profit ratio	Profit/(loss) after tax	19,765	15%	21,133	16%	-1%	Reason is not required as the variance is below 25%.
		Revenue from operations	1,30,022		1,32,508			

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

Sr. No	Ratio	Formula	FY 2022-23	Ratio FY 2022-23	FY 2021-22	Ratio FY 2021-22	Variiances	Remark
6	Return on Capital employed	Profit before tax and finance cost Capital employed = net worth + deferred tax liabilities	19,765 2,31,014	9%	21,133 2,13,215	10%	-1%	Reason is not required as the variance is below 25%.

## NOTE 40 DISCLOSURE AS PER IND AS 115 - REVENUE FROM CONTRACTS WITH CUSTOMERS

### a) Contract asset and contract liabilities

(INR in '000)

Particulars	As at 31 March 2023	As at 31 March 2022
Contract asset		
Unbilled revenue	322	23
	322	23
Contract liabilities		
Advance from customers	9	9
Unearned revenue	75,105	1,811
	75,114	1,820

### b) Disaggregation of revenue from contracts with customers

The Company derives revenue from the rendering of services over time in the following geographical regions

(INR in '000)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
India	1,30,022	1,32,508
Overseas	-	-
	1,30,022	1,32,508

## NOTE 41

### Additional Regulatory Information under MCA Notification dated 24 March 2021:

- Revaluation of property, plant and equipment and intangible assets from Registered Valuers:** The company does not revalued any property plant and equipment and intangible asset from registered valuer.
- Details of Benami Property held:** There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- Wilful Defaulter:** The Company has not been declared as Wilful Defaulter by any Bank or Financial Institution or other Lender.
- Relationship with Struck off Companies:** The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- Compliance with number of layers of companies:** The Company does not have any investments and accordingly provision of section 186 (1) is not applicable.
- Compliance with approved Scheme(s) of Arrangements:** The company does not enter into any scheme of arrangement.

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## 7 Utilisation of Borrowed funds and share premium:

- (i) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**8 Relationship with Struck off Companies:** The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

**9 Registration of charges or satisfaction with Registrar of Companies (ROC):** The Company has not taken any secured borrowings during the current financial year or previous financial year accordingly there is no requirement for registration of charge or satisfaction of charges with the ROC.

**10 Undisclosed Income:** The Company does not have any transactions not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are nil previously unrecorded income and related assets.

**11 Details of Crypto Currency or Virtual Currency:** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

12 During the year, the Company has not taken secured borrowing from banks or financial institutions. Hence, the submission of the quarterly return with bank is not required.

## NOTE 42

Previous year’s figures have been re-arranged or re-grouped wherever considered necessary to confirm to the current year’s presentation.

Signatures to Notes 1 to 42

The accompanying notes are an integral part of the financial statements

For **PYS & CO LLP**

Chartered Accountants

Firm’s Reg. No.: 012388S / S200048

For and behalf of Board of Directors of **Aditya Birla Wellness Private Limited**

**Sanjay Kokate**

Partner

Membership No: 130007

Place : Mumbai

Date: 28 April, 2023

**Mayank Bathwal**

Director

DIN-06804440

Place : Mumbai

Date: 28 April, 2023

**Asokan Naidu**

Director

DIN-07425396

Place : Mumbai

Date: 28 April, 2023

**Vishal Gupta**

Chief Financial Officer

Place : Mumbai

Place : Mumbai

Date: 28 April, 2023

**Ritesh kadam**

Company Secretary

Membership No.-A56899

Place : Mumbai

Date: 28 April, 2023

Aditya Birla Sun Life AMC Limited



**ADITYA BIRLA  
CAPITAL**

CIN: L65991MH1994PLC080811

Registered Office Address: One World Center, Tower 1,  
17<sup>th</sup> floor, Jupiter Mills, Senapati Bapat Marg,  
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# Independent Auditors' Report

To,  
The Members of  
**Aditya Birla Sun Life AMC 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 31<sup>st</sup> March, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial

Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements for the financial year ended 31<sup>st</sup> March, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
<p>(a) <b>Revenue from Asset Management and Advisory Fees and Portfolio Management Fees</b> (as described in Note 2(xiv) of the standalone financial statements)</p> <p>Revenue from operations is the most significant balance in the Statement of Profit and Loss. It majorly comprises of:</p> <ul style="list-style-type: none"> <li>- Asset Management and Advisory Fees amounting to ₹ 116,063.28 Lakh.</li> <li>- Management Fees from Portfolio Management and Other Services amounting to ₹ 4,459.98 Lakh.</li> </ul> <p>The Asset Management and Advisory Fees is based on certain percentage of the applicable daily Assets Under Management ('AUM') in accordance with guidelines prescribed under SEBI (Mutual Fund) Regulations, 1996 as amended from time to time. There are inherent risks in computing such revenue streams including manual input of key contractual terms and computation of applicable AUM, which could result in errors. Considering the complexity in contractual terms involving multiple schemes, it requires monitoring to ensure completeness.</p> <p>Accordingly, we have considered revenue from asset management and advisory fees and portfolio management fees as a key audit matter. Any discrepancy in such computation could give rise to a material misstatement in the financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Obtained and read the accounting policy for revenue recognition.</li> <li>• Obtained an understanding of the significant revenue items and identified where there is a higher risk of error due to manual processes, complex contractual terms, and areas of judgement.</li> <li>• Test checked the design and operating effectiveness of key controls in place across the Company over recognition of Management Fees.</li> <li>• Obtained and assessed independent assurance reports for the relevant controls at the third-party administrators.</li> <li>• Obtained and read the investment management fee report, issued by statutory auditors of mutual fund schemes and reconciled the certified amount with the accounting records.</li> <li>• On a sample basis, obtained and tested arithmetical accuracy of revenue calculation and the reconciliation with the accounting records.</li> <li>• On sample basis, verified the input of contractual terms with rates approved by the management.</li> <li>• On a sample basis, checked the receipts of such income in bank statements.</li> <li>• Re-calculated Portfolio Management Services Fees in respect of certain sample contracts and compared with the actual fees charged by the Company for such contracts.</li> <li>• Evaluated the disclosure relating to management fee income earned by the Company.</li> </ul>

We have determined that there are no other key audit matters to communicate in our report.

### Other information

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

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

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

When we read such other information, if we conclude that there is a misstatement therein, we are required to communicate the

matter to those charged with governance and to comply with the relevant applicable requirements of the standard on auditing for auditor's responsibility in relation to other information in documents containing audit standalone financial statements. We have nothing to report in this regard.

### Responsibilities of management for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of

## Independent Auditors' Report (Contd.)

appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditors' responsibilities for the audit of the standalone financial statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended 31<sup>st</sup> March, 2023 and are therefore the key audit matters. We describe these matters in our Auditors' report unless law or regulation precludes public disclosure

about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended 31<sup>st</sup> March, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 23 to the standalone financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv.
      - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
      - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including

## Independent Auditors' Report (Contd.)

foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

As stated in note 40 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. 01<sup>st</sup> April, 2023, reporting under this clause is not applicable.

For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

per **Rutushtra Patell**  
Partner

Membership Number: 123596  
UDIN: 23123596BGXLPS8820

Place of Signature: Mumbai  
Date: 27<sup>th</sup> April, 2023

# Annexure - 1

Referred to in paragraph 1 under the heading “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” of our report of even date

**Re: Aditya Birla Sun Life AMC Limited (hereinafter referred to as ‘the Company’)**

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

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

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

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

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended 31<sup>st</sup> March, 2023.

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

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

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

(iii) (a) During the year, the Company has provided loans to companies, firms, Limited Liability Partnerships or any other parties as follows:

	Loans (₹ in Lakh)
Aggregate amount granted/provided during the year	-2,500.0
- Others	-2,500.0
- Subsidiaries	-Nil
Balance outstanding as at Balance Sheet date in respect of the above cases	
- Others	-Nil
- Subsidiaries	-Nil

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

(b) During the year the terms and conditions of the grant of all the loans to the companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company’s interest.

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

(c) The Company has granted loans during the year to companies, firms, Limited Liability Partnerships or any other parties where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

The Company has not granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on this is not applicable to the Company.

(d) There are no amounts of loans granted to companies, firms or Limited Liability Partnerships or any other parties which are overdue for more than ninety days.

## Independent Auditors' Report (Contd.)

The Company has not granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on this is not applicable to the Company.

- (e) There were no loans granted to companies, firms, Limited Liability Partnerships or any other parties which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

The Company has not granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on this is not applicable to the Company.

- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company

- (iv) Loans, investments, guarantees and security in respect of which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, cess and other statutory dues applicable

to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) There are no dues of goods and services tax, provident fund, income tax, cess, and other statutory dues which have not been deposited on account of any dispute.

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

- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

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

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

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

- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year.
- (xii) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) The Group has three Core Investment Company as part of the Group.
- (xvii) The Company has not incurred cash losses in the current financial year or the previous financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 37(b) to the financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any

## Independent Auditors' Report (Contd.)

assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of Section 135 of the Act. This matter has been disclosed in note 29 to the financial statements.
- (b) All amounts that are unspent under Section (5) of Section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of Section 135 of the said Act.

This matter has been disclosed in note 29 to the financial statements.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Rutushtra Patell**

Partner

Membership Number: 123596

UDIN: 23123596BGXLPS8820

Place of Signature: Mumbai

Date: 27<sup>th</sup> April, 2023

# Annexure - 2

To the Independent Auditor's Report of even date on the Standalone Financial Statements of Aditya Birla Sun Life AMC Limited

To,  
The Members of  
Aditya Birla Sun Life AMC Limited

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

We have audited the internal financial controls with reference to standalone financial statements of Aditya Birla Sun Life AMC Limited ("the Company") as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's responsibility for internal financial controls

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

### Auditor's responsibility

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

maintained and if such controls operated effectively in all material respects.

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

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

### Meaning of internal financial controls over financial reporting with reference to these standalone financial statements

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

## Independent Auditors' Report (Contd.)

### Inherent limitations of internal financial controls over financial reporting with reference to standalone financial statements

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

### Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to standalone financial statements and such internal financial controls with reference to standalone financial

statements were operating effectively as at 31<sup>st</sup> March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Rutushtra Patell**

Partner

Membership Number: 123596

UDIN: 23123596BGXLP8820

Place of Signature: Mumbai

Date: 27<sup>th</sup> April, 2023

# Standalone Balance Sheet

as at 31<sup>st</sup> March, 2023

(₹ in Lakh)			
Particulars	Note	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>I ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and cash equivalents	3	649.63	655.26
(b) Bank balances other than (a) above	4	4,917.39	3,268.20
(c) Receivables			
(i) Trade receivables	5	1,952.72	1,970.58
(d) Investments	6	242,818.97	219,000.13
(e) Other Financial Assets	7	5,942.57	1,796.05
<b>Total Financial Assets</b>		<b>256,281.28</b>	<b>226,690.22</b>
<b>(2) Non-Financial Assets</b>			
(a) Current tax assets (net)		4,198.19	3,925.82
(b) Property, Plant and Equipment	8.1	1,857.07	1,349.33
(c) Right of use Assets	33	4,138.62	4,758.62
(d) Capital work-in-progress	8.1	104.79	153.18
(e) Intangible assets under development	8.2	103.22	138.71
(f) Other Intangible Assets	8.2	877.44	980.99
(g) Other non-Financial Assets	9	10,103.41	5,434.10
<b>Total Non-Financial Assets</b>		<b>21,382.74</b>	<b>16,740.75</b>
<b>Total Assets</b>		<b>277,664.02</b>	<b>243,430.97</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) Financial Liabilities</b>			
(a) Payables			
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	10	18.65	9.25
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	10	4,822.81	3,017.40
(b) Lease Liabilities	33	4,671.75	5,341.57
(c) Other Financial Liabilities	11	4,891.12	6,307.64
<b>Total Financial Liabilities</b>		<b>14,404.33</b>	<b>14,675.86</b>
<b>(2) Non-Financial Liabilities</b>			
(a) Current tax liabilities (net)		1,067.62	-
(b) Provisions	12	4,069.79	3,700.64
(c) Deferred tax liabilities (net)	13	3,475.37	2,519.26
(d) Other non-financial liabilities	14	3,751.50	2,473.82
<b>Total Non-Financial Liabilities</b>		<b>12,364.28</b>	<b>8,693.72</b>
<b>(3) Equity</b>			
(a) Equity Share Capital	15	14,400.00	14,400.00
(b) Other Equity	16	236,495.41	205,661.39
<b>Total Equity</b>		<b>250,895.41</b>	<b>220,061.39</b>
<b>Total Liabilities and Equity</b>		<b>277,664.02</b>	<b>243,430.97</b>
Contingent Liabilities and Commitments	23		
Corporate Information and Significant Accounting Policies	1 and 2		
The accompanying Notes are an integral part of the Financial Statements.	23-41		

As per our report of even date attached  
For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
(Firm Reg. No. 301003E/E300005)

**Rutushtra Patell**  
Partner  
(Membership No. 123596)

Place: Mumbai  
Date: 27<sup>th</sup> April, 2023

For and on behalf of the Board of Directors of  
**Aditya Birla Sun Life AMC Limited**

**Vishakha Mulye**  
Director  
DIN: 00203578

**Parag Joglekar**  
Chief Financial Officer

Place: Mumbai  
Date: 27<sup>th</sup> April, 2023

**A. Balasubramanian**  
Managing Director and CEO  
DIN: 02928193

**Hemanti Wadhwa**  
Company Secretary  
FCS No. 6477

# Standalone Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakh)

Particulars	Note	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>INCOME</b>			
<b>Revenue from Operations</b>			
Fees and Commission income	17	120,523.26	126,347.40
<b>Total Revenue from Operations</b>		<b>120,523.26</b>	<b>126,347.40</b>
Other Income	18	12,635.38	11,555.53
<b>Total Income (A)</b>		<b>133,158.64</b>	<b>137,902.93</b>
<b>EXPENSES</b>			
Employee Benefit Expense	19	26,290.65	24,229.37
Other Expense	20	22,026.75	19,530.00
Fees and Commission Expense		2,286.78	1,975.69
Finance Cost	21	385.34	482.30
Depreciation and Amortisation Expense	22	3,327.73	3,457.29
<b>Total Expenses (B)</b>		<b>54,317.25</b>	<b>49,674.65</b>
<b>Profit Before Tax (C = A-B)</b>		<b>78,841.39</b>	<b>88,228.28</b>
<b>Income Tax Expense</b>			
Current tax		18,760.99	21,068.99
Deferred tax		956.11	1,145.85
Adjustments in respect of current income tax of previous years		31.30	(22.56)
<b>Income Tax Expense (D)</b>	13	<b>19,748.40</b>	<b>22,192.28</b>
<b>Profit for the year (E = C - D)</b>		<b>59,092.99</b>	<b>66,036.00</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
i) Re-measurement gains/(losses) on defined benefit plans		(167.64)	84.71
ii) Income tax relating to the items that will not be reclassified to the Profit and Loss		42.20	(21.32)
<b>Other Comprehensive Income for the Year (F)</b>		<b>(125.44)</b>	<b>63.39</b>
<b>Total Comprehensive Income for the Year (G = E+F)</b>		<b>58,967.55</b>	<b>66,099.39</b>
<b>Earnings per share of ₹ 5 each</b>			
- basic profit for the year attributable to ordinary equity shareholders of the Company	27	20.52	22.93
- diluted profit for the year attributable to ordinary equity shareholders of the Company		20.46	22.86
Corporate Information and Significant Accounting Policies	1 and 2		
The accompanying Notes are an integral part of the Financial Statements.	23-41		

As per our report of even date attached  
For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
(Firm Reg. No. 301003E/E300005)

**Rutushtra Patell**  
Partner  
(Membership No. 123596)

Place: Mumbai  
Date: 27<sup>th</sup> April, 2023

For and on behalf of the Board of Directors of  
**Aditya Birla Sun Life AMC Limited**

**Vishakha Mulye**  
Director  
DIN: 00203578

**Parag Joglekar**  
Chief Financial Officer

Place: Mumbai  
Date: 27<sup>th</sup> April, 2023

**A. Balasubramanian**  
Managing Director and CEO  
DIN: 02928193

**Hemanti Wadhwa**  
Company Secretary  
FCS No. 6477

# Standalone Cash Flow Statement

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakh)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Cash Flow from Operating activities</b>		
Profit Before Tax	78,841.39	88,228.28
<b>Adjustments for:</b>		
Depreciation and Amortisation	3,327.73	3,457.29
Finance cost	385.34	482.30
Profit on Sale of Investments	(2,832.14)	(2,559.16)
Dividend on Investments	(11.40)	-
Fair valuation of investments	(7,875.93)	(7,241.38)
Loss or (Profit) on Sale of Property, Plant & Equipment	(14.43)	12.78
Share-based payments by the Company	3,072.87	4,828.21
Interest on Fixed Deposits and Investments	(1,476.95)	(1,422.84)
Rent concession	(117.43)	(265.16)
<b>Operating Profit before working capital changes</b>	<b>73,299.05</b>	<b>85,520.32</b>
(Increase)/Decrease in Receivables	17.87	490.13
(Increase)/Decrease in Other Financial Assets	(5,795.71)	(3,146.17)
(Increase)/Decrease in Other Non-Financial Assets	(4,642.82)	(825.93)
Increase/(Decrease) in Payables	1,814.81	(654.87)
Increase/(Decrease) in Other Financial Liabilities	(1,047.36)	(3,700.58)
Increase/(Decrease) in Other Non-Financial Liabilities	1,110.04	682.38
<b>Cash generated from Operations</b>	<b>64,755.88</b>	<b>78,365.28</b>
Income Tax paid (net)	(17,954.84)	(23,372.93)
<b>Net cash generated from Operating activities</b>	<b>46,801.04</b>	<b>54,992.35</b>
<b>Cash Flow from Investing activities</b>		
Purchase of Property, Plant and Equipment and Intangible Assets	(1,908.57)	(1,646.21)
Sale proceeds from Property, Plant and Equipment and Intangible Assets	34.46	57.36
Interest on Fixed Deposits and Investments	1,338.71	1,152.13
Dividend on Investments	11.40	-
Purchase of Investments	(222,775.78)	(211,608.80)
Sale of Investments	209,859.21	182,207.10
<b>Net cash generated/(used) in investing activities</b>	<b>(13,440.57)</b>	<b>(29,838.42)</b>
<b>Cash Flow from Financing activities</b>		
Final/Interim Dividend Paid during the year (including tax thereon)	(31,248.00)	(23,184.00)
Lease Liability - Interest Portion (refer note 33)	(385.34)	(482.30)
Lease Liability - Principal Portion (refer note 33)	(1,732.76)	(1,835.98)
<b>Net cash used in financing activities</b>	<b>(33,366.10)</b>	<b>(25,502.28)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(5.63)</b>	<b>(348.35)</b>
Cash and Cash Equivalents at beginning of the year	655.26	1,003.61
Cash and Cash Equivalents at end of the year (Refer Note 3)	649.63	655.26

# Standalone Cash Flow Statement (Contd.)

for the year ended 31<sup>st</sup> March, 2023

1. Statement of cash flows have been prepared under the indirect method as set out in the Ind AS 7 “Statement of Cash Flows” as specified in the Companies (Indian Accounting Standard) Rules, 2015.
2. Purchase of Property, Plant and Equipment represents addition to property, plant and equipment, and other intangible assets adjusted for movement of work-in-progress for property, plant and equipment, and other intangible assets under development during the year.
3. Cash and cash equivalents include in the Statement of cash flows comprise the following:

Cash and cash equivalents disclosed under Financial Assets:	649.63	655.26
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As per our report of even date attached  
For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
(Firm Reg. No. 301003E/E300005)

**Rutushtra Patell**  
Partner  
(Membership No. 123596)

Place: Mumbai  
Date: 27<sup>th</sup> April, 2023

For and on behalf of the Board of Directors of  
**Aditya Birla Sun Life AMC Limited**

**Vishakha Mulye**  
Director  
DIN: 00203578

**Parag Joglekar**  
Chief Financial Officer

Place: Mumbai  
Date: 27<sup>th</sup> April, 2023

**A. Balasubramanian**  
Managing Director and CEO  
DIN: 02928193

**Hemanti Wadhwa**  
Company Secretary  
FCS No. 6477

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2023

## (A) EQUITY SHARE CAPITAL

	(₹ in Lakh)	
Equity shares issued, subscribed and fully paid	No. of shares	Amount
As 01 <sup>st</sup> April, 2021 (Face Value ₹ 10)	18,000,000	1,800.00
Split of shares into Face value of ₹ 5 each (Refer note 16)	18,000,000	-
Issue of Bonus Equity Shares of ₹ 5 each (Refer note 16)	252,000,000	12,600.00
<b>As 31<sup>st</sup> March, 2022 (Face Value ₹ 5)</b>	<b>288,000,000</b>	<b>14,400.00</b>
Issued during the year	-	-
<b>At 31<sup>st</sup> March, 2023 (Face Value ₹ 5)</b>	<b>288,000,000</b>	<b>14,400.00</b>

## (B) OTHER EQUITY

For the year ended 31<sup>st</sup> March, 2023

Particulars	Reserve and Surplus				Total Equity
	Retained Earnings	General Reserve	Share premium	Share Option Outstanding Account	
Balance as at 01 <sup>st</sup> April, 2022	200,146.53	686.66	-	4,828.21	205,661.39
Profit for the year	59,092.99	-	-	-	59,092.99
Other Comprehensive Income for the year	(125.45)	-	-	-	(125.45)
<b>Total Comprehensive Income for the year</b>	<b>58,967.54</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>58,967.54</b>
Utilised in issue of bonus equity shares (Refer note 15)	-	-	-	-	-
Transfer on account of Exits	-	117.57	-	(117.57)	-
Share-based payments by the Company (Refer notes 19 and 35)	-	-	-	3,114.47	3,114.47
Interim Dividend paid to Equity shareholders for Fiscal year 2022-23 (Refer note 16)	(14,400.00)	-	-	-	(14,400.00)
Final Dividend paid to Equity shareholders for Fiscal year 2021-22 (Refer note 16)	(16,848.00)	-	-	-	(16,848.00)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>227,866.07</b>	<b>804.23</b>	<b>-</b>	<b>7,825.11</b>	<b>236,495.41</b>

# Statement of Changes in Equity (Contd.)

for the year ended 31<sup>st</sup> March, 2023

**For the year ended 31<sup>st</sup> March, 2022**

(₹ in Lakh)

Particulars	Reserve and Surplus				Total Equity
	Retained Earnings	General Reserve	Share premium	Share Option Outstanding Account	
<b>Balance as at 01<sup>st</sup> April, 2021</b>	169,566.91	686.66	264.23	-	170,517.80
Profit for the year	66,036.00	-	-	-	66,036.00
Other Comprehensive Income for the year	63.39	-	-	-	63.39
<b>Total Comprehensive Income</b>	<b>66,099.39</b>	-	-	-	<b>66,099.39</b>
Utilised in issue of bonus equity shares (Refer note 15)	(12,335.77)	-	(264.23)	-	(12,600.00)
Share-based payments by the Company (Refer notes 19 and 35)	-	-	-	4,828.21	4,828.21
Interim Dividend paid to Equity shareholders for Fiscal year 2021-22 (Refer note 16)	(16,128.00)	-	-	-	(16,128.00)
Final Dividend paid to Equity shareholders for Fiscal year 2020-21 (Refer note 16)	(7,056.00)	-	-	-	(7,056.00)
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>200,146.53</b>	<b>686.66</b>	-	<b>4,828.21</b>	<b>205,661.39</b>

As per our report of even date attached  
For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
(Firm Reg. No. 301003E/E300005)

**Rutushtra Patell**  
Partner  
(Membership No. 123596)

Place: Mumbai  
Date: 27<sup>th</sup> April, 2023

For and on behalf of the Board of Directors of  
**Aditya Birla Sun Life AMC Limited**

**Vishakha Mulye**  
Director  
DIN: 00203578

**Parag Joglekar**  
Chief Financial Officer

Place: Mumbai  
Date: 27<sup>th</sup> April, 2023

**A. Balasubramanian**  
Managing Director and CEO  
DIN: 02928193

**Hemanti Wadhwa**  
Company Secretary  
FCS No. 6477

# Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

## NOTE: 1 CORPORATE INFORMATION

The Company is a public listed entity, and its registered office is situated at One World Centre, Tower 1, 17<sup>th</sup> Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013. The Company was incorporated under the provisions of the Companies Act on 05<sup>th</sup> September, 1994. The shareholders of the Company are Aditya Birla Capital Limited (Subsidiary of Grasim Industries Limited) which holds 50.01% of the stake, Sun Life (India) AMC Investments Inc., (wholly-owned subsidiary of Sun Life Financial, Inc.) which holds 36.49% and remaining 13.50% stake of the Company is held by general public.

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 is also registered under the SEBI (Portfolio Managers) Regulations, 1993 and provides Portfolio Management Services (“PMS”) and investment advisory services to offshore funds and high net worth investors. The Company also acts as an Investment Manager to Aditya Birla Real Estate Funds (Category II) registered with SEBI. Further, the Company has also received SEBI registration for Alternative Investment Fund (AIFs) Category III namely Aditya Birla Sun Life AIF Trust – I and AIF Category II namely Aditya Birla Sun Life AIF Trust – II.

The Company has set up a new branch at the GIFT-IFSC (Gujarat International Finance Tec-City- International Financial Services Centre) to cater to its international business, to expand its reach and service global clients, including NRIs for investing in India.

## NOTE: 2 SIGNIFICANT ACCOUNTING POLICIES

### I. Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The Standalone Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial instruments, measured at fair value
- Gratuity plan assets, measured at fair value

The Financial Statements are presented in Indian rupees and all values are rounded to the nearest Lakh, except when otherwise indicated.

### ii. Presentation of financial statements

The Company presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 34.

### iii. Use of estimates

The preparation of the Financial Statements in conformity with the Indian Accounting Standards (Ind AS) requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities as of the date of financial statements and the reported amount of revenue and expenses during the reporting year. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results may differ from those estimates and assumptions used in preparing the accompanying financial statements. Any revision to the accounting estimates will be recognised prospectively in the current and future years.

Significant estimates and judgements used for: -

- Estimates of useful lives and residual value of property, plant and equipment, and other intangible assets (Refer Note 8.1 and 8.2)

# Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

- Measurement of defined benefit obligations, actuarial assumptions (Refer Note 25)
- Recognition of deferred tax assets/liabilities (Refer Note 13)
- Recognition and measurement of provisions and contingencies (Refer Note 12 and Note 23)
- Financial instruments – Fair values, risk management and impairment of financial assets (Refer Note 6)
- Determination of lease term (Refer Note 33)
- Discount rate for lease liability (Refer Note 33)
- Estimates of Share-based payments (Refer Note 19, 25 and 35).

## iv. Functional and presentation currency

The Financial Statements of the Company are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

## v. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and cash in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

## vi. Property, plant and equipment

Property, Plant and equipment are stated at their cost of acquisition less accumulated depreciation, and accumulated impairment losses. The cost of acquisition is inclusive of taxes (except those which are refundable), duties, freight and other incidental expenses related to acquisition and installation of the assets. As on 1<sup>st</sup> April, 2017, i.e. its date of transition to Ind AS, the Company has used Indian GAAP carrying value as deemed costs. All other repair and maintenance costs are recognised in profit or loss as incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

## vii. Capital work-in-progress

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

## viii. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. As at 1<sup>st</sup> April, 2017, i.e. its date of transition to Ind AS, the Company has used Indian GAAP carrying value as deemed cost. An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

## ix. Intangible assets under development

The intangible assets under development includes cost of intangible assets that are not ready for their intended use less accumulated impairment losses.

## x. Depreciation on Property, Plant and Equipment

Depreciation on property, plant and equipment is provided on a straight-line basis at the rates and useful life as

# Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

prescribed in Schedule II of the Companies Act, 2013 or as determined by the management based on technical advice, except assets individually costing less than ₹ 5,000 which are fully depreciated in the year of purchase / acquisition. Depreciation commences when assets are ready for its intended use.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and

the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting year and adjusted prospectively, if appropriate. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Following is the summary of useful life of the assets as per management estimates and as required by the Companies Act, 2013.

No.	Particulars	Useful life (In Years)	
<b>A</b>	<b>Depreciation on Property, Plant and Equipment</b>	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*	5 Years	8 Years
4	Furniture and Fixtures*	5 Years	10 Years
5	Mobile Phone (Included in office equipment)	2 Years	Not specified
6	Leasehold Improvements	Over the primary period of the lease term or 3 years, whichever is less	Not specified
<b>B</b>	<b>Amortisation of Intangible assets</b>		
1	Investment Management Rights	10 Years	Not specified
2	Software	3 Years	Not specified

\* Based on technical advice, Management believes that the useful life of assets reflect the periods over which they are expected to be used.

Depreciation on assets sold during the year is recognised on a pro-rata basis in the Statement of Profit and Loss from/till the date of acquisition/sale.

## xi. Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated impaired when the carrying cost of an asset or cash-generating unit's (CGU) exceeds its recoverable value. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The recoverable amount is the greater of the assets' or CGU's fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. An impairment loss, if any, is charged to Statement of Profit and Loss Account in the year in which an asset is identified as impaired. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the

# Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

## xii. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## xiii. Financial instruments

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

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

All financial instruments are recognised initially at fair value, with the exception of trade receivables. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Trade receivables that do not contain a significant financing component for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on trade date while, loans and borrowings are recognised net of directly attributable transactions costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI, financial assets at fair value through profit and loss account (FVTPL) and financial liabilities at amortised cost or FVTPL. The

# Significant Accounting Policies

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classification of financial instruments depends on the contractual cash flow characteristics and the objective of the business model for which it is held and whether the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal outstanding.

Management determines the classification of its financial instruments at initial recognition.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

## Classification of Financial assets:

### a) Financial assets at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

The Company determines its business model at the level that best reflects how it manages financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- Reports reviewed by the entity's key management personnel on the performance of financial assets.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.

- The compensation of the managing teams (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The expected frequency, value and timing of trades.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the year for which the interest rate is set.

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

Financial assets at amortised cost are represented by investments in interest bearing debt instruments, trade receivables, security deposits, cash and cash equivalents, employee and other advances and other financial assets.

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## b) Debt Instruments at FVTOCI

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
- the asset's contractual cash flows represent SPPI debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs.

Fair value movements are recognised in other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain loss in Profit or Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the expected interest rate (EIR) model. Currently, the Company does not hold any interest-bearing debt instrument that qualifies to be classified under this category.

## c) Equity instruments at FVTOCI

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL, described below. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which are not subsequently recycled to Profit or Loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Currently, the Company has not classified any equity instrument at FVTOCI.

## d) Financial assets at FVTPL

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

categorisation as at amortised cost or as FVTOCI, is classified as FVTPL. In addition, the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss. For all equity instruments at FVTPL, dividend is recognised in Profit or Loss when the right of payment has been established.

## Financial liabilities

### a) Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by trade and other payables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### b) Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

# Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

## Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## xiv. Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Revenue from contracts with customers is recognised when control of services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

## I. Rendering of services

The Company principally generates revenue by providing asset management services to Aditya Birla Sun Life Mutual Fund and other clients.

- a) Management fees are recognised on accrual basis at specific rates, applied on the average daily net assets of each scheme. The fees charged are in accordance with the terms of Scheme Information Documents of respective schemes and are in line with the provisions of SEBI (Mutual Funds) Regulations, 1996 as amended from time to time.
- b) Portfolio Management Fees and Advisory Fees are recognised on an accrual basis as per the terms of the contract with the customers.
- c) Management fees from other services are recognised on an accrual basis as per the terms of the contract with the customers at specific rates applied on net assets.

These contracts include a single performance obligation (series of distinct services) that is satisfied over time and the management fees and/or advisory fees earned are considered as variable consideration.

If the consideration promised in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for rendering the promised services to a customer. The amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if an entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

## II. Dividend and Interest Income

- a) Dividend income is recognised when the Company's right to receive dividend is established, it is probable that economic benefits associated with dividend will flow to the entity and the amount of dividend can be measured reliably. This is generally when shareholders approve the dividend.

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- b) Interest income from financial assets, is recognised on a time proportion basis, taking into account the amount outstanding and the rate applicable.

## xv. Foreign currency transactions and balances

The Company's Financial Statements are presented in INR, which is also the functional currency. Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of transaction.

Foreign currency monetary items are reported using closing rate of exchange at the end of the year. The resulting exchange gain/loss is reflected in the Statement of Profit and Loss. Other non-monetary items, like Property Plant & Equipment and Intangible Assets are carried in terms of historical cost using the exchange rate at the date of transaction.

## xvi. Employee benefits

- a) Provident Fund: Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.
- b) Gratuity: The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.
- Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements are not reclassified to profit or loss in subsequent years.
- Past service costs are recognised in profit or loss on the earlier of:
- The date of plan amendment or curtailment.
  - The date that the Company recognises related restructuring costs.
- Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
  - Net interest expense or income.
- c) Leave Encashment: Provision for leave encashment is made on the basis of actuarial valuation of the expected liability. Re-measurement gains/losses are recognised as profit or loss in the year in which they arise.
- d) Long-Term Incentive Plan: The Company has Long-Term incentive plan for different cadre of employees. The same is actuarially determined and assessed on yearly basis. Re-measurement gains/losses are recognised as profit or loss in the year in which they arise.

## xvii. Leases

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (1) the contract involves the use of an identified asset
- (2) the Company has substantially all of the economic

# Significant Accounting Policies

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benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises right – of – use (“ROU”) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. The Company applies the short-term lease recognition exemption to its short-term leases of its branches/rental offices (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. For these short-term and low value leases, the Company recognises the lease payments as an expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful life of right-of-use assets (primarily buildings) range between 1 year to 9 years. The right-of-use assets are also subject to impairment. Refer Note 2(xi) on impairment of non-financial assets.

The lease liability is initially measured at the present value of the future lease payments. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a

purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment on exercise of an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## xviii. Earnings per share (“EPS”)

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

For the purpose of calculating diluted EPS, profit after tax for the year attributable to the equity shareholders and the weighted-average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

## xix. Fund and commission expenses:

Prior to 21<sup>st</sup> October, 2018, certain scheme related expenses and commission were being borne by the Company in accordance with circulars and guidelines issued by SEBI and the Association of Mutual Funds in India (AMFI). Commission paid for future period for the mutual fund schemes (including for Equity Linked Savings Schemes) until 21<sup>st</sup> October, 2018 is treated as prepaid expenses and is amortised on the contractual period and charged to Statement of Profit and Loss account unless considered recoverable from schemes. Pursuant to circulars issued by SEBI in this regard, after 21<sup>st</sup> October, 2018, these expenses, subject to some exceptions, are being borne by the mutual fund schemes. New Fund Offer (NFO) expenses on the launch of schemes are borne by the Company and recognised in profit or loss as and when incurred.

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and other explanatory information (notes) forming part of the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

Commission is paid to the brokers for Portfolio Management and other services as per the terms of agreement entered into with respective brokers. In case of certain portfolio management schemes and other services, the brokerage expenses are amortised over the tenure of the product or commitment period. Unamortised brokerage is treated as Non-financial Assets considering the normal operating cycle of the Company.

## xx. Taxes

### Current tax:

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

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

### Deferred tax:

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- ii. In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can

be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- 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.

# Significant Accounting Policies

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Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## **xxi. Provisions, contingent liabilities and contingent assets**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Claims against the Company, where the possibility of any outflow of resources in settlement is remote are not disclosed as contingent liabilities. A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is virtually certain.

## **xxii. Share-Based payments**

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The Company measures the cost of equity-settled transactions with employees using Black-Scholes Model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield, and making assumptions about them.

Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments at the grant date using Black-Scholes Model. The fair value, determined at the grant date of the equity-settled share-based payments, is charged to profit and loss on the straight-line basis over the vesting period of the option, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

In case of forfeiture/lapse stock option, which is not vested, amortised portion is reversed by credit to employee compensation expense. In situation where the stock option expires unexercised, the related balance standing to the credit of the Employee Stock Options Outstanding Account is transferred within equity.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Also, a separate Employee stock options scheme (ESOP) ("the scheme") has been established by Aditya Birla Capital Limited ("ABCL") (Entity having significant influence). The scheme provides that employees are granted an option to subscribe to equity shares of ABCL that vest in a graded manner. The options may be exercised within a specified period. Measurement and disclosure of Employee share-based payment plan is done in accordance with Ind AS 102 Share Based Payments.

ABCL follows the Black-Scholes Merton Value method to account for its stock-based employee compensation plans. The cost incurred by the ABCL, in respect of options granted to employees of the Company is charged to the

# Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone financial statements for the year ended 31<sup>st</sup> March, 2023

Statement of Profit and Loss during the year and recovered by them.

## xxiii. Cash dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders except in the case of interim dividend. A corresponding amount is recognised directly in equity.

## xxiv. Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31<sup>st</sup> March, 2023 to amend the following Ind AS which are effective from 01<sup>st</sup> April, 2023.

- (i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 01<sup>st</sup> April, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Group's financial statements.

- (ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by

replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after 01<sup>st</sup> April, 2023. Consequential amendments have been made in Ind AS 107.

The Group is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

- (iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 01<sup>st</sup> April, 2023.

The Group is currently assessing the impact of the amendments.

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 3 CASH AND CASH EQUIVALENTS (AT AMORTISED COST)

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Cash on Hand	-	-
Balances with Bank		
- Current Accounts	604.37	610.00
- Deposit Accounts (with original maturity less than 3 months)	45.26	45.26
<b>Total Cash and Cash equivalents</b>	<b>649.63</b>	<b>655.26</b>

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.

The Company has not taken any bank overdraft, therefore the cash and cash equivalent for cash flow statement is same as cash and cash equivalent given above.

## NOTE: 4 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS (AT AMORTISED COST)

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments:		
Earmarked accounts		
- Unclaimed Dividend	11.45	5.92
- Unpaid Dividend #	1,969.41	-
- Unspent CSR (Refer note 29)	139.00	478.13
Term Deposits against the bank guarantee	2,797.53	2,784.15
<b>Total Bank Balances other than cash and cash equivalents</b>	<b>4,917.39</b>	<b>3,268.20</b>

# This includes TDS payable on Interim Dividend amounting to ₹ 1,964.96 Lakh.

## NOTE: 5 TRADE RECEIVABLES (AT AMORTISED COST)

### Unsecured, considered good

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Asset Management and Advisory Fees receivable	1,264.92	1,131.20
Management Fees receivable from Portfolio Management and Other Services	687.80	839.38
Less: Impairment loss allowance	-	-
<b>Total Trade Receivables*</b>	<b>1,952.72</b>	<b>1,970.58</b>

\* There are no dues from directors or other officers of the Company either severally or jointly with any other person, due from firms or private companies respectively in which any director is a partner, a director or a member.

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## Trade receivables ageing schedule

### Trade receivables as on 31<sup>st</sup> March, 2023

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,834.06	64.97	53.69	-	-	1,952.72
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>1,834.06</b>	<b>64.97</b>	<b>53.69</b>	<b>-</b>	<b>-</b>	<b>1,952.72</b>

### Trade receivables as on 31<sup>st</sup> March, 2022

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,970.58	-	-	-	-	1,970.58
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>1,970.58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,970.58</b>



# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 7 OTHER FINANCIAL ASSETS (AT AMORTISED COST)

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Deposits to Related Party (Refer Note 26)	151.36	148.91
Security Deposits	1,259.29	1,405.37
Recoverable From Schemes	13.69	6.21
Receivable from Related Party (Refer Note 26)	77.84	235.56
Application money towards Investments	4,431.96	-
Others	8.43	-
<b>Total Other Financial Assets</b>	<b>5,942.57</b>	<b>1,796.05</b>

## NOTE: 8.1 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakh)

Particulars	Computers	Furniture and Fixtures	Vehicles	Office Equipment	Leasehold Improvements	Total
<b>Gross Carrying Value</b>						
<b>As at 01<sup>st</sup> April, 2021</b>	<b>1,547.08</b>	<b>225.72</b>	<b>881.51</b>	<b>919.27</b>	<b>1,119.38</b>	<b>4,692.96</b>
Additions	134.45	81.23	365.59	58.48	332.34	972.09
Disposals	33.04	15.54	165.19	19.18	159.86	392.81
<b>As at 31<sup>st</sup> March, 2022</b>	<b>1,648.49</b>	<b>291.41</b>	<b>1,081.91</b>	<b>958.57</b>	<b>1,291.86</b>	<b>5,272.24</b>
Additions	272.61	80.20	479.84	165.19	374.84	1,372.67
Disposals	216.43	20.07	196.66	44.91	128.28	606.34
<b>As at 31<sup>st</sup> March, 2023</b>	<b>1,704.69</b>	<b>351.55</b>	<b>1,365.09</b>	<b>1,078.85</b>	<b>1,538.43</b>	<b>6,038.56</b>
<b>Accumulated Depreciation and Impairment</b>						
<b>As at 01<sup>st</sup> April, 2021</b>	<b>1,266.59</b>	<b>181.82</b>	<b>512.32</b>	<b>575.26</b>	<b>952.27</b>	<b>3,488.25</b>
Depreciation for the year	204.84	40.40	185.42	149.01	177.65	757.32
Disposals	33.03	14.07	101.79	17.40	156.37	322.66
<b>As at 31<sup>st</sup> March, 2022</b>	<b>1,438.40</b>	<b>208.15</b>	<b>595.95</b>	<b>706.87</b>	<b>973.55</b>	<b>3,922.91</b>
Depreciation for the year	175.09	62.76	206.49	146.61	239.50	830.45
Disposals	216.43	19.15	168.17	43.87	124.24	571.87
<b>As at 31<sup>st</sup> March, 2023</b>	<b>1,397.06</b>	<b>251.76</b>	<b>634.29</b>	<b>809.62</b>	<b>1,088.81</b>	<b>4,181.49</b>
<b>Net carrying value amount as at 31<sup>st</sup> March, 2022</b>	<b>210.09</b>	<b>83.26</b>	<b>485.96</b>	<b>251.70</b>	<b>318.31</b>	<b>1,349.33</b>
<b>Net carrying value amount as at 31<sup>st</sup> March, 2023</b>	<b>307.62</b>	<b>99.79</b>	<b>730.81</b>	<b>269.23</b>	<b>449.62</b>	<b>1,857.07</b>

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## Capital work-in-progress

Capital work-in-progress as at 31<sup>st</sup> March, 2023 comprises expenditure for the plant in the course of construction. Total amount of CWIP is ₹ 104.79 Lakh (31<sup>st</sup> March, 2022: ₹ 153.18 Lakh)

### CWIP ageing schedule as on 31<sup>st</sup> March, 2023

(₹ in Lakh)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	104.79	-	-	-	104.79

### CWIP ageing schedule as on 31<sup>st</sup> March, 2022

(₹ in Lakh)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	153.18	-	-	-	153.18

There are no overdue or cost overrun projects compared to its original plan, on the above-mentioned reporting dates

## NOTE: 8.2 OTHER INTANGIBLE ASSETS

(₹ in Lakh)

Particulars	Software	Investment Management Rights (Refer Note 24)	Total
<b>Gross carrying value</b>			
As at 01 <sup>st</sup> April, 2021	2,818.70	284.90	3,103.60
Additions	450.18	-	450.18
Disposals	-	-	-
As at 31 <sup>st</sup> March, 2022	3,268.88	284.90	3,553.78
Additions	593.34	-	593.34
Disposals	-	-	-
As at 31 <sup>st</sup> March, 2023	3,862.22	284.90	4,147.12
<b>Accumulated Amortisation and Impairment</b>			
As at 01 <sup>st</sup> April, 2021	1,626.40	151.40	1,777.80
Amortisation for the year	757.14	37.85	794.99
Disposal	-	-	-
As at 31 <sup>st</sup> March, 2022	2,383.54	189.25	2,572.79
Amortisation for the year	659.04	37.85	696.89
Disposals	-	-	-
As at 31 <sup>st</sup> March, 2023	3,042.58	227.10	3,269.68
Net carrying value amount as at 31 <sup>st</sup> March, 2022	885.34	95.65	980.99
Net carrying value amount as at 31 <sup>st</sup> March, 2023	819.64	57.80	877.44

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## Intangible assets under development ageing schedule as on 31<sup>st</sup> March, 2023

(₹ in Lakh)

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	100.47	-	2.75	-	103.22

(₹ in Lakh)

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects temporarily suspended	-	-	-	-	-

## Intangible assets under development ageing schedule as on 31<sup>st</sup> March, 2022

(₹ in Lakh)

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	131.46	7.25	-	-	138.71

(₹ in Lakh)

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects temporarily suspended	-	-	-	-	-

There are no overdue or cost overrun projects compared to its original plan, on the above mentioned reporting dates

## NOTE: 9 OTHER NON-FINANCIAL ASSETS

(₹ in Lakh)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Prepaid expenses	5,507.87	1,321.33
Capital advance for Tangible Assets	69.23	42.73
Advance for Services	1,352.21	963.47
Gratuity - Plan Funded Asset (Refer Note 25)	3,174.10	3,106.57
<b>Total Other Non-Financial Assets</b>	<b>10,103.41</b>	<b>5,434.10</b>

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 10 TRADE PAYABLES (AT AMORTISED COST)

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Trade Payables</b>		
<b>Others</b>		
- Total outstanding dues to micro enterprises and small enterprises*	18.65	9.25
	<b>18.65</b>	<b>9.25</b>
- Total outstanding dues to creditors other than micro enterprises and small enterprises		
Related Parties (Refer Note 26)	1,045.41	748.09
Other than Related Parties	3,777.40	2,269.31
	<b>4,822.81</b>	<b>3,017.40</b>
<b>Total Trade Payables</b>	<b>4,841.46</b>	<b>3,026.65</b>

\* This information is required to be disclosed under MSMED Act(2006), has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

### Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
a) Principal amount and interest thereon remaining unpaid at the end of year	18.65	9.25
b) Interest paid including payment made beyond appointed day during the year	7.43	5.88
c) Interest due and payable for delay during the year	-	-
d) Amount of interest accrued and unpaid as at year end	2.86	0.50
e) The amount of further interest due and payable even in the succeeding year	-	-

## Trade payables ageing schedule

### Trade payables as on 31<sup>st</sup> March, 2023

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	18.65	-	-	-	18.65
(ii) Others	4,748.13	5.52	11.14	58.02	4,822.81
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
<b>Total</b>	<b>4,766.78</b>	<b>5.52</b>	<b>11.14</b>	<b>58.02</b>	<b>4,841.46</b>

### Trade payables as on 31<sup>st</sup> March, 2022

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	9.25	-	-	-	9.25
(ii) Others	2,929.98	29.82	0.46	57.14	3,017.40
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
<b>Total</b>	<b>2,939.23</b>	<b>29.82</b>	<b>0.46</b>	<b>57.14</b>	<b>3,026.65</b>

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 11 OTHER FINANCIAL LIABILITIES (AT AMORTISED COST)

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Employee Dues	4,721.59	6,129.00
Payables for Capital Expenditure	3.16	12.27
Deposits from Related parties (Refer Note 26)	166.37	166.37
<b>Total Other Financial Liabilities</b>	<b>4,891.12</b>	<b>6,307.64</b>

## NOTE: 12 PROVISIONS

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Provision for Employee Benefits</b>		
Leave Encashment	404.99	382.51
Gratuity (Refer Note 25)	3,281.35	3,092.80
Provision for Long-Term Incentive Plan	383.45	225.33
<b>Total Provisions</b>	<b>4,069.79</b>	<b>3,700.64</b>

## NOTE: 13 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Depreciation on Property, Plant and Equipment and Amortisation on Intangible Assets	(678.03)	(634.14)
Provision for Employee Benefits	(5.66)	(162.35)
Fair Valuation of Investments	2,359.60	1,981.95
Lease Liability net of Right of use Assets	1,799.46	1,333.80
<b>Deferred Tax Liabilities</b>	<b>3,475.37</b>	<b>2,519.26</b>
<b>Reconciliation of effective tax rate:</b>		
(a) Income before tax	78,841.39	88,228.28
(b) Expected tax rate in India (applicable to the Company)	25.168%	25.168%
(c) Expected income tax amount	19,842.80	22,205.29
(d) <b>Tax impact on:</b>		
Expenses disallowed/(allowed) as per income tax computation	(1,898.03)	(1,863.10)
Items which are taxed at different rates	13.28	650.80
Effect on Deferred tax balances for items taxed at different rates	1,748.19	1,165.54
Adjustments in respect of current income tax of previous years	31.30	(22.56)
Others	10.86	56.31
(e) <b>Tax expenses recognised in Profit and Loss Account (c + d)</b>	<b>19,748.40</b>	<b>22,192.28</b>

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## Significant components and movement in deferred tax assets and liabilities

(₹ in Lakh)

Particulars	As on 31 <sup>st</sup> March, 2023	As on 31 <sup>st</sup> March, 2022	YTD March 2023 Deferred Tax Expense/(Credit)
	Closing Balance	Opening Balance	
<b>Deferred Tax Liabilities</b>			
Fair Valuation of Investments	2,359.60	1,981.95	377.65
Lease Liability net of Right of use assets	1,799.46	1,333.80	465.66
<b>Total</b>	<b>4,159.06</b>	<b>3,315.75</b>	
<b>Deferred Tax Assets</b>			
Depreciation on Property, Plant and Equipment and Amortisation on Intangible Assets	(678.03)	(634.14)	(43.89)
Provision for employee benefits	(5.66)	(162.35)	156.69
<b>Total</b>	<b>(683.69)</b>	<b>(796.49)</b>	
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>3,475.37</b>	<b>2,519.26</b>	<b>956.11</b>

(₹ in Lakh)

Particulars	As on 31 <sup>st</sup> March, 2022	As on 31 <sup>st</sup> March, 2021	YTD March 2022 Deferred Tax Expense / (Credit)
	Closing Balance	Opening Balance	
<b>Deferred Tax Liabilities</b>			
Fair Valuation of Investments	1,981.95	2,602.26	(620.31)
Lease Liability net of Right of use assets	1,333.80	804.98	528.82
<b>Total</b>	<b>3,315.75</b>	<b>3,407.24</b>	
<b>Deferred Tax Assets</b>			
Depreciation on Property, Plant and Equipment and Amortisation on Intangible Assets	(634.14)	(566.98)	(67.16)
Provision for employee benefits	(162.35)	(1,466.86)	1,304.51
<b>Total</b>	<b>(796.49)</b>	<b>(2,033.84)</b>	
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>2,519.26</b>	<b>1,373.40</b>	<b>1,145.85</b>

## NOTE: 14 OTHER NON-FINANCIAL LIABILITIES

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
	<b>Payable on account of Statutory Dues:</b>	
- Withholding Tax payable	2,547.73	230.97
- GST payable	912.03	1,633.50
- Professional Tax payable	1.78	0.01
- Employee provident fund & Other dues payable	135.06	126.43
CSR payable (Refer note 29)	139.00	476.99
Unclaimed Dividend	11.45	5.92
Unpaid Dividend	4.45	-
<b>Total</b>	<b>3,751.50</b>	<b>2,473.82</b>

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 15 EQUITY SHARE CAPITAL

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Authorised:</b>		
Equity Shares of ₹ 5 each (31 <sup>st</sup> March, 2022: ₹ 5 each)	16,000.00	16,000.00
320,000,000 (31 <sup>st</sup> March, 2022: 320,000,000) Equity shares fully paid up <sup>#</sup>		
<b>Issued, Subscribed and Paid up</b>		
Equity Shares of ₹ 5 each (31 <sup>st</sup> March, 2022: ₹ 5 each)	14,400.00	14,400.00
288,000,000 (31 <sup>st</sup> March, 2022: 288,000,000) Equity shares fully paid up <sup>#</sup>		
<b>Total Issued, Subscribed and Paid up</b>	<b>14,400.00</b>	<b>14,400.00</b>

### a) Term/right attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company after distributions of all preferential amounts. However, no such preferential amount exist currently. The distribution will be in the proportion to the number of equity shares held by the shareholders.

### b) Reconciliation of the shares outstanding at the beginning and at the end of the year

(₹ in Lakh)

Description	No. of Equity shares	Amount
As at 01 <sup>st</sup> April, 2021	18,000,000	1,800.00
Split of shares into Face Value of ₹ 5 each <sup>#</sup>	18,000,000	-
Bonus equity shares issued in the ratio of 7 for every 1 share held <sup>#</sup>	252,000,000	12,600.00
<b>As at 31<sup>st</sup> March, 2022</b>	<b>288,000,000</b>	<b>14,400.00</b>
Issued during year	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>288,000,000</b>	<b>14,400.00</b>

<sup>#</sup> Pursuant to a resolution passed by our Board on 05<sup>th</sup> April, 2021 and a resolution of shareholders dated, 06<sup>th</sup> April, 2021, each equity share of face value of ₹ 10 each has been split into two equity shares of face value of ₹ 5 each. Accordingly, the issued, subscribed and paid up capital of our Company was subdivided from 18,000,000 equity shares of face value of ₹ 10 each to 36,000,000 equity shares of face value of ₹ 5 each.

Pursuant to a resolution of Board of Directors dated 05<sup>th</sup> April, 2021 and the shareholders meeting dated 06<sup>th</sup> April, 2021, the Authorised Share Capital of the Company has been increased from ₹ 2,000 Lakh consisting of 40,000,000 Equity Shares of ₹ 5/- (Rupees Five only) each to ₹ 16,000 Lakh consisting of 320,000,000 Equity Shares of ₹ 5/- each.

The Board of Directors pursuant to a resolution dated 05<sup>th</sup> April, 2021 and the shareholders special resolution dated 06<sup>th</sup> April, 2021 have approved the issuance of seven bonus equity shares of face value ₹ 5 each for every one existing fully paid up equity share of face value ₹ 5 each and accordingly 252,000,000 bonus equity shares were issued and allotted in accordance with the Section 63 of the Companies Act, 2013.

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

Aggregate number of equity shares issued as bonus other than cash and shares bought back during the period of five years immediately preceding the reporting date:

(₹ in Lakh)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Equity shares allotted as fully paid bonus shares by capitalisation of securities premium and retained earnings	252,000,000	252,000,000

The Shares reserved for issue under Employee Stock Option Scheme (ESOP) of the Company (Refer Note No. 35)

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

Name of the Shareholder	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No. of Equity shares held	% of Shareholding	No. of Equity shares held	% of Shareholding
Aditya Birla Capital Limited and its Nominees <sup>#</sup>	144,028,800	50.01%*	144,028,800	50.01%*
Sun Life (India) AMC Investment Inc. Canada	105,090,880	36.49%	105,090,880	36.49%

<sup>#</sup> 512 Equity shares (31<sup>st</sup> March, 2022: 512 Equity Shares), 416 Equity shares (31<sup>st</sup> March, 2022: 416 Equity Shares) and 192 Equity shares (31<sup>st</sup> March, 2022: 192 Equity Shares) each are held by Parag Joglekar, A. Balasubramanian and Pinky Mehta, respectively, in their capacity as nominee shareholders of ABCL.

\* Approximate percentages

## Shareholding of promoters as on 31<sup>st</sup> March, 2023

Shares held by promoters at the end of the year				% Change during the year
Sr. No.	Promoter Name	No. of Shares	% of total shares	
1	Aditya Birla Capital Limited (ABCL) <sup>#</sup>	144,028,800	50.01%*	-
2	Sun Life (India) AMC Investments Inc.	105,090,880	36.49%	-
<b>Total</b>		<b>249,119,680</b>	<b>86.50%</b>	

<sup>#</sup> 512 Equity shares, 416 Equity shares and 192 Equity shares each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, in their capacity as nominee shareholders of ABCL.

\* Approximate percentages

## Shareholding of promoters as on 31<sup>st</sup> March, 2022

Shares held by promoters at the end of the year				% Change during the year
Sr. No.	Promoter Name	No. of Shares	% of total shares	
1	Aditya Birla Capital Limited(ABCL) <sup>#</sup>	144,028,800	50.01%*	(0.99)%
2	Sun Life (India) AMC Investments Inc.	105,090,880	36.49%	(12.51)%
<b>Total</b>		<b>249,119,680</b>	<b>86.50%</b>	

<sup>#</sup> 512 Equity shares, 416 Equity shares and 192 Equity shares each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, in their capacity as nominee shareholders of ABCL.

\* Approximate percentages

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 16 OTHER EQUITY

(₹ in Lakh)

<b>1) Share Premium Account</b>	
At 01 <sup>st</sup> April, 2021	264.23
Arising during the year	-
Utilised in issue of bonus equity shares (Refer note 15)	(264.23)
<b>At 31<sup>st</sup> March, 2022</b>	<b>-</b>
Arising during the year	-
Utilised during the year	-
<b>At 31<sup>st</sup> March, 2023</b>	<b>-</b>
<b>2) General Reserve</b>	
At 01 <sup>st</sup> April, 2021	686.66
Arising during the year	-
Utilised during the year	-
<b>At 31<sup>st</sup> March, 2022</b>	<b>686.66</b>
Arising during the year	-
Transfer from Share Outstanding Account on account of Exits	117.57
<b>At 31<sup>st</sup> March, 2023</b>	<b>804.23</b>
<b>3) Retained Earnings</b>	
At 01 <sup>st</sup> April, 2021	169,566.91
Profit for the year	66,036.00
Other Comprehensive Income for the year	63.39
Utilised in issue of bonus equity shares (Refer note 15)	(12,335.77)
Dividend for the year*	(23,184.00)
<b>At 31<sup>st</sup> March, 2022</b>	<b>200,146.53</b>
Profit for the year	59,092.99
Other Comprehensive Income for the year	(125.45)
Utilised in issue of bonus equity shares (Refer note 15)	-
Dividend for the year*	(31,248.00)
<b>At 31<sup>st</sup> March, 2023</b>	<b>227,866.07</b>
<b>4) Share Option Outstanding Account</b>	
At 01 <sup>st</sup> April, 2021	-
Charges during the year	4,828.21
Exercise of share options during the year	-
<b>At 31<sup>st</sup> March, 2022</b>	<b>4,828.21</b>
Charges during the year	3,114.47
Transfer to General Reserve on account of Exits	(117.57)
<b>At 31<sup>st</sup> March, 2023</b>	<b>7,825.11</b>
<b>As at 31<sup>st</sup> March, 2023</b>	<b>236,495.41</b>
<b>As at 31<sup>st</sup> March, 2022</b>	<b>205,661.39</b>

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## \* Cash dividends on equity shares declared and paid:

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Final dividend for the fiscal year ended 31 <sup>st</sup> March, 2022: ₹ 5.85 per share for 288,000,000 equity shares (for the year ended 31 <sup>st</sup> March, 2021: ₹ 2.45 per share for 288,000,000 equity shares) and Interim dividend for the year ended 31 <sup>st</sup> March, 2023: ₹ 5 per share for 288,000,000 equity shares (Interim dividend for the year ended 31 <sup>st</sup> March, 2022: ₹ 5.6 per share for 288,000,000 equity shares) (Refer Note 15)	31,248.00	23,184.00
	<b>31,248.00</b>	<b>23,184.00</b>

## Proposed dividends on equity shares:

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Final dividend for the year ended on 31 <sup>st</sup> March, 2023: ₹ 5.25 per share for 288,000,000 equity shares (Final dividend for the year ended 31 <sup>st</sup> March, 2022: ₹ 5.85 per share for 288,000,000 equity shares) (Refer Note 40)	15,120.00	16,848.00
	<b>15,120.00</b>	<b>16,848.00</b>

## Nature and purpose of the reserves

### Share Premium:

Share Premium is used to record the premium (amount received in excess of face value of equity shares) on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of Section 52 of Companies Act, 2013. The Company has utilised the Share Premium in issue of bonus equity shares in the previous year.

### General reserve:

Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid up share capital of the Company for that year, then the total dividend distribution is less than total distributable reserve for that year.

Consequent to introduction of the Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn. However the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of the Companies Act, 2013.

### Retained earnings:

Retained earnings are the profits that a company has earned to date, less any dividends or other distributions paid to the Shareholders, net of utilisation as permitted under applicable regulations.

### Share Option Outstanding Account:

The grant date fair value of equity-settled share-based payment transactions with employees and directors are recognised in the Statement of Profit and Loss with the corresponding credit to this account over the vesting period.

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 17 FEES AND COMMISSION INCOME

(₹ in Lakh)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Revenue from contracts with customers</b>		
Asset Management and Advisory Fees	116,063.28	122,016.84
Management Fees from Portfolio Management and Other Services	4,459.98	4,330.56
<b>Total Fees and Commission income</b>	<b>120,523.26</b>	<b>126,347.40</b>

## NOTE: 18 OTHER INCOME

(₹ in Lakh)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Gain on Investments</b>		
- Realised gain	2,832.14	2,559.16
- Unrealised gain	7,875.93	7,241.38
Interest Income	1,476.95	1,422.84
Dividend Income on investments	11.40	-
Profit on sale of Fixed Assets (net)	14.43	-
Rent concession	117.43	265.16
Rent income	271.18	62.27
Miscellaneous income	35.92	4.72
<b>Total Other Income</b>	<b>12,635.38</b>	<b>11,555.53</b>

## NOTE: 19 EMPLOYEE BENEFIT EXPENSE

(₹ in Lakh)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Salaries and allowances	20,414.41	17,446.35
Contribution to provident and other funds (Refer Note 25)	808.79	714.34
Gratuity expenses (Refer Note 25)	309.87	282.35
Staff welfare expenses	1,628.21	1,027.36
Share-based payments by ABCL (Entity having significant influence) (Refer Note 25)	56.50	(4.71)
Share based payments by the Company (Refer Note 35)	3,072.87	4,763.66
<b>Total Employee Benefit Expense</b>	<b>26,290.65</b>	<b>24,229.37</b>

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 20 OTHER EXPENSE

Particulars	(₹ in Lakh)	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Rent	333.65	64.49
Repairs and Maintenance	1,241.84	1,149.06
Insurance	102.54	129.65
Rates and Taxes	178.50	336.35
Electricity	265.52	243.82
Software and Technology Expenses	2,635.89	2,297.14
Database Research Expenses	1,112.30	882.83
Travelling and Conveyance	1,326.40	640.10
Communication Expenses	215.35	217.65
Outsourced Fund Accounting Expenses	181.70	258.58
Legal and Professional Charges	1,442.05	1,041.02
Auditor's Remuneration:		
- Audit Fees	23.00	21.00
- Tax Audit Fees	7.00	7.00
- Other Services	14.30	9.25
- Reimbursement of expenses	0.45	0.01
Services Charges	1,898.79	2,051.51
Directors Sitting Fees	64.25	120.25
Printing and Stationery	277.47	180.39
Loss on Sale of Fixed Assets (net)	-	12.78
Asset Utilisation Charges	442.71	607.42
Bank Charges	2.61	3.80
Miscellaneous Expenses	585.41	573.76
Foreign Exchange Loss (net)	13.65	10.83
Donation	11.05	10.00
Corporate Social Responsibility Expenses (Refer Note 29)	1,287.00	1,141.71
Business Promotion Expenses	6,384.11	5,438.82
Fund expense	1,979.21	2,080.77
<b>Total Other Expense</b>	<b>22,026.75</b>	<b>19,530.00</b>

## NOTE: 21 FINANCE COST

Particulars	(₹ in Lakh)	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Finance Cost on Lease Liability (measured at amortised cost) (Refer Note 33)	385.34	482.30
<b>Total Finance Cost</b>	<b>385.34</b>	<b>482.30</b>

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 22 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakh)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Depreciation on Right-of-use Assets (Refer Note 33)	1,800.39	1,904.98
Depreciation on Property, Plant & Equipment (Refer Note 8.1)	830.45	757.32
Amortisation of Intangible Assets (Refer Note 8.2)	696.89	794.99
<b>Total Depreciation and Amortisation Expense</b>	<b>3,327.73</b>	<b>3,457.29</b>

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## OTHER NOTES TO ACCOUNTS:

### NOTE: 23 CONTINGENT LIABILITIES AND COMMITMENTS

#### (i) Contingent liabilities:

(₹ in Lakh)

No.	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
	Claims against the Company not acknowledged as debts in respect of;		
i)	Income tax matters	*18,992.16	4,638.78
ii)	Other matters	159.15	83.85

\*Note: Includes -

1. AY 2020-21- Demand of ₹ 8,643.89 Lakh was raised by the officer during assessment proceedings. Credit for dividend distribution tax (DDT) of ₹ 6,783.24 Lakh was not provided by the officer and consequently, interest on DDT of ₹ 2,287.80 Lakh was levied. High court has directed the Income-tax department to decide the rectification application filed and has granted stay ad-interim.
2. AY 2016-17- Demand of ₹ 3,910.12 Lakh was raised by the officer during reassessment proceedings. The demand was due to adhoc addition of ₹ 5,951.45 Lakh and consequential levy of interest. High court has directed the Income-tax department to decide the rectification application filed and has granted stay ad-interim.
3. AY 2013-14- Demand of ₹ 4,834.96 Lakh was raised by the officer during reassessment proceedings. The demand was due to non-granting of TDS credit. High court has directed the Income-tax department to decide the rectification application filed and has granted stay ad-interim.

#### (ii) Commitments - unexecuted contracts:

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Commitments for the acquisition of property, plant and equipment	746.60	543.76
Commitments for investment activities	925.00	*14,445.95

\* This includes commitment to invest ₹ 13,820.95 Lakh in Mutual Fund schemes managed by the Company vide SEBI circular SEBI/HO/IMD/IMD-IDOF5/P/CIR/2021/624 dated 02<sup>nd</sup> September, 2021

#### (iii) Bank guarantee:

The Company has issued a bank guarantee of ₹ 2,468.25 Lakh to NSE for the purpose of IPO during FY2021-22 and the same is in force as on FY 2022-23.

### NOTE: 24 MANAGEMENT RIGHTS

During financial year ended 31<sup>st</sup> March, 2015 Aditya Birla Sun Life Trustee Company Private Limited took over the mutual fund schemes from ING Trust Company Private Limited and simultaneously the Company acquired the right to manage the said schemes from ING Asset Management (India) Private Limited.

The consideration paid to acquire the right to manage the said schemes along with the incidental expenditure incurred thereon aggregating to ₹ 378.51 Lakh has been treated as Investment Management Right. The Investment Management Right will be amortised over a period of 120 months. For the year ended 31<sup>st</sup> March, 2023, an amount of ₹ 37.85 Lakh (Previous year ₹ 37.85 Lakh) has been amortised. Balance life of Investment Management Right is 18 months.

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## OTHER NOTES TO ACCOUNTS:

### NOTE: 25 EMPLOYEE BENEFITS

In accordance with the Indian Accounting Standard (Ind AS) 19 “Employee Benefits”, the Company has classified the various benefits provided to the employees as under:

#### a) Defined contribution plan

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

		(₹ in Lakh)	
No	Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
i)	Employers Contribution to Provident Fund (PF)	556.35	474.45
ii)	Employers Contribution to Employees Pension Fund	147.75	134.84
iii)	Employers Contribution to Labour Welfare Fund	0.58	0.46
iv)	Contribution to Employees Deposit Linked Insurance	9.98	8.82
	<b>Total</b>	<b>714.66</b>	<b>618.57</b>

Above figures are excluding contribution to PF and Other Funds of ₹ 94.13 Lakh (Previous year ₹ 95.77 Lakh) reimbursed to related parties - Aditya Birla Financial Shared Services Limited & Aditya Birla Capital Limited.

#### b) Share based payments

Pursuant to ESOP Plan by ABCL, stock options were granted to the employees of the Company during the year. Total cost incurred by ABCL (net of reversals) till date is being recovered from the Company over the period of vesting of the ESOP grants. A sum of ₹ 56.50 Lakh (Previous year ₹ (4.71) Lakh) has been charged to the Statement of Profit and Loss. The balance sum of ₹ 4.76 Lakh will be recovered in future years as at 31<sup>st</sup> March, 2023.

#### c) Gratuity (Defined Benefit Plan)

The following table sets out the status of the gratuity plan as required under Ind AS 19 as certified by actuary. Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

		(₹ in Lakh)	
Particulars		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Amounts recognised in the Balance Sheet in respect of Gratuity</b>			
Present Value of the funded Defined Benefit Obligations at the end of the year		3,281.35	3,092.80
Fair Value of Plan Assets		(3,174.10)	(3,106.57)
<b>Net (Asset) / Liability</b>		<b>107.25</b>	<b>(13.77)</b>
<b>Amounts recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity</b>			
<b>Amounts recognised during the period:</b>			
In P&L		309.87	282.35
In Other Comprehensive Income		127.74	(72.29)
<b>Total Expenses Recognised during the period</b>		<b>437.62</b>	<b>210.06</b>
<b>Actual Return on Plan Assets:</b>			
Expected Return on Plan Assets		214.20	190.06
Actuarial Gain/(Loss) on Plan Assets		(123.71)	(31.52)
<b>Actual Return on Plan Assets:</b>		<b>90.49</b>	<b>158.54</b>

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## OTHER NOTES TO ACCOUNTS:

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Reconciliation of Present Value of Obligation and the Fair Value of the Plan Assets:</b>		
<b>Change in Present Value of the Obligations:</b>		
Opening Defined Benefit Obligations	3,092.80	2,961.40
Current Service Cost	310.82	284.49
Interest Cost	213.25	187.92
Actuarial (Gain)/Loss arising from:		
- changes in demographic assumptions	-	-
- changes in financial assumptions	(96.47)	(108.89)
- experience variance (i.e. actual experience vs assumption)	100.50	5.08
Liabilities Settled on Divestment	-	-
Benefits Paid	(339.56)	(237.20)
<b>Closing Defined Benefit Obligations</b>	<b>3,281.35</b>	<b>3,092.80</b>
<b>Change in Fair Value of the Plan Assets:</b>		
Opening Fair Value of the Plan Assets	3,106.57	2,995.19
Expected Return on the Plan Assets	214.20	190.06
Actuarial (Gain)/Loss	(123.71)	(31.52)
Contributions by the Employer	316.60	190.04
Asset Distributed on Divestment	-	-
Benefits Paid	(339.56)	(237.20)
<b>Closing Fair Value of the Plan Assets</b>	<b>3,174.10</b>	<b>3,106.57</b>
<b>Expense Recognised in Income Statement</b>		
Current Service Cost	310.82	284.49
Net Interest cost / (income) on the defined Benefit Liability / (Asset)	(0.95)	(2.14)
<b>Expense Recognised in Income Statement</b>	<b>309.87</b>	<b>282.35</b>
<b>Other Comprehensive Income</b>		
Actuarial (Gain)/Loss arising from:		
- changes in demographic assumptions	-	-
- changes in financial assumptions	(96.47)	(108.89)
- experience variance (i.e. actual experience vs assumption)	100.50	5.08
Return on plan asset, excluding amount recognised in net interest expense	123.71	31.52
<b>Remeasurement gain/loss in other comprehensive income</b>	<b>127.74</b>	<b>(72.29)</b>
<b>Investment details of Plan Assets</b>		
<b>Plan assets are invested with:</b>		
Aditya Birla Sun Life Insurance Company Limited	3,174.10	3,106.57
<b>Composition of the plan assets are as follows:</b>		
	<b>Allocation %</b>	<b>Allocation %</b>
Government Bonds	24.81%	23.17%
Corporate Bonds	64.57%	69.29%
Others	10.62%	7.54%

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## OTHER NOTES TO ACCOUNTS:

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Assumptions</b>		
Discount rate	7.40%	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
Average Age	33.79	34.31
Mortality Basis	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## OTHER NOTES TO ACCOUNTS:

### A. Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis are given below:

		(₹ in Lakh)	
No.	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
1	Defined Benefit Obligation (Base)	3,281.35	3,092.80

		(₹ in Lakh)			
No.	Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
		Decrease	Increase	Decrease	Increase
1	Discount Rate (- / + 0.50 %)	3,424.52	3,147.29	3,234.23	2,960.58
	(% change compared to base due to sensitivity)	4.4%	-4.1%	4.6%	-4.3%
2	Compensation Escalation Rate (- / + 0.50 %)	3,146.67	3,423.88	2,960.55	3,232.94
	(% change compared to base due to sensitivity)	-4.1%	4.3%	-4.3%	4.5%
3	Mortality Rate (- / + 10%)	3,278.13	3,284.55	3,090.00	3,095.59
	(% change compared to base due to sensitivity)	-0.1%	0.1%	-0.1%	0.1%

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

### B. Effect of plan on company's future cash flows:

#### i) Funding arrangements and Funding Policy

The scheme is managed on funded basis.

#### ii) Expected Contribution during the next annual reporting period

		(₹ in Lakh)	
Particulars		For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
The Company's best estimate of Contribution during the next year		432.74	286.56

#### iii) Maturity Profile of Defined Benefit Obligation

		(₹ in Lakh)	
Particulars		For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Weighted average duration		9 years	9 years

#### Expected cash flows over the next (valued on undiscounted basis)

		(₹ in Lakh)	
Particulars		For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
1 year		195.35	192.93
2 to 5 years		1,327.01	1,191.60
6 to 10 years		1,438.75	1,358.79
More than 10 years		3,976.84	3,610.10

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

The estimate of future salary increases, considered in the actuarial valuation, takes into account inflation, seniority, promotion, and other relevant factors. The above information is certified by the actuary based on assumptions provided by the Company.

## NOTE: 26 DISCLOSURE IN RESPECT OF RELATED PARTY PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 24:

### a) List of related parties:

<b>A</b>	<b>Parent of the Entity having significant influence</b>
	Grasim Industries Limited
<b>B</b>	<b>Entity having significant influence</b>
	Aditya Birla Capital Limited (ABCL)
	Sun Life (India) AMC Investments Inc, Canada
<b>C</b>	<b>Other Related Party</b>
	SLGI Asset Management Inc, Canada
	Aditya Birla Management Corporation Private Limited
	Green Oak India Investment Advisors Private Limited
	Aditya Birla Capital Foundation
	Umang Commercial Company Private Limited
<b>D</b>	<b>Subsidiaries of Entity having significant influence</b>
	Aditya Birla Health Insurance Company Limited
	Aditya Birla Sun Life Insurance Company Limited
	Aditya Birla Sun Life Trustee Private Limited
	Aditya Birla Money Mart Limited
	Aditya Birla Finance Limited
	Aditya Birla Money Limited
	Aditya Birla Financial Shared Services Limited
	Aditya Birla Insurance Brokers Limited
	Aditya Birla Money Insurance Advisory Services Limited
	Aditya Birla Commodities Broking Limited
	Aditya Birla PE Advisors Private Limited
	Aditya Birla ARC Limited
	ABCAP Trustee Company Private Limited (Struck off w.e.f. 21 <sup>st</sup> January, 2023)
	Aditya Birla Sun Life Pension Management Limited
	Aditya Birla Housing Finance Limited
	Aditya Birla Wellness Private Limited
	Aditya Birla Trustee Company Private Limited
	Aditya Birla Stressed Asset AMC Private Limited
	Aditya Birla Capital Technology Services Limited
<b>E</b>	<b>The entities in respect of which Funds are managed by the Company</b>
	India Advantage Fund Limited
	International Opportunities Fund SPC
	New Horizon Fund SPC (wound up on 30 <sup>th</sup> September, 2021)

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

<b>F</b>	<b>Subsidiaries</b>
	Aditya Birla Sun Life AMC (Mauritius) Limited
	Aditya Birla Sun Life AMC Pte. Limited, Singapore
	Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai
<b>G</b>	<b>Directors and Key Management Personnel</b>
	Kumar Mangalam Birla (Non-Executive Director)
	Ajay Srinivasan (Non-Executive Director up to 04 <sup>th</sup> October, 2022)
	Vishakha Mulye (Non-Executive Director from 27 <sup>th</sup> October, 2022)
	A. Balasubramanian (Managing Director and Chief Executive Officer)
	Sandeep Asthana (Non-Executive Director)
	Colm Freyne (Non-Executive Director up to 25 <sup>th</sup> April, 2022)
	Amrit Kanwal (Non-Executive Director from 26 <sup>th</sup> April, 2022)
	Bharat Patel (Non-Executive Director up to 26 <sup>th</sup> June, 2022)
	Alka Bharucha (Independent Director)
	Harish Engineer (Independent Director)
	Navin Puri (Independent Director)
	Sunder Rajan Raman (Independent Director)
	Ramesh Abhishek (Independent Director)

## b) Related parties with whom the Company has entered into transactions during the year:

		(₹ in Lakh)		
Sr. No.	Particulars	Category	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>1</b>	<b>Income</b>			
	Advisory Fee			
	Aditya Birla Sun Life AMC Pte Ltd, Singapore	F	433.20	65.23
	Interest Income - ICD			
	Aditya Birla ARC Ltd	D	81.08	-
<b>2</b>	<b>Expenses</b>			
	<b>Commission</b>			
	Aditya Birla Finance Ltd (Note 1)	D	757.98	135.75
	Aditya Birla Money Ltd	D	-	0.09
	<b>Professional Charges - Marketing</b>			
	Aditya Birla Sun Life AMC Ltd, Dubai	F	1,347.56	1,124.58
	Aditya Birla Sun Life AMC Pte Ltd, Singapore	F	73.31	49.69
	<b>Contribution to Gratuity/Insurance Premium</b>			
	Aditya Birla Sun Life Insurance Co Ltd	D	368.64	339.79
	<b>Business Promotion Expenses</b>			
	Aditya Birla Sun Life Insurance Co Ltd (Insurance Premium) (Note 1)	D	1,238.82	1,702.48
	Aditya Birla Health Insurance Co Ltd (Insurance Premium)	D	-	2.11
	<b>Rent</b>			
	Grasim Industries Limited	A	2.34	64.89
	Umang Commercial Company Pvt Ltd	C	106.20	-

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakh)

Sr. No.	Particulars	Category	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
	<b>Advisory Services</b>			
	Greenoak India Investment Advisors Pvt Ltd	C	211.13	101.92
	<b>Software &amp; Technology Expenses</b>			
	Aditya Birla Capital Technology Services Limited	D	258.95	323.28
	<b>Employee Benefit Expenses</b>			
	Aditya Birla Wellness Private Limited	D	10.67	0.05
<b>3</b>	<b>Reimbursements of Costs Paid</b>			
	Aditya Birla Financial Shared Services Ltd (Employee benefit expense)	D	591.09	592.73
	Aditya Birla Financial Shared Services Ltd (Administrative & other expense)	D	1,968.39	2,109.63
	Aditya Birla Sun Life Insurance Co Ltd (Employee benefit expense)	D	12.77	3.45
	Aditya Birla Sun Life Insurance Co Ltd (Rent)	D	600.08	14.77
	Aditya Birla Sun Life Insurance Co Ltd (Administrative & other expense)	D	-	2.57
	Aditya Birla Sun Life Insurance Co Ltd (Other Marketing expense)	D	27.79	-
	Aditya Birla Finance Ltd (Employee benefit expense)	D	17.90	4.76
	Aditya Birla Finance Ltd (Rent)	D	72.10	12.19
	Aditya Birla Finance Ltd (Administrative & other expense)	D	3.00	-
	Aditya Birla Capital Ltd (Employee benefit expense)	B	2,440.12	1,822.96
	Aditya Birla Capital Ltd (Administrative & other expense)	B	790.85	608.55
	Aditya Birla Housing Finance Ltd (Rent)	D	11.66	14.64
	Aditya Birla Health Insurance Co. Ltd (Rent)	D	3.13	-
	SLGI Asset Management Inc (Employee benefit expense)	C	-	14.19
	Aditya Birla Sun Life Trustee Pvt Ltd (Employee benefit expense)	D	-	3.67
	Aditya Birla Money Ltd (Employee benefit expense)	D	7.92	1.89
	Aditya Birla Money Ltd (Other Marketing expense)	D	1.28	-
	Aditya Birla Management Corporation Pvt Ltd (Employee benefit expense)	C	60.74	4.17
	Aditya Birla Management Corporation Pvt Ltd (Administrative & other expense)	C	9.81	2.34
<b>4</b>	<b>Reimbursements of Costs Received</b>			
	Aditya Birla Sun Life Insurance Co Ltd (Employee benefit expense)	D	25.92	27.22
	Aditya Birla Sun Life Insurance Co Ltd (Rent)	D	117.03	11.25
	Aditya Birla Sun Life Insurance Co Ltd (Administrative & other expense)	D	4.56	0.21
	Aditya Birla Sun Life Insurance Co Ltd (Other Marketing expense)	D	18.65	-
	Aditya Birla Finance Ltd (Employee benefit expense)	D	1.49	1.07
	Aditya Birla Finance Ltd (Rent)	D	249.66	49.30
	Aditya Birla Finance Ltd (Administrative & other expense)	D	4.34	-
	Aditya Birla Finance Ltd (Other Marketing expense)	D	0.28	-
	Aditya Birla Health Insurance Co. Ltd (Rent)	D	46.15	5.99
	Aditya Birla Health Insurance Co. Ltd (Administrative & other expense)	D	4.56	0.42
	Aditya Birla Health Insurance Co. Ltd (Other Marketing expense)	D	3.46	-
	Aditya Birla Management Corporation Pvt Ltd (Employee benefit expense)	C	5.26	0.30
	Aditya Birla Insurance Brokers Ltd (Rent)	D	0.06	0.43
	Aditya Birla Housing Finance Ltd (Rent)	D	15.70	6.16
	Aditya Birla Housing Finance Ltd (Administrative & other expense)	D	4.34	-
	Aditya Birla Money Insurance Advisory Services Ltd (Rent)	D	-	2.69

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakh)

Sr. No.	Particulars	Category	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
	Aditya Birla Money Ltd (Employee benefit expense)	D	-	1.89
	Aditya Birla Money Ltd (Rent)	D	12.60	1.43
	Aditya Birla Money Ltd (Other Marketing expense)	D	0.05	-
	Aditya Birla Financial Shared Services Ltd (Employee benefit expense)	D	26.66	-
	Aditya Birla Sun Life AMC Ltd , Dubai (Employee benefit expense)	F	30.31	37.76
	Aditya Birla Sun Life AMC Pte Ltd, Singapore (Employee benefit expense)	F	9.02	24.58
	Aditya Birla Sun Life AMC (Mauritius) Ltd (Employee Benefit Expense)	F	2.28	2.21
	Aditya Birla Sun Life Trustee Pvt Ltd (Employee benefit expense)	D	0.73	1.77
	Aditya Birla Capital Ltd (Administrative & other expense)	B	4.42	0.19
	Aditya Birla Capital Technology Services Limited (Employee benefit expense)	D	2.03	-
	Sun Life (India) AMC Investments Inc (Administrative & other expense)	B	55.18	-
<b>5</b>	<b>Managerial Remuneration</b>			
	Chief Executive Officer (Note 2)	G	1,137.72	1,589.69
<b>6</b>	<b>Dividend Paid</b>			
	Aditya Birla Capital Ltd	B	15,627.12	11,664.16
	Sun Life (India) AMC Investments Inc	B	11,402.36	9,342.53
	Key Managerial Personnel/Director's	G	2.69	1.33
<b>7</b>	<b>Inter Corporate Deposit (ICD) given</b>			
	Aditya Birla ARC Ltd	D	2,500.00	-
<b>8</b>	<b>Inter Corporate Deposit (ICD) Repayment Received</b>			
	Aditya Birla ARC Ltd	D	2,500.00	-
<b>9</b>	<b>Director's Sitting Fees</b>			
	Director's Sitting Fees Paid	G	64.25	120.25
<b>10</b>	<b>CSR Contribution</b>			
	Aditya Birla Capital Foundation	C	1,589.13	651.87
<b>11</b>	<b>Purchase of Fixed Assets</b>			
	Aditya Birla Sun Life Insurance Co. Ltd	D	0.44	-
	Aditya Birla Management Corporation Pvt Ltd	C	2.97	-
	Aditya Birla Capital Technology Services Limited	D	3.55	-
<b>12</b>	<b>Sale of Fixed Assets</b>			
	Aditya Birla Management Corporation Pvt Ltd	C	-	12.67
<b>13</b>	<b>Software Development (Capitalised)</b>			
	Aditya Birla Capital Technology Services Limited	D	-	13.26
<b>14</b>	<b>Prepaid Expenses balances</b>			
	Aditya Birla Financial Shared Services Ltd (Loans & Advances)	D	68.81	45.88
	Aditya Birla Capital Technology Services Limited (Loans & Advances)	D	10.44	9.49
<b>15</b>	<b>Security Deposit - Received and Refundable</b>			
	Aditya Birla Health Insurance Co. Ltd	D	6.77	3.61
	Aditya Birla Finance Ltd	D	120.00	-
	Aditya Birla Housing Finance Ltd	D	2.78	-
	Aditya Birla Sun Life Insurance Co Ltd	D	30.88	-
	Aditya Birla Money Ltd	D	2.33	-

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakh)

Sr. No.	Particulars	Category	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>16</b>	<b>Security Deposit - Paid and Refundable</b>			
	Aditya Birla Health Insurance Co. Ltd	D	1.04	-
	Aditya Birla Sun Life Insurance Co Ltd	D	34.29	77.60
<b>17</b>	<b>Security Deposit - Recovery Payable</b>			
	Aditya Birla Finance Ltd	D	14.96	-
	Aditya Birla Health Insurance Co. Ltd	D	1.19	-
	Aditya Birla Sun Life Insurance Co Ltd	D	22.29	-
<b>18</b>	<b>Security Deposit - Refund Received</b>			
	Grasim Industries Limited	A	71.32	-

## c) Outstanding balances:

(₹ in Lakh)

Sr. No.	Particulars	Category	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>1</b>	<b>Payable</b>			
	Aditya Birla Financial Shared Services Ltd (Trade Payable)	D	322.41	237.59
	Aditya Birla Capital Ltd (Trade Payable)	B	343.35	253.39
	Aditya Birla Housing Finance Ltd (Trade Payable)	D	0.00	2.89
	Grasim Industries Limited (Trade Payable)	A	0.00	2.38
	Aditya Birla Capital Technology Services Limited (Trade Payable)	D	8.70	35.12
	Aditya Birla Management Corporation Pvt Ltd (Trade Payable)	C	3.97	1.36
	Aditya Birla Health Insurance Co. Ltd (Security Deposit Received)	D	10.39	3.61
	Aditya Birla Sun Life AMC Ltd , Dubai (Trade Payable)	F	235.46	218.12
	Aditya Birla Sun Life Insurance Co Ltd (Trade Payable)	D	95.55	0.00
	Aditya Birla Sun Life Insurance Co Ltd (Security Deposit Received)	D	30.88	0.00
	Aditya Birla Sun Life Insurance Co Ltd (Security Deposit Recovery Payable)	D	22.29	0.00
	Aditya Birla Finance Ltd (Security Deposit Recovery Payable)	D	14.96	0.00
	Aditya Birla Finance Ltd (Security Deposit Received)	D	120.00	0.00
	Aditya Birla Housing Finance Ltd (Security Deposit Received)	D	2.78	0.00
	Umang Commercial Company Pvt Ltd (Trade Payable)	C	6.48	0.00
	Aditya Birla Money Ltd (Security Deposit Received)	D	2.33	0.00
	Aditya Birla Health Insurance Co. Ltd (Security Deposit Recovery Payable)	D	1.19	0.00
	Greenoak India Investment Advisors Pvt Ltd (Trade Payable)	C	6.75	0.00
<b>2</b>	<b>Receivable</b>			
	Aditya Birla Sun Life Insurance Co Ltd (Security Deposit Paid)	D	111.89	77.60
	Aditya Birla Finance Ltd (Receivable)	D	1.28	40.60
	Aditya Birla Money Ltd (Receivables)	D	2.70	1.31
	Aditya Birla Health Insurance Co. Ltd (Receivables)	D	13.53	5.90
	Aditya Birla Sun Life AMC Pte Ltd, Singapore (Receivables)	F	116.84	62.82
	Aditya Birla Sun Life AMC (Mauritius) Ltd (Receivables)	F	0.56	0.56
	Aditya Birla Sun Life Insurance Co Ltd (Receivables)	D	-	26.82
	Aditya Birla Sun Life Insurance Co Ltd (Deposit Recovery)	D	-	30.88
	Aditya Birla Finance Ltd (Deposit Recovery)	D	-	120.00
	Aditya Birla Housing Finance Ltd (Deposit Recovery)	D	-	2.78

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakh)

Sr. No.	Particulars	Category	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
	Grasim Industries Limited (Security Deposit Paid)	A	-	71.32
	Aditya Birla Money Ltd (Deposit Recovery)	D	-	2.33
	Aditya Birla Health Insurance Co. Ltd (Deposit Recovery)	D	-	6.77
	Aditya Birla Insurance Brokers Ltd (Receivables)	D	-	0.39
	Aditya Birla Housing Finance Ltd (Receivables)	D	7.02	-
	Aditya Birla Health Insurance Co. Ltd (Security Deposit Paid)	D	1.04	-
	Aditya Birla Wellness Private Limited (Receivables)	D	0.04	-
	Sun Life (India) AMC Investments Inc (Receivables)	B	55.18	-

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

All the above figures are inclusive of GST wherever applicable.

Note 1 — Total Amount paid ₹ 1,996.80 Lakh (Previous Year ₹ 1,702.48 Lakh), out of which ₹ 1,213.77 Lakh (Previous Year ₹ 1,490.90 Lakh) debited to statement of profit and loss during the year and balance amortised.

Note 2 – Managerial Remuneration:

(₹ in Lakh)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
1) Short-term employment benefits		
a) Gross Salary	618.43	927.62
b) Value of perquisites u/s 17(2) Income-tax Act, 1961	15.33	12.85
2) Share-based payments by ABCL (Entity having significant influence)	-	0.81
3) Share based payments by the Company	503.97	648.41
<b>Total Remuneration</b>	<b>1,137.73</b>	<b>1,589.69</b>

Managerial Remuneration also includes Share based payments of ₹ 503.97 (PY: ₹ 648.41 Lakh) included in other Long-Term employment benefits.

Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall basis at the end of each year and accordingly have not been considered in the above information.

## NOTE: 27 EARNINGS PER SHARE

Earnings per Share (EPS) is calculated as under:		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Net Profit before Other Comprehensive Income as per Statement of Profit and Loss (₹ in Lakh)	A	59,092.99	66,036.00
Weighted average number of basic equity shares after split of shares into ₹ 5 each (refer note 15)	B	288,000,000	36,000,000
Bonus shares issued (refer note 15)	C	-	252,000,000
Number of equity shares considered for computation of Basic EPS (B+C)	D	288,000,000	288,000,000
Add: Dilutive impact of Employee stock options	E	768,858	838,100
Number of equity shares considered for computation of Diluted EPS (D+E)	F	288,768,858	288,838,100
Basic Earnings Per Share (₹)	A/D	20.52	22.93
Diluted Earnings Per Share (₹)	A/F	20.46	22.86
<b>Nominal Value of Shares (₹)</b>		<b>5</b>	<b>5</b>

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

The impact of split of shares and issue of bonus shares are retrospectively considered for the computation of EPS as per the requirement of Ind AS 33.

## NOTE: 28 SEGMENT INFORMATION

The CEO of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 - "Operating Segments". The CODM evaluates the Company's performance and allocates resources. The Company's operations predominantly relate to providing asset management services, portfolio management and other advisory services. In the opinion of the CODM and Management, the risks and rewards attached to the business are similar in nature. Hence the separate Segment under Ind AS 108 on "Operating Segments" is not required to be reported as the Company's business is restricted to single Operating Segment i.e., Asset Management Services.

There is only one customer contributing in excess of 10% of the Company's total revenue in the following years:

Particulars	(₹ in Lakh)	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Revenue from Aditya Birla Sun Life Mutual Fund	115,630.08	121,951.61

## NOTE: 29 CORPORATE SOCIAL RESPONSIBILITY

No.	Particulars	(₹ in Lakh)	
		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
1	Amount required to be spent by the Company during the year	1,287.00	1,142.84
2	Amount of expenditure incurred	1,625.00	664.71
3	Excess/(Shortfall) at the end of the period	(139.00)	(477.00)
4	Total of previous years excess/(shortfall)	(477.00)	1.13
5	Reason for shortfall*	Ongoing Projects	Not Applicable
6	Nature of CSR activities	Healthcare, Education and Women Empowerment & Sustainable Livelihood	Healthcare, Education and Women Empowerment & Sustainable Livelihood
7	Details of Related party transactions	Not Applicable	Not Applicable

\*Unspent Amount on these projects as on 31<sup>st</sup> March, 2023 was received by the Company for subsequent transfer to the "Unspent CSR A/c" as per provisions of companies Act 2013. The company has transferred the same to Unspent CSR Account.

## NOTE: 30 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31<sup>st</sup> March, 2023.

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 31 FAIR VALUES OF FINANCIAL INSTRUMENTS

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

(₹ in Lakh)

Particulars	Carrying Amount			Fair Value			
	FVTPL	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	Total Fair Value
<b>As at 31<sup>st</sup> March, 2023</b>							
<b>Financial Assets</b>							
Investments in:							
Mutual Funds	222,312.94	-	222,312.94	222,312.94	-	-	222,312.94
Alternative Investment Funds	2,496.49	-	2,496.49	1,327.20	-	1,169.29	2,496.49
Debt Securities	-	9,352.64	9,352.64	9,264.39	-	-	9,264.39
Equity Instruments	1,754.91	-	1,754.91	-	-	1,754.91	1,754.91
Subsidiaries	-	6,901.99	6,901.99	-	-	-	-
Cash and cash equivalents	-	649.63	649.63	-	-	-	-
Bank balances other than those mentioned above	-	4,917.39	4,917.39	-	-	-	-
Trade receivables	-	1,952.72	1,952.72	-	-	-	-
Other financial assets	-	5,942.57	5,942.57	-	-	-	-
<b>Total Financial Assets</b>	<b>226,564.34</b>	<b>29,716.94</b>	<b>256,281.28</b>	<b>232,904.53</b>	<b>-</b>	<b>2,924.20</b>	<b>235,828.73</b>
<b>Financial Liabilities</b>							
Trade Payables	-	4,841.46	4,841.46	-	-	-	-
Lease Liabilities	-	4,671.75	4,671.75	-	-	-	-
Others Financial Liabilities	-	4,891.12	4,891.12	-	-	-	-
<b>Total Financial Liabilities</b>	<b>-</b>	<b>14,404.33</b>	<b>14,404.33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakh)

Particulars	Carrying Amount			Fair Value			
	FVTPL	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	Total Fair Value
<b>As at 31<sup>st</sup> March, 2022</b>							
<b>Financial Assets</b>							
Investments in:							
Mutual Funds	197,186.14	-	197,186.14	197,186.14	-	-	197,186.14
Alternative Investment Funds	1,667.30	-	1,667.30	438.69	-	1,228.61	1,667.30
Debt Securities	1,006.98	10,482.81	11,489.79	11,752.94	-	-	11,752.94
Equity Instruments	1,754.91	-	1,754.91	-	-	1,754.91	1,754.91
Subsidiaries	-	6,901.99	6,901.99	-	-	-	-
Cash and cash equivalents	-	655.26	655.26	-	-	-	-
Bank balances other than those mentioned above	-	3,268.20	3,268.20	-	-	-	-
Trade receivables	-	1,970.58	1,970.58	-	-	-	-
Other financial assets	-	1,796.05	1,796.05	-	-	-	-
<b>Total Financial Assets</b>	<b>201,615.33</b>	<b>25,074.89</b>	<b>226,690.22</b>	<b>209,377.77</b>	<b>-</b>	<b>2,983.52</b>	<b>212,361.29</b>
<b>Financial Liabilities</b>							
Trade Payables	-	3,026.68	3,026.68	-	-	-	-
Lease Liabilities	-	5,341.57	5,341.57	-	-	-	-
Others Financial Liabilities	-	6,307.64	6,307.64	-	-	-	-
<b>Total Financial Liabilities</b>	<b>-</b>	<b>14,675.86</b>	<b>14,675.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The management assessed that cash and cash equivalents, trade receivables, other financial assets, trade payables, lease liabilities and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Accordingly, fair value hierarchy for these financial instruments have not been presented above.

Valuation techniques used to determine fair value: -

- **Mutual Funds:** - Net Asset Value (NAV) declared by the mutual fund at which units are issued or redeemed
- **Alternative Investment Funds:** - Net Asset Value (NAV) provided by issuer fund which is arrived at based on valuation from independent valuer for unlisted portfolio companies, quoted price of listed portfolio companies and price of recent investments
- **Debt Securities:** - Fair value of debt securities which are actively traded bonds, is derived on the basis of quoted price available on the National Stock Exchange
- **Equity Instruments:** - Discounted cash flow based on present value of the expected future economic benefit

In order to assess Level 3 valuations as per Company's investment policy, the management reviews the performance of the investee companies (including unlisted portfolio companies of venture capital funds and alternative investment funds) on a regular basis by tracking their latest available financial statements / financial information, valuation report of independent valuers, recent transaction results etc. which are considered in valuation process.

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## Fair value reconciliation for Level 3 instruments:

The following table shows reconciliation from opening to closing balances for Level 3 assets:

<b>Balance as at 01<sup>st</sup> April, 2021</b>	<b>1,068.60</b>
Net gain/ (loss) recognised in Profit & Loss	3.50
Purchases of financial instrument	2309.53
Sales of financial instruments	(398.11)
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>2,983.52</b>
Net gain/ (loss) recognised in Profit & Loss	(28.00)
Purchases of financial instrument	-
Sales of financial instruments	(31.32)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>2,924.20</b>

## NOTE: 32 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise trade and other payables. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds investments in mutual fund units, debt and equity instruments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by Risk Management Committee and the auditors have relied on the same. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

### A. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as foreign exchange rates, interest rates, other prices). The Company is exposed to market risk primarily related to interest rate risk and price risk.

#### (i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The sensitivity of the portfolio towards the interest rate is mentioned in the table below

##### Sensitivity

The following table demonstrates the sensitivity to:

- Interest Rate Risk is basis impact on debt portfolios for 1% change in interest rates.
- Hybrid funds considered at 100% as a conservative basis for assessing interest rate impact on portfolio. (which form approximately 1% of the entire portfolio of schemes).

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## Impact on profit and loss:

(₹ in Lakh)

Risk	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Interest Rate Risk – (Impact of 1% increase in interest rate)	2.01%	1.64%
Effect on Profit and Loss	(3,702.55)	(2,774.86)
Interest Rate Risk – (Impact of 1% decrease in interest rate)	2.01%	1.64%
Effect on Profit and Loss	3,702.55	2,774.86

## (ii) Foreign Currency Risk

The Company has insignificant amount of foreign currency denominated assets and liabilities. Accordingly, there is no significant exposure to currency risk.

## (iii) Price Risk

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, caused by factors specific to an individual investment, its issuer and market.

The Company's exposure to price risk arises from investments in Units of mutual funds, alternative investment funds, etc which are classified as financial asset at Fair Value through Profit and Loss and is as follows:

(₹ in Lakh)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Investment exposure to price risk	224,809.43	198,853.44

The table below sets out the effect on profit or loss and equity due to reasonable possible weakening / strengthening in prices/ market value by 5%:

(₹ in Lakh)

Particulars	For the year ended	For the year ended
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Effect on Profit and Loss		
5% increase in prices	11,240.47	9,942.67
5% decrease in prices	(11,240.47)	(9,942.67)

## B. Credit Risk

Credit Risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's has clearly defined policies to mitigate counterparty risks. Cash and liquid investments are held primarily in mutual funds and banks with good credit ratings. Defined limits are in place for exposure to individual counterparties in case of mutual fund houses and banks.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Company has major receivable from mutual fund schemes.

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## Trade Receivables ageing:

(₹ in Lakh)

Trade Receivables	Neither past due nor impaired	Past dues but not impaired					Total
		<30days	30 to 60 days	61 to 90 days	91 to 120 days	> 120 days	
31 <sup>st</sup> March, 2023	1,952.72	-	-	-	-	-	1,952.72
31 <sup>st</sup> March, 2022	1,970.58	-	-	-	-	-	1,970.58

The carrying amounts of following financial assets represent the maximum credit risk exposure:

(₹ in Lakh)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Trade Receivables	1,952.72	1,970.58
Cash and cash equivalents	649.63	655.26
Bank balances other than those mentioned above	4,917.39	3,268.20
Other financial assets measured at amortised cost	15,295.21	12,278.86

## Expected Credit Loss on Financial Assets

The Company continuously monitors all financial assets subject to ECLs. In order to determine whether an instrument is subject to 12 month ECL or life time ECL, the Company assesses whether there has been a significant increase in credit risk or the asset has become credit impaired since initial recognition. For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The company has determined based on historical experience and expectations that the ECL on its trade receivables is insignificant and was not recorded. The company applies following quantitative and qualitative criteria to assess whether there is significant increase in credit risk or the asset has been credit impaired:

- Historical trend of collection from counterparty
- Company's contractual rights with respect to recovery of dues from counterparty
- Credit rating of counterparty and any relevant information available in public domain

ECL is a probability weighted estimate of credit losses. It is measured as the present value of cash shortfalls (i.e., the difference between the cash flows due to the Company in accordance with contract and the cash flows that the Company expects to receive).

The Company has three types of financial assets that are subject to the expected credit loss:

- Cash and cash equivalent
- Trade and other receivables
- Investment in debt securities measured at amortised cost

## Trade and Other Receivables:-

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

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## Cash and Cash Equivalents:-

The Company holds cash and cash equivalents and other bank balances as per note 3 and 4. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be high.

## Investment in Debt Securities measured at amortised cost:-

Funds are invested after taking into account parameters like safety, liquidity and post tax returns etc. The Company avoids concentration of credit risk by spreading them over several counterparties with good credit rating profile and sound financial position. The Company's exposure and credit ratings of its counterparties are monitored on an ongoing basis.

## C. Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations or at a reasonable price. The Company's Finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

## Maturity profile of Financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

	(₹ in Lakh)		
	Within 12 months	After 12 months	Total
<b>As at 31<sup>st</sup> March, 2023</b>			
Trade Payables	4,841.46	-	4,841.46
Employee Dues	4,721.59	-	4,721.59
Payable for Capital Expenditure	3.16	-	3.16
Deposits from Related parties	-	166.37	166.37
Lease Liabilities	1,231.70	4,278.48	5,510.18
	<b>10,797.91</b>	<b>4,444.86</b>	<b>15,242.77</b>

	(₹ in Lakh)		
	Within 12 months	After 12 months	Total
<b>As at 31<sup>st</sup> March, 2022</b>			
Trade Payables	3,026.65	-	3,026.65
Employee Dues	6,129.00	-	6,129.00
Payable for Capital Expenditure	12.27	-	12.27
Deposits from Related parties	-	166.37	166.37
Lease Liabilities	1,947.73	4,424.67	6,372.40
	<b>11,115.65</b>	<b>4,591.04</b>	<b>15,706.69</b>

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 33 LEASES

Following are the changes in the carrying value of right of use assets for the year ended 31<sup>st</sup> March, 2023:

(₹ in Lakh)	
Particulars	Category of ROU Asset Leasehold premises
Balance as at 01 <sup>st</sup> April, 2022	4,758.62
Add: New Lease Agreements	1,575.44
Less: Deletion	(395.07)
Less: Depreciation	(1,800.39)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>4,138.62</b>

Following are the changes in the carrying value of right of use assets for the year ended 31<sup>st</sup> March, 2022:

(₹ in Lakh)	
Particulars	Category of ROU Asset Leasehold premises
Balance as at 01 <sup>st</sup> April, 2021	5,066.50
Add: New Lease Agreements	2,381.63
Less: Deletion	(784.53)
Less: Depreciation	(1,904.98)
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>4,758.62</b>

## Amounts recognised in statement of profit and loss

(₹ in Lakh)		
Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Depreciation and Amortisation Expenses</b>		
Depreciation expense on right-of-use assets	1,800.39	1,904.98
<b>Finance Cost</b>		
Interest expense on lease liabilities	385.34	482.30
<b>Other Income</b>		
Rent concession	(117.43)	(265.16)
Other Expense		
Expense relating to short-term leases	318.52	46.06

The following is the break-up of current and non-current lease liabilities:

(₹ in Lakh)		
Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Current Lease Liabilities	1,192.95	1,957.63
Non-Current Lease Liabilities	3,478.80	3,383.94
<b>Total</b>	<b>4,671.75</b>	<b>5,341.57</b>

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

The following is the movement in lease liabilities during the year ended 31<sup>st</sup> March, 2023:

(₹ in Lakh)	
Particulars	Amount
Balance as at 01 <sup>st</sup> April, 2022	5,341.57
Additions	1,575.44
Deletions	(508.97)
Finance Cost accrued during the year	385.34
Payment of Lease Liabilities	(2,118.10)
Rent concession	(3.53)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>4,671.75</b>

The following is the movement in lease liabilities during the year ended 31<sup>st</sup> March, 2022:

(₹ in Lakh)	
Particulars	Amount
Balance as at 01 <sup>st</sup> April, 2021	5,845.61
Additions	2,381.63
Deletions	(986.93)
Finance Cost accrued during the year	482.30
Payment of Lease Liabilities	(2,318.28)
Rent concession	(62.76)
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>5,341.57</b>

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in Lakh)		
Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Less than one year	1,231.70	1,947.73
One to Five years	3,286.70	3,137.49
More than Five years	991.78	1,287.18
<b>Total</b>	<b>5,510.18</b>	<b>6,372.40</b>

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

All the future cash flows to which the lease is potentially exposed are reflected in the measurement of lease liabilities.

## Critical accounting judgements and key sources of estimation uncertainty

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

## NOTE: 34 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Assets/Liabilities	31 <sup>st</sup> March, 2023			31 <sup>st</sup> March, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Financial Assets</b>						
Cash and cash equivalents	649.63	-	649.63	655.26	-	655.26
Other bank balances	4,917.39	-	4,917.39	3,268.20	-	3,268.20
Trade receivables	1,952.72	-	1,952.72	1,970.58	-	1,970.58
Investments	152,685.31	90,133.66	242,818.97	136,297.64	82,702.49	219,000.13
Other Financial Assets	4,531.92	1,410.66	5,942.57	241.77	1,554.28	1,796.05
<b>Non-Financial Assets</b>						
Current tax assets (net)	-	4,198.19	4,198.19	-	3,925.82	3,925.82
Property, Plant and Equipment	-	1,857.07	1,857.07	-	1,349.33	1,349.33
Right of use Assets	-	4,138.62	4,138.62	-	4,758.62	4,758.62
Capital work-in-progress	-	104.79	104.79	-	153.18	153.18
Intangible assets under development	-	103.22	103.22	-	138.71	138.71
Other Intangible Assets	-	877.44	877.44	-	980.99	980.99
Other Non-Financial Assets	6,470.97	3,632.45	10,103.41	5,225.89	208.21	5,434.10
<b>Total Assets</b>	<b>171,207.93</b>	<b>106,456.09</b>	<b>277,664.02</b>	<b>147,659.34</b>	<b>95,771.63</b>	<b>243,430.97</b>
<b>Financial Liabilities</b>						
Trade Payables	4,841.46	-	4,841.46	3,026.65	-	3,026.65
Lease Liabilities	1,192.95	3,478.80	4,671.75	1,957.63	3,383.94	5,341.57
Other Financial Liabilities	4,891.12	-	4,891.12	6,141.27	166.37	6,307.64
<b>Non-Financial Liabilities</b>						
Current tax liabilities (net)	1,067.62	-	1,067.62	-	-	-
Provisions	3,824.37	245.42	4,069.79	131.64	3,569.00	3,700.64
Deferred tax liabilities (net)	-	3,475.37	3,475.37	-	2,519.26	2,519.26
Other non-financial liabilities	3,751.50	-	3,751.50	2,473.82	-	2,473.82
<b>Total Liabilities</b>	<b>19,569.02</b>	<b>7,199.59</b>	<b>26,768.61</b>	<b>13,731.01</b>	<b>9,638.57</b>	<b>23,369.58</b>

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 35 EMPLOYEE STOCK OPTIONS SCHEME

At the Board Meeting held on 14<sup>th</sup> April, 2021 the Company approved the grant of not more than 4,608,000 Equity Shares by way of grant of Stock Options and restricted Stock Units (“RSUs”). Out of these, the Nomination, Remuneration and Compensation Committee has granted 3,232,899 ESOPs, 508,117 PRSU, 196,374 Long-Term RSU & 246,863 RSU Founder under the Scheme titled “Aditya Birla Sun Life AMC Limited Employee Stock Option Scheme 2021” in 4 categories of Long-Term Incentive Plans (“LTIP”) identified as LTIP 1, LTIP 2, LTIP 3 & LTIP 4 respectively. The Scheme allows the Grant of Stock options to employees of the Company (whether in India or abroad) that meet the eligibility criteria. Each option comprises one underlying Equity Share. There are no cash settlement alternatives. The Group accounts for the employees stock option scheme as an equity-settled plan.

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3	LTIP 4
Type of ESOP	ESOP	RSU	RSU	RSU
Plan Period	2021-2025	2021-2025	2021-2024	2021-2023
Quantum of Grant	3,232,899	508,117	196,374	246,863
Method of Accounting	Fair Value of options at Grant date	Fair Value of options at Grant date	Fair Value of options at Grant date	Fair Value of options at Grant date
Vesting Period	End of Year 1: 20% of options granted End of Year 2: 20% of options granted End of Year 3: 30% of options granted End of Year 4: 30% of options granted	End of Year 3: 50% of options granted End of Year 4: 50% of options granted	End of Year 3: 100% of options granted	End of Year 2: 100% of options granted
Vesting Conditions	Employees of the Group: Achievement of 75% of Annual Planning & Budgeting Profit Before Tax	Employees of the Group: Achievement of 80% of Annual Planning & Budgeting Profit Before Tax	Continued employment	Continued employment
Exercise Period	5 years from the date of vesting	5 years from the date of vesting	5 years from the date of vesting	5 years from the date of vesting
Grant Date	12/04/2021	12/04/2021	12/04/2021	12/04/2021
Exercise Price as on Grant date (per share)	694.00	5.00	5.00	5.00
Value of Equity Shares as at the Date of Grant of Original Option (₹ Per Share)	671.50	671.50	671.50	671.50

There were no cancellations or modifications to the Employee Stock Options Scheme in year ending 31<sup>st</sup> March, 2023.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3	LTIP 4
Type of ESOP	ESOP	RSU	RSU	RSU
Options/RSUs Outstanding at the beginning of the period	3,053,631	479,942	191,557	200,432
Granted during the period	Nil	Nil	Nil	Nil
Exercised during the period	Nil	Nil	Nil	Nil
Forfeited during the period	351,115	55,186	17,220	27,281
Options/RSUs Outstanding at the end of the period	2,702,516	424,756	174,337	173,151
Options/RSUs Vested/Exercisable at the end of the period	Nil	Nil	Nil	Nil
The weighted average remaining contractual life for the share options outstanding as at 31 <sup>st</sup> March, 2023	1.16 years	1.53 years	1.03 years	0.03 years

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

Since all the options were granted/lapsed, at the same exercise price per option under the respective category of ESOPs, the weighted average exercise price per option for all these line items under the respective category of ESOPs is the same.

## Movements during the year ended 31<sup>st</sup> March, 2022

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3	LTIP 4
Type of ESOP	ESOP	RSU	RSU	RSU
Options/RSUs Outstanding at the beginning of the period	Nil	Nil	Nil	Nil
Granted during the period	3,232,899	508,117	196,374	246,863
Exercised during the period	Nil	Nil	Nil	Nil
Forfeited during the period	179,268	28,175	4,817	46,431
Options/RSUs Outstanding at the end of the period	3,053,631	479,942	191,557	200,432
Options/RSUs Vested/Exercisable at the end of the period	Nil	Nil	Nil	Nil
The weighted average remaining contractual life for the share options outstanding as at 31 <sup>st</sup> March, 2022	1.73 years	2.53 years	2.03 years	1.03 years

Since all the options were granted/lapsed, at the same exercise price per option under the respective category of ESOPs, the weighted average exercise price per option for all these line items under the respective category of ESOPs is the same.

## Fair valuation

The fair value at grant date is independently determined by valuer using Black-Scholes Merton Model which takes into account the exercise price, the term of the option, the share price at grant date and historical volatility of the Peer companies and Index, the expected dividend yield and the risk-free interest rate for the term of the option.

The key inputs and the Fair Value for options granted during the year ended 31<sup>st</sup> March, 2023 are as follow:

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3	LTIP 4
Type of ESOP	ESOP	RSU	RSU	RSU
Risk-Free Interest Rate (%)	5.4 to 6.4%	6.3 to 6.4%	6.3%	5.7%
Option Life (Years)	3.5 to 6.5 Yrs	5.5 to 6.5 Yrs	5.5 Yrs	4.5 Yrs
Historical Volatility	32.0% to 34.0%	32.0% to 34.0%	32.4%	32.7%
Expected Dividend Yield (%)	1.4%	1.4%	1.4%	1.4%
Weighted-Average Fair Value per Option as on 12 <sup>th</sup> April, 2021 (₹)	186 to 258.40	610.60 to 618.90	618.90	627.20

Apart from stock options granted as above, the Nomination, Remuneration and Compensation Committee has granted 645,337 ESOPs & 13,192 PRSU under the Scheme titled "Aditya Birla Sun Life AMC Limited Employee Stock Option Scheme 2021" in 2 categories of Long-Term Incentive Plans ("LTIP") identified as LTIP 1 & LTIP 2 respectively. The Scheme allows the Grant of Stock options to employees of the Company (whether in India or abroad) that meet the eligibility criteria. Each option comprises one underlying Equity Share. There are no cash settlement alternatives. The Group accounts for the employees stock option scheme as an equity-settled plan.

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

Category of ESOPs	LTIP 1	LTIP 2
Type of ESOP	ESOP	RSU
Plan Period	2023-2026	2025-2026
Quantum of Grant	645,337	13,192
Method of Accounting	Fair Value of options at Grant date	Fair Value of options at Grant date
Vesting Period	*End of Year 1: 20% of options granted End of Year 2: 20% of options granted End of Year 3: 30% of options granted End of Year 4: 30% of options granted	End of Year 3: 50% of options granted End of Year 4: 50% of options granted
Vesting Conditions	Employees of the Group: Achievement of 75% of Annual Planning & Budgeting Profit Before Tax 75% of AUM managed by the individual to be in Q1 for any two periods (i.e. 1 year, 2 years, 3 years) and in Q2 in the remaining period AUM is not negatively impacted by more than 20% vis-à-vis previous financial year Individual Performance rating of Delivered Full Performance or above for the year	Employees of the Group: Achievement of 80% of Annual Planning & Budgeting Profit Before Tax and relative performance as decided by Board (66%: 33%)
Exercise Period	5 years from the date of vesting	5 years from the date of vesting
Grant Date	20/10/2022	20/10/2022
Exercise Price as on Grant date (per share)	435.10	5.00
Value of Equity Shares as at the Date of Grant of Original Option (₹ Per Share)	435.10	435.10

\*There is one employee whose terms are different from the above in the ratio of 30%:30%:40%

## Movements during the year ended 31<sup>st</sup> March, 2023

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

Category of ESOPs	LTIP 1	LTIP 2
Type of ESOP	ESOP	RSU
Options/RSUs Outstanding at the beginning of the period	Nil	Nil
Granted during the period	645,337	13,192
Exercised during the period	Nil	Nil
Forfeited during the period	122,807	Nil
Options/RSUs Outstanding at the end of the period	522,530	13,192
Options/RSUs Vested/Exercisable at the end of the period	Nil	Nil
The weighted average remaining contractual life for the share options outstanding as at 31 <sup>st</sup> March, 2023	2.26 years	3.06 years

## Fair Valuation

The fair value at grant date is independently determined by valuer using Black-Scholes Merton Model which takes into account the exercise price, the term of the option, the share price at grant date and historical volatility of the Peer companies and Index, the expected dividend yield and the risk-free interest rate for the term of the option.

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

The key inputs and the Fair Value for options granted during the year ended 31<sup>st</sup> March, 2023 are as follow:

Category of ESOPs	LTIP 1	LTIP 2
Type of ESOP	ESOP	RSU
Risk-Free Interest Rate (%)	7.4 to 7.5%	7.6%
Option Life (Years)	3.5 to 4.5 years	5.5 to 6.5 years
Historical Volatility	29.1% to 31.8%	29.1% to 31.8%
Expected Dividend Yield (%)	2.0%	2.0%
Weighted-Average Fair Value per Option as on 20 <sup>th</sup> October, 2022 (₹)	125.70 to 161.500	385.40 to 377.80

## NOTE: 36

The Company had completed its Initial Public Offering (IPO) of 38,880,000 equity shares of face value of ₹ 5/- each for cash at an issue price of ₹ 712/- per equity share aggregating to ₹ 276,825.60 Lakh, consisting of an offer for sale of 38,880,000 equity shares aggregating to ₹ 276,825.60 Lakh by the selling shareholders. The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on 11<sup>th</sup> October, 2021.

## NOTE: 37

### a) Struck-off companies:

The details of transactions with struck off companies are as follows:

#### For year ended 31<sup>st</sup> March, 2023

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

#### For year ended 31<sup>st</sup> March, 2022

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding
Murlidhar Press Private Limited	Marketing & Selling	Nil

### b) Ratios:

Particulars	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
	Numerator	Denominator	Numerator	Denominator
(a) Capital to risk-weighted assets ratio (CRAR)* - - - -	-	-	-	-
(b) Tier I CRAR* - - - -	-	-	-	-
(c) Tier II CRAR * - - - -	-	-	-	-
(d) Liquidity Coverage Ratio (no. of times) [Total Financial Assets (within 12 months)/Total Liabilities (within 12 months)]	164,736.97	19,569.03	8.42	10.37

\*Since the Company is not in lending business, it does not have any credit exposure. Hence, these ratios are not applicable to the Company.

## NOTE: 38

With regard to the new amendments under "Division III of Schedule III" under "Part I – Balance Sheet - General Instructions for preparation of Balance Sheet" there are no balances that are required to be disclosed or there are no ratios which are applicable/calcuable with regard to the following clauses WA, WB (i),(ii),(iii),(iv),(v),(viii),(ix),(x),(xii),(xiii),(xv) and (xvi) for the Company.

# Notes to Standalone Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 39

With regard to the new amendments under “Division III of Schedule III” under “Part II – Statement of Profit and Loss - General Instructions for preparation of Statement of Profit and Loss” there are no transactions that are required to be disclosed with regard to the following clauses 11(v) and 11(vii) for the Company.

## NOTE: 40 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors have proposed a final dividend of ₹ 5.25 per equity share (face value of ₹ 5 each) for the year ended 31<sup>st</sup> March, 2023, subject to the approval of the shareholders at the ensuing Annual General Meeting. Please refer note 16 for details.

## NOTE: 41 PRIOR PERIOD COMPARATIVES

Previous year’s figures have been regrouped/reclassified wherever necessary to correspond with the current year’s classification/disclosure.

As per our report of even date attached  
For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
(Firm Reg. No. 301003E/E300005)

**Rutushtra Patell**  
Partner  
(Membership No. 123596)

Place: Mumbai  
Date: 27<sup>th</sup> April, 2023

For and on behalf of the Board of Directors of  
**Aditya Birla Sun Life AMC Limited**

**Vishakha Mulye**  
Director  
DIN: 00203578

**Parag Joglekar**  
Chief Financial Officer

Place: Mumbai  
Date: 27<sup>th</sup> April, 2023

**A. Balasubramanian**  
Managing Director and CEO  
DIN: 02928193

**Hemanti Wadhwa**  
Company Secretary  
FCS No. 6477

# Independent Auditors' Report

To,  
The Members of  
**Aditya Birla Sun Life AMC Limited**

## **REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

### **Opinion**

We have audited the accompanying consolidated financial statements of Aditya Birla Sun Life AMC Limited (hereinafter referred to as “the Holding Company”), its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) comprising of the consolidated Balance Sheet as at 31<sup>st</sup> March, 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31<sup>st</sup> March, 2023, their consolidated profit/loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

### **Basis for opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our

responsibilities under those Standards are further described in the ‘Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements’ section of our report. We are independent of the Group in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year ended 31<sup>st</sup> March, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditors’ responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

## Independent Auditors' Report (Contd.)

Key audit matters	How our audit addressed the key audit matter
<b>Revenue from Asset Management and Advisory Fees and Management Fees from Portfolio Management and Other Services</b> (as described in Note 2(xv) of the consolidated financial statements)	
<p>Revenue from operations is the most significant balance in the Statement of Profit and Loss. It majorly comprises of:</p> <ul style="list-style-type: none"> <li>- Asset Management and Advisory Fees amounting to ₹ 118,200.57 Lakh.</li> <li>- Management Fees from Portfolio Management and Other Services amounting to ₹ 4,459.98 Lakh.</li> </ul> <p>The Asset Management and Advisory Fees is based on certain percentage of the applicable daily Assets Under Management ('AUM') in accordance with guidelines prescribed under SEBI (Mutual Fund) Regulations, 1996 as amended from time to time. There are inherent risks in computing such revenue streams including computation of applicable AUM and manual input of key contractual terms, which could result in errors. Considering the complexity in contractual terms involving multiple schemes, it requires monitoring to ensure completeness.</p> <p>Accordingly, we have considered revenue from asset management and advisory fees and management fees from portfolio management and other services as a key audit matter. Any discrepancy in such computation could give rise to a material misstatement in the financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Obtained and read the accounting policy for revenue recognition.</li> <li>• Obtained an understanding of the significant revenue items and identified where there is a higher risk of error due to manual processes, complex contractual terms, and areas of judgement.</li> <li>• Test checked the design and operating effectiveness of key controls in place across the Company over recognition of Management Fees.</li> <li>• Obtained and assessed independent assurance reports for the relevant controls at the third-party administrators.</li> <li>• Obtained and read the investment management fee report, issued by statutory auditors of mutual fund schemes and reconciled the certified amounts with the accounting records of the Company.</li> <li>• On a sample basis, obtained and tested arithmetical accuracy of revenue calculation and the reconciliation with the accounting records.</li> <li>• On sample basis, verified the input of contractual terms with rates approved by the management.</li> <li>• On a sample basis, checked the receipts of such income in bank statements.</li> <li>• Re-calculated Portfolio Management Services Fees in respect of certain sample contracts and compared with the actual fees charged by the Company for such contracts.</li> <li>• Evaluated the disclosure relating to management fee income earned by the Company.</li> </ul>

### Other information

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

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

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

When we read such information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and to comply

with the relevant applicable requirements of the standard on auditing for auditors' responsibility in relation to other information in documents containing audited consolidated financial statements. We have nothing to report in this regard.

### Responsibilities of management for the consolidated financial statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective company(ies)

and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective company(ies) to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

### **Auditors' responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and

appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

## Independent Auditors' Report (Contd.)

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended 31<sup>st</sup> March, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other matter

We did not audit the financial statements and other financial information, in respect of three subsidiaries, whose financial statements include total assets of ₹ 8,403.69 Lakh as at 31<sup>st</sup> March, 2023, and total revenues of ₹ 4,052.89 Lakh and net cash outflows of ₹ 3,542.57 Lakh for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditors' reports have been furnished to us by the management.

Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report(s) of such other auditors.

All of these subsidiaries are located outside India whose financial statements and other financial information have been prepared

in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on other legal and regulatory requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxii) of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained

for the purpose of preparation of the consolidated financial statements;

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company, is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company, and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report. This report does not include Report on the internal financial controls under clause (i) of sub-Section 3 of Section 143 of the Companies Act, 2013 (the ‘Report on internal financial controls’) for the subsidiary companies, since in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the subsidiary companies, basis the exemption available to the companies under MCA notification no. G.S.R. 583(E) dated 13<sup>th</sup> June, 2017, read with corrigendum dated 13<sup>th</sup> July, 2017 on reporting on internal financial controls with reference to consolidated financial statements;
- (g) In our opinion, the managerial remuneration for the year ended 31<sup>st</sup> March, 2023 has been paid / provided by the Holding Company to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the 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 and based on the consideration of the report of

the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the ‘Other matter’ paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 24 to the consolidated financial statements;
- ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended 31<sup>st</sup> March, 2023;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended 31<sup>st</sup> March, 2023.
- iv. a) The management of the Holding Company have represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management of the Holding Company have represented to us that, to the best of its knowledge and belief, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons

## Independent Auditors' Report (Contd.)

or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

The interim dividend declared and paid during the year by the Holding Company is in accordance with Section 123 of the Act.

As stated in note 42 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. 01<sup>st</sup> April, 2023 for the Holding Company, hence reporting under this clause is not applicable.

For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

per **Rutushtra Patell**  
Partner

Membership Number: 123596  
UDIN: 23123596BGXLPT5973

Place of Signature: Mumbai  
Date: 27<sup>th</sup> April, 2023

# Annexure - 1

Referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

**Re: Aditya Birla Sun Life AMC Limited (hereinafter referred to as ‘the Holding Company’)**

Based on the audit reports of the subsidiary companies, which are incorporated outside India, we noted that reporting Companies (Auditors’ Report) Order, 2020 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act is not applicable to the subsidiary companies. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Rutushtra Patell**

Partner

Membership Number: 123596

UDIN: 23123596BGLPT5973

Place of Signature: Mumbai

Date: 27<sup>th</sup> April, 2023

## Annexure - 2

To the Independent Auditors' Report of even date on the Consolidated Financial Statements of Aditya Birla Sun Life AMC Limited

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

In conjunction with our audit of the consolidated financial statements of Aditya Birla Sun Life AMC Limited as of and for the year ended 31<sup>st</sup> March, 2023, we have audited the internal financial controls over financial reporting of Aditya Birla Sun Life AMC Limited (hereinafter referred to as the "Holding Company").

#### Management's responsibility for internal financial controls

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

#### Auditors' responsibility

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

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

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

#### Meaning of internal financial controls over financial reporting with reference to consolidated financial statements

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

### **Inherent limitations of internal financial controls over financial reporting with reference to consolidated financial statements**

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

### **Opinion**

In our opinion, the Holding Company, has maintained in all material respects, adequate internal financial controls over

financial reporting with reference to consolidated financial statements and such internal financial controls over financial reporting with reference to consolidated financial statements were operating effectively as at 31<sup>st</sup> March, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Rutushtra Patell**

Partner

Membership Number: 123596

UDIN: 23123596BGXLPT5973

Place of Signature: Mumbai

Date: 27<sup>th</sup> April, 2023

# Consolidated Balance Sheet

as at 31<sup>st</sup> March, 2023

(₹ in Lakh)

Particulars	Note	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>I ASSETS</b>			
(1) <b>Financial Assets</b>			
(a) Cash and cash equivalents	3	3,360.86	6,524.73
(b) Bank balances other than (a) above	4	9,302.58	3,268.20
(c) Receivables			
(i) Trade receivables	5	2,453.06	2,615.94
(d) Loans	6	-	1.00
(e) Investments	7	235,916.98	212,098.14
(f) Other Financial Assets	8	5,976.46	1,827.07
<b>Total Financial Assets</b>		<b>257,009.94</b>	<b>226,335.08</b>
(2) <b>Non-Financial Assets</b>			
(a) Current tax assets (net)		4,198.21	3,925.82
(b) Property, Plant and Equipment	9.1	1,874.21	1,371.43
(c) Right of use Assets	35	4,269.97	4,854.12
(d) Capital work-in-progress	9.1	104.79	153.18
(e) Intangible assets under development	9.2	103.22	138.71
(f) Other Intangible Assets	9.2	877.44	981.85
(g) Other Non-Financial Assets	10	10,375.10	5,714.15
<b>Total Non-Financial Assets</b>		<b>21,802.94</b>	<b>17,139.26</b>
<b>Total Assets</b>		<b>278,812.88</b>	<b>243,474.34</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
(1) <b>Financial Liabilities</b>			
(a) Payables			
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	11	18.65	9.25
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	11	4,800.78	3,031.53
(b) Lease Liabilities	35	4,803.49	5,436.80
(c) Other Financial Liabilities	12	5,058.11	6,594.81
<b>Total Financial Liabilities</b>		<b>14,681.03</b>	<b>15,072.39</b>
(2) <b>Non-Financial Liabilities</b>			
(a) Current tax liabilities (net)		1,067.62	1.41
(b) Provisions	13	4,119.96	3,745.15
(c) Deferred tax liabilities (net)	14	3,475.37	2,519.26
(d) Other non-financial liabilities	15	3,769.99	2,490.56
<b>Total Non-Financial Liabilities</b>		<b>12,432.94</b>	<b>8,756.38</b>
(3) <b>Equity</b>			
(a) Equity Share capital	16	14,400.00	14,400.00
(b) Other Equity	17	237,298.91	205,245.57
Equity attributable to equity holders of the parent		251,698.91	219,645.57
Non-Controlling Interests		-	-
<b>Total Equity</b>		<b>251,698.91</b>	<b>219,645.57</b>
<b>Total Liabilities and Equity</b>		<b>278,812.88</b>	<b>243,474.34</b>
Contingent Liabilities & Commitments	24		
Corporate Information and Significant Accounting Policies	1 & 2		
The accompanying Notes are an integral part of the Financial Statements.	24-43		

As per our report of even date attached  
For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
(Firm Reg. No. 301003E/E300005)

**Rutushtra Patell**  
Partner  
(Membership No. 123596)

Place: Mumbai  
Date: 27<sup>th</sup> April, 2023

For and on behalf of the Board of Directors of  
**Aditya Birla Sun Life AMC Limited**

**Vishakha Mulye**  
Director  
DIN: 00203578

**Parag Joglekar**  
Chief Financial Officer

Place: Mumbai  
Date: 27<sup>th</sup> April, 2023

**A. Balasubramanian**  
Managing Director and CEO  
DIN: 02928193

**Hemanti Wadhwa**  
Company Secretary  
FCS No. 6477

# Consolidated Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakh)

Particulars	Note	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>INCOME</b>			
<b>Revenue from Operations</b>			
Fees and Commission income	18	122,660.55	129,296.16
<b>Total Revenue from Operations</b>		<b>122,660.55</b>	<b>129,296.16</b>
Other Income	19	12,710.18	11,556.02
<b>Total Income (A)</b>		<b>135,370.73</b>	<b>140,852.18</b>
<b>EXPENSES</b>			
Employee Benefit Expense	20	27,720.22	25,872.05
Other Expense	21	22,154.60	19,485.78
Fees and Commission Expense		2,286.77	1,975.69
Finance cost	22	390.26	486.34
Depreciation and Amortisation Expense	23	3,432.72	3,561.96
<b>Total Expenses (B)</b>		<b>55,984.57</b>	<b>51,381.81</b>
<b>Profit Before Tax (C = A-B)</b>		<b>79,386.16</b>	<b>89,470.37</b>
<b>Income Tax Expense</b>			
Current tax		18,760.80	21,069.90
Deferred tax		956.11	1,145.85
Adjustments in respect of current income tax of previous years		31.30	(22.56)
<b>Income Tax Expense (D)</b>	14	<b>19,748.21</b>	<b>22,193.19</b>
<b>Profit for the year (E = C - D)</b>		<b>59,637.95</b>	<b>67,277.18</b>
<b>Other Comprehensive Income</b>			
A Items that will be reclassified to profit or loss			
i) Exchange difference on translation of foreign operations		674.38	199.46
B Items that will not be reclassified to profit or loss			
i) Re-measurement gains/(losses) on defined benefit plans		(167.64)	84.71
ii) Income tax relating to the items that will not be reclassified to the Profit and Loss		42.20	(21.33)
<b>Other Comprehensive Income for the Year (F)</b>		<b>548.94</b>	<b>262.84</b>
<b>Total Comprehensive Income for the Year (G = E+F)</b>		<b>60,186.89</b>	<b>67,540.02</b>
<b>Profit for the year</b>			
Attributable to:			
Owners of the Company		59,637.95	67,277.18
Non-controlling interests		-	-
		<b>59,637.95</b>	<b>67,277.18</b>
<b>Total comprehensive income for the year</b>			
Attributable to:			
Owners of the Company		60,186.89	67,540.02
Non-controlling interests		-	-
		<b>60,186.89</b>	<b>67,540.02</b>
<b>Earnings per share of ₹ 5 each</b>	28		
- basic profit for the year attributable to ordinary equity shareholders of the Company		20.71	23.36
- diluted profit for the year attributable to ordinary equity shareholders of the Company		20.65	23.29
Corporate Information & Significant Accounting Policies	1 & 2		
The accompanying Notes are an integral part of the Financial Statements.	24-43		

As per our report of even date attached  
For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
(Firm Reg. No. 301003E/E300005)

**Rutushtra Patell**  
Partner  
(Membership No. 123596)

Place: Mumbai  
Date: 27<sup>th</sup> April, 2023

For and on behalf of the Board of Directors of  
**Aditya Birla Sun Life AMC Limited**

**Vishakha Mulye**  
Director  
DIN: 00203578

**Parag Joglekar**  
Chief Financial Officer

Place: Mumbai  
Date: 27<sup>th</sup> April, 2023

**A. Balasubramanian**  
Managing Director and CEO  
DIN: 02928193

**Hemanti Wadhwa**  
Company Secretary  
FCS No. 6477

# Consolidated Cash Flow Statement

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakh)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Cash Flow from Operating activities</b>		
Profit Before Tax	79,386.16	89,470.37
<b>Adjustments for:</b>		
Depreciation and Amortisation	3,432.72	3,561.96
Finance cost	390.26	486.34
Profit on Sale of Investments	(2,832.14)	(2,559.17)
Dividend on Investments	(11.40)	-
Fair valuation of investments	(7,875.93)	(7,241.38)
Exchange differences on translating the financial statements of a foreign operation	674.38	199.46
Loss or (Profit) on Sale of Property, Plant and Equipment	(14.43)	12.78
Share-based payments by the Company	3,115.69	4,828.21
Interest on Fixed Deposits and Investments	(1,532.90)	(1,422.97)
Rent concession	(117.43)	(265.16)
<b>Operating Profit before working capital changes</b>	<b>74,614.98</b>	<b>87,070.43</b>
(Increase)/Decrease in Receivables	162.88	479.42
(Increase)/Decrease in Loans	1.00	2.19
(Increase)/Decrease in Other Financial Assets	(10,183.76)	(3,145.91)
(Increase)/Decrease in Other Non-Financial Assets	(4,634.45)	(923.42)
Increase/(Decrease) in Payables	1,778.65	(697.88)
Increase/(Decrease) in Other Financial Liabilities	(1,536.70)	1,933.78
Increase/(Decrease) in Other Non-Financial Liabilities	1,486.60	(5,026.82)
<b>Cash generated from Operations</b>	<b>61,689.20</b>	<b>79,691.80</b>
Income Tax paid (net)	(17,954.66)	(23,373.78)
<b>Net cash generated from Operating activities</b>	<b>43,734.54</b>	<b>56,318.02</b>
<b>Cash Flow from Investing activities</b>		
Purchase of Property, Plant and Equipment and Intangible Assets	(1,898.98)	(1,638.16)
Sale proceeds from Property, Plant and Equipment and Intangible Assets	34.46	39.02
Interest on Fixed Deposits and Investments	1,338.71	1,152.26
Dividend on Investments	11.40	-
Purchase of Investments	(222,775.78)	(211,608.80)
Sale of Investments	209,859.21	182,207.10
<b>Net cash generated/(used) in investing activities</b>	<b>(13,430.98)</b>	<b>(29,848.58)</b>
<b>Cash Flow from Financing activities</b>		
Final/Interim Dividend Paid during the year (including tax thereon)	(31,248.00)	(23,184.00)
Lease Liability - Interest portion (refer note 35)	(390.26)	(486.34)
Lease Liability - Principal portion (refer note 35)	(1,829.17)	(1,927.44)
<b>Net cash used in financing activities</b>	<b>(33,467.43)</b>	<b>(25,597.78)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(3,163.87)</b>	<b>871.66</b>
Cash and Cash Equivalents at beginning of the year	6,524.73	5,653.07
Cash and Cash Equivalents at end of the period (Refer Note 3)	3,360.86	6,524.73

# Consolidated Cash Flow Statement (Contd.)

for the year ended 31<sup>st</sup> March, 2023

1. Statement of cash flows have been prepared under the indirect method as set out in the Ind AS 7 “Statement of Cash Flows” as specified in the Companies (Indian Accounting Standard) Rules, 2015.
2. Purchase of Property, Plant and Equipment represents addition to property, plant and equipment, and other intangible assets adjusted for movement of capital work-in-progress for property, plant and equipment, and other intangible assets under development during the year.
3. Cash and cash equivalents include in the Statement of cash flows comprise the following:  
Cash and cash equivalents disclosed under Financial Assets: 3,360.86 6,524.73

As per our report of even date attached  
For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
(Firm Reg. No. 301003E/E300005)

**Rutushtra Patell**  
Partner  
(Membership No. 123596)

Place: Mumbai  
Date: 27<sup>th</sup> April, 2023

For and on behalf of the Board of Directors of  
**Aditya Birla Sun Life AMC Limited**

**Vishakha Mulye**  
Director  
DIN: 00203578  
**Parag Joglekar**  
Chief Financial Officer

Place: Mumbai  
Date: 27<sup>th</sup> April, 2023

**A. Balasubramanian**  
Managing Director and CEO  
DIN: 02928193  
**Hemanti Wadhwa**  
Company Secretary  
FCS No. 6477

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2023

## (A) EQUITY SHARE CAPITAL

	(₹ in Lakh)	
Equity shares issued, subscribed and fully paid	No of shares	Amount
As 1 <sup>st</sup> April, 2021 (Face Value ₹ 10)	18,000,000	1,800.00
Split of shares into Face value of ₹ 5 each (Refer note 16)	18,000,000	-
Issue of Bonus Equity Shares of ₹ 5 each (Refer note 16)	252,000,000	12,600.00
<b>As 31<sup>st</sup> March, 2022 (Face Value ₹ 5)</b>	<b>288,000,000</b>	<b>14,400.00</b>
Issued during the year	-	-
<b>At 31<sup>st</sup> March, 2023 (Face Value ₹ 5)</b>	<b>288,000,000</b>	<b>14,400.00</b>

## (B) OTHER EQUITY

For the year ended 31<sup>st</sup> March, 2023

Particulars	Attributable to equity holders of the Company					Foreign Currency Translation Reserve	Total Equity
	Reserve and Surplus						
	Retained Earnings	General Reserve	Share premium	Share Option Outstanding Account			
<b>Balance as at 1<sup>st</sup> April, 2022</b>	198,699.83	686.66	-	4,828.21	1,030.86	205,245.57	
Profit for the year	59,637.95	-	-	-	-	59,637.95	
Other Comprehensive Income for the year	(125.45)	-	-	-	674.38	548.93	
<b>Total Comprehensive Income for the year</b>	<b>59,512.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>674.38</b>	<b>60,186.88</b>	
Transfer on Account of Exits	-	117.57	-	(117.57)	-	-	
Share-based payments by the Company (Refer note 20 and 37)	-	-	-	3,114.47	-	3,114.47	
Interim Dividend paid to Equity shareholders for Fiscal Year 2022-23 (Refer note 17)	(14,400.00)	-	-	-	-	(14,400.00)	
Final Dividend paid to Equity shareholders for Fiscal year 2021-22 (Refer note 17)	(16,848.00)	-	-	-	-	(16,848.00)	
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>226,964.33</b>	<b>804.23</b>	<b>-</b>	<b>7,825.11</b>	<b>1,705.24</b>	<b>237,298.91</b>	

# Statement of Changes in Equity (Contd.)

for the year ended 31<sup>st</sup> March, 2023

For the year ended 31<sup>st</sup> March, 2022

(₹ in Lakh)

Particulars	Attributable to equity holders of the Company					Total Equity
	Reserve and Surplus				Foreign Currency Translation Reserve	
	Retained Earnings	General Reserve	Share premium	Share Option Outstanding Account		
<b>Balance as at 1<sup>st</sup> April, 2021</b>	166,879.04	686.66	264.23	-	831.40	168,661.33
Profit for the year	67,277.18	-	-	-	-	67,277.18
Other Comprehensive Income for the year	63.38	-	-	-	199.46	262.84
<b>Total Comprehensive Income for the year</b>	<b>67,340.56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>199.46</b>	<b>67,540.03</b>
Utilised in issue of bonus equity shares (Refer note 16)	(12,335.77)	-	(264.23)	-	-	(12,600.00)
Share-based payments by the Company (Refer note 20 and 37)	-	-	-	4,828.21	-	4,828.21
Interim Dividend paid to Equity shareholders for Fiscal year 2021-22 (Refer note 17)	(16,128.00)	-	-	-	-	(16,128.00)
Final Dividend paid to Equity shareholders for Fiscal year 2020-21 (Refer note 17)	(7,056.00)	-	-	-	-	(7,056.00)
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>198,699.83</b>	<b>686.66</b>	<b>-</b>	<b>4,828.21</b>	<b>1,030.86</b>	<b>205,245.57</b>

As per our report of even date attached  
For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
(Firm Reg. No. 301003E/E300005)

**Rutushtra Patell**  
Partner  
(Membership No. 123596)

Place: Mumbai  
Date: 27<sup>th</sup> April, 2023

For and on behalf of the Board of Directors of  
**Aditya Birla Sun Life AMC Limited**

**Vishakha Mulye**  
Director  
DIN: 00203578

**Parag Joglekar**  
Chief Financial Officer

Place: Mumbai  
Date: 27<sup>th</sup> April, 2023

**A. Balasubramanian**  
Managing Director and CEO  
DIN: 02928193

**Hemanti Wadhwa**  
Company Secretary  
FCS No. 6477

# Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

## NOTE: 1 CORPORATE INFORMATION

The Company is a public listed entity and its registered office is situated at One World Centre, Tower 1, 17<sup>th</sup> Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013. The Company was incorporated under the provisions of the Companies Act on 5<sup>th</sup> September, 1994. The shareholders of the Company are Aditya Birla Capital Limited (Subsidiary of Grasim Industries Limited) which holds 50.01% of the stake, Sun Life (India) AMC Investments Inc., (wholly-owned subsidiary of Sun Life Financial, Inc.) which holds 36.49% and remaining 13.50% stake of the Company is held by general public.

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 is also registered under the SEBI (Portfolio Managers) Regulations, 1993 and provides Portfolio Management Services (“PMS”) and investment advisory services to offshore funds and high net worth investors. The Company also acts as an Investment Manager to Aditya Birla Real Estate Funds (Category II) registered with SEBI. Further, the Company has also received SEBI registration for Alternative Investment Fund (AIFs) Category III namely Aditya Birla Sun Life AIF Trust – I and AIF Category II namely Aditya Birla Sun Life AIF Trust – II.

The Company has set up a new branch at the GIFT-IFSC (Gujarat International Finance Tec-City- International Financial Services Centre) to cater to its international business, to expand its reach and service global clients, including NRIs for investing in India.

## NOTE: 2 SIGNIFICANT ACCOUNTING POLICIES

### i. Basis of preparation of financial statements

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The Consolidated Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial instruments, measured at fair value
- Gratuity plan assets, measured at fair value

The consolidated financial statements are presented in Indian rupees and all values are rounded to the nearest lakh, except when otherwise indicated.

### ii. Presentation of financial statements

The Group presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Group and/or its counterparties

An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 36.

### iii. Use of estimates

The preparation of the financial statements in conformity with the Indian Accounting Standards (IND AS) requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities as of the date of financial statements and the reported amount of revenue and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results may differ from those estimates and assumptions used in preparing the accompanying financial statements. Any revision to the accounting estimates will be recognised prospectively in the current and future periods.

Significant estimates and judgements used for:-

- Estimates of useful lives and residual value of Property, Plant and Equipment, and other intangible assets (Refer Note 9.1 and 9.2)

# Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

- Measurement of defined benefit obligations, actuarial assumptions (Refer Note 26)
- Recognition of deferred tax assets/liabilities (Refer Note 14)
- Recognition and measurement of provisions and contingencies (Refer Note 13 and Note 24)
- Financial instruments – Fair values, risk management and impairment of financial asset (Refer Note 7)
- Determination of lease term (Refer Note 35)
- Discount rate for lease liability (Refer Note 35)
- Estimates of Share based payments (Refer Note 20, 26 and 37).

## iv. Functional and presentation currency

The consolidated financial statements of the Group are presented in Indian rupees, the national currency of India, which is the functional currency of the Company. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using the functional currency.

## v. Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31<sup>st</sup> March, 2023. The Group consolidates a subsidiary when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

The Group also considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee

- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies of the subsidiaries have been harmonised to ensure the consistencies with the policies that have been adopted by the Company. The financial statements of the Company and its subsidiaries combined have been consolidated on a line-by-line basis by adding together the values of like items of assets, liabilities, income and expenses, after eliminating intra-Group balances and transactions and offsetting the carrying amount of the Company's investment in each subsidiary and the Company's portion of equity in each subsidiary as per Ind AS 110 "Consolidated Financial Statements".

The Financial statements of the wholly owned Subsidiaries used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended on 31<sup>st</sup> March. When the end of the reporting period of the Company is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Company to enable the Company to consolidate the financial information of the subsidiary.

# Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

List of Subsidiary companies included in consolidation are as below:

Name of Subsidiaries	Country of Incorporation	Proportion of ownership Interest as on 31 <sup>st</sup> March, 2023	Proportion of ownership Interest as on 31 <sup>st</sup> March, 2022	Principle Activities
Aditya Birla Sun Life AMC (Mauritius) Limited	Mauritius	100%	100%	To act as Investment Manager to India Advantage Fund Limited.
Aditya Birla Sun Life Asset Management Company Pte. Limited, Singapore	Singapore	100%	100%	To act as a Fund Manager and Investment advisory.
Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai	Dubai	100%	100%	Arranging deals in investment and advisory on financial products.

The Company acts as the fund manager for Aditya Birla Sun Life Mutual Fund and therefore has a significant involvement with the funds. However, fund managers are subject to substantial investment restrictions and guidelines. In all cases, the Company could be removed without cause, by the majority of the unit holders. The Company does not have significant investments in the units of mutual funds. Therefore, the funds managed by the Company are not consolidated.

India Advantage Fund Limited (IAFL) is a collective investment scheme set up as a fund in Mauritius with the status of a limited company under the Mauritius Companies Act. In terms of constitution and private placement memorandum, IAFL has classes of redeemable participating shares. Each class of participating shares has its own Balance Sheet and Profit and Loss account. The Profit / Loss of each such class belongs to the participating shareholders of that class. Aditya Birla Sun Life Asset Management Company Limited (ABSLAMC) owns 100% of the management share and management shareholder is not entitled to any beneficial interest in the profit / loss of various classes nor is required to make good any shortfall. In substance there are no direct or indirect economic benefits received by the management shareholders. The substance over form must prevail. Accordingly, the Group has not consolidated IAFL in the Consolidated Financial Statements.

Aditya Birla Sun Life AMC Pte. Limited, Singapore has made investment in International Opportunities Fund. This fund is segregated portfolio company set up as a fund in Cayman Islands under the Cayman Islands Monetary Act. In terms of constitution and private placement memorandum, all these funds has various segregated

portfolio which issue redeemable participating shares. Each Segregated Portfolio of participating shares has its own Balance Sheet and Profit and Loss account. The Profit / Loss of each such Portfolio belongs to the participating shareholders of that segregated portfolio. Aditya Birla Sun Life Asset Management Company Pte. Limited (ABSLAMC) owns 100% of the management share and management shareholder is not entitled to any beneficial interest in the profit / loss of various segregated portfolios nor is required to make good any shortfall. In substance there are no direct or indirect economic benefits received by the management shareholders. The substance over form must prevail. Accordingly, the Group has not consolidated these funds in the Consolidated Financial Statements.

## vi. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and cash in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Group's cash management.

## vii. Property, plant and equipment

Property, Plant and equipment are stated at their cost of acquisition less accumulated depreciation, and impairment losses. The cost of acquisition is inclusive of taxes (except those which are refundable), duties, freight and other incidental expenses related to acquisition and installation of the assets. As on 01<sup>st</sup> April, 2017, i.e. its date of transition to Ind AS, the Group has used Indian GAAP carrying value as deemed costs. All other repair

# Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

and maintenance costs are recognised in profit or loss as incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

## viii. Capital work-in-progress

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

## ix. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. As on 1<sup>st</sup> April, 2017, i.e. its date of transition to IND AS, the Group has used Indian GAAP carrying value as deemed costs. An intangible

asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

## x. Intangible assets under development

The intangible assets under development includes cost of intangible assets that are not ready for their intended use less accumulated impairment losses.

## xi. Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is provided on a straight-line basis at the rates and useful life as prescribed in Schedule II of the Companies Act, 2013 or as determined by the management based on technical advice, except assets individually costing less than ₹ 5,000 which are fully depreciated in the year of purchase / acquisition. Depreciation commences when assets are ready for its intended use.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

# Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

Following is the summary of useful life of the assets as per management estimates and as required by the Companies Act, 2013.

No.	Particulars	Useful life (In Years)	
<b>A</b>	<b>Depreciation on Property, Plant and Equipment</b>	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*	5 Years	8 Years
4	Furniture and Fixtures*	5 Years	10 Years
5	Mobile Phone (Included in office equipment)	2 Years	Not specified
6	Leasehold Improvements	Over the primary period of the lease term or 3 years, whichever is less	Not specified
<b>B</b>	<b>Amortisation of Intangible assets</b>		
1	Investment Management Rights	10 Years	Not specified
2	Software	3 Years	Not specified

\* Based on technical advice, Management believes that the useful life of assets reflect the periods over which they are expected to be used. Depreciation on assets sold during the year is recognised on a pro-rata basis in the Statement of Profit and Loss from/till the date of acquisition/sale.

## xii. Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated impaired when the carrying cost of an asset or cash-generating unit's (CGU) exceeds its recoverable value. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The recoverable amount is the greater of the assets' or CGU's fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. An impairment loss, if any, is charged to Statement of Profit and Loss Account in the year in which an asset is identified as impaired. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying

amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

## xiii. Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

# Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## xiv. Financial instruments

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

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

All financial instruments are recognised initially at fair value, with the exception of trade receivables. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Trade receivables that do not contain a significant financing component for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on trade date while, loans and borrowings are recognised net of directly attributable transactions costs.

For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories: financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI, financial assets at fair value through profit and loss account (FVTPL) and financial liabilities at amortised cost or FVTPL. The classification of financial instruments depends on the contractual cash flow characteristics and the objective of the business model for which it is held and whether the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal outstanding.

Management determines the classification of its financial instruments at initial recognition.

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

### Classification of Financial assets:

#### a) Financial assets at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

# Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- Reports reviewed by the entity's key management personnel on the performance of financial assets.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- The compensation of the managing teams (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The expected frequency, value and timing of trades.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

As a second step of its classification process the Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset

(for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

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

Financial assets at amortised cost are represented by investments in interest bearing debt instruments, trade receivables, security deposits, cash and cash equivalents, employee and other advances and other financial assets.

## b) Debt Instruments at FVTOCI

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
- the asset's contractual cash flows represent SPPI debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs.

Fair value movements are recognised in other comprehensive income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain loss in Profit or Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the expected interest rate (EIR) model. Currently, the Group does not hold any interest-bearing debt instrument that qualifies to be classified under this category.

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## c) Equity instruments at FVTOCI

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL, described below. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which are not subsequently recycled to Profit or Loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Currently, the Group has not classified any equity instrument at FVTOCI.

## d) Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as FVTPL. In addition, the Group may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss. For all equity instruments at FVTPL, dividend is recognised in Profit or Loss when the right of payment has been established.

## Financial liabilities

### a) Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by trade and other payables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### b) Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

## Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## xv. Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Revenue from contracts with customers is recognised when control of services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services.

The Group recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

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Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

## I. Rendering of services

The Group principally generates revenue by providing asset management services to Aditya Birla Sun Life Mutual Fund and other clients.

- a) Management fees are recognised on accrual basis at specific rates, applied on the average daily net assets of each scheme. The fees charged are in accordance with the terms of Scheme Information Documents of respective schemes and are in line with the provisions of SEBI (Mutual Funds) Regulations, 1996 as amended from time to time.
- b) Portfolio Management Fees and Advisory Fees are recognised on an accrual basis as per the terms of the contract with the customers.
- c) Management fees from other services are recognised on an accrual basis as per the terms of the contract with the customers at specific rates applied on net assets.

These contracts include a single performance obligation (series of distinct services) that is satisfied over time and the management fees and/or advisory fees earned are considered as variable consideration.

If the consideration promised in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for rendering the promised services to a customer. The amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if an entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

## II. Dividend and Interest Income

- a) Dividend income is recognised when the Group's right to receive dividend is established, it is probable that economic benefits associated with dividend will flow to the entity and the amount of dividend can be measured reliably. This is generally when shareholders approve the dividend.
- b) Interest income from financial assets, is recognised on a time proportion basis, taking into account the amount outstanding and the rate applicable.

## xvi. Foreign currency transactions and balances

The Group's consolidated financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company. For each entity, the Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currency are recorded by the Group's entities at their respective functional currency spot rates at the date of transaction. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Foreign currency monetary items are reported using functional currency spot rates of exchange at the reporting date. The resulting exchange gain/loss is reflected in the Statement of Profit and Loss with the exception of exchange differences arising on monetary items that form part of a Company's net investment in the subsidiaries which are recognised in profit or loss

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in the separate financial statements of the Company or the individual financial statements of the subsidiaries, as appropriate. In the consolidated financial statements, such exchange differences are recognised initially OCI. Other non-monetary items, like Property Plant & Equipment and Intangible Assets are carried in terms of historical cost using the exchange rate at the date of transaction.

Translation of foreign subsidiaries is done in accordance with Indian Accounting Standard (Ind AS) 21 "The Effects of Changes in Foreign Exchange Rates". On consolidation, the assets and liabilities of foreign subsidiaries are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI.

## xvii. Employee benefits

- a) Provident Fund: Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.
- b) Gratuity: The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined

benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements are not reclassified to profit or loss in subsequent years.

Past service costs are recognised in profit or loss on the earlier of:

- The date of plan amendment or curtailment
- The date that the Group recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
  - Net interest expense or income.
- c) Leave Encashment: Provision for leave encashment is made on the basis of actuarial valuation of the expected liability. Re-measurement gains/losses are recognised as profit or loss in the year in which they arise.
  - d) Long-Term Incentive Plan: The Group has long-term incentive plan for different cadre of employees. The same is actuarially determined and assessed on yearly basis. Re-measurement gains/losses are recognised as profit or loss in the year in which they arise.

## xviii. Leases

The Group's lease asset classes primarily consist of leases for buildings. The group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (1) the contract involves the use of an identified asset (2) the group has substantially

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all of the economic benefits from use of the asset through the period of the lease and (3) the group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises right – of – use (“ROU”) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. The Group applies the short-term lease recognition exemption to its short-term leases of its branches/rental offices (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. For these short-term and low value leases, the Group recognises the lease payments as an expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the under lying asset. The estimated useful life of right-of-use assets (primarily buildings) range between 1 year to 9 years. The right-of-use assets are also subject to impairment. Refer Note 2(xii) on impairment of non-financial assets.

The lease liability is initially measured at the present value of the future lease payments. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the group changes its assessment on exercise of an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## xix. Earnings per share (“EPS”)

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

For the purpose of calculating diluted EPS, profit after tax for the year attributable to the equity shareholders and the weighted-average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

## xx. Fund and commission expenses:

Prior to 21<sup>st</sup> October, 2018, certain scheme related expenses and commission were being borne by the Company in accordance with circulars and guidelines issued by SEBI and the Association of Mutual Funds in India (AMFI). Commission paid for future period for the mutual fund schemes (including for Equity Linked Savings Schemes) until 21<sup>st</sup> October, 2018 is treated as prepaid expenses and is amortised on the contractual period and charged to Statement of Profit and Loss account unless considered recoverable from schemes. Pursuant to circulars issued by SEBI in this regard, after 21<sup>st</sup> October, 2018, these expenses, subject to some exceptions, are being borne by the mutual fund schemes. New Fund Offer (NFO) expenses on the launch of schemes are borne by

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the Company and recognised in profit or loss as and when incurred.

Commission is paid to the brokers for Portfolio Management and other services as per the terms of agreement entered into with respective brokers. In case of certain portfolio management schemes and other services, the brokerage expenses are amortised over the tenure of the product or commitment period. Unamortised brokerage is treated as Non-financial Assets considering the normal operating cycle of the Company.

## xxi. Taxes

### Current tax:

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

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

### Deferred tax:

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- ii. In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- 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

# Significant Accounting Policies

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comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## xxii. Provisions, contingent liabilities and contingent assets

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Claims against the Group, where the possibility of any outflow of resources in settlement is remote are not disclosed as contingent liabilities. A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is virtually certain.

## xxiii. Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments,

whereby employees render services as consideration for equity instruments (equity-settled transactions).

The Group measures the cost of equity-settled transactions with employees using Black-Scholes Model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield, and making assumptions about them.

Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments at the grant date using Black-Scholes Model. The fair value, determined at the grant date of the equity-settled share-based payments, is charged to profit and loss on the straight-line basis over the vesting period of the option, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

In case of forfeiture/lapse stock option, which is not vested, amortised portion is reversed by credit to employee compensation expense. In situation where the stock option expires unexercised, the related balance standing to the credit of the Employee Stock Options Outstanding Account is transferred within equity.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Also, a separate Employee stock options scheme (ESOP) ("the scheme") has been established by Aditya Birla Capital Limited ("ABCL") (Entity having significant influence). The scheme provides that employees are granted an option to subscribe to equity shares of ABCL that vest in a graded manner. The options may be exercised within a specified period. Measurement and disclosure of Employee share-based payment plan is done in accordance with Ind AS 102 Share Based Payments.

ABCL follows the Black-Scholes Merton Value method to account for its stock-based employee compensation plans. The cost incurred by the ABCL, in respect of options

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granted to employees of the Company is charged to the Statement of Profit and Loss during the year and recovered by them.

## xxiv. Cash dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders except in the case of interim dividend. A corresponding amount is recognised directly in equity.

## xxv. Standards notified but not yet effective:

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31<sup>st</sup> March, 2023 to amend the following Ind AS which are effective from 01<sup>st</sup> April, 2023.

### (i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 01<sup>st</sup> April, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Group's financial statements.

### (ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their

'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after 01<sup>st</sup> April, 2023. Consequential amendments have been made in Ind AS 107.

The Group is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

### (iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 01<sup>st</sup> April, 2023.

The Group is currently assessing the impact of the amendments.

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 3 CASH AND CASH EQUIVALENTS (AT AMORTISED COST)

(₹ in Lakh)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Cash on Hand	2.71	2.07
Balances with Bank		
- Current Accounts	3,312.89	6,477.40
- Deposit Accounts (with original maturity less than 3 months)	45.26	45.26
<b>Total Cash and Cash equivalents</b>	<b>3,360.86</b>	<b>6,524.73</b>

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

The Group has not taken any bank overdraft, therefore the cash and cash equivalent for cash flow statement is same as cash and cash equivalent given above.

## NOTE: 4 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS (AT AMORTISED COST)

(₹ in Lakh)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments:		
Earmarked accounts		
- Unclaimed Dividend	11.45	5.92
- Unpaid Dividend #	1,969.41	-
- Unspent CSR (Refer note 31)	139.00	478.13
Term Deposits against the bank guarantee	2,797.53	2,784.15
Other Term Deposits	4,385.19	-
<b>Total Bank Balances other than cash and cash equivalents</b>	<b>9,302.58</b>	<b>3,268.20</b>

# This includes TDS payable on Interim Dividend amounting to ₹ 1,964.96 Lakh.

## NOTE: 5 TRADE RECEIVABLES (AT AMORTISED COST)

**Unsecured, considered good**

(₹ in Lakh)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Asset Management & Advisory Fees receivable	1,765.26	1,776.56
Management Fees from Portfolio Management and Other services	687.80	839.38
Less: Impairment loss allowance	-	-
<b>Total Trade Receivables*</b>	<b>2,453.06</b>	<b>2,615.94</b>

\* There are no dues from directors or other officers of the Company either severally or jointly with any other person, due from firms or private companies respectively in which any director is a partner, a director or a member.

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## Trade receivables ageing schedule

### Trade receivables as on 31<sup>st</sup> March, 2023

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	2,334.40	64.97	53.69	-	-	2,453.06
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>2,334.40</b>	<b>64.97</b>	<b>53.69</b>	<b>-</b>	<b>-</b>	<b>2,453.06</b>

### Trade receivables as on 31<sup>st</sup> March, 2022

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	2,615.94	-	-	-	-	2,615.94
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>2,615.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,615.94</b>

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 6 LOANS (AT AMORTISED COST)

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Staff Loan	-	1.00
Less: Impairment Loss Allowance	-	-
<b>Total</b>	<b>-</b>	<b>1.00</b>
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	-	1.00
Less: Impairment Loss Allowance	-	-
<b>Total</b>	<b>-</b>	<b>1.00</b>
<b>Loans In India</b>		
i) Public Sector	-	-
ii) Others:	-	-
Less: Impairment Loss Allowance	-	-
<b>Total (I)</b>	<b>-</b>	<b>-</b>
<b>Loans outside India</b>		
i) Public Sector	-	-
ii) Others:		
Staff Loan	-	1.00
Less: Impairment Loss Allowance	-	-
<b>Total (II)</b>	<b>-</b>	<b>1.00</b>
<b>Total (I + II)</b>	<b>-</b>	<b>1.00</b>

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 7 INVESTMENTS

Particulars	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022		
	Amortised Cost	At Fair Value through Profit or Loss	Total	Amortised Cost	At Fair Value through Profit or Loss	Total
Mutual Funds	-	222,312.94	222,312.94	-	197,186.14	197,186.14
Debt Securities	9,352.64	-	9,352.64	10,482.81	1,006.99	11,489.79
Equity Instruments	-	1,754.91	1,754.91	-	1,754.91	1,754.91
Alternative Investment funds	-	2,496.49	2,496.49	-	1,667.30	1,667.30
<b>Total Gross Investments (A)</b>	<b>9,352.64</b>	<b>226,564.34</b>	<b>235,916.98</b>	<b>10,482.81</b>	<b>201,615.34</b>	<b>212,098.14</b>
Less: Allowance for Impairment	-	-	-	-	-	-
<b>Total Net Investments</b>	<b>9,352.64</b>	<b>226,564.34</b>	<b>235,916.98</b>	<b>10,482.81</b>	<b>201,615.34</b>	<b>212,098.14</b>
Investments Outside India	-	0.38	0.38	-	0.38	0.38
Investments in India	9,352.64	226,563.96	235,916.60	10,482.81	201,614.95	212,097.76
<b>Total (B)</b>	<b>9,352.64</b>	<b>226,564.34</b>	<b>235,916.98</b>	<b>10,482.81</b>	<b>201,615.34</b>	<b>212,098.14</b>
Less: Allowance for Impairment (C)	-	-	-	-	-	-
<b>Total Net Investments</b>	<b>9,352.64</b>	<b>226,564.34</b>	<b>235,916.98</b>	<b>10,482.81</b>	<b>201,615.34</b>	<b>212,098.14</b>

(₹ in Lakh)

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 8 OTHER FINANCIAL ASSETS (AT AMORTISED COST)

(₹ in Lakh)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Application money towards Investments	4,431.96	-
Recoverable From Schemes	13.71	6.22
Receivable from Related Party (Refer Note 27)	77.84	235.56
Security Deposits	1,293.16	1,436.38
Deposits to Related Parties (Refer Note 27)	151.36	148.91
Others	8.43	-
<b>Total Other Financial Assets</b>	<b>5,976.46</b>	<b>1,827.07</b>

## NOTE: 9.1 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakh)

Particulars	Computers	Furniture and Fixtures	Vehicles	Office Equipment	Leasehold Improvements	Total
<b>Gross carrying value</b>						
<b>As at 01<sup>st</sup> April, 2021</b>	<b>1,576.89</b>	<b>240.99</b>	<b>881.51</b>	<b>929.83</b>	<b>1,130.69</b>	<b>4,759.90</b>
Additions	138.21	81.23	365.59	66.35	332.34	983.72
Foreign Exchange Translation Difference	0.79	0.69	-	0.44	0.33	2.24
Disposals	33.60	15.54	165.19	19.18	159.86	393.38
<b>As at 31<sup>st</sup> March, 2022</b>	<b>1,682.29</b>	<b>307.37</b>	<b>1,081.91</b>	<b>977.44</b>	<b>1,303.50</b>	<b>5,352.48</b>
Additions	276.58	79.98	479.84	165.67	374.84	1,376.91
Foreign Exchange Translation Difference	3.35	1.59	-	1.92	1.21	8.07
Disposals	219.66	20.07	196.66	44.91	128.28	609.58
<b>As at 31<sup>st</sup> March, 2023</b>	<b>1,742.56</b>	<b>368.87</b>	<b>1,365.09</b>	<b>1,100.12</b>	<b>1,551.27</b>	<b>6,127.88</b>
<b>Accumulated Depreciation and Impairment</b>						
<b>As at 01<sup>st</sup> April, 2021</b>	<b>1,286.11</b>	<b>194.89</b>	<b>512.32</b>	<b>578.54</b>	<b>963.59</b>	<b>3,535.43</b>
Depreciation for the year	211.10	41.54	185.42	151.58	177.65	767.29
Foreign Exchange Translation Difference	0.70	0.40	-	0.11	0.33	1.56
Disposals	33.60	14.07	101.79	17.40	156.37	323.21
<b>As at 31<sup>st</sup> March, 2022</b>	<b>1,464.31</b>	<b>222.76</b>	<b>595.95</b>	<b>712.83</b>	<b>985.20</b>	<b>3,981.06</b>
Depreciation for the year	181.33	63.73	206.47	150.42	239.50	841.45
Foreign Exchange Translation Difference	2.72	1.50	-	0.80	1.21	6.24
Disposals	219.66	19.15	168.17	43.87	124.25	575.09
<b>As at 31<sup>st</sup> March, 2023</b>	<b>1,428.69</b>	<b>268.83</b>	<b>634.25</b>	<b>820.17</b>	<b>1,101.66</b>	<b>4,253.67</b>
<b>Net carrying value amount as at 31<sup>st</sup> March, 2022</b>	<b>217.98</b>	<b>84.61</b>	<b>485.96</b>	<b>264.61</b>	<b>318.30</b>	<b>1,371.43</b>
<b>Net carrying value amount as at 31<sup>st</sup> March, 2023</b>	<b>313.87</b>	<b>100.04</b>	<b>730.83</b>	<b>279.94</b>	<b>449.62</b>	<b>1,874.21</b>

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## Capital work-in-progress

Capital work-in-progress as at 31<sup>st</sup> March, 2023 comprises expenditure for the plant in the course of construction. Total amount of CWIP is ₹ 104.79 Lakh (31<sup>st</sup> March, 2022: 153.18 Lakh)

### CWIP ageing schedule as on 31<sup>st</sup> March, 2023

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	104.79	-	-	-	104.79

(₹ in Lakh)

### CWIP ageing schedule as on 31<sup>st</sup> March, 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	153.18	-	-	-	153.18

(₹ in Lakh)

There are no overdue or cost overrun projects compared to its original plan, on the above mentioned reporting dates

## NOTE: 9.2 OTHER INTANGIBLE ASSETS

Particulars	Software	Investment Management Rights (Refer Note 25)	Total
<b>Gross carrying value</b>			
<b>As at 01<sup>st</sup> April, 2021</b>	<b>2,823.25</b>	<b>284.90</b>	<b>3,108.15</b>
Additions	450.19	-	450.19
Foreign Exchange Translation Difference	0.16	-	0.16
Disposals	-	-	-
<b>As at 31<sup>st</sup> March, 2022</b>	<b>3,273.60</b>	<b>284.90</b>	<b>3,558.50</b>
Additions	593.34	-	593.34
Foreign Exchange Translation Difference	0.42	-	0.42
Disposals	-	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>3,867.36</b>	<b>284.90</b>	<b>4,152.26</b>
<b>Accumulated Amortisation and Impairment</b>			
<b>As at 01<sup>st</sup> April, 2021</b>	<b>1,628.85</b>	<b>151.40</b>	<b>1,780.25</b>
Amortisation for the year	758.44	37.85	796.29
Foreign Exchange Translation Difference	0.11	-	0.11
Disposal	-	-	-
<b>As at 31<sup>st</sup> March, 2022</b>	<b>2,387.40</b>	<b>189.26</b>	<b>2,576.65</b>
Amortisation for the year	659.95	37.85	697.80
Foreign Exchange Translation Difference	0.37	-	0.37
Disposals	-	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>3,047.72</b>	<b>227.10</b>	<b>3,274.83</b>
<b>Net carrying value amount as at 31<sup>st</sup> March, 2022</b>	<b>886.20</b>	<b>95.65</b>	<b>981.85</b>
<b>Net carrying value amount as at 31<sup>st</sup> March, 2023</b>	<b>819.64</b>	<b>57.79</b>	<b>877.44</b>

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## Intangible assets under development ageing schedule as on 31<sup>st</sup> March, 2023

(₹ in Lakh)

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	100.47	2.75	-	-	103.22

(₹ in Lakh)

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects temporarily suspended	-	-	-	-	-

## Intangible assets under development ageing schedule as on 31<sup>st</sup> March, 2022

(₹ in Lakh)

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	131.46	7.25	-	-	138.71

(₹ in Lakh)

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects temporarily suspended	-	-	-	-	-

There are no overdue or cost overrun projects compared to its original plan, on the above mentioned reporting dates.

## NOTE: 10 OTHER NON-FINANCIAL ASSETS

(₹ in Lakh)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Prepaid expenses	5,767.58	1,583.61
Input Tax Credit	11.98	17.01
Capital advance for Tangible Assets	69.23	42.74
Advance for Services	1,352.21	964.22
Gratuity - Plan Funded Asset (Refer Note 26)	3,174.10	3,106.57
<b>Total Other Non-Financial Assets</b>	<b>10,375.10</b>	<b>5,714.15</b>

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 11 TRADE PAYABLES (AT AMORTISED COST)

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Others</b>		
- Total outstanding dues to micro enterprises and small enterprises*	18.65	9.25
	<b>18.65</b>	<b>9.25</b>
- Total outstanding dues to creditors other than micro enterprises and small enterprises		
Related Parties (Refer Note 27)	692.54	466.58
Other than Related Parties	4,108.24	2,564.95
	<b>4,800.78</b>	<b>3,031.53</b>
<b>Total Trade Payables</b>	<b>4,819.43</b>	<b>3,040.78</b>

\* This information is required to be disclosed under MSMED Act(2006), has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by the auditors.

### Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
a) Principal amount and interest thereon remaining unpaid at the end of year	18.65	9.25
b) Interest paid including payment made beyond appointed day during the year	7.43	5.88
c) Interest due and payable for delay during the year	-	-
d) Amount of interest accrued and unpaid as at year end	2.86	0.50
e) The amount of further interest due and payable even in the succeeding year	-	-

## Trade Payables Ageing schedule

### Trade payables as on 31<sup>st</sup> March, 2023

Particulars	(₹ in Lakh)				Total
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	18.65	-	-	-	18.65
(ii) Others	4,726.10	5.52	11.14	58.02	4,800.78
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
<b>Total</b>	<b>4,744.75</b>	<b>5.52</b>	<b>11.14</b>	<b>58.02</b>	<b>4,819.43</b>

### Trade payables as on 31<sup>st</sup> March, 2022

Particulars	(₹ in Lakh)				Total
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	9.25	-	-	-	9.25
(ii) Others	2,944.11	29.82	0.46	57.14	3,031.53
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
<b>Total</b>	<b>2,953.36</b>	<b>29.82</b>	<b>0.46</b>	<b>57.14</b>	<b>3,040.78</b>

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 12 OTHER FINANCIAL LIABILITIES (AT AMORTISED COST)

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Employee dues	4,888.57	6,416.17
Payables for Capital Expenditure	3.17	12.27
Deposits from Related parties (Refer Note No. 27)	166.37	166.37
<b>Total Other Financial Liabilities</b>	<b>5,058.11</b>	<b>6,594.81</b>

## NOTE: 13 PROVISIONS

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Provision for Employee Benefits</b>		
Leave Encashment	455.16	427.01
Gratuity (Refer Note No. 26)	3,281.35	3,092.80
Provision for Long-Term Incentive Plan	383.45	225.34
<b>Total Provisions</b>	<b>4,119.96</b>	<b>3,745.15</b>

## NOTE: 14 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Depreciation on Property, Plant and Equipment and Amortisation on Intangible Assets	(678.03)	(634.14)
Provision for Employee Benefits	(5.66)	(162.35)
Fair Valuation of Investments	2,359.60	1,981.95
Lease Liability net of Right of use Assets	1,799.46	1,333.80
<b>Total Deferred Tax Liabilities</b>	<b>3,475.37</b>	<b>2,519.26</b>
<b>Reconciliation of effective tax rate:</b>		
(a) Income before tax	79,386.16	89,470.37
(b) Expected tax rate in India (applicable to the Company)	25.168%	25.168%
(c) Expected income tax amount	19,979.91	22,517.90
(d) <b>Tax impact on:</b>		
Expenses disallowed/(allowed) as per income tax computation	(1,898.03)	(1,863.10)
Items which are taxed at different rates	13.28	650.80
Effect on Deferred tax balances for items taxed at different rates	1,748.19	1,165.54
Effect of lower tax rate in Offshore units	(137.31)	0.85
Adjustments in respect of current income tax of previous years	31.30	(22.56)
Others	10.87	(256.24)
(e) <b>Tax expenses recognised in Profit &amp; Loss Account (c+d)</b>	<b>19,748.21</b>	<b>22,193.19</b>

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## Significant components and movement in deferred tax assets and liabilities

(₹ in Lakh)

Particulars	As on 31 <sup>st</sup> March, 2023	As on 31 <sup>st</sup> March, 2022	YTD March 2023 Deferred Tax Expense /(Credit)
	Closing Balance	Opening Balance	
<b>Deferred Tax Liabilities</b>			
Fair Valuation of Investments	2,359.60	1,981.95	377.65
Lease Liability net of Right of use assets	1,799.46	1,333.80	465.66
<b>Total</b>	<b>4,159.06</b>	<b>3,315.75</b>	
<b>Deferred Tax Assets</b>			
Depreciation on Property, Plant and Equipment and Amortisation on Intangible Assets	(678.03)	(634.14)	(43.89)
Provision for employee benefits	(5.66)	(162.35)	156.69
<b>Total</b>	<b>(683.69)</b>	<b>(796.49)</b>	
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>3,475.37</b>	<b>2,519.26</b>	<b>956.11</b>

(₹ in Lakh)

Particulars	As on 31 <sup>st</sup> March, 2022	As on 31 <sup>st</sup> March, 2021	YTD March 2022 Deferred Tax Expense /(Credit)
	Closing Balance	Opening Balance	
<b>Deferred Tax Liabilities</b>			
Fair Valuation of Investments	1,981.95	2,602.26	(620.31)
Lease Liability net of Right of use assets	1,333.80	804.98	528.82
<b>Total</b>	<b>3,315.75</b>	<b>3,407.24</b>	
<b>Deferred Tax Assets</b>			
Depreciation on Property, Plant and Equipment and Amortisation on Intangible Assets	(634.14)	(566.98)	(67.16)
Provision for employee benefits	(162.35)	(1,466.86)	1,304.51
<b>Total</b>	<b>(796.49)</b>	<b>(2,033.84)</b>	
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>2,519.26</b>	<b>1,373.40</b>	<b>1,145.85</b>

## NOTE: 15 OTHER NON-FINANCIAL LIABILITIES

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
	Provision for Reinstatement	18.47
<b>Payable on account of Statutory Dues:</b>		
- Withholding Tax payable	2,547.73	230.97
- GST payable	912.03	1,633.50
- Professional Tax payable	1.78	0.01
- Employee provident fund & Other dues payable	135.08	126.45
CSR payable (Refer note 31)	139.00	476.99
Unclaimed Dividend	11.45	5.92
Unpaid Dividend	4.45	-
<b>Total Other Non-Financial Liabilities</b>	<b>3,769.99</b>	<b>2,490.56</b>

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 16 EQUITY SHARE CAPITAL

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Authorised:</b>		
Equity Shares of ₹ 5 each (31 <sup>st</sup> March, 2022: ₹ 5 each)	16,000.00	16,000.00
320,000,000 (31 <sup>st</sup> March, 2022: 320,000,000) Equity shares fully paid up #		
<b>Issued, Subscribed and Paid up</b>		
Equity Shares of ₹ 5 each (31 <sup>st</sup> March, 2022: ₹ 5 each)	14,400.00	14,400.00
288,000,000 (31 <sup>st</sup> March, 2022: 288,000,000) Equity shares fully paid up #		
<b>Total Issued, Subscribed and Paid up</b>	<b>14,400.00</b>	<b>14,400.00</b>

### a) Term/right attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company after distributions of all preferential amounts. However, no such preferential amount exist currently. The distribution will be in the proportion to the number of equity shares held by the shareholders.

### b) Reconciliation of the shares outstanding at the beginning and at the end of the year

(₹ in Lakh)

Description	No. of Equity shares	Amount
As at 1 <sup>st</sup> April, 2021	18,000,000	1,800.00
Split of shares into Face Value of ₹ 5 each #	18,000,000	-
Bonus equity shares issued in the ratio of 7 for every 1 share held #	252,000,000	12,600.00
<b>As at 31<sup>st</sup> March, 2022</b>	<b>288,000,000</b>	<b>14,400.00</b>
Issued during year	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>288,000,000</b>	<b>14,400.00</b>

# Pursuant to a resolution passed by our Board on 5<sup>th</sup> April, 2021 and a resolution of shareholders dated, 06<sup>th</sup> April, 2021, each equity share of face value of ₹ 10 each has been split into two equity shares of face value of ₹ 5 each. Accordingly, the issued, subscribed and paid up capital of our Company was subdivided from 18,000,000 equity shares of face value of ₹ 10 each to 36,000,000 equity shares of face value of ₹ 5 each.

Pursuant to a resolution of Board of Directors dated 05<sup>th</sup> April, 2021 and the shareholders meeting dated 06<sup>th</sup> April, 2021, the Authorised Share Capital of the Company has been increased from ₹ 2,000 Lakh consisting of 40,000,000 Equity Shares of ₹ 5/- (Rupees Five only) each to ₹ 16,000 Lakh consisting of 320,000,000 Equity Shares of ₹ 5/- each.

The Board of Directors pursuant to a resolution dated 05<sup>th</sup> April, 2021 and the shareholders special resolution dated 06<sup>th</sup> April, 2021 have approved the issuance of seven bonus equity shares of face value ₹ 5 each for every one existing fully paid up equity share of face value ₹ 5 each and accordingly 252,000,000 bonus equity shares were issued and allotted in accordance with the Section 63 of the Companies Act, 2013.

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

Aggregate number of equity shares issued as bonus other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Equity shares allotted as fully paid bonus shares by capitalisation of securities premium and retained earnings	252,000,000	252,000,000

The Shares reserved for issue under Employee Stock Option Scheme (ESOP) of the Company (Refer Note No. 37)

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

Name of the Shareholder	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No. of Equity shares held	% of Shareholding	No. of Equity shares held	% of Shareholding
Aditya Birla Capital Limited and its Nominees #	144,028,800	50.01%*	144,028,800	50.01%*
Sun Life (India) AMC Investment Inc. Canada	105,090,880	36.49%	105,090,880	36.49%

# 512 Equity shares (31<sup>st</sup> March, 2022: 512 Equity Shares), 416 Equity shares (31<sup>st</sup> March, 2022: 416 Equity Shares) and 192 Equity shares (31<sup>st</sup> March, 2022: 192 Equity Shares) each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, in their capacity as nominee shareholders of ABCL.

\* Approximate percentages

## Shareholding of promoters as on 31<sup>st</sup> March, 2023

Shares held by promoters at the end of the year				% Change during the year
Sr. No.	Promoter Name	No. of Shares	% of total shares	
1	Aditya Birla Capital Limited (ABCL) #	144,028,800	50.01%*	-
2	Sun Life (India) AMC Investments Inc.	105,090,880	36.49%	-
<b>Total</b>		<b>249,119,680</b>	<b>86.50%</b>	

# 512 Equity shares, 416 Equity shares and 192 Equity shares each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, in their capacity as nominee shareholders of ABCL.

\* Approximate percentages

## Shareholding of promoters as on 31<sup>st</sup> March, 2022

Shares held by promoters at the end of the year				% Change during the year
Sr. No.	Promoter Name	No. of Shares	% of total shares	
1	Aditya Birla Capital Limited (ABCL) #	144,028,800	50.01%*	(0.99)%
2	Sun Life (India) AMC Investments Inc.	105,090,880	36.49%	(12.51)%
<b>Total</b>		<b>249,119,680</b>	<b>86.50%</b>	

# 512 Equity shares, 416 Equity shares and 192 Equity shares each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, in their capacity as nominee shareholders of ABCL.

\* Approximate percentages

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 17 OTHER EQUITY

(₹ in Lakh)

<b>1</b>	<b>Share Premium Account</b>	
	At 1 <sup>st</sup> April, 2021	264.23
	Arising during the year	-
	Utilised in issue of bonus equity shares(Refer note 16)	(264.23)
	<b>At 31<sup>st</sup> March, 2022</b>	<b>-</b>
	Arising during the year	-
	Utilised during the year	-
	<b>At 31<sup>st</sup> March, 2023</b>	<b>-</b>
<b>2</b>	<b>General Reserve</b>	
	At 1 <sup>st</sup> April, 2021	686.66
	Arising during the year	-
	Utilised during the year	-
	<b>At 31<sup>st</sup> March, 2022</b>	<b>686.66</b>
	Arising during the year	-
	Transfer from Share Options Outstanding Account on account of exits	117.57
	<b>At 31<sup>st</sup> March, 2023</b>	<b>804.23</b>
<b>3</b>	<b>Retained Earnings</b>	
	At 1 <sup>st</sup> April, 2021	166,879.04
	Profit for the year	67,277.18
	Other Comprehensive Income for the year	63.39
	Utilised in issue of bonus equity shares(Refer note 16)	(12,335.77)
	Dividend for the year*	(23,184.00)
	<b>At 1<sup>st</sup> April, 2022</b>	<b>198,699.84</b>
	Profit for the year	59,637.95
	Other Comprehensive Income for the year	(125.45)
	Dividend for the year*	(31,248.00)
	<b>At 31<sup>st</sup> March, 2023</b>	<b>226,964.34</b>
<b>4</b>	<b>Foreign Currency Translation Reserve</b>	
	At 1 <sup>st</sup> April, 2021	831.40
	Arising during the year	199.46
	Utilised during the year	-
	<b>At 31<sup>st</sup> March, 2022</b>	<b>1030.86</b>
	Arising during the year	674.38
	Utilised during the year	-
	<b>At 31<sup>st</sup> March, 2023</b>	<b>1705.23</b>
<b>5</b>	<b>Share Option Outstanding Account</b>	
	At 1 <sup>st</sup> April, 2021	-
	Charges during the year	4,828.21
	Exercise of share options during the year	-
	<b>At 31<sup>st</sup> March, 2022</b>	<b>4,828.21</b>
	Charges during the year	3,114.47
	Transfer to General Reserve on account of exits	(117.57)
	<b>At 31<sup>st</sup> March, 2023</b>	<b>7,825.11</b>
	Total Other Equity	
	<b>As at 31<sup>st</sup> March, 2023</b>	<b>237,298.91</b>
	<b>As at 31<sup>st</sup> March, 2022</b>	<b>205,245.57</b>

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## \* Cash dividends on equity shares declared and paid:

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Final dividend for the Fiscal year ended 31 <sup>st</sup> March, 2022: ₹ 5.85 per share for 288,000,000 equity shares (for the year ended 31 <sup>st</sup> March, 2021: ₹ 2.45 per share for 288,000,000 equity shares) and Interim dividend for the year ended 31 <sup>st</sup> March, 2023: ₹ 5 per share for 288,000,000 equity shares (Interim dividend for the year ended 31 <sup>st</sup> March, 2022: ₹ 5.6 per share for 288,000,000 equity shares) (Refer Note 16)	31,248.00	23,184.00
	<b>31,248.00</b>	<b>23,184.00</b>

## Proposed dividends on equity shares:

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Final dividend for the year ended on 31 <sup>st</sup> March, 2023: ₹ 5.25 per share for 288,000,000 equity shares (Final dividend for the year ended 31 <sup>st</sup> March, 2022: ₹ 5.85 per share for 288,000,000 equity shares) (Refer Note 42)	15,120.00	16,848.00
	<b>15,120.00</b>	<b>16,848.00</b>

## Nature and Purpose of the reserves

### Share Premium:

Share Premium is used to record the premium (amount received in excess of face value of equity shares) on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of Section 52 of Companies Act, 2013. The Group has utilised the Share Premium in issue of bonus equity shares in the previous year.

### General reserve:

Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid up share capital of the Company for that year, then the total dividend distribution is less than total distributable reserve for that year.

Consequent to introduction of the Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn. However the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of the Companies Act, 2013.

### Retained earnings:

Retained earnings are the profits that a company has earned to date, less any dividends or other distributions paid to the Shareholders, net of utilisation as permitted under applicable regulations.

### Foreign Currency Translation Reserve:

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

### Share Option Outstanding Account:

The grant date fair value of equity-settled share-based payment transactions with employees and directors are recognised in the Statement of Profit and Loss with the corresponding credit to this account over the vesting period.

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 18 FEES AND COMMISSION INCOME

(₹ in Lakh)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Revenue from contracts with customers</b>		
Asset Management and Advisory Fees	118,200.57	124,965.61
Management Fees from Portfolio Management and Other Services	4,459.98	4,330.55
<b>Total Fees and Commission income</b>	<b>122,660.55</b>	<b>129,296.16</b>

## NOTE: 19 OTHER INCOME

(₹ in Lakh)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Gain on Investments</b>		
- Realised	2,832.14	2,559.17
- Unrealised	7,875.93	7,241.38
Interest Income	1,532.90	1,422.97
Dividend Income on investments	11.40	-
Profit on sale of Fixed Assets (net)	14.43	-
Rent concession	117.43	265.16
Rent income	271.18	62.27
Miscellaneous income	54.77	5.07
<b>Total Other Income</b>	<b>12,710.18</b>	<b>11,556.02</b>

## NOTE: 20 EMPLOYEE BENEFIT EXPENSE

(₹ in Lakh)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Salaries and allowances	21,577.98	18,777.03
Contribution to provident and other funds (Refer Note 26)	866.52	773.49
Gratuity expenses (Refer Note 26)	309.87	282.35
Staff welfare expenses	1,793.66	1,215.67
Share-based payments by ABCL (Entity having significant influence) (Refer Note 26)	56.50	(4.71)
Share based payments by the Company (Refer Note 37)	3,115.69	4,828.21
<b>Total Employee Benefit Expense</b>	<b>27,720.22</b>	<b>25,872.05</b>

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 21 OTHER EXPENSE

Particulars	(₹ in Lakh)	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Rent	336.98	62.73
Repairs and Maintenance	1,265.10	1,171.63
Insurance	118.85	145.41
Rates and Taxes	210.87	366.84
Electricity	271.99	250.71
Software and Technology Expenses	2,635.89	2,297.14
Database Research Expenses	1,254.96	998.98
Travelling and Conveyance	1,407.47	660.56
Communication Expenses	264.18	259.89
Outsourced Fund Accounting Expenses	181.70	258.58
Legal and Professional Charges	2,036.84	1,582.85
Auditor's Remuneration:		
- Audit Fees	93.27	105.43
- Tax Audit Fees	6.00	7.00
- Other Services	15.30	9.25
- Reimbursement of expenses	0.45	0.01
Services Charges	1,920.45	2,074.03
Directors Sitting Fees	131.97	183.04
Printing and Stationery	285.03	184.70
Loss on Sale of Fixed Assets (net)	-	12.78
Asset Utilisation Charges	442.71	607.42
Bank Charges	20.14	14.09
Miscellaneous Expenses	608.21	610.33
Foreign Exchange Loss (net)	49.06	44.06
Donation	11.05	10.00
Corporate Social Responsibility Expenses (Refer Note 31)	1,287.00	1,141.71
Business Promotion Expenses	5,319.92	4,345.84
Fund Expense	1,979.21	2,080.77
<b>Total Other Expense</b>	<b>22,154.60</b>	<b>19,485.78</b>

## NOTE: 22 FINANCE COST

Particulars	(₹ in Lakh)	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Finance Cost on Lease liability (measured at amortised cost) (Refer Note 35)	390.26	486.34
<b>Total Finance Cost</b>	<b>390.26</b>	<b>486.34</b>

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 23 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakh)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Depreciation on Right-of-use Assets (Refer Note 35)	1,893.47	1,998.41
Depreciation on Property, Plant & Equipment (Refer Note 9.1)	841.45	767.26
Amortisation of Intangible Assets (Refer Note 9.2)	697.80	796.29
<b>Total Depreciation and Amortisation Expense</b>	<b>3,432.72</b>	<b>3,561.96</b>

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## OTHER NOTES TO ACCOUNTS:

### NOTE: 24 CONTINGENT LIABILITIES AND COMMITMENTS

#### (i) Contingent liabilities:

(₹ in Lakh)

No.	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
	Claims against the Group not acknowledged as debts in respect of;		
i)	Income tax matters	*18,992.16	4,638.78
ii)	Other matters	159.15	83.85

\*Note: Includes -

1. AY 2020-21- Demand of ₹ 8,643.89 Lakh was raised by the officer during assessment proceedings. Credit for dividend distribution tax (DDT) of ₹ 6,783.24 Lakh was not provided by the officer and consequently, interest on DDT of ₹ 2,287.80 Lakh was levied. High court has directed the Income-tax department to decide the rectification application filed and has granted stay ad-interim.
2. AY 2016-17- Demand of ₹ 3,910.12 Lakh was raised by the officer during reassessment proceedings. The demand was due to adhoc addition of ₹ 5,951.45 Lakh and consequential levy of interest. High court has directed the Income-tax department to decide the rectification application filed and has granted stay ad-interim.
3. AY 2013-14- Demand of ₹ 4,834.96 Lakh was raised by the officer during reassessment proceedings. The demand was due to non-granting of TDS credit. High court has directed the Income-tax department to decide the rectification application filed and has granted stay ad-interim.

#### (ii) Commitments - unexecuted contracts:

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Commitments for the acquisition of property, plant and equipment	746.60	543.76
Commitments for investment activities	925.00	*14,445.95

\* This includes commitment to invest ₹ 13,820.95 Lakh in Mutual Fund schemes managed by the Company vide SEBI circular SEBI/HO/IMD/IMD-IDOF5/P/CIR/2021/624 dated 02<sup>nd</sup> September, 2021

#### (iii) Bank guarantee

The Company has issued a bank guarantee of ₹ 2,468.25 Lakh to NSE for the purpose of IPO during FY2021-22 and the same is in force as on 2022-23.

### NOTE: 25 MANAGEMENT RIGHTS

During financial year ended 31<sup>st</sup> March, 2015 Aditya Birla Sun Life Trustee Company Private Limited took over the mutual fund schemes from ING Trust Company Private Limited and simultaneously the Group acquired the right to manage the said schemes from ING Asset Management (India) Private Limited.

The consideration paid to acquire the right to manage the said schemes along with the incidental expenditure incurred thereon aggregating to ₹ 378.51 Lakh has been treated as Investment Management Right. The Investment Management Right will be amortised over a period of 120 months. For the year ended 31<sup>st</sup> March, 2023, an amount of ₹ 37.85 Lakh (Previous year ₹ 37.85 Lakh) has been amortised. Balance life of Investment Management Right is 18 months.

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## OTHER NOTES TO ACCOUNTS:

### NOTE: 26 EMPLOYEE BENEFITS

In accordance with the Indian Accounting Standard (Ind AS) 19 “Employee Benefits”, the Group has classified the various benefits provided to the employees as under:

#### a) Defined contribution plan

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

		(₹ in Lakh)	
No.	Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
i)	Employers Contribution to Provident Fund (PF)	556.35	474.45
ii)	Employers Contribution to Employees Pension Fund	147.75	134.84
iii)	Employers Contribution to Labour Welfare Fund	0.58	0.45
iv)	Contribution to Employees Deposit Linked Insurance	9.98	8.82
v)	Employers Contribution to other Funds related to Foreign Subsidiaries	57.73	59.15
	<b>Total</b>	<b>772.39</b>	<b>677.71</b>

Above figures are excluding contribution to PF and Other Funds of ₹ 94.13 Lakh (Previous year ₹ 95.77 Lakh) reimbursed to related parties - Aditya Birla Financial Shared Services Limited & Aditya Birla Capital Limited.

#### b) Share based payments

Pursuant to ESOP Plan by ABCL, stock options were granted to the employees of the Company during the year. Total cost incurred by ABCL (net of reversals) till date is being recovered from the Company over the period of vesting of the ESOP grants. A sum of ₹ 56.50 Lakh (Previous year ₹ (4.71) Lakh) has been charged to the Statement of Profit and Loss. The balance sum of ₹ 4.76 Lakh will be recovered in future years as at 31<sup>st</sup> March, 2023.

#### c) Gratuity (Defined Benefit Plan)

The following table sets out the status of the gratuity plan as required under IND AS 19 as certified by actuary. Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

		(₹ in Lakh)	
Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2022
<b>Amounts recognised in the Balance Sheet in respect of Gratuity</b>			
Present Value of the funded Defined Benefit Obligations at the end of the year	3,281.35		3,092.80
Fair Value of Plan Assets	(3,174.10)		(3,106.57)
<b>Net (Asset) / Liability</b>	<b>107.25</b>		<b>(13.77)</b>
<b>Amounts recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity</b>			
<b>Amounts recognised during the period:</b>			
In P&L	309.87		282.35
In Other Comprehensive Income	127.74		(72.29)
<b>Total Expenses Recognised during the period</b>	<b>437.62</b>		<b>210.06</b>
<b>Actual Return on Plan Assets:</b>			
Expected Return on Plan Assets	214.20		190.06
Actuarial Gain/(Loss) on Plan Assets	(123.71)		(31.52)
<b>Actual Return on Plan Assets:</b>	<b>90.49</b>		<b>158.54</b>

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## OTHER NOTES TO ACCOUNTS:

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Reconciliation of Present Value of Obligation and the Fair Value of the Plan Assets:</b>		
<b>Change in Present Value of the Obligations:</b>		
Opening Defined Benefit Obligations	3,092.80	2,961.40
Current Service Cost	310.82	284.49
Interest Cost	213.25	187.92
Actuarial (Gain)/Loss arising from:		
- changes in demographic assumptions	-	-
- changes in financial assumptions	(96.47)	(108.89)
- experience variance (i.e. actual experience vs assumption)	100.50	5.08
Liabilities Settled on Divestment	-	-
Benefits Paid	(339.56)	(237.20)
<b>Closing Defined Benefit Obligations</b>	<b>3,281.35</b>	<b>3,092.80</b>
<b>Change in Fair Value of the Plan Assets:</b>		
Opening Fair Value of the Plan Assets	3,106.57	2,995.19
Expected Return on the Plan Assets	214.20	190.06
Actuarial (Gain)/Loss	(123.71)	(31.52)
Contributions by the Employer	316.60	190.04
Asset Distributed on Divestment	-	-
Benefits Paid	(339.56)	(237.20)
<b>Closing Fair Value of the Plan Assets</b>	<b>3,174.10</b>	<b>3,106.57</b>
<b>Expense Recognised in Income Statement</b>		
Current Service Cost	310.82	284.49
Net Interest cost / (income) on the defined Benefit Liability / (Asset)	(0.95)	(2.14)
<b>Expense Recognised in Income Statement</b>	<b>309.87</b>	<b>282.35</b>
<b>Other Comprehensive Income</b>		
Actuarial (Gain)/Loss arising from:		
- changes in demographic assumptions	-	-
- changes in financial assumptions	(96.47)	(108.89)
- experience variance (i.e. actual experience vs assumption)	100.50	5.08
Return on plan asset, excluding amount recognised in net interest expense	123.71	31.52
<b>Remeasurement gain/loss in other comprehensive income</b>	<b>127.74</b>	<b>(72.29)</b>
<b>Investment details of Plan Assets</b>		
<b>Plan assets are invested with:</b>		
Aditya Birla Sun Life Insurance Company Limited	3,174.10	3,106.57
<b>Composition of the plan assets are as follows:</b>		
	<b>Allocation %</b>	<b>Allocation %</b>
Government Bonds	24.81%	23.17%
Corporate Bonds	64.57%	69.29%
Others	10.62%	7.54%

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## OTHER NOTES TO ACCOUNTS:

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Assumptions</b>		
Discount rate	7.40%	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
Average Age	33.79	34.31
Mortality Basis	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## OTHER NOTES TO ACCOUNTS:

### A. Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis are given below:

		(₹ in Lakh)	
No.	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
1	Defined Benefit Obligation (Base)	3,281.35	3,092.80

		(₹ in Lakh)			
No.	Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
		Decrease	Increase	Decrease	Increase
1	Discount Rate (- / + 0.50 %)	3,424.52	3,147.29	3,234.23	2,960.58
	(% change compared to base due to sensitivity)	4.4%	-4.1%	4.6%	-4.3%
2	Compensation Escalation Rate (- / + 0.50 %)	3,146.67	3,423.88	2,960.55	3,232.94
	(% change compared to base due to sensitivity)	-4.1%	4.3%	-4.3%	4.5%
3	Mortality Rate (- / + 10%)	3,278.13	3,284.55	3,090.00	3,095.59
	(% change compared to base due to sensitivity)	-0.1%	0.1%	-0.1%	0.1%

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

### B. Effect of plan on group's future cash flows

#### i) Funding arrangements and Funding Policy

The scheme is managed on funded basis.

#### ii) Expected Contribution during the next annual reporting period

		(₹ in Lakh)	
Particulars		For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
The Group's best estimate of Contribution during the next year		432.74	286.56

#### iii) Maturity Profile of Defined Benefit Obligation

		(₹ in Lakh)	
Particulars		For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Weighted average duration		9 years	9 years

#### Expected cash flows over the next (valued on undiscounted basis)

		(₹ in Lakh)	
Particulars		For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
1 year		195.35	192.93
2 to 5 years		1,327.01	1,191.60
6 to 10 years		1,438.75	1,358.79
More than 10 years		3,976.84	3,610.10

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

The estimate of future salary increases, considered in the actuarial valuation, takes into account inflation, seniority, promotion, and other relevant factors. The above information is certified by the actuary based on assumptions provided by the Group.

## NOTE: 27 DISCLOSURE IN RESPECT OF RELATED PARTY PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 24:

### a) List of related parties:

<b>A</b>	<b>Parent of Entity having significant influence</b>
	Grasim Industries Limited
<b>B</b>	<b>Entity having significant influence</b>
	Aditya Birla Capital Limited (ABCL)
	Sun Life (India) AMC Investments Inc., Canada
<b>C</b>	<b>Other Related Party</b>
	SLGI Asset Management Inc, Canada
	Aditya Birla Management Corporation Private Limited
	Green Oak India Investment Advisors Private Limited
	Aditya Birla Capital Foundation
	Umang Commercial Company Private Limited
<b>D</b>	<b>Subsidiaries of Entity having significant influence</b>
	Aditya Birla Health Insurance Company Limited
	Aditya Birla Sun Life Insurance Company Limited
	Aditya Birla Sun Life Trustee Private Limited
	Aditya Birla Money Mart Limited
	Aditya Birla Finance Limited
	Aditya Birla Money Limited
	Aditya Birla Financial Shared Services Limited
	Aditya Birla Insurance Brokers Limited
	Aditya Birla Money Insurance Advisory Services Limited
	Aditya Birla Commodities Broking Limited
	Aditya Birla PE Advisors Private Limited
	Aditya Birla ARC Limited
	ABCAP Trustee Company Private Limited (Struck off w.e.f 21 <sup>st</sup> January, 2023)
	Aditya Birla Sun Life Pension Management Limited
	Aditya Birla Housing Finance Limited
	Aditya Birla Wellness Private Limited
	Aditya Birla Trustee Company Private Limited
	Aditya Birla Stressed Asset AMC Private Limited
	Aditya Birla Capital Technology Services Limited
<b>E</b>	<b>The entities in respect of which Funds are managed by the Group</b>
	India Advantage Fund Limited
	International Opportunities Fund SPC
	New Horizon Fund SPC (wound up on 30 <sup>th</sup> September, 2021)

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

<b>F Directors and Key Management Personnel</b>	
	Kumar Mangalam Birla (Non-Executive Director)
	Ajay Srinivasan (Non-Executive Director up to 04 <sup>th</sup> October, 2022)
	Vishakha Mulye (Non-Executive Director from 27 <sup>th</sup> October, 2022)
	A Balasubramanian (Managing Director and Chief Executive Officer)
	Sandeep Asthana (Non-Executive Director)
	Colm Freyne (Non-Executive Director up to 25 <sup>th</sup> April, 2022)
	Amrit Kanwal (Non-Executive Director from 26 <sup>th</sup> April, 2022)
	Bharat Patel (Non-Executive Director up to 26 <sup>th</sup> June, 2022)
	Alka Bharucha (Independent Director)
	Harish Engineer (Independent Director)
	Navin Puri (Independent Director)
	Sunder Rajan Raman (Independent Director)
	Ramesh Abhishek (Independent Director)

## b) Related parties with whom the Group has entered into transactions during the Year

(₹ in Lakh)				
Sr. No.	Particulars	Category	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>1</b>	<b>Income</b>			
	Interest Income - ICD			
	Aditya Birla ARC Ltd	D	81.08	-
<b>2</b>	<b>Expenses</b>			
	<b>Commission</b>			
	Aditya Birla Finance Ltd (Note 1)	D	757.98	135.75
	Aditya Birla Money Ltd	D	-	0.09
	<b>Contribution to Gratuity/Insurance Premium</b>			
	Aditya Birla Sun Life Insurance Co Ltd	D	368.64	339.79
	<b>Business Promotion Expenses</b>			
	Aditya Birla Sun Life Insurance Co Ltd (Insurance Premium) (Note 1)	D	1,238.82	1,702.48
	Aditya Birla Health Insurance Co Ltd (Insurance Premium)	D	-	2.11
	<b>Rent</b>			
	Grasim Industries Limited	A	2.34	64.89
	Umang Commercial Company Pvt Ltd	C	106.20	-
	<b>Advisory Services</b>			
	Greenoak India Investment Advisors Pvt Ltd	C	211.13	101.92
	<b>Software &amp; Technology Expenses</b>			
	Aditya Birla Capital Technology Services Limited	D	258.95	323.28
	<b>Employee Benefit Expenses</b>			
	Aditya Birla Wellness Private Limited	D	10.67	0.05
<b>3</b>	<b>Reimbursements of Costs Paid</b>			
	Aditya Birla Financial Shared Services Ltd (Employee benefit expense)	D	591.09	592.73
	Aditya Birla Financial Shared Services Ltd (Administrative & other expense)	D	1,968.39	2,109.63
	Aditya Birla Sun Life Insurance Co Ltd (Employee benefit expense)	D	12.77	3.45
	Aditya Birla Sun Life Insurance Co Ltd (Rent)	D	600.08	14.77
	Aditya Birla Sun Life Insurance Co Ltd (Administrative & other expense)	D	-	2.57

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakh)				
Sr. No.	Particulars	Category	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
	Aditya Birla Sun Life Insurance Co Ltd (Other Marketing expense)	D	27.79	-
	Aditya Birla Finance Ltd (Employee benefit expense)	D	17.90	4.76
	Aditya Birla Finance Ltd (Rent)	D	72.10	12.19
	Aditya Birla Finance Ltd (Administrative & other expense)	D	3.00	-
	Aditya Birla Capital Ltd (Employee benefit expense)	B	2,440.12	1,822.96
	Aditya Birla Capital Ltd (Administrative & other expense)	B	790.85	608.55
	Aditya Birla Housing Finance Ltd (Rent)	D	11.66	14.64
	Aditya Birla Health Insurance Co. Ltd (Rent)	D	3.13	-
	SLGI Asset Management Inc (Employee benefit expense)	C	-	14.19
	Aditya Birla Sun Life Trustee Pvt Ltd (Employee benefit expense)	D	-	3.67
	Aditya Birla Money Ltd (Employee benefit expense)	D	7.92	1.89
	Aditya Birla Money Ltd (Other Marketing expense)	D	1.28	-
	Aditya Birla Management Corporation Pvt Ltd (Employee benefit expense)	C	60.74	4.17
	Aditya Birla Management Corporation Pvt Ltd (Administrative & other expense)	C	9.81	2.34
<b>4</b>	<b>Reimbursements of Costs Received</b>			
	Aditya Birla Sun Life Insurance Co Ltd (Employee benefit expense)	D	25.92	27.22
	Aditya Birla Sun Life Insurance Co Ltd (Rent)	D	117.03	11.25
	Aditya Birla Sun Life Insurance Co Ltd (Administrative & other expense)	D	4.56	0.21
	Aditya Birla Sun Life Insurance Co Ltd (Other Marketing expense)	D	18.65	-
	Aditya Birla Finance Ltd (Employee benefit expense)	D	1.49	1.07
	Aditya Birla Finance Ltd (Rent)	D	249.66	49.30
	Aditya Birla Finance Ltd (Administrative & other expense)	D	4.34	-
	Aditya Birla Finance Ltd (Other Marketing expense)	D	0.28	-
	Aditya Birla Health Insurance Co. Ltd (Rent)	D	46.15	5.99
	Aditya Birla Health Insurance Co. Ltd (Administrative & other expense)	D	4.56	0.42
	Aditya Birla Health Insurance Co. Ltd (Other Marketing expense)	D	3.46	-
	Aditya Birla Management Corporation Pvt Ltd (Employee benefit expense)	C	5.26	0.30
	Aditya Birla Insurance Brokers Ltd (Rent)	D	0.06	0.43
	Aditya Birla Housing Finance Ltd (Rent)	D	15.70	6.16
	Aditya Birla Housing Finance Ltd (Administrative & other expense)	D	4.34	-
	Aditya Birla Money Insurance Advisory Services Ltd (Rent)	D	-	2.69
	Aditya Birla Money Ltd (Employee benefit expense)	D	-	1.89
	Aditya Birla Money Ltd (Rent)	D	12.60	1.43
	Aditya Birla Money Ltd (Other Marketing expense)	D	0.05	-
	Aditya Birla Financial Shared Services Ltd (Employee benefit expense)	D	26.66	-
	Aditya Birla Sun Life Trustee Pvt Ltd (Employee benefit expense)	D	0.73	1.77
	Aditya Birla Capital Ltd (Administrative & other expense)	B	4.42	0.19
	Aditya Birla Capital Technology Services Limited (Employee benefit expense)	D	2.03	-
	Sun Life (India) AMC Investments Inc (Administrative & other expense)	B	55.18	-

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakh)

Sr. No.	Particulars	Category	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>5</b>	<b>Managerial Remuneration</b>			
	Chief Executive Officer (Note 2)	G	1,137.72	1,589.69
<b>6</b>	<b>Dividend Paid</b>			
	Aditya Birla Capital Ltd	B	15,627.12	11,664.16
	Sun Life (India) AMC Investments Inc	B	11,402.36	9,342.53
	Key Managerial Personnel/Director's	G	2.69	1.33
<b>7</b>	<b>Inter Corporate Deposit (ICD) given</b>			
	Aditya Birla ARC Ltd	D	2,500.00	-
<b>8</b>	<b>Inter Corporate Deposit (ICD) Repayment Received</b>			
	Aditya Birla ARC Ltd	D	2,500.00	-
<b>9</b>	<b>Director's Sitting Fees</b>			
	Director's Sitting Fees Paid	G	64.25	120.25
<b>10</b>	<b>CSR Contribution</b>			
	Aditya Birla Capital Foundation	C	1,589.13	651.87
<b>11</b>	<b>Purchase of Fixed Assets</b>			
	Aditya Birla Sun Life Insurance Co. Ltd	D	0.44	-
	Aditya Birla Management Corporation Pvt Ltd	C	2.97	-
	Aditya Birla Capital Technology Services Limited	D	3.55	-
<b>12</b>	<b>Sale of Fixed Assets</b>			
	Aditya Birla Management Corporation Pvt Ltd	C	-	12.67
<b>13</b>	<b>Software Development (Capitalised)</b>			
	Aditya Birla Capital Technology Services Limited	D	-	13.26
<b>14</b>	<b>Prepaid Expenses balances</b>			
	Aditya Birla Financial Shared Services Ltd (Loans & Advances)	D	68.81	45.88
	Aditya Birla Capital Technology Services Limited (Loans & Advances)	D	10.44	9.49
<b>15</b>	<b>Security Deposit - Received and Refundable</b>			
	Aditya Birla Health Insurance Co. Ltd	D	6.77	3.61
	Aditya Birla Finance Ltd	D	120.00	-
	Aditya Birla Housing Finance Ltd	D	2.78	-
	Aditya Birla Sun Life Insurance Co Ltd	D	30.88	-
	Aditya Birla Money Ltd	D	2.33	-
<b>16</b>	<b>Security Deposit - Paid and Refundable</b>			
	Aditya Birla Health Insurance Co. Ltd	D	1.04	-
	Aditya Birla Sun Life Insurance Co Ltd	D	34.29	77.60
<b>17</b>	<b>Security Deposit - Recovery Payable</b>			
	Aditya Birla Finance Ltd	D	14.96	-
	Aditya Birla Health Insurance Co. Ltd	D	1.19	-
	Aditya Birla Sun Life Insurance Co Ltd	D	22.29	-
<b>18</b>	<b>Security Deposit - Refund Received</b>			
	Grasim Industries Limited	A	71.32	-

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## c) Outstanding balances:

(₹ in Lakh)				
Sr. No.	Particulars	Category	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>1</b>	<b>Payable</b>			
	Aditya Birla Financial Shared Services Ltd (Trade Payable)	D	322.41	237.59
	Aditya Birla Capital Ltd (Trade Payable)	B	343.35	253.39
	Aditya Birla Housing Finance Ltd (Receivables)	D	0.00	2.89
	Grasim Industries Limited (Receivables)	A	0.00	2.38
	Aditya Birla Capital Technology Services Limited (Trade Payable)	D	8.70	35.12
	Aditya Birla Management Corporation Pvt Ltd (Trade Payable)	C	3.97	1.36
	Aditya Birla Health Insurance Co. Ltd (Security Deposit Received)	D	10.39	3.61
	Aditya Birla Sun Life Insurance Co Ltd (Trade Payable)	D	95.55	0.00
	Aditya Birla Sun Life Insurance Co Ltd (Security Deposit Received)	D	30.88	0.00
	Aditya Birla Sun Life Insurance Co Ltd (Security Deposit Recovery Payable)	D	22.29	0.00
	Aditya Birla Finance Ltd (Security Deposit Recovery Payable)	D	14.96	0.00
	Aditya Birla Finance Ltd (Security Deposit Received)	D	120.00	0.00
	Aditya Birla Housing Finance Ltd (Security Deposit Received)	D	2.78	0.00
	Umang Commercial Company Pvt Ltd (Trade Payable)	C	6.48	0.00
	Aditya Birla Money Ltd (Security Deposit Received)	D	2.33	0.00
	Aditya Birla Health Insurance Co. Ltd (Security Deposit Recovery Payable)	D	1.19	0.00
	Greenoak India Investment Advisors Pvt Ltd (Trade Payable)	C	6.75	0.00
<b>2</b>	<b>Receivable</b>			
	Aditya Birla Sun Life Insurance Co Ltd (Security Deposit Paid)	D	111.89	77.60
	Aditya Birla Finance Ltd (Receivable)	D	1.28	40.60
	Aditya Birla Money Ltd (Receivables)	D	2.70	1.31
	Aditya Birla Health Insurance Co. Ltd (Receivables)	D	13.53	5.90
	Aditya Birla Sun Life Insurance Co Ltd (Receivables)	D	-	26.82
	Aditya Birla Sun Life Insurance Co Ltd (Deposit Recovery)	D	-	30.88
	Aditya Birla Finance Ltd (Deposit Recovery)	D	-	120.00
	Aditya Birla Housing Finance Ltd (Deposit Recovery)	D	-	2.78
	Grasim Industries Limited (Security Deposit Paid)	A	-	71.32
	Aditya Birla Money Ltd (Deposit Recovery)	D	-	2.33
	Aditya Birla Health Insurance Co. Ltd (Deposit Recovery)	D	-	6.77
	Aditya Birla Insurance Brokers Ltd (Receivables)	D	-	0.39
	Aditya Birla Housing Finance Ltd (Receivables)	D	7.02	-
	Aditya Birla Health Insurance Co. Ltd (Security Deposit Paid)	D	1.04	-
	Aditya Birla Wellness Private Limited (Receivables)	D	0.04	-
	Sun Life (India) AMC Investments Inc (Receivables)	B	55.18	-

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

All the above figures are inclusive of GST wherever applicable.

Note 1 - Total Amount paid ₹ 1,996.80 Lakh (Previous Year 1,702.48 Lakh), out of which ₹ 1,213.77 Lakh (Previous Year ₹ 1,490.90 Lakh) debited to statement of profit and loss during the year and balance amortised.

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

Note 2 – Managerial Remuneration:

Particulars	(₹ in Lakh)	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
1. Short-term employment benefits		
a) Gross Salary	618.43	927.62
b) Value of perquisites u/s 17(2) Income-tax Act, 1961	15.33	12.85
2. Share-based payments by ABCL (Entity having significant influence)	-	0.81
3. Share-based payments by the Company	503.97	648.41
<b>Total Remuneration</b>	<b>1,137.73</b>	<b>1,589.69</b>

Managerial Remuneration also includes Share based payments of ₹ 503.97 (PY: ₹ 648.41 Lakh) included in other long-term employment benefits.

Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall basis at the end of each year and accordingly have not been considered in the above information.

## NOTE: 28 EARNINGS PER SHARE

Earnings per Share (EPS) is calculated as under:		(₹ in Lakh)	
		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Net Profit After Tax before Other Comprehensive Income as per Consolidated Statement of Profit and Loss (₹ in Lakh)	A	59,637.95	67,277.18
Weighted average number of basic equity shares after split of shares into ₹ 5 each (refer note 16)	B	288,000,000	36,000,000
Bonus shares issued (refer note 16)	C	-	252,000,000
Number of equity shares considered for computation of Basic EPS (B+C)	D	288,000,000	288,000,000
Add: Dilutive impact of Employee stock options	E	768,858	838,100
Number of equity shares considered for computation of Diluted EPS (D+E)	F	288,768,858	288,838,100
Basic Earnings Per Share (₹)	A/D	20.71	23.36
Diluted Earnings Per Share (₹)	A/F	20.65	23.29
<b>Nominal Value of Shares (₹)</b>		<b>5</b>	<b>5</b>

The impact of split of shares and issue of bonus shares are retrospectively considered for the computation of EPS as per the requirement of Ind AS 33.

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 29 DISCLOSURE PURSUANT TO SCHEDULE III FOR CONSOLIDATED FINANCIAL STATEMENTS: For the year ended 31<sup>st</sup> March, 2023:

(₹ in Lakh)

Particulars	Net Assets		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	% of Consolidated Net Assets	Amount	% of Consolidated Profit and Loss	Amount	% of Consolidated OCI	Amount	% of Consolidated Total Comprehensive Income	Amount
<b>Parent</b>								
Aditya Birla Sun Life AMC Limited	99.68	250,895.43	99.09	59,093.00	100.00	548.94	99.09	59,641.94
<b>Subsidiaries</b>								
<b>Indian</b>								
NA								
<b>Foreign</b>								
Aditya Birla Sun Life AMC (Mauritius) Limited, Mauritius	0.38	968.59	(0.08)	(48.50)	-	-	(0.08)	(48.50)
Aditya Birla Sun Life Asset Management Company Pte. Limited, Singapore	2.34	5,886.82	0.89	532.82	-	-	0.89	532.82
Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai	0.34	850.04	0.09	51.79	-	-	0.09	51.79
<b>Non-Controlling Interest</b>								
Eliminations/ Consolidation Adjustments	(2.74)	(6,902.00)	0.01	8.84	-	-	0.01	8.84
<b>Total</b>	<b>100.00</b>	<b>251,698.88</b>	<b>100.00</b>	<b>59,637.95</b>	<b>100.00</b>	<b>548.94</b>	<b>100.00</b>	<b>60,186.89</b>

## For the year ended 31<sup>st</sup> March, 2022:

(₹ in Lakh)

Particulars	Net Assets		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	% of Consolidated Net Assets	Amount	% of Consolidated Profit and Loss	Amount	% of Consolidated OCI	Amount	% of Consolidated Total Comprehensive Income	Amount
<b>Parent</b>								
Aditya Birla Sun Life AMC Limited	100.19	220,061.34	98.16	66,035.99	100.00	262.84	98.16	66,298.83
<b>Subsidiaries</b>								
<b>Indian</b>								
NA								
<b>Foreign</b>								
Aditya Birla Sun Life AMC (Mauritius) Limited, Mauritius	0.43	938.93	0.05	32.64	-	-	0.05	32.64
Aditya Birla Sun Life Asset Management Company Pte. Limited, Singapore	2.20	4,821.61	1.73	1,164.35	-	-	1.72	1,164.35

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakh)

Particulars	Net Assets		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	% of Consolidated Net Assets	Amount	% of Consolidated Profit and Loss	Amount	% of Consolidated OCI	Amount	% of Consolidated Total Comprehensive Income	Amount
Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai	0.33	735.24	0.07	43.97	-	-	0.07	43.97
<b>Non-Controlling Interest</b>								
Eliminations/ Consolidation Adjustments	(3.15)	(6,911.55)	0.00	0.23	-	-	0.00	0.23
<b>Total</b>	<b>100.00</b>	<b>219,645.57</b>	<b>100.00</b>	<b>67,277.18</b>	<b>100.00</b>	<b>262.84</b>	<b>100.00</b>	<b>67,540.02</b>

## NOTE: 30 SEGMENT INFORMATION FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023

The CEO of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 - "Operating Segments". The CODM evaluates the Group's performance and allocates resources. The Group's operations predominantly relate to providing asset management services and portfolio management services. In the opinion of the CODM and Management, the risks and rewards attached to the business are similar in nature. Hence the separate Segment under Ind AS 108 on "Operating Segments" is not required to be reported as the Group's business is restricted to single Operating Segment i.e. Asset Management Services.

There is only one customer contributing in excess of 10% of the total revenue of the Company.

(₹ in Lakh)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Revenue from Aditya Birla Sun Life Mutual Fund	115,630.08	121,951.61

## Geographic Information:

Particulars	In India		Outside India		Total	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Revenue by location of customers	120,523.26	126,347.40	3,978.10	4,187.16	124,501.36	130,534.56
Less: Eliminations	-	-	1,840.80	1,238.40	1,840.80	1,238.40
Net Revenue	120,523.26	126,347.40	2,137.30	2,948.76	122,660.56	129,296.16

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 31 CORPORATE SOCIAL RESPONSIBILITY

(₹ in Lakh)

No.	Particulars	As at	As at
		31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
1	Amount required to be spent by the Company during the year	1,287.00	1,142.84
2	Amount of expenditure incurred	1,625.00	664.71
3	Excess/(Shortfall) at the end of the period	(139.00)	(477.00)
4	Total of previous years excess/(shortfall)	(477.00)	1.13
5	Reason for shortfall*	Ongoing Projects	Not Applicable
6	Nature of CSR activities	Healthcare, Education and Women Empowerment & Sustainable Livelihood	Healthcare, Education and Women Empowerment & Sustainable Livelihood
7	Details of Related party transactions	Not Applicable	Not Applicable

\*Unspent Amount on these projects as on 31<sup>st</sup> March, 2023 was received by the Company for subsequent transfer to the "Unspent CSR A/c" as per provisions of Companies Act, 2013. The Company has transferred the same to Unspent CSR Account

## NOTE: 32 CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31<sup>st</sup> March, 2023.

## NOTE: 33 FAIR VALUES OF FINANCIAL INSTRUMENTS

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

(₹ in Lakh)

Particulars	Carrying Amount			Fair Value			Total Fair Value
	FVTPL	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	
<b>As at 31<sup>st</sup> March, 2023</b>							
<b>Financial Assets</b>							
Investments in:							
Mutual Funds	222,312.94	-	222,312.94	222,312.94	-	-	222,312.94
Alternative Investment Funds	2,496.49	-	2,496.49	1,327.20	-	1,169.29	2,496.49
Debt Securities	-	9,352.64	9,352.64	9,264.39	-	-	9,264.39
Equity Instruments	1,754.91	-	1,754.91	-	-	1,754.91	1,754.91
Cash and cash equivalents	-	3,360.86	3,360.86	-	-	-	-

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakh)

Particulars	Carrying Amount			Fair Value			Total Fair Value
	FVTPL	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	
Bank balances other than those mentioned above	-	9,302.58	9,302.58	-	-	-	-
Trade receivables	-	2,453.06	2,453.06	-	-	-	-
Loans	-	-	-	-	-	-	-
Other financial assets	-	5,976.46	5,976.46	-	-	-	-
<b>Total Financial Assets</b>	<b>226,564.34</b>	<b>30,445.60</b>	<b>257,009.94</b>	<b>232,904.53</b>	-	<b>2,924.20</b>	<b>235,828.73</b>
<b>Financial Liabilities</b>							
Trade Payables	-	4,819.43	4,819.43	-	-	-	-
Lease Liabilities	-	4,803.49	4,803.49	-	-	-	-
Others Financial Liabilities	-	5,058.11	5,058.10	-	-	-	-
<b>Total Financial Liabilities</b>	<b>-</b>	<b>14,681.03</b>	<b>14,681.03</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(₹ in Lakh)

Particulars	Carrying Amount			Fair Value			Total Fair Value
	FVTPL	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	
<b>As at 31<sup>st</sup> March, 2022</b>							
<b>Financial Assets</b>							
Investments in:							
Mutual Funds	197,186.14	-	197,186.14	197,186.14	-	-	197,186.14
Alternative Investment Funds	1,667.30	-	1,667.30	438.69	-	1,228.61	1,667.30
Debt Securities	1,006.98	10,482.81	11,489.79	11,752.94	-	-	11,752.94
Equity Instruments	1,754.91	-	1,754.91	-	-	1,754.91	1,754.91
Cash and cash equivalents	-	6,524.73	6,524.73	-	-	-	-
Bank balances other than those mentioned above	-	3,268.20	3,268.20	-	-	-	-
Trade receivables	-	2,615.94	2,615.94	-	-	-	-
Loans	-	1.00	1.00	-	-	-	-
Other financial assets	-	1,827.07	1,827.07	-	-	-	-
<b>Total Financial Assets</b>	<b>201,615.33</b>	<b>24,719.75</b>	<b>226,335.08</b>	<b>209,377.77</b>	-	<b>2,983.52</b>	<b>212,361.29</b>
<b>Financial Liabilities</b>							
Trade Payables	-	3,040.78	3,040.78	-	-	-	-
Lease Liabilities	-	5,436.80	5,436.80	-	-	-	-
Others Financial Liabilities	-	6,594.81	6,594.81	-	-	-	-
<b>Total Financial Liabilities</b>	<b>-</b>	<b>15,072.39</b>	<b>15,072.39</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The management assessed that cash and cash equivalents, trade receivables, other financial assets, trade payables, lease liabilities and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Accordingly, fair value hierarchy for these financial instruments have not been presented above.

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

Valuation techniques used to determine fair value: -

- **Mutual Funds:** - Net Asset Value (NAV) declared by the mutual fund at which units are issued or redeemed
- **Alternative Investment Funds:** - Net Asset Value (NAV) provided by issuer fund which is arrived at based on valuation from independent valuer for unlisted portfolio companies, quoted price of listed portfolio companies and price of recent investments
- **Debt Securities:** - Fair value of debt securities which are actively traded bonds, is derived on the basis of quoted price available on the National Stock Exchange
- **Equity Instruments:** - Discounted cash flow based on present value of the expected future economic benefit

In order to assess Level 3 valuations as per Group's investment policy, the management reviews the performance of the investee companies (including unlisted portfolio companies of venture capital funds and alternative investment funds) on a regular basis by tracking their latest available financial statements / financial information, valuation report of independent valuers, recent transaction results etc. which are considered in valuation process.

## Fair value reconciliation for Level 3 instruments:

The following table shows reconciliation from opening to closing balances for Level 3 assets:

<b>Balance as at 1<sup>st</sup> April, 2021</b>	<b>1,068.60</b>
Net gain/ (loss) recognised in Statement of Profit & Loss	3.50
Purchases of financial instrument	2,309.53
Sales of financial instruments	(398.11)
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>2,983.52</b>
Net gain/ (loss) recognised in Statement of Profit & Loss	(28.00)
Purchases of financial instrument	-
Sales of financial instruments	(31.32)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>2,924.20</b>

## NOTE: 34 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise trade and other payables. The Group's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group also holds investments in mutual fund units, debt and equity instruments.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by Risk Management Committee and the auditors have relied on the same. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

### A. Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as foreign exchange rates, interest rates, other prices). The Company is exposed to market risk primarily related to interest rate risk and price risk.

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## (i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The sensitivity of the portfolio towards the interest rate is mentioned in the table below

### Sensitivity

The following table demonstrates the sensitivity to:

- Interest Rate Risk is basis impact on debt portfolios for 1% change in interest rates.
- Hybrid funds considered at 100% as a conservative basis for assessing interest rate impact on portfolio. (which form approximately 1% of the entire portfolio of schemes).

### Impact on profit and loss:

Risk	(₹ in Lakh)	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Interest Rate Risk – (Impact of 1% increase in interest rate)	2.01%	1.64%
Effect on Profit and Loss	(3,702.55)	(2,774.86)
Interest Rate Risk – (Impact of 1% decrease in interest rate)	2.01%	1.64%
Effect on Profit and Loss	3,702.55	2,774.86

## (ii) Foreign Currency Risk

The Group has insignificant amount of foreign currency denominated assets and liabilities. Accordingly, there is no significant exposure to currency risk.

## (iii) Price Risk

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, caused by factors specific to an individual investment, its issuer and market.

The Group's exposure to price risk arises from investments in Units of mutual funds, alternative investment funds, etc which are classified as financial asset at Fair Value through Profit and Loss and is as follows:

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Investment exposure to price risk	224,809.43	198,853.44

The table below sets out the effect on profit or loss and equity due to reasonable possible weakening / strengthening in prices/ market value by 5%:

Particulars	(₹ in Lakh)	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Effect on Profit and Loss</b>		
5% increase in prices	11,240.47	9,942.67
5% decrease in prices	(11,240.47)	(9,942.67)

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## B. Credit Risk

Credit Risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group's has clearly defined policies to mitigate counterparty risks. Cash and liquid investments are held primarily in mutual funds and banks with good credit ratings. Defined limits are in place for exposure to individual counterparties in case of mutual fund houses and banks.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Group has major receivable from mutual fund schemes.

### Trade Receivables ageing:

(₹ in Lakh)

Trade Receivables	Neither past due nor impaired	Past dues but not impaired					Total
		<30days	30 to 60 days	61 to 90 days	91 to 120 days	> 120 days	
31 <sup>st</sup> March, 2023	2,453.06	-	-	-	-	-	2,453.06
31 <sup>st</sup> March, 2022	2,615.94	-	-	-	-	-	2,615.94

The carrying amounts of following financial assets represent the maximum credit risk exposure:

(₹ in Lakh)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Trade Receivables	2,453.06	2,615.94
Cash and cash equivalents	3,360.86	6,524.73
Bank balances other than those mentioned above	9,302.58	3,268.20
Loans	-	1.00
Other financial assets measured at amortised cost	15,329.10	12,309.88

### Expected Credit Loss on Financial Assets

The Group continuously monitors all financial assets subject to ECLs. In order to determine whether an instrument is subject to 12 month ECL or life time ECL, the Group assesses whether there has been a significant increase in credit risk or the asset has become credit impaired since initial recognition. For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has determined based on historical experience and expectations that the ECL on its trade receivables is insignificant and was not recorded. The Group applies following quantitative and qualitative criteria to assess whether there is significant increase in credit risk or the asset has been credit impaired:

- Historical trend of collection from counterparty
- Group's contractual rights with respect to recovery of dues from counterparty
- Credit rating of counterparty and any relevant information available in public domain

ECL is a probability weighted estimate of credit losses. It is measured as the present value of cash shortfalls (i.e., the difference between the cash flows due to the Group in accordance with contract and the cash flows that the Company expects to receive).

The Group has following types of financial assets that are subject to the expected credit loss:

- Cash and cash equivalent
- Trade and other receivables
- Investment in debt securities measured at amortised cost

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## Trade and Other Receivables:-

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

## Cash and Cash Equivalents:-

The Group holds cash and cash equivalents and other bank balances as per note 3 and 4. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be high.

## Investment in Debt Securities measured at amortised cost:-

Funds are invested after taking into account parameters like safety, liquidity and post-tax returns etc. The Group avoids concentration of credit risk by spreading them over several counterparties with good credit rating profile and sound financial position. The Group's exposure and credit ratings of its counterparties are monitored on an ongoing basis.

## C. Liquidity Risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations or at a reasonable price. The Group's Finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

## Maturity profile of Financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

	(₹ in Lakh)		
	Within 12 months	After 12 months	Total
<b>As at 31<sup>st</sup> March, 2023</b>			
Trade Payables	4,819.43	-	4,819.43
Employee Dues	4,888.57	-	4,888.57
Payable for Capital Expenditure	3.17	-	3.17
Deposits from Related Parties	-	166.37	166.37
Lease Liabilities	1,303.58	4,343.78	5,647.36
	<b>11,014.76</b>	<b>4,510.16</b>	<b>15,524.92</b>

	(₹ in Lakh)		
	Within 12 months	After 12 months	Total
<b>As at 31<sup>st</sup> March, 2022</b>			
Trade Payables	3,040.78	-	3,040.78
Employee Dues	6,416.17	-	6,416.17
Payable for Capital Expenditure	12.27	-	12.27
Deposits from Related Parties	-	166.37	166.37
Lease Liabilities	2,018.16	4,450.11	6,468.27
	<b>11,487.38</b>	<b>4,616.48</b>	<b>16,103.86</b>

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 35 LEASES

Following are the changes in the carrying value of right of use assets for the year ended 31<sup>st</sup> March, 2023:

(₹ in Lakh)	
Particulars	Category of ROU Asset Leasehold premises
Balance as at 01 <sup>st</sup> April, 2022	4,854.12
Add: New Lease Agreements	1,695.59
Less: Deletion	(395.07)
Less: Depreciation	(1,893.47)
Exchange difference on translating the financial statements of foreign subsidiaries	8.81
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>4,269.97</b>

Following are the changes in the carrying value of right of use assets for the year ended 31<sup>st</sup> March, 2022:

(₹ in Lakh)	
Particulars	Category of ROU Asset Leasehold premises
Balance as at 01 <sup>st</sup> April, 2021	5,155.88
Add: New Lease Agreements	2,478.24
Less: Deletion	(784.53)
Less: Depreciation	(1,998.41)
Exchange difference on translating the financial statements of foreign subsidiaries	2.94
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>4,854.12</b>

## Amounts recognised in statement of profit and loss

(₹ in Lakh)		
Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Depreciation and Amortisation Expenses</b>		
Depreciation expense on right-of-use assets	1,893.47	1,998.41
<b>Finance Cost</b>		
Interest expense on lease liabilities	390.26	486.34
<b>Other Income</b>		
Rent concession	(117.43)	(265.16)
<b>Other Expense</b>		
Expense relating to short-term leases	321.85	44.30

The following is the break-up of current and non-current lease liabilities:-

(₹ in Lakh)		
Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Current Lease Liabilities	1,260.62	2,027.43
Non-Current Lease Liabilities	3,542.86	3,409.37
<b>Total</b>	<b>4,803.49</b>	<b>5,436.80</b>

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

The following is the movement in lease liabilities during the year ended 31<sup>st</sup> March, 2023:

(₹ in Lakh)	
Particulars	Amount
Balance as at 01 <sup>st</sup> April, 2022	5,436.80
Additions	1,695.59
Deletions	(508.97)
Finance Cost accrued during the year	390.26
Payment of Lease Liabilities	(2,219.44)
Rent Concession	(3.53)
Exchange difference on translating the financial statements of foreign subsidiaries	12.77
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>4,803.49</b>

The following is the movement in lease liabilities during the year ended 31<sup>st</sup> March, 2022:

(₹ in Lakh)	
Particulars	Amount
Balance as at 01 <sup>st</sup> April, 2021	5,931.43
Additions	2,478.24
Deletions	(986.93)
Finance Cost accrued during the year	486.34
Payment of Lease Liabilities	(2,413.78)
Rent concession	(62.76)
Exchange difference on translating the financial statements of foreign subsidiaries	4.26
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>5,436.80</b>

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in Lakh)		
Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Less than one year	1,303.58	2,018.16
One to Five years	3,352.00	3,162.93
More than Five years	991.78	1,287.18
<b>Total</b>	<b>5,647.36</b>	<b>6,468.27</b>

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

All the future cash flows to which the lease is potentially exposed are reflected in the measurement of lease liabilities.

## Critical accounting judgements and key sources of estimation uncertainty

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

## NOTE: 36 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(₹ in Lakh)

Assets/Liabilities	31 <sup>st</sup> March, 2023			31 <sup>st</sup> March, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Financial Assets</b>						
Cash and cash equivalents	3,360.86	-	3,360.86	6,524.73	-	6,524.73
Other bank balances	9,302.58	-	9,302.58	3,268.20	-	3,268.20
Trade receivables	2,453.06	-	2,453.06	2,615.94	-	2,615.94
Loans	-	-	-	1.00	-	1.00
Investments	152,685.31	83,231.67	235,916.98	136,297.64	75,800.50	212,098.14
Other Financial Assets	4,531.92	1,444.54	5,976.46	241.76	1,585.31	1,827.07
<b>Non-Financial Assets</b>						
Current tax assets (net)	-	4,198.21	4,198.21	-	3,925.82	3,925.82
Property, Plant and Equipment	-	1,874.21	1,874.21	-	1,371.43	1,371.43
Right of use Assets	-	4,269.97	4,269.97	-	4,854.12	4,854.12
Capital work-in-progress	-	104.79	104.79	-	153.18	153.18
Intangible assets under development	-	103.22	103.22	-	138.71	138.71
Other Intangible Assets	-	877.44	877.44	-	981.85	981.85
Other Non-Financial Assets	6,742.66	3,632.44	10,375.10	5,505.94	208.21	5,714.15
<b>Total Assets</b>	<b>179,076.38</b>	<b>99,736.50</b>	<b>278,812.88</b>	<b>154,455.21</b>	<b>89,019.13</b>	<b>243,474.34</b>
<b>Financial Liabilities</b>						
Trade Payables	4,819.43	-	4,819.43	3,040.78	-	3,040.78
Lease Liabilities	1,260.62	3,542.86	4,803.49	2,052.86	3,383.94	5,436.80
Other Financial Liabilities	5,058.11	-	5,058.11	6,594.81	-	6,594.81
<b>Non-Financial Liabilities</b>						
Current tax liabilities (net)	1,067.62	-	1,067.62	1.41	-	1.41
Provisions	3,874.55	245.41	4,119.96	3,613.52	131.63	3,745.15
Deferred tax liabilities (net)	-	3,475.37	3,475.37	-	2,519.26	2,519.26
Other non-financial liabilities	3,751.52	18.47	3,769.99	2,473.82	16.74	2,490.56
<b>Total Liabilities</b>	<b>19,831.85</b>	<b>7,282.12</b>	<b>27,113.97</b>	<b>17,777.20</b>	<b>6,051.57</b>	<b>23,828.77</b>

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 37 EMPLOYEE STOCK OPTIONS SCHEME

At the Board Meeting held on 14<sup>th</sup> April, 2021 the Company approved the grant of not more than 4,608,000 Equity Shares by way of grant of Stock Options and restricted Stock Units (“RSUs”). Out of these, the Nomination, Remuneration and Compensation Committee has granted 3,232,899 ESOPs, 508,117 PRSU, 196,374 Long-Term RSU & 246,863 RSU Founder under the Scheme titled “Aditya Birla Sun Life AMC Limited Employee Stock Option Scheme 2021” in 4 categories of Long-Term Incentive Plans (“LTIP”) identified as LTIP 1, LTIP 2, LTIP 3 & LTIP 4 respectively.

The Scheme allows the Grant of Stock options to employees of the Company (whether in India or abroad) that meet the eligibility criteria. Each option comprises one underlying Equity Share. There are no cash settlement alternatives. The Group accounts for the employees stock option scheme as an equity-settled plan.

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3	LTIP 4
Type of ESOP	ESOP	RSU	RSU	RSU
Plan Period	2021-2025	2021-2025	2021-2024	2021-2023
Quantum of Grant	3,232,899	508,117	196,374	246,863
Method of Accounting	Fair Value of options at Grant date	Fair Value of options at Grant date	Fair Value of options at Grant date	Fair Value of options at Grant date
Vesting Period	End of Year 1: 20% of options granted End of Year 2: 20% of options granted End of Year 3: 30% of options granted End of Year 4: 30% of options granted	End of Year 3: 50% of options granted End of Year 4: 50% of options granted	End of Year 3: 100% of options granted	End of Year 2: 100% of options granted
Vesting Conditions	Employees of the Group: Achievement of 75% of Annual Planning & Budgeting Profit Before Tax	Employees of the Group: Achievement of 80% of Annual Planning & Budgeting Profit Before Tax	Continued employment	Continued employment
Exercise Period	5 years from the date of vesting	5 years from the date of vesting	5 years from the date of vesting	5 years from the date of vesting
Grant Date	12/04/2021	12/04/2021	12/04/2021	12/04/2021
Exercise Price as on Grant date (per share)	694.00	5.00	5.00	5.00
Value of Equity Shares as at the Date of Grant of Original Option (₹ Per Share)	671.50	671.50	671.50	671.50

There were no cancellations or modifications to the Employee Stock Options Scheme in year ending 31<sup>st</sup> March, 2023.

## Movements during the year ended 31<sup>st</sup> March, 2023

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3	LTIP 4
Type of ESOP	ESOP	RSU	RSU	RSU
Options/RSUs Outstanding at the beginning of the period	3,053,631	479,942	191,557	200,432
Granted during the period	Nil	Nil	Nil	Nil
Exercised during the period	Nil	Nil	Nil	Nil
Forfeited during the period	351,115	55,186	17,220	27,281
Options/RSUs Outstanding at the end of the period	2,702,516	424,756	174,337	173,151
Options/RSUs Vested/Exercisable at the end of the period	Nil	Nil	Nil	Nil
The weighted average remaining contractual life for the share options outstanding as at 31 <sup>st</sup> March, 2023	1.16 years	1.53 years	1.03 years	0.03 years

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for the year ended 31<sup>st</sup> March, 2023

Since all the options were granted/lapsed, at the same exercise price per option under the respective category of ESOPs, the weighted average exercise price per option for all these line items under the respective category of ESOPs is the same.

## Movements during the year ended 31<sup>st</sup> March, 2022

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3	LTIP 4
Type of ESOP	ESOP	RSU	RSU	RSU
Options/RSUs Outstanding at the beginning of the period	Nil	Nil	Nil	Nil
Granted during the period	3,232,899	508,117	196,374	246,863
Exercised during the period	Nil	Nil	Nil	Nil
Forfeited during the period	179,268	28,175	4,817	46,431
Options/RSUs Outstanding at the end of the period	3,053,631	479,942	191,557	200,432
Options/RSUs Vested/Exercisable at the end of the period	Nil	Nil	Nil	Nil
The weighted average remaining contractual life for the share options outstanding as at 31 <sup>st</sup> March, 2022	1.73 years	2.53 years	2.03 years	1.03 years

Since all the options were granted/lapsed, at the same exercise price per option under the respective category of ESOPs, the weighted average exercise price per option for all these line items under the respective category of ESOPs is the same.

## Fair Valuation

The fair value at grant date is independently determined by valuer using Black-Scholes Merton Model which takes into account the exercise price, the term of the option, the share price at grant date and historical volatility of the Peer companies and Index, the expected dividend yield and the risk-free interest rate for the term of the option.

The key inputs and the Fair Value for options granted during the year ended 31<sup>st</sup> March, 2023 are as follow:

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3	LTIP 4
Type of ESOP	ESOP	RSU	RSU	RSU
Risk-Free Interest Rate (%)	5.4 to 6.4%	6.3 to 6.4%	6.3%	5.7%
Option Life (Years)	3.5 to 6.5 Yrs	5.5 to 6.5 Yrs	5.5 Yrs	4.5 Yrs
Historical Volatility	32.0% to 34.0%	32.0% to 34.0%	32.4%	32.7%
Expected Dividend Yield (%)	1.4%	1.4%	1.4%	1.4%
Weighted-Average Fair Value per Option as on 12 <sup>th</sup> April, 2021 (₹)	186 to 258.40	610.60 to 618.90	618.90	627.20

Apart from stock options granted as above, the Nomination, Remuneration and Compensation Committee has granted 645,337 ESOPs & 13,192 PRSU under the Scheme titled "Aditya Birla Sun Life AMC Limited Employee Stock Option Scheme 2021" in 2 categories of Long-Term Incentive Plans ("LTIP") identified as LTIP 1 & LTIP 2 respectively. The Scheme allows the Grant of Stock options to employees of the Company (whether in India or abroad) that meet the eligibility criteria. Each option comprises one underlying Equity Share. There are no cash settlement alternatives. The Group accounts for the employees stock option scheme as an equity-settled plan.

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

Category of ESOPs	LTIP 1	LTIP 2
Type of ESOP	ESOP	RSU
Plan Period	2023- 2026	2025-2026
Quantum of Grant	645,337	13,192
Method of Accounting	Fair Value of options at Grant date	Fair Value of options at Grant date
Vesting Period	*End of Year 1: 20% of options granted End of Year 2: 20% of options granted End of Year 3: 30% of options granted End of Year 4: 30% of options granted	End of Year 3: 50% of options granted End of Year 4: 50% of options granted
Vesting Conditions	Employees of the Group: Achievement of 75% of Annual Planning & Budgeting Profit Before Tax 75% of AUM managed by the individual to be in Q1 for any two periods (i.e 1 yerr, 2 years, 3 years) and in Q2 in the remaining period AUM is not negatively impacted by more than 20% vis-à-vis previous financial year Individual Performance rating of Delivered Full Performance or above for the year	Employees of the Group: Achievement of 80% of Annual Planning & Budgeting Profit Before Tax and relative performance as decided by Board ( 66%: 33%)
Exercise Period	5 years from the date of vesting	5 years from the date of vesting
Grant Date	20/10/2022	20/10/2022
Exercise Price as on Grant date (per share)	435.10	5.00
Value of Equity Shares as at the Date of Grant of Original Option (₹ Per Share)	435.10	435.10

\*There is one employee whose terms are different from the above in the ratio of 30%:30%:40%

## Movements during the year ended 31<sup>st</sup> March, 2023

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

Category of ESOPs	LTIP 1	LTIP 2
Type of ESOP	ESOP	RSU
Options/RSUs Outstanding at the beginning of the period	Nil	Nil
Granted during the period	645,337	13,192
Exercised during the period	Nil	Nil
Forfeited during the period	122,807	Nil
Options/RSUs Outstanding at the end of the period	522,530	13,192
Options/RSUs Vested/Exercisable at the end of the period	Nil	Nil
The weighted average remaining contractual life for the share options outstanding as at 31 <sup>st</sup> March, 2023	2.26 years	3.06 years

## Fair Valuation

The fair value at grant date is independently determined by valuer using Black-Scholes Merton Model which takes into account the exercise price, the term of the option, the share price at grant date and historical volatility of the Peer companies and Index, the expected dividend yield and the risk-free interest rate for the term of the option.

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

The key inputs and the Fair Value for options granted during the year ended 31<sup>st</sup> March, 2023 are as follow:

Category of ESOPs	LTIP 1	LTIP 2
Type of ESOP	ESOP	RSU
Risk-Free Interest Rate (%)	7.4 to 7.5%	7.6%
Option Life (Years)	3.5 to 4.5 Yrs	5.5 to 6.5 Yrs
Historical Volatility	29.1% to 31.8%	29.1% to 31.8%
Expected Dividend Yield (%)	2.0%	2.0%
Weighted-Average Fair Value per Option as on 20 <sup>th</sup> October, 2022 (₹)	125.70 to 161.500	385.40 to 377.80

## NOTE: 38

The Company had completed its Initial Public Offering (IPO) of 38,880,000 equity shares of face value of ₹ 5/- each for cash at an issue price of ₹ 712/- per equity share aggregating to ₹ 27,682,560,000, consisting of an offer for sale of 38,880,000 equity shares aggregating to ₹ 27,682,560,000 by the selling shareholders. The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on 11<sup>th</sup> October, 2021.

## NOTE: 39

### a) Struck-off Companies:

The details of transactions with struck off companies are as follows:

#### For Year ended 31<sup>st</sup> March, 2023

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

#### For Year ended 31<sup>st</sup> March, 2022

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding
Murlidhar Press Private Limited	Marketing & Selling	Nil

### b) Ratios:

Particulars	Numerator	Denominator	31 <sup>st</sup> March, 2023	Numerator	Denominator	31 <sup>st</sup> March, 2022
(a) Capital to risk-weighted assets ratio (CRAR)* - - - -	-	-	-	-	-	-
(b) Tier I CRAR* - - - -	-	-	-	-	-	-
(c) Tier II CRAR * - - - -	-	-	-	-	-	-
(d) Liquidity Coverage Ratio (no. of times) [Total Financial Assets (within 12 months)/Total Liabilities (within 12 months)]	172,333.72	19,831.85	8.69	148,949.87	17,777.20	8.38

\*Since the Company is not in lending business, it does not have any credit exposure. Hence, these ratios are not applicable to the Group.

## NOTE: 40

With regard to the new amendments under “Division III of Schedule III” under “Part I – Balance Sheet - General Instructions for preparation of Balance Sheet” there are no balances that are required to be disclosed or there are no ratios which are applicable/calculable with regard to the following clauses WA, WB (i),(ii),(iii),(iv),(v),(viii),(ix),(x),(xii),(xiii),(xv) and (xvi) for the Group.

# Notes to Consolidated Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 41

With regard to the new amendments under “Division III of Schedule III” under “Part II – Statement of Profit and Loss - General Instructions for preparation of Statement of Profit and Loss” there are no transactions that are required to be disclosed with regard to the following clauses 11(v) and 11(vii) for the Group.

## NOTE: 42 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors have proposed a final dividend of ₹ 5.25 per equity share (face value of ₹ 5 each) for the year ended 31<sup>st</sup> March, 2023, subject to the approval of the shareholders at the ensuing Annual General Meeting. Please refer Note 17 for details.

## NOTE: 43 PRIOR PERIOD COMPARATIVES

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date attached  
For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
(Firm Reg. No. 301003E/E300005)

**Rutushtra Patell**  
Partner  
(Membership No. 123596)

Place: Mumbai  
Date: 27<sup>th</sup> April, 2023

For and on behalf of the Board of Directors of  
**Aditya Birla Sun Life AMC Limited**

**Vishakha Mulye**  
Director  
DIN: 00203578

**Parag Joglekar**  
Chief Financial Officer

Place: Mumbai  
Date: 27<sup>th</sup> April, 2023

**A. Balasubramanian**  
Managing Director and CEO  
DIN: 02928193

**Hemanti Wadhwa**  
Company Secretary  
FCS No. 6477

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



**ADITYA BIRLA  
CAPITAL**

Registration No: 0993

Registered Office Address: Unit 05 , Level 7,

Currency House Building 1,

Dubai International Financial Centre,

Dubai, 482027, United Arab,

E: [mittal.shah@uae.adityabirlacapital.com](mailto:mittal.shah@uae.adityabirlacapital.com)

# Independent Auditor's Report

To,  
The Members of  
**Aditya Birla Sun Life Asset Management Company Limited,  
DIFC, Dubai**

## Opinion

We have audited the financial statements of Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai (the "Company") which comprise the statement of financial position as at March 31, 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at March 31, 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to

going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast

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

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

We communicate with those charged with governance, 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.

**BDO CHARTERED ACCOUNTANTS & ADVISORS**

Dubai

**Parag Harendrabhai Patadiya**

April 19, 2023

# Statement of financial position

at March 31, 2023

	Note	2023 USD	2022 USD
<b>Non-current assets</b>			
Furniture, fixtures and office equipment	7	7,554	9,057
Right-of-use assets	8	126,649	29,163
<b>Total non current assets</b>		<b>134,203</b>	<b>38,220</b>
<b>Current assets</b>			
Trade and other receivables	9	72,731	125,362
Due from related parties	10	286,266	288,827
Bank balances		919,393	833,830
<b>Total current assets</b>		<b>1,278,390</b>	<b>1,248,019</b>
<b>Current liabilities</b>			
Accruals and other payables	11	236,603	272,335
Due to related parties	10	15,862	16,440
Lease liabilities	8	47,845	27,559
		<b>300,310</b>	<b>316,334</b>
Net current assets		<b>978,080</b>	<b>931,685</b>
<b>Non-current liabilities</b>			
Lease liabilities	8	77,954	-
<b>Net assets</b>		<b>1,034,329</b>	<b>969,905</b>
<b>Equity</b>			
Share capital	12	3,125,000	3,125,000
Accumulated deficit		(2,090,671)	(2,155,095)
<b>Total equity</b>		<b>1,034,329</b>	<b>969,905</b>

The financial statements have been approved by the Board of Directors on April 19, 2023. These financial statements are signed on it's behalf by:

**Vikas Gautam**  
Director

**Ram Goyal**  
Senior Executive Officer

The accompanying notes form an integral part of these audited financial statements.

# Statement of profit or loss and other comprehensive income

for the year ended March 31, 2023

	Note	2023 USD	2022 USD
<b>Revenue</b>	13	1,673,441	1,534,302
Other income		1,637	-
		<b>1,675,078</b>	<b>1,534,302</b>
<b>Expenditure</b>			
Salaries and other benefits		(848,463)	(1,015,583)
Administration and general expenses	14	(701,729)	(400,017)
Amortisation of right-of-use assets	8	(51,955)	(51,481)
Depreciation	7	(5,663)	(6,347)
Interest expense on lease liabilities	8	(2,844)	(2,095)
<b>Net profit for the year</b>		<b>64,424</b>	<b>58,779</b>

# Statement of changes in equity

for the year ended March 31, 2023

	Share capital USD	Accumulated deficit USD	Total equity USD
<b>Balance at April 1, 2021</b>	3,125,000	(2,213,874)	911,126
Net profit for the year	-	58,779	58,779
<b>Balance at March 31, 2022</b>	<b>3,125,000</b>	<b>(2,155,095)</b>	<b>969,905</b>
Net profit for the year	-	64,424	64,424
<b>Balance at March 31, 2023</b>	<b>3,125,000</b>	<b>(2,090,671)</b>	<b>1,034,329</b>

The accompanying notes form an integral part of these audited financial statements.

# Statement of cash flows

for the year ended March 31, 2023

	Note	2023 USD	2022 USD
<b>Cash flows from operating activities</b>			
Net profit for the year		64,424	58,779
Adjustments for:			
Depreciation	7	5,663	6,347
Amortisation of right-of-use assets	8	51,955	51,481
Interest expense	8	2,844	2,095
		<b>124,886</b>	<b>118,702</b>
Decrease/(increase) in trade and other receivables	9	52,631	(50,794)
Decrease in due from related parties	10	2,561	101,443
Decrease in accruals and other payables	11	(35,732)	(13,798)
(Decrease)/increase in due to related parties	10	(578)	2,140
Net cash from operating activities		<b>143,768</b>	<b>157,693</b>
<b>Cash flows from investing activities</b>			
Purchase of furniture, fixtures and office equipment	7	(4,160)	(128)
Net cash used in investing activities		<b>(4,160)</b>	<b>(128)</b>
<b>Cash flows from financing activities</b>			
Principal paid on lease liabilities	8	(51,201)	(52,342)
Interest paid on lease liabilities	8	(2,844)	(2,095)
Net cash used in financing activities		<b>(54,045)</b>	<b>(54,437)</b>
<b>Net increase in cash and cash equivalents</b>		<b>85,563</b>	<b>103,128</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>833,830</b>	<b>730,702</b>
<b>Cash and cash equivalents at end of the year</b>		<b>919,393</b>	<b>833,830</b>

The accompanying notes form an integral part of these audited financial statements.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## 1 STATUS AND ACTIVITY

Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai (the "Company") was incorporated in the Dubai International Financial Centre ("DIFC") as a limited liability Company on November 9, 2010.

The Company obtained authorisation and DIFC license on November 9, 2010, having license no. 0993. The Company obtained its license from the Dubai Financial Services Authority ("DFSA") on December 6, 2010 as a category 4 Company as defined in the DFSA Prudential rules.

The principal place of business of the Company is located at Al Fattan Currency House, Tower 1, DIFC, Dubai. The principal activities of the Company include advising on financial products and arranging deals in investment.

The Company is the subsidiary of Aditya Birla Sun Life AMC Ltd. (the "Parent"), a Company registered in India which was a joint venture between Aditya Birla Group, incorporated in India and Sun Life Financial Inc., incorporated in Canada. On October 11, 2021, the Parent was listed on National Stock Exchange of India.

The financial statements for the year ended March 31, 2023 were authorised for issue by the Board of Directors on April 19, 2023.

These financial statements are presented in US Dollars (USD), which is the functional and presentation currency of the Company.

## 2 BASIS OF PREPARATION

These financial statements of the Company "the Entity" have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC). The financial statements comply with IFRS as issued by the International Accounting Standards Board.

## 3 GOING CONCERN CONSIDERATIONS

These financial statements are prepared on a going concern basis, which assumes that the Company will continue to operate as a going concern for the foreseeable

future. As at the date of statement of financial position, the Company's accumulated deficit is USD 2,090,671 (2022: USD 2,155,095). The Company has a contractual arrangement in place with its Parent for reimbursement of the cost with mark up to meet its commitment and liabilities for foreseeable future. Accordingly, the management does not foresee any concern with regards to the going concern aspect of the business.

## 4 ADOPTION OF NEW AND REVISED STANDARDS

(a) New standards, interpretations and amendments effective January 1, 2023

The Company has adopted the following standards new standards and amendments in the annual financial statements for the year ended March 31, 2023 which have not had a significant effect on the Company:

- Onerous Contracts Cost of Fulfilling a Contract (Amendments to IAS 37);
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
- Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41)
- References to Conceptual Framework (Amendments to IFRS 3)

(b) New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2023:

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2);
- Definition of Accounting Estimates (Amendments to IAS 8); and
- Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12).

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March, 2023

The following amendments are effective for the period beginning 1 January 2024:

- IFRS 16 Leases (Amendment – Liability in a Sale and Leaseback)
- IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-current)
- IAS 1 Presentation of Financial Statements (Amendment – Non-current Liabilities with Covenants)

The Company is currently assessing the impact of these new accounting standards and amendments and does not believe that these amendments will have a significant impact on the financial statements.

## Other standards

The Company does not expect any other standards issued by IASB, but not yet effective, to have a material impact on the Company.

## 5 SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared under the historical cost convention and in accordance with International Financial Reporting Standards. The significant accounting policies adopted are as follows:

### Furniture, fixtures and office equipment

Furniture, fixtures and office equipment are stated at cost, less accumulated depreciation and accumulated impairment losses. Cost includes the expenditure that is directly attributable to the acquisition of the assets.

The cost of replacing a part of furniture, fixtures and office equipment is recognised in the carrying amount of the items if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably.

The routine servicing of the furniture, fixtures and office equipment are recognised in the statement of profit or loss and other comprehensive income.

An item of furniture, fixtures and office equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or

retirement of items of office equipment, computer and furniture and fixtures is determined as the difference between the sales proceeds and the carrying value of the assets and it is recognised in the statement of profit or loss and other comprehensive income.

## Depreciation

Depreciation is provided consistently on a straight line basis so as to write off the cost of office equipment, computer and furniture and fixtures over their estimated useful lives as follows:

Office equipment	5 years
Computers and software's	3 years
Furniture and fixtures	5 years

## Financial assets

The Company classifies its financial assets into one of the following categories depending on the purpose for which the asset was acquired. Other than financial assets in a qualifying hedging relationship, the Company's accounting policy for each category is as follows:

### Fair value through profit or loss

This category comprises in-the-money derivatives and out-of-the-money derivatives where the time value offsets the negative intrinsic value (see "Financial liabilities" section for out-of-the-money derivatives classified as liabilities). They are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of profit or loss and other comprehensive income in the finance income or expense line. Other than derivative financial instruments which are not designated as hedging instruments, the Group does not have any assets held for trading nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

### Amortised cost

These assets arise principally from the provision of services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition of issue and are subsequently carried at amortised cost using the effective interest rate method,

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March, 2023

less provision for impairment.

Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within expenses in the statement of profit or loss and other comprehensive income. On confirmation that the trade receivable will not be collectible, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for receivables from related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those, where credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Company's financial assets measured at amortised cost comprise trade and other receivables, due from related parties and cash and cash equivalents in the statement of financial position.

## **Fair value through other comprehensive income**

These financial assets are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in the fair value through other comprehensive income reserve. Upon disposal any balance within fair value through other comprehensive income reserve is reclassified directly to retained earnings and is not reclassified to profit or loss.

The Company does not have any investments or financial assets which are designated at fair value through other comprehensive income.

Purchases and sales of financial assets measured at fair value through other comprehensive income are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the fair value through other comprehensive income reserve.

Dividends are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments carrying amount.

## **Cash and cash equivalents**

For the purposes of the statement of cash flows, cash and cash equivalents include cash and bank balances free of encumbrance with maturity periods of three months or less from the date of deposit.

## **Employees' end of service benefits**

Provision is made for employees' end of service gratuities on the basis prescribed in the DIFC Employment Law No. 4 of 2020, for the accumulated period of service at the date of financial statements. Starting February 2020, monthly contributions are made to the DIFC Employee Workplace Savings Plan which is a defined contribution plan on the basis prescribed in the Employment Law of DIFC. The expense is charged to the statement of profit or loss and other comprehensive income.

## **Provisions**

Other provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows that reflect current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. The Company's accounting policy for each category is as follows:

### Fair value through profit or loss

These financial liabilities are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of profit or loss and other comprehensive income. The Company does not have any liabilities held for trading nor has it designated any financial liabilities at being at fair value through profit or loss.

### Other financial liabilities

Other financial liabilities include other payables and due to related parties, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

## Leasing

### Identifying Leases

The Company accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

- a. There is an identified asset;
- b. The Company obtains substantially all the economic benefits from use of the asset; and
- c. The Company has the right to direct use of the asset.

The Company considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the Company obtains substantially all the economic benefits from use of the asset, the Company considers only the economic benefits that arise of the asset, not those incidental to legal ownership or other potential benefits.

In determining whether the Company has the right to direct use of the asset, the Company considers whether it directs how and for what purpose the asset is used

throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Company considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Company applies other applicable IFRSs rather than IFRS 16.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Company's incremental borrowing rate is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Company if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March, 2023

- the amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to be made over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining revised lease term.

## Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's ordinary shares are classified as equity instruments.

## Foreign currencies

Transaction in foreign currencies during the year are converted into USD at rates of exchange ruling at the transaction dates. Monetary assets and liabilities in foreign currencies are translated to USD at the rates of exchange ruling at the date of statement of financial position. All gains and losses on exchange are taken to the statement of profit or loss and other comprehensive income.

## Revenue recognition

### Performance obligation, timing of revenue recognition and transaction price

**Marketing fee:** Revenue is recognised on an accrued basis at specified rates, applied on the average daily net assets of India Advantage Fund.

**Marketing support fee:** Revenue is recognised on an accrued basis, measured at cost plus mark up taking all the expenses adding a mark up reduced by the marketing fee earned.

## Allocating amounts to performance obligations

There are no multiple performance obligations that are identified in the above services provided to related parties, hence, allocating transaction price is not required.

Expenses and assets are recognised net of the amount of value added tax, except :

- when the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- when receivables and payables are stated with the amount of value added tax included

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of other receivables in the financial statements.

## Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the statement of profit or loss and other comprehensive income in the period in which they are incurred.

## Income tax

The income tax expense or credit for the year is the tax payable on the current year's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March, 2023

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the year by the UAE Ministry of Finance. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## 6 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 5, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

### Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the date of statement of financial position, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

### Furniture, fixtures and office equipment

Furniture, fixtures and office equipment are depreciated over the estimated useful life, which is based on estimates for expected usage of the asset and expected physical wear and tear which are dependent on operational factors. Management has not considered any residual value as it is deemed immaterial.

### Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March, 2023

event or a significant change in circumstances occurs which affects this assessment and which is within the control of the lessee.

## Discount rate used for initial measurement of lease liability

The management has considered the borrowing rate that the Company would charge as the incremental borrowing rate for discounting the lease payments. The management has assessed that the Company would have to pay to borrow at a similar rate and term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use assets in similar economic environment.

## Related party

The Company earns marketing fees of USD 13,747 from India Advantage Fund (“the Fund”), a Fund incorporated in Mauritius, which is managed by a related party of the Company. The management has assessed that the Company neither exercises any control nor has any significant influence over the Fund either directly or indirectly. Further, the management confirms that none of the key managerial personnel of the Fund and the Company are common. Based on these facts and assessment, the

management confirms that the Fund is not a related party to the Company and transactions with it are not related party transactions.

## Income tax

On December 9, 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal Corporate Tax (CT) regime in UAE which will become effective for accounting periods beginning on or after 1 June 2023. Generally, UAE businesses will be subject to a 9% CT rate and a rate of 0% will apply to taxable income not exceeding a particular threshold. The management has assessed the implication of this Law on its operations and applicability of IAS 12 – Income Taxes and has concluded that there will be remote financial and accounting impact, as it does not generate income from clients based in UAE. Accordingly, the management has not recognised any deferred tax asset or liability as at the year end.

## 7 FURNITURE, FIXTURES AND OFFICE EQUIPMENT

Movement in furniture, fixtures and office equipment are given on page 17.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## 8 LEASES

### Right of Use Assets

	2023 USD	2022 USD
Opening balance	29,163	80,644
Additions	149,441	-
Amortisation during the year	(51,955)	(51,481)
<b>At 31<sup>st</sup> March</b>	<b>126,649</b>	<b>29,163</b>

### Lease liability

	2023 USD	2022 USD
Opening balance	27,559	79,901
Additions	149,441	-
Interest expense	2,844	2,095
Lease payments	(54,045)	(54,437)
<b>At 31<sup>st</sup> March</b>	<b>125,799</b>	<b>27,559</b>
Less: Non-current portion of lease liability	(77,954)	-
<b>Current portion of lease liability</b>	<b>47,845</b>	<b>27,559</b>

## 9 TRADE AND OTHER RECEIVABLES

	2023 USD	2022 USD
Trade and other receivables	6,038	5,605
Prepayments	28,292	73,493
Deposits	23,822	23,822
VAT receivable	14,579	22,442
	<b>72,731</b>	<b>125,362</b>

## 10 RELATED PARTY DISCLOSURES

Related parties include the parent company, key management personnel, associates and any businesses which are controlled directly or indirectly by the Company or over which they exercise significant management influence. The balances due to/from such parties, which have been disclosed separately in the financial statements, are unsecured, interest-free and are repayable on demand.

### The significant related party transactions during the year are as follows:

	2023 USD	2022 USD
<b>Key management personnel</b>		
- Short term benefits	517,191	543,700
- Long term benefits	13,892	13,892
<b>Parent</b>		
- Marketing support fee* (Note 13)	1,659,694	1,507,512

\*Marketing support fee income represents the cost plus mark up earned from the agreement entered with the Parent. This agreement is entered to maintain the Company's profitability.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## Related party balances are as follows:

	2023 USD	2022 USD
<b>Payables:</b>		
- Key management personnel	15,862	16,440
<b>Receivables:</b>		
- Parent	286,266	288,827

The receivable balance relates to the market support fees receivable from the Parent company. The balances are expected to be settled by June 30, 2023. Based on the underlying arrangement and assessment performed by the management, there is no material impact of expected credit loss on related party receivables.

Pursuant to ESOP Plan by Aditya Birla Sun Life AMC LTD, stock options were granted to the employees of the Company during the period. Total cost incurred by Aditya Birla Sun Life AMC LTD till date is recovered from the Company over the period of vesting of the ESOP grants. A sum of USD 38,302 has been charged to the statement of profit or loss and other comprehensive income for the year then ended March 31, 2023 (2022: USD 50,833).

## 11 ACCRUALS AND OTHER PAYABLES

	2023 USD	2022 USD
Accruals	223,857	271,820
Other payables	12,746	515
	<b>236,603</b>	<b>272,335</b>

## 12 SHARE CAPITAL

	2023 USD	2022 USD
<b>Authorised capital:</b>		
5,000,000 shares of USD 1 each	5,000,000	5,000,000
<b>Issued and paid up capital:</b>		
3,125,000 shares of USD 1 each	3,125,000	3,125,000

## 13 REVENUE

	2023 USD	2022 USD
Marketing support fee (note 10)	1,659,694	1,507,512
Marketing fee	13,747	26,790
	<b>1,673,441</b>	<b>1,534,302</b>

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## 14 ADMINISTRATION AND GENERAL EXPENSES

	2023 USD	2022 USD
Director's remuneration	42,237	42,237
Rent and license fees	34,304	29,141
Communication	40,091	38,432
Travelling, conveyance and vehicle expenses	47,638	14,213
Entertainment and business promotion	71,365	101,264
Professional fees	423,356	137,559
Other	42,738	37,171
	<b>701,729</b>	<b>400,017</b>

## 15 FINANCIAL INSTRUMENTS - RISK MANAGEMENT

The Company is exposed through its operations to the following financial risks:

### Capital risk management

The capital is managed by the Company in a way that it is able to continue as a going concern while maximising returns to shareholder.

The capital structure of the Company consists of bank balances and equity attributable to equity holders, comprising of issued capital and accumulated deficit.

As a risk management policy, the Company reviews its cost of capital and risks associated with each class of capital. The Company balances its capital structure based on the above review.

### Regulatory Capital

In implementing current capital requirements, the Company assesses its capital resources in accordance with the guidelines issued by the Dubai Financial Services Authority prescribing the minimum capital adequacy requirements.

Summary data of regulatory capital managed as at the year end was as follows:

### Capital Resources

	2023 USD	2022 USD
Share capital	3,125,000	3,125,000
Accumulated deficit	(2,090,671)	(2,155,095)
<b>Total capital resources</b>	<b>1,034,329</b>	<b>969,905</b>

### Capital Requirements

	2023 USD	2022 USD
Capital requirement is the higher of:		
Base capital requirement	10,000	10,000
Expenditure based capital requirement - as notified by the regulator	200,000	200,000
<b>Total capital requirement</b>	<b>200,000</b>	<b>200,000</b>
<b>Resources less capital requirement</b>	<b>834,329</b>	<b>769,905</b>

The Company has complied with all externally mandated capital requirements.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## Market risk management

Market risk is the risk that the value of an asset will fluctuate as a result of changes in market variables such as interest rates, foreign exchange rates, and equity prices, whether those changes are caused by factors specific to the individual investment or its issuer or factors affecting all financial assets traded in the market.

The Company is primarily exposed to the financial risks of changes in foreign currency exchange rates (currency risk).

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuation arise. The Company is mainly exposed to UAE Dirham (AED). As US Dollar is pegged to the UAE Dirham (AED), the Company is not exposed to any significant exchange rate fluctuations to the UAE Dirham (AED).

## Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is potentially exposed to concentration of credit risk from its financial assets which comprise principally bank balances, trade and other receivables and due from related parties. The Company's bank accounts are placed with high credit quality financial institutions. The credit risk on trade and other receivables and due from related parties are subjected to credit evaluations.

## Financial instruments by category

The carrying amounts for each class of financial instrument are listed below:

	2023 USD	2022 USD
<b>Financial assets</b>		
Amortised cost		
- Trade and other receivables	44,439	51,869
- Due from related parties	286,266	288,827
- Bank balances	919,393	833,830
<b>Financial liabilities</b>		
Other financial liabilities		
- Accruals and other payables	236,603	272,335
- Due to related parties	15,862	16,440
- Lease liability	125,799	27,559

The carrying value of the above stated financial assets and liabilities approximates to its fair value.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March, 2023

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

At March 31, 2023	Up to 3 months USD	Between 3-12 months USD	Between 1-2 years USD
Accruals and other payables	236,603	-	-
Due to related parties	15,862	-	-
Lease liability	26,486	26,486	79,457

At March 31, 2022	Up to 3 months USD	Between 3-12 months USD	Between 1-2 years USD
Accruals and other payables	272,335	-	-
Due to related parties	16,440	-	-
Lease liability	27,559	-	-

## 16 COMPARATIVE FIGURES

Previous year's figures have been regrouped or reclassified wherever necessary to make them comparable with those of the current year.

### SCHEDULE OF FURNITURE, FIXTURES AND OFFICE EQUIPMENT

	Office equipment USD	Computers and software USD	Furniture and fixtures USD	Total USD
<b>Cost</b>				
At April 1, 2021	19,230	23,638	81,235	124,103
Additions	128	-	-	128
Disposals/write off	-	(9,818)	(151)	(9,969)
At March 31, 2022	<b>19,358</b>	<b>13,820</b>	<b>81,084</b>	<b>114,262</b>
Additions	-	4,160	-	4,160
Disposals/write off	-	(4,015)	-	(4,015)
At March 31, 2023	<b>19,358</b>	<b>13,965</b>	<b>81,084</b>	<b>114,407</b>
<b>Depreciation</b>				
At April 1, 2021	12,880	16,984	78,963	108,827
Charge for the year	1,334	4,044	969	6,347
On disposals/write off	-	(9,818)	(151)	(9,969)
At March 31, 2022	<b>14,214</b>	<b>11,210</b>	<b>79,781</b>	<b>105,205</b>
Charge for the year	1,318	3,371	974	5,663
On disposals/write off	-	(4,015)	-	(4,015)
At March 31, 2023	<b>15,532</b>	<b>10,566</b>	<b>80,755</b>	<b>106,853</b>
<b>Net Book Value</b>				
At March 31, 2023	3,826	3,399	329	7,554
At March 31, 2022	<b>5,144</b>	<b>2,610</b>	<b>1,303</b>	<b>9,057</b>

Aditya Birla Sun Life AMC (Mauritius) Ltd.



**ADITYA BIRLA  
CAPITAL**

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## Corporate Information

		Appointment	Resignation	
<b>Directors</b>	:	Mr Sunil Banymandhub	14 June 1996	-
		Mr Sandeep Asthana	1 June 2011	-
		Mr Shriram Jagetiya	17 June 2014	-
		Mr Manish Kumar Tibrewal	4 August 2017	-
		Mr Sudesh Anauthlall Basanta Lala	6 December 2018	-
		Mr Ramanand Guzadhur	26 October 2021	-
<b>Administrator and Secretary</b>	As from 5 January 2023 Apex Financial Services (Mauritius) Ltd (formerly known as SANNE Mauritius) Apex House, Bank Street Twenty Eight Cybercity Ebène, 72201 Republic of Mauritius			
<b>Registered Office</b>	As from 5 January 2023 Apex House, Bank Street Twenty Eight Cybercity Ebène, 72201 Republic of Mauritius	Up to 4 January 2023 Sanne House, Bank Street Twenty Eight Cybercity Ebène, 72201 Republic of Mauritius		
<b>Banker</b>	Absa Bank (Mauritius) Limited 2 <sup>nd</sup> Floor, Absa House 68 Wall Street, Cybercity Ebène, 72201 Republic of Mauritius			
<b>Auditor</b>	Ernst & Young 6 <sup>th</sup> floor, IconEbene Rue de L'institut Ebène Republic of Mauritius			

# Independent Auditor's Report



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4.

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ADITYA BIRLA SUN LIFE AMC (MAURITIUS) LIMITED

#### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

##### Opinion

We have audited the financial statements of Aditya Birla Sun Life AMC (Mauritius) Limited (the "Company") set out on pages 7 to 26 which comprise the statement of financial position as at 31 March 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of Aditya Birla Sun Life AMC (Mauritius) Limited as at 31 March 2023, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

##### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code") and other independence requirements applicable to performing audits of financial statements of the Company and in Mauritius. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits of the Company and in Mauritius. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Emphasis of Matter - Basis of preparation and Restriction on Distribution and Use

We draw attention to Note 2 to the financial statements, which describes the basis of preparation. The financial statements are prepared for the purpose of inclusion of the Company's financial statements in the consolidated financial statement of Aditya Birla Sun Life AMC Limited. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Company its members and should not be distributed to or used by parties other than the Company and its members. Our opinion is not modified in respect of this matter.

##### Other Information

The directors are responsible for the other information. The other information comprises information included in the document titled: "Aditya Birla Sun Life AMC (Mauritius) Limited Audited Financial Statements and Other Information for Group Reporting for the year ended 31 March 2023", which includes the Corporate Information and the Commentary of the Directors, not include the financial statements and our auditor's report thereon.

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

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



5.

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ADITYA BIRLA SUN LIFE AMC (MAURITIUS) LIMITED

#### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

##### *Responsibilities of the Directors for the Financial Statements*

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

##### *Auditor's Responsibilities for the Audit of the Financial Statements*

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



6.

INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ADITYA BIRLA SUN LIFE AMC (MAURITIUS) LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

*Auditor's Responsibilities for the Audit of the Financial Statements (Continued)*

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

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

ERNST & YOUNG  
Ebène, Mauritius

THIERRY LEUNG HING WAH, F.C.C.A.  
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Date: 14 April 2023

# Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31<sup>st</sup> March, 2023

	Notes	2023 USD	2022 USD
<b>Income</b>			
Revenue from contract with customers	4	103,351	201,591
Finance income		19	172
		<b>103,370</b>	<b>201,763</b>
<b>Expenses</b>			
Staff costs		71,827	48,927
Professional fees		22,657	29,877
Directors' fees		20,000	20,000
Local office expenses		10,108	10,667
Audit fees		16,311	24,716
Other expenses		7,247	6,251
Bank charges		7,403	8,086
Licence fees		5,000	5,000
Employee benefit expenses		2,799	2,957
Depreciation	6	586	259
		<b>163,938</b>	<b>156,740</b>
<b>(Loss)/profit before tax</b>		<b>(60,568)</b>	<b>45,023</b>
Income tax credit/(expense)	5	240	(1,218)
<b>(Loss)/profit for the year</b>		<b>(60,328)</b>	<b>43,805</b>
Other comprehensive income		-	-
<b>Total comprehensive (loss)/income for the year, net of tax</b>		<b>(60,328)</b>	<b>43,805</b>

The accompanying notes form an integral part of these audited financial statements.

# Statement of Financial Position

as at 31<sup>st</sup> March, 2023

	Notes	2023 USD	2022 USD
<b>Assets</b>			
<b>Non-current assets</b>			
Office equipment	6	913	1,499
<b>Total non-current assets</b>		<b>913</b>	<b>1,499</b>
<b>Current assets</b>			
Loan at amortised cost	7	-	1,323
Receivables and prepayments	8	79,187	112,721
Cash at bank		1,120,683	1,146,377
<b>Total current assets</b>		<b>1,199,870</b>	<b>1,260,421</b>
<b>Total Assets</b>		<b>1,200,783</b>	<b>1,261,920</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Stated capital	9	45,000	45,000
Retained earnings		1,133,590	1,193,918
<b>Total equity</b>		<b>1,178,590</b>	<b>1,238,918</b>
<b>Current liabilities</b>			
Income tax payable	5	-	1,863
Other payables		22,193	21,139
<b>Total liabilities</b>		<b>22,193</b>	<b>23,002</b>
<b>Total Equity And Liabilities</b>		<b>1,200,783</b>	<b>1,261,920</b>

Approved by the Committee of directors and authorised for issue on 14 April 2023 and signed on its behalf by:



Director

The accompanying notes form an integral part of these audited financial statements.

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2023

	Stated capital USD	Retained earnings USD	Total equity USD
<b>At 1 April 2021</b>	45,000	1,150,113	1,195,113
Profit/total comprehensive income for the year	-	43,805	43,805
<b>At 31 March 2022</b>	<b>45,000</b>	<b>1,193,918</b>	<b>1,238,918</b>
Loss/ total comprehensive loss for the year	-	(60,328)	(60,328)
<b>At 31 March 2023</b>	<b>45,000</b>	<b>1,133,590</b>	<b>1,178,590</b>

The accompanying notes form an integral part of these audited financial statements.

# Statement of Cash Flows

for the year ended 31<sup>st</sup> March, 2023

	Notes	2023 USD	2022 USD
<b>Operating activities</b>			
(Loss)/profit before tax		(60,568)	45,023
<b>Non-cash adjustments to reconcile profit before tax to net cash flows:</b>			
Depreciation	6	586	259
Finance income		(19)	(172)
Foreign exchange loss		335	600
		<b>(59,666)</b>	<b>45,710</b>
<b>Working capital adjustments:</b>			
Decrease /(increase) in receivables and prepayments		33,534	(86,802)
Increase/(decrease) in other payables		1,054	(7,265)
<b>Cash used in operating activities</b>		<b>(25,078)</b>	<b>(48,357)</b>
Income tax paid	5	(1,623)	(282)
Proceeds from loan receivable	7	1,007	2,621
<b>Net cash flows used in operating activities</b>		<b>(25,694)</b>	<b>(46,018)</b>
<b>Cash flows from investing activities</b>			
Acquisition of office equipment		-	(1,758)
<b>Net cash used in investing activities</b>		<b>-</b>	<b>(1,758)</b>
<b>Net decrease in cash and cash equivalent</b>		<b>(25,694)</b>	<b>(47,776)</b>
Cash and cash equivalents at 1 April		1,146,377	1,194,153
<b>Cash and cash equivalents at 31 March</b>		<b>1,120,683</b>	<b>1,146,377</b>

The accompanying notes form an integral part of these audited financial statements.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## 1. LEGAL FORM AND PRINCIPAL ACTIVITY

Aditya Birla Sun Life AMC (Mauritius) Limited (the “Company”) was incorporated in Mauritius on 20 May 1996 as a private company with liability limited by shares and has registered office at Apex House, Bank Street, TwentyEight, Cybercity, Ebène 72201, Mauritius. It holds a Global Business Licence and a CIS Manager Licence issued by the Financial Services Commission under the Financial Services Act 2007 and the Securities Act 2005 respectively.

The principal activity of the Company is to act as investment manager to India Advantage Fund Limited (the “Fund”), a related entity.

## 2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

### (a) Basis of preparation

The financial statements have been prepared under the historical cost convention. The financial statements are presented in the United States Dollar (“USD”), and all figures rounded to the nearest dollar, except where otherwise stated. These financial statements are not the statutory financial statements and have been prepared for the purpose of inclusion in the consolidated financial statement of Aditya Birla Sun Life AMC Limited.

### (b) Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

### (c) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. A five-

step model is used to account for revenue arising from contracts with customers as follows:

- Identify the contracts with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenue when (or as) the entity satisfies a performance obligation

### Investment management income

Investment management income is recognised in accordance with the terms of the investment management agreement in place and is disclosed under Note 4.

As per the terms of the Investment Management Agreement entered into by the Company, the Company provides investment management services to India Advantage Fund Limited. In performing this obligation, the Company receives management fees at a fixed rate of 0.75% per annum of the daily net assets of India Advantage Fund Limited on a monthly basis and therefore the revenue is recognized over the time it corresponds.

### (d) Foreign currencies

#### Functional and presentation currency

The financial statements are presented in United States Dollars (“USD”) which is also the currency of the primary economic environment in which the Company operates. The USD is the currency that most faithfully reflects the underlying transactions, events and conditions that are relevant to the Company. The Company derives its revenue in USD.

#### Transactions and balances

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## (e) Office equipment

Office equipment is stated at cost less accumulated depreciation and impairment losses. Cost includes all costs directly attributable to bringing the asset to working condition for their intended use.

Depreciation is calculated to write off the cost of the assets on a straight line basis over the expected useful lives of such assets. Additions during the year bear a due proportion of the annual depreciation charge. The annual depreciation rate used for the purpose of calculating depreciation is 33.33%.

Gains and losses on disposal of plant and equipment are determined by reference to their written down value and are included in determining operating profit.

## (f) Financial instruments

### Financial assets

#### Initial recognition

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15 as detailed in Note 2(c).

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost
- Financial assets at fair value through OCI with recycling of cumulative gains and losses
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition
- Financial assets at fair value through profit or loss
- The Company only holds financial assets at amortised cost.

The Company measures financial assets at amortised cost if both of the following conditions are met:

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

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost include receivables and cash at bank.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## Derecognition

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

## Impairment of financial assets

The Company recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For management fees receivable, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company considers its historical loss experience on its debtors and adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## Financial liabilities

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, financial liabilities at amortised cost, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost and payables, net of directly attributable transaction costs.

The Company's financial liabilities include short term payables and accruals.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

### Financial liabilities at amortised cost

This is the category most relevant to the Company. After initial recognition, these financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. This category generally applies to payables and accruals.

### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

## (g) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## (h) Cash and cash equivalents

Cash comprises cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

## (i) Related parties

Related parties are individuals and companies where the individual or company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include key management personnel.

## (j) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

## (k) Taxes

### Current income tax

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

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## 2.1 Changes in Accounting Policies and Disclosures

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2022 (unless otherwise stated). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

### Reference to the Conceptual Framework – Amendments to IFRS 3

The IASB decided to revise the Conceptual Framework because certain important issues were not covered and certain guidance was unclear or out of date. The revised Conceptual Framework, issued by the IASB in March 2018, includes:

- a new chapter on measurement;
- guidance on reporting financial performance;
- improved definitions of an asset and a liability, and guidance supporting these definitions;
- updated recognition criteria for assets and liabilities; and
- clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting.

The IASB also updated references to the Conceptual Framework in IFRS Standards by issuing a separate accompanying document, Amendments to References to the Conceptual Framework in IFRS Standards, which outlines the consequential amendments made to affected IFRS standards. This was done to support transition to the revised Conceptual Framework for companies that develop and apply accounting policies using the Conceptual Framework when no IFRS standard or interpretation applies to a particular transaction. The revised Conceptual Framework will form the basis of new IFRS standards set by the IASB as well as future amendments to existing IFRS standards.

These standards and amendments have no material impact on the Company's financial statements.

### Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

This amendment prohibits deducting from the cost of an item of property, plant and equipment any proceeds

from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

These standards and amendments have no material impact on the Company's financial statements.

### Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

The amendments specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous. This follows recent amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets, which clarifies the types of costs a company includes as the 'costs of fulfilling a contract' when assessing whether a contract is onerous.

These standards and amendments have no material impact on the Company's financial statements.

### IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies that for the purpose of performing the "10 per cent test" for derecognition of financial liabilities – in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier application permitted

These standards and amendments have no material impact on the Company's financial statements.

## 2.2 Standards Issued But Not Yet Effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Company.

## Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. The Company is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

## Definition of Accounting Estimates - Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

The amendments are not expected to have a material impact on the Company's financial statements

## Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2023

The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

## Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

The amendments are not expected to have a material impact on the Company's financial statements.

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

### Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

### Determination of functional currency

The determination of functional currency of the Company is critical since recording of transactions and exchange differences arising thereon are dependent on the

functional currency selected. As described in Note 2(d), the directors have considered those factors therein and have determined that the functional currency of the Company is the USD.

### Estimates and assumptions

No significant accounting estimates and assumptions were used in the preparation of the financial statements.

## 4. REVENUE FROM CONTRACT WITH CUSTOMERS

The Company has entered into an Investment Management Agreement ("IMA") with India Advantage Fund Limited (the "Fund"), a related party. Under the IMA, the Company is entitled to a fee, accruing at the annual rate of 0.25% of the net proceeds of the initial placing to 30 September 1996 and subsequently at the annual rate of 0.25% of the net asset value of the Fund on the last Business day in each calendar month until 31 July 2005.

The annual rate was afterwards revised as follows:

- 1.25% of the daily NAV of the Fund with effect from 1 August 2005.
- 0.75% of the daily NAV of the Fund with effect from 1 February 2012.

The IMA shall be effective until terminated by either party giving at least ninety days' notice in writing on the Valuation Day falling in March, June, September or December in any year on or after December 1999.

The Fund will indemnify the Company against any claim as specified in clause 17.3 of the IMA and to the extent that such claim is not due to breach of duty, negligence, wilful default or liability on the part of the Company.

## 5. TAXATION

The Company holds a Global Business License for the purpose of the Financial Services Act 2007 of Mauritius. Pursuant to the enactment of the Finance Act 2018, with effect as from 1 January 2019, the deemed tax credit has been phased out, through the implementation of a new tax regime. Companies which had obtained their Global Business Licence on or before 16 October 2017, including the Company, have been grandfathered and would benefit from the deemed tax credit regime up to 30 June 2021.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2023

Further, the Company is exempted from income tax in Mauritius on profits or gains arising from sale of securities. In addition, there is no withholding tax payable in Mauritius in respect of payments of dividends to Shareholders or in respect of redemptions or exchanges of Shares.

Post 30 June 2021 and under the new tax regime and subject to meeting the necessary substance requirements as required under the Financial Services Act 2007 (as amended by the Finance Act 2018) and such guidelines issued by the Financial Services Commission, the Company is entitled to either (a) a foreign tax credit equivalent to the actual foreign tax suffered on its foreign income against the Company's tax liability computed at 15% on such income, or (b) a partial exemption of 80% of some of the income derived, including but not limited to foreign source dividends or interest income, subject to meeting all following conditions:

- a) The Company carries out its core income generating activities in Mauritius;
- b) The Company employs, directly or indirectly, an adequate number of suitably qualified persons to conduct its core income generating activities; and
- c) The Company incurs a minimum expenditure proportionate to its level of activities.

The Company will also need to demonstrate that its central management and control is in Mauritius.

The reconciliation between the tax expense and tax calculated at the applicable rate of 15% is as follows:

- (a) Reconciliation of tax charge and accounting profit

	2023 USD	2022 USD
(Loss)/Profit before tax	(60,568)	45,023
Tax calculated at the rate of 15%	(9,085)	6,753
<b>Tax effect of:</b>		
Allowable expenses	(65)	(153)
Income not subject to tax	(3)	(17,711)
Non allowable expenses	158	14,228
Foreign tax credit	-	(1,899)
Deferred tax not recognised	8,995	-
Income tax charge	-	1,218

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2023

(b) In the statement of financial position

	2023 USD	2022 USD
<b>Income tax payable</b>		
At 1 April	1,863	927
Paid during the year	(1,623)	(282)
(Overprovision)/Charge for the year	(240)	1,218
<b>At 31 March</b>	<b>-</b>	<b>1,863</b>

### 6. OFFICE EQUIPMENT

	2023 USD	2022 USD
<b>Cost</b>		
At 1 April	3,436	1,678
Additions during the year	-	1,758
<b>At 31 March</b>	<b>3,436</b>	<b>3,436</b>
<b>Depreciation</b>		
At 1 April	1,937	1,678
Depreciation charge for the year	586	259
<b>At 31 March</b>	<b>2,523</b>	<b>1,937</b>
Net Book Value		
<b>At 31 March</b>	<b>913</b>	<b>1,499</b>

### 7. LOAN

During 2018, the Company has granted an unsecured and interest free loan of MUR438,000 to its employee which is repayable over 48 months.

The loan has been classified and measured at amortised cost.

	2023 USD	2022 USD
At 1 April	1,323	4,372
Finance income	19	172
Proceeds from loan receivable	(1,007)	(2,621)
Foreign exchange loss	(335)	(600)
At 31 March	-	<b>1,323</b>
<b>Current assets</b>	-	1,323
	-	<b>1,323</b>

The Company measures credit risk and ECL using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any ECL. In the previous years, management considered the probability of default to be close to zero as the counterparty is employed by the Company and has a strong capacity to meet the contractual obligations in the near term. The loan was fully repaid during the year.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## 8. RECEIVABLES AND PREPAYMENTS

	2023 USD	2022 USD
Amount due from India Advantage Fund Limited (note 13)	29,104	56,802
Receivable from Fund under management	46,211	52,746
Prepayments	3,038	2,339
Deposit for office rental	834	834
	<b>79,187</b>	<b>112,721</b>

The amount due from India Advantage Fund Limited, is unsecured, interest free and receivable on demand. The Company measures credit risk and ECL using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any ECL. Management considers the probability of default to be close to zero as the counterparty has a strong capacity to meet the contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month ECL as any such impairment would be wholly insignificant to the Company.

## 9. STATED CAPITAL

	2023 USD	2022 USD
Issued share capital		
4,500 (2022: 4,500) ordinary shares of USD10 each	45,000	45,000

## 10. DIVIDEND PAID

No dividend was paid during the year ended 31 March 2023 (2022: nil).

## 11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

### Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including cash flow interest rate risk and foreign currency risk), liquidity risk and credit risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

### Market risk

#### Cash flow interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Thus, the Company is not exposed to interest rate risk.

### Currency risk

All of the Company's financial assets and liabilities are denominated in USD except for the loan granted to the employee of the Company which is denominated in MUR. Consequently, the Company is exposed to the risk that the exchange rate of the USD relative to the MUR may change in a manner which does not have a material effect on the reported values of the Company's assets which are denominated in USD and hence, the Company is not exposed to significant currency risk.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2023

### Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company is not exposed to any significant liquidity risk.

The table below summarises the maturity profile of the Company's financial liabilities at 31 March 2023 and 31 March 2022 based on contractual undiscounted payments:

	Less than 3 months USD	Total USD	Less than 3 months USD	Total USD
	2023	2023	2022	2022
Other payables	22,193	22,193	21,139	21,139

### Credit risk

The Company takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Company's main credit risk concentration is its other receivables and cash and short term deposits.

With respect to credit risk arising from financial assets, the Company's exposure arises from the default of the counterparties, with a maximum exposure equal to the carrying amounts of these financial assets.

The maximum exposure to credit risk at the statement of financial position date was:

	Carrying amount	
	2023 USD	2022 USD
Receivables	75,315	109,548
Cash and cash equivalents	1,120,683	1,146,377
Loan at amortised cost (Note 7)	-	1,323
	<b>1,195,998</b>	<b>1,257,248</b>

Prepayments and deposits amounting to USD3,872 (2022: USD3,173) have been excluded.

The financial assets were neither past due nor impaired at the reporting date. The cash and short term deposits are maintained with a regulated financial institution.

	Less than 3 months USD	Total USD	Less than 3 months USD	Total USD
	2023	2023	2022	2022
Financial assets	1,195,998	1,195,998	1,257,248	1,257,248

### Fair values of financial instruments

Except where otherwise stated the carrying amounts of financial assets and liabilities approximate their fair value.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2023

## 12. CAPITAL RISK MANAGEMENT

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholder through the optimisation of the debt and equity balance. In order to maintain or adjust the capital structure, the Company may adjust the amounts of dividends paid, return capital to shareholders, issue new shares or sell assets to reduce debts.

The Company has external capital requirement imposed by the Financial Services Commission, the Regulator, in that at all times it shall maintain a minimum paid-up and unimpaired stated capital and shareholders' funds of at least Mauritian Rupees 1,000,000 or its equivalent in any currency. At year end, this condition was met.

No changes were made in the objectives, policies or processes during the year ended 31 March 2023. (2022: None)

## 13. RELATED PARTY DISCLOSURES

During the year, the Company transacted with related entities. Details of the nature, volume of transactions and the balances with the entities are as follows:

	2023 USD	2022 USD
<b>Amount due from India Advantage Fund Limited</b>		
At 1 April	56,802	19,835
Investment management fees	103,351	201,591
Amount received	(131,049)	(164,624)
At 31 March (note 8)	<b>29,104</b>	<b>56,802</b>

	2023 USD	2022 USD
<b>Amount due to Apex Financial Services (Mauritius) Ltd</b>		
At 1 April	2,815	4,300
Professional fees for the year	26,746	39,808
Amount paid during the year	(29,561)	(41,293)
At 31 March	<b>-</b>	<b>2,815</b>

### Directors' fees

Directors' fees amounting to USD20,000 (2022: USD20,000) were paid to Messrs Kishore Sunil Banyamandhub and Sudesh Anauthlall Basanta Lala. All of them are independent of the Administrator or Investment Manager and do not have any shareholding in the Company.

### Payable to Aditya Birla Sun Life AMC Limited

As at 31 March 2023, the Company has a payable amount of USD683 (2022: USD740) to Aditya Birla Sun Life AMC Limited, the immediate holding company. This represents expense charged by Aditya Birla Sun Life AMC Limited in respect to the Employee Stock Options Scheme ("ESOP") adopted by the latter.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2023

### 14. HOLDING AND ULTIMATE HOLDING COMPANIES

The directors consider Aditya Birla Sun Life AMC Limited, a company incorporated in India, as the immediate holding company.

The Company is ultimately owned jointly by Aditya Birla Capital Limited and Sun Life (India) AMC Investments Inc, incorporated in India.

### 15. WAR

On February 24, 2022, the Russian Federation launched a full-scale invasion into Ukraine sovereign state. The potential impacts from the emerging Ukraine and Russian conflict remain uncertain, including but not limited to, on global economic conditions, assets valuations, interest rate expectations and exchange rates. Currently there is no direct impact on the Company as it does not have any transaction with both Ukraine and Russia

### 16. EVENTS AFTER THE REPORTING DATE

There were no material events after the reporting date which would require disclosure or adjustments to the financial statements for the year ended 31 March 2023.

Aditya Birla Sun Life Asset Management Company Pte Ltd,  
Singapore



**ADITYA BIRLA  
CAPITAL**

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# Independent Auditor's Report

To the Members of

**Aditya Birla Sun Life Asset Management Company Pte. Ltd.**  
(Incorporated in the Republic of Singapore)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying financial statements of Aditya Birla Sun Life Asset Management Company Pte. Ltd. (the Company), which comprise the statement of financial position as at 31 March 2023, and statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 March 2023 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

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

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

### Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

The directors' responsibilities include overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

### Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

#### ROHAN • MAH & PARTNERS LLP

Public Accountants and  
Chartered Accountants

Singapore  
21 April 2023  
(RK/MA./SR/RA/KL/ccy)

# Statement of Financial Position

as at 31 March 2023

	Note	2023 S\$	2022 S\$
<b>ASSETS LESS LIABILITIES</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	3	60,610	157,669
Investment securities	4	-	-
		<b>60,610</b>	<b>157,669</b>
<b>Current Assets</b>			
Trade and other receivables	5	1,387,813	1,515,435
Cash and cash equivalents	8	8,674,111	7,806,149
		<b>10,061,924</b>	<b>9,321,584</b>
<b>Current Liabilities</b>			
Trade and other payables	9	551,407	731,089
Lease liabilities	11	45,869	87,394
		<b>597,276</b>	<b>818,483</b>
<b>Net Current Assets</b>		<b>9,464,648</b>	<b>8,503,101</b>
<b>Non-Current Liability</b>			
Lease liabilities	11	-	45,444
<b>Net Assets</b>		<b>9,525,258</b>	<b>8,615,326</b>
<b>Capital and reserves attributable to equity holders of the Company</b>			
Share capital	13	13,600,000	13,600,000
Accumulated losses		(4,074,742)	(4,984,674)
<b>Total Equity</b>		<b>9,525,258</b>	<b>8,615,326</b>

The accompanying notes form an integral part of the audited financial statements

# Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 March 2023

	Note	2023 S\$	2022 S\$
<b>Revenue</b>	14	4,354,097	5,237,667
Other income	15	125,462	636
<b>Gross Profit</b>		<b>4,479,559</b>	<b>5,238,303</b>
<b>Less: Other items of expense</b>			
Advisory fees		732,145	116,552
Database research expenses		230,809	202,081
Depreciation of property, plant and equipment		99,400	111,108
Fund expenses		758,377	693,307
Insurance expenses		180,755	194,926
Staff costs	16	1,042,739	1,391,225
Legal and professional fees		260,171	242,018
Travelling expenses		70,075	21,082
Other expenses	17	195,156	158,516
		<b>3,569,627</b>	<b>3,130,815</b>
<b>Profit before taxation</b>		<b>909,932</b>	<b>2,107,488</b>
Taxation	18	-	-
<b>Profit for the year</b>		<b>909,932</b>	<b>2,107,488</b>
<b>Total comprehensive income</b>		<b>909,932</b>	<b>2,107,488</b>
<b>Profit attributable to:</b>			
Equity holders of the Company		909,932	2,107,488
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company		909,932	2,107,488

The accompanying notes form an integral part of the audited financial statements

# Statement of Changes in Equity

for the year ended 31 March 2023

	Share Capital S\$	Accumulated Losses S\$	Total S\$
<b>As at 1 April 2021</b>	13,600,000	(7,092,162)	6,507,838
Total comprehensive income for the year	-	2,107,488	2,107,488
<b>As at 31 March 2022</b>	<b>13,600,000</b>	<b>(4,984,674)</b>	<b>8,615,326</b>
Total comprehensive income for the year	-	909,932	909,932
<b>As at 31 March 2023</b>	<b>13,600,000</b>	<b>(4,074,742)</b>	<b>9,525,258</b>

The accompanying notes form an integral part of the audited financial statements

# Statement of Cash Flows

for the year ended 31 March 2023

	2023 S\$	2022 S\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	909,932	2,107,488
Adjustments for:		
Depreciation of property, plant and equipment	99,400	111,108
Finance lease interest	4,495	4,484
Net provisions for the year	(135,000)	(48,500)
Interest income	(95,523)	-
Written off of investment securities	-	1
Operating profit before working capital changes	<b>783,304</b>	<b>2,174,581</b>
Working capital changes, excluding changes related to cash:		
Trade and other receivables	223,145	(86,182)
Trade and other payables	(117,193)	(247,818)
<b>Net cash generated from operating activities</b>	<b>889,256</b>	<b>1,840,581</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(1,709)	(18,284)
<b>Net cash used in investing activities</b>	<b>(1,709)</b>	<b>(18,284)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net amount due to immediate holding company	72,511	116,229
Repayment of finance lease liability	(92,096)	(96,917)
Changes in fixed deposits	(7,000,000)	-
<b>Net cash (used in)/generated from financing activities</b>	<b>(7,019,585)</b>	<b>19,312</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(6,132,038)</b>	<b>1,841,609</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>7,806,149</b>	<b>5,964,540</b>
<b>Cash and cash equivalents at end of year (Note 8)</b>	<b>1,674,111</b>	<b>7,806,149</b>

The accompanying notes form an integral part of the audited financial statements

# Notes to the Financial Statements

for the year ended 31 March 2023

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

## 1 CORPORATE INFORMATION

Aditya Birla Sun Life Asset Management Company Pte. Ltd. is a private company limited by shares, incorporated and domiciled in the Republic of Singapore with its registered office and the principal place of business at 16 Raffles Quay #32-04, Hong Leong Building, Singapore 048581.

The principal activities of the Company are that of fund management and investment advisory. There have been no significant changes in the nature of these activities during the financial year.

Aditya Birla Sun Life AMC Limited, a Company incorporated in Republic of India holds 100% shares in the Company. Aditya Birla Sun Life AMC Limited is a listed company in India. Related corporations in the financial statements refer to companies within the group of Aditya Birla Sun Life AMC Limited.

The financial statements of the Company for the year ended 31 March 2023 were authorised for issue in accordance with a resolution of the Directors on 21 April 2023.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of Preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standards (FRS). The financial statements, expressed in Singapore Dollar

(SGD or S\$), which is also the functional currency of the Company, are prepared on the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. There are no critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a higher degree of judgement or complexity except as disclosed in Note 19.

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Company has adopted all the new and revised standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 April 2022. The adoption of these standards did not have any material effect on the financial statements.

A number of new standards, amendments to standards and interpretations are issued but effective for annual periods beginning on or after 1 April 2023, and have not been applied in preparing these financial statements. The Company does not plan to early adopt these standards.

Description	Effective for annual periods beginning on or after
Amendments to FRS 1 <i>Presentation of Financial Statements: Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to FRS 1 <i>Presentation of Financial Statements</i> and FRS Practice Statement 2: <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to FRS 12 <i>Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
FRS 117 <i>Insurance Contracts</i>	1 January 2023
Amendments to FRS 116 <i>Leases: Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to FRS 1 <i>Presentation of Financial Statements: Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to FRS 110 <i>Consolidated Financial Statements</i> and FRS 28 <i>Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Date to be determined

# Notes to the Financial Statements

for the year ended 31 March 2023

The directors expect that the adoption of the other standards above will have no material impact on the financial statements in the period of initial application.

## 2.2 Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciation amounts over their estimated useful lives. The estimated useful lives are as follows:

	Years
Office equipment	5
Computer	3
Furniture and fittings	5
Leasehold improvements	4 or leasehold term whichever is shorter
Building	2

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the assets is included in profit or loss in the year the asset is derecognised.

## 2.3 Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates use to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

## 2.4 Financial Instrument

### 2.4.1 Financial Assets

#### Initial Recognition and Measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

#### Subsequent Measurement

##### Investments in debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset

# Notes to the Financial Statements

for the year ended 31 March 2023

and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income (FVOCI) and FVPL. The Company only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

## Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in the other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the Company's right to receive payments is established. For investments in equity instruments which the Company has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

## Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

## 2.4.2 Financial Liabilities

### Initial Recognition and Measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

## Subsequent Measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

## Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

## 2.5 Impairment of Financial Assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Company considers a financial asset in default when contractual payments are 60 days past due. However, in

# Notes to the Financial Statements

for the year ended 31 March 2023

certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## 2.6 Cash and Cash Equivalents

Cash and cash equivalents comprise cash at banks and on hand which are subject to an insignificant risk of changes in value.

## 2.7 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the rights to control the use of an identified asset for a period of time in exchange for consideration.

### 2.7.1 As Lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and lease of low-value assets. The Company recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

#### Right-of-Use Assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.3.

The Company's right-of-use assets are presented within property, plant and equipment (Note 3).

#### Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liability is disclosed in Note 10.

#### Short-Term Leases and Leases of Low-Value Assets

The Company applies the short-term lease recognition exemption to its short-term leases of office rental (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

# Notes to the Financial Statements

for the year ended 31 March 2023

## 2.8 Borrowing Costs

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss in the period in which they are incurred.

## 2.9 Provision

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is possible that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate, If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## 2.10 Related Parties

A related party is defined as follows:

**(a) A person or a close member of that person's family is related to the Company if that person:**

- (i) Has control or joint control over the Company;
- (ii) Has significant influence over the Company; or
- (iii) Is a member of the key management personnel of the Company or of a parent of the Company.

**(b) An entity is related to the Company if any of the following conditions applies:**

- (i) The entity and the Company are members of the same company (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) One entity is an associate or joint venture of the other entity (or and associate or joint venture of a member of a company of which the other entity is a member);

- (iii) Both entities are joint ventures of the same third party;
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
- (viii) The entity, or any member of a company of which it is a part, provides key management personnel services to the reporting Company or to the parent of the reporting Company.

## 2.11 Share Capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

## 2.12 Foreign Currency Transactions and Balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

# Notes to the Financial Statements

for the year ended 31 March 2023

## 2.13 Revenue

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

### 2.13.1 Rendering of Services

Revenue from sale of goods and services in the ordinary course of business is recognised when the Company satisfies a performance obligation (“PO”) by transferring control of a promised good and service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative standalone selling prices of the promised goods and services. The individual standalone selling price of a good and service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods and services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those performance obligations.

Revenue is recognised at a point in time upon satisfaction of the PO.

### 2.13.2 Interest Income

Interest income is recognised using the effective interest method.

## 2.14 Employee Benefits

### 2.14.1 Defined Contribution Plans

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension

schemes are recognised as an expense in the period in which the related service is performed.

### 2.14.2 Short-Term Employee Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

## 2.15 Taxes

### 2.15.1 Current Income Tax

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

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### 2.15.2 Deferred Tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

# Notes to the Financial Statements

for the year ended 31 March 2023

## 2.15.3 Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- (a) where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable, and
- (b) receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

## 2.16 Government Grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

## 2.16.1 Property Tax Rebate

The Singapore Government had given remission of property tax (property tax rebates) under section 6(8) of the Property Tax Act (Cap. 254) to qualifying non-residential properties in response to the COVID-19 pandemic.

For the portion of a non-residential property leased out to a lessee (tenant), the owner of the property (landlord) must transfer the benefit from the property tax rebate under section 29 of the COVID-19 (Temporary Measures) Act 2020. For the vacant portion of the property, the landlord itself will benefit from the property tax rebate.

## 2.16.2 Jobs Support Scheme

The Jobs Support Scheme provides wage support to employers to help them retain their local employees during this period of economic uncertainty. Employers who have made CPF contributions for their local employees will qualify for the payouts under the scheme.

## 2.16.3 Rental Relief

Qualifying property owners received support via a Government cash grant and they must in turn provide the necessary rental relief to their eligible Small and Medium Enterprises (SMEs) and Non-Profit organisations (NPOs) tenant - occupiers of the prescribed properties under the Rental Relief Framework.

## 2.16.4 Foreign Worker Levy Waiver and Rebate

The Singapore Government provided business employers who hire foreign workers on work permits and S-passes with Foreign Worker Levy (FWL) and FWL rebates to ease the labour costs of such firms.

# Notes to the Financial Statements

for the year ended 31 March 2023

## 3 PROPERTY, PLANT AND EQUIPMENT

2023	Office equipment	Computer	Furniture and fittings	Building	Leasehold improvements	Total
Cost	S\$	S\$	S\$	S\$	S\$	S\$
At beginning of year	44,746	125,811	36,153	398,742	111,117	716,569
Additions	-	1,709	-	632	-	2,341
<b>At end of year</b>	<b>44,746</b>	<b>127,520</b>	<b>36,153</b>	<b>399,374</b>	<b>111,117</b>	<b>718,910</b>
<b>Accumulated Depreciation</b>						
At beginning of year	27,896	116,438	35,844	267,605	111,117	558,900
Depreciation	4,694	6,762	309	87,635	-	99,400
<b>At end of year</b>	<b>32,590</b>	<b>123,200</b>	<b>36,153</b>	<b>355,240</b>	<b>111,117</b>	<b>658,300</b>
<b>Carrying Amount</b>						
<b>At end of year</b>	<b>12,156</b>	<b>4,320</b>	<b>-</b>	<b>44,134</b>	<b>-</b>	<b>60,610</b>

2022	Office equipment	Computer	Furniture and fittings	Building	Leasehold improvements	Total
Cost	S\$	S\$	S\$	S\$	S\$	S\$
At beginning of year	30,514	121,759	36,153	223,894	111,117	523,437
Additions	14,232	4,052	-	174,848	-	193,132
<b>At end of year</b>	<b>44,746</b>	<b>125,811</b>	<b>36,153</b>	<b>398,742</b>	<b>111,117</b>	<b>716,569</b>
<b>Accumulated Depreciation</b>						
At beginning of year	25,069	108,580	35,105	167,921	111,117	447,792
Depreciation	2,827	7,858	739	99,684	-	111,108
At end of year	27,896	116,438	35,844	267,605	111,117	558,900
<b>Carrying Amount</b>						
<b>At end of year</b>	<b>16,850</b>	<b>9,373</b>	<b>309</b>	<b>131,137</b>	<b>-</b>	<b>157,669</b>

## 4 INVESTMENT SECURITIES

	2023 S\$	2022 S\$
As at beginning of the year	-	1
Written off*	-	(1)
<b>As at end of the year</b>	<b>-</b>	<b>-</b>

The Company has 1 (2022: 1) unquoted financial assets at fair value through profit or loss.

### A - International Opportunities Fund SPC (IOF)

This relates to an investment of US\$0.01 in International Opportunities Fund SPC ("IOF") made by the Company in November 2013. IOF is a Segregated Portfolio Company set up as a fund in Cayman Islands.

### B - New Horizon Fund SPC (NHF)

This relates to an investment of US\$1.00 in New Horizon Fund SPC ("NHF") made by the Company in April 2017. NHF is a Segregated Portfolio Company set up as a fund in Cayman Islands.

\*On 30 September 2021, New Horizon Fund SPC has been struck from the Companies Register in Cayman Islands.

# Notes to the Financial Statements

for the year ended 31 March 2023

## 5 TRADE AND OTHER RECEIVABLES

	2023 S\$	2022 S\$
Trade receivables (Note 5)	-	19,602
Unbilled revenue*	891,697	1,106,177
Other receivables (Note 6)	496,116	389,656
	<b>1,387,813</b>	<b>1,515,435</b>

\*These are service rendered as at year end for which invoices have not been issued. All balance are current in nature. There are no expected credit loss on the issued amounts.

## 6 TRADE RECEIVABLES

	2023 S\$	2022 S\$
Third parties	-	19,602

Trade receivables are non-interest bearing and are generally on 30 to 90 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The maximum exposure of credit risk for trade receivables at the reporting date is NIL (2022: S\$19,602).

### Expected credit losses

The following table provides information about the exposure to credit risk and ECLs for trade receivables for individual customers as at 31 March:

	Gross S\$	ECL rate S\$	ECL S\$
<b>2023</b>			
Current	-	-	-
Past due 0 - 30 days	-	-	-
Past due 31- 60 days	-	-	-
	-	-	-
<b>Allowance for expected credit losses</b>			-
<b>2022</b>			
Current	-	-	-
Past due 0 - 30 days	-	-	-
Past due 31- 60 days	19,602	-	-
	<b>19,602</b>		-
<b>Allowance for expected credit losses</b>			-

The Company reviews the ECL of its trade receivables on an ongoing basis.

# Notes to the Financial Statements

for the year ended 31 March 2023

## 7 OTHER RECEIVABLES

	2023 S\$	2022 S\$
Amount due from immediate holding company	-	323
Deposits	22,028	22,028
Prepayments	378,565	365,952
Others	-	1,353
Interest receivables	95,523	-
	<b>496,116</b>	<b>389,656</b>

Amount due from immediate holding company is non - trade in nature, unsecured, non-interest bearing and repayable on demand.

## 8 CASH AND CASH EQUIVALENTS

	2023 S\$	2022 S\$
Cash at bank	1,669,733	7,802,457
Cash on hand	4,378	3,692
Fixed deposits	7,000,000	-
	<b>8,674,111</b>	<b>7,806,149</b>

For statement of cash flows, fixed deposits are excluded as part of cash and cash equivalents:

	2023 S\$	2022 S\$
Cash and cash equivalents (as above)	8,674,111	7,806,149
Less: Fixed deposits	(7,000,000)	-
<b>Cash and cash equivalents in statement of cash flows</b>	<b>1,674,111</b>	<b>7,806,149</b>

Fixed deposits at the reporting date has an average maturity of 5-7months (2022: Nil) from the end of the financial year with weighted average effective interest rate of 3.15% (2022: Nil) per annum.

## 9 TRADE AND OTHER PAYABLES

	2023 S\$	2022 S\$
Trade payables	12,261	8,689
Amount due to immediate holding company	189,063	116,552
Accrued operating expenses - others	110,336	77,641
Provisions (Note 10)	102,832	237,832
Other payables	136,915	290,375
	<b>551,407</b>	<b>731,089</b>

These amounts are non-interest bearing. Other payables are unsecured and have a credit terms of 30 days (2022: 30 days).

# Notes to the Financial Statements

for the year ended 31 March 2023

## 10 PROVISIONS

	Provision for bonus S\$	Provision for restoration costs S\$	Total S\$
<b>2023</b>			
At beginning of year	207,943	29,889	237,832
Provision made during the year	210,000	-	210,000
Provision utilised during the year	(195,023)	-	(195,023)
Provision written back during the year	(149,977)	-	(149,977)
<b>At end of year</b>	<b>72,943</b>	<b>29,889</b>	<b>102,832</b>
<b>2022</b>			
At beginning of year	256,443	29,889	286,332
Provision made during the year	207,943	-	207,943
Provision utilised during the year	(227,388)	-	(227,388)
Provision written back during the year	(29,055)	-	(29,055)
<b>At end of year</b>	<b>207,943</b>	<b>29,889</b>	<b>237,832</b>

The provision for bonus represents the management's best estimate of the bonus to be paid to the employees based on the Company's and individual's performance during the current financial year.

Provision for restoration costs is the estimated costs of dismantlement, removal or restoration of plant and equipment. This provision and the related asset is being expensed off and capitalised, respectively.

## 11 LEASE LIABILITIES

	2023 S\$	2022 S\$
Current	45,869	87,394
Non-current	-	45,444
	<b>45,869</b>	<b>132,838</b>

A reconciliation of liabilities arising from financing activities is as follows:

Liability	1-Apr 2022 S\$	Cash flows S\$	Non-cash changes		31-Mar 2023 S\$
			Accretion of interest S\$	Others S\$	
Lease liability					
- Current	87,394	(92,096)	4,495	46,076	45,869
- Non-current	45,444	-	-	(45,444)	-
	<b>132,838</b>	<b>(92,098)</b>	<b>4,495</b>	<b>632</b>	<b>45,869</b>

# Notes to the Financial Statements

for the year ended 31 March 2023

	1-Apr 2021 S\$	Cash flows S\$	Non-cash changes		31-Mar 2022 S\$
			Accretion of interest S\$	Others S\$	
<b>Liability</b>					
Lease liability					
- Current	50,423	(96,917)	4,484	129,404	87,394
- Non-current	-	-	-	45,444	45,444
	<b>50,423</b>	<b>(96,917)</b>	<b>4,484</b>	<b>174,848</b>	<b>132,838</b>

## 12 LEASES

### Company as a lessee

The Company has lease contracts for building. The Company's obligations under these leases are secured by the lessor's title to the leased assets. The Company is restricted from assigning and subleasing the leased assets.

### Carrying Amounts of Right-of-Use Assets Classified Within Property, Plant and Equipment

	2023 S\$	2022 S\$
At 1 April	131,137	55,973
Additions	632	174,848
Depreciation	(87,635)	(99,684)
<b>At 31 March</b>	<b>44,134</b>	<b>131,137</b>

### Lease Liabilities

The carrying amounts of lease liabilities and the movements during the year are disclosed in Note 11 and the maturity analysis of lease liability is disclosed in Note 21.2.

### Amounts Recognised in Profit or Loss

	2023 S\$	2022 S\$
Depreciation of right-of-use assets	(87,635)	(99,684)
Finance lease interest (Note 17)	(4,495)	(4,484)
<b>Total amount recognised in profit or loss</b>	<b>(92,130)</b>	<b>(104,168)</b>

### Total Cash Outflow

The Company had total cash outflows for leases of S\$92,098 (2022: S\$96,917).

## 13 SHARE CAPITAL

	2023		2022	
	No. of shares	S\$	No. of shares	S\$
Ordinary shares issued and fully paid:				
At beginning and end of year	13,600,000	13,600,000	13,600,000	13,600,000

The holder of ordinary shares is entitled to receive dividends as declared from time to time by the Company. All ordinary shares have no par value and carry one vote per share without restriction.

# Notes to the Financial Statements

for the year ended 31 March 2023

## 14 REVENUE

	2023 S\$	2022 S\$
Advisory fee income	141,167	273,997
Management fee income	3,358,267	3,637,075
Marketing fee income	200,868	235,650
Sub-management fee income	653,795	1,090,945
	<b>4,354,097</b>	<b>5,237,667</b>

The Company's revenue is recognised at a point in time.

## 15 OTHER INCOME

	2023 S\$	2022 S\$
Interest income	95,523	-
Miscellaneous income	29,939	636
	<b>125,462</b>	<b>636</b>

## 16 STAFF COSTS

	2023 S\$	2022 S\$
Salaries, bonus and other related costs	887,340	1,215,130
Defined contribution pension costs	69,865	78,410
Share based payment*	15,940	44,456
Other benefits	69,594	53,229
	<b>1,042,739</b>	<b>1,391,225</b>

The above includes key management personnel remuneration as disclosed in Note 18.

\*Aditya Birla Sunlife AMC Limited (India), the immediate holding corporation of the Company has granted its stock option program to selected employees of the Company since 2021. The cost incurred by the Aditya Birla Sun Life AMC Limited is being recovered from the Company over the period of vesting the Employee Stock Options (ESOP) grants. The option granted can be vested on or after 12 April 2023. There are no cash settlement alternatives. The options carry neither right to dividends nor voting rights. Options may be exercised any time from the date of vesting to the last date of exercise which is on April 2028.

## 17 OTHER EXPENSES

**Other expenses include:**

	2023 S\$	2022 S\$
Exchange loss	54,515	55,179
Finance lease interest	4,495	4,484
Office upkeep and maintenance	25,393	19,610
Telecommunication expenses	24,542	20,481

# Notes to the Financial Statements

for the year ended 31 March 2023

## 18 TAXATION

Major components of income tax expense are as follows:

	2023 S\$	2022 S\$
Current year taxation	-	-

A reconciliation between the tax expense and the product of accounting profit and loss multiplied by the applicable tax rate are as follows:

	2023 S\$	2022 S\$
Profit before taxation	909,932	2,107,488
Income tax on profit before tax at 17%	154,688	358,273
Adjustments:		
Non-deductible expenses	16,898	18,888
Utilisation of tax losses and capital allowances	(171,586)	(377,161)
	-	-

### Unrecognised deferred tax assets:

Deferred tax assets in respect of the following items have not been recognised in the financial statements as the probability of future taxable profits being available to utilise such benefits cannot be reliably established:

	2023 S\$	2022 S\$
As at beginning of the year	5,792,766	7,789,146
Profit before taxation plus depreciation	(810,532)	(1,996,380)
<b>As at end of the year</b>	<b>4,982,234</b>	<b>5,792,766</b>

The Company's unutilised capital allowances and tax losses are available for offset against future taxable profits subject to the agreement of the tax authorities and compliance with certain provisions of the Singapore Income Tax Act, Cap.134.

## 19 SIGNIFICANT RELATED PARTIES TRANSACTIONS

Significant related parties transactions on terms agreed between the Company and its related parties are as follows:

	2023 S\$	2022 S\$
<b>Immediate Holding Company</b>		
Advisory fee	732,145	116,552
Marketing fee	(125,114)	(90,022)
Share based payment	15,940	44,456

Balances with related party at the reporting date is set out in Note 7 and 9.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Company's key management personnel are mainly the Directors of the Company.

# Notes to the Financial Statements

for the year ended 31 March 2023

Key management personnel compensation for the financial year is as follows:

	2023 S\$	2022 S\$
Director		
Salary and bonus	290,488	288,234
Fees	30,205	35,831
Share based payment	14,420	20,260
Other allowances	135	270
	<b>320,828</b>	<b>344,595</b>

## 20 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

### 20.1 Key Sources of Estimation Uncertainty

#### Provision for Income Tax

There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

#### Provision for Expected Credit Losses of Trade Receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables is disclosed in Note 21.1.

The carrying amount of the Company's trade receivables as at 31 March 2023 was NIL (2022: S\$19,602).

## 21 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk and foreign currency risk).

The directors review and agree policies and procedures for the management of these risks which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purpose shall be undertaken.

# Notes to the Financial Statements

for the year ended 31 March 2023

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

## 21.1 Credit Risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash), the Company minimises credit risk by dealing exclusively high credit rating counterparties.

The Company has adopted a policy of only dealing with creditworthy counterparties. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

To minimise credit risk, the Company has developed and maintained the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Company's own trading records to rate its major customers and other debtors. The Company considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Company determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty.

# Notes to the Financial Statements

for the year ended 31 March 2023

The Company categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 180 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

The Company's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognising expected credit loss (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL

The table below details the credit quality of the Company's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

	Note	12-month or lifetime ECL	Gross carrying amount S\$	Loss allowance S\$	Net carrying amount S\$
<b>2023</b>					
Trade receivables	6	Lifetime ECL (simplified)	-	-	-
Other receivables	7	12-month ECL	22,028	-	22,028
<b>2022</b>					
Trade receivables	6	Lifetime ECL (simplified)	19,602	-	19,602
Other receivables	7	12-month ECL	23,382	-	23,382
				-	

## Trade Receivables

For trade receivables, the Company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Company determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile to trade receivables is presented based on their past due status in terms of the provision matrix.

Information regarding loss allowance movement of trade receivables is disclosed in Note 6.

## Excessive Risk Concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

## Exposure to Credit Risk

The Company has no significant concentration of credit risk. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

See Note 6 for more disclosure on credit risk.

# Notes to the Financial Statements

for the year ended 31 March 2023

## 21.2 Liquidity Risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arise primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of standby credit facilities. The Company finances its working capital requirements through a combination of funds generated from operations. The directors are satisfied that funds are available to finance the operations of the Company.

### Analysis of Financial Instruments by Remaining Contractual Maturities

The table below summarises the maturity profile of the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Within 1 year S\$	Within 2 to 5 years S\$	Total S\$
<b>2023</b>			
<b>Financial Assets</b>			
Trade and other receivables	1,009,248	-	1,009,248
Cash and cash equivalents	8,674,111	-	8,674,111
<b>Total undiscounted financial assets</b>	<b>9,683,359</b>	<b>-</b>	<b>9,683,359</b>
<b>Financial Liabilities</b>			
Trade and other payables	448,575	-	448,575
Lease liabilities	45,869	-	45,869
<b>Total net undiscounted financial liabilities</b>	<b>494,444</b>	<b>-</b>	<b>494,444</b>
<b>Total net undiscounted financial assets</b>	<b>9,188,915</b>	<b>-</b>	<b>9,188,158</b>
<b>2022</b>			
<b>Financial Assets</b>			
Trade and other receivables	1,149,483	-	1,149,483
Cash and cash equivalents	7,806,149	-	7,806,149
<b>Total undiscounted financial assets</b>	<b>8,955,632</b>	<b>-</b>	<b>8,955,632</b>
<b>Financial Liabilities</b>			
Trade and other payables	493,257	-	493,257
Lease liabilities	87,394	45,444	132,838
<b>Total net undiscounted financial liabilities</b>	<b>580,651</b>	<b>45,444</b>	<b>626,095</b>
<b>Total net undiscounted financial assets/(liabilities)</b>	<b>8,374,981</b>	<b>(45,444)</b>	<b>8,329,537</b>

## 21.3 Market Risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

# Notes to the Financial Statements

for the year ended 31 March 2023

## 21.3.1 Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from their cash and cash equivalents.

The Company is not exposed to interest rate risk as it does not have any financial instruments bearing variable interest rate as at the reporting date.

## 21.3.2 Foreign Currency Risk

The Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Company does not have any formal policy for hedging against currency risk. The Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The Company has transactional currency exposures arising from sales or purchases that are denominated in currency other than the functional currency of the Company, primarily Canadian Dollar (CAD), Indian Rupee (INR), United State Dollar (USD) and others.

The Company's exposures foreign currency is as follows:

	USD S\$	Others S\$
<b>2023</b>		
Trade and other receivables	1,231,447	-
Cash and cash equivalent	-	676
Trade and other payables	(136,915)	(209,825)
	<b>1,094,532</b>	<b>(209,149)</b>
<b>2022</b>		
Trade and other receivables	1,127,133	-
Cash and cash equivalent	-	703
Trade and other payables	(221,865)	-
	<b>905,268</b>	<b>703</b>

## Sensitivity analysis

A 10% strengthening of Singapore Dollar against the following currencies at the reporting date would increase/(decrease) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Profit or loss (before tax)
<b>2023</b>	
United States Dollar	(109,453)
Others	20,915
	<b>(88,538)</b>

# Notes to the Financial Statements

for the year ended 31 March 2023

A 10% strengthening of Singapore Dollar against the following currencies at the reporting date would increase/(decrease) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Profit or loss (before tax)
<b>2022</b>	
United States Dollar	(90,527)
Others	(70)
	<b>(90,597)</b>

A 10% weakening of Singapore Dollar against the above currencies would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

## 22 FINANCIAL INSTRUMENTS BY CATEGORY

At the reporting date, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	2023 S\$	2022 S\$
<b>Financial Assets</b>		
Loans and receivables:		
Trade and other receivables	1,009,248	1,149,483
Cash and cash equivalents	8,674,111	7,806,149
	<b>9,683,359</b>	<b>8,955,632</b>
<b>Financial Liabilities</b>		
Financial liabilities measured at amortised cost:		
Trade and other payables	448,575	493,257
Lease liabilities	45,869	132,838
	<b>494,444</b>	<b>626,095</b>

## 23 FAIR VALUES

### Cash and Cash Equivalents, Other Receivables and Other Payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

### Trade Receivables and Trade Payables

The carrying amounts of these receivables and payables (including trade balances due to holding company and related parties) approximate their fair values as they are subject to normal trade credit terms.

## 24 CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for its shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including trade and other payables as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as total equity, as shown in the statement of financial position, plus net debts.

# Notes to the Financial Statements

for the year ended 31 March 2023

No specific gearing ratio has been determined by management with the overall objective to keep the ratio as low as possible and such policy has not been changed since the previous financial year.

The gearing ratios at 31 March were as follows:

	2023 S\$	2022 S\$
<b>Total trade and other payables and lease liability</b>	597,276	863,927
Less: Cash and cash equivalents	(8,674,111)	(7,806,149)
<b>Net debts</b>	-	-
Total equity	9,525,258	8,615,326
<b>Total capital</b>	<b>9,525,258</b>	<b>8,615,326</b>
Gearing ratio	-	-

The Company is required to maintain a minimum net worth of S\$250,000 under the Securities and Futures (Financial and Margin Requirements for Holders of Capital Market Services Licenses) Regulations issued by the Monetary Authority of Singapore. In addition, the Company is required, at all times, to maintain a base capital of not less than 120% of its total risk requirement (Operational Risk Requirement). The company is in compliance with these requirements for the financial year ended 31 March 2023.

Other than the above, the Company does not have any externally imposed capital requirements for the financial year ended 31 March 2023 and 31 March 2022. The Company's overall strategy remains unchanged from 31 March 2022.

## 25 OTHER MATTER

The COVID-19 outbreak and the measures taken to contain the spread of the pandemic, the Ukraine - Russia conflict, inflation and natural disasters have resulted in significant impact to business activities and high level of uncertainty to global economic prospects. The Company has considered the impact of the various macroeconomic events and factors on the measurement and recognition of assets and liabilities, income and expenses, and the potential impact on going concern amongst other considerations.

Management has reviewed the possible impact given the evolving nature of COVID-19 and the uncertainties that arise from the various macroeconomic events and factors on the following matters:

- (1) Changes in economic and market conditions that affect the fair values of the Company's financial and non-financial assets and liabilities.
- (2) Additional expected credit losses due to a decline in the repayment ability of debtors.

Management assessment requires the exercise of judgement and careful consideration of Company's specific facts and circumstances. The Company operates in business segments that have remain relatively stable or unaffected by the outbreak and the uncertainties as mentioned above and there may not be a significant increase in loss allowance as the Company's key customers are not in sectors severely affected by the outbreak and the uncertainties, and they generally have good repayment history. The Company will continue to monitor any material impact due to changes in future economic conditions.

Aditya Birla Sun Life Trustee Private Limited



**ADITYA BIRLA  
CAPITAL**

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# Independent Auditor's Report

To The Members of  
**Aditya Birla Sun Life Trustee Private Limited**

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying financial statements of **Aditya Birla Sun Life Trustee Private Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report (the "Report"), but does not

include the financial statements, and our auditor's report thereon. The Report is expected to be made available to us after the date of auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

### Management's Responsibility for the Financial Statements

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

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

## Independent Auditor's Report (Contd.)

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal financial control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit :
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

## Independent Auditor's Report (Contd.)

- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f. Reporting on the adequacy of the Internal Control Over Financial Reporting of the Company and the operating effectiveness of such controls, under section 143(3)(i) of the Act is not applicable in view of the exemption available to the Company in terms of the notification no. G.S.R. 583(E) dated 13<sup>th</sup> June 2017 issued by the Ministry of Corporate Affairs, Government of India, read with general circular No. 08/2017 dated 25<sup>th</sup> July 2017.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the Company being a Private Company, section 197 of the Act related to the managerial remuneration is not applicable.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position as at 31<sup>st</sup> March 2023;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31<sup>st</sup> March 2023 and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The Management has represented, that to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

## Independent Auditor's Report (Contd.)

VI. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. 1<sup>st</sup> April 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31<sup>st</sup> March 2023.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Deloitte Haskins & Sells LLP**

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

Sd/-

**G. K. Subramaniam**

(Partner)  
(Membership No. 109839)  
(UDIN: 23109839BGXPXM1523)

Place: Mumbai

Date : 28<sup>th</sup> April 2023

# Annexure A 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)

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

- (i) As the Company does not hold any property, plant and equipment, intangible assets, reporting under clause 3(i) of the Order is not applicable.
- (ii) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
- (ii) (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause 3(iii) of the Order is not applicable.
- (iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause 3(vi) of the Order is not applicable.
- (vii) In respect of statutory dues:
  - (vii) (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities. We have been informed that the provisions of the Employees' State Insurance Act, 1948 are not applicable to the Company.
- (vii) (b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on 31<sup>st</sup> March 2023.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix) (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (ix) (d) In our opinion, Company has not availed any short-term fund hence reporting under clause 3(ix)(d) of the Order is not applicable.
- (ix) (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31<sup>st</sup> March 2023 for a period of more than six months from the date they became payable.

Annexure A to the Independent Auditors' Report (Contd.)

- |  |  |
|--|--|
| <p>(ix) (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.</p>  | <p>(xiv) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act, 2013.</p>  |
| <p>(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.</p>  | <p>(xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of its holding company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.</p>   |
| <p>(x) (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.</p>  | <p>(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.</p>   |
| <p>(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.</p>   | <p>(xvi) (b) The Group does not have more than one CIC as part of the group.</p>   |
| <p>(xi) (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.</p>   | <p>(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.</p>  |
| <p>(xi) (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.</p>  | <p>(xviii) There has been no resignation of the statutory auditors of the Company during the year.</p>   |
| <p>(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.</p>  | <p>(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities</p> |
| <p>(xiii) In our opinion, the Company is in compliance with Section 188 of the Companies Act 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. The Company is a Private Company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.</p> |  |

**Annexure A to the Independent Auditors' Report (Contd.)**

falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

(xxi) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(xxi) of the Order is not applicable.

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W / W-100018)

Sd/-

**G. K. Subramaniam**

(Partner)

(Membership No. 109839)

(UDIN: 23109839BGXPXM1523)

Place: Mumbai

Date : 28<sup>th</sup> April 2023

# Balance Sheet

as at 31<sup>st</sup> March 2023

(In Rupees unless otherwise stated)

Particulars	Note No.	As at 31st March 2023	As at 31st March 2022
<b>I ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Financial Assets			
(i) Investments - Mutual Funds	3A	8,02,026	7,58,624
(ii) Long Term Loans and advances	4	3,000	3,000
		<b>8,05,026</b>	<b>7,61,624</b>
<b>(2) Current assets</b>			
(a) Financial Assets			
(i) Investments - Mutual Funds	3B	1,49,13,869	1,35,06,971
(ii) Trade Receivable	6	8,77,743	7,30,704
(iii) Cash and cash equivalents	7	1,95,621	1,22,932
(b) Current tax Asset (Net)		1,46,379	1,63,022
(c) Other Current Assets	5	15,980	32,656
		<b>1,61,49,592</b>	<b>1,45,56,285</b>
<b>Total assets</b>		<b>1,69,54,618</b>	<b>1,53,17,909</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share capital	8	2,00,000	2,00,000
(b) Other Equity	9	1,40,99,423	1,29,99,838
<b>Total equity</b>		<b>1,42,99,423</b>	<b>1,31,99,838</b>
<b>(2) Non-current liabilities</b>			
(a) Provisions	10	7,03,409	5,06,138
(b) Deferred tax liabilities (net)	11	3,68,656	2,67,790
		<b>10,72,065</b>	<b>7,73,928</b>
<b>(3) Current liabilities</b>			
(a) Financial Liabilities			
(1) Trade Payables			
(i) Total outstanding dues to micro enterprises and small enterprises		-	-
(ii) Total outstanding dues to creditors other than micro enterprises and small enterprises	12	68,487	68,602
(b) Other Current Liabilities	13	2,87,148	2,70,091
(c) Provisions	10	12,04,599	9,82,554
(d) Current tax liabilities (net)		22,896	22,896
		<b>15,83,130</b>	<b>13,44,143</b>
<b>Total liabilities</b>		<b>26,55,195</b>	<b>21,18,071</b>
<b>Total Equity and Liabilities</b>		<b>1,69,54,618</b>	<b>1,53,17,909</b>
<b>Summary of significant accounting policies</b>	2.1		
The accompanying notes are an integral part of the financial statements.	18-25		

In terms of our report attached

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm Registration No. 117366W/W-100018)

Sd/-  
**G. K. Subramaniam**  
Partner

For and on behalf of the Board of Directors of  
**Aditya Birla Sun Life Trustee Private Limited**

Sd/-  
**Najib Shah**  
Director  
**DIN - 08120210**

Sd/-  
**Pravin Kutumbe**  
Director  
**DIN - 01629256**

Place: Mumbai  
Date: 28<sup>th</sup> April 2023

Place: Mumbai  
Date: 28<sup>th</sup> April 2023

# Statement of Profit and Loss

for the year ended 31<sup>st</sup> March 2023

(In Rupees unless otherwise stated)

Particulars		31st March 2023	31st March 2022
<b>Income</b>			
Revenue from operations		9,52,556	5,40,447
Other income	14	7,25,660	6,18,499
<b>Total Income</b>		<b>16,78,216</b>	<b>11,58,946</b>
<b>Expenses</b>			
Employee Benefit Expenses	15	-	-
Finance Cost		11	409
Other expenses	16	2,55,854	3,96,450
<b>Total Expenses</b>		<b>2,55,865</b>	<b>3,96,859</b>
<b>Profit before tax</b>		<b>14,22,351</b>	<b>7,62,087</b>
Tax expenses			
- Current tax		2,88,800	2,54,000
- Deferred tax		33,966	(1,21,495)
<b>Profit after tax</b>		<b>10,99,585</b>	<b>6,29,582</b>
<b>Earnings per equity share (Nominal value of shares Rs. 10)</b>	17		
Basic earnings per share		54.98	31.48
Diluted earnings per share		54.98	31.48
<b>Summary of significant accounting policies</b>	2.1		
The accompanying notes are an integral part of the financial statements.	18-25		

In terms of our report attached

For Deloitte Haskins & Sells LLP

Chartered Accountants

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

Sd/-

**G. K. Subramaniam**

Partner

Place: Mumbai

Date: 28<sup>th</sup> April 2023

For and on behalf of the Board of Directors of

**Aditya Birla Sun Life Trustee Private Limited**

Sd/-

**Najib Shah**

Director

**DIN - 08120210**

Place: Mumbai

Date: 28<sup>th</sup> April 2023

Sd/-

**Pravin Kutumbe**

Director

**DIN - 01629256**

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March 2023

(In Rupees unless otherwise stated)

## A. EQUITY SHARE CAPITAL

Equity shares of INR 10/- each issued, subscribed and fully paid	Number of Shares	In Rupees
At 1st April 2022	20,000	2,00,000
At 31st March 2023	20,000	2,00,000

## B. OTHER EQUITY

Particulars	Reserve and Surplus		Equity attributable to Shareholders of the Company
	Retained Earnings	Capital Fund *	
Balance as of 1st April 2022	1,26,21,927	3,77,911	1,29,99,838
Profit for the year	10,99,585	-	10,99,585
<b>Balance as at 31st March 2023</b>	<b>1,37,21,512</b>	<b>3,77,911</b>	<b>1,40,99,423</b>

Particulars	Reserve and Surplus		Equity attributable to Shareholders of the Company
	Retained Earnings	Capital Fund *	
Balance as at 1st April 2021	1,19,92,345	3,77,911	1,23,70,256
Profit for the year	6,29,582	-	6,29,582
<b>Balance as at 31st March 2022</b>	<b>1,26,21,927</b>	<b>3,77,911</b>	<b>1,29,99,838</b>

\* Capital fund comprises an amount received, on a non-repatriable basis from the Sponsor, Aditya Birla Capital Ltd, as a contribution to the Aditya Birla Sun Life Mutual Fund ('the Fund') in accordance with the terms of the Trust Deed. The amount is held by the Company in its fiduciary capacity as the trustee to the Fund and is intended to be utilised only for the purposes of settlement of claims, if any, from the unit holders of the mutual fund schemes launched by the Fund.

In terms of our report attached

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm Registration No. 117366W/W-100018)

Sd/-  
**G. K. Subramaniam**  
Partner

Place: Mumbai  
Date: 28<sup>th</sup> April 2023

For and on behalf of the Board of Directors of  
**Aditya Birla Sun Life Trustee Private Limited**

Sd/-  
**Najib Shah**  
Director  
**DIN - 08120210**

Sd/-  
**Pravin Kutumbe**  
Director  
**DIN - 01629256**

Place: Mumbai  
Date: 28<sup>th</sup> April 2023

# Statement of Cash Flows

for the year ended 31<sup>st</sup> March 2023

(In Rupees unless otherwise stated)

Particulars	31st March 2023	31st March 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit (Loss) before tax	14,22,351	7,62,087
Adjustments :		
Net Gain on sale of current investments	(86,898)	(35,104)
Net unrealised Gain on investments	(6,38,762)	(5,83,395)
<b>Operating Profit/(Loss) before working capital changes</b>	<b>6,96,691</b>	<b>1,43,588</b>
Adjustment for :		
Increase/(Decrease) in Current liabilities	4,36,258	9,19,067
(Increase)/Decrease in Loans and advances	16,676	(992)
(Increase)/Decrease in Trade Receivables	(1,47,038)	3,75,530
<b>Cash from operating activities</b>	<b>10,02,587</b>	<b>14,37,193</b>
Taxes Paid, net of refund received	(2,05,258)	(1,62,134)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>A</b>	<b>12,75,058</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Investments	(71,99,640)	(66,99,664)
Proceeds from sale of Investments	64,75,000	54,25,000
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>B</b>	<b>(12,74,664)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>NET CASH ( USED IN)/FROM FINANCING ACTIVITIES</b>	<b>C</b>	<b>-</b>
<b>Net increase/(Decrease) in Cash and Cash equivalent</b>	<b>(A+B+C)</b>	<b>394</b>
Cash and Cash equivalent at beginning of the year	1,22,932	1,22,538
Cash and Cash equivalent at end of the year	1,95,621	1,22,932
<b>Notes :</b>		
<b>1) Cash and Cash equivalent includes :</b>		
Cash in hand	-	-
Balance with Banks	1,95,621	1,22,932
<b>Total</b>	<b>1,95,621</b>	<b>1,22,932</b>

In terms of our report attached

For Deloitte Haskins & Sells LLP

Chartered Accountants

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

Sd/-

**G. K. Subramaniam**

Partner

Place: Mumbai

Date: 28<sup>th</sup> April 2023

For and on behalf of the Board of Directors of

**Aditya Birla Sun Life Trustee Private Limited**

Sd/-

**Najib Shah**

Director

**DIN - 08120210**

Place: Mumbai

Date: 28<sup>th</sup> April 2023

Sd/-

**Pravin Kutumbe**

Director

**DIN - 01629256**

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## 1 CORPORATE INFORMATION

Aditya Birla Sun Life Trustee Private Limited ('the Company') is a private limited company, incorporated in India on 23<sup>rd</sup> September 1994 under the provisions of the Companies Act, 1956. The principal object of the Company is to act as trustee for Aditya Birla Sun Life Mutual Fund ('the Fund') under a trust deed dated 16<sup>th</sup> December 1994, and for that purpose to set up, promote, settle and execute trusts and devise various schemes for raising funds in any manner from persons, body corporates, trust, society, association of persons in India and abroad and to deploy funds raised and earn reasonable returns on their investments and to acquire, hold, manage, dispose of all or any property or assets or securities. The company also acts as trustee for India Income Opportunities Fund (a Category II Alternative Investment Fund), India Equity Opportunities Fund (a Category III Alternative Investment Fund) and India Equity Services Fund (a Category III Alternative Investment Fund).

## 2 BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended.

### 2.1 Summary of significant accounting policies

#### a Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### b Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Investment has been recognised at fair value as per Ind AS 109.

#### c Revenue recognition

Trusteeship fee earned by the Company for discharging its obligations as trustee to the Fund is recognised on an

accrual basis, in accordance with the terms of the Deed of Trust.

Purchase and sale of investments are recorded on the trade date. The profit/ loss on sale of investments are recognised in the statement of profit and loss on trade date, using weighted average cost method.

#### d Income taxes

Tax expense comprises current tax and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets is reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by the ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period. In the year of utilisation of MAT credit, not recognised earlier, the same is credited to statement of Profit & Loss for the year.

## e Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## f Contingent liability

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

## g Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

## h Current versus Non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An

asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

## i 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

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

## Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial asset at amortised cost
- Financial asset at fair value through other comprehensive income (FVTOCI)
- Financial asset at fair value through profit or loss (FVTPL)

## Financial asset at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

## Financial asset at FVTOCI

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

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

## Financial asset at FVTPL

FVTPL is a residual category. Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

The Company does not have any financial assets at amortised cost or FVTOCI. It has mutual fund units classified as financial assets at FVTPL.

## Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

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

When the company has transferred its rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

## Financial Liabilities

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

## j Employee Benefits

- a) Provident Fund: Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund. All eligible employees are covered under statutory provident fund and contributions are accounted on an accrual basis.

- b) Gratuity: The Company operates a defined benefit gratuity plan in India, which is unfunded. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.
- c) Leave Encashment: Provision for leave encashment is made on the basis of actuarial valuation of the expected liability.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. All the employee benefit expenses are Recovered/Recoverable from Schemes of Aditya Birla Sun Life Mutual Fund.

## k Statement of Cash Flows

The Statement of Cash Flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The Statement of Cash Flows from operating, investing and financing activities of the Company are segregated.

## l Earnings per share

Basic earnings per share is calculated by dividing the net profit/ loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is calculated by dividing net profit/ loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period, adjusted for the effects of all dilutive equity shares.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

(In Rupees unless otherwise stated)

## NOTE : 3A NON CURRENT INVESTMENTS \*

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Quoted mutual fund units at fair value through profit or loss</b>		
1,010.80 Units (31st March 2022 : 1,010.80 Units) of Aditya Birla Sun Life Liquid Fund - Retail Plan (Growth Option)	5,90,178	5,58,421
583.47 Units (31st March 2022 : 583.47 Units) of Aditya Birla Sun Life Liquid Fund - Direct Plan (Growth Option)	2,11,848	2,00,203
<b>Total non current investments</b>	<b>8,02,026</b>	<b>7,58,624</b>

\* The above investments are earmarked towards capital fund (Refer note 9)

## NOTE : 3B CURRENT INVESTMENTS

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Quoted mutual fund units at fair value through profit or loss</b>		
9,041.91 Units (31st March 2022 : 9,041.91 Units) of Aditya Birla Sun Life Savings Fund - Direct Plan (Growth Option)	42,52,039	40,26,472
28,954.65 Units (31st March 2022 : 31,152.38 Units) of Aditya Birla Sun Life Banking & PSU Debt Fund - Direct Plan (Growth Option)	92,24,678	94,80,499
33,603.99 Units (31st March 2022 : Nil Units) of Aditya Birla Sun Life Short Term Fund - Direct Plan (Growth Option)	14,37,152	-
<b>Total current investments</b>	<b>1,49,13,869</b>	<b>1,35,06,971</b>

## NOTE : 4 LONG-TERM LOANS AND ADVANCES

Particulars	As at 31st March 2023	As at 31st March 2022
Advance to Aditya Birla Sun Life Mutual Fund towards corpus of the Fund*	3,000	3,000
<b>Total long-term loans and advances</b>	<b>3,000</b>	<b>3,000</b>

\* This amount is repayable by the Fund only at the closure of the Fund.

## NOTE : 5 OTHER CURRENT ASSET NON FINANCIAL

(Unsecured, considered Good unless otherwise stated)

Particulars	As at 31st March 2023	As at 31st March 2022
Tax input credit (GST)	13,480	32,656
Advance profession tax	2,500	-
<b>Total Other Current Asset Non Financial</b>	<b>15,980</b>	<b>32,656</b>

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

(In Rupees unless otherwise stated)

## NOTE : 6 TRADE RECEIVABLE

(Unsecured Considered Good)

Particulars	As at	As at
	31st March 2023	31st March 2022
Trade Receivable	8,77,743	7,30,704
Less: Expected Credit Loss	-	-
<b>Total Trade Receivable</b>	<b>8,77,743</b>	<b>7,30,704</b>

### Trade Receivables ageing schedule

#### Trade receivables as on 31<sup>st</sup> March 2023

Particulars	Outstanding for following periods from due date of payment	
	Less than 6 months	Total
(i) Undisputed Trade receivables - considered Good	8,77,743	8,77,743
<b>Total</b>	<b>8,77,743</b>	<b>8,77,743</b>

#### Trade receivables as on 31<sup>st</sup> March 2022

Particulars	Outstanding for following periods from due date of payment	
	Less than 6 months	Total
(i) Undisputed Trade receivables - considered Good	7,30,704	7,30,704
<b>Total</b>	<b>7,30,704</b>	<b>7,30,704</b>

## NOTE : 7 CASH AND CASH EQUIVALENTS

Particulars	As at	As at
	31st March 2023	31st March 2022
Balances with Bank		
Current Account	1,95,621	1,22,932
<b>Total Cash and Cash Equivalents</b>	<b>1,95,621</b>	<b>1,22,932</b>

## NOTE : 8 EQUITY SHARE CAPITAL

Particulars	As at	As at
	31st March 2023	31st March 2022
<b>Authorised shares</b>		
1,000,000 (31st March 2022 : 1,000,000 ) equity shares of Rs. 10/- each	1,00,00,000	1,00,00,000
<b>Total</b>	<b>1,00,00,000</b>	<b>1,00,00,000</b>
<b>Issued, subscribed and fully paid-up shares</b>		
20,000 (31st March 2022 : 20,000) equity shares of Rs. 10/- each	2,00,000	2,00,000
<b>Total Issued, subscribed and fully paid-up share capital</b>	<b>2,00,000</b>	<b>2,00,000</b>

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

(In Rupees unless otherwise stated)

## a Reconciliation of shares outstanding at the beginning and at the end of the year

Sr No.	Particulars	31st March 2023		31st March 2022	
		Number of Shares	In Rupees	Number of Shares	In Rupees
1	At the beginning of the year	20,000	2,00,000	20,000	2,00,000
2	Issued during the year	-	-	-	-
	<b>Outstanding at the end of the year</b>	<b>20,000</b>	<b>2,00,000</b>	<b>20,000</b>	<b>2,00,000</b>

## b Terms/rights 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 has not declared any dividend during the year.

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

## c Details of shares held by holding company and shareholders holding more than 5 percent shares

Sr No.	Particulars	31st March 2023			31st March 2022		
		Number of Shares held	Value of Shares In Rupees	% of total paid-up equity share capital	Number of Shares held	Value of Shares In Rupees	% of total paid-up equity share capital
1	Aditya Birla Capital Ltd. , the holding company	10,170	1,01,700	50.85%	10,170	1,01,700	50.85%
2	Sun Life (India) AMC Investment Inc.	9,800	98,000	49.00%	9,800	98,000	49.00%

## d Shareholding of promoters as on 31<sup>st</sup> March 2023

Sr. No	Promoter Name	Shares held by promoters at the end of the year		% Change during the year
		No. of Shares	% of total shares	
1	Aditya Birla Capital Limited(ABCL)	10,170	50.85%	No Change
2	Sun Life (India) AMC Investments Inc.	9,800	49.00%	No Change
	<b>Total</b>	<b>19,970</b>		

## e Shareholding of promoters as on 31<sup>st</sup> March 2022

Sr. No	Promoter Name	Shares held by promoters at the end of the year		% Change during the year
		No. of Shares	% of total shares	
1	Aditya Birla Capital Limited(ABCL)	10,170	50.85%	No Change
2	Sun Life (India) AMC Investments Inc.	9,800	49.00%	No Change
	<b>Total</b>	<b>19,970</b>		

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

(In Rupees unless otherwise stated)

## f Aggregate number and class of shares allotted as fully paid-up pursuant to contract without payment being received in cash and bonus shares issued and shares bought back during the period of five years immediately preceding the current year

The company has neither allotted any class of shares as fully paid-up pursuant to contract without payment being received in cash and nor issued bonus shares and there has been any buy back of shares during the five years immediately preceding 31<sup>st</sup> March 2023.

## NOTE : 9 OTHER EQUITY

Particulars	Reserve and Surplus		Equity attributable to Shareholders of the Company
	Retained Earnings	Capital Fund *	
Balance as of 1st April 2022	1,26,21,927	3,77,911	1,29,99,838
Profit for the year	10,99,585	-	10,99,585
<b>Balance as at 31st March 2023</b>	<b>1,37,21,512</b>	<b>3,77,911</b>	<b>1,40,99,423</b>

Particulars	Reserve and Surplus		Equity attributable to Shareholders of the Company
	Retained Earnings	Capital Fund *	
Balance as at 1st April 2021	1,19,92,345	3,77,911	1,23,70,256
Profit for the year	6,29,582	-	6,29,582
<b>Balance as at 31st March 2022</b>	<b>1,26,21,927</b>	<b>3,77,911</b>	<b>1,29,99,838</b>

\* Capital fund comprises an amount received, on a non-repatriable basis from the Sponsor, Aditya Birla Capital Ltd, as a contribution to the Aditya Birla Sun Life Mutual Fund ('the Fund') in accordance with the terms of the Trust Deed. The amount is held by the Company in its fiduciary capacity as the trustee to the Fund and is intended to be utilised only for the purposes of settlement of claims, if any, from the unit holders of the mutual fund schemes launched by the Fund.

## NOTE : 10 PROVISIONS

Particulars	Long Term		Short Term	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Leave Encashment	-	-	2,04,599	1,82,554
Bonus Payable	-	-	10,00,000	8,00,000
Gratuity ( Refer Note 18 )	7,03,409	5,06,138	-	-
<b>Total Provisions</b>	<b>7,03,409</b>	<b>5,06,138</b>	<b>12,04,599</b>	<b>9,82,554</b>

## NOTE : 11 DEFERRED TAX LIABILITY (NET)

Particulars	As at	As at
	31st March 2023	31st March 2022
Deferred Tax Liability	3,68,830	3,34,864
MAT Credit Entitlement	(174)	(67,074)
<b>Total Deferred Tax Liability (Net)</b>	<b>3,68,656</b>	<b>2,67,790</b>

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

(In Rupees unless otherwise stated)

## NOTE : 12 CURRENT LIABILITIES - FINANCIAL

Particulars	As at 31st March 2023	As at 31st March 2022
- Total outstanding dues to micro enterprises and small enterprises*	-	-
- Total outstanding dues to creditors other than micro enterprises and small enterprises	68,487	68,602
<b>Total Current Liabilities - Financial</b>	<b>68,487</b>	<b>68,602</b>

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

Particulars	As at 31st March 2023	As at 31st March 2022
a.) Principal amount and interest thereon remaining unpaid at the end of year	-	-
b.) Interest paid including payment made beyond appointed day during the year	-	-
c.) Interest due and payable for delay during the year	-	-
d.) Amount of interest accrued and unpaid as at year end	-	-
e.) The amount of further interest due and payable even in the succeeding year	-	-

### Trade Payables Ageing schedule

#### Trade payables as on 31<sup>st</sup> March 2023

Particulars	Outstanding for following periods from due date of payment	
	Less than 1 year	Total
(i) MSME	-	-
(ii) Others	68,487	68,487
<b>Total</b>	<b>68,487</b>	<b>68,487</b>

#### Trade payables as on 31<sup>st</sup> March 2022

Particulars	Outstanding for following periods from due date of payment	
	Less than 1 year	Total
(i) MSME	-	-
(ii) Others	68,602	68,602
<b>Total</b>	<b>68,602</b>	<b>68,602</b>

## NOTE : 13 OTHER CURRENT LIABILITIES

Particulars	As at 31st March 2023	As at 31st March 2022
TDS payable	66,239	66,387
GST Payable	1,38,242	1,38,820
Employee Provident Fund payable	82,467	64,684
Professional Tax payable	200	200
<b>Total Other Current Liabilities</b>	<b>2,87,148</b>	<b>2,70,091</b>

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

(In Rupees unless otherwise stated)

## NOTE : 14 OTHER INCOME

Particulars	31st March 2023	31st March 2022
Net Gain on sale of investments	86,898	35,104
Fair Value gain on financial instruments at fair value through profit or loss	6,38,762	5,83,395
<b>Total other income</b>	<b>7,25,660</b>	<b>6,18,499</b>

## NOTE : 15 EMPLOYEE BENEFIT EXPENSES

Particulars	31st March 2023	31st March 2022
Salaries and allowances	40,19,688	36,34,676
Contribution to provident and other funds	1,58,004	1,29,342
Gratuity Expenses ( Refer Note 18 )	1,97,271	1,10,281
Less: Recovered/Recoverable from Schemes of Aditya Birla Sun Life Mutual Fund	(43,74,963)	(38,74,299)
<b>Total employee benefit expenses</b>	<b>-</b>	<b>-</b>

## NOTE : 16 ADMINISTRATIVE AND OTHER EXPENSES

Particulars	31st March 2023	31st March 2022
Travelling and conveyance	2,64,807	-
Directors' sitting fees	38,50,000	38,00,000
Payment to auditors (excluding GST)		
As audit fees	1,50,000	1,50,000
Other Services	-	-
Reimbursement of expenses	2,250	2,250
Professional charges	1,00,062	2,41,364
Profession tax	2,500	2,500
Miscellaneous expenses	1,042	336
Less: Recovered from Schemes of Aditya Birla Sun Life Mutual Fund	(41,14,807)	(38,00,000)
<b>Total administrative and other expenses</b>	<b>2,55,854</b>	<b>3,96,450</b>

## NOTE : 17 EARNING PER SHARE ('EPS')

Particulars	31st March 2023	31st March 2022	
Earnings per Share (EPS) is calculated as under:			
Net Profit as per Statement of Profit and Loss	10,99,585	6,29,582	
<b>Net profit considered for EPS -</b>	<b>A</b>	<b>10,99,585</b>	<b>6,29,582</b>
Weighted average number of Equity Shares for calculation of Basic EPS	<b>B</b>	<b>20,000</b>	<b>20,000</b>
<b>Basic and diluted EPS (Rs)</b>	<b>A/B</b>	<b>54.98</b>	<b>31.48</b>
Nominal Value of Shares (Rs.)		10.00	10.00

The Company has not issued any potential equity shares and, accordingly, the basic EPS and diluted EPS are the same.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

(In Rupees unless otherwise stated)

## NOTE : 18 EMPLOYEE BENEFITS

In accordance with the Indian Accounting Standard (Ind AS) 19 “Employee Benefits”, the Company has classified the various benefits provided to the employees as under:

### a. Defined Contribution Plan

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

Particulars	As at 31st March 2023	As at 31st March 2022
Employers Contribution to Provident Fund (PF)	1,35,627	1,07,442
Employers Contribution to Employees Pension Fund	15,000	15,000

### b. Gratuity (Defined Benefit Plan)

The following table sets out the status of the gratuity plan as required under IND AS 19 as certified by actuary. Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Amounts recognised in the Balance Sheet in respect of Gratuity</b>		
Present Value of the funded Defined Benefit Obligations at the end of the year	7,03,409	5,06,138
<b>Amounts recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity</b>		
<b>Amounts recognised during the period:</b>		
In Income Statement	1,23,922	94,774
In Other Comprehensive Income	73,349	15,507
<b>Total Expenses Recognised during the period</b>	<b>1,97,271</b>	<b>1,10,281</b>

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Reconciliation of Present Value of Obligation:</b>		
<b>Change in Present Value of the Obligations:</b>		
Opening Defined Benefit Obligations	5,06,138	3,95,857
Current Service Cost	91,300	70,249
Past Service Cost		
Interest Cost	32,622	24,525
Actuarial (Gain)/Loss arising from:		
- changes in demographic assumptions	-	17,878
- changes in financial assumptions	(26,996)	(3,489)
- experience variance (i.e. actual experience vs assumption)	1,00,345	1,118
Liabilities Settled on Divestment	-	-
Benefits Paid	-	-
<b>Closing Defined Benefit Obligations</b>	<b>7,03,409</b>	<b>5,06,138</b>

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

(In Rupees unless otherwise stated)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Expense Recognised in Income Statement</b>		
Current Service Cost	91,300	70,249
Past Service Cost	-	-
Net Interest cost / (income) on the defined Benefit Liability / (Asset)	32,622	24,525
<b>Expense Recognised in Income Statement</b>	<b>1,23,922</b>	<b>94,774</b>
<b>Other Comprehensive Income</b>		
Actuarial (Gain)/Loss arising from:	-	-
- changes in demographic assumptions	-	17,878
- changes in financial assumptions	(26,996)	(3,489)
- experience variance (i.e. actual experience vs assumption)	1,00,345	1,118
Return on plan asset, excluding amount recognised in net interest expense	-	-
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>73,349</b>	<b>15,507</b>
Assumptions		
Discount rate	7.30%	6.45%
Compensation Escalation rate	8.5% for first five years, 7.5% for next five years, 6.5% for next five years and 5% thereafter	8.5% for first five years, 7.5% for next five years, 6.5% for next five years and 5% thereafter
Average Age	54	53
Mortality Basis	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)
Withdrawal/Attrition rate (based on age)	3%	3%

## A. Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis are given below:

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Defined Benefit Obligation (Base)</b>	<b>7,03,409</b>	<b>5,06,138</b>

Particulars	As at 31st March 2023		As at 31st March 2022	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 0.50 %)	7,21,853	6,85,541	5,21,604	4,91,225
(% change compared to base due to sensitivity)	2.60%	-2.50%	3.10%	-2.90%
Salary Growth Rate (- / + 0.50 %)	6,85,567	7,21,653	4,91,355	5,21,321
(% change compared to base due to sensitivity)	-2.50%	2.60%	-2.90%	3.00%
Attrition Rate (- / + 50%)	7,20,196	6,87,801	5,20,946	4,92,539

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

(In Rupees unless otherwise stated)

Particulars	As at 31st March 2023		As at 31st March 2022	
	Decrease	Increase	Decrease	Increase
(% change compared to base due to sensitivity)	2.40%	-2.20%	2.90%	-2.70%
Mortality Rate (- / + 10%)	7,02,463	7,04,351	5,05,451	5,06,822
(% change compared to base due to sensitivity)	-0.10%	0.10%	-0.10%	0.10%

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

## B. Effect of Plan on Company's Future Cash Flows

### i) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cash flows)	5 years
--	---------

### ii) Expected cash flows over the next (valued on undiscounted basis)

1 year	23,237
2 to 5 years	1,11,148
6 to 10 years	9,08,301
More than 10 years	-

The estimate of future salary increase, considered in the actuarial valuation, takes into account inflation, seniority, promotion, and other relevant factors. The above information is certified by the actuary based on assumptions provided by the Company.

## NOTE : 19 RELATED PARTY DISCLOSURES

### Name and relationship with the parties:-

#### 1. Parties where control exists:

Ultimate Holding Company : Grasim Industries Ltd.

Holding Company : Aditya Birla Capital Ltd.

#### 2. Fellow Subsidiary of Holding Company :

Aditya Birla Sun Life AMC Limited

#### 3. Directors of the Company :-

Mr. Najib Shah – Chairman, Independent director

Mr. Anjani K Agrawal - Independent director

Mr. Debasish Mallick - Independent director

Mr. Pravin Kutumbe – Additional director (Independent) (Appointed w.e.f. 28<sup>th</sup> October 2022)

Dr. Ajit Ranade - Associate director

Mr. Karim Gilani - Associate director

Mr. Gopalaraman Padmanabhan - Independent director (Resigned w.e.f. close of business hours on 31<sup>st</sup> October 2022)

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

(In Rupees unless otherwise stated)

## Transactions with related parties during the year in the ordinary course of business:

Sr. No.	Particulars	For the Year Ended	
		31st March 2023	31st March 2022
<b>1</b>	<b>Reimbursement of Expenses Received</b>		
	Aditya Birla Sun Life AMC Limited (Employee Benefit Expenses)	-	3,66,822
<b>2</b>	<b>Reimbursement of Expenses Paid</b>		
	Aditya Birla Sun Life AMC Limited (Employee Benefit Expenses)	73,062	1,76,768
<b>3</b>	<b>Payment to Director</b>		
<b>i</b>	<b>Sitting Fee</b>		
	Mr. Gopalaraman Padmanabhan	8,50,000	11,50,000
	Mr. Anjani Agrawal	11,25,000	11,50,000
	Mr. Najib Shah	8,00,000	7,50,000
	Mr. Debasish Mallick	7,00,000	7,50,000
	Mr. Pravin Kutumbe	3,75,000	-

## NOTE : 20 SEGMENTAL REPORTING

Since the Company operates in single business and geographical segment (i.e. rendering of trusteeship services), no further disclosure is required to be given as per the notified Indian Accounting Standard - 108 'Operating Segments'.

## NOTE : 21

With regard to the new amendments under "Division III of Schedule III" under "Part II – Statement of Profit and Loss - General Instructions for preparation of Statement of Profit and Loss" there are no transactions that are required to be disclosed with regard to the following clauses 11(v) and 11(vii) for the Company.

## NOTE : 22 FAIR VALUE HIERARCHY

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

(In Rupees unless otherwise stated)

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments or NAV declared by Mutual Fund.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## Valuation as on 31<sup>st</sup> March 2023

Particulars	Level 1	Level 2	Level 3	Total
<b>FVTPL Assets :</b>				
- Equity	-	-	-	-
- Mutual Funds	1,57,15,895	-	-	1,57,15,895
-Others	-	-	-	-
<b>Total</b>	<b>1,57,15,895</b>	<b>-</b>	<b>-</b>	<b>1,57,15,895</b>
<b>Amortised Cost Assets :</b>				
- Equity	-	-	-	-
- Mutual Funds	-	-	-	-
-Others	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Loans and advances to customers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>	<b>68,487</b>	<b>-</b>	<b>-</b>	<b>68,487</b>
<b>Total</b>	<b>1,56,47,408</b>	<b>-</b>	<b>-</b>	<b>1,56,47,408</b>

## Valuation as on 31<sup>st</sup> March 2022

Particulars	Level 1	Level 2	Level 3	Total
<b>FVTPL Assets :</b>				
- Equity	-	-	-	-
- Mutual Funds	1,42,65,595	-	-	1,42,65,595
-Others	-	-	-	-
<b>Total</b>	<b>1,42,65,595</b>	<b>-</b>	<b>-</b>	<b>1,42,65,595</b>
<b>Amortised Cost Assets :</b>				
- Equity	-	-	-	-
- Mutual Funds	-	-	-	-
-Others	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

(In Rupees unless otherwise stated)

Particulars	Level 1	Level 2	Level 3	Total
<b>Loans and advances to customers</b>	-	-	-	-
<b>Financial liabilities</b>	68,602	-	-	68,602
<b>Total</b>	<b>1,41,96,993</b>	-	-	<b>1,41,96,993</b>

The carrying amount of trade receivables, trade payables, other financial liabilities, loans, other financial assets, cash and cash equivalents as at 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 are considered to the same as fair values, due to their short-term nature. These are classified as Level 3 fair value hierarchy due to inclusion of unobservable inputs including counter party credit risk.

## NOTE : 23 INCOME TAX

**The major components of income tax expense for the years ended 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 are:**

### Income Tax Recognised in Profit or Loss

Particulars	31st March 2023	31st March 2022
Current income tax:		
Current income tax charge	2,88,800	2,54,000
Adjustments in respect of current income tax of previous year	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	33,966	(1,21,495)
Mat Credit Availed	-	-
<b>Income tax expense reported in the statement of profit or loss</b>	<b>3,22,766</b>	<b>1,32,505</b>

### Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate as follows:

Particulars	31st March 2023	31st March 2022
<b>Accounting profit before income tax</b>	<b>14,22,351</b>	<b>7,62,087</b>
At India's statutory income tax rate of 26% (31st March 2022: 26%)	3,69,811	1,98,143
Tax on Income subject to Capital gain tax	(1,88,612)	(1,60,592)
Long term capital gain tax	-	76,223
Short term capital gain tax	1,07,600	1,40,226
Tax on Profit on revaluation of Investments	-	-
Additional tax liability as per MAT Provision	-	-
Deferred Tax	33,966	(1,21,495)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>3,22,766</b>	<b>1,32,505</b>

### Deferred tax:

Deferred tax relates to the following:

Particulars	Balance Sheet		Profit & Loss	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Deferred tax Liabilities	-	-	-	-
Fair value gain/loss on Investments giving rise to temporary differences	3,68,830	3,34,864	33,966	(1,21,495)
<b>Deferred tax expense/(income)</b>			<b>33,966</b>	<b>(1,21,495)</b>
<b>Net deferred tax assets/(liabilities)</b>	<b>3,68,830</b>	<b>3,34,864</b>		

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

(In Rupees unless otherwise stated)

Reflected in the balance sheet as follows:

Particulars	31st March 2023	31st March 2022
Deferred tax assets	-	-
Deferred tax liabilities	3,68,830	3,34,864
<b>Deferred tax Assets/(liabilities), net</b>	<b>3,68,830</b>	<b>3,34,864</b>

Reconciliation of deferred tax Assets/ (liabilities) (net):

Particulars	31st March 2023	31st March 2022
<b>Opening balance as of 1st April</b>	<b>3,34,864</b>	<b>4,56,359</b>
Tax (income)/expense during the period recognised in profit or loss	33,966	(1,21,495)
<b>Closing balance as at 31st March</b>	<b>3,68,830</b>	<b>3,34,864</b>

## NOTE : 24 CAPITAL RISK MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022

## NOTE : 25 EVENTS AFTER THE REPORTING PERIOD

There are no events after the reporting period that materially affect the financial position, financial performance, changes in equity or cash flows for the year ended 31<sup>st</sup> March 2023.

In terms of our report attached

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm Registration No. 117366W/W-100018)

Sd/-  
**G. K. Subramaniam**  
Partner

Place: Mumbai  
Date: 28<sup>th</sup> April 2023

For and on behalf of the Board of Directors of  
**Aditya Birla Sun Life Trustee Private Limited**

Sd/-  
**Najib Shah**  
Director  
**DIN - 08120210**

Place: Mumbai  
Date: 28<sup>th</sup> April 2023

Sd/-  
**Pravin Kutumbe**  
Director  
**DIN - 01629256**

Aditya Birla Finance Limited



**ADITYA BIRLA  
CAPITAL**

CIN: U65990GJ1991PLC064603

Registered Office Address : Indian Rayon Compound,  
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F: +91 22 4356 7266

E: [care.finance@adityabirlacapital.com](mailto:care.finance@adityabirlacapital.com)

W: <https://abfl.adityabirlacapital.com>

# Independent Auditor's Report

To the Members of  
**Aditya Birla Finance Limited**

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying financial statements of Aditya Birla Finance Limited (the "Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity and for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for opinion

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

### Key audit matters

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

Sr. No.	Key audit matter	Auditors' response
1.	<p><b>Allowances for expected credit losses ("ECL"):</b></p> <p>As at 31<sup>st</sup> March, 2023, the carrying value of loan assets measured at amortised cost, aggregated ₹78,84,950.10 lakh (net of allowance of expected credit loss ₹1,60,328.71 lakh) constituting approximately 94% of the Company's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. ECL allowance on such loan assets measured at amortised cost is a critical estimate involving a greater level of management judgement.</p> <p>As part of our risk assessment, we determined that the allowance for ECL on loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements.</p> <p>The elements of estimating ECL which involved increased level of audit focus are the following:</p> <ul style="list-style-type: none"> <li>• Qualitative and quantitative factors used in staging the loan assets measured at amortised cost.</li> <li>• Basis used for estimating Probabilities of Default ("PD"), Loss Given Default ("LGD") and Exposure at Default ("EAD") at product level with past trends;</li> <li>• Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions; and</li> <li>• Adjustments to model driven ECL results to address emerging trends.</li> </ul> <p>(Refer Note 4.1, 10 and 52 to the Financial Statements)</p>	<p><b>We performed the following audit procedures:</b></p> <p>We have examined the policies approved by the Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models. We have also verified the methodology adopted for computation of ECL ("ECL Model") that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost.</p> <p>Additionally, we have confirmed that adjustments to the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment have been approved by the Audit Committee of the Board of Directors.</p> <p>Our audit procedures related to the allowance for ECL included the following, among others:</p> <ul style="list-style-type: none"> <li>• Testing the design and operating effectiveness of the following: <ul style="list-style-type: none"> <li>– completeness and accuracy of the Exposure at Default ("EAD") and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied.</li> <li>– completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and</li> <li>– accuracy of the computation of the ECL estimate including reasonableness of the methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model.</li> </ul> </li> <li>• Test of details on a sample in respect of the following: <ul style="list-style-type: none"> <li>– we tested accuracy and completeness of the input data such as ratings and period of default and other related information used in estimating the PD;</li> <li>– completeness and accuracy of the staging of the loans and the underlying data based on which the ECL estimates have been computed.</li> <li>– we evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD; and</li> <li>– we evaluated the incorporation of the applicable assumptions into the ECL Model and tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company.</li> </ul> </li> <li>• We also evaluated the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL Model and ensured that the adjustment was in conformity with the amount approved by the Audit Committee.</li> <li>• We also assessed the disclosures made in relation to the ECL allowance to confirm compliance with the provisions of Ind AS 107.</li> </ul>

## Independent Auditor’s Report

Sr. No.	Key audit matter	Auditors’ response
2.	<p><b>Key information technology and general controls</b></p> <p>The Company is dependent on its Information Technology (“IT”) systems due to the significant number of transactions that are processed daily across such multiple and discrete IT systems.</p> <p>Also, IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner and under controlled environments. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data.</p> <p>On account of the pervasive use of its IT systems, the testing of the general computer controls of the key IT systems used in financial reporting was considered to be a Key Audit Matter</p>	<p>With the assistance of our IT specialists, we obtained an understanding of the Company’s IT applications, databases and operating systems relevant to financial reporting and the control environment. For these elements of the IT infrastructure the areas of our focus included access security (including controls over privileged access), program change controls, database management and network operations.</p> <p>In particular:</p> <ul style="list-style-type: none"> <li>• We tested the design, implementation and operating effectiveness of the Company’s general IT controls over the key IT systems relevant to financial reporting. This included evaluation of Company’s controls over segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being recertified during the period of audit;</li> <li>• We also tested key automated business cycle controls and logic for the reports generated through the IT infrastructure that were relevant for financial reporting or were used in the exercise of internal financial controls with reference to financial statements. Our tests included testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the financial statements.</li> </ul>

### 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 Board’s Report including Annexures thereto, Management Discussion and Analysis (“MD&A”) (collectively referred to as “other information”) but does not include the financial statements and our auditors’ report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

### Responsibilities of management and those charged with governance for the financial statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, 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;

## Independent Auditor's Report

and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditors' responsibility for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion

on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

## Independent Auditor's Report

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

### Report on other legal and regulatory requirements

1. As required by Section 143(3) of the Act, based on our audit of the financial statements, 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 relevant books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023, taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
  - 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 in its financial statements (Refer Note 46 to the financial statements);
    - ii. The Company has made provision, as required under the applicable law or accounting standards for material foreseeable losses, if any, on long-term contracts including derivative contracts;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. (a) The Management has represented that, to the best of its' knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## Independent Auditor's Report

- (b) The Management has represented, that, to the best of its' knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on the audit procedures performed that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. 01<sup>st</sup> April, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31<sup>st</sup> March, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No.117366W/W-100018)

**Sanjiv V. Pilgaonkar**  
Partner  
Membership No. 039826  
UDIN: 23039826BGXRZL8181

Place: Mumbai  
Date: 09<sup>th</sup> May, 2023

For **SINGHI & CO.**  
Chartered Accountants  
(Firm's Registration No. 302049E)

**Amit Hundia**  
Partner  
Membership No. 120761  
UDIN: 23120761BGYVTW2656

Place: Mumbai  
Date: 09<sup>th</sup> May, 2023

# 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 with reference to financial statements under clause (i) of sub-section 3 of section 143 of the companies act, 2013 (the "Act")

We have audited the internal financial controls with reference to financial statements of Aditya Birla Finance Limited (the "Company") as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's responsibility for internal financial controls

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

### Auditors' responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

### Meaning of internal financial controls with reference to financial statements

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

## **Inherent limitations of internal financial controls with reference to financial statements**

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

## **Opinion**

In our opinion, 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31<sup>st</sup> March, 2023 based on the criteria for internal financial control with reference to financial statement established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

**Sanjiv V. Pilgaonkar**

Partner

Membership No. 039826

UDIN: 23039826BGXRZL8181

Place: Mumbai

Date: 09<sup>th</sup> May, 2023

For **SINGHI & CO.**

Chartered Accountants

(Firm's Registration No. 302049E)

**Amit Hundia**

Partner

Membership No. 120761

UDIN: 23120761BGYVTW2656

Place: Mumbai

Date: 09<sup>th</sup> May, 2023

# Annexure 'B'

## To The Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date) to the members of Aditya Birla Finance Limited on the Financial Statements as at and for the year ended 31<sup>st</sup> March, 2023)

To the best of our information and according to the explanations provided to us by the Company and the books of account examined by us in the normal course of audit, we state that:

(i) In respect of the Company's Property, Plant and Equipment:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment, and the relevant details of Right-of-Use assets.

(B) The Company has maintained proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment, were physically verified during the year by the Management in accordance with a regular programme of verification which in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. No material discrepancies were noticed on such verification.

(c) Based on our examination of the documents provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment (Including Right of Use assets) or intangible assets or both during the year. Accordingly, paragraph 3(i)(d), of the Order is not applicable.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) In respect of the Company's inventories:

(a) The Company is engaged primarily in lending activities and consequently does not hold any

physical inventories. Accordingly, paragraph 3(ii)(a) of the Order is not applicable.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, by banks or financial institutions on the basis of security of loans (assets) during the year. As disclosed in Note 72 to the financial statements, the differences between the items reported in the quarterly returns / statements filed by the Company (including subsequent revisions thereto) with such banks or financial institutions and the books of account maintained by the Company, were not material. However, we have not carried out a specific audit of such statements.

(iii) As explained in note 1 to the financial statements, the Company is a non-deposit taking non-banking financial company ("NBFC") registered with the Reserve Bank of India ("RBI") and as part of its business activities, is engaged in the business of lending across various types of loans.

During the year, in the ordinary course of its business, the Company has made investments in, provided guarantee/ security to and granted loans and advances in the nature of loans, secured and unsecured, to companies, firms, limited liability partnerships and other parties. With respect to such investments, guarantees/ security and loans and advances:

(a) The provisions of paragraph 3(iii)(a) of the Order are not applicable to the Company as its principal business is to give loans;

(b) In our opinion, having regard to the nature of the Company's business, the investments made, guarantees provided, security given and the terms and conditions for the grant of all loans and advances in the nature of loans and guarantees provided during the year are, prima facie, not prejudicial to the Company's interest;

(c) In respect of loans and advances in the nature of loans (together referred to as "loan assets"), the schedule of repayment of principal and payment

of interest has been stipulated. Note 4.1(v) to the Financial Statements explains the Company's accounting policy relating to impairment of financial assets which include loans assets. In accordance with that policy, loan assets with balances as at 31<sup>st</sup> March, 2023, aggregating ₹250,709.88 lakh were categorised as credit impaired ("Stage 3") and ₹218,735.72 lakh were categorised as those where the credit risk has increased significantly since initial recognition ("Stage 2"). Disclosures in respect of such loans have been provided in Note 10 to the Financial Statements. Additionally, out of loans and advances in the nature of loans with balances as at the year-end aggregating ₹75,75,784.68 lakhs, where credit risk has not significantly increased since initial recognition (categorised as "Stage 1"), delinquencies in the repayment of principal and payment of interest aggregating ₹11,393.19 lakh were also identified, albeit for a period of less than 31 days. In all other cases, the repayment of principal and interest is regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.

- (d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is ₹ 1,38,898.34 lakh. Reasonable steps are being taken by the Company for recovery of the principal and interest.
- (e) The provisions of paragraph 3(iii)(e) of the Order are not applicable to the Company as its principal business is to give loans.
- (f) The Company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion, the Company has complied with the provisions of Section 185 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees provided or security given, as applicable and the provisions of Section 186 of the Companies Act 2013 are not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, the Company being Non-Banking Finance Company registered with RBI, provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, are not applicable to the Company. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.

(vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013, for business activities carried out by the Company. Hence, reporting under paragraph 3 (vi) of the order is not applicable.

(vii) In respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and other material statutory dues applicable to it, with the appropriate authorities. As explained to us, the Company did not have any dues payable on account of sales tax, service tax, duty of customs, duty of excise and value added tax.

(b) There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax Cess and any other material statutory dues in arrears as at 31<sup>st</sup> March, 2023, for a period of more than six months from the date they became payable.

**Annexure 'B'**

- (c) The Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31<sup>st</sup> March, 2023, on account of disputes are given below:

(₹ in Lakhs)

Name of the statute	Nature of dues	Amount involved*	Amount unpaid	Period to which the amount elates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	55.83	55.83	AY 2007-08	Income Tax Officer (Assessing Officer)
Income Tax Act, 1961	Income Tax	5,230.44	5,230.44	AY 2011-12	Bombay High Court
Income Tax Act, 1961	Income Tax	189.43	189.43	AY 2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	0.76	0.76	AY 2013-14	Income Tax Officer (Assessing Officer)
Income Tax Act, 1961	Income Tax	0.49	0.49	AY 2014-15	Income Tax Officer (Assessing Officer)
Income Tax Act, 1961	Income Tax	0.36	0.36	AY 2015-16	Income Tax Officer (Assessing Officer)
Income Tax Act, 1961	Income Tax	1,515.52	1,515.52	AY 2017-18	Commissioner of Income Tax (Appeals)
Finance Act, 1994	Service Tax	69.84	62.86	FY 2014-15 and 2015-16	Custom, Excise and Service Tax Appellate Tribunal, Mumbai
Income Tax Act, 1961	Income Tax	2,256.60	2,256.60	AY 2018-19	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1,019.43	1,019.43	AY 2020-21	Commissioner of Income Tax (Appeals)

\*Includes interest and penalty

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) With respect to reporting requirements of paragraph 3(ix) of the Order:
- (a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, term loans availed by the Company during the year, were applied by the Company for the purposes for which the loans were obtained.
- (d) On the basis of the maturity profile of financial assets and financial liabilities provided in Note 44 to the Financial Statements, financial liabilities maturing within the 12 months following the reporting date (i.e. 31<sup>st</sup> March, 2023) falls short of the expected recoveries from financial assets during that period. Further, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (f) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3(x)(a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partially or optionally) during the year under review and hence reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no material fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under section 143(12) of the Companies Act, 2013, has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report) and provided to us, while determining the nature, timing and extent of our audit procedures.
- (xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion, the Company has complied with the provisions of 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) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 ("RBI Act") and it has obtained the registration.
- (b) The Company has conducted the Non-Banking Financial activities with a valid Certificate of Registration ("CoR") from the RBI as per the RBI Act. The Company has not conducted any housing finance activities and is not required to obtain CoR for such activities from the RBI.
- (c) The Company is not a Core Investment Company ("CIC") and hence reporting under paragraph 3(xvi) (c) of the Order is not applicable to the Company.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has 1 CIC which is registered with the Reserve Bank of India and 2 CICs which are in the process of registration with Reserve Bank of India.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report, indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.
- (xxi) The Company did not have any Subsidiary, Associate or Joint Venture and hence, reporting under the clause (xxi) of the Order is not applicable.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Sanjiv V. Pilgaonkar**  
Partner  
Membership No. 039826  
UDIN: 23039826BGXRZL8181

Place: Mumbai  
Date: 09<sup>th</sup> May, 2023

For **SINGHI & CO.**  
Chartered Accountants  
(Firm's Registration No. 302049E)

**Amit Hundia**  
Partner  
Membership No. 120761  
UDIN: 23120761BGYVTW2656

Place: Mumbai  
Date: 09<sup>th</sup> May, 2023

# Balance Sheet

as at 31<sup>st</sup> March, 2023

(₹ in Lakhs)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>I ASSETS</b>			
<b>1 Financial assets</b>			
(a) Cash and cash equivalents	6	38,763.43	59,571.14
(b) Bank balance other than included in (a) above	7	-	9,681.37
(c) Derivative financial instruments	8	83.64	19.02
(d) Receivable			
(I) Trade receivables	9	4,030.61	1,243.96
(II) Other receivables		-	-
(e) Loans	10	78,84,950.10	53,60,746.02
(f) Investments	11	3,70,269.62	1,69,403.56
(g) Other financial assets	12	14,751.79	5,361.81
<b>2 Non-financial assets</b>			
(a) Current tax assets (net)	13	15,150.75	34,239.10
(b) Deferred tax assets (net)	41	40,653.14	25,954.92
(c) Property, plant and equipment	14	5,130.16	1,881.37
(d) Right of use Lease Assets	15	18,749.72	12,187.33
(e) Intangible assets under development	16	890.07	1,089.05
(f) Other intangible assets	17	6,244.06	7,008.52
(g) Other non-financial assets	18	12,615.32	8,533.26
<b>Total assets</b>		<b>84,12,282.41</b>	<b>56,96,920.43</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>1 Financial liabilities</b>			
(a) Derivative financial instruments	8	1,369.24	7,799.24
(b) Payables			
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	19	288.81	696.87
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	19	69,467.65	23,524.76
(II) 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		-	-
(c) Debt securities	20	23,53,485.51	15,78,125.70
(d) Borrowings (other than debt securities)	21	44,78,597.46	27,71,715.04
(e) Subordinated liabilities	22	2,44,990.45	2,48,733.99
(f) Lease liabilities	23	19,648.20	12,910.38
(g) Other financial liabilities	24	68,919.82	47,013.29
<b>2 Non-financial liabilities</b>			
(a) Current tax liabilities (Net)	25	13,664.09	1,513.10
(b) Provisions	26	6,463.72	10,421.69
(c) Other non-financial liabilities	27	12,766.33	8,424.39
<b>Total liabilities</b>		<b>72,69,661.28</b>	<b>47,10,878.45</b>
<b>Equity</b>			
(a) Equity share capital	28	66,210.08	66,210.08
(b) Other equity	29	10,76,411.05	9,19,831.90
<b>Total equity</b>		<b>11,42,621.13</b>	<b>9,86,041.98</b>
<b>Total liabilities and equity</b>		<b>84,12,282.41</b>	<b>56,96,920.43</b>
Summary of significant accounting policies	4		
The accompanying notes are forming part of the financial statements.			

As per our report of even date attached.

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
ICAI Firm Reg. No: 117366W/W-100018

For **Singhi & Co.**  
Chartered Accountants  
ICAI Firm Reg. No: 302049E

For and on behalf of the Board of Directors of  
**Aditya Birla Finance Limited**

per **Sanjiv V. Pilgaonkar**  
Partner  
Membership No: 039826

per **Amit Hundia**  
Partner  
Membership No: 120761

**Vishakha Mulye**  
Director  
DIN - 00203578

**Rakesh Singh**  
Managing Director and Chief Executive Officer  
DIN - 07006067

**Pradeep Agrawal**  
Chief Financial Officer

**Ankur Shah**  
Company Secretary

Place: Mumbai  
Date: 09<sup>th</sup> May, 2023

Place: Mumbai  
Date: 09<sup>th</sup> May, 2023

Place: Mumbai  
Date: 09<sup>th</sup> May, 2023

# Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakhs)

Particulars	Note No.	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Revenue from operations</b>			
(i) Interest income	31	7,80,603.81	5,53,128.87
(ii) Dividend income	32	284.97	285.31
(iii) Fees and commission income	33	41,098.09	24,880.80
(iv) Net gain on fair value changes	34	1,699.96	190.62
<b>(I) Total revenue from operations</b>		<b>8,23,686.83</b>	<b>5,78,485.60</b>
(II) Other income	35	3,080.88	1,201.65
<b>(III) Total income (I + II)</b>		<b>8,26,767.71</b>	<b>5,79,687.25</b>
<b>Expenses</b>			
(i) Finance costs	36	3,85,717.77	2,70,909.59
(ii) Impairment on financial instruments	37	90,347.54	65,346.00
(iii) Employee benefit expenses	38	72,283.39	52,072.80
(iv) Depreciation, amortization and impairment	39	8,613.28	6,835.39
(v) Other expenses	40	60,787.35	35,811.83
<b>(IV) Total expenses</b>		<b>6,17,749.33</b>	<b>4,30,975.61</b>
<b>(V) Profit before exceptional items and tax (III - IV)</b>		<b>2,09,018.38</b>	<b>1,48,711.64</b>
(VI) Exceptional items		-	-
<b>(VII) Profit before tax (V - VI)</b>		<b>2,09,018.38</b>	<b>1,48,711.64</b>
(VIII) Tax expense:			
(1) Current tax	41	68,583.07	38,609.10
(2) Deferred Tax Expenses / (Benefits)- (Net)	41	(14,940.44)	(730.52)
<b>(IX) Profit for the year</b>		<b>1,55,375.75</b>	<b>1,10,833.06</b>
<b>(X) Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement gain on defined benefit plan		428.00	531.55
Income tax impact of above		(107.72)	(133.78)
		<b>320.28</b>	<b>397.77</b>
Changes in fair value of equity instruments carried at FVTOCI		73.47	24.22
Income tax impact of above		(18.49)	(6.10)
		<b>54.98</b>	<b>18.12</b>
<b>Items that will be reclassified to profit or loss</b>			
Fair Value change on derivatives designated as cash flow hedge		460.95	2,578.79
Income tax impact on above		(116.01)	(649.03)
		<b>344.94</b>	<b>1,929.76</b>
<b>Other comprehensive income for the year</b>		<b>720.20</b>	<b>2,345.65</b>
<b>Total comprehensive income for the year</b>		<b>1,56,095.95</b>	<b>1,13,178.71</b>
<b>(XI) Earnings per equity share (Face Value ₹ 10 per equity share)</b>			
Basic (₹)	42	23.47	16.74
Diluted (₹)	42	23.46	16.74
Summary of significant accounting policies	4		
The accompanying notes are forming part of the financial statements.			

As per our report of even date attached.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

ICAI Firm Reg. No: 117366W/W-100018

per **Sanjiv V. Pilgaonkar**

Partner

Membership No: 039826

For **Singhi & Co.**

Chartered Accountants

ICAI Firm Reg. No: 302049E

per **Amit Hundia**

Partner

Membership No: 120761

For and on behalf of the Board of Directors of

**Aditya Birla Finance Limited**

**Vishakha Mulye**

Director

DIN - 00203578

**Pradeep Agrawal**

Chief Financial Officer

**Rakesh Singh**

Managing Director and Chief Executive Officer

DIN - 07006067

**Ankur Shah**

Company Secretary

Place: Mumbai

Date: 09<sup>th</sup> May, 2023

Place: Mumbai

Date: 09<sup>th</sup> May, 2023

Place: Mumbai

Date: 09<sup>th</sup> May, 2023

# Cash Flows Statement

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Operating activities</b>		
Profit before tax	2,09,018.38	1,48,711.64
<b>Adjustments for reconcile profit before tax to net cash flow:</b>		
Depreciation/amortisation and impairment	8,613.28	6,835.39
Impairment on financial instruments	90,347.54	65,346.00
Interest on deposit with banks	(274.52)	(1,262.58)
Net loss/(gain) on fair value changes	(1,699.96)	(190.62)
(Gain)/loss on sale of property, plant and equipment	33.10	6.00
Dividend income	(284.97)	(285.31)
Interest income on investment	(12,095.99)	(7,336.05)
Finance cost on lease liability	1,005.54	892.61
Profit on surrender of lease liability/income from rent concession	(124.76)	(392.09)
Share based payment expenses	483.19	-
<b>Operating Profit before working capital changes</b>	<b>2,95,020.83</b>	<b>2,12,324.99</b>
<b>Adjustment for working capital changes</b>		
(Increase) in loans	(26,13,183.94)	(6,69,763.97)
Decrease/(increase) in trade receivables	(2,828.68)	(329.79)
(Increase)/decrease in other financial assets	(9,889.86)	(568.03)
(Increase)/decrease in other non-financial assets	(3,142.52)	(12.69)
Increase in trade payables	45,534.83	13,049.32
Increase/(decrease) in other financial liabilities	21,279.01	(12,420.51)
(Decrease)/increase in provisions	(3,529.97)	2,890.73
(Decrease) in other non-financial liabilities	4,341.94	3,361.16
	<b>(22,66,398.36)</b>	<b>(4,51,468.79)</b>
Income taxes paid (Net)	(37,343.73)	(48,830.08)
<b>Net cash flow from/(used in) operating activities</b>	<b>(23,03,742.09)</b>	<b>(5,00,298.87)</b>
<b>Investing activities</b>		
Purchase of intangible assets including assets under development	(2,975.69)	(3,302.51)
Proceeds from sale of property, plant and equipment	74.00	155.15
Purchase of property, plant and equipment	(6,009.91)	(1,646.48)
Proceeds from sale of long term investments	1,841.72	1,500.91
Purchase of long term investments	(25,736.84)	(3,014.37)
Net (purchase)/sale of short term investments	(1,71,877.62)	(83,985.92)
Dividend received	284.97	285.31
Interest received on deposit with banks	306.16	1,244.03
Deposit placed/Redemption during the year	9,649.73	(7,749.73)
Interest received on investment	7,461.35	6,450.11
<b>Net cash flow from/(used in) investing activities</b>	<b>(1,86,982.13)</b>	<b>(90,063.50)</b>
<b>Financing activities</b>		
Proceeds from long term borrowings	31,67,898.63	12,65,274.81
Repayment of long term borrowings	(11,66,686.01)	(9,44,403.00)
Short-term borrowings (Net)	4,71,869.05	1,91,743.51
Lease payments	(3,165.16)	(2,855.71)

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Dividend paid	-	(10,924.66)
<b>Net cash flow from/(used in) financing activities</b>	<b>24,69,916.51</b>	<b>4,98,834.95</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(20,807.71)</b>	<b>(91,527.42)</b>
Cash and cash equivalents at beginning of the year	59,571.14	1,51,098.56
<b>Cash and cash equivalents at the end of the year</b>	<b>38,763.43</b>	<b>59,571.14</b>
<b>Components of cash and cash equivalents</b>		
Balance with banks		
In current accounts	38,763.43	59,571.14
<b>Total cash and cash equivalents</b>	<b>38,763.43</b>	<b>59,571.14</b>
<b>Cash Flow from Operations includes:</b>		
Interest received	7,37,452.44	5,42,780.97
Interest paid	3,78,447.38	2,98,603.08

### Additional disclosure pursuant to Ind AS 7

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Opening balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities</b>	<b>45,98,574.73</b>	<b>41,21,518.38</b>
Cash flow	24,73,081.67	5,12,615.32
Fair value adjustment	(847.84)	(6,972.87)
Interest accrued on borrowings	6,264.85	(28,586.10)
<b>Closing balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities</b>	<b>70,77,073.42</b>	<b>45,98,574.73</b>

\* The above Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

\* Purchase of investments is after adjustments of proceeds from sale / redemption of mutual fund.

\* Borrowings includes proceeds and repayment of debt securities, borrowings (other than debt securities) and subordinate liabilities.

Summary of significant accounting policies: Note 4

The accompanying notes are forming part of the financial statements.

As per our report of even date attached.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

ICAI Firm Reg. No: 117366W/W-100018

per **Sanjiv V. Pilgaonkar**

Partner

Membership No: 039826

Place: Mumbai

Date: 09<sup>th</sup> May, 2023

For **Singhi & Co.**

Chartered Accountants

ICAI Firm Reg. No: 302049E

per **Amit Hundia**

Partner

Membership No: 120761

Place: Mumbai

Date: 09<sup>th</sup> May, 2023

For and on behalf of the Board of Directors of

**Aditya Birla Finance Limited**

**Vishakha Mulye**

Director

DIN - 00203578

**Pradeep Agrawal**

Chief Financial Officer

Place: Mumbai

Date: 09<sup>th</sup> May, 2023

**Rakesh Singh**

Managing Director and Chief Executive Officer

DIN - 07006067

**Ankur Shah**

Company Secretary

# Statement of changes in Equity

for the year ended 31<sup>st</sup> March, 2023

## A. EQUITY SHARE CAPITAL

For the year ended 31<sup>st</sup> March, 2023

(₹ in Lakhs)

Particulars	Balance as at 01 <sup>st</sup> April, 2022	Changes in equity share capital due to prior period errors	Restated balance as at 01 <sup>st</sup> April, 2022	Changes in equity share capital during the year	Balance as at 31 <sup>st</sup> March, 2023
Equity shares of ₹ 10 each issued, subscribed and fully paid	66,210.08	-	66,210.08	-	66,210.08

For the year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	Balance as at 01 <sup>st</sup> April, 2021	Changes in equity share capital due to prior period errors	Restated balance as at 01 <sup>st</sup> April, 2021	Changes in equity share capital during the year	Balance as at 31 <sup>st</sup> March, 2022
Equity shares of ₹ 10 each issued, subscribed and fully paid	66,210.08	-	66,210.08	-	66,210.08

# Statement of changes in Equity

for the year ended 31<sup>st</sup> March, 2023

Particulars	Reserves and Surplus						Other comprehensive income			Total other equity
	Special reserve	Securities premium account	Capital reserve	General reserve	Capital redemption reserve	Share Options Outstanding Account	Retained earnings	Equity instruments through other comprehensive income	Cash flow hedge reserve	
<b>Balance as at 1<sup>st</sup> April, 2021</b>	97,984.64	3,63,738.29	(10,452.11)	13,660.95	1,000.00	-	3,53,991.63	154.40	(2,499.94)	8,17,577.86
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
<b>Restated balance as at 1<sup>st</sup> April, 2021</b>	97,984.64	3,63,738.29	(10,452.11)	13,660.95	1,000.00	-	3,53,991.63	154.40	(2,499.94)	8,17,577.86
Profit for the year	-	-	-	-	-	-	1,10,833.06	-	-	1,10,833.06
Fair Value change on derivatives designated as cash flow hedge	-	-	-	-	-	-	-	-	1,929.76	1,929.76
Dividend Paid (Interim)	-	-	-	-	-	-	(10,924.66)	-	-	(10,924.66)
Other comprehensive income	-	-	-	-	-	-	397.77	18.12	-	415.89
<b>Total comprehensive income</b>	-	-	-	-	-	-	<b>1,00,306.17</b>	<b>18.12</b>	<b>1,929.76</b>	<b>1,02,254.05</b>
Transfer to/from retained earnings	24,366.61	-	-	-	-	-	(24,366.61)	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	1,22,351.25	3,63,738.29	(10,452.11)	13,660.95	1,000.00	-	4,29,931.19	172.52	(570.18)	9,19,831.90
<b>Balance as at 01<sup>st</sup> April, 2022</b>	1,22,351.25	3,63,738.29	(10,452.11)	13,660.95	1,000.00	-	4,29,931.19	172.52	(570.18)	9,19,831.90
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
<b>Restated balance as at 1<sup>st</sup> April, 2022</b>	1,22,351.25	3,63,738.29	(10,452.11)	13,660.95	1,000.00	-	4,29,931.19	172.52	(570.18)	9,19,831.90
Profit for the year	-	-	-	-	-	-	1,55,375.75	-	-	1,55,375.75
Fair Value change on derivatives designated as cash flow hedge	-	-	-	-	-	-	-	-	344.94	344.94
ESOP Charge for the Year	-	-	-	-	-	483.19	-	-	-	483.19
Other comprehensive income	-	-	-	-	-	-	320.28	54.98	-	375.26
<b>Total comprehensive income</b>	-	-	-	-	-	-	<b>483.19</b>	<b>54.98</b>	<b>344.94</b>	<b>1,56,579.14</b>
Transfer to/from retained earnings	31,075.15	-	-	-	-	-	(31,075.15)	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	1,53,426.40	3,63,738.29	(10,452.11)	13,660.95	1,000.00	483.19	5,54,552.07	227.50	(225.24)	10,76,411.05

Summary of significant accounting policies: Note 4

The accompanying notes are forming part of the financial statements.

As per our report of even date attached.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

ICAI Firm Reg. No: 117366W/W-100018

per **Sanjiv V. Pilgaonkar**

Partner

Membership No: 039826

Place: Mumbai

Date: 09<sup>th</sup> May, 2023

For and on behalf of the Board of Directors of

**Aditya Birla Finance Limited**

Chartered Accountants

ICAI Firm Reg. No: 302049E

per **Amit Hundia**

Partner

Membership No: 120761

Place: Mumbai

Date: 09<sup>th</sup> May, 2023

**Vishakha Mulye**

Director

DIN - 00203578

**Pradeep Agrawal**

Chief Financial Officer

Place: Mumbai

Date: 09<sup>th</sup> May, 2023

**Rakesh Singh**

Managing Director and Chief Executive Officer

DIN - 07006067

**Ankur Shah**

Company Secretary

Place: Mumbai

Date: 09<sup>th</sup> May, 2023

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## NOTE 1: CORPORATE INFORMATION - BRIEF DESCRIPTION ABOUT THE COMPANY

Aditya Birla Finance Limited ('ABFL' or 'the Company') is a public company domiciled in India incorporated on 28<sup>th</sup> August, 1991 under the provisions of the Companies Act, 1956.

The Company is registered with Reserve Bank of India (RBI) as non-deposit taking systematically important Non Banking Financial Company (NBFC) with Registration no. N-01.00500 and is certified as ISO 9001: 2015 for all its Business processes by Intertek. The Company is also certified with ISO 27001: 2013 - Information security Management System (ISMS) for Human resource and administration, Information Technology and Internal audit & compliance functions.

The Company is among the leading well-diversified financial services company in India offering end-to-end lending, financing and wealth management solutions to a diversified range of customers across the country.

The Company is one of the wholly owned subsidiary of Aditya Birla Capital Limited and the ultimate parent company is Grasim Industries Limited.

The registered office of the Company is Indian Rayon Compound, Veraval, Gujarat - 362266.

The audited financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On 09<sup>th</sup> May, 2023 Board of Directors of the Company approved and recommended the audited financial statements for consideration and adoption by the shareholders in its Annual General Meeting.

## NOTE 2: BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act and the guidelines and directives issued by the Reserve Bank of India (RBI), to the extent applicable. The financial statements have been prepared and presented on going concern basis. The financial statements have been prepared under the

historical cost convention, as modified by the application of fair value measurements required or allowed by relevant accounting standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated. The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 5 - Significant accounting judgements, estimates and assumptions. The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakh, except when otherwise indicated.

## NOTE 3: PRESENTATION OF FINANCIAL STATEMENTS:

The financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- i. The normal course of business
- ii. The event of default
- iii. The event of insolvency or bankruptcy of the Company and/or its counterparties

### Functional and Presentation currency

The financial statements are presented in Indian rupees (rounded to the nearest lakhs) which is determined to be the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

## NOTE 4: SIGNIFICANT ACCOUNTING POLICIES:

### Note 4.1: Financial Instruments

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

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## Note 4.1 (i): Classification of financial instruments

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets.

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

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

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss account

The business model is assessed on the basis of aggregated portfolios based on observable factors. These factors include:

- Reports reviewed by the entity's key management personnel on the performance of the financial assets.
- The risks impacting the performance of the business model (and the financial assets held within that business model) and its management thereof.
- The compensation of the managing teams (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The expected frequency, value and timing of trades. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

The Company also assesses the contractual terms of financial assets on the basis of its contractual cash flow characteristics that are solely for the payments of principal and interest on the principal amount outstanding. 'Principal' is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending

arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

Sales that are infrequent and insignificant in value both individually and in aggregate are considered to be consistent with the business model whose objective is to hold and collect the contractual cash flows.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss.

## Note 4.1 (ii): Financial assets

### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, except in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

### Subsequent measurement - Financial assets measured at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely for the payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate method (EIR). Amortised cost is calculated by taking into account any fees or costs that are an integral part of the EIR. The amortisation is included in Interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

These financial assets comprise bank balances, trade receivables, loans and other financial assets.

## Subsequent measurement - Financial assets measured at fair value through other comprehensive income

**Debt instruments:** A 'debt instrument' is classified as at the Fair Value through Other Comprehensive Income (FVTOCI) if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent Solely Payment of Principal and Interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**Equity Instruments:** All equity investments in scope of Ind AS 109 are measured at fair value. For all such equity investments, the Company may make an irrevocable election to present in OCI the subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the Fair Value through Profit or Loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

## Subsequent measurement - Items at fair value through profit or loss

FVTPL is a residual category for debt instruments. Any debt

instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

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

## Note 4.1 (iii): Financial Liabilities

### Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include borrowings including Company overdrafts and trade and other payables.

### Subsequent measurement

The measurement of financial liabilities depends on their classification.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

## Note 4.1 (iv): Recognition and Derecognition of financial assets and liabilities

### Recognition:

A financial asset or financial liability is recognised in the balance sheet when the Company becomes a party to the contractual provisions of the instrument, which is generally on trade date. Loans and receivables are recognised when cash is advanced (or settled) to the borrowers. Financial assets at fair value through profit or loss are recognised initially at fair value. All other financial assets are recognised initially at fair value plus directly attributable transaction costs.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## **Derecognition:**

### **Financial assets**

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

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

### **Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

## **Note 4.1 (v): Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments are measured at amortised cost e.g., loans, debt securities, deposits, and other balances
- b) Financial assets that are measured as at FVTOCI
- c) Loan commitments which are not measured as at FVTPL
- d) Financial guarantee contracts which are not measured as at FVTPL.

For recognition of impairment loss on other financial assets

and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

The Company has established a policy to perform an assessment at the end of each reporting period of whether credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

To calculate ECL, the Company estimate the risk of a default occurring on the financial instrument during its expected life. ECLs are estimated based on the present value of all cash shortfalls over the remaining expected life of the financial asset i.e., the difference between the contractual cash flows that are due to the Company under the contract, and the cash flows that the Company expects to receive are discounted at the effective interest rate of the loan.

The Company groups its loans into Stage 1, Stage 2 and Stage 3, based on the applied impairment methodology, as described below:

### **Stage 1: 12-months ECL**

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised.

### **Stage 2: Lifetime ECL – not credit impaired**

For exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset) is recognised.

### **Stage 3: Lifetime ECL – credit impaired**

Exposures are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For exposures that have become credit impaired, a lifetime ECL is recognised and

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

ECL impairment loss allowance (or reversal) during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'Impairment on financial instruments' in the Statement of Profit and Loss. On the other side, for financial assets measured as at amortised cost, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13<sup>th</sup> March, 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the company exceeds the total provision required under IRACP (including standard asset provisioning), as at 31<sup>st</sup> March, 2023 and accordingly, no amount is required to be transferred to impairment reserve.

## Note 4.1 (vi): Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## Note 4.1 (vii): Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. The Company reserves the right to recover such written off amount. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

## Note 4.1 (viii): Derivative Financial Instruments and Hedge Accounting:

The Company enters into forward contracts to hedge the foreign currency risk of firm commitments and highly probable forecast transactions. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

**Hedge Accounting :** The Company designates certain hedging instruments in respect of foreign currency risk and interest rate risk as cash flow hedges. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows, and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in Other Comprehensive Income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss.

Amounts previously recognised in Other Comprehensive Income and accumulated in other equity relating to (effective portion as described above) are re-classified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

Hedge accounting is discontinued when the hedging instrument expires, terminated, or exercised, without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in Other Comprehensive Income and accumulated in other equity at that time remains in other equity and is recognised when the forecast transaction is ultimately recognised in Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in other equity is recognised immediately in the Statement of Profit and Loss.

## Note 4.1 (ix): Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in note 4.1 (ii) and (iii)) at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

## Note 4.2: Revenue from operations

### Note 4.2 (i): Interest Income:

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the EIR. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## Note 4.2 (ii): Dividend Income

Dividend income is recognised

- a. When the right to receive the payment is established which is generally when shareholders approve the dividend,
- b. it is probable that the economic benefits associated with the dividend will flow to the entity and
- c. the amount of the dividend can be measured reliably

## Note 4.2 (iii): Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation. Rental Income is recognised as per the contractual terms. Operating leases are leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset.

## Note 4.2 (iv): Fees & Commission Income

Fees and commissions are recognised when the Company satisfies the performance obligation, at transaction price based on a five-step model as set out below, unless included in the effective interest calculation:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract. For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

## Note 4.2 (v): Net gain/(loss) on Fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss (refer Note 34), held by the Company on the balance sheet date is recognised as an unrealised gain/(loss). In cases there is a net gain/(loss) in the aggregate, the same is recognised in “Net gains on fair value changes” under Revenue from operations in the statement of Profit and Loss. Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL is recognised in net gain/(loss) on fair value changes. Similarly, any differences between the fair values of financial assets classified as fair value through other comprehensive income are disclosed in the OCI.

However, net gain/(loss) on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

## Note 4.3: Expenses

### Note 4.3 (i): Finance Costs

Finance costs represents Interest expense recognised by applying the EIR to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL. Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

### Note 4.3 (ii): Retirement and other employee benefits

#### Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## Post employment employee benefit

### a) Defined contribution schemes

The Company makes defined contribution to Government managed Employee Provident Fund, Government managed Employee Pension Fund, Employee Deposit Linked Insurance, Employee State Insurance and Superannuation Schemes which are recognised in Statement of Profit and Loss on accrual basis. Payments to defined contribution retirement benefit plans are recognised as an expense when employee have rendered the service entitling them to the contribution.

If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

### b) Defined benefit expenses

The Company's liabilities under Payment of Gratuity Act and long term compensated absences are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Actuarial gain and losses are recognised immediately in Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

The Company presents the entire leave as a provision in the Balance Sheet, since it does not have any unconditional right to defer its settlement for twelve months after the reporting date.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the

period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss at the earliest of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in the Statement of Profit and Loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- Net interest expense or income.

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### Other long-term employee benefits

Company's liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss. The Company presents the Provision for compensated absences under provisions in the Balance Sheet.

### Note 4.3 (iii): Share-based payments

The Parent Company (Aditya Birla Capital Limited) issues stock options to certain employees of the Company. These transactions are recognised as equity-settled share based payment transactions by Parent company. The stock compensation expense is determined based on grant date fair value of options and is recognised on a straight line basis over the vesting period in the statement of profit and loss.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments at the grant date using Black-Scholes Model.

The fair value, determined at the grant date of the equity settled share-based payments, is charged to profit and loss on the straight-line basis over the vesting period of the option, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

In case of forfeiture/lapse stock option, which is not vested, amortised portion is reversed by credit to employee compensation expense. In situation where the stock option expires unexercised, the related balance standing to the credit of the Employee Stock Options Outstanding Account is transferred within equity.

## Note 4.3 (iv): Rent expense

In case of short term leases and leases for which the underlying asset is of low value, the company has elected not to apply the requirements of Ind AS 116 and the lease payments associated with those leases are recognised as rent expense on a straight line basis.

## Note 4.3 (v): Leases

### The Company as a lessee

The Company's lease assets primarily consist of leases for office buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes right – of – use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset generates cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

3. Applied the exemption not to recognize right-of-use assets and liabilities for Space Sharing Agreements with Group Companies.
4. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
5. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly for all contracts as on 01<sup>st</sup> April, 2019, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted average incremental borrowing rate applied to lease liabilities as at 01<sup>st</sup> April, 2022 is between the range of 4.83% p.a. to 7.05% p.a. for a period varying from 1 to 10 years.

## **Critical accounting judgements and key sources of estimation uncertainty**

### **Critical judgements required in the application of Ind AS 116 may include, among others, the following:**

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

### **Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:**

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

### **Note 4.3 (vi): Other income and expenses**

All Other income and expense are recognized in the period they occur.

### **Note 4.3 (vii): Impairment of non-financial assets**

The carrying amounts of non-financial assets are reviewed at each reporting date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

### **Note 4.3 (viii): Borrowing Cost**

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

All other borrowing costs are expensed in the period in which they occur at amortised cost using Effective Interest Rate (EIR).

Borrowing costs consist of interest and other costs that an entity incurs in connection with borrowing funds.

### **Note 4.3 (ix): Taxes**

#### **Current tax**

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

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 using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it becomes probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss account is recognised either in OCI or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income (OCI) or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## Note 4.4: Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet and for the purpose of statement of cash flows comprise cash at bank and cheques in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

## Note 4.5: Property, Plant and Equipments

All items of property, plant and equipments are stated at historical cost, net of accumulated depreciation and impairment loss if any. The cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

## Depreciation methods, estimated useful lives and residual value

Depreciation on the property, plant and equipments is provided on straight line method using the rates arrived as per estimates made by the management supported by technical assessment which coincides with the useful lives of assets as specified in Schedule II to the Companies Act, 2013, except for the assets specified below. The Company has used the following useful lives of the property, plant and equipments to provide depreciation.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Asset	Useful Life as Prescribed by Schedule II of the Companies Act, 2013	Estimated Useful Life by Company
Office Computers and Electronic Equipments (including Plant & Machinery)	3 Years	4 Years
Vehicles	8 Years	5 Years
Furniture, Fixtures and Other Office Equipments	10 Years	7 Years
Office equipment	5 Years	4 Years
Software	6 Years	3 years (However it may vary based on tenure of license)
Leasehold Improvements	Over the primary period of the lease	Lower of 3 Years or primary period

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

Useful life of assets different from prescribed in Schedule II has been estimated by management supported by technical assessment.

Depreciation on assets acquired / sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from/ till the date of acquisition or sale.

The residual values, useful lives and methods of depreciation of property, plant and equipments are reviewed at each financial year end and adjusted prospectively, if appropriate.

## Note 4.6: Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses if any. Intangible assets are amortised on straight line basis over a period of 3 years. The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as Intangible assets under development.

## Note 4.7: Provisions and Contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## Note 4.8: Contingent Liabilities

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

## Note 4.9: Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to ordinary equity holders of Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by dividing the net profit attributable to ordinary equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, inclusive of tax) by the weighted

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

## Note 4.10: Segment Reporting

The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating Segment. The Company has its operations within India and all revenue is generated within India.

## Note 4.11: Dividend

The Company recognises a liability to make cash to equity holders of the Company when the dividend is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, an interim dividend is authorised when it is approved by the Board of Directors and final dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

## Note 4.12: Business Combination under Common Control

A common control business combination, involving entities or businesses in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for in accordance with Appendix C to Ind AS 103 'Business Combinations'. Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonize significant accounting policies.
- The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.
- The identity of the reserves are preserved and appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

## NOTE 5: SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

### Note 5.1: Business Model Assessment

Classification and measurement of financial assets depends on the results of the Solely Payments of Principal and Interest and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated.

The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

## **Note 5.2: Estimation of defined benefit plans (gratuity benefits)**

Refer Note 4.3 (ii)

## **Note 5.3: Fair value measurement:**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

## **Note 5.4: Impairment of loans portfolio**

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes which can result in different levels of allowances.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary. The impairment loss on loans and advances is disclosed in more detail in Note 10.

## **Note 5.5: Provisions other than impairment on loan portfolio and contingent liabilities**

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and proceedings

in the ordinary course of the Company's business. When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

## **Note 5.6: Effective Interest Rate (EIR) method**

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount. The future cash flows are estimated taking into account all the contractual terms of the instrument. The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets measured at fair value through profit and loss ("FVTPL"), transaction costs are recognised in the statement of profit and loss at initial recognition.

## **Note 5.7: Recognition of deferred tax assets for carried forward losses**

Refer Note 4.3 (ix)

## **Note 5.8: Estimation of useful life of property, plant and equipments and intangible assets**

Refer note 4.5 and 4.6

## **Note 5.9: Accounting policy for Long Term Incentive Plan**

The company pays Long Term Incentives to certain employees on fulfilment of prescribed criteria/conditions. The Company's liability towards Long Term Incentive is determined actuarially based on certain assumptions regarding rate of Interest, staff attrition and mortality as per Projected Unit Credit Method. Expenses towards long term incentive are recognised in the Statement of Profit and Loss.



# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## NOTE 6: CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Balances with bank in		
- Current Accounts	38,763.43	59,571.14
<b>Total</b>	<b>38,763.43</b>	<b>59,571.14</b>

## NOTE 7: BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Fixed Deposits (with original maturity more than 3 months)	-	9,681.37
<b>Total</b>	<b>-</b>	<b>9,681.37</b>

## NOTE 8: DERIVATIVE FINANCIAL INSTRUMENTS

Derivatives held for risk management purposes include hedges that meet the hedge accounting requirements. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
<b>Part I</b>						
<b>(i) Currency derivatives:</b>						
Forward	-	-	-	7.72	-	0.52
<b>(ii) Interest rate derivatives:</b>						
Cross Currency Interest Rate swaps	93,148.62	-	715.02	1,46,367.54	-	7,770.64
INR Interest Rate swaps	1,00,000.00	83.64	654.22	25,000.00	19.02	28.08
<b>Total</b>	<b>1,93,148.62</b>	<b>83.64</b>	<b>1,369.24</b>	<b>1,71,375.26</b>	<b>19.02</b>	<b>7,799.24</b>

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
<b>Part II</b>						
<b>Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:</b>						
<b>(i) Fair Value hedging</b>						
- Interest Rate derivatives	90,000.00	50.96	654.22	25,000.00	19.02	28.08
<b>(ii) Cash flow hedging</b>						
- Cross Currency Interest Rate derivatives	93,148.62	-	715.02	1,46,367.54	-	7,770.64
- Currency derivatives	-	-	-	7.72	-	0.52
- Interest Rate derivatives	10,000.00	32.68	-	-	-	-
<b>Total</b>	<b>1,93,148.62</b>	<b>83.64</b>	<b>1,369.24</b>	<b>1,71,375.27</b>	<b>19.02</b>	<b>7,799.24</b>

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## Note 8.1 : Hedging activities and derivatives

The Company is exposed to certain risks relating to its external commercial borrowings and Non Convertible Debentures. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Company's risk management strategy and how it is applied to manage risk is explained in Note 52.

## Note 8.2 : Derivatives designated as hedging instruments

### Cash flow hedges

The Company is exposed to foreign currency risk arising from its External Commercial Borrowings amounting to ₹ 93,148.62 lakhs. Interest on the borrowing is payable at a floating rate. The Company economically hedged the foreign currency risk arising from the debt with a 'receive floating pay fixed' cross-currency interest rate swap ('swap'). The notional amount of swap is disclosed in the table below. The swap contract converts the cash outflows of the foreign currency borrowing as per table below to cash outflows in INR with a notional amount of ₹ 93,148.62 lakhs at fixed interest rate.

(₹ in Lakhs)

Name of Lender	Foreign Currency Denominated Borrowing Amount		Interest rate type		Notional Amount of swap (₹)		Interest rate swap type	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
JPY Denominated (in JPY lakhs) (Maturity range : Feb 2026 to March, 2026)	83,893.50	189,366.25	Floating rate interest	Floating rate interest	51,983.62	124,089.54	Fixed rate interest	Fixed rate interest
USD Denominated (in USD lakhs) (Maturity in Mar 2026)	500.00	300.00	Floating rate interest	Floating rate interest	41,165.00	22,278.00	Fixed rate interest	Fixed rate interest

There is an economic relationship between the hedged item and the hedging instrument as the terms of the cross currency swap contract match that of the foreign currency borrowing (notional amount, interest payment dates, principal repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the cross currency swap are identical to the hedged risk components. To test the hedge effectiveness, the Company uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks. The hedge ineffectiveness can arise mainly if there is a change in the credit risk of the Company or the counterparty.

The company has also taken overnight index swap deals to hedge it's cashflows for underlying NCDs. The details are disclosed in the table below:

(₹ in Lakhs)

Name of Lender	Borrowing Amount		Interest rate type		Notional Amount of swap (₹)		Interest rate swap type	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Interest rate swaps	10,000.00	-	Floating rate interest	-	10,000.00	-	Fixed rate interest	-

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

The impact of the hedging instruments and hedge items on the balance sheet is, as follows

## Hedging Instruments

(₹ in Lakhs)

Particulars	Notional Amounts		Carrying amount of hedging instruments Assets/ (Liabilities)		Line item in the Financial Statement		Change in fair value used for measuring ineffectiveness for the year (net of tax)	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Cross currency interest rate swaps	93,148.62	1,46,367.54	(715.02)	(7,770.64)	Derivative financial instruments		4,474.51	(3,518.78)
Currency forward	-	7.72	-	(0.52)	Derivative financial instruments		0.39	0.55
Interest rate swaps	10,000.00	-	32.68	-	Derivative financial instruments		20.92	-
<b>Total</b>	<b>1,03,148.62</b>	<b>1,46,375.26</b>	<b>(682.34)</b>	<b>(7,771.16)</b>			<b>4,495.82</b>	<b>(3,518.23)</b>

## Hedge Items

(₹ in Lakhs)

Particulars	Change in fair value used for measuring ineffectiveness for the year (net of tax)		Cash flow hedge reserve as at	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Foreign currency denominated floating rate borrowing	(4,150.88)	5,447.99	(246.16)	(570.18)
Debt securities (NCDs)	-	-	20.92	-
<b>Total</b>	<b>(4,150.88)</b>	<b>5,447.99</b>	<b>(225.24)</b>	<b>(570.18)</b>

The effect of the cash flow hedge in the statement of profit or loss and other comprehensive income is, as follows:

(₹ in Lakhs)

Particulars	Total hedging gain / (loss) recognised in OCI (net of tax)		Hedge ineffectiveness recognised in statement of profit and loss (net of tax)	
	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Debt securities (NCDs)	-	-	3.53	-
Foreign currency denominated floating rate borrowing	344.94	1,929.76	-	-
<b>Total</b>	<b>344.94</b>	<b>1,929.76</b>	<b>3.53</b>	<b>-</b>

## Movements in Cash Flow Hedging Reserve

(₹ in Lakhs)

Particulars	As at 01 <sup>st</sup> April, 2022	Add/Less: Changes in fair value	Add/Less: Deferred Tax	As at 31 <sup>st</sup> March, 2023	As at 01 <sup>st</sup> April, 2021	Add/Less: Changes in fair value	Add/Less: Deferred Tax	As at 31 <sup>st</sup> March, 2022
Cash flow Hedging Reserve	(570.18)	460.95	(116.01)	(225.24)	(2,499.94)	2,578.79	(649.03)	(570.18)
<b>Total</b>	<b>(570.18)</b>	<b>460.95</b>	<b>(116.01)</b>	<b>(225.24)</b>	<b>(2,499.94)</b>	<b>2,578.79</b>	<b>(649.03)</b>	<b>(570.18)</b>

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## Fair Value Hedge

Fair value hedges hedge the exposure to changes in the fair value of a recognised asset or liability, or an identified portion of such an asset, liability, that is attributable to a particular risk and could affect profit or loss. For designated and qualifying fair value hedges, the cumulative change in the fair value of a hedging derivative is recognised in the statement of profit and loss under Net gain on fair value changes. Meanwhile, the cumulative change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item in the balance sheet and is also recognised in the statement of profit and loss under Net gain on fair value changes. The Company classifies a fair value hedge relationship when the hedged item (or group of items) is a distinctively identifiable asset or liability hedged by one or a few hedging instruments.

## The impact of the hedging instruments and hedged items on the balance sheet is as follows

### Hedging Instruments

(₹ in Lakhs)

Particulars	Notional Amounts		Carrying amount of hedging instruments Assets/ (Liabilities)		Line item in the Balance Sheet		Change in fair value used for measuring ineffectiveness for the year	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Interest rate swaps	90,000.00	25,000.00	(603.26)	(9.06)	Derivative financial instruments		(594.20)	(9.06)

### Hedge Items

(₹ in Lakhs)

Particulars	Notional Amounts		Accumulated fair value adjustment - Liability		Line item in the Balance Sheet		Change in fair value used for measuring ineffectiveness for the year	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Debt securities (NCDs)	90,000.00	25,000.00	(575.17)	(3.44)	Derivative financial instruments		578.61	(3.44)

## The effect of the fair value hedge in the statement of profit or loss is, as follows:

(₹ in Lakhs)

Particulars	Hedge ineffectiveness recognised in statement of profit and loss		Line in the statement of profit and loss that includes hedge ineffectiveness
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	
Interest rate swaps	(15.59)	(12.50)	Net gain on fair value changes

## Note 8.3 : The following table shows the maturity profile of hedging derivatives based on their notional amounts.

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023				As at 31 <sup>st</sup> March, 2022			
	0 to 12 months	1 to 5 years	Over 5 years	Total	0 to 12 months	1 to 5 years	Over 5 years	Total
(i) Cross Currency Interest Rate swaps	-	93,148.62	-	93,148.62	1,46,367.54	-	-	1,46,367.54
(ii) Currency forward	-	-	-	-	7.72	-	-	7.72
(iii) Interest Rate swaps	40,000.00	60,000.00	-	1,00,000.00	-	25,000.00	-	25,000.00
<b>Total</b>	<b>40,000.00</b>	<b>153,148.62</b>	<b>-</b>	<b>1,93,148.62</b>	<b>1,46,375.27</b>	<b>25,000.00</b>	<b>-</b>	<b>1,71,375.26</b>

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## NOTE 9: TRADE RECEIVABLES

As at 31<sup>st</sup> March, 2023

Particulars	Outstanding for following periods from date of transaction							Total Exposure	Loss Allowance	Total
	Unbilled	Less than 6 months			More than 3 years		Total			
		6 months -1 year	1-2 Years	2-3 years	More than 3 years					
<b>Unsecured:</b>										
(i) Undisputed Trade receivables – considered good	866.92	3,153.50	-	-	-	-	4,020.42	(34.57)	3,985.84	
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	89.53	-	-	-	-	89.53	(44.77)	44.77	
(iii) Undisputed Trade Receivables – credit impaired	-	88.68	5.10	0.58	-	-	94.36	(94.36)	-	
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-	-	-	
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-	-	
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>866.92</b>	<b>3,331.71</b>	<b>5.10</b>	<b>0.58</b>	<b>-</b>	<b>-</b>	<b>4,204.31</b>	<b>(173.70)</b>	<b>4,030.61</b>	

(₹ in Lakhs)

As at 31<sup>st</sup> March, 2022

Particulars	Outstanding for following periods from date of transaction							Total Exposure	Loss Allowance	Total
	Unbilled	Less than 6 months			More than 3 years		Total			
		6 months -1 year	1-2 Years	2-3 years	More than 3 years					
<b>Unsecured:</b>										
(i) Undisputed Trade receivables – considered good	905.23	376.80	-	-	-	-	1,282.03	(38.08)	1,243.96	
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-	-	
(iii) Undisputed Trade Receivables – credit impaired	-	24.32	26.83	1.60	28.39	12.46	93.59	(93.59)	-	
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-	-	-	
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-	-	
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>905.23</b>	<b>401.12</b>	<b>26.83</b>	<b>1.60</b>	<b>28.39</b>	<b>12.46</b>	<b>1,375.62</b>	<b>(131.67)</b>	<b>1,243.96</b>	

(₹ in Lakhs)

Note:

- No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.
- Date of transaction considered as due date of payment.

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## NOTE 10: LOANS

Particulars	As at 31 <sup>st</sup> March, 2023				As at 31 <sup>st</sup> March, 2022							
	At fair value				At fair value							
	Amortised Cost	Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account	Sub-total	Total	Amortised Cost	Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account	Sub-total	Total
Loans	80,45,230.28	-	-	-	-	80,45,230.28	54,68,207.51	-	-	-	-	54,68,207.51
Other Advances	48.53	-	-	-	-	48.53	21.04	-	-	-	-	21.04
<b>Total (A) - Gross</b>	<b>80,45,278.81</b>	-	-	-	-	<b>80,45,278.81</b>	<b>54,68,228.55</b>	-	-	-	-	<b>54,68,228.55</b>
Less: Impairment loss allowance	1,60,328.71	-	-	-	-	1,60,328.71	1,07,482.53	-	-	-	-	1,07,482.53
<b>Total (A) - Net</b>	<b>78,84,950.10</b>	-	-	-	-	<b>78,84,950.10</b>	<b>53,60,746.02</b>	-	-	-	-	<b>53,60,746.02</b>
i) Secured by tangible assets	47,15,065.63	-	-	-	-	47,15,065.63	36,91,252.56	-	-	-	-	36,91,252.56
ii) Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
iii) Covered by bank and government guarantee	3,23,304.18	-	-	-	-	3,23,304.18	3,17,075.12	-	-	-	-	3,17,075.12
iv) Secured by book debts, inventories, fixed deposit and other working capital items	82,937.72	-	-	-	-	82,937.72	1,05,876.53	-	-	-	-	1,05,876.53
v) Unsecured	29,23,971.29	-	-	-	-	29,23,971.29	13,54,024.34	-	-	-	-	13,54,024.34
<b>Total (B) - Gross</b>	<b>80,45,278.81</b>	-	-	-	-	<b>80,45,278.81</b>	<b>54,68,228.55</b>	-	-	-	-	<b>54,68,228.55</b>
Less: Impairment loss allowance	1,60,328.71	-	-	-	-	1,60,328.71	1,07,482.53	-	-	-	-	1,07,482.53
<b>Total (B) - Net</b>	<b>78,84,950.10</b>	-	-	-	-	<b>78,84,950.10</b>	<b>53,60,746.02</b>	-	-	-	-	<b>53,60,746.02</b>
<b>Loans in India</b>												
i) Public Sector	41,907.39	-	-	-	-	41,907.39	42,408.79	-	-	-	-	42,408.79
ii) Others	80,03,371.42	-	-	-	-	80,03,371.42	54,25,819.76	-	-	-	-	54,25,819.76
<b>Total - Gross</b>	<b>80,45,278.81</b>	-	-	-	-	<b>80,45,278.81</b>	<b>54,68,228.55</b>	-	-	-	-	<b>54,68,228.55</b>
Less: Impairment loss allowance	1,60,328.71	-	-	-	-	1,60,328.71	1,07,482.53	-	-	-	-	1,07,482.53
<b>Total - Net</b>	<b>78,84,950.10</b>	-	-	-	-	<b>78,84,950.10</b>	<b>53,60,746.02</b>	-	-	-	-	<b>53,60,746.02</b>
<b>Loans outside India</b>												
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total - Net</b>	<b>78,84,950.10</b>	-	-	-	-	<b>78,84,950.10</b>	<b>53,60,746.02</b>	-	-	-	-	<b>53,60,746.02</b>
<b>Total (C)</b>	<b>78,84,950.10</b>	-	-	-	-	<b>78,84,950.10</b>	<b>53,60,746.02</b>	-	-	-	-	<b>53,60,746.02</b>

Note :

- There are no loans or advances, in the nature of loans, which are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act 2013), either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.
- Impairment loss allowance includes non-fund based exposure's impairment loss allowance of ₹ 29.95 lakhs (refer note: 10.1(d))

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## Note 10.1: Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

### (a) Reconciliation of Gross carrying amount - Loans:

(₹ in Lakhs)

Loans	As at 31 <sup>st</sup> March, 2023				As at 31 <sup>st</sup> March, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance of Gross carrying amount	49,77,028.10	2,95,575.99	1,95,603.41	54,68,207.50	43,53,665.99	3,65,907.30	1,42,247.24	48,61,820.53
New assets originated or purchased	47,29,349.26	35,498.03	31,548.81	47,96,396.10	24,27,295.24	22,914.07	16,115.47	24,66,324.78
Assets derecognised or repaid (excluding write offs)	(20,74,466.07)	(58,620.04)	(39,942.71)	(21,73,028.82)	(17,13,767.84)	(59,110.65)	(23,372.08)	(17,96,250.57)
Transfers to Stage 1	1,21,954.37	(1,16,005.59)	(5,948.78)	-	1,16,820.00	(1,13,411.08)	(3,408.92)	-
Transfers to Stage 2	(1,08,095.41)	1,08,692.31	(596.90)	-	(1,44,932.18)	1,45,473.36	(541.18)	-
Transfers to Stage 3	(47,493.20)	(37,833.71)	85,326.91	-	(44,517.45)	(57,965.63)	1,02,483.08	-
Amounts written-off	(22,492.38)	(8,571.26)	(15,280.87)	(46,344.51)	(17,535.66)	(8,231.37)	(37,920.20)	(63,687.23)
<b>Closing Balance of Gross carrying amount</b>	<b>75,75,784.67</b>	<b>2,18,735.73</b>	<b>2,50,709.87</b>	<b>80,45,230.27</b>	<b>49,77,028.10</b>	<b>2,95,575.99</b>	<b>1,95,603.41</b>	<b>54,68,207.50</b>

### (b) Reconciliation of loss allowance provision - Loans:

(₹ in Lakhs)

ECL	As at 31 <sup>st</sup> March, 2023				As at 31 <sup>st</sup> March, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance of ECL allowance	15,999.84	14,194.05	77,288.64	1,07,482.53	23,022.07	20,101.02	58,995.56	1,02,118.65
Increase in new / existing assets originated or purchased	48,250.78	6,218.26	55,349.37	1,09,818.41	17,698.11	11,602.97	54,867.40	84,168.48
Assets derecognised or repaid (excluding write offs)	(7,980.79)	(922.75)	(1,776.72)	(10,680.26)	(8,300.97)	(4,213.60)	(2,602.80)	(15,117.37)
Transfers to Stage 1	4,134.24	(2,708.13)	(1,426.11)	-	1,797.50	(975.67)	(821.82)	-
Transfers to Stage 2	(254.79)	501.19	(246.41)	-	(417.36)	468.97	(51.61)	-
Transfers to Stage 3	(187.78)	(1,645.72)	1,833.50	-	(263.85)	(4,558.27)	4,822.11	-
Amounts written-off	(22,492.84)	(8,571.26)	(15,227.87)	(46,291.97)	(17,535.66)	(8,231.37)	(37,920.20)	(63,687.23)
<b>Closing Balance of ECL allowance</b>	<b>37,468.66</b>	<b>7,065.64</b>	<b>1,15,794.41</b>	<b>1,60,328.71</b>	<b>15,999.84</b>	<b>14,194.05</b>	<b>77,288.64</b>	<b>1,07,482.53</b>

### (c) Expected credit loss - Loans:

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023				As at 31 <sup>st</sup> March, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	75,75,784.67	2,18,735.73	2,50,709.87	80,45,230.27	49,77,028.10	2,95,575.99	1,95,603.41	54,68,207.50
Less: Impairment loss allowance	37,468.66	7,065.64	1,15,794.41	1,60,328.71	15,999.84	14,194.05	77,288.64	1,07,482.53
<b>Net carrying amount</b>	<b>75,38,316.01</b>	<b>2,11,670.09</b>	<b>1,34,915.46</b>	<b>78,84,901.56</b>	<b>49,61,028.26</b>	<b>2,81,381.94</b>	<b>1,18,314.77</b>	<b>53,60,724.97</b>

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## (d) An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to non-fund based exposures is as follows:

(₹ in Lakhs)

Non-funded exposures	Total Non-fund Exposures (not included in the tables above)				ECL on Non-fund exposures (included in the tables above)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance as on 31 <sup>st</sup> March, 2022	11,748.84	200.00	-	11,948.84	36.47	6.87	-	43.34
Net Movement	(3,636.99)	(100.00)	200.00	(3,536.99)	(6.58)	(6.81)	-	(13.39)
Closing Balance as on 31 <sup>st</sup> March, 2023	8,111.85	100.00	200.00	8,411.85	29.89	0.06	-	29.95

## NOTE 11: INVESTMENTS

As at 31<sup>st</sup> March, 2023

(₹ in Lakhs)

Particulars	Amortised Cost	At Fair value			Sub-total	Others	Total
		Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account			
i) Investment in Govt Securities	-	-	2,47,031.28	-	2,47,031.28	-	2,47,031.28
ii) Investment in Equity instruments	-	308.73	34.82	-	343.55	-	343.55
iii) Investment in Preference Shares	-	-	3,500.00	-	3,500.00	-	3,500.00
iv) Investment in Alternate Funds	-	-	24,643.33	-	24,643.33	-	24,643.33
v) Investment in Debentures	7,490.86	-	85,430.31	-	85,430.31	-	92,921.17
vi) Investment in Security Receipts	2,635.00	-	-	-	-	-	2,635.00
vii) Investment in Mutual Funds	-	-	520.91	-	520.91	-	520.91
<b>Total Gross (A)</b>	<b>10,125.86</b>	<b>308.73</b>	<b>3,61,160.65</b>	<b>-</b>	<b>3,61,469.38</b>	<b>-</b>	<b>3,71,595.24</b>
(i) Investments in India	10,125.86	308.73	3,61,160.65	-	3,61,469.38	-	3,71,595.24
(ii) Investments outside India	-	-	-	-	-	-	-
<b>Total (B)</b>	<b>10,125.86</b>	<b>308.73</b>	<b>3,61,160.65</b>	<b>-</b>	<b>3,61,469.38</b>	<b>-</b>	<b>3,71,595.24</b>
Less : Impairment loss allowance (C)	1,325.62	-	-	-	-	-	1,325.62
<b>Total - Net [D= (A)-(C)]</b>	<b>8,800.24</b>	<b>308.73</b>	<b>3,61,160.65</b>	<b>-</b>	<b>3,61,469.38</b>	<b>-</b>	<b>3,70,269.62</b>

As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	Amortised Cost	At Fair value			Sub-total	Others	Total
		Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account			
i) Investment in Govt Securities	-	-	47,137.87	-	47,137.87	-	47,137.87
ii) Equity instruments	-	235.26	45.17	-	280.43	-	280.43
iii) Investment in Preference Shares	-	-	3,500.00	-	3,500.00	-	3,500.00
iv) Investment in Alternate Funds	-	-	8,225.19	-	8,225.19	-	8,225.19
v) Investment in Debentures	-	-	1,10,260.07	-	1,10,260.07	-	1,10,260.07
<b>Total Gross (A)</b>	<b>-</b>	<b>235.26</b>	<b>1,69,168.30</b>	<b>-</b>	<b>1,69,403.56</b>	<b>-</b>	<b>1,69,403.56</b>
(i) Investments in India	-	235.26	1,69,168.30	-	1,69,403.56	-	1,69,403.56
(ii) Investments outside India	-	-	-	-	-	-	-
<b>Total (B)</b>	<b>-</b>	<b>235.26</b>	<b>1,69,168.30</b>	<b>-</b>	<b>1,69,403.56</b>	<b>-</b>	<b>1,69,403.56</b>
Less : Impairment loss allowance (C)	-	-	-	-	-	-	-
<b>Total - Net [D= (A)-(C)]</b>	<b>-</b>	<b>235.26</b>	<b>1,69,168.30</b>	<b>-</b>	<b>1,69,403.56</b>	<b>-</b>	<b>1,69,403.56</b>

### Note:

- The Company received dividends of ₹ 284.97 lakhs (31<sup>st</sup> March, 2022: ₹ 285.31<sup>st</sup> lakhs) from its FVTPL securities, recorded as dividend income.

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## Note 11.1: Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

### (a) Reconciliation of Gross carrying amount - Investment:

(₹ in Lakhs)

Loans	As at 31 <sup>st</sup> March, 2023				As at 31 <sup>st</sup> March, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance of Gross carrying amount	-	-	-	-	-	-	-	-
New assets originated or purchased	7,490.86	-	2,635.00	10,125.86	-	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Amounts written-off	-	-	-	-	-	-	-	-
<b>Closing Balance of Gross carrying amount</b>	<b>7,490.86</b>	<b>-</b>	<b>2,635.00</b>	<b>10,125.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### (b) Reconciliation of loss allowance provision - Investment:

(₹ in Lakhs)

ECL	As at 31 <sup>st</sup> March, 2023				As at 31 <sup>st</sup> March, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance of ECL allowance	-	-	-	-	-	-	-	-
Increase in new / existing assets originated or purchased	8.12	-	1,317.50	1,325.62	-	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Amounts written-off	-	-	-	-	-	-	-	-
<b>Closing Balance of ECL allowance</b>	<b>8.12</b>	<b>-</b>	<b>1,317.50</b>	<b>1,325.62</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## NOTE 12: OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Security Deposits (Carried at amortised cost, unless otherwise stated).	3,774.41	2,772.59
Other Receivables	2,469.50	2,589.22
Collateralized Borrowing and Lending Obligation	8,507.88	-
<b>Total</b>	<b>14,751.79</b>	<b>5,361.81</b>

## NOTE 13: CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Advance Payment of Taxes (Net of provision for taxation ₹ 1,17,279.69 lakhs; 31 <sup>st</sup> March, 2022 ₹ 1,46,294.86 lakhs)	15,150.75	34,239.10
<b>Total</b>	<b>15,150.75</b>	<b>34,239.10</b>

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## NOTE 14: PROPERTY, PLANT AND EQUIPMENTS

(₹ in Lakhs)

Particulars	Building	Plant & Equipments	Furniture & Fixtures	Vehicles	Office Equipments	Leasehold Improvements	Total
<b>Gross book value:</b>							
At 1 <sup>st</sup> April, 2021	20.92	1,124.36	148.69	1,508.54	466.76	690.23	3,959.50
Additions	-	139.72	64.20	485.31	172.56	414.66	1,276.45
Disposals	-	83.93	25.27	435.33	119.21	62.59	726.33
<b>At at 31<sup>st</sup> March, 2022</b>	<b>20.92</b>	<b>1,180.15</b>	<b>187.62</b>	<b>1,558.52</b>	<b>520.11</b>	<b>1,042.30</b>	<b>4,509.62</b>
Additions	-	2,531.50	371.67	571.60	339.43	1,256.17	5,070.37
Disposals	-	227.32	24.63	312.28	55.06	155.50	774.79
<b>As at 31<sup>st</sup> March, 2023</b>	<b>20.92</b>	<b>3,484.33</b>	<b>534.66</b>	<b>1,817.84</b>	<b>804.48</b>	<b>2,142.97</b>	<b>8,805.20</b>
<b>Depreciation and impairment:</b>							
At 1 <sup>st</sup> April, 2021	1.84	913.98	101.40	720.15	295.16	461.17	2,493.70
Depreciation charge for the year	0.46	136.03	46.49	297.05	92.57	127.12	699.72
Disposals	-	83.93	25.27	278.34	116.68	60.95	565.17
<b>At at 31<sup>st</sup> March, 2022</b>	<b>2.30</b>	<b>966.08</b>	<b>122.62</b>	<b>738.86</b>	<b>271.05</b>	<b>527.34</b>	<b>2,628.25</b>
Depreciation charge for the year	0.46	600.69	199.92	305.66	155.13	452.60	1,714.46
Disposals	-	226.66	24.25	207.76	55.06	153.94	667.67
<b>As at 31<sup>st</sup> March, 2023</b>	<b>2.76</b>	<b>1,340.11</b>	<b>298.29</b>	<b>836.76</b>	<b>371.12</b>	<b>826.00</b>	<b>3,675.04</b>
<b>Net book value:</b>							
<b>At at 31<sup>st</sup> March, 2022</b>	<b>18.62</b>	<b>214.07</b>	<b>65.00</b>	<b>819.66</b>	<b>249.06</b>	<b>514.96</b>	<b>1,881.37</b>
<b>As at 31<sup>st</sup> March, 2023</b>	<b>18.16</b>	<b>2,144.22</b>	<b>236.37</b>	<b>981.08</b>	<b>433.36</b>	<b>1,316.97</b>	<b>5,130.16</b>

Note:

1. Redeemable Non Convertible Debentures are secured by charge on immovable property of the Company.

## NOTE 15: RIGHT OF USE LEASE ASSETS

(₹ in Lakh)

Particulars	Amount
<b>Gross book value:</b>	
As at 01 <sup>st</sup> April, 2021	13,912.45
Additions	7,065.31
Disposals	4,374.94
<b>As at 31<sup>st</sup> March, 2022</b>	<b>16,602.82</b>
Additions	10,501.68
Disposals	1,429.49
<b>As at 31<sup>st</sup> March, 2023</b>	<b>25,675.01</b>
Accumulated amortisation:	
As at 01 <sup>st</sup> April, 2021	4,507.14
Additions	2,583.08
Disposals	2,674.73
<b>As at 31<sup>st</sup> March, 2022</b>	<b>4,415.49</b>
Additions	2,959.69
Disposals	449.89
<b>As at 31<sup>st</sup> March, 2023</b>	<b>6,925.29</b>
<b>Net book value:</b>	
As at 31 <sup>st</sup> March, 2022	12,187.33
<b>As at 31<sup>st</sup> March, 2023</b>	<b>18,749.72</b>

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## NOTE 16: INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Lakh)	
Particulars	Amount
<b>Gross book value:</b>	
As at 1 <sup>st</sup> April, 2021	1,197.92
Additions	932.03
Disposals	-
Transfers	1,040.90
<b>As at 31<sup>st</sup> March, 2022</b>	<b>1,089.05</b>
Additions	866.08
Disposals	-
Transfers	1,065.06
<b>As at 31<sup>st</sup> March, 2023</b>	<b>890.07</b>

## NOTE 16: INTANGIBLE ASSETS UNDER DEVELOPMENT AGING SCHEDULE

As at 31<sup>st</sup> March, 2023

(₹ in Lakh)					
Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	866.07	24.00	-	-	890.07
<b>Total</b>	<b>866.07</b>	<b>24.00</b>	<b>-</b>	<b>-</b>	<b>890.07</b>

As at 31<sup>st</sup> March, 2022

(₹ in Lakh)					
Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	932.03	157.02	-	-	1,089.05
<b>Total</b>	<b>932.03</b>	<b>157.02</b>	<b>-</b>	<b>-</b>	<b>1,089.05</b>

The Company does not have any project temporarily suspended whose completion is overdue or has exceeded its cost compared to its original plan.

## NOTE 17: OTHER INTANGIBLE ASSETS

(₹ in Lakh)	
Particulars	Amount
<b>Gross book value:</b>	
At 1 <sup>st</sup> April, 2021	15,506.54
Additions	3,420.36
Disposals	8.99
<b>At 31<sup>st</sup> March, 2022</b>	<b>18,917.91</b>
Additions	3,215.55
Disposals	40.88
<b>As at 31<sup>st</sup> March, 2023</b>	<b>22,092.58</b>

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

(₹ in Lakh)	
Particulars	Amount
<b>Accumulated</b>	
At 1 <sup>st</sup> April, 2021	8,356.80
Additions	3,552.59
Disposals	-
<b>At 31<sup>st</sup> March, 2022</b>	<b>11,909.39</b>
Additions	3,939.13
Disposals	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>15,848.52</b>
Net book value:	
<b>As at 31<sup>st</sup> March, 2022</b>	7,008.52
<b>As at 31<sup>st</sup> March, 2023</b>	<b>6,244.06</b>

All intangible assets are other than internally generated.

## NOTE 18: OTHER NON-FINANCIAL ASSETS

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Prepaid expenses	2,030.44	4,240.10
Capital advances	1,336.25	396.71
Goods and Service Tax/Service Tax Receivable	3,177.07	1,734.46
Reimbursement Rights of Gratuity Fund	2,735.20	2,161.99
Others	3,336.36	-
<b>Total</b>	<b>12,615.32</b>	<b>8,533.26</b>

## NOTE 19: TRADE PAYABLES

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
- Micro and small enterprises	288.81	696.87
- Other than Micro and small enterprises	69,467.65	23,524.76
<b>Total</b>	<b>69,756.46</b>	<b>24,221.63</b>

## NOTE 19: TRADE PAYABLES

### Trade Payables ageing schedule

As at 31<sup>st</sup> March, 2023

(₹ in Lakhs)						
Particulars	Outstanding for following periods from date of transaction					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	288.70	0.09	0.02	-	288.81
(ii) Others	57,972.87	11,342.07	100.39	5.75	46.57	69,467.65
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>57,972.87</b>	<b>11,630.77</b>	<b>100.48</b>	<b>5.77</b>	<b>46.57</b>	<b>69,756.46</b>

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from date of transaction					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	694.04	0.02	2.81	-	696.87
(ii) Others	18,827.81	4,586.24	22.47	57.73	30.51	23,524.76
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>18,827.81</b>	<b>5,280.27</b>	<b>22.49</b>	<b>60.54</b>	<b>30.51</b>	<b>24,221.63</b>

### Notes:

1. Date of transaction considered as due date of payment.
2. The disclosures regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

## NOTE 20: DEBT SECURITIES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023				As at 31 <sup>st</sup> March, 2022			
	At amortised cost	At fair Value through profit and loss Account	Designated at fair value through profit and loss account	Total	At amortised cost	At fair Value through profit and loss account	Designated at fair value through profit and loss account	Total
Redeemable non-convertible debentures (Secured)	15,86,126.94	-	89,406.83	16,75,533.77	12,28,682.37	-	24,954.31	12,53,636.68
Redeemable non-convertible debentures (Unsecured)	16,100.36	-	-	16,100.36	10,960.04	-	-	10,960.04
Commercial papers (Unsecured)	6,61,851.38	-	-	6,61,851.38	3,13,528.98	-	-	3,13,528.98
<b>Total</b>	<b>22,64,078.68</b>	<b>-</b>	<b>89,406.83</b>	<b>23,53,485.51</b>	<b>15,53,171.39</b>	<b>-</b>	<b>24,954.31</b>	<b>15,78,125.70</b>
Debt securities in India	22,64,078.68	-	89,406.83	23,53,485.51	15,53,171.39	-	24,954.31	15,78,125.70
Debt securities outside India	-	-	-	-	-	-	-	-
<b>Total</b>	<b>22,64,078.68</b>	<b>-</b>	<b>89,406.83</b>	<b>23,53,485.51</b>	<b>15,53,171.39</b>	<b>-</b>	<b>24,954.31</b>	<b>15,78,125.70</b>

### Note:

1. Redeemable Non-Convertible Debentures are secured by way of mortgage on the immovable property and/or first pari-passu charge on certain Financial Assets of the company.

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## Note 20(a): Redeemable non-convertible debentures (Secured) as at 31<sup>st</sup> March, 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
3 Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series: ABFL NCD 'B1' FY 2021-22- MATURITY DATE - 05/05/2023	10,00,000	07 <sup>th</sup> May, 2021	26,634.74	5.11% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	05 <sup>th</sup> May, 2023	Redeemable at par at end of 728 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE - 17/05/2023	10,00,000	17 <sup>th</sup> April, 2020	22,015.76	7.75% p.a.	17 <sup>th</sup> May, 2023	Redeemable at par at end of 1125 days from the date of allotment
6.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE - 30/05/2023	10,00,000	25 <sup>th</sup> February, 2021	77,927.81	6.15% p.a.	30 <sup>th</sup> May, 2023	Redeemable at par at end of 824 days from the date of allotment
5.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES C1. DATE OF MATURITY 16/06/2023	10,00,000	17 <sup>th</sup> June, 2021	5,201.20	5.15% p.a.	16 <sup>th</sup> June, 2023	Redeemable at par at end of 729 days from the date of allotment
7.57% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A2 FY 2020-21. MATURITY DATE - 28/06/2023	10,00,000	28 <sup>th</sup> April, 2020	24,022.93	7.75% p.a.	28 <sup>th</sup> June, 2023	Redeemable at par at end of 1156 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	11 <sup>th</sup> December, 2018	15,325.87	8.90% p.a.	27 <sup>th</sup> July, 2023	Redeemable at par at end of 1689 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	27 <sup>th</sup> July, 2018	1,585.44	8.90% p.a.	27 <sup>th</sup> July, 2023	Redeemable at par at end of 1826 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	7 <sup>th</sup> January, 2019	1,637.07	9.15% p.a.	21 <sup>st</sup> December, 2023	Redeemable at par at end of 1809 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	27 <sup>th</sup> December, 2018	8,287.67	9.15% p.a.	21 <sup>st</sup> December, 2023	Redeemable at par at end of 1820 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	21 <sup>st</sup> December, 2018	7,162.18	9.15% p.a.	21 <sup>st</sup> December, 2023	Redeemable at par at end of 1826 days from the date of allotment

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
5.90% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD G1 FY 2020-21. MATURITY DATE – 29/12/2023	10,00,000	22 <sup>nd</sup> October, 2020	33,842.87	5.90% p.a.	29 <sup>th</sup> December, 2023	Redeemable at par at end of 1163 days from the date of allotment
6.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD L3 FY 2020-21. MATURITY DATE – 28/03/2024	10,00,000	31 <sup>st</sup> March, 2021	41,995.12	6.15% p.a.	28 <sup>th</sup> March, 2024	Redeemable at par at end of 1093 days from the date of allotment
PRINCIPAL PROTECTED (10 YEAR G-SEC PRICE LINKED) SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES PPMIL D B1 FY 2022-23 – MAY 04, 2022. DATE OF MATURITY 03/05/2024	10,00,000	04 <sup>th</sup> May, 2022	4,753.52	Coupon linked to performance of Underlying / Reference Index Scenario If performance of underlying on final fixing date Coupon 1. Greater than 50% of Digital Level 6.82% p.a. (6.00% XIRR (Annualized yield)) 2. Less than or equal to 50% of Digital Level 0 %	03 <sup>rd</sup> May, 2024	Redeemable at par at end of 730 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	24 <sup>th</sup> July, 2019	10,534.45	8.65% p.a.	12 <sup>th</sup> June, 2024	Redeemable at par at end of 1785 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	28 <sup>th</sup> June, 2019	11,911.29	8.65% p.a.	12 <sup>th</sup> June, 2024	Redeemable at par at end of 1811 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	24 <sup>th</sup> June, 2019	21,132.94	8.65% p.a.	12 <sup>th</sup> June, 2024	Redeemable at par at end of 1815 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	12 <sup>th</sup> June, 2019	18,464.64	8.65% p.a.	12 <sup>th</sup> June, 2024	Redeemable at par at end of 1827 days from the date of allotment
Zero Coupon SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES C2.DATE OF MATURITY 14/06/2024	10,00,000	17 <sup>th</sup> June, 2021	8,286.26	5.75% on XIRR	14 <sup>th</sup> June, 2024	Redeemable at par at end of 1093 days from the date of allotment

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as at 31<sup>st</sup> March 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
PRINCIPAL PROTECTED (10 YEAR G-SEC PRICE LINKED) SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES PPMLD C4 FY 2022-23 – JUNE 28, 2022. DATE OF MATURITY 27/06/2024	10,00,000	28 <sup>th</sup> June, 2022	2,636.50	Coupon linked to performance of Underlying / Reference Index Scenario If performance of underlying on final fixing date Coupon 1. Greater than 50% of Digital Level 7.34% p.a. (7.33% XIRR (Annualized yield)) 2. Less than or equal to 50% of Digital Level 0 %	27 <sup>th</sup> June, 2024	Redeemable at par at end of 730 days from the date of allotment
5.85% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES E1.DATE OF MATURITY 02/08/2024	10,00,000	05 <sup>th</sup> August, 2021	25,939.78	5.85% p.a.	02 <sup>nd</sup> August, 2024	Redeemable at par at end of 1093 days from the date of allotment
Zero Coupon SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES E2 FY2022-23.DATE OF MATURITY 23/08/2024	10,00,000	24 <sup>th</sup> August, 2022	14,181.33	7.26% p.a. on XIRR basis	23 <sup>rd</sup> August, 2024	Redeemable at par at end of 730 days from the date of allotment
Zero Coupon SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES H1 FY2022-23. DATE OF MATURITY 28/11/2024	10,00,000	18 <sup>th</sup> November, 2022	5,139.34	7.92% p.a. on XIRR basis	28 <sup>th</sup> November, 2024	Redeemable at par at end of 741 days from the date of allotment
3M TBILL LINKED SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES 'J1' FY2021-22.DATE OF MATURITY 21/01/2025	10,00,000	21 <sup>st</sup> January, 2022	50,745.22	5.22% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	21 <sup>st</sup> January, 2025	Redeemable at par at end of 1096 days from the date of allotment
PRINCIPAL PROTECTED (10 YEAR G-SEC PRICE LINKED) SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES PPMLD E3 FY 2022-23 – DATE OF MATURITY 09/04/2025	10,00,000	26 <sup>th</sup> August, 2022	10,653.96	Coupon linked to performance of Underlying / Reference Index Scenario If performance of underlying on final fixing date Coupon 1. Greater than 50% of Digital Level 7.2941% p.a. (7.31% XIRR (Annualized yield)) 2. Less than or equal to 50% of Digital Level 0 %	09 <sup>th</sup> April, 2025	Redeemable at par at end of 957 days from the date of allotment
7.69% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A3 FY 2020-21. MATURITY DATE – 25/04/2025	10,00,000	28 <sup>th</sup> April, 2020	2,675.51	7.69% p.a.	25 <sup>th</sup> April, 2025	Redeemable at par at end of 1823 days from the date of allotment

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as at 31<sup>st</sup> March 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.60% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE II ABFL NCD SERIES C1 FY2022-23.DATE OF MATURITY 06/06/2025	10,00,000	01 <sup>st</sup> July, 2022	26,478.35	7.60% p.a.	06 <sup>th</sup> June, 2025	Redeemable at par at end of 1071 days from the date of allotment
7.60% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE I ABFL NCD SERIES C1 FY2022-23.DATE OF MATURITY 06/06/2025	10,00,000	14 <sup>th</sup> June, 2022	26,478.35	7.60% p.a.	06 <sup>th</sup> June, 2025	Redeemable at par at end of 1088 days from the date of allotment
7.60% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES C1 FY2022-23.DATE OF MATURITY 06/06/2025	10,00,000	8 <sup>th</sup> June, 2022	11,650.48	7.60% p.a.	06 <sup>th</sup> June, 2025	Redeemable at par at end of 1094 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (IV) SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	09 <sup>th</sup> February, 2023	3,257.51	8.90% p.a.	26 <sup>th</sup> June, 2025	Redeemable at par at end of 868 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (III) SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	29 <sup>th</sup> November, 2022	2,714.59	8.90% p.a.	26 <sup>th</sup> June, 2025	Redeemable at par at end of 940 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (II) SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	28 <sup>th</sup> September, 2022	2,714.59	8.90% p.a.	26 <sup>th</sup> June, 2025	Redeemable at par at end of 1002 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (I) SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	12 <sup>th</sup> July, 2022	32,575.08	8.90% p.a.	26 <sup>th</sup> June, 2025	Redeemable at par at end of 1080 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	26 <sup>th</sup> June, 2018	5,537.76	8.90 % p.a.	26 <sup>th</sup> June, 2025	Redeemable at par at end of 2557 days from the date of allotment
Zero Coupon SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES D1.DATE OF MATURITY 11/07/2025	10,00,000	12 <sup>th</sup> July, 2022	34,289.94	7.80% p.a. on XIRR basis	11 <sup>th</sup> July, 2025	Redeemable at par at end of 1095 days from the date of allotment
6.40% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES J2.DATE OF MATURITY 22/07/2025	10,00,000	21 <sup>st</sup> January, 2022	35,409.31	6.40% p.a.	22 <sup>nd</sup> July, 2025	Redeemable at par at end of 1278 days from the date of allotment
7.50% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. Further Issuance (I) ABFL NCD Series E1 FY 2022-23.DATE OF MATURITY 18/08/2025	10,00,000	19 <sup>th</sup> September, 2022	48,599.59	7.50% p.a.	18 <sup>th</sup> August, 2025	Redeemable at par at end of 1064 days from the date of allotment
7.50% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES E1 FY2022-23.DATE OF MATURITY 18/08/2025	10,00,000	18 <sup>th</sup> August, 2022	41,806.10	7.50% p.a.	18 <sup>th</sup> August, 2025	Redeemable at par at end of 1096 days from the date of allotment

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.90% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES G1 FY2022-23.DATE OF MATURITY 19/09/2025	10,00,000	14 <sup>th</sup> October, 2022	52,799.61	7.90% p.a.	19 <sup>th</sup> September, 2025	Redeemable at par at end of 1071 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD Q1 FY 2015-16. DATE OF MATURITY 17/10/2025	10,00,000	19 <sup>th</sup> October, 2015	1,556.82	8.77% p.a.	17 <sup>th</sup> October, 2025	Redeemable at par at end of 3651 days from the date of allotment
8.71% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD S1 FY 2015-16. DATE OF MATURITY 31/10/2025	10,00,000	03 <sup>rd</sup> November, 2015	50,647.56	8.71% p.a.	50% on 01 <sup>st</sup> November, 2024 & 50% on 31 <sup>st</sup> October, 2025	Redeemable in installments at par - 50% at end of 3286 days and 50% at end of 3650 days from the date of allotment
6.25% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1 FY 2020-21. MATURITY DATE - 23/12/2025	10,00,000	23 <sup>rd</sup> December, 2020	7,619.92	6.25% p.a.	23 <sup>rd</sup> December, 2025	Redeemable at par at end of 1826 days from the date of allotment
7.93% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES H4 FY2022-23.DATE OF MATURITY 15/01/2026	10,00,000	29 <sup>th</sup> November, 2022	31,278.46	7.93% p.a.	15 <sup>th</sup> January, 2026	Redeemable at par at end of 1143 days from the date of allotment
7.88% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. Further Issuance (I)ABFL NCD SERIES I3 FY2022-23.DATE OF MATURITY 12/02/2026	10,00,000	02 <sup>nd</sup> February, 2023	15,259.82	7.88% p.a.	12 <sup>th</sup> February, 2026	Redeemable at par at end of 1106 days from the date of allotment
7.88% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. Further Issuance (I)ABFL NCD SERIES I3 FY2022-23.DATE OF MATURITY 12/02/2026	10,00,000	02 <sup>nd</sup> February, 2023	15,432.77	7.88% p.a.	12 <sup>th</sup> February, 2026	Redeemable at par at end of 1106 days from the date of allotment
7.88% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES I3 FY2022-23.DATE OF MATURITY 12/02/2026	10,00,000	30 <sup>th</sup> December, 2022	40,692.86	7.88% p.a.	12 <sup>th</sup> February, 2026	Redeemable at par at end of 1140 days from the date of allotment
8.85% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD W3 FY 2015-16. DATE OF MATURITY 23/02/2026	10,00,000	23 <sup>rd</sup> February, 2016	1,007.90	8.85% p.a.	23 <sup>rd</sup> February, 2026	Redeemable at par at end of 3653 days from the date of allotment
8.90% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD X1 FY 2015-16. DATE OF MATURITY 06/03/2026	10,00,000	09 <sup>th</sup> March, 2016	1,004.63	8.90% p.a.	06 <sup>th</sup> March, 2026	Redeemable at par at end of 3649 days from the date of allotment
7.95% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES H2 FY2022-23.DATE OF MATURITY 28/03/2026	10,00,000	18 <sup>th</sup> November, 2022	61,371.00	7.95% p.a.	18 <sup>th</sup> March, 2026	Redeemable at par at end of 1216 days from the date of allotment
8.90% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD Z3 FY 2015-16. DATE OF MATURITY 20/03/2026	10,00,000	21 <sup>st</sup> March, 2016	500.92	8.90% p.a.	20 <sup>th</sup> March, 2026	Redeemable at par at end of 3651 days from the date of allotment

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as at 31<sup>st</sup> March 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
6.55% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES D1.DATE OF MATURITY 24/07/2026	10,00,000	26 <sup>th</sup> July, 2021	51,790.18	6.55% p.a.	24 <sup>th</sup> July, 2026	Redeemable at par at end of 1824 days from the date of allotment
8.30% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES L2 FY2022-23.DATE OF MATURITY 16/09/2026	1,00,000	21 <sup>st</sup> March, 2023	21,036.47	8.30% p.a.	16 <sup>th</sup> September, 2026	Redeemable at par at end of 1275 days from the date of allotment
6.45% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES G2.DATE OF MATURITY 01/10/2026	10,00,000	04 <sup>th</sup> October, 2021	11,853.91	6.45% p.a.	01 <sup>st</sup> October, 2026	Redeemable at par at end of 1823 days from the date of allotment
8% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C1 FY 2017-18. DATE OF MATURITY 11/06/2027	10,00,000	13 <sup>th</sup> June, 2017	781.44	8.00% p.a. on XIRR	11 <sup>st</sup> June, 2027	Redeemable at par at end of 3650 days from the date of allotment
7.95% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES I1 FY2022-23.DATE OF MATURITY 03/12/2027	10,00,000	05 <sup>th</sup> December, 2022	5,121.60	7.95% p.a.	03 <sup>rd</sup> December, 2027	Redeemable at par at end of 1824 days from the date of allotment
7.92% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES I2 FY2022-23.DATE OF MATURITY 27/12/2027	10,00,000	27 <sup>th</sup> December, 2022	41,803.88	7.92% p.a.	27 <sup>th</sup> December, 2027	Redeemable at par at end of 1826 days from the date of allotment
8.12% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (I)ABFL NCD SERIES L1 FY2022-23.DATE OF MATURITY 06/03/2028	1,00,000	21 <sup>st</sup> March, 2023	7,568.58	8.12% p.a.	06 <sup>th</sup> March, 2028	Redeemable at par at end of 1812 days from the date of allotment
8.12% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES L1 FY2022-23.DATE OF MATURITY 06/03/2028	1,00,000	06 <sup>th</sup> March, 2023	52,428.72	8.12% p.a.	06 <sup>th</sup> March, 2028	Redeemable at par at end of 1827 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. FURTHER ISSUANCE IV SERIES ABFL NCD I2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	08 <sup>th</sup> September, 2022	2,602.13	9.15% p.a.	21 <sup>st</sup> December, 2028	Redeemable at par at end of 2296 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	29 <sup>th</sup> March, 2019	15,612.81	9.15% p.a.	21 <sup>st</sup> December, 2028	Redeemable at par at end of 3555 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	12 <sup>th</sup> February, 2019	4,007.29	9.15% p.a.	21 <sup>st</sup> December, 2028	Redeemable at par at end of 3600 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	27 <sup>th</sup> December, 2018	7,181.89	9.15% p.a.	21 <sup>st</sup> December, 2028	Redeemable at par at end of 3647 days from the date of allotment

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Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	21 <sup>st</sup> December, 2018	1,561.28	9.15% p.a.	21 <sup>st</sup> December, 2028	Redeemable at par at end of 3653 days from the date of allotment
9% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD B2 FY 2019-20. MATURITY DATE - 18/05/2029	10,00,000	20 <sup>th</sup> May, 2019	161,572.86	9.00% p.a.	50% - 19 <sup>th</sup> May, 2028 50% - 18 <sup>th</sup> May, 2029	Redeemable in installments at par - 50% at end of 3287 days and 50% at end of 3651 days from the date of allotment
8.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-2020. DATE OF MATURITY 04 <sup>th</sup> July, 2029	10,00,000	04 <sup>th</sup> July, 2019	3,103.99	8.70% p.a.	04 <sup>th</sup> July, 2029	Redeemable at par at end of 3653 days from the date of allotment
8.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD J1 FY 2019-20. MATURITY DATE - 18/01/2030	10,00,000	20 <sup>th</sup> January, 2020	101,514.96	8.15% p.a.	25% at the end of 7 <sup>th</sup> Year (Wednesday, 20 <sup>th</sup> January, 2027), 25% at the end of 8 <sup>th</sup> Year (Thursday, 20 <sup>th</sup> January, 2028), 25% at the end of 9 <sup>th</sup> Year (Friday, 19 <sup>th</sup> January, 2029) & 25% at the end of 10 <sup>th</sup> Year (Friday, 18 <sup>th</sup> January, 2030)	Redeemable in installments at par - 25% at end of 2557 days, 25% at end of 2922 days 25% at end of 3287 days 25% at end of 3651 days from the date of allotment
7.24% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K1 FY 2020-21. MATURITY DATE - 18/02/2031	10,00,000	18 <sup>th</sup> February, 2021	2,517.25	7.24% p.a.	18 <sup>th</sup> February, 2031	Redeemable at par at end of 3652 days from the date of allotment
7.26% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES B2.DATE OF MATURITY 30/05/2031	10,00,000	31 <sup>st</sup> May, 2021	79,497.64	7.26% p.a.	25% at the end of 7 <sup>th</sup> Year (Wednesday, 31 <sup>st</sup> May, 2028) 25% at the end of 8 <sup>th</sup> Year (Thursday, 31 <sup>st</sup> May, 2029) 25% at the end of 9 <sup>th</sup> Year (Friday, 31 <sup>st</sup> May, 2030) 25% at the end of 10 <sup>th</sup> Year (Friday, 30 <sup>th</sup> May, 2031)	Redeemable in installments at par - 25% at end of 2557 days, 25% at end of 2922 days 25% at end of 3287 days 25% at end of 3652 days from the date of allotment
7.10% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES G1.DATE OF MATURITY 03/10/2031	10,00,000	04 <sup>th</sup> October, 2021	5,163.59	7.10% p.a.	03 <sup>rd</sup> October, 2031	Redeemable at par at end of 3651 days from the date of allotment

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.12% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. Further Issuance (III) ABFL NCD Series H3 FY 2022-23. DATE OF MATURITY 18/11/2032	10,00,000	15 <sup>th</sup> March, 2023	10,317.40	8.12% p.a.	18 <sup>th</sup> November, 2032	Redeemable at par at end of 3536 days from the date of allotment
8.12% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. Further Issuance (II) ABFL NCD Series H3 FY 2022-23. DATE OF MATURITY 18/11/2032	10,00,000	09 <sup>th</sup> February, 2023	23,214.16	8.12% p.a.	18 <sup>th</sup> November, 2032	Redeemable at par at end of 3570 days from the date of allotment
8.12% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. Further Issuance (I) ABFL NCD Series H3 FY 2022-23. DATE OF MATURITY 18/11/2032	10,00,000	21 <sup>st</sup> December, 2022	41,269.62	8.12% p.a.	18 <sup>th</sup> November, 2032	Redeemable at par at end of 3620 days from the date of allotment
8.12% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES H3 FY2022-23.DATE OF MATURITY 18/11/2032	10,00,000	18 <sup>th</sup> November, 2022	20,634.81	8.12% p.a.	18 <sup>th</sup> November, 2032	Redeemable at par at end of 3653 days from the date of allotment
<b>Total</b>			<b>1,675,533.77</b>			

## Note 20(b): Redeemable non-convertible debentures (Unsecured) as on 31<sup>st</sup> March, 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.57% UNSECURED RATED LISTED REDEEMABLE NON CONVERTIBLE PARTLY PAID DEBENTURES. SERIES ABFL NCD 'EP1' FY 2020-21. DATE OF MATURITY 03/08/2035	4,40,000.00	06-Aug-20	16,100.36	7.57%	03-Aug-35	Redeemable at par at end of 5475 days from the date of allotment

## Note 20(a): Redeemable non-convertible debentures (Secured) as at 31<sup>st</sup> March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.10% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES G1.DATE OF MATURITY 03/10/2031	10,00,000	04 <sup>th</sup> October, 2021	5,163.31	7.10% p.a.	03 <sup>rd</sup> October, 2031	Redeemable at par at end of 3651 days from the date of allotment
7.26% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES B2.DATE OF MATURITY 30/05/2031	10,00,000	31 <sup>st</sup> May, 2021	79,501.44	7.26% p.a.	25% at the end of 7 <sup>th</sup> Year (31 <sup>st</sup> May, 2028) 25% at the end of 8 <sup>th</sup> Year (31 <sup>st</sup> May, 2029) 25% at the end of 9 <sup>th</sup> Year (31 <sup>st</sup> May, 2030) 25% at the end of 10 <sup>th</sup> Year (30 <sup>th</sup> May, 2031)	Redeemable in instalment's at par - 25% at end of 2557 days, 25% at end of 2922 days 25% at end of 3287 days 25% at end of 3652 days from the date of allotment
7.24% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K1 FY 2020-21. MATURITY DATE – 18/02/2031	10,00,000	18 <sup>th</sup> February, 2021	2,517.10	7.24% p.a.	18 <sup>th</sup> February, 2031	Redeemable at par at end of 3652 days from the date of allotment

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD J1 FY 2019-20. MATURITY DATE - 18/01/2030	10,00,000	20 <sup>th</sup> January, 2020	101,521.87	8.15% p.a.	1) 25% at the end of 7 <sup>th</sup> Year (Wednesday, 20 <sup>th</sup> January, 2027), 2) 25% at the end of 8 <sup>th</sup> Year (Thursday, 20 <sup>th</sup> January, 2028), 3) 25% at the end of 9 <sup>th</sup> Year (Friday, 19 <sup>th</sup> January, 2029) & 4) 25% at the end of 10 <sup>th</sup> Year (Friday, 18 <sup>th</sup> January, 2030)	Redeemable in instalment's at par - 25% at end of 2557 days, 25% at end of 2922 days 25% at end of 3287 days 25% at end of 3651 days from the date of allotment
8.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-2020. DATE OF MATURITY 04 <sup>th</sup> July, 2029	10,00,000	04 <sup>th</sup> July, 2019	3,104.01	8.70% p.a.	04 <sup>th</sup> July, 2029	Redeemable at par at end of 3653 days from the date of allotment
9% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD B2 FY 2019-20. MATURITY DATE - 18/05/2029	10,00,000	20 <sup>th</sup> May, 2019	161,585.61	9.00% p.a.	50% - 19 <sup>th</sup> May, 2028 50% - 18 <sup>th</sup> May, 2029	Redeemable in instalment's at par - 50% at end of 3287 days and 50% at end of 3651 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	21 <sup>st</sup> December, 2018	1,557.37	9.15% p.a.	21 <sup>st</sup> December, 2028	Redeemable at par at end of 3653 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	27 <sup>th</sup> December, 2018	7,163.92	9.15% p.a.	21 <sup>st</sup> December, 2028	Redeemable at par at end of 3647 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	12 <sup>th</sup> February, 2019	3,997.26	9.15% p.a.	21 <sup>st</sup> December, 2028	Redeemable at par at end of 3600 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	29 <sup>th</sup> March, 2019	15,573.75	9.15% p.a.	21 <sup>st</sup> December, 2028	Redeemable at par at end of 3555 days from the date of allotment

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C1 FY 2017-18. DATE OF MATURITY 11/06/2027	10,00,000	13 <sup>th</sup> June, 2017	723.19	8.00% p.a.	11 <sup>th</sup> June, 2027	Redeemable at par at end of 3650 days from the date of allotment
6.45% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES G2.DATE OF MATURITY 01/10/2026	10,00,000	04 <sup>th</sup> October, 2021	11,854.01	6.45% p.a.	01 <sup>st</sup> October, 2026	Redeemable at par at end of 1823 days from the date of allotment
6.55% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES D1.DATE OF MATURITY 24/07/2026	10,00,000	26 <sup>th</sup> July, 2021	52,152.76	6.55% p.a.	24 <sup>th</sup> July, 2026	Redeemable at par at end of 1824 days from the date of allotment
8.90% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD Z3 FY 2015-16. DATE OF MATURITY 20/03/2026	10,00,000	21 <sup>st</sup> March, 2016	500.89	8.90% p.a.	20 <sup>th</sup> March, 2026	Redeemable at par at end of 3651 days from the date of allotment
8.90% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD X1 FY 2015-16. DATE OF MATURITY 06/03/2026	10,00,000	09 <sup>th</sup> March, 2016	1,004.57	8.90% p.a.	06 <sup>th</sup> March, 2026	Redeemable at par at end of 3649 days from the date of allotment
8.85% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD W3 FY 2015-16. DATE OF MATURITY 23/02/2026	10,00,000	23 <sup>rd</sup> February, 2016	1,007.84	8.85% p.a.	23 <sup>rd</sup> February, 2026	Redeemable at par at end of 3653 days from the date of allotment
6.25% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1 FY 2020-21. MATURITY DATE – 23/12/2025	10,00,000	23 <sup>rd</sup> December, 2020	7,619.44	6.25% p.a.	23 <sup>rd</sup> December, 2025	Redeemable at par at end of 1826 days from the date of allotment
8.71% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD S1 FY 2015-16. DATE OF MATURITY 31/10/2025	10,00,000	3 <sup>rd</sup> November, 2015	50,645.32	8.71% p.a.	50% on 01 <sup>st</sup> November, 2024 & 50% on 31 <sup>st</sup> October, 2025	Redeemable in instalment's at par - 50% at end of 3285 days and 50% at end of 3650 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD Q1 FY 2015-16. DATE OF MATURITY 17/10/2025	10,00,000	19 <sup>th</sup> October, 2015	1,556.76	8.77% p.a.	17 <sup>th</sup> October, 2025	Redeemable at par at end of 3651 days from the date of allotment
6.40% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES J2.DATE OF MATURITY 22/07/2025	10,00,000	21 <sup>st</sup> January, 2022	35,403.86	6.40% p.a.	22 <sup>nd</sup> July, 2025	Redeemable at par at end of 1278 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	26 <sup>th</sup> June, 2018	5,442.04	8.90 % p.a.	26 <sup>th</sup> June, 2025	Redeemable at par at end of 2557 days from the date of allotment
7.69% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A3 FY 2020-21. MATURITY DATE – 25/04/2025	10,00,000	28 <sup>th</sup> April, 2020	2,675.13	7.69% p.a.	25 <sup>th</sup> April, 2025	Redeemable at par at end of 1823 days from the date of allotment

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
3M TBILL LINKED SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES 'J1' FY2021-22. DATE OF MATURITY 21/01/2025	10,00,000	21 <sup>st</sup> January, 2022	50,464.85	5.22% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	21 <sup>st</sup> January, 2025	Redeemable at par at end of 1096 days from the date of allotment
5.85% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES E1. DATE OF MATURITY 02/08/2024	10,00,000	05 <sup>th</sup> August, 2021	25,939.67	5.85% p.a.	02 <sup>nd</sup> August, 2024	Redeemable at par at end of 1093 days from the date of allotment
Zero Coupon SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES C2. DATE OF MATURITY 14/06/2024	10,00,000	17 <sup>th</sup> June, 2021	7,834.59	Zero Coupon	14 <sup>th</sup> June, 2024	Redeemable at par at end of 1093 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	12 <sup>th</sup> June, 2019	18,484.74	8.65% p.a.	12 <sup>th</sup> June, 2024	Redeemable at par at end of 1827 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	24 <sup>th</sup> June, 2019	21,155.95	8.65% p.a.	12 <sup>th</sup> June, 2024	Redeemable at par at end of 1815 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	28 <sup>th</sup> June, 2019	11,924.26	8.65% p.a.	12 <sup>th</sup> June, 2024	Redeemable at par at end of 1811 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	24 <sup>th</sup> July, 2019	10,545.92	8.65% p.a.	12 <sup>th</sup> June, 2024	Redeemable at par at end of 1785 days from the date of allotment
6.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD L3 FY 2020-21. MATURITY DATE - 28/03/2024	10,00,000	March, 31, 2021	41,990.04	6.15% p.a.	28 <sup>th</sup> March, 2024	Redeemable at par at end of 1093 days from the date of allotment
5.90% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD G1 FY 2020-21. MATURITY DATE - 29/12/2023	10,00,000	22 <sup>nd</sup> October, 2020	33,835.95	5.90% p.a.	29 <sup>th</sup> December, 2023	Redeemable at par at end of 1163 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	21 <sup>st</sup> December, 2018	7,171.61	9.15% p.a.	21 <sup>st</sup> December, 2023	Redeemable at par at end of 1826 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	27 <sup>th</sup> December, 2018	8,298.58	9.15% p.a.	21 <sup>st</sup> December, 2023	Redeemable at par at end of 1820 days from the date of allotment

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as at 31<sup>st</sup> March 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	7 <sup>th</sup> January, 2019	1,639.23	9.15% p.a.	21 <sup>st</sup> December, 2023	Redeemable at par at end of 1809 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	27 <sup>th</sup> July, 2018	1,580.49	8.90% p.a.	27 <sup>th</sup> July, 2023	Redeemable at par at end of 1826 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	11 <sup>th</sup> December, 2018	15,278.09	8.90% p.a.	27 <sup>th</sup> July, 2023	Redeemable at par at end of 1689 days from the date of allotment
7.57% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A2 FY 2020-21. MATURITY DATE - 28/06/2023	10,00,000	28 <sup>th</sup> April, 2020	24,073.08	7.75% p.a.	28 <sup>th</sup> June, 2023	Redeemable at par at end of 1156 days from the date of allotment
5.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES C1.DATE OF MATURITY 16/06/2023	10,00,000	17 <sup>th</sup> June, 2021	5,200.32	5.15% p.a.	16 <sup>th</sup> June, 2023	Redeemable at par at end of 729 days from the date of allotment
6.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE - 30/05/2023	10,00,000	25 <sup>th</sup> February, 2021	77,932.47	6.15% p.a.	30 <sup>th</sup> May, 2023	Redeemable at par at end of 824 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE - 17/05/2023	10,00,000	17 <sup>th</sup> April, 2020	22,009.78	7.75% p.a.	17 <sup>th</sup> May, 2023	Redeemable at par at end of 1125 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'B1' FY 2021-22-MATURITY DATE - 05/05/2023	10,00,000	07 <sup>th</sup> May, 2021	26,170.69	5.11% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	05 <sup>th</sup> May, 2023	Redeemable at par at end of 728 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L2' FY 2020-21-MATURITY DATE - 19/03/2023	10,00,000	19 <sup>th</sup> March, 2021	25,050.01	5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	17 <sup>th</sup> March, 2023	Redeemable at par at end of 728 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE - 16/03/2023	10,00,000	16 <sup>th</sup> March, 2021	50,124.84	5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	16 <sup>th</sup> March, 2023	Redeemable at par at end of 730 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1. DATE OF MATURITY 09/12/2022	10,00,000	04 <sup>th</sup> December, 2019	15,361.33	7.75% p.a.	09 <sup>th</sup> December, 2022	Redeemable at par at end of 1101 days from the date of allotment

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD O1 FY 2015-16. DATE OF MATURITY 12/10/2022	10,00,000	12 <sup>th</sup> October, 2015	2,183.72	8.77% p.a.	12 <sup>th</sup> October, 2022	Redeemable at par at end of 2557 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD N1 FY 2015-16. DATE OF MATURITY 07/10/2022	10,00,000	07 <sup>th</sup> October, 2015	6,246.41	8.77% p.a.	07 <sup>th</sup> October, 2022	Redeemable at par at end of 2557 days from the date of allotment
8.85% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD L1 FY 2015-16. DATE OF MATURITY 09/09/2022	10,00,000	10 <sup>th</sup> September, 2015	2,096.02	8.85% p.a.	09 <sup>th</sup> September, 2022	Redeemable at par at end of 2556 days from the date of allotment
7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD F1 FY 2017-18. DTE OF MATURITY 07/09/2022	10,00,000	07 <sup>th</sup> September, 2017	33,865.63	7.60% p.a.	07 <sup>th</sup> September, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E3 FY 2017-18. DTE OF MATURITY 18/08/2022	10,00,000	18 <sup>th</sup> August, 2017	10,462.09	7.60% p.a.	18 <sup>th</sup> August, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E2 FY 2017-18. DTE OF MATURITY 12/08/2022	10,00,000	14 <sup>th</sup> August, 2017	5,237.92	7.70% p.a.	12 <sup>th</sup> August, 2022	Redeemable at par at end of 1824 days from the date of allotment
7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E4 FY 2017-18. DTE OF MATURITY 19/07/2022	10,00,000	23 <sup>rd</sup> August, 2017	15,680.69	7.60% p.a.	19 <sup>th</sup> July, 2022	Redeemable at par at end of 1791 days from the date of allotment
7.8% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2017-18. DATE OF MATURITY 29/06/2022	10,00,000	29 <sup>th</sup> June, 2017	21,163.43	7.80% p.a.	29 <sup>th</sup> June, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.80% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2017-18. DATE OF MATURITY 17/06/2022	10,00,000	19 <sup>th</sup> June, 2017	5,301.86	7.80% p.a.	17 <sup>th</sup> June, 2022	Redeemable at par at end of 1824 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD B1 FY 2019-20. MATURITY DATE - 25/05/2022	10,00,000	08 <sup>th</sup> May, 2019	4,774.73	1 Greater than 50% of Digital Level 8.3026% p.a. (8.30% XIRR (Annualized yield)) 2 Less than or equal to 50% of Digital Level 0 %	25 <sup>th</sup> May, 2022	Redeemable at par at end of 1113 days from the date of allotment

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
6.78% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2020-21. MATURITY DATE – 26/04/2022	10,00,000	26 <sup>th</sup> June, 2020	26,288.84	6.78% p.a.	26 <sup>th</sup> April, 2022	Redeemable at par at end of 669 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	26 <sup>th</sup> October, 2018	21,707.87	Zero Coupon	08 <sup>th</sup> April, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	06 <sup>th</sup> November, 2018	2,443.84	Zero Coupon	08 <sup>th</sup> April, 2022	Redeemable at par at end of 1249 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	11 <sup>th</sup> December, 2018	16,246.77	Zero Coupon	08 <sup>th</sup> April, 2022	Redeemable at par at end of 1214 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	27 <sup>th</sup> December, 2018	6,826.37	Zero Coupon	08 <sup>th</sup> April, 2022	Redeemable at par at end of 1198 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	7 <sup>th</sup> January, 2019	4,368.88	Zero Coupon	08 <sup>th</sup> April, 2022	Redeemable at par at end of 1187 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	25 <sup>th</sup> January, 2019	4,164.09	Zero Coupon	08 <sup>th</sup> April, 2022	Redeemable at par at end of 1169 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	25 <sup>th</sup> April, 2019	10,239.58	Zero Coupon	08 <sup>th</sup> April, 2022	Redeemable at par at end of 1079 days from the date of allotment
<b>Total</b>			<b>1,253,636.68</b>			

## Note 20(b): Redeemable non-convertible debentures (Unsecured) as on 31<sup>st</sup> March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.57% UNSECURED RATED LISTED REDEEMABLE NON CONVERTIBLE PARTLY PAID DEBENTURES. SERIES ABFL NCD 'EP1' FY 2020-21. DATE OF MATURITY 03/08/2035	3,00,000	06 <sup>th</sup> August, 2020	10,960.04	7.57 % p.a.	3 <sup>rd</sup> August, 2035	Redeemable at par at end of 5475 days from the date of allotment

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## Note 20(c): Commercial papers (Unsecured) as at 31<sup>st</sup> March, 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL/2022-23/CP121	5,00,000	30 <sup>th</sup> January, 2023	49,713	7.55%	28 <sup>th</sup> April, 2023	Redeemable at par at end of 88 days from the date of allotment
ABFL/2022-23/CP073 - 074	5,00,000	02 <sup>nd</sup> November, 2022	72,025	7.57%	02 <sup>nd</sup> May, 2023	Redeemable at par at end of 181 days from the date of allotment
ABFL/2022-23/CP075	5,00,000	07 <sup>th</sup> November, 2022		7.57%	2 <sup>nd</sup> May, 2023	Redeemable at par at end of 176 days from the date of allotment
ABFL/2022-23/CP122	5,00,000	31 <sup>st</sup> January, 2023	2,477	7.55%	2 <sup>nd</sup> May, 2023	Redeemable at par at end of 91 days from the date of allotment
ABFL/2022-23/CP125	5,00,000	17 <sup>th</sup> February, 2023		7.63%	15 <sup>th</sup> May, 2023	Redeemable at par at end of 87 days from the date of allotment
ABFL/2022-23/CP126 - 130	5,00,000	17 <sup>th</sup> February, 2023	97,501	7.63%	19 <sup>th</sup> May, 2023	Redeemable at par at end of 91 days from the date of allotment
ABFL/2022-23/CP131	5,00,000	24 <sup>th</sup> February, 2023	59,289	7.63%	26 <sup>th</sup> May, 2023	Redeemable at par at end of 91 days from the date of allotment
ABFL/2022-23/CP139	5,00,000	27 <sup>th</sup> February, 2023		7.84%	26 <sup>th</sup> May, 2023	Redeemable at par at end of 88 days from the date of allotment
ABFL/2022-23/CP081 - 085	5,00,000	17 <sup>th</sup> November, 2022	113,520	7.57%	31 <sup>st</sup> May, 2023	Redeemable at par at end of 195 days from the date of allotment
ABFL/2022-23/CP141 - 144	5,00,000	02 <sup>nd</sup> March, 2023		7.84%	31 <sup>st</sup> May, 2023	Redeemable at par at end of 90 days from the date of allotment
ABFL/2022-23/CP145 - 146	5,00,000	03 <sup>rd</sup> March, 2023	44,390	7.95%	02 <sup>th</sup> June, 2023	Redeemable at par at end of 91 days from the date of allotment
ABFL/2022-23/CP101	5,00,000	08 <sup>th</sup> December, 2022	83,815	7.57%	07 <sup>th</sup> June, 2023	Redeemable at par at end of 181 days from the date of allotment
ABFL/2022-23/CP113	5,00,000	13 <sup>th</sup> January, 2023		7.62%	07 <sup>th</sup> June, 2023	Redeemable at par at end of 145 days from the date of allotment
ABFL/2022-23/CP115 - 120	5,00,000	16 <sup>th</sup> January, 2023	9,843	7.62%	07 <sup>th</sup> June, 2023	Redeemable at par at end of 142 days from the date of allotment
ABFL/2022-23/CP147	5,00,000	13 <sup>th</sup> March, 2023		7.95%	12 <sup>th</sup> June, 2023	Redeemable at par at end of 91 days from the date of allotment
ABFL/2022-23/CP109	5,00,000	04 <sup>th</sup> January, 2023	2,951	7.47%	20 <sup>th</sup> June, 2023	Redeemable at par at end of 167 days from the date of allotment
ABFL/2022-23/CP110 - 111	5,00,000	13 <sup>th</sup> January, 2023	24,954	7.72%	13 <sup>th</sup> July, 2023	Redeemable at par at end of 181 days from the date of allotment
ABFL/2022-23/CP112	5,00,000	16 <sup>th</sup> January, 2023		7.72%	13 <sup>th</sup> July, 2023	Redeemable at par at end of 178 days from the date of allotment
ABFL/2022-23/CP123 - 124	5,00,000	10 <sup>th</sup> February, 2023	10,699	7.80%	10 <sup>th</sup> August, 2023	Redeemable at par at end of 181 days from the date of allotment
ABFL/2022-23/CP132 - 133	5,00,000	21 <sup>st</sup> February, 2023	50,423	7.99%	21 <sup>st</sup> August, 2023	Redeemable at par at end of 181 days from the date of allotment
ABFL/2022-23/CP134	5,00,000	22 <sup>nd</sup> February, 2023		7.99%	21 <sup>st</sup> August, 2023	Redeemable at par at end of 180 days from the date of allotment
ABFL/2022-23/CP135-136	5,00,000	23 <sup>rd</sup> February, 2023	50,423	7.99%	21 <sup>st</sup> August, 2023	Redeemable at par at end of 179 days from the date of allotment
ABFL/2022-23/CP137-138	5,00,000	24 <sup>th</sup> February, 2023		7.99%	21 <sup>st</sup> August, 2023	Redeemable at par at end of 178 days from the date of allotment
ABFL/2022-23/CP140	5,00,000	28 <sup>th</sup> February, 2023	19,377	7.99%	25 <sup>th</sup> August, 2023	Redeemable at par at end of 178 days from the date of allotment
ABFL/2022-23/CP148 -149	5,00,000	15 <sup>th</sup> March, 2023	20,874	8.14%	14 <sup>th</sup> March, 2024	Redeemable at par at end of 365 days from the date of allotment
<b>Total</b>			<b>6,61,851.38</b>			

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## Note 20(c): Commercial papers (Unsecured) as at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL/2021-22/CP201	5,00,000	14 <sup>th</sup> February, 2022	19,153.81	5.10%	10 <sup>th</sup> February, 2023	Redeemable at par at end of 361 days from the date of allotment
ABFL/2021-22/CP196	5,00,000	07 <sup>th</sup> January, 2022	9,636.28	4.91%	06 <sup>th</sup> January, 2023	Redeemable at par at end of 364 days from the date of allotment
ABFL/2021-22/CP195	5,00,000	04 <sup>th</sup> January, 2022	19,280.35	4.91%	03 <sup>rd</sup> January, 2023	Redeemable at par at end of 364 days from the date of allotment
ABFL/2021-22/CP204	5,00,000	18 <sup>th</sup> February, 2022	2,410.77	4.97%	27 <sup>th</sup> December, 2022	Redeemable at par at end of 312 days from the date of allotment
ABFL/2021-22/CP169	5,00,000	16 <sup>th</sup> December, 2021	14,507.95	4.85%	12 <sup>th</sup> December, 2022	Redeemable at par at end of 361 days from the date of allotment
ABFL/2021-22/CP204	5,00,000	18 <sup>th</sup> February, 2022	14,540.01	4.97%	18 <sup>th</sup> November, 2022	Redeemable at par at end of 273 days from the date of allotment
ABFL/2021-22/CP092	5,00,000	26 <sup>th</sup> October, 2021	19,511.90	4.50%	21 <sup>st</sup> October, 2022	Redeemable at par at end of 360 days from the date of allotment
ABFL/2021-22/CP041	5,00,000	12 <sup>th</sup> July, 2021	4,942.40	4.40%	07 <sup>th</sup> July, 2022	Redeemable at par at end of 360 days from the date of allotment
ABFL/2021-22/CP208	5,00,000	15 <sup>th</sup> March, 2022	32,206.78	4.40%	14 <sup>th</sup> June, 2022	Redeemable at par at end of 91 days from the date of allotment
ABFL/2021-22/CP206	5,00,000	24 <sup>th</sup> February, 2022	54,678.17	4.27%	20 <sup>th</sup> May, 2022	Redeemable at par at end of 85 days from the date of allotment
ABFL/2021-22/CP201	5,00,000	14 <sup>th</sup> February, 2022	59,719.04	4.28%	10 <sup>th</sup> May, 2022	Redeemable at par at end of 85 days from the date of allotment
ABFL/2021-22/CP168	5,00,000	07 <sup>th</sup> December, 2021	62,941.52	4.25%	08 <sup>th</sup> April, 2022	Redeemable at par at end of 122 days from the date of allotment
<b>Total</b>			<b>3,13,528.98</b>			

## NOTE 21: BORROWINGS OTHER THAN DEBT SECURITIES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023				As at 31 <sup>st</sup> March, 2022			
	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total
Term Loan from Banks (Secured)	37,34,866.82	-	-	37,34,866.82	21,00,005.16	-	-	21,00,005.16
Cash Credit from Banks (Secured)	40,064.61	-	-	40,064.61	26,262.23	-	-	26,262.23
External Commercial Borrowings from foreign banks (secured)	1,95,022.40	-	-	1,95,022.40	2,41,699.63	-	-	2,41,699.63
Inter Corporate borrowing (Unsecured)	56,966.13	-	-	56,966.13	-	-	-	-
Book Overdraft	1,01,275.70	-	-	1,01,275.70	1,84,848.14	-	-	1,84,848.14
Collateralised borrowing and lending obligation (CBLO) against Government securities (secured)	20,002.99	-	-	20,002.99	-	-	-	-
Working Capital Demand Loan from Bank (Secured)	3,30,398.81	-	-	3,30,398.81	2,18,899.88	-	-	2,18,899.88
<b>Total</b>	<b>44,78,597.46</b>	<b>-</b>	<b>-</b>	<b>44,78,597.46</b>	<b>27,71,715.04</b>	<b>-</b>	<b>-</b>	<b>27,71,715.04</b>
Borrowings in India	42,83,575.06	-	-	42,83,575.06	25,30,015.41	-	-	25,30,015.41
Borrowings outside India	1,95,022.40	-	-	1,95,022.40	2,41,699.63	-	-	2,41,699.63
<b>Total</b>	<b>44,78,597.46</b>	<b>-</b>	<b>-</b>	<b>44,78,597.46</b>	<b>27,71,715.04</b>	<b>-</b>	<b>-</b>	<b>27,71,715.04</b>

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## Note 21(a): Term Loan from Banks as at 31<sup>st</sup> March, 2023 : Secured

(₹ in Lakhs)

Repayment Term	Tenure	Interest Range	Amount
Bullet	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	70,283.98
		8.01% - 9.00%	67,033.68
		9.01% - 10.00%	-
Annually	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	666,433.89
		8.01% - 9.00%	282,925.21
		9.01% - 10.00%	100,935.46
Half Yearly	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	313,608.09
		8.01% - 9.00%	1,081,065.48
		9.01% - 10.00%	-
	Above 5 Years	Up to 7.00%	45,153.92
		7.01% - 8.00%	291,106.10
		8.01% - 9.00%	67,844.12
		9.01% - 10.00%	-
Quarterly	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	163,337.36
		8.01% - 9.00%	387,702.09
		9.01% - 10.00%	33,377.55
	Above 5 Years	Up to 7.00%	-
		7.01% - 8.00%	23,050.58
		8.01% - 9.00%	110,128.13
		9.01% - 10.00%	-
Monthly	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	-
		8.01% - 9.00%	12,467.18
		9.01% - 10.00%	18,414.00
<b>Total</b>			<b>3,734,866.82</b>

**Nature of Security:** Term Loan from Bank is secured by hypothecation of receivables.

## Note 21(b): External Commercial Borrowings as at 31<sup>st</sup> March, 2023 : Secured

(₹ in Lakhs)

Repayment Term	Tenure	Interest Range	Amount
Bullet	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	27,138.46
		8.01% - 9.00%	65,271.11
	Above 5 Years	Up to 7.00%	-
		7.01% - 8.00%	-
		8.01% - 9.00%	1,02,612.83
<b>Total</b>			<b>1,95,022.40</b>

**Nature of Security:** External Commercial Borrowings are secured by hypothecation of receivables.

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## Note 21(c): Loan repayable on Demand from Banks as at 31<sup>st</sup> March, 2023: Secured

(₹ in Lakhs)

Nature	Repayment Term	Tenure	Interest Range	Amount
Working Capital Demand Loan	Bullet	Up to 5 years	Upto 7.00%	-
			7.01% - 8.00%	3,30,398.81
Cash Credit	Bullet	Up to 5 years	Upto 7.00%	-
			7.01% - 8.00%	40,064.61
<b>Total</b>				<b>3,70,463.42</b>

**Nature of Security:** Loan repayable on demand from Bank is secured by hypothecation of receivables.

## Note 21(d): Loan repayable on Demand from Banks as at 31<sup>st</sup> March, 2023: Unsecured

(₹ in Lakhs)

Nature	Repayment Term	Tenure	Interest Range	Amount
Inter Corporate borrowing	Bullet	Up to 1 year	Up to 7.00%	-
			7.01% - 8.00%	44,269.55
			8.01% - 9.00%	12,696.58
<b>Total</b>				<b>56,966.13</b>

## Note 21(e): Loan repayable on Demand from Banks as at 31<sup>st</sup> March, 2023: Secured

Nature	Repayment Term	Tenure	Interest Range	Amount
Collateralised borrowing and lending obligation (CBLO)	Bullet	3 Days	Up to 7.00%	20,002.99
<b>Total</b>				<b>20,002.99</b>

**Nature of Security:** Loan repayable on demand from Bank is secured by Government Securities.

## Note 21(a): Term Loan from Banks as at 31<sup>st</sup> March, 2022 : Secured

Repayment Term	Tenure	Interest Range	Amount
Bullet	Up to 5 years	Up to 7.00%	148,840.16
		7.01% - 8.00%	167,378.68
Annually	Up to 5 years	Up to 7.00%	281,570.31
		7.01% - 8.00%	123,888.39
Half Yearly	Up to 5 years	Up to 7.00%	301,658.18
	Above 5 Years	7.01% - 8.00%	342,180.96
Quarterly	Up to 5 years	Up to 7.00%	122,735.57
		7.01% - 8.00%	426,022.84
Monthly	Up to 5 years	Up to 7.00%	94,294.29
		7.01% - 8.00%	14,163.32
<b>Total</b>			<b>2,100,005.16</b>

**Nature of Security:** Term loan from bank is secured by hypothecation of receivables.

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## Note 21(b): External Commercial Borrowings as at 31<sup>st</sup> March, 2022 : Secured

Repayment Term	Tenure	Interest Range	Amount
Bullet	Up to 5 years	Up to 7.00%	22,741.50
		7.01% - 8.00%	1,17,554.55
	Above 5 Years	Up to 7.00%	1,01,403.58
<b>Total</b>			<b>2,41,699.63</b>

**Nature of Security:** External Commercial Borrowings are secured by hypothecation of receivables.

## Note 21(c): Loan repayable on Demand from Banks as at 31<sup>st</sup> March, 2022: Secured

Nature	Repayment Term	Tenure	Interest Range	Amount
Working Capital Demand Loan	Bullet	Up to 5 years	Upto 7.00%	2,18,899.88
Cash Credit	Bullet	Up to 5 years	7.01% - 8.00%	26,262.23
<b>Total</b>				<b>2,45,162.11</b>

**Nature of Security:** Loan repayable on demand from Bank is secured by hypothecation of receivables.

## NOTE 22: SUBORDINATED LIABILITIES

Particulars	As at 31 <sup>st</sup> March, 2023				As at 31 <sup>st</sup> March, 2022			
	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total
Perpetual debt instruments to the extent they do not qualify as equity instruments (Unsecured)								
(i) from banks	-	-	-	-	-	-	-	-
(ii) from other parties	21,123.13	-	-	21,123.13	21,111.98	-	-	21,111.98
Subordinate debt (Unsecured)	2,23,867.32	-	-	2,23,867.32	2,27,622.01	-	-	2,27,622.01
<b>Total</b>	<b>2,44,990.45</b>	<b>-</b>	<b>-</b>	<b>2,44,990.45</b>	<b>2,48,733.99</b>	<b>-</b>	<b>-</b>	<b>2,48,733.99</b>
Subordinate liabilities in India	2,44,990.45	-	-	2,44,990.45	2,48,733.99	-	-	2,48,733.99
Subordinate liabilities outside India	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2,44,990.45</b>	<b>-</b>	<b>-</b>	<b>2,44,990.45</b>	<b>2,48,733.99</b>	<b>-</b>	<b>-</b>	<b>2,48,733.99</b>

## Note 22(a): Perpetual debt instruments as at 31<sup>st</sup> March, 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Perpetual 'PD1' FY2017-18	10,00,000	21 <sup>st</sup> July, 2017	21,123.13	8.70%	21 <sup>st</sup> July, 2027	Redeemable at par at end of 3652 days from the date of allotment

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## Note 22(b): Subordinate debt (Unsecured) as at 31<sup>st</sup> March, 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Sub Debt Series '1' FY 2013-14	10,00,000	04 <sup>th</sup> June, 2013	10,801.83	9.85% p.a.	02 <sup>nd</sup> June, 2023	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'A' FY 2014-15	10,00,000	12 <sup>th</sup> December, 2014	5,134.16	9.75% p.a.	12 <sup>th</sup> December, 2024	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'B' FY 2014-15	10,00,000	09 <sup>th</sup> January, 2015	4,584.93	9.45% p.a.	9 <sup>th</sup> January, 2025	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'A1' FY 2015-16	10,00,000	17 <sup>th</sup> June, 2015	2,680.71	9.25% p.a.	6 <sup>th</sup> June, 2025	Redeemable at par at end of 3642 days from the date of allotment
ABFL Sub Debt Series 'B1' FY 2015-16	10,00,000	14 <sup>th</sup> July, 2015	3,190.29	9.25% p.a.	11 <sup>th</sup> July, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'C1' FY 2015-16	10,00,000	25 <sup>th</sup> August, 2015	3,474.41	9.25% p.a.	22 <sup>nd</sup> August, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'D1' FY 2015-16	10,00,000	08 <sup>th</sup> March, 2016	2,508.55	9.10% p.a.	6 <sup>th</sup> March, 2026	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'E1' FY 2015-16	10,00,000	10 <sup>th</sup> March, 2016	803.30	9.10% p.a.	10 <sup>th</sup> March, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'F1' FY 2015-16	10,00,000	18 <sup>th</sup> March, 2016	2,552.70	9.10% p.a.	10 <sup>th</sup> March, 2026	Redeemable at par at end of 3644 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2016-17	10,00,000	23 <sup>rd</sup> June, 2016	5,602.15	9.10% p.a.	23 <sup>rd</sup> June, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD1' FY 2016-17	10,00,000	28 <sup>th</sup> July, 2016	10,578.11	8.97% p.a.	28 <sup>th</sup> July, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD2' FY 2016-17	10,00,000	28 <sup>th</sup> July, 2016	7,924.46	8.95% p.a.	28 <sup>th</sup> July, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SF1' FY 2016-17	10,00,000	29 <sup>th</sup> September, 2016	20,815.42	8.90% p.a.	29 <sup>th</sup> September, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SH1' FY 2016-17	10,00,000	21 <sup>st</sup> November, 2016	20,557.13	8.90% p.a.	20 <sup>th</sup> November, 2026	Redeemable at par at end of 3651 days from the date of allotment
ABFL Sub Debt Series 'SL1' FY 2016-17	10,00,000	9 <sup>th</sup> March, 2017	1,001.00	8.25% p.a.	9 <sup>th</sup> March, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	10,00,000	18 <sup>th</sup> May, 2017	17,654.84	8.50% p.a.	18 <sup>th</sup> May, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'S11' FY 2018-19	10,00,000	04 <sup>th</sup> December, 2018	25,688.39	9.76% p.a.	4 <sup>th</sup> December, 2028	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000	06 <sup>th</sup> June, 2019	21,516.93	8.95% p.a.	6 <sup>th</sup> June, 2029	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000	30 <sup>th</sup> December, 2019	10,758.47	8.95% p.a.	6 <sup>th</sup> June, 2029	Redeemable at par at end of 3446 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000	13 <sup>th</sup> February, 2020	5,379.23	8.95% p.a.	6 <sup>th</sup> June, 2029	Redeemable at par at end of 3401 days from the date of allotment
ABFL SUBDEBT Series 'SI 1' FY 20-21	10,00,000	29 <sup>th</sup> December, 2020	8,111.26	7.43% p.a.	27 <sup>th</sup> December, 2030	Redeemable at par at end of 3650 days from the date of allotment
ABFL SUBDEBT Series 'SC 1' FY 20-21	10,00,000	11 <sup>th</sup> June, 2021	7,902.16	7.34% p.a.	11 <sup>th</sup> June, 2031	Redeemable at par at end of 3652 days from the date of allotment
ABFL Subdebt NCD Series 'S11' FY2021-22	1,00,00,000	06 <sup>th</sup> December, 2021	3,520.99	7.43% p.a.	5 <sup>th</sup> December, 2031	Redeemable at par at end of 3651 days from the date of allotment
ABFL Subdebt NCD Series 'S11' FY2021-22	1,00,00,000	28 <sup>th</sup> February, 2022	21,125.90	7.43% p.a.	5 <sup>th</sup> December, 2031	Redeemable at par at end of 3567 days from the date of allotment
<b>Total</b>			<b>2,23,867.32</b>			

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## Note 22(a): Perpetual debt instruments as at 31<sup>st</sup> March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Perpetual 'PD1' FY2017-18	10,00,000	21 <sup>st</sup> July, 2017	21,111.98	8.70% p.a.	21 <sup>st</sup> July, 2027	Redeemable at par at end of 3652 days from the date of allotment

## Note 22(b): Subordinate debt (Unsecured) as at 31<sup>st</sup> March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Sub debt NCD Series 'S11' FY2021-22	1,00,00,000	06 <sup>th</sup> December, 2021	3,516.51	7.43% p.a.	05 <sup>th</sup> December, 2031	Redeemable at par at end of 3651 days from the date of allotment
ABFL Sub debt NCD Series 'S11' FY2021-22	1,00,00,000	28 <sup>th</sup> February, 2022	21,099.06	7.43% p.a.	05 <sup>th</sup> December, 2031	Redeemable at par at end of 3567 days from the date of allotment
ABFL Sub Debt Series 'SC 1' FY 20-21	10,00,000	11 <sup>th</sup> June, 2021	7,899.19	7.34% p.a.	11 <sup>th</sup> June, 2031	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub debt Series 'SI 1' FY 20-21	10,00,000	29 <sup>th</sup> December, 2020	8,108.50	7.43% p.a.	27 <sup>th</sup> December, 2030	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000	06 <sup>th</sup> June, 2019	21,526.55	8.95% p.a.	06 <sup>th</sup> June, 2029	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000	30 <sup>th</sup> December, 2019	10,763.27	8.95% p.a.	06 <sup>th</sup> June, 2029	Redeemable at par at end of 3446 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000	13 <sup>th</sup> February, 2020	5,381.64	8.95% p.a.	06 <sup>th</sup> June, 2029	Redeemable at par at end of 3401 days from the date of allotment
ABFL Sub Debt Series 'SI1' FY 2018-19	10,00,000	04 <sup>th</sup> December, 2018	25,681.34	9.76% p.a.	04 <sup>th</sup> December, 2028	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	10,00,000	18 <sup>th</sup> May, 2017	17,645.00	8.50% p.a.	18 <sup>th</sup> May, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SL1' FY 2016-17	10,00,000	09 <sup>th</sup> March, 2017	1,000.30	8.25% p.a.	09 <sup>th</sup> March, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SH1' FY 2016-17	10,00,000	21 <sup>st</sup> November, 2016	20,545.15	8.90% p.a.	20 <sup>th</sup> November, 2026	Redeemable at par at end of 3651 days from the date of allotment
ABFL Sub Debt Series 'SF1' FY 2016-17	10,00,000	29 <sup>th</sup> September, 2016	20,803.39	8.90% p.a.	29 <sup>th</sup> September, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD1' FY 2016-17	10,00,000	28 <sup>th</sup> July, 2016	10,574.49	8.97% p.a.	28 <sup>th</sup> July, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD2' FY 2016-17	10,00,000	28 <sup>th</sup> July, 2016	7,919.72	8.95% p.a.	28 <sup>th</sup> July, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2016-17	10,00,000	23 <sup>rd</sup> June, 2016	5,599.55	9.10% p.a.	23 <sup>rd</sup> June, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'E1' FY 2015-16	10,00,000	10 <sup>th</sup> March, 2016	803.17	9.10% p.a.	10 <sup>th</sup> March, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'F1' FY 2015-16	10,00,000	18 <sup>th</sup> March, 2016	2,551.40	9.10% p.a.	10 <sup>th</sup> March, 2026	Redeemable at par at end of 3644 days from the date of allotment
ABFL Sub Debt Series 'D1' FY 2015-16	10,00,000	08 <sup>th</sup> March, 2016	2,507.29	9.10% p.a.	06 <sup>th</sup> March, 2026	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'C1' FY 2015-16	10,00,000	25 <sup>th</sup> August, 2015	3,473.06	9.25% p.a.	22 <sup>nd</sup> August, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'B1' FY 2015-16	10,00,000	14 <sup>th</sup> July, 2015	3,188.75	9.25% p.a.	11 <sup>th</sup> July, 2025	Redeemable at par at end of 3650 days from the date of allotment

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Sub Debt Series 'A1' FY 2015-16	10,00,000	17 <sup>th</sup> June, 2015	2,678.76	9.25% p.a.	06 <sup>th</sup> June, 2025	Redeemable at par at end of 3642 days from the date of allotment
ABFL Sub Debt Series 'B' FY 2014-15	10,00,000	09 <sup>th</sup> January, 2015	4,584.67	9.45% p.a.	09 <sup>th</sup> January, 2025	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'A' FY 2014-15	10,00,000	12 <sup>th</sup> December, 2014	5,133.94	9.75% p.a.	12 <sup>th</sup> December, 2024	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series '1' FY 2013-14	10,00,000	04 <sup>th</sup> June, 2013	10,795.08	9.85% p.a.	02 <sup>nd</sup> June, 2023	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series '1' FY 2011-12	10,00,000	22 <sup>nd</sup> February, 2012	1,117.72	10.60% p.a.	20 <sup>th</sup> May, 2022	Redeemable at par at end of 3740 days from the date of allotment
ABFL Sub Debt Series '1' FY 2012-13	10,00,000	25 <sup>th</sup> May, 2012	2,724.51	10.50% p.a.	20 <sup>th</sup> May, 2022	Redeemable at par at end of 3647 days from the date of allotment
<b>Total</b>			<b>227,622.01</b>			

## NOTE 23: LEASE LIABILITY

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Lease liability for right to use assets	19,648.20	12,910.38
<b>Total</b>	<b>19,648.20</b>	<b>12,910.38</b>

## NOTE 24: OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Advance from customers	37,764.48	17,211.02
Payables for salaries, bonus and other employee benefits	14,737.46	8,708.88
Other payable	16,417.88	21,093.39
<b>Total</b>	<b>68,919.82</b>	<b>47,013.29</b>

## NOTE 25: CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Provision for income tax (Net of advance tax ₹ 90,047.08 lakhs; 31 <sup>st</sup> March, 2022 ₹ 39,672.70 lakhs)	13,664.09	1,513.10
<b>Total</b>	<b>13,664.09</b>	<b>1,513.10</b>

## NOTE 26: PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Employee benefit</b>		
Gratuity	3,662.62	3,217.03
Provision for compensated absences	1,138.07	1,659.29
Long term Incentive Plans (LTIP)	1,663.03	5,545.37
<b>Total</b>	<b>6,463.72</b>	<b>10,421.69</b>

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## NOTE 27: OTHER NON-FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Revenue received in advance	3,817.18	3,640.22
Tax deducted at source payable	2,234.52	2,213.67
Goods and service tax payable	6,253.43	2,270.42
Other statutory dues payable	461.20	300.08
<b>Total</b>	<b>12,766.33</b>	<b>8,424.39</b>

## NOTE 28: EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Authorised</b>		
1,270,000,000 (31 <sup>st</sup> March, 2022: 1,270,000,000) equity shares of ₹ 10/- each	1,27,000.00	1,27,000.00
100,00,00,000 (31 <sup>st</sup> March, 2022: 100,00,00,000) Preference Shares of ₹ 10/- each	1,00,000.00	1,00,000.00
1,00,00,000 (31 <sup>st</sup> March, 2022: 1,00,00,000) 8 % Compulsory Convertible Cumulative Preference Shares of ₹ 10/- each	1,000.00	1,000.00
<b>Total</b>	<b>2,28,000.00</b>	<b>2,28,000.00</b>
<b>Issued, Subscribed and fully paid up</b>		
662,100,822 (31 <sup>st</sup> March, 2022: 662,100,822) equity shares of ₹ 10/- each	66,210.08	66,210.08
<b>Total</b>	<b>66,210.08</b>	<b>66,210.08</b>

### Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Particulars	Number	Amount
<b>As at 01<sup>st</sup> April, 2021</b>	66,21,00,822	66,210.08
Issued during the year	-	-
<b>As at 31<sup>st</sup> March, 2022</b>	<b>66,21,00,822</b>	<b>66,210.08</b>
Issued during the year	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>66,21,00,822</b>	<b>66,210.08</b>

### Terms/ rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be receiving remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Name of Share holder	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Number	Amount	Number	Amount
Aditya Birla Capital Limited, holding company*	66,21,00,772	66,210.08	66,21,00,772	66,210.08
	<b>66,21,00,772</b>	<b>66,210.08</b>	66,21,00,772	66,210.08



# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## Details of shareholders holding more than 5% shares in the Company:

Name of Share holder	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Number	% of total paid-up equity capital	Number	% of total paid-up equity capital
Aditya Birla Capital Limited, holding company*	66,21,00,772	100%	66,21,00,772	100%
<b>Total</b>	<b>66,21,00,772</b>	<b>100%</b>	<b>66,21,00,772</b>	<b>100%</b>

## Details of Shareholding of Promoters:

Shares held by promoters at the end of the year				
S. No.	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Aditya Birla Capital Limited, holding company*	66,21,00,772	100%	-
<b>Total</b>		<b>66,21,00,772</b>	<b>100%</b>	

\*Balance shares are held by nominees on behalf of the holding Company.

## NBFC's objectives, policies and processes for managing capital:

For above disclosures Refer Note 48.

## NOTE 29: OTHER EQUITY

Particulars	Amount	
	(₹ in Lakhs)	
<b>Securities Premium Account</b>		
As at 01 <sup>st</sup> April, 2021	3,63,738.29	
Add: Additions during the year	-	
As at 31 <sup>st</sup> March, 2022	<b>3,63,738.29</b>	
Add: Additions during the year	-	
As at 31 <sup>st</sup> March, 2023	<b>3,63,738.29</b>	
<b>Special Reserve pursuant to Section 45-IC of the RBI Act, 1934</b>		
As at 01 <sup>st</sup> April, 2021	97,984.64	
Add: Transferred during the year	24,366.61	
As at 31 <sup>st</sup> March, 2022	<b>1,22,351.25</b>	
Add: Transferred during the year	31,075.15	
As at 31 <sup>st</sup> March, 2023	<b>1,53,426.40</b>	
<b>Capital Reserve</b>		
As at 01 <sup>st</sup> April, 2021	(10,452.11)	
Add: Other Additions/ Deductions during the year	-	
As at 31 <sup>st</sup> March, 2022	<b>(10,452.11)</b>	
Add: Other Additions/ Deductions during the year	-	
As at 31 <sup>st</sup> March, 2023	<b>(10,452.11)</b>	
<b>Capital Redemption Reserve</b>		
As at 01 <sup>st</sup> April, 2021	1,000.00	
Add: Transferred during the year	-	
As at 31 <sup>st</sup> March, 2022	<b>1,000.00</b>	
Add: Transferred during the year	-	
As at 31 <sup>st</sup> March, 2023	<b>1,000.00</b>	

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

Particulars	Amount
(₹ in Lakhs)	
<b>Share Options Outstanding Account</b>	
<b>As at 01<sup>st</sup> April, 2021</b>	-
Add: Employee Stock Options Amortisation for the Year	-
Less: Transferred to Securities Premium on ESOPs Exercised	-
Less: On Account of Lapse of Unvested Options	-
Less: Transfer to General Reserve on account of Lapse of Vested Options	-
<b>As at 31<sup>st</sup> March, 2022</b>	-
Add: Employee Stock Options Amortisation for the Year	483.19
Less: Transferred to Securities Premium on ESOPs Exercised	-
Less: On Account of Lapse of Unvested Options	-
Less: Transfer to General Reserve on account of Lapse of Vested Options	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>483.19</b>
<b>General Reserve</b>	
<b>As at 1<sup>st</sup> April, 2021</b>	13,660.95
Add: Transferred during the year	-
<b>As at 31<sup>st</sup> March, 2022</b>	<b>13,660.95</b>
Add: Transferred during the year	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>13,660.95</b>
<b>Retained Earnings</b>	
<b>As at 01<sup>st</sup> April, 2021</b>	3,53,991.63
Add: Profit for the year	1,10,833.06
Less: Appropriations	
Re-measurement reserves on defined benefit plans	397.77
Transfer to Capital Redemption Reserve	-
Dividend paid (Interim)	(10,924.66)
Transfer to Special Reserve	(24,366.61)
Total appropriations	(34,893.50)
<b>As at 31<sup>st</sup> March, 2022</b>	<b>4,29,931.19</b>
Add: Profit for the year	1,55,375.75
Less: Appropriations	
Re-measurement reserves on defined benefit plans	320.28
Dividend paid (Interim)	-
Transfer to Special Reserve	(31,075.15)
Total appropriations	(30,754.87)
<b>As at 31<sup>st</sup> March, 2023</b>	<b>5,54,552.07</b>
<b>Other Comprehensive Income</b>	
As at 01 <sup>st</sup> April, 2021	(2,345.54)
Add: Changes in fair value of equity instruments carried at FVTOCI	18.12
Add: Fair Value change on derivatives designated as cash flow hedge	1,929.76
<b>As at 31<sup>st</sup> March, 2022</b>	<b>(397.66)</b>
Add: Changes in fair value of equity instruments carried at FVTOCI	54.98
Add: Fair Value change on derivatives designated as cash flow hedge	344.94
<b>As at 31<sup>st</sup> March, 2023</b>	<b>2.26</b>
<b>Total other equity</b>	
<b>As at 01<sup>st</sup> April, 2021</b>	<b>8,17,577.86</b>
<b>As at 31<sup>st</sup> March, 2022</b>	<b>9,19,831.90</b>
<b>As at 31<sup>st</sup> March, 2023</b>	<b>10,76,411.05</b>

# Notes to the Financial Statements

as at 31<sup>st</sup> March 2023

## NOTE 30: NATURE AND PURPOSE OF RESERVE

**Securities Premium Reserve:** Security premium reserve is used to record the premium on the issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

**Special Reserve:** Special reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). Appropriation from this Reserve Fund is permitted only for the purposes specified by RBI.

**Capital Reserve:** Capital reserve refers to difference on account of net assets taken over and purchase consideration paid for merger of wealth management undertaking of Aditya Birla Money Mart Limited with the Company and the difference on account of net assets taken over and purchase consideration paid for merger of transaction business of Aditya Birla Capital Technology Services Limited, ABCTSL (formerly known as Aditya Birla My Universe Limited, ABMUL) undertaking with the Company.

**Capital Redemption reserve:** Preference shares of ₹ 10 Crore were redeemed at the Board meeting held on 30<sup>th</sup> January, 2020. As per the provisions of Companies Act, 2013, the preference shares were redeemed out of the profits of the company and therefore a sum equivalent to the nominal amount of shares redeemed were transferred to capital redemption reserve.

**Share options outstanding account:** Share options outstanding account is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Company for employees of the Company.

**General Reserve:** This reserve is created on account of merger. As per court order, this reserve can be utilised for distribution of dividends.

**Retained Earnings:** Retained earnings refer to the percentage of net earnings not paid out as dividends, but retained by the Company to be reinvested in its core business, or to pay debts.

**Other Comprehensive Income:** The Company has elected to recognise changes in the fair value of certain instruments in equity securities and debt instruments in other comprehensive income. These changes are accumulated with the FVTOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognised.

The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Company uses foreign currency forward contracts and cross currency interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss (e.g. interest payments).

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## NOTE 31: INTEREST INCOME

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2023				For the year ended 31 <sup>st</sup> March, 2022			
	On Financial Assets measured at Amortised cost	On Financial Assets classified at FVTPL	On Financial Assets measured at FVTOCI	Total	On Financial Assets measured at Amortised cost	On Financial Assets classified at FVTPL	On Financial Assets measured at FVTOCI	Total
Interest on Loans	7,62,284.20	-	-	7,62,284.20	5,45,792.82	-	-	5,45,792.82
Interest income from investments	39.17	12,056.82	-	12,095.99	-	6,073.47	-	6,073.47
Interest on deposits with Banks	274.52	-	-	274.52	1,262.58	-	-	1,262.58
Other interest income	5,949.10	-	-	5,949.10	-	-	-	-
<b>Total</b>	<b>7,68,546.99</b>	<b>12,056.82</b>	<b>-</b>	<b>7,80,603.81</b>	<b>5,47,055.40</b>	<b>6,073.47</b>	<b>-</b>	<b>5,53,128.87</b>

## NOTE 32: DIVIDEND INCOME

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Dividend from Long Term Investment	284.97	285.31
<b>Total</b>	<b>284.97</b>	<b>285.31</b>

## NOTE 33: FEES AND COMMISSION INCOME

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Syndication and Other Fee Income	33,010.05	16,763.20
Brokerage and Commission Income	8,088.04	8,117.60
<b>Total</b>	<b>41,098.09</b>	<b>24,880.80</b>

## NOTE 34: NET GAIN ON FAIR VALUE CHANGES

### Net gain/ (loss) on financial instruments at fair value through profit or loss

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
On Trading portfolio		
- Investments	1,710.83	203.12
Derivatives	4.72	-
<b>On financial instruments designated at fair value through profit or loss</b>	<b>(15.59)</b>	<b>(12.50)</b>
<b>Total</b>	<b>1,699.96</b>	<b>190.62</b>
<b>Fair Value changes:</b>		
- Realised	765.60	884.10
- Unrealised	934.36	(693.48)
<b>Total</b>	<b>1,699.96</b>	<b>190.62</b>

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## NOTE 35: OTHER INCOME

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Miscellaneous Income	3,080.88	1,201.65
<b>Total</b>	<b>3,080.88</b>	<b>1,201.65</b>

## NOTE 36: FINANCE COSTS

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2023			For the year ended 31 <sup>st</sup> March, 2022		
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total
Interest on debt securities	5,549.56	1,32,712.26	1,38,261.82	181.22	1,15,731.45	1,15,912.67
Interest on borrowings other than debt securities	-	2,25,301.00	2,25,301.00	-	1,34,119.67	1,34,119.67
Interest on subordinated liabilities	-	20,769.48	20,769.48	-	19,403.09	19,403.09
Finance cost on lease liability	-	1,005.54	1,005.54	-	892.61	892.61
Others	-	379.93	379.93	-	581.55	581.55
<b>Total</b>	<b>5,549.56</b>	<b>3,80,168.21</b>	<b>3,85,717.77</b>	<b>181.22</b>	<b>2,70,728.37</b>	<b>2,70,909.59</b>

## NOTE 37: IMPAIRMENT ON FINANCIAL INSTRUMENTS

The below table shows impairment loss on financial instruments charged to statement of profit and loss based on category of financial instrument :

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2023			For the year ended 31 <sup>st</sup> March, 2022		
	On Financial instrument measured at fair value through OCI	On Financial instrument measured at Amortised Cost	Total	On Financial instrument measured at fair value through OCI	On Financial instrument measured at Amortised Cost	Total
Bad debts/Advances Written off (net of recoveries)	-	36,133.71	36,133.71	-	59,897.44	59,897.44
Loans	-	52,846.18	52,846.18	-	5,363.88	5,363.88
Trade Receivable	-	42.03	42.03	-	84.68	84.68
Investments	-	1,325.62	1,325.62	-	-	-
<b>Total</b>	<b>-</b>	<b>90,347.54</b>	<b>90,347.54</b>	<b>-</b>	<b>65,346.00</b>	<b>65,346.00</b>

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## NOTE 38: EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Salaries and Wages	65,197.04	47,795.93
Contribution to Provident and other Funds	2,376.80	1,670.74
Contribution to Gratuity Funds	705.01	733.07
Share based payments to Employees	1,729.90	200.76
Staff welfare expenses	2,274.64	1,672.30
<b>Total</b>	<b>72,283.39</b>	<b>52,072.80</b>

## NOTE 39: DEPRECIATION, AMORTIZATION AND IMPAIRMENT

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Depreciation of tangible assets	1,714.46	699.72
Amortization of intangible assets	3,939.13	3,552.59
Depreciation and amortisation on lease assets	2,959.69	2,583.08
<b>Total</b>	<b>8,613.28</b>	<b>6,835.39</b>

## NOTE 40: OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Rent	2,249.53	1,166.82
Repairs and maintenance		
- Plant and machinery	82.30	62.91
- Others	1,526.51	1,703.33
Communication costs	690.06	512.15
Printing and stationery	506.97	320.51
Advertisement and publicity	582.71	474.81
Directors' fees, allowances and expenses	89.34	92.41
Auditors' fees and expenses	209.62	187.90
Legal and professional charges	9,864.94	5,820.09
Insurance	3,745.75	2,696.58
Business Support Expenses	10,706.63	8,119.76
Travelling and conveyance	2,356.60	831.67
Water and Electricity expenses	488.21	322.89
Rates and taxes	131.64	105.09
Contract Service Charges	1,243.54	655.58
Information Technology Expenses	6,042.91	3,389.62
Postage Expenses	270.23	224.97
Bank charges	253.43	88.29
Brokerage and Commission	204.66	123.42
Corporate Social Responsibility (CSR) Expenses	2,226.19	2,094.85
Sub-Brokerage and Fees	580.70	450.06

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Recruitment Expenses	703.60	436.55
Loss on property, plant and equipment's (net)	33.10	6.00
Collection cost	13,818.66	4,468.50
Miscellaneous expenses	2,179.52	1,457.07
<b>Total</b>	<b>60,787.35</b>	<b>35,811.83</b>

## Auditors' Fees and Expenses

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>As auditor:</b>		
For Statutory Audit (including Limited Review, Internal Control Financial Reporting (ICFR))	198.73	169.05
For Tax audit	6.54	6.54
<b>In any other capacity</b>		
For Other Services (including certification and other services)	4.35	12.31
<b>Total</b>	<b>209.62</b>	<b>187.89</b>

## Details of CSR Expenditure

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
a) Gross amount required to be spent by the Company during the year	2,226.19	2,085.00
b) Amount spent during the year	2,801.89	1,517.79
c) Shortfall/ (Excess spent after adjusting the shortfall of the earlier year)	(8.49)	*567.21
d) Total of previous years shortfall/(Excess)	(8.49)	-
e) Reason for shortfall	NA	NA
f) Nature of CSR activities	Refer Note 1	Refer Note 1
g) Details of related party transactions	NA	NA
h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	NA	NA

### CSR Activities: Note:1

For FY 2022-23: Promoting education including for children of covid impacted families and scholarship to underprivileged girls and children of martyred soldiers, Health care, Employment enhancing vocation skills to youths, Training to promote nationally recognised and olympic sports including athlete mentorship programs and Empowering women.

For FY 2021-22: Promoting education including for children of covid impacted families, health care, Employment enhancing vocation skills to youths, Training to promote nationally recognised and olympic sports, Measures for the benefit of armed forces veterans, war widows and their dependents, Conservation of natural resources and maintaining quality of soil and water.

\*There is a change in the Regulation stating that if the CSR contribution of ABFL lying in the bank account of the respective NGO is unspent at the end of a FY, the same is required to be returned to ABFL and has to be maintained in a separate bank account by ABFL. The balance shown here is the same unspent amounts transferred back by NGOs.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## NOTE 41: INCOME TAX

The components of income tax expense are as under:

Particulars	(₹ in Lakhs)	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Current tax*	68,583.07	38,609.10
Deferred tax relating to origination and reversal of temporary differences	(14,940.44)	(730.52)
<b>Total tax charge</b>	<b>53,642.63</b>	<b>37,878.58</b>

\* Includes tax of earlier years of ₹ 4,893.06 lakhs.

OCI section - Deferred tax related to items recognised in OCI are as under:

Particulars	(₹ in Lakhs)	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Net loss/(gain) on remeasurements	242.22	788.91
<b>Income tax expense charged to OCI</b>	<b>242.22</b>	<b>788.91</b>

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at enacted corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by enacted domestic tax rate for the year ended 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 are as follows:

Particulars	(₹ in Lakhs)	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Accounting profit before tax	2,09,018.38	1,48,711.64
At enacted corporate tax rate of 25.168% (As at 31 <sup>st</sup> March, 2022 - 25.168%)	52,605.75	37,427.75
The effects of disallowances of earlier years net of adjustments to DTA	583.51	344.60
Tax on non deductible expenses	453.37	106.23
<b>Income tax expense reported in the statement of profit and loss</b>	<b>53,642.63</b>	<b>37,878.58</b>
Effective income tax rate for the year	25.66%	25.47%

## Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

Particulars	(₹ in Lakhs)				
	Deferred Tax Assets	Deferred Tax Liabilities	Profit and Loss (Income)/Loss	OCI	Transition Reserve
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2023
Expected Credit Loss Allowances	39,057.18	-	(16,540.59)	-	-
Employee benefit provisions and other residual	551.62	-	1,889.79	242.22	-
Depreciation/Amortisation	1,044.34	-	(289.64)	-	-
<b>Total</b>	<b>40,653.14</b>	<b>-</b>	<b>(14,940.44)</b>	<b>242.22</b>	<b>-</b>
<b>Net</b>	<b>40,653.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

(₹ in Lakhs)

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Profit and Loss (Income)/Loss	OCI	Transition Reserve
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2022
Expected Credit Loss Allowances	22,516.59	-	(1,159.30)	-	-
Employee benefit provisions and other residual	2,683.63	-	347.11	788.91	-
Depreciation/Amortisation	754.70	-	81.67	-	-
<b>Total</b>	<b>25,954.92</b>	<b>-</b>	<b>(730.52)</b>	<b>788.91</b>	<b>-</b>
<b>Net</b>	<b>25,954.92</b>				

## NOTE 42: EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

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

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
	Net Profit after Tax	1,55,375.75
Less: Interest on Financial Liabilities (including taxes)	-	-
Net Profit after Tax available for equity shareholders	1,55,375.75	1,10,833.06
Weighted average number of ordinary shares for basic earnings per share	66,21,00,822	66,21,00,822
Weighted average number of ordinary shares for diluted earnings per share	66,21,89,640	66,21,00,822
<b>Earnings per share</b>		
Basic earnings per share (₹)	23.47	16.74
Diluted earnings per share (₹)	23.46	16.74

## NOTE 43(A): RETIREMENT BENEFIT PLAN

### Defined Contribution Plan

The Company makes Provident Fund, Pension Fund, Superannuation Fund, Employee State Insurance Scheme, Maharashtra Labour Welfare Fund and National Pension Scheme contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
(i) Contribution to Employees Provident Fund	1,683.54	1,208.10
(ii) Contribution to Employees Pension Fund	514.26	342.45
(iii) Contribution to Employees State Insurance Corporation	4.89	0.20
(iv) Contribution to Maharashtra Labour Welfare Fund	1.55	0.86
(v) Contribution to National Pension Scheme	172.56	119.13
<b>Total</b>	<b>2,376.80</b>	<b>1,670.74</b>

### Defined Benefit Plan

The Company has a defined benefit gratuity plan (funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and last drawn salary. The fund is managed by Aditya Birla Sun Life Insurance Company Limited which is fellow subsidiary of the Company.

The following tables summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

Changes in the defined benefit obligation and fair value of Reimbursement Rights as at 31<sup>st</sup> March, 2023 are as under:

Particulars	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income				31 <sup>st</sup> March, 2023						
	01 <sup>st</sup> April, 2022	Service cost	Net interest expense	Group Company Allocation	Sub-total included in profit or loss	Benefits paid	Reimbursement Rights (excluding amounts included in net interest expense)	Group Company Allocation		Actuarial changes arising from demographic assumptions	Actuarial changes arising from financial assumptions	Experience variance	Sub-total included in OCI	Contributions by employer	Transfer in/out
Defined benefit obligation	(3,217.03)	(696.56)	(194.49)	55.33	(835.72)	(95.36)	-	(55.33)	22.70	356.85	161.27	485.49	-	-	(3,662.62)
Fair value of Reimbursement Rights	2,161.98	-	130.71	-	130.71	-	(57.49)	-	-	-	-	(57.49)	500.00	-	2,735.20
<b>Benefit / (Liability)</b>	<b>(1,055.05)</b>	<b>(696.56)</b>	<b>(63.78)</b>	<b>55.33</b>	<b>(705.01)</b>	<b>(95.36)</b>	<b>(57.49)</b>	<b>(55.33)</b>	<b>22.70</b>	<b>356.85</b>	<b>161.27</b>	<b>428.00</b>	<b>500.00</b>	<b>-</b>	<b>(927.42)</b>

Changes in the defined benefit obligation and fair value of Reimbursement Rights as at 31<sup>st</sup> March, 2022 are as under:

Particulars	Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income				31 <sup>st</sup> March, 2022						
	1 <sup>st</sup> April, 2021	Service cost	Net interest expense	Group Company Allocation	Sub-total included in profit or loss	Benefits paid	Reimbursement Rights (excluding amounts included in net interest expense)	Group Company Allocation		Actuarial changes arising from demographic assumptions	Actuarial changes arising from financial assumptions	Experience variance	Sub-total included in OCI	Contributions by employer	Transfer in/out
Defined benefit obligation	(3,085.29)	(648.03)	(194.24)	(12.42)	(854.68)	232.55	-	12.42	556.32	(101.71)	23.37	490.40	-	-	(3,217.03)
Fair value of Reimbursement Rights	1,931.76	-	121.62	-	121.62	(232.55)	41.15	-	-	-	-	41.15	300.00	-	2,161.98

**The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:**

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Expected return on Reimbursement Rights	7.25%	6.05%
Discount Rate	7.25%	6.05%
Salary Escalation Rate	7.00%	7.00%
Retirement age	60 Years	60 years
Mortality rate	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## Attrition / Withdrawal rates, based on age: (per annum)

Particulars	(₹ in Lakhs)	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Up to 30 years	34.00%	34.00%
31 - 40 years	25.00%	25.00%
41 - 50 years	13.00%	13.00%
Above 50 years	2.00%	2.00%

Note: The above information is certified by actuary, and this has been relied upon by the auditors.

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

Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields as at Balance Sheet date.

## Disaggregation of Reimbursement Rights:

Particulars	(₹ in Lakhs)	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Unquoted investments:</b>		
Insurer managed funds (Investments with Aditya Birla Sun Life Insurance Company Limited)	2,735.20	2,161.98
<b>Total</b>	<b>2,735.20</b>	<b>2,161.98</b>

A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions	(₹ in Lakhs)			
	Discount rate		Salary	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation - (31 <sup>st</sup> March, 2023)	3,531.50	3,802.15	3,802.11	3,530.33
Impact on defined benefit obligation - (31 <sup>st</sup> March, 2022)	3,097.68	3,344.33	3,342.82	3,097.92

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the year.

The following payments are expected contributions to the defined benefit plan in future years:

Expected payment for future years	(₹ in Lakhs)	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Within the next 12 months (next annual reporting year)	410.06	425.07
Between 2 and 5 years	1,614.09	1,312.51
Between 6 and 9 years	1,273.08	959.86
10 years and above	3,710.88	2,858.52
<b>Total expected payments</b>	<b>7,008.11</b>	<b>5,555.96</b>

The Company expects to contribute ₹ 1,618.73 lakhs (31<sup>st</sup> March, 2022 : ₹ 1,588.37 lakhs) to the fund in the next financial year.

The weighted average duration of the defined benefit obligation as at 31<sup>st</sup> March, 2023 is 7 years (31<sup>st</sup> March, 2022: 8 years)

## Other Long Term Incentive Benefits

Liability for long term incentive benefits and for compensated absences are determined based on actuarial valuations.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## Employee Stock Option Plan (ESOP) by Aditya Birla Capital Limited

Pursuant to ESOP Plan being established by the holding company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees (including key management personnel) of the Company. Total cost incurred by the holding company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹ 1,244.83 lakhs (31<sup>st</sup> March, 2022 ₹ 198.86 lakhs) has been recovered from the Company during the year, which has been charged to the Statement of Profit and Loss. The balance sum of ₹ 6,662.89 lakhs will be recovered in future years.

## NOTE 43(B): SHARE BASED PAYMENTS

The Nomination and Remuneration Committee of the Company has approved the following grants to select senior level executives of the Company in accordance with the Stock Option Scheme. Details of grants are given as under:

### As on 31<sup>st</sup> March, 2023

Grant date	Exercise price (₹)	Fair value of Options	Options granted	Options vested and exercisable	Options unvested	Options exercised	Options cancelled	Options outstanding
05 <sup>th</sup> November, 2022	283.20	131.90	21,78,706	-	21,78,706	-	-	21,78,706
31 <sup>st</sup> January, 2023	283.20	141.10	10,169	-	10,169	-	-	10,169
			<b>21,88,875</b>	<b>-</b>	<b>21,88,875</b>	<b>-</b>	<b>-</b>	<b>21,88,875</b>

### Weighted average fair value of stock options granted during the year is as follows:

Particulars	(₹ in Lakhs)	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Scheme Name : ABFL Scheme 2022</b>		
No. of options granted	21,88,875.00	-
Weighted average fair value (₹)	131.94	-

### Following table depicts range of exercise prices and weighted average remaining contractual life:

#### As on 31<sup>st</sup> March, 2023

For all grants	No. of options	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (years)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	21,88,875.00	283.20	283.20	2.11
Cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	21,88,875.00	283.20	283.20	2.11
Exercisable at the end of the year	-	-	-	-

### Method used for accounting for share based payment plan:

The Company has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options used are estimated on the date of grant using the Black-Scholes Model. The key assumptions used in Black-Scholes Model for calculating fair value as on the date of respective grants are:

Grant date	Life of Option (in Years)	Risk Free Rate	Dividend Yield	Volatility
05 <sup>th</sup> November, 2022	4.10	7.50%	0.70	36.3%
31 <sup>st</sup> January, 2023	3.80	7.40%	0.70	37.3%



# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## Characteristics of ESOPs issued

Grant date	05 <sup>st</sup> November, 2022	31 <sup>st</sup> January, 2023
Conversion	On exercise, 1 ESOP converts to 1 equity share of ABFL	on exercise, 1 ESOP ,converts to 1 equity share of ABFL
Vesting date*	50% each at the end of 2 <sup>nd</sup> and 3 <sup>rd</sup> year from Grant Date	50% each at the end of 2 <sup>nd</sup> and 3 <sup>rd</sup> year from grant date
Additional condition	ESOPs can be exercise only once equity share of ABFL are listed on stock exchange	ESOPs can be exercise only once equity share of ABFL are listed on stock exchange
Exercise price (in INR) per ESOP	283.20	283.20
Exercise Period*	5 year from the date of vesting	5 year from the date of 1 <sup>st</sup> grant i.e. 5 <sup>th</sup> November, 2022
Settlement	settlement of equity shares of ABFL	Settlement in Equity shares of ABFL

\* Exercise period as per management's assessment

## Details related to Share based payments for KMPs

Count of ABFL ESOP's Granted as on	(₹ in Lakhs)	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Rakesh Singh	284,742	-
Pradeep Kumar Agrawal	42,650	-
Ankur Deepak Bhai Shah	9,063	-
Tushar Shah	122,032	-

## NOTE 44: MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

Particulars	31 <sup>st</sup> March, 2023			31 <sup>st</sup> March, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	(₹ in Lakhs)					
<b>Assets</b>						
<b>Financial assets</b>						
Cash and cash equivalents	38,763.43	-	38,763.43	59,571.14	-	59,571.14
Bank balance other than cash and cash equivalents	-	-	-	9,681.37	-	9,681.37
Derivative financial instruments	9.81	73.83	83.64	19.02	-	19.02
Trade and Other Receivables	4,030.61	-	4,030.61	1,243.96	-	1,243.96
Loans*	21,49,618.63	57,35,331.47	78,84,950.10	13,18,611.61	40,42,134.41	53,60,746.02
Investments	3,41,516.04	28,753.58	3,70,269.62	1,57,397.94	12,005.62	1,69,403.56
Other financial assets	11,740.15	3,011.64	14,751.79	3,987.16	1,374.65	5,361.81
<b>Non-financial Assets</b>						
Current tax asset (net)	-	15,150.75	15,150.75	-	34,239.10	34,239.10
Deferred tax assets (net)	-	40,653.14	40,653.14	-	25,954.92	25,954.92
Property, plant and equipments	-	5,130.16	5,130.16	-	1,881.37	1,881.37
Intangible assets under development	-	890.07	890.07	-	1,089.05	1,089.05
Other intangible assets	-	6,244.06	6,244.06	-	7,008.52	7,008.52
Right of use Lease Assets	-	18,749.72	18,749.72	-	12,187.33	12,187.33
Other non financial assets	8,345.89	4,269.43	12,615.32	6,837.64	1,695.62	8,533.26
<b>Total assets</b>	<b>25,54,024.56</b>	<b>58,58,257.85</b>	<b>84,12,282.41</b>	<b>15,57,349.84</b>	<b>41,39,570.58</b>	<b>56,96,920.43</b>

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2023			31 <sup>st</sup> March, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Liabilities</b>						
<b>Financial Liabilities</b>						
Derivative financial instruments	27.74	1,341.50	1,369.24	7,799.24	-	7,799.24
Trade payables	69,756.46	-	69,756.46	24,221.63	-	24,221.63
Debt Securities	9,77,818.72	13,75,666.79	23,53,485.51	6,36,206.50	9,41,919.20	15,78,125.70
Borrowings (other than debt security)	14,89,474.28	29,89,123.18	44,78,597.46	11,74,711.92	15,97,003.12	27,71,715.04
Subordinated Liabilities	20,590.45	2,24,400.00	2,44,990.45	14,333.99	2,34,400.00	2,48,733.99
Lease liabilities	4,359.45	15,288.75	19,648.20	2,911.98	9,998.40	12,910.38
Other Financial liabilities	68,919.82	-	68,919.82	47,013.29	-	47,013.29
<b>Non-financial Liabilities</b>						
Current tax liabilities (net)	13,664.09	-	13,664.09	1,513.10	-	1,513.10
Provisions	734.66	5,729.06	6,463.72	10,421.69	-	10,421.69
Other non-financial liabilities	12,766.33	-	12,766.33	8,424.39	-	8,424.39
<b>Total Liabilities</b>	<b>26,58,112.00</b>	<b>46,11,549.28</b>	<b>72,69,661.28</b>	<b>19,27,557.73</b>	<b>27,83,320.72</b>	<b>47,10,878.47</b>

\* Stage 3 loans have been considered in after 12 months bucket.

Note: Classification of Loans under the different maturity buckets is based on the due date, which has been relied upon by the auditors.

## NOTE 45: CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

(₹ in Lakhs)

Particulars	As at	Cash Flows	Other (Non-Cash)	As at
	01 <sup>st</sup> April, 2022			31 <sup>st</sup> March, 2023
Debt Securities	15,78,125.70	7,81,720.00	(6,360.19)	23,53,485.51
Borrowings other than debt securities	27,71,715.04	16,94,861.67	12,020.75	44,78,597.46
Subordinate Liabilities	2,48,733.99	(3,500.00)	(243.54)	2,44,990.45
<b>Total liabilities from financing activities</b>	<b>45,98,574.73</b>	<b>24,73,081.67</b>	<b>5,417.02</b>	<b>70,77,073.42</b>

(₹ in Lakhs)

Particulars	As at	Cash Flows	Other (Non-Cash)	As at
	01 <sup>st</sup> April, 2021			31 <sup>st</sup> March, 2022
Debt Securities	16,57,875.04	(53,850.00)	(25,899.34)	15,78,125.70
Borrowings other than debt securities	22,45,460.08	5,36,465.32	(10,210.36)	27,71,715.04
Subordinate Liabilities	2,18,183.26	30,000.00	550.73	2,48,733.99
<b>Total liabilities from financing activities</b>	<b>41,21,518.38</b>	<b>5,12,615.32</b>	<b>(35,558.97)</b>	<b>45,98,574.73</b>

Note :

- The above amounts are including interest accrued but not due.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## NOTE 46: CONTINGENT LIABILITIES, COMMITMENTS AND LEASING ARRANGEMENTS

### (A) Contingent Liabilities

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Disputed Income Tax Liability*	4,081.05	7,072.17
Disputed Service Tax Liability**	69.84	131.49
Claims against the Company not acknowledged as debts	768.47	638.00
Corporate guarantees, Guarantee on Overdraft, Letter of credit and Letter of comfort given by the Company on behalf of the clients***	8,007.94	11,533.84
<b>Total</b>	<b>12,927.30</b>	<b>19,375.50</b>

#### \* (i) Disputed Income Tax Liability

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Disallowances of Depreciation on Intangibles, Disallowance of Donation forming part of CSR expenditure u/s 80G, Disallowance of certain Expenses, Disallowance under Section 14A, Disallowance of PF/ESIC, Disallowance of CENVAT Credit w/off.	1,049.41	806.41
Disallowances of exceptional losses of Wealth Business	-	3,234.12
Interest on Non Performing Assets (NPA)	3,031.64	3,031.64
<b>Total</b>	<b>4,081.05</b>	<b>7,072.17</b>

Note: Interest and consequential changes, if any arising on settlement of those contingent liabilities are not ascertainable.

\*\* (ii) Show Cause cum demand Notice No. ST/Audit-III/P-3/Gr-7/Aditya Birla/SCN/2016 dated 09<sup>th</sup> May, 2017 was issued to the Company demanding Service Tax of ₹ 69.84 lakhs on penal/ default interest.

\*\*\* Represents the limit utilized by client of the Guarantee/ Overdraft/Letter of Credit and Letter of Comfort given by the Company.

### (B) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) on account of property, plant and equipment ₹ 1,420.62 lakhs (31<sup>st</sup> March, 2022: ₹ 814.53 lakhs) and on account of intangible assets ₹ 1,275.20 lakhs (31<sup>st</sup> March, 2022: ₹ 1,575.92 lakhs).

Undisbursed commitments where the Company does not have an unconditional rights to cancel the undrawn/un-availed/ unused portion of the loan at any time during the subsistence of the loan ₹ Nil.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## (C) Lease Disclosures

(i) Following are the changes in the carrying value of right of use assets for the year ended 31<sup>st</sup> March, 2023:

Particulars	Amount
<b>Gross Carrying Value</b>	
Balance as at 1 <sup>st</sup> April, 2021	13,912.45
Additions	7,065.31
Deletion	4,374.94
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>16,602.82</b>
Additions	10,501.68
Deletion	1,429.49
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>25,675.01</b>
<b>Accumulated Amortisation</b>	
As at 1 <sup>st</sup> April, 2021	4,507.14
Additions	2,583.08
Deletion	2,674.73
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>4,415.49</b>
Additions	2,959.69
Deletion	449.89
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>6,925.29</b>
<b>Net Carrying Value as at 31<sup>st</sup> March, 2022</b>	<b>12,187.33</b>
<b>Net Carrying Value as at 31<sup>st</sup> March, 2023</b>	<b>18,749.72</b>

(ii) Amounts recognised in profit and loss for the year ended 31<sup>st</sup> March, 2023

Particulars	(₹ in Lakhs)	
	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
Depreciation expense on right-of-use assets	2,959.69	2,583.08
Interest expense on lease liabilities	1,005.54	892.61
Expense relating to leases of low value assets	2,249.53	1,165.56
Income from subleasing right-of-use assets	(1,067.78)	(373.63)

(iii) The Maturity analysis of lease liabilities as at 31<sup>st</sup> March, 2023 :

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Within 12 months	4,359.45	2,911.98
After 12 months	15,288.75	9,998.40
<b>Total</b>	<b>19,648.20</b>	<b>12,910.38</b>

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

**(iv) The following is the movement in lease liabilities during the year ended March, 31, 2023:**

Particulars	(₹ in Lakhs)	
	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
Balance as at 1 <sup>st</sup> April, 2022	12,910.38	10,224.64
Additions	9,944.49	6,700.12
Surrender of premises	(1,047.04)	(2,051.28)
Finance Cost accrued during the year	1,005.54	892.61
Payment of Lease Liabilities	(3,165.16)	(2,855.71)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>19,648.21</b>	<b>12,910.38</b>

**(v) The table below provides details regarding the contractual maturities of lease liabilities as at 31<sup>st</sup> March, 2023 on an undiscounted basis:**

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Less than one year	4,502.29	3,009.34
One to Five years	13,968.01	9,770.89
More than Five years	5,614.53	2,942.75
<b>Total</b>	<b>24,084.83</b>	<b>15,722.98</b>

When measuring lease liabilities of the Company, lease payments have been discounted using its incremental borrowing rate at 01<sup>st</sup> April, 2022. The weighted average rate applied ranges between 4.83% p.a. - 7.05% p.a.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

## NOTE 47: RELATED PARTY DISCLOSURES

**I) List of Related Parties as per IND AS -24 :**

**(A) Ultimate Holding Company:**

Grasim Industries Limited

**(B) Holding Company:**

Aditya Birla Capital Limited

**(C) Subsidiaries / Fellow Subsidiaries:**

**Fellow Subsidiaries**

Aditya Birla Money Limited

Aditya Birla Money Insurance Advisory Services Limited

Aditya Birla Capital Technology Services Limited

Aditya Birla Wellness Private Limited

Aditya Birla Sun Life Insurance Company Limited

Aditya Birla Financial Shared Services Limited

Aditya Birla Housing Finance Limited

Aditya Birla Sunlife AMC Limited

Aditya Birla ARC Limited

Aditya Birla Money Mart Limited

Aditya Birla Sun Life Pension Management Limited

Aditya Birla Stressed Asset AMC Private Limited

Aditya Birla PE Advisors Private Limited

Aditya Birla Insurance Brokers Limited

Waacox Energy Private Limited

Ultratech Cement Limited

Essel Mining & Industries Limited

Aditya Birla Special Situations Fund - I

ABREL EPC Limited(ABREPC)

**(D) Associates of holding company**

Aditya Birla Capital Foundation

Aditya Birla Health Insurance Co. Limited (w.e.f. 21 Oct, 2022)

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## (E) Other related parties in which Directors of Ultimate Holding Company are interested

Aditya Birla Management Corporation Private Limited

## (F) Promoter group company

Hindalco Industries Limited

## (G) Key managerial personnel/Directors

Mr. Rakesh Singh (Managing Director & Chief Executive Officer)

Mr. Tushar Shah (Appointed as Chief Executive Officer-PFSG with effect from 08 October, 2021)

Mr. Sanjay Kumar Miranka (Ceased as Chief Financial Officer with effect from 22 June, 2021)

Mr. Pradeep Kumar Agrawal (Appointed as Chief Financial Officer with effect from 08 October, 2021)

Mr. Kamlesh Rao (Director)

Mr. Ankur Deepak Shah (Company Secretary)

Mr. D J Kakalia (Ceased to be a Director with effect from 8 March, 2023)

Mr. Jitender Balakrishnan (Ceased to be a Director with effect from 8 March, 2023)

Mr. Ashwani Puri (Ceased to be a Director with effect from 8 March, 2023)

Ms. Alka Bharucha (Director)

Ms. Vishakha Mulye (Director with effect from 21 October 2022)

Mr. Nagesh Pinge (Director with effect from 9 March, 2023)

Mr. Ajay Srinivasan (Ceased to be a Director with effect from 3 August, 2022)

Mr. Baldev Raj Gupta (Ceased to be a Director with effect from 27 July, 2021)

Mr. S C Bhargava (Director)

Mr. Rajat Jain (Director with effect from 9 March 2023)

## (H) Relative of key managerial personnel/Directors

Ms. Anahita Singh (Daughter - Mr. Rakesh Singh)

Ms. Anushka Singh (Daughter - Mr. Rakesh Singh)

Ms. Vibha Singh (Spouse - Mr. Rakesh Singh)

### Notes:-

- a) The related party relationships have been as identified by the management on the basis of the requirements of the Indian Accounting Standard IND AS-24 'Related Party Disclosures' and the same have been relied upon by the Auditors.
- b) The relationships disclosed above are for the entities where control exists and with whom transactions have taken place during the year.
- c) Transactions shown above are excluding GST, if any.
- d) Managerial Remuneration excludes provision for gratuity, pension and compensated absences, since it is provided on actuarial basis for the company as a whole and includes director sitting fees.
- e) The NCD balance shown above includes purchase and sale from secondary market and are held by related party as on reporting dates.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## II) Disclosure in respect of transactions with related parties during the year & balance outstanding as at reporting date:

Particulars	(₹ in Lakhs)	
	Year Ended 31 <sup>st</sup> March, 2023 (Audited)	Year Ended 31 <sup>st</sup> March, 2022 (Audited)
<b>Reimbursement of Legal and Professional expenses</b>		
Aditya Birla Capital Limited	-	66.50
<b>Dividend</b>		
Aditya Birla Capital Limited	-	10,924.66
<b>Reimbursement of Employee cost</b>		
Aditya Birla Capital Limited- ESOP	1,244.83	198.86
<b>Business Support Expenses</b>		
Aditya Birla Capital Limited	3,676.62	2,911.16
<b>Employee Cost Recovered</b>		
Aditya Birla Capital Limited	26.96	-
<b>Paid up Equity Share Capital Outstanding</b>		
Aditya Birla Capital Limited	66,210.08	66,210.08
<b>Equity Share Premium Outstanding</b>		
Aditya Birla Capital Limited	321,096.08	321,096.08
<b>Payable</b>		
Aditya Birla Capital Limited	493.77	362.45
<b>Statutory Dues (GST)</b>		
Aditya Birla Capital Limited	37.26	35.06
<b>Ultimate Holding Company</b>		
<b>Reimbursement of Employee cost</b>	-	-
Grasim Industries Limited	15.43	3.08
<b>MF/FD Commission Received on Behalf of investment done by Related Party</b>		
Hindalco Industries Limited	41.86	49.55
Grasim Industries Limited	35.63	65.35
<b>Subsidiary/Associate of Ultimate Holding Company</b>		
<b>Sale of Assets</b>		
Grasim Industries Limited	20.97	-
Ultratech Cement Limited	-	7.65
<b>MF/FD Commission Received on Behalf of investment done by Related Party</b>		
Ultratech Cement Limited	25.99	90.89
<b>Reimbursement of Employee cost</b>		
Hindalco Industries Limited	0.78	
Ultratech Cement Limited	-	0.85
<b>Remuneration to KMPs*</b>		
Mr. Rakesh Singh (MD & CEO)	1,420.60	870.79
Mr. Tushar Shah (Appointed as CEO-PFSG w.e.f. 08 October, 2021)	929.36	158.10
Mr. Sanjay Kumar Miranka (Ceased as CFO w.e.f. 22 June, 2021)	-	133.25
Mr. Pradeep Kumar Agrawal (Appointed as CFO w.e.f. 08 October, 2021)	209.56	34.51
Mr. Ankur Deepak Shah (CS)	76.23	55.80
<b>Paid to CSR Fund</b>		
Aditya Birla Capital Foundation	2,727.06	1,482.94
<b>Brokerage Expenses/ Service Charges</b>		
Aditya Birla Money Limited	22.29	27.66
Aditya Birla Money Insurance Advisory Services Limited	911.25	782.76

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

Particulars	(₹ in Lakhs)	
	Year Ended 31 <sup>st</sup> March, 2023 (Audited)	Year Ended 31 <sup>st</sup> March, 2022 (Audited)
<b>Reimbursement of Administrative expenses</b>		
Aditya Birla Wellness Private Limited	34.17	0.34
Aditya Birla Money Limited	1.07	0.35
Aditya Birla Capital Technology Services Limited	8.29	5.70
Aditya Birla Sunlife AMC Limited	3.62	-
Aditya Birla Sun Life Insurance Company Limited	0.05	0.36
Aditya Birla Financial Shared Services Limited	475.27	428.28
Aditya Birla Management Corporation Private Limited	-	1.14
<b>Business Support Expenses</b>		
Aditya Birla Management Corporation Private Limited	3,828.25	3,162.17
Aditya Birla Financial Shared Services Limited	2,221.50	1,654.20
Aditya Birla Housing Finance Limited	159.22	199.72
<b>Scholarship Expenses</b>		
Anahita Singh (Director's relative)	23.81	-
<b>IT Support Expenses</b>		
Aditya Birla Capital Technology Services Limited	253.06	303.25
<b>Custodian Charges Expenses</b>		
Aditya Birla Money Limited	3.88	5.90
<b>Director sitting fees</b>		
Mr. D J Kakalia	15.00	18.25
Mr. Jitender Balakrishnan	12.50	14.00
Mr. Ashwani Puri	11.00	14.75
Ms. Alka Bharucha	10.25	11.50
Mr. Baldev Raj Gupta	-	2.50
Mr. Subhash Chandra Bhargava	12.75	10.00
Mr. Nagesh Pinge	1.75	-
Mr. Rajat Kumar Jain	1.00	-
<b>Insurance Premium paid</b>		
Aditya Birla Sun Life Insurance Company Limited	313.86	352.29
<b>Interest expenses</b>		
Aditya Birla Sun Life Insurance Company Limited	1,528.36	2,313.06
<b>Reimbursement of Rent expenses</b>		
Aditya Birla Insurance Brokers Limited	2.62	3.84
Aditya Birla Health Insurance Company Limited	4.70	-
Aditya Birla Sunlife AMC Limited	208.39	41.16
Aditya Birla Sun Life Insurance Company Limited	629.19	43.07
<b>MF/FD/Alternate asset Commission Received on Behalf of investment done by Related Party</b>		
Waacox Energy Private Limited	2.81	3.70
Mr. Rakesh Singh (MD & CEO)	32.36	15.68
Mr. Ajay Srinivasan-Director(Resigned w.e.f 3 <sup>rd</sup> Aug'2022)	1.47	10.38
Aditya Birla Health Insurance Company Limited	1.78	2.32
<b>Reimbursement of Employee cost</b>		
Aditya Birla Money Limited	331.97	221.16
Aditya Birla Wellness Private Limited	-	-
Aditya Birla Health Insurance Company Limited	2.43	3.03
Aditya Birla Money Insurance Advisory Services Limited	-	4.35
Aditya Birla Financial Shared Services Limited	31.91	10.22

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2023 (Audited)	Year Ended 31 <sup>st</sup> March, 2022 (Audited)
Aditya Birla Housing Finance Limited	95.62	72.12
Aditya Birla Sun Life Insurance Company Limited	0.39	0.39
Aditya Birla ARC Limited	39.48	-
Aditya Birla Insurance Brokers Limited	-	0.92
Aditya Birla Sunlife AMC Limited	1.73	1.07
<b>Interest Income</b>		
ABREL EPC Limited(ABREPC)	338.81	-
Waacox Energy Private Limited	394.09	388.78
<b>Employee cost recovered</b>		
Aditya Birla Money Limited	24.75	3.77
Aditya Birla Sun Life Insurance Company Limited	68.83	31.09
Aditya Birla Capital Technology Services Limited	2.93	2.30
Aditya Birla Sunlife AMC Limited	17.90	4.76
Aditya Birla Money Mart Limited	3.86	28.35
Aditya Birla Management Corporation Private Limited	-	1.46
Aditya Birla Housing Finance Limited	59.43	123.82
Aditya Birla Money Insurance Advisory Services Limited	9.91	1.38
Aditya Birla Insurance Brokers Limited	2.87	23.99
Aditya Birla Sun Life Pension Management Limited	-	0.19
Grasim Industries Limited	3.51	-
Aditya Birla Wellness Private Limited	3.62	5.59
Aditya Birla Health Insurance Company Limited	0.97	-
Aditya Birla Financial Shared Services Limited	64.71	5.85
<b>Referral Fees Income</b>		
Aditya Birla Money Limited	20.19	20.99
<b>Brokerage / Commission Income</b>		
Aditya Birla Money Limited	383.55	427.88
Ashwani Kumar Puri(Director) (Resigned w.e.f 8 March, 2023)	6.78	10.17
Aditya Birla Sunlife AMC Limited	642.36	115.05
<b>Rent recovered</b>		
Aditya Birla Money Insurance Advisory Services Limited	76.48	18.00
Aditya Birla Insurance Brokers Limited	2.39	2.29
Aditya Birla Sunlife AMC Limited	60.19	7.17
Aditya Birla Money Limited	19.34	-
Aditya Birla Sun Life Insurance Company Limited	189.06	-
Aditya Birla Health Insurance Company Limited	76.13	-
Aditya Birla Housing Finance Limited	644.19	328.88
<b>Administrative Expenses Recovered</b>		
Aditya Birla Money Insurance Advisory Services Limited	50.25	2.20
Aditya Birla Money Limited	0.50	-
Aditya Birla ARC Limited	10.02	0.21
Aditya Birla Insurance Brokers Limited	0.79	0.43
Aditya Birla Financial Shared Services Limited	236.42	126.51
Aditya Birla Sun Life Insurance Company Limited	4.73	-
Aditya Birla Health Insurance Company Limited	1.93	-
Aditya Birla Sunlife AMC Limited	2.51	-
Aditya Birla Stressed Asset AMC Private Limited	1.93	-

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

Particulars	(₹ in Lakhs)	
	Year Ended 31 <sup>st</sup> March, 2023 (Audited)	Year Ended 31 <sup>st</sup> March, 2022 (Audited)
<b>Business Support Expenses Recovered</b>		
Aditya Birla Housing Finance Limited	616.31	871.91
<b>Sale of assets</b>		
Aditya Birla ARC Limited	0.65	-
Aditya Birla Housing Finance Limited	-	22.37
<b>Purchase of assets</b>		
Aditya Birla Capital Technology Services Limited	-	4.11
Aditya Birla Management Corporation Private Limited	-	0.56
Aditya Birla Housing Finance Limited	0.09	0.45
Aditya Birla Money Mart Limited	-	4.44
Aditya Birla Insurance Brokers Limited	9.71	0.71
Aditya Birla Wellness Private Limited	-	17.41
Aditya Birla Sun Life Insurance Company Limited	24.80	-
<b>Redemption of NCDs</b>		
Aditya Birla Sun Life Insurance Company Limited	-	15,000.00
<b>Investment in fund made</b>		
Aditya Birla Special Situations Fund - I	20.41	15.26
<b>Redemption from Investment</b>		
Aditya Birla Special Situations Fund - I	5.75	2.17
<b>Prepaid Expenses</b>		
Aditya Birla Capital Technology Services Limited	4.68	3.77
Aditya Birla Financial Shared Services Limited	129.58	85.39
<b>Redeemable NCDs</b>		
Aditya Birla Sun Life Insurance Company Limited	25,704.22	15,466.86
<b>Investment in fund outstanding</b>		
Aditya Birla Special Situations Fund - I	22,535.12	33.32
<b>Loans and Advances</b>		
ABREL EPC Limited(ABREPC)	20,507.00	-
Waacox Energy Private Limited	5,602.16	4,356.58
<b>Repayment of Loans and Advances</b>		
Waacox Energy Private Limited	257.84	-
<b>Payable</b>		
Aditya Birla Capital Technology Services Limited	13.20	100.96
Aditya Birla Insurance Brokers Limited	-	11.17
Aditya Birla Sun Life Insurance Company Limited	35.45	2.97
Aditya Birla Financial Shared Services Limited	389.18	241.07
Aditya Birla Management Corporation Private Limited	538.86	751.16
Aditya Birla Sunlife AMC Limited	-	160.60
Hindalco Industries Limited	0.78	-
Aditya Birla Money Insurance Advisory Services Limited	108.77	681.31
Aditya Birla Health Insurance Company Limited	-	3.03
<b>Receivable</b>		
Aditya Birla Money Limited	43.45	182.09
Aditya Birla Housing Finance Limited	250.20	362.92
Aditya Birla Health Insurance Company Limited	66.34	-
Aditya Birla Sunlife AMC Limited	13.68	-
Aditya Birla Wellness Private Limited	0.24	0.04

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2023 (Audited)	Year Ended 31 <sup>st</sup> March, 2022 (Audited)
<b>Deposit Payable</b>		
Aditya Birla Money Limited	9.93	-
Aditya Birla Sun Life Insurance Company Limited	54.67	-
Aditya Birla Sunlife AMC Limited	14.96	-
Aditya Birla Housing Finance Limited	30.28	-
Aditya Birla Health Insurance Company Limited	21.69	-
<b>Deposit Receivable</b>		
Aditya Birla Management Corporation Private Limited	615.12	615.12
Aditya Birla Sunlife AMC Limited	120.00	-
Aditya Birla Health Insurance Company Limited	3.68	-
Aditya Birla Money Limited	5.24	-
Aditya Birla Sun Life Insurance Company Limited	158.01	94.60
<b>Deposit Placed (Transaction during the period)</b>		
Aditya Birla Sun Life Insurance Company Limited	63.42	94.60
Aditya Birla Health Insurance Company Limited	3.68	-
Aditya Birla Money Limited	5.24	-
Aditya Birla Sunlife AMC Limited	-	120.00
<b>Deposit Received</b>		
Aditya Birla Money Limited	9.93	-
Aditya Birla Sun Life Insurance Company Limited	54.67	-
Aditya Birla Sunlife AMC Limited	14.96	-
Aditya Birla Housing Finance Limited	30.28	-
Aditya Birla Health Insurance Company Limited	21.69	-
<b>Deposit Received back (Transaction during the period)</b>		
Aditya Birla Sun Life Insurance Company Limited	-	88.30
<b>Purchase of Aditya Birla Special Situations Fund I</b>		
Aditya Birla Money Mart Ltd	14,383.01	-
Aditya Birla Capital Technology Services Ltd	7,501.29	-
<b>Insurance Claim Settlement received</b>		
Aditya Birla Sun Life Insurance Company Limited	293.49	155.03
<b>Loans and advances given</b>		
ABREL EPC Limited(ABREPC)	20,507.00	-
Waacox Energy Pvt Ltd	1,503.42	-

**Notes:-**

- The related party relationships have been as identified by the management on the basis of the requirements of the Indian Accounting Standard IND AS-24 'Related Party Disclosures' and the same have been relied upon by the Auditors.
- The relationships disclosed above are for the entities where control exists and with whom transactions have taken place during the year.
- Transactions shown above are excluding GST, if any.
- Managerial Remuneration excludes provision for gratuity, pension and compensated absences, since it is provided on actuarial basis for the company as a whole and includes director sitting fees.
- The NCD balance shown above includes purchase and sale from secondary market and are held by related party as on reporting dates.

\*The above numbers is in the nature of short term employee benefits as per Ind AS 24

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## NOTE 48: CAPITAL

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a capital adequacy ratio, which is weighted assets divided by total capital derived as per the RBI requirements. As per the RBI guidelines, Company being a Non Banking Finance Company has to maintain 15% of capital adequacy ratio.

The actual Capital Adequacy Ratio is as under:

(₹ in Lakhs)		
Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Capital Adequacy Ratio	16.38%	21.77%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## NOTE 49: FINANCIAL INSTRUMENTS

### Note 49.1: Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures":

#### (a) Category-wise classification for applicable financial assets:

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>(I) Measured at amortised cost:</b>		
i) Cash and cash equivalents	38,763.43	59,571.14
ii) Bank balance other than Cash and cash equivalents	-	9,681.37
iii) Trade receivables	4,030.61	1,243.96
iv) Loans	78,84,950.10	53,60,746.02
v) Investment in Debentures	7,482.74	-
vi) Investment in Security Receipts	1,317.50	-
vii) Other financial assets	14,751.79	5,361.81
<b>Sub Total</b>	<b>79,51,296.17</b>	<b>54,36,604.30</b>
<b>(II) Measured at fair value through profit or loss (FVTPL)</b>		
i) Investment in Govt Securities	2,47,031.28	47,137.87
ii) Investment in Equity instruments	34.82	45.17
iii) Investment in Preference Shares	3,500.00	3,500.00
iv) Investment in Alternate Funds	24,643.33	8,225.19
v) Investment in Debentures	85,430.31	1,10,260.07
vi) Investment in Mutual Funds	520.91	-
<b>Sub Total</b>	<b>3,61,160.65</b>	<b>1,69,168.30</b>

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>(III) Designated at fair value through profit or loss (FVTPL)</b>		
i) Derivative financial instruments	50.96	19.02
<b>Sub Total</b>	<b>50.96</b>	<b>19.02</b>
<b>(IV) Measured at fair value through other comprehensive income (FVTOCI):</b>		
i) Investment in Equity instruments	308.73	235.26
ii) Derivative financial instruments	32.68	
<b>Sub Total</b>	<b>341.41</b>	<b>235.26</b>
<b>Total (I+II+III+IV)</b>	<b>83,12,849.19</b>	<b>56,06,026.88</b>

## (b) Category-wise classification for applicable financial liabilities:

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>(I) Measured at amortised cost:</b>		
i) Trade Payables	69,756.46	24,221.63
ii) Debt securities	22,64,078.68	15,53,171.39
iii) Borrowings (other than debt securities)	44,78,597.46	27,71,715.04
iv) Subordinated liabilities	2,44,990.45	2,48,733.99
v) Lease Liabilities	19,648.20	12,910.38
vi) Other financial liabilities	68,919.82	47,013.29
<b>Sub Total</b>	<b>71,45,991.07</b>	<b>46,57,765.72</b>
(II) Measured at fair value through profit or loss (FVTPL)	-	-
<b>Sub Total</b>	<b>-</b>	<b>-</b>
<b>(III) Designated at fair value through profit or loss (FVTPL)</b>		
i) Derivative financial Instruments not designated as cash flow hedges	654.22	28.08
ii) Debt securities	89,406.83	24,954.31
<b>Sub Total</b>	<b>90,061.05</b>	<b>24,982.39</b>
<b>(IV) Measured at fair value through other comprehensive income (FVTOCI):</b>		
i) Derivative financial Instruments designated as cash flow hedges	715.02	7,771.16
<b>Sub Total</b>	<b>715.02</b>	<b>7,771.16</b>
<b>Total (I+II+III+IV)</b>	<b>72,36,767.14</b>	<b>46,90,519.27</b>

## (c) Fair value of financial assets and financial liabilities measured at amortised cost:

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Loans	78,84,950.10	78,84,950.10	53,60,746.02	53,60,746.02
Investment in Debentures	7,482.74	7,482.74	-	-
Investment in Security Receipts	1,317.50	1,317.50	-	-
<b>Total</b>	<b>78,93,750.34</b>	<b>78,93,750.34</b>	<b>53,60,746.02</b>	<b>53,60,746.02</b>

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial liabilities</b>				
Debt securities	22,64,078.68	22,58,590.22	15,53,171.39	16,00,965.62
Borrowings (other than debt securities)	44,78,597.46	44,78,597.46	27,71,715.04	27,71,715.04
Subordinated liabilities	2,44,990.45	2,39,559.35	2,48,733.99	2,55,952.13
Lease Liabilities	19,648.20	19,648.20	12,910.38	12,910.38
<b>Total</b>	<b>70,07,314.79</b>	<b>69,96,395.23</b>	<b>45,86,530.80</b>	<b>46,41,543.17</b>

**Valuation methodologies of financial instruments not measured at fair value:** Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

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

## Borrowings

**Floating Rate Borrowings:** Floating rate borrowings are valued on the basis of Applicable Benchmark (viz; Tenor Linked T-Bill, Repo Rate, Tenor Linked MCLR, or any external benchmark as the case may be) + Spread, if applicable.

**Fixed Rate Borrowings:** Fixed rated borrowing are valued on the basis of valuation report shared by ICRA.

## Note 49.2: Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the company and other valuation models.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below :

Level 1: hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, units of mutual funds (open ended) and traded bonds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant input is not based on observable market data, the instrument is included in level 3.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## (A) Fair value hierarchy of financial assets and financial liabilities

### (a) Measured at amortised cost:

As at 31<sup>st</sup> March, 2023

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
<b>Financial assets:</b>					
Loans	-	-	78,84,950.10	78,84,950.10	Discounted Cash Flow approach
Investment in Debentures	-	7,482.74	-	7,482.74	
Investment in Security Receipts	-	-	1,317.50	1,317.50	Discounted Cash Flow approach
<b>Total financial assets</b>	-	7,482.74	78,86,267.60	78,93,750.34	
<b>Financial liabilities:</b>					
Debt securities	-	15,96,738.84	6,61,851.38	22,58,590.22	Discounted Cash Flow approach
Borrowings (other than debt securities)	-	-	44,78,597.46	44,78,597.46	Discounted Cash Flow approach
Subordinated liabilities	-	2,39,559.35	-	2,39,559.35	
Lease Liabilities	-	-	19,648.20	19,648.20	Discounted Cash Flow approach
<b>Total financial liabilities</b>	-	18,36,298.19	51,60,097.04	69,96,395.23	

As at 31<sup>st</sup> March, 2022

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
<b>Financial assets:</b>					
Loans	-	-	53,60,746.02	53,60,746.02	Discounted Cash Flow approach
<b>Total financial assets</b>	-	-	53,60,746.02	53,60,746.02	
<b>Financial liabilities:</b>					
Debt securities	-	12,87,436.64	3,13,528.98	16,00,965.62	Discounted Cash Flow approach
Borrowings (other than debt securities)	-	-	27,71,715.04	27,71,715.04	Discounted Cash Flow approach
Subordinated liabilities	-	2,55,952.13	-	2,55,952.13	
Lease Liabilities	-	-	12,910.38	12,910.38	Discounted Cash Flow approach
<b>Total financial liabilities</b>	-	15,43,388.77	30,98,154.40	46,41,543.17	

### (b) Measured at fair value through profit or loss (FVTPL)

As at 31<sup>st</sup> March, 2023

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
<b>Financial assets:</b>					
Investment in Govt Securities	-	2,47,031.28	-	2,47,031.28	
Investment in Equity instruments	34.82	-	-	34.82	
Investment in Preference Shares	-	3,500.00	-	3,500.00	
Investment in Alternate Funds	-	24,643.33	-	24,643.33	
Investment in Debentures	-	85,430.31	-	85,430.31	
Investment in Mutual Funds	520.91	-	-	520.91	
<b>Total financial assets</b>	555.73	3,60,604.92	-	3,61,160.65	

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

As at 31<sup>st</sup> March, 2022

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
<b>Financial assets:</b>					
Investment in Govt Securities	-	47,137.87	-	47,137.87	
Investment in Equity instruments	45.17	-	-	45.17	
Investment in Preference Shares	-	3,500.00	-	3,500.00	
Investment in Alternate Funds	-	8,225.19	-	8,225.19	
Investment in Debentures	-	1,10,260.07	-	1,10,260.07	
<b>Total financial assets</b>	<b>45.17</b>	<b>1,69,123.13</b>	<b>-</b>	<b>1,69,168.30</b>	

(c) Designated at fair value through profit or loss (FVTPL)

As at 31<sup>st</sup> March, 2023

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
<b>Financial assets:</b>					
Derivative financial instruments	-	50.96	-	50.96	
<b>Total financial assets</b>	<b>-</b>	<b>50.96</b>	<b>-</b>	<b>50.96</b>	
<b>Financial liabilities:</b>					
Derivative financial Instruments not designated as cash flow hedges	-	654.22	-	654.22	
Debt securities	-	89,406.83	-	89,406.83	
<b>Total financial liabilities</b>	<b>-</b>	<b>90,061.05</b>	<b>-</b>	<b>90,061.05</b>	

As at 31 March, 2022

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
<b>Financial assets:</b>					
Derivative financial instruments	-	19.02	-	19.02	
<b>Total financial assets</b>	<b>-</b>	<b>19.02</b>	<b>-</b>	<b>19.02</b>	
<b>Financial liabilities:</b>					
Derivative financial Instruments not designated as cash flow hedges	-	28.08	-	28.08	
Debt securities	-	24,954.31	-	24,954.31	
<b>Total financial liabilities</b>	<b>-</b>	<b>24,982.39</b>	<b>-</b>	<b>24,982.39</b>	

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

(d) Measured at fair value through other comprehensive income (FVTOCI):

As at 31<sup>st</sup> March, 2023

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
<b>Financial assets:</b>					
Investment in Equity instruments	-	-	308.73	308.73	refer (e)
Derivative financial instruments	-	32.68	-	32.68	
<b>Total financial assets</b>	-	32.68	308.73	341.41	
<b>Financial liabilities:</b>					
Derivative financial Instruments designated as cash flow hedges	-	715.02	-	715.02	
<b>Total financial liabilities</b>	-	715.02	-	715.02	

As at 31<sup>st</sup> March, 2022

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
<b>Financial assets:</b>					
Investment in Equity instruments	-	-	235.26	235.26	refer (e)
<b>Total financial assets</b>	-	-	235.26	235.26	
<b>Financial liabilities:</b>					
Derivative financial Instruments designated as cash flow hedges	-	7,771.16	-	7,771.16	
<b>Total financial liabilities</b>	-	7,771.16	-	7,771.16	

(e) Valuation techniques

**Equity instruments:** The listed equity instrument are actively traded on stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Unlisted equity securities are classified at Level 3.

**Investment in Preference Shares:** Investment made in preference share is not actively traded on stock exchange and such instrument are classified as level 2.

**Investment in Govt Securities :** The fair values of investments made in Government Securities is based on valuation report from ICRA as at the reporting period and the same are classified under Level 2.

**Investment in Alternate funds and Mutual funds :** Units held in funds of AIF and Mutual funds are measured based on their net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 2. NAV represents the price at which the issuer will issue further units of AIF and the price at which issuers will redeem such units from the investors.

**Investment in Debt Securities:** Fair value of these instrument is derived based on the indicative quote of price and yields prevailing in the market as at reporting date. Company has used quoted price of national stock exchange wherever bonds are traded actively. In cases where debt securities are not actively traded company has used CRISIL corporate bond valuer model for measuring fair value i.e. fair value has been computed using the Fixed Income Money Market and Derivatives Association of India ('FIMMDA') data on corporate bond spreads and such instruments are classified as Level 2.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

**Derivative Financial Instruments :** A generally accepted framework for the valuation of the swap explains the position in each leg of the swap as a 'bond'. Therefore, a receive floating - pay fixed swap can be viewed as a portfolio consisting a short position in fixed bond and long position a floating rate bond. The value of the swap is the net proceeds from such bond positions i.e. Receipt – Payment. The swaps were valued on and with inputs from the swap providers using the terms of the swap contract.

**Equity shares measured at Fair Value through Other Comprehensive Income:** Unquoted equity shares are measured at fair value through other comprehensive income on the basis of the net worth of the investee company and are classified as Level 3.

## (B) Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value:

For the year ended 31<sup>st</sup> March, 2023

(₹ in Lakh)

Particulars	As at 1 <sup>st</sup> April, 2022	Purchase / (Sales)	Transfers into / (from) Level 3	Net interest income, net trading income and other income	Other comprehensive income	At 31 <sup>st</sup> March, 2023
Investment in Equity Instrument	235.26	-	-	-	73.47	308.73
<b>Total financial investments classified in Level 3</b>	<b>235.26</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>73.47</b>	<b>308.73</b>
<b>Total financial assets measured at fair value on a recurring basis</b>	<b>235.26</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>308.73</b>

For the year ended 31<sup>st</sup> March, 2022

(₹ in Lakh)

Particulars	As at 1 <sup>st</sup> April, 2021	Purchase / (Sales)	Transfers into / (from) Level 3	Net interest income, net trading income and other income	Other comprehensive income	At 31 <sup>st</sup> March, 2022
Investment in Equity Instrument	211.04	-	-	-	24.22	235.26
<b>Total financial investments classified in Level 3</b>	<b>211.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24.22</b>	<b>235.26</b>
<b>Total financial assets measured at fair value on a recurring basis</b>	<b>211.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>235.26</b>

## (C) Sensitivity of fair value measurements to changes in unobservable market data

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

(₹ in Lakh)

Particulars	Fair value as at		Rates for Sensitivity	Impact of Increase in Rates on Total Comprehensive Income statement			
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022		31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2022
				Favourable	Unfavourable	Favourable	Unfavourable
Investment in Equity Instrument	308.73	235.26	5.00%	15.44	(15.44)	11.76	(11.76)

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## NOTE 50: REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES (ROC)

Company has complied with the charge creation or satisfaction registration with ROC within the statutory year.

## NOTE 51: RELATIONSHIP WITH STRUCK OFF COMPANIES

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding		Relationship with the Struck off company (if any)
		31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	
Maxin Hydro Dynamic India Private Limited	Outstanding balance (Loan given)	-	3.89	-
Emirate Fashions Private Limited	Outstanding balance (Loan given)	10.00	10.28	-
Thanco Natural Foods Private Limited	Outstanding balance (Loan given)	-	19.88	-
Bee Luxe Private Limited	Outstanding balance (Loan given)	-	9.34	-
Alaric Healthcare Private Limited	Outstanding balance (Loan given)	-	8.28	-
Chennai School Of Ship Management Private Limited	Outstanding balance (Loan given)	81.00	-	-
Uttam Consultancy Private Limited	Outstanding balance (Loan given)	659.00	-	-
<b>Total</b>		<b>750.00</b>	<b>51.67</b>	

The above disclosure has been prepared basis the relevant information compiled by the Company on best effort basis which has been relied upon by the auditors.

## NOTE 52: RISK MANAGEMENT

### (a) Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings (Including Debt Securities & Subordinate Liabilities) and trade and other payables. The main purpose of these financial liabilities is to finance and support the company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents and other receivables that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies

and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

The Company has identified and implemented comprehensive policies and procedures to assess, monitor and manage risk throughout the Company. The risk management process is continuously reviewed, improved and adapted in the changing risk scenario and the agility of the risk management process is monitored and reviewed for its appropriateness in the changing risk landscape. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis.

The Company has an elaborate process for risk management. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## Operational & Business Risk

Loss of Risk that is related to activities carried out within an entity, arising from incomplete structure, failure of systems, untrained people, inefficient products or processes. To make the structure more robust a Board approved Operational Risk Management Framework has been put in place which is implemented by a dedicated team within the Risk Management function. A bottom up risk control self-assessment process identifies high risk areas, potential gaps and serves as an early warning system so that remedial measures can be initiated in a timely manner.

## Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. In the case of the Company, market risk primarily comprises of interest rate risk. Financial instruments affected by market risk include loans and borrowings.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity, other post-retirement obligations and provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## Interest rate risk

Interest rate risk is the risk of loss in company's net income out of change in level of interest rates and/or their implied volatility. To mitigate the interest rate risk, ALM policy of the company stipulates interest rate sensitivity gap of all the time buckets. The Interest rate sensitivity statement is prepared every month and placed before ALCO. The statement captures the duration of rate sensitive assets & liabilities of the company. The impact of change in interest rate on the earning of the company is also measured every month and same is presented to ALCO.

Particulars	Change in Interest rate	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
		Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity
Interest rate	25 Basis Point down	11,196.49	8,323.02	6,929.29	5,164.32
	50 Basis Point down	22,392.99	16,646.03	13,858.58	10,328.64
	25 Basis Point Up	(11,196.49)	(8,323.02)	(6,929.29)	(5,164.32)
	50 Basis Point Up	(22,392.99)	(16,646.03)	(13,858.58)	(10,328.64)

## Foreign Exchange Risk

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of fluctuation in foreign exchange rates primarily relates to its External Commercial Borrowings. The Company uses derivative instruments like cross currency swaps to hedge exposure to foreign currency risk.

The Company has taken foreign currency floating rate borrowings, which are linked to USD SOFR or JPY TONA. For managing the foreign currency risk and interest rate risk, arising from changes in applicable benchmark (USD SOFR or JPY TONA) on such borrowings, the Company has entered into Cross Currency Swap (CCS) for the entire loan liability covering the entire tenor of the loan along with the

interest payable. Under the terms of the CCS, the Company pays interest at the fixed rate to the swap counterparty in INR and receives the floating interest payments based on the applicable benchmark (USD SOFR or JPY TONA) in foreign currency.

## Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The Company has established a credit quality review process to provide early identification of possible changes

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

## Impairment assessment

The ECL model Credit loss provisioning approach has now moved from incurred model. This forces entity to understand the significance of credit risk and its movement since its initial recognition. This model ensures (a) timely recognition of ECLs (b) assessment of significant increase in credit risk which will provide better disclosure (c) ascertainment of better business ratios.

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies in Note 4.

- An explanation of the Company's internal grading system (Note 'Definition of default below)
- How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default) (Note 'The Company's internal rating and PD estimation process', 'Probability of Default', 'Exposure at Default' below)
- When the Company considers there has been a significant increase in credit risk of an exposure (Note 'Significant increase in credit risk' below)
- The Company's policy of segmenting financial assets where ECL is assessed on a collective basis (Note 'Grouping financial assets measured on a collective basis' below)
- The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets (Notes 'Probability of default', 'Exposure at default' and 'loss given default' below)

## Definition of default

The Company considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL calculations generally in most cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- a) Significant financial difficulty of the borrower or issuer;
- b) A breach of contract such as a default or past due event;
- c) The restructuring of a loan or advance by the company on terms that the company would not consider otherwise;
- d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- e) The disappearance of an active market for a security because of financial difficulties and the customer has delay in his repayments over a month.

## The Company's internal rating and PD estimation process

- a. Internal Rating: A robust internal credit rating framework is vital for effective credit risk management. It is specified by RBI on credit risk management that lenders should have an internal rating framework and the lenders must have independent Credit Risk Control Units (CRCU) or equivalents that are responsible for the design or selection, implementation and performance of their internal rating systems. Accordingly the Company also have an internal rating framework developed along with CRISIL, with ratings being assigned to all the customer/ portfolio pool – (eligible customers for Ratings) and used extensively in internal decision-making.
- b. It is further specified in the policy that Internal rating/ grading/scoring of the borrower/client is at least Investment grade rating as per the Company's internal credit rating model or valid/live external rating.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## Probability of Default (PD)

PD is calculated basis likelihood that the borrower will default within one year horizon (Basis for Stage 1), For Stage 2 – it is defined as significant increase in credit risk and probability is defined as borrower’s probability to default in lifetime.

## Exposure at Default

Gross exposure/potential gross exposure under a facility (i.e. the amount that is legally owed to the lender) at the time of default by a borrower. Exposure at Default gives an estimate of the amount outstanding.

## Loss Given Default (LGD)

LGD is usually shown as the percentage of Exposure at Default that the lender might lose in case the borrower defaults. It depends, among others, on the type of collateral, it’s value and the expected proceeds from the sale (e.g. sales proceeds from sales of collaterals/ securities) of the assets, NPV net of recovery costs.

## Significant increase in credit risk

- a. There is significant increase in credit risk, when there is deterioration in account performance and expected resolution is not available.

- b. Further, for large borrowers after assessing the following Risks in totality and deterioration in each factor, it is then assessed whether there is a significant increase in credit risk
  - i. Industry Risk
  - ii. Business Risk
  - iii. Management Risk
  - iv. Financial Risk
  - v. Banking Conduct & Facility level Conduct.
- c. Significant increase in credit risk is also gauged through Credit rating. Credit rating is an opinion of capacity of borrower to meet its financial obligations to the depositor or bondholder (i.e. lender of money) on a particular issue or type of instrument (i.e. a domestic or foreign currency: short-term or medium or long-term, etc.) in a timely manner. The rating measures the relative risk of an issuers ability and willingness to repay both interest and principal over the period of the rated instrument. i.e. rating signifies the risk of default of the borrower that is rated.

## Collateral Security:

The Company’s net exposure to credit risk, after taking into account credit risk mitigation, have been tabulated below:

Particulars	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022		
	Outstanding	Cash collateral	Nature of Non-cash collateral	Outstanding	Cash collateral	Nature of Non-cash collateral
<b>Financial assets</b>						
Cash and cash equivalents	38,763.43	-		59,571.14	-	
Bank balance other than cash and cash equivalents	-	-		9,681.37	-	
Derivative financial instruments	83.64			19.02		
Trade Receivables	4,030.61	-		1,243.96	-	
Loans	7,884,950.10	-	Refer footnote below	5,360,746.02	-	Refer footnote below
Investments	370,269.62	-		169,403.56	-	
Other financial assets	14,751.79	-		5,361.81	-	
<b>Total</b>	<b>8,312,849.19</b>	<b>-</b>		<b>5,606,026.88</b>	<b>-</b>	

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

The Company by way of loan sanction letter and other loan securing documents agrees with its customers on collateral security to be provided by the customers in secured loan exposures that are subject to credit risk. Collateral security enables us to recover all or part of the outstanding exposure by liquidating the collateral asset provided, in cases where the borrower is unable or unwilling to fulfil its primary obligations.

Collateral security accepted by the Company could be in the form of:

- a) Financial collateral in the form of pledge of equity shares, units of mutual funds, assignment of life insurance policies;
- b) Current assets in the form of inventories meant for sale or receivables arising out of the sale of finished goods
- c) Fixed asset (in the form of immovable properties – real estate, Plant and Machinery, Equipment's) “
- d) Third-party obligation (in the form of Irrevocable Unconditional Guarantee issued by Bank, Third party);
- e) Risk participation from Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)
- f) Assignment of borrower's rights and interests under agreements with third parties.

In addition, the Company also stipulates escrow of cash flows and a Debt Service Reserve Account (DSRA) for project loans

Collateral serves to mitigate the inherent risk of credit loss in an exposure, by either improving recoveries in the event of a default or substituting the borrower.

As part of the assessment of a credit transaction the availability, adequacy and suitability of collateral for the transaction is evaluated and decided upon. The Company's processes includes verification of the title to the collateral offered and valuation by technical experts where warranted. The Company accept as collateral only securities of good quality and have in place legally effective and enforceable documentation.

For guarantee's taken, the guarantor's creditworthiness is assessed during the credit assessment process of the transaction. The Company has collateral type specific haircuts in place which are reviewed at intervals as appropriate to the type of collateral.

The Company recognises that collateral can be a credit mitigant (alternative source of repayment), but does not replace or dilute the underwriting standards the company adopts to underwrite credit exposures.

## **(b) Forward looking Information :**

The Company is required to provide for impairment allowance basis expected credit loss (ECL), which is calculated using empirical portfolio performance and adjusted for forward looking macroeconomic factors, as prescribed by Ind AS. The overall provisioning made through this approach, continues to be in excess of the floor provisions as prescribed by RBI for NBFCs.

The assessment of credit risk and estimation of ECL is statistically validated. It considers all relevant information about past events, current conditions and some elements of predicted performance of the portfolio.

ECL has been calculated using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD).

In the process of determining the PD, the macro economic impact is intrinsically built in in our current approach. The overall performance through the life cycle of the loan, considers the impact of macro-economic parameters like GDP or once in events like de-monetisation etc. Most of the portfolios have seen one to two complete economic cycles and hence the default probabilities experienced by the Company takes into account the upturn, downturn and central (balanced) economic scenario.

In the internally rated portfolio, the Industry rating module (sourced from CRISIL under agreement) recognizes factors like demand prediction, supply side glut / constraints, impact of imports and exports and the government policies which are more forward looking and making the through-the-cycle default probabilities to point-in-time default probability.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## Grouping financial assets measured on a collective basis

The Company calculates ECLs either on a collective or an individual basis.

Asset classes where the Company calculates ECL on an individual basis include:

1. Corporate Portfolio

Asset classes where the Company calculates ECL on a collective basis include:

1. Retail Portfolio

The ECL methodology allows for individual assessment for corporates and therefore these loans are generally measured individually as each of these exposures have unique characteristics and structuring. For retail exposures and exposures which can be clubbed in homogenous pools, ECL is measured on a collective basis. This has been arrived at based on common characteristics like nature of product, customer profile etc.

## (c) Analysis of risk concentration

Concentration analysis are presented for Portfolio pool, Location, Top borrower exposures, Group exposures etc. These are regularly analysed and presented for further review/action. Based on the exposures of the company towards various sectors, analysis is as follows :

Top 20 Industry Sectors	As at
	31 <sup>st</sup> March, 2023
	(%)
Real Estate Activities - Builders and Contractors	17.28%
NBFCs	3.73%
Other Trade (Wholesale/ Retail)	3.17%
Hotels, Motels and Resorts	2.86%
Construction - Infrastructure	2.57%
Finance - Investment / Others	2.41%
Lease Rental Discounting	2.30%
Textiles, Readymade Garments, Apparels - Spinning, Mfg and Trading	2.26%
Energy Renewable	2.24%
Energy Trans & Distr	2.20%
Construction/Maintenance of Roads	2.16%
Food & Beverages	1.65%
Education	1.54%
Transportation, Logistics & Allied Services	1.44%
Hospital & medical business	1.18%
Professional Services (except Medical)	1.03%
Electricals & Electronics equipments	0.97%
Chemical & related products	0.96%
Automobiles & Ancillaries	0.95%
Metals (Mfg of Basic & Structural, casting)	0.81%
<b>Top 20 Industry Exposures</b>	<b>53.71%</b>

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

<b>Top 20 Industry Sectors</b>	<b>As at 31<sup>st</sup> March, 2022</b>
	<b>(%)</b>
Real Estate Activities - Builders and Contractors	15.48%
Lease Rental Discounting	4.53%
Energy Renewable	4.05%
Construction/Maintenance of Roads	3.82%
Hotels, Motels and Resorts	3.36%
Education	3.36%
Textiles, Readymade Garments, Apparels - Spinning, Mfg and Trading	3.23%
NBFCs	3.13%
Transportation, logistics & allied services	2.54%
Food & Beverages	2.50%
Other Trade (Wholesale/ Retail)	2.10%
Domestic Commercial Banks	1.87%
Automobiles & Ancillaries	1.81%
Hospital & medical business	1.46%
Brokers / Traders - Shares, securities	1.32%
Energy Trans & Distr	1.14%
Pharmaceuticals & intermediates	1.14%
Chemical & related products	1.12%
Electricals & Electronics equipments	1.03%
Mining and Quarrying	1.03%
<b>Top 20 Industry Exposures</b>	<b>60.01%</b>

**Note:**

1. Industry Sectors tagging on loans is done by the Company's management as per internal MIS which have been relied upon by the auditors.

## (d) Liquidity risk and funding management

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

The Company manages its liquidity requirement by analysing the maturity pattern of Company's cash flows of financial assets and financial liabilities. The Asset Liability Management of the Company is periodically reviewed by its Asset Liability Management Committee.

The Company maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The Company also has lines of credit that it can access to meet liquidity needs. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. Net liquid assets consist of cash. The ratios during the year were, as follows:

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## Advances to borrowings ratios

Particulars	(₹ in Lakhs)	
	2023	2022
Year-end	111.42%	116.57%
Maximum	114.84%	118.99%
Minimum	111.42%	116.57%
Average	113.08%	118.16%

Borrowings from banks and financial institutions and issue of debentures are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

## Analysis of financial liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities:

### As at 31<sup>st</sup> March, 2023

Particulars	(₹ in Lakhs)		
	Within 12 months	After 12 months	Total
<b>Financial liabilities</b>			
Derivative Financial Liability	27.74	1,341.50	1,369.24
Trade Payables (refer note 1 below)			
- Micro and small enterprises	288.81	-	288.81
- Other than micro and small enterprises	69,467.65	-	69,467.65
Debt securities (refer note 2 below)	10,48,893.02	17,72,258.94	28,21,151.96
Borrowings (other than debt securities)	17,06,994.67	34,85,831.54	51,92,826.21
Subordinated liabilities	30,606.83	3,11,737.40	3,42,344.23
Lease liabilities	4,502.29	19,582.53	24,084.82
Other financial liabilities	68,919.82	-	68,919.82

### As at 31<sup>st</sup> March, 2022

Particulars	(₹ in Lakhs)		
	Within 12 months	After 12 months	Total
<b>Financial liabilities</b>			
Derivative Financial Liability	7,799.24	-	7,799.24
Trade Payables (refer note 1 below)			
- Micro and small enterprises	696.87	-	696.87
- Other than micro and small enterprises	23,524.76	-	23,524.76
Debt securities (refer note 2 below)	6,53,366.24	10,31,194.25	16,84,560.49
Borrowings (other than debt securities)	13,13,012.19	17,61,219.85	30,74,232.04
Subordinated liabilities	24,513.02	3,42,344.23	3,66,857.25
Lease liabilities	3,009.34	12,713.64	15,722.98
Other financial liabilities	47,013.29	-	47,013.29

#### Notes :

- Trade payables is based on the estimate of payment.
- Commercial papers shown are net of unamortised discounting charges ₹ 10,648.62 lakhs (31<sup>st</sup> March, 2022 ₹ 4,471.02 lakhs).

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

The table below shows the contractual expiry by maturity of the Corporate guarantees and Letter of comfort given by the Company on behalf of clients.

**As at 31<sup>st</sup> March, 2023**

(₹ in Lakhs)			
Particulars	Within 12 months	After 12 months	Total
Corporate guarantees and Letter of comfort given by the Company on behalf of clients	4,332.94	3,675.00	8,007.94
<b>Total</b>	<b>4,332.94</b>	<b>3,675.00</b>	<b>8,007.94</b>

**As at 31<sup>st</sup> March, 2022**

(₹ in Lakhs)			
Particulars	Within 12 months	After 12 months	Total
Corporate guarantees and Letter of comfort given by the Company on behalf of clients	11,501.18	32.66	11,533.84
<b>Total</b>	<b>11,501.18</b>	<b>32.66</b>	<b>11,533.84</b>

## NOTE 53: DISCLOSURE IN TERMS OF DIRECTION 19 OF NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK OF INDIA) DIRECTIONS, 2016.

(₹ in Lakhs)

Sr No.	Particulars	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
<b>Liabilities side :</b>					
<b>1)</b>	<b>Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:</b>				
	(a) Debentures : Secured (including interest accrued but not due of ₹ 61,458.93 lakhs; 31 <sup>st</sup> March, 2022 : ₹ 61,303.24 lakhs)	16,75,533.77	-	12,53,636.68	-
	: Unsecured (including interest accrued but not due of ₹ 700.36 lakhs ; 31 <sup>st</sup> March, 2022 : ₹ 460.04 lakhs) (other than falling within the meaning of public deposits) (see note 1)	16,100.36	-	10,960.04	-
	(b) Term Loans, External commercial borrowings and Working Capital Demand loans (including interest accrued but not due of ₹ 6,267.57 lakhs ; 31 <sup>st</sup> March, 2022 : ₹ 1,080.15 lakhs)	42,60,288.03	-	25,60,604.67	-
	(c) Inter corporate Loans and borrowing (including interest accrued but not due of ₹ 921.13 lakhs ; 31 <sup>st</sup> March, 2022 : Nil)	56,966.13	-	-	-
	(d) Commercial Paper (net of unamortised discount of ₹ 10,648.62 lakhs; 31 <sup>st</sup> March, 2022 : ₹ 4,471.02 lakhs)	6,61,851.38	-	3,13,528.98	-
	(e) Subordinate Debt (including interest accrued but not due of ₹ 9,467.32 lakhs; 31 <sup>st</sup> March, 2022 : ₹ 9,722.01 lakhs)(see note 2)	2,23,867.32	-	2,27,622.01	-
	(f) Perpetual Debts (including interest accrued but not due of ₹ 1,123.13 lakhs; 31 <sup>st</sup> March, 2022 : ₹ 1,111.98 lakhs)(see note 2)	21,123.13	-	21,111.98	-
	(g) Other Loans (Cash Credit, Book overdraft & CBLO) (including interest accrued but not due of ₹ 3.84 lakhs; 31 <sup>st</sup> March, 2022 : ₹ Nil) (see note 2)	1,61,343.30	-	2,11,110.37	-
	<b>Total</b>	<b>70,77,073.42</b>	<b>-</b>	<b>45,98,574.73</b>	<b>-</b>

### Note :

- As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank of India) Directions, 1998.
- During the year ended 31<sup>st</sup> March, 2023 the Company has raised ₹ Nil (31<sup>st</sup> March, 2022 ₹ Nil) through perpetual debt instrument. Closing balance as on 31<sup>st</sup> March, 2023 is ₹ 21,123.13 lakhs (31<sup>st</sup> March, 2022 ₹ 21,111.98 lakhs), the same is 1.90% (31<sup>st</sup> March, 2022 2.18%) of tier I Capital as on 31<sup>st</sup> March, 2023.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

Sr No.	Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Assets side :</b>		<b>Amount outstanding</b>	<b>Amount outstanding</b>
<b>2)</b>	<b>Break-up of Loans and Advances including bills receivables (other than those included in (4) below) :</b>		
	(a) Secured :	51,21,307.52	41,14,204.21
	(b) Unsecured :	29,23,971.29	13,54,024.34
	(includes those in nature of loans and excludes Advances Recoverable in cash or kind or for value to be received, Advance Payment of Taxes and Other Deposits)		
		<b>80,45,278.81</b>	<b>54,68,228.55</b>
<b>3)</b>	<b>Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities :</b>		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed Assets	-	-
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-
	<b>Total</b>	<b>80,45,278.81</b>	<b>54,68,228.55</b>
<b>4)</b>	<b>Break-up of Investments:</b>		
	Short Term investments:		
	<b>1. Quoted :</b>		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	520.91	-
	(iv) Government Securities	-	-
	(v) Others	-	-
	<b>2. Unquoted :</b>		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	92,913.05	1,10,260.07
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	2,47,031.28	47,137.87
	(v) Others (Alternate Fund)	1,050.80	-
	Long Term investments :		
	<b>1. Quoted :</b>		
	(i) Shares : (a) Equity	34.82	45.17
	(b) Preference	3,500.00	3,500.00
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (Please specify)	-	-

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

Sr No.	Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Assets side :</b>		<b>Amount outstanding</b>	<b>Amount outstanding</b>
<b>2. Unquoted :</b>			
	(i) Shares : (a) Equity	308.73	235.26
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (Securty Receipts and Alternate Fund)	24,910.03	8,225.19
	<b>Total</b>	<b>3,70,269.62</b>	<b>1,69,403.56</b>

Category	31 <sup>st</sup> March, 2023			31 <sup>st</sup> March, 2022		
	Secured	Unsecured	Total	Secured	Unsecured	Total
<b>5) Borrower group-wise classification of assets financed as in (2) and (3) above :</b>						
<b>1) Related Parties</b>						
	(a) Subsidiaries	-	-	-	-	-
	(b) Companies in the same group	26,109.16	-	26,109.16	4,356.58	4,356.58
	(c) Other related parties	-	-	-	-	-
<b>2) Other than related parties</b>						
	(a) Companies in the same group	-	-	-	-	-
	(b) Other	50,95,198.36	29,23,971.29	80,19,169.65	41,09,847.63	13,54,024.34
	<b>Total</b>	<b>51,21,307.52</b>	<b>29,23,971.29</b>	<b>80,45,278.81</b>	<b>41,14,204.21</b>	<b>13,54,024.34</b>

Category	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions) (see note 1)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
<b>6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):</b>				
<b>1) Related Parties</b>				
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	22,535.12	22,535.12	-
	(c) Other related parties	-	-	-
<b>2) Other than related parties</b>				
	(a) Companies in the same group	829.64	829.64	337.30
	(b) Other	3,46,904.86	3,46,904.86	1,69,066.26
	<b>Total</b>	<b>3,70,269.62</b>	<b>3,70,269.62</b>	<b>1,69,403.56</b>

**Note:**

1. Book value represents carrying value of investment.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

Category	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>7) Other information :</b>		
(i) Gross Non-Performing Assets (Stage 3) :		
(a) Related parties	-	-
(b) Other than related parties	250,709.87	195,603.41
(ii) Net Non-Performing Assets (Stage 3) :		
(a) Related parties	-	-
(b) Other than related parties	134,915.46	118,314.77
(iii) Assets acquired in satisfaction of debt :	-	-

The above amounts are including Interest Accrued.

## NOTE 54: DISCLOSURE IN TERMS OF DIRECTION 73 OF NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK OF INDIA) DIRECTIONS, 2016.

### a) Capital Risk Adequacy Ratio (CRAR)

Sr. No.	Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
(i)	CRAR (%)	16.38	21.77
(ii)	CRAR - Tier I capital (%)	13.92	18.07
(iii)	CRAR - Tier II Capital (%)	2.46	3.70
(iv)	Tier I capital	11,13,219.98	9,68,727.75
(v)	Tier II capital	1,96,679.02	1,98,090.07
(vi)	Amount of subordinated debt raised as Tier-II capital	2,23,867.32	2,27,622.01
(vii)	Amount raised by issue of Perpetual Debt Instruments	21,123.13	21,111.98

#### Notes :

- Amount of Subordinated debt and Perpetual Debt shown above are outstanding balances (including interest accrued thereon) as on 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

### b) Derivatives

#### Forward Rate Agreement / Interest Rate Swap (also includes currency interest rate swaps)

Sr. No.	Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
(i)	The notional principal of swap agreements	1,93,148.62	1,71,375.26
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	83.64	19.02
(iii)	Collateral required by the applicable NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps	-	-
(v)	The fair value of the swap book	(1,285.60)	(7,780.22)

**Exchange Traded Interest Rate (IR) Derivatives:** The Company has not traded in Exchange Traded Interest Rate Derivative during the financial year ended 31<sup>st</sup> March, 2023 (Previous year: NIL).

#### Disclosures on Risk Exposure in Derivatives

**Qualitative Disclosure** - The Company enters into derivative agreements to mitigate the foreign exchange risk and interest rate risk pertaining to its external commercial borrowings & Non convertible debenture. Detailed description of the policies and risk mitigation strategies are also disclosed in Note 4.1(viii), Note 8 and Note 52 to the financial statements.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## Quantitative Disclosures -

(₹ in Lakhs)

Sr. No.	Particulars	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount) for Hedging	-	1,93,148.62	7.72	1,71,367.54
(ii)	Marked to Market Positions				
	(a) Asset (+)	-	83.64	-	19.02
	(b) Liability (-)	-	(1,369.24)	(0.52)	(7,798.72)
(iii)	Credit Exposure	-	-	-	-
(iv)	Unhedged Exposures	-	-	-	-

Note: The above disclosure includes non convertible debentures in Indian currency at variable interest rate amounting to ₹ 10,000 lakhs, which is hedged.

## c) Unsecured Advances

(₹ in Lakhs)

Sr. No.	Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
(i)	Unsecured Advances (Inclusive of doubtful advances)	29,23,971.29	13,54,024.34

Out of the above amount, advances for which intangible securities such as charge over the rights, licences, authority, etc. are taken as collateral : NIL

## d) Exposures

### d. i) Exposure to Real Estate Sector

(₹ in Lakhs)

Category	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Direct exposure</b>		
<b>i) Residential Mortgages (see note)</b>	-	-
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented Exposure would also include non-fund based (NFB) limits.		
<b>ii) Commercial Real Estate</b>	21,85,344.20	15,48,981.87
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.) Exposure would also include non-fund based (NFB) limits		
<b>iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures</b>		
a. Residential	-	-
b. Commercial Real Estate	-	-
<b>Indirect exposure</b>		
i) Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
<b>Total Exposure to Real Estate Sector</b>	<b>21,85,344.20</b>	<b>15,48,981.87</b>

Note : The above excludes loan against property which are not for the purpose of acquiring residential property that is or will be occupied by the borrower or that is rented.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## d. ii) Exposure to Capital Market

		(₹ in Lakhs)	
Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt; (see note)	34.82	45.17	
(ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	45,540.16	37,392.88	
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	2,41,871.36	2,50,602.33	
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-	
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	392.77	1,157.57	
(vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources.	-	58,108.53	
(vii) Bridge loans to companies against expected equity flows / issues;	-	-	
(viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-	
(ix) Financing to stockbrokers for margin trading	-	-	
(x) All exposures to Alternative Investment Funds:			
(i) Category I	-	-	
(ii) Category II	24,643.33	8,225.19	
(iii) Category III	-	-	
<b>Total Exposure to Capital Market</b>	<b>3,12,482.44</b>	<b>3,55,531.67</b>	

Note : The amount comprises investment in listed securities only.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## d. iii) Asset Liability Management

Maturity pattern of certain items of Assets and Liabilities

As at 31<sup>st</sup> March, 2023

Particulars	(₹ in Lakhs)										
	1 to 7 days	8 to 14 days	15 day to 30 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 months up to 6 months	Over 6 months up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
Deposits	713.67	-	-	-	-	17.83	31.27	1,948.36	400.20	663.08	3,774.41
Advances**	2,03,564.26	26,629.00	83,161.55	2,18,979.94	2,05,818.85	4,68,292.18	12,10,666.86	21,07,819.22	12,45,536.60	21,14,481.64	78,84,950.10
Investments	2,47,552.19	-	-	-	92,913.05	-	1,050.80	1,057.41	-	27,696.17	3,70,269.62
Borrowings*	1,08,906.97	1,02,666.67	2,15,095.68	6,00,266.34	3,07,713.98	4,54,433.04	6,98,767.46	27,39,435.07	13,19,718.20	5,30,070.01	70,77,073.42
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities (also included in borrowings above)	-	-	-	-	-	95.92	2,259.84	192,666.64	-	-	1,95,022.40

As at 31<sup>st</sup> March, 2022

Particulars	(₹ in Lakhs)										
	1 to 7 days	8 to 14 days	15 day to 30 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 months up to 6 months	Over 6 months up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
Deposits	-	1,266.58	17.90	37.75	-	36.49	39.23	190.63	861.98	322.03	2,772.59
Advances**	1,36,006.59	17,338.91	78,363.63	1,89,721.39	1,02,377.40	2,34,242.14	6,22,369.59	14,72,617.02	8,60,946.05	16,46,763.30	53,60,746.02
Investments	-	47,137.87	-	-	1,12,865.41	-	2,862.70	2,084.13	4,070.98	382.47	1,69,403.56
Borrowings*	1,03,399.97	1,96,105.49	3,02,290.61	1,59,004.72	1,41,558.02	3,57,615.08	5,68,510.59	15,55,508.37	6,24,188.68	5,90,393.19	45,98,574.73
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities (also included in borrowings above)	-	-	-	738.91	-	71,298.53	68,258.61	-	-	-	1,40,296.05

Note: Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Company for Compiling the return submitted to RBI.

\* Commercial papers shown net of unamortised discounting charges ₹ 10,648.62 lakhs (31<sup>st</sup> March, 2022 ₹ 4,471.02 lakhs).

\*\* a) Overdue Receivable on account of Corporate Finance Activities have been slotted in respective time bucket category as per instructions contained in Appendix 1 of Guidelines for Assets Liabilities Management (ALM) system in NBFC.

b) Advances includes Loan and Advances in the nature of Loans (net of ECL provisions) and excludes deposits.

**d. iv)** The Company has no specific program for financing its parent company products. However, in its general lending business, the Company may have funded some entities which may have been customer(s) of its ultimate parent company: Grasim Industries Limited. Single Borrower Limit (SGL) or Group Borrower Limit (GBL) did not exceed the limits prescribed under the prudential norms.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## NOTE 55: DISCLOSURE ON LIQUIDITY RISK UNDER RBI CIRCULAR NO. RBI/2019-20/88 DOR.NBFC (PD) CC. NO.102/03.10.001/2019-20 DATED 04<sup>TH</sup> NOVEMBER, 2019 ON LIQUIDITY RISK MANAGEMENT FRAMEWORK FOR NON-BANKING FINANCIAL COMPANIES AND CORE INVESTMENT COMPANIES AS ON 31<sup>ST</sup> MARCH, 2023.

### i) Funding Concentration based on significant counterparty (both deposits and borrowings)

#### As at 31<sup>st</sup> March, 2023

Sr. No	No of Significant Counterparties	Amount (see note 2)	% of total Deposits	% of Total Liabilities
1	19	53,56,021.13	NA	73.68%

#### As at 31<sup>st</sup> March, 2022

Sr. No	No of Significant Counterparties	Amount (see note 2)	% of total Deposits	% of Total Liabilities
1	22	33,68,770.36	NA	71.51%

#### Notes:

1. A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFCNDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
2. The amount represents the outstanding principals as of the reporting date.

### ii) Top 20 large deposits – Not Applicable for 31<sup>st</sup> March, 2023 & 31<sup>st</sup> March, 2022

### iii) Top 10 Borrowings

#### As at 31<sup>st</sup> March, 2023

Amount (see note 1)	% of Total Liabilities
44,72,669.95	61.53%

#### As at 31<sup>st</sup> March, 2022

Amount (see note 1)	% of Total Liabilities
24,31,255.26	51.61%

1. The amount represents the outstanding principals as of the reporting date.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## iv) Funding Concentration based on significant instrument/product

Sr.	Name of the instrument	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
		Amount (see note 3)	% of Total Liabilities	Amount (see note 3)	% of Total Liabilities
1	Term Loan	37,34,866.82	51.38%	21,00,005.16	44.58%
2	Non Convertible Debentures (secured)	16,75,533.77	23.05%	12,53,636.68	26.61%
3	Commercial Paper	6,61,851.38	9.10%	3,13,528.98	6.66%
4	Working capital / short term facilities	4,47,432.54	6.15%	2,45,162.11	5.20%
5	External Commercial Borrowings	1,95,022.40	2.68%	2,41,699.63	5.13%
6	Subordinate Debt	2,23,867.32	3.08%	2,27,622.01	4.83%
<b>Total</b>		<b>69,38,574.23</b>	<b>95.45%</b>	<b>43,81,654.57</b>	<b>93.01%</b>

### Note:

1. A "Significant instrument/product" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFCNDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
2. Above table does not includes Book overdraft.
3. Amount includes accrued interest.

## v) Stock Ratios

Sr No	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
1	Commercial Papers to Total Liabilities	9.10%	6.66%
2	Commercial Papers to Total Assets	7.87%	5.50%
3	NCDs (Original Maturity < 1 year) to Total Liabilities	Nil	Nil
4	NCDs (original Maturity < 1 year) to Total Assets	Nil	Nil
5	Other Short Term Liabilities** to Total Liabilities	27.45%	34.03%
6	Other Short Term Liabilities** to Total Assets	23.72%	28.14%

\*\* Other Short Term Liabilities excludes Commercial Paper as considered in 1 & 2.

## vi) Institutional set-up for liquidity risk management:

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

**NOTE 56: LIQUIDITY COVERAGE RATIO : THE DAILY AVERAGE LCR OF THE COMPANY FOR THE QUARTER ENDED 31<sup>ST</sup> MARCH, 2023 WAS 153% VIS-À-VIS 71% FOR THE QUARTER ENDED 31<sup>ST</sup> MARCH, 2022. THE CALCULATION OF THE LAST FOUR QUARTER AS BELOW.**

**A)**

Sr. No.	Particulars	Quarter ended 31 <sup>st</sup> March, 2023		Quarter ended 31 <sup>st</sup> December, 2022		Quarter ended 30 <sup>st</sup> September, 2022		Quarter ended 30 <sup>st</sup> June, 2022	
		Total Unweighted (Average)	Total Weighted (Average)	Total Unweighted (Average)	Total Weighted (Average)	Total Unweighted (Average)	Total Weighted (Average)	Total Unweighted (Average)	Total Weighted (Average)
	<b>Total High Quality Liquid Assets (HQLA)</b>	4,13,207.80	4,13,207.80	2,26,268.86	2,18,951.17	1,44,603.13	1,24,621.21	1,06,902.57	1,06,902.57
	<b>Cash Outflows</b>								
1	Total High Quality Liquid Assets (HQLA)	4,13,207.80	4,13,207.80	2,26,268.86	2,18,951.17	1,44,603.13	1,24,621.21	1,06,902.57	1,06,902.57
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	2,14,200.85	2,46,330.98	1,96,253.20	2,25,691.18	1,29,870.14	1,49,350.66	1,51,544.34	1,74,275.99
4	Secured wholesale funding	1,32,207.36	1,52,038.47	74,802.26	86,022.60	1,01,313.96	1,16,511.05	82,417.90	94,780.59
5	Additional requirements, of which	-	-	-	-	-	-	-	-
	(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
	(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	4,28,236.78	4,92,472.30	38,899.43	44,734.35	2,32,968.01	2,67,913.21	1,62,799.35	1,87,219.25
7	Other contingent funding obligations	32,009.77	36,811.24	3,00,299.18	3,45,344.05	28,139.31	32,360.20	39,475.79	45,397.16
8	<b>Total Cash Outflows</b>	<b>8,06,654.76</b>	<b>9,27,652.99</b>	<b>6,10,254.07</b>	<b>7,01,792.18</b>	<b>4,92,291.42</b>	<b>5,66,135.12</b>	<b>4,36,237.38</b>	<b>5,01,672.99</b>
	<b>Cash Inflow</b>								
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	2,76,156.39	2,07,117.29	2,31,165.23	1,73,373.93	2,13,769.21	1,60,326.91	1,92,577.78	1,44,433.34
11	Other cash inflows	6,00,726.65	4,50,544.99	6,01,906.56	4,51,429.92	5,37,748.44	4,03,311.33	5,12,296.48	3,84,222.36
12	<b>Total Cash Inflows</b>	<b>8,76,883.04</b>	<b>6,57,662.28</b>	<b>8,33,071.79</b>	<b>6,24,803.85</b>	<b>7,51,517.65</b>	<b>5,63,638.24</b>	<b>7,04,874.26</b>	<b>5,28,655.70</b>
	<b>Total Adjusted Value</b>								
13	<b>Total HQLA</b>	<b>4,13,207.80</b>	<b>4,13,207.80</b>	<b>2,26,268.86</b>	<b>2,18,951.17</b>	<b>1,44,603.13</b>	<b>1,24,621.21</b>	<b>1,06,902.57</b>	<b>1,06,902.57</b>
14	<b>Total Net Cash Outflows</b>	<b>(70,228.28)</b>	<b>2,69,990.71</b>	<b>(2,22,817.72)</b>	<b>1,75,448.04</b>	<b>(2,59,226.24)</b>	<b>1,41,533.78</b>	<b>(2,68,636.88)</b>	<b>1,25,418.25</b>
15	<b>Liquidity Coverage Ratio (%)</b>		<b>153%</b>		<b>125%</b>		<b>88%</b>		<b>85%</b>

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

Sr. No.	Particulars	Quarter ended 31 <sup>st</sup> March, 2022		Quarter ended 31 <sup>st</sup> December, 2021		Quarter ended 30 <sup>th</sup> September, 2021		Quarter ended 30 <sup>th</sup> June, 2021	
		Total Unweighted (Average)	Total Weighted (Average)	Total Unweighted (Average)	Total Weighted (Average)	Total Unweighted (Average)	Total Weighted (Average)	Total Unweighted (Average)	Total Weighted (Average)
<b>Total High Quality Liquid Assets (HQLA)</b>									
1	Total High Quality Liquid Assets (HQLA)	1,74,510.91	1,74,510.91	2,19,542.96	2,19,542.96	1,61,177.91	1,61,177.91	1,07,974.74	1,07,974.74
<b>Cash Outflows</b>									
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	1,03,177.84	1,18,654.52	1,21,401.11	1,39,611.28	2,53,170.57	2,91,146.15	1,13,901.40	1,30,986.61
4	Secured wholesale funding	1,05,875.79	1,21,757.16	53,645.45	61,692.27	76,193.25	87,622.24	1,11,961.72	1,28,755.98
5	Additional requirements, of which	-	-	-	-	-	-	-	-
	(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
	(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	1,40,420.70	1,61,483.81	3,78,963.31	4,35,807.80	1,85,389.56	2,13,198.00	1,33,486.52	1,53,509.50
7	Other contingent funding obligations	1,44,683.95	1,66,386.54	15,809.49	18,180.92	20,072.97	23,083.91	390.65	449.25
8	<b>Total Cash Outflows</b>	<b>4,94,158.27</b>	<b>5,68,282.03</b>	<b>5,69,819.36</b>	<b>6,55,292.27</b>	<b>5,34,826.35</b>	<b>6,15,050.30</b>	<b>3,59,740.29</b>	<b>4,13,701.33</b>
<b>Cash Inflow</b>									
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	1,87,393.40	1,40,545.05	3,16,047.14	2,37,035.36	3,62,216.53	2,71,662.40	2,18,853.67	1,64,140.25
11	Other cash inflows	2,42,426.23	1,81,819.67	1,42,612.90	1,06,959.68	1,67,079.37	1,25,309.52	3,04,666.67	2,16,119.32
12	<b>Total Cash Inflows</b>	<b>4,29,819.63</b>	<b>3,22,364.72</b>	<b>4,58,660.04</b>	<b>3,43,995.04</b>	<b>5,29,295.90</b>	<b>3,96,971.92</b>	<b>5,23,520.34</b>	<b>3,80,259.57</b>
<b>Total Adjusted Value</b>									
13	<b>Total HQLA</b>	<b>1,74,510.91</b>	<b>1,74,510.91</b>	<b>2,19,542.96</b>	<b>2,19,542.96</b>	<b>1,61,177.91</b>	<b>1,61,177.91</b>	<b>1,07,974.74</b>	<b>1,07,974.74</b>
14	<b>Total Net Cash Outflows</b>	<b>64,338.64</b>	<b>2,45,917.29</b>	<b>1,11,159.32</b>	<b>3,11,297.24</b>	<b>5,530.45</b>	<b>2,18,078.38</b>	<b>(1,63,780.05)</b>	<b>1,03,425.33</b>
15	<b>Liquidity Coverage Ratio (%)</b>	71%		71%		74%		104%	

**Notes:**

1. In computing the above information, certain estimates/ assumptions have been made by the Company's management.
2. Unweighted values have been calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).
3. Weighted values have been calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.
4. The calculation has been arrived based on average daily computation.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## B) Qualitative Disclosure

- a) **The main drivers of their LCR results and the evolution of the contribution of inputs to the LCR's calculation over time :** RBI had introduced the liquidity coverage ratio (LCR) to ensure that NBFC has an adequate stock of unencumbered high-quality liquid assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is defined as a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. At March 31, 2023, the applicable minimum LCR required to be maintained by NBFC is 70%.

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk. The ALCO meets at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

- b) **Intra-period changes as well as changes over time:** The details for the four quarter ended 30<sup>th</sup> June 2022, 30<sup>th</sup> September 2022, 31<sup>st</sup> December 2022 and year ended 31<sup>st</sup> March 2023 are disclosed in 56-A).

### c) The composition of HQLAs:

(₹ in Lakh)

High-Quality Liquid Assets (HQLA)	Quarter ended 31 <sup>st</sup> March, 2023		Quarter ended 31 <sup>st</sup> December, 2022		Quarter ended 30 <sup>th</sup> September, 2022		Quarter ended 30 <sup>th</sup> June, 2022	
	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount
<b>Total</b>	<b>4,13,207.80</b>	<b>4,13,207.80</b>	<b>2,26,268.86</b>	<b>2,18,951.17</b>	<b>1,44,603.13</b>	<b>1,24,621.21</b>	<b>1,06,902.57</b>	<b>1,06,902.57</b>
Cash & callable FDs	54,044.41	54,044.41	38,365.16	38,365.16	31,481.29	31,481.29	32,054.34	32,054.34
G-sec/T-bills	1,55,103.78	1,55,103.78	51,395.41	51,395.41	39,202.31	39,202.31	45,903.07	45,903.07
Others	2,04,059.61	2,04,059.61	1,36,508.29	1,29,190.61	73,919.54	53,937.62	28,945.16	28,945.16

(₹ in Lakh)

High-Quality Liquid Assets (HQLA)	Quarter ended 31 <sup>st</sup> March, 2022		Quarter ended 31 <sup>st</sup> December, 2021		Quarter ended 30 <sup>th</sup> September, 2021		Quarter ended 30 <sup>th</sup> June, 2021	
	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount
<b>Total</b>	<b>1,74,510.91</b>	<b>1,74,510.91</b>	<b>2,19,542.96</b>	<b>2,19,542.96</b>	<b>1,61,177.91</b>	<b>1,61,177.91</b>	<b>1,07,974.74</b>	<b>1,07,974.74</b>
Cash & callable FDs	1,00,538.80	1,00,538.80	1,75,271.60	1,75,271.60	1,26,357.83	1,26,357.83	88,122.98	88,122.98
G-sec/T-bills	73,972.11	73,972.11	44,271.36	44,271.36	34,820.08	34,820.08	19,851.75	19,851.75
Others	-	-	-	-	-	-	-	-

### d) Concentration of funding sources

As at 31<sup>st</sup> March, 2023

Name of the Source	% of Total Liabilities
Bank	72.67%
Mutual Fund	8.12%
Insurance	6.79%
PF & Others	6.50%
Corporates	4.47%
FI	1.45%
<b>Total</b>	<b>100.00%</b>

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## As at 31<sup>st</sup> March, 2022

Name of the Source	% of Total Liabilities
Bank	68.23%
Mutual Fund	10.20%
Insurance	10.09%
PF & Others	7.39%
Corporates	1.79%
FII	2.30%
<b>Total</b>	<b>100.00%</b>

- e) **Currency mismatch in the LCR** : The Company has taken foreign currency borrowings. The Company has entered into cross currency swap and forward contracts to hedge the foreign currency risk on such borrowing.
- f) **Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile**: All inflows/ outflows considered relevant has been considered for LCR calculation.

**NOTE 57: Disclosure in terms of RBI Circular - RBI/2018-19/100 DBR.No.BP.BC.18/21.04.048/2018-19 dated 01<sup>st</sup> January, 2019; RBI/2019-20/160 DOR.No.BP.BC.34/21.04.048/2019-20 dated 11<sup>st</sup> February, 2020 ; RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated 06<sup>th</sup> August, 2020; RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated 05<sup>th</sup> May, 2021 (for restructuring of accounts of Micro, Small and Medium Enterprises (MSME) sector- Restructuring of Advances' having exposure less than or equal to ₹ 25 crores).**

(₹ in Lakhs)

Type of Borrower	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No. of accounts restructured	Amount	No. of accounts restructured	Amount
MSMEs	449	50,468.86	2,422	82,593.16

**NOTE 58: DISCLOSURE IN TERMS OF RBI CIRCULAR - RBI/2020-21/16 DOR.NO.BP.BC/3/21.04.048/2020-21 DATED 06<sup>TH</sup> AUGUST, 2020; RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 DATED 05<sup>TH</sup> MAY, 2021.**

**For the half year ended 31<sup>st</sup> March, 2023**

(₹ in Lakhs)

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year i.e 30 <sup>th</sup> September, 2022	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year i.e. 31 <sup>st</sup> March, 2023
Personal Loans	9,736.06	641.23	228.08	1,763.33	7,103.42
Corporate persons*	15,270.27	1,021.95	231.86	1,477.97	12,538.48
Of which MSMEs	15,270.27	1,021.95	231.86	1,477.97	12,538.48
Others	1,712.56	-	-	13.54	1,699.02
<b>Total</b>	<b>26,718.89</b>	<b>1,663.18</b>	<b>459.94</b>	<b>3,254.84</b>	<b>21,340.92</b>

\* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## NOTE 59: DISCLOSURES PURSUANT TO MASTER DIRECTION — RESERVE BANK OF INDIA (TRANSFER OF LOAN EXPOSURES) DIRECTIONS, 2021 IN TERMS OF RBI CIRCULAR RBI/DOR/2021-22/86 DOR.STR. REC. 51/21.04.048/2021-22 DATED 24<sup>TH</sup> SEPTEMBER, 2021.

### (a) (i) Details of Loans not in default that are acquired during the year ended 31<sup>st</sup> March, 2023

Count of Loan Account acquired	1,24,878
Amount of Loan Account acquired (₹ In lakhs)	3,22,220.15
Weighted Average Maturity (Residual maturity) (In Month)	104.00
Weighted Average Holding period (Up to date of acquisition)	12.00
Retention of beneficial economic interest (MRR of assignor)*	7.62%
Coverage of tangible security coverage*	72.72%
Rating wise distribution of loans acquired by value	
A-	10.85%
A	11.79%
A+	0.99%
AA	6.20%
A(SO)	8.26%
A+(SO)	6.82%
BBB-	3.03%
BBB+	2.54%
Unrated	49.52%

\* Ratio is computed basis weighted average of loans acquired.

### (a) (ii) Details of Loans not in default that are transferred during the year ended 31<sup>st</sup> March, 2023:

Count of Loan Account transferred	1
Amount of Loan Account transferred (₹ in lakhs)	7,444.00
Weighted Average Maturity (Residual maturity)	127.00
Weighted Average Holding period (Up to date of acquisition)	22.00
Retention of beneficial economic interest	0.00%
Coverage of tangible security coverage	100%
Rating-wise distribution of rated loans	
A+	100%

### (b) Details of stressed loans transferred during the year ended 31<sup>st</sup> March, 2023:

Particulars	To ARCs	To permitted transferees	To other transferees
No. of accounts	2.00	-	-
Aggregate principal outstanding of loans transferred (₹ In lakhs)	7,340.32	-	-
Weighted average residual tenor of the loans transferred	-	-	-
Net book value of loans transferred (at the time of transfer)	4,672.71	-	-
Aggregate consideration (₹ In lakhs)	4,400.00	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-

Note : Aggregate consideration includes ₹ 2,635 lakhs received from the transferee in the form of security receipt which has been classified as investments.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## NOTE 60: DISCLOSURE IN TERMS OF DIRECTION 73 OF NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK OF INDIA) DIRECTIONS, 2016.

### i) Registration/ license/ authorization obtained from financial sector regulators:

The Company has received certificate of registration as a non-deposit taking systematically important Non-Banking Financial Company from Reserve Bank of India dated 9<sup>th</sup> August, 2011 having COR number N-01.00500 in lieu of earlier COR number B-13.01163 dated 12<sup>th</sup> February, 1999.

The Company is registered with AMFI for distribution of Mutual fund products having certificate number ARN-118681 valid from 04<sup>th</sup> February, 2023 to 03<sup>rd</sup> February, 2026.

### ii) Penalties levied if any during the year: Nil

### iii) Investments

Particulars	(₹ in Lakhs)	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Value of Investments</b>		
(i) Gross Value of Investments		
(a) In India	3,71,595.24	1,69,403.56
(b) Outside India,	-	-
(ii) Provision for Depreciation		
(a) In India	1,325.62	-
(b) Outside India,	-	-
(iii) Net value of Investment		
(a) In India	3,70,269.62	1,69,403.56
(b) Outside India	-	-
<b>Movement of provisions held towards depreciation on investments.</b>		
(i) Opening balance	-	-
(ii) Add : Provisions made during the year	1,325.62	-
(iii) Less : Write-off / write-back of excess provisions during the year	-	-
(iv) Closing balance	1,325.62	-

### iv) Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of P&L	(₹ in Lakhs)	
	31 March, 2023	31 March, 2022
Provisions for depreciation on Investment	1,325.62	-
Provision towards NPA*	38,505.77	18,293.08
Provision made towards Income tax	53,642.63	37,878.58
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets**	14,340.42	(12,929.21)

\*This does not include provision created and written off during the year.

\*\*Represents impairment loss allowance on stage 1 and stage 2 loan assets.

### v) Concentration of Advances

Particulars	(₹ in Lakhs)	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Total Advances to twenty largest borrowers (including interest accrued)	5,53,363.93	4,79,174.37
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	6.88%	8.76%

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## vi) Concentration of Exposures

Particulars	(₹ in Lakhs)	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Total Exposure to twenty largest borrowers / customers (including interest accrued)	5,58,058.06	4,82,844.79
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	6.63%	8.56%

## vii) Concentration of NPAs

Particulars	(₹ in Lakhs)	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Total Exposure to top four NPA (Stage 3) accounts (including interest accrued)	47,189.91	45,614.05

## viii) Sector-wise NPAs (Stage 3)

Sr No.	Sector	(₹ in Lakhs)	
		31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
		Percentage of NPAs (Stage 3 loans) to Total Advances in that sector	Percentage of NPAs (Stage 3 loans) to Total Advances in that sector
1	Agriculture & allied activities	1.18%	5.76%
2	MSME	4.29%	4.50%
3	Corporate borrowers	3.40%	3.88%
4	Services	3.60%	3.16%
5	Unsecured working capital loans	1.99%	7.54%
6	Auto loans	0.00%	0.00%
7	Other personal loans	1.61%	1.81%

## ix) Movement of NPAs (Stage 3)

Particulars	(₹ in Lakhs)	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>(i) Net NPAs to Net Advances (%)</b>	1.70%	2.19%
<b>(ii) Movement of NPAs (Gross Stage 3 assets)</b>		
(a) Opening balance	1,95,603.41	1,42,247.24
(b) Additions during the year	1,16,875.72	1,18,598.55
(c) Reductions during the year	(61,769.26)	(65,242.38)
(d) Closing balance	2,50,709.87	1,95,603.41
<b>(iii) Movement of Net NPAs (Net Stage 3 assets)</b>		
(a) Opening balance	1,18,314.77	83,251.68
(b) Additions during the year	59,692.84	58,909.04
(c) Reductions during the year	(43,092.15)	(23,845.95)
(d) Closing balance	1,34,915.46	1,18,314.77
<b>(iv) Movement of provisions for NPAs (Stage 3 Provision)</b>		
(a) Opening balance	77,288.64	58,995.56
(b) Provisions made during the year	57,182.88	59,689.51
(c) Write-off / write-back of excess provisions	(18,677.11)	(41,396.43)
(d) Closing balance	1,15,794.41	77,288.64

**Note :** 1. The above amounts are including Interest Accrued.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## x) Credit Rating

Instrument	Credit Rating Agency	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Commercial Paper	ICRA Limited	[ICRA] A1+	[ICRA] A1+
	India Ratings & Research Private Limited	IND A1+	IND A1+
Non Convertible Debentures (NCD)	ICRA Limited	[ICRA] AAA Stable	[ICRA] AAA Stable
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable
Sub Debt	CARE Limited	CARE AAA Stable	CARE AAA Stable
	ICRA Limited	[ICRA] AAA Stable	[ICRA] AAA Stable
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable
Unsecured NCD	ICRA Limited	[ICRA] AAA Stable	[ICRA] AAA Stable
Perpetual Debt	ICRA Limited	[ICRA] AA+ Stable	[ICRA] AA+ Stable
	India Ratings & Research Private Limited	IND AA+ Stable	IND AA+ Stable
Principal Protected Market Linked Debenture	India Ratings & Research Private Limited	IND PP-MLD AAA Stable	IND PP-MLD AAA Stable
Public Issue of NCDs	ICRA Limited	[ICRA] AAA Stable	[ICRA] AAA Stable
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable
Long Term Bank Loans	ICRA Limited	[ICRA] A1+ / [ICRA] AAA	[ICRA] A1+ / [ICRA] AAA
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable
Short Term Bank Loans	ICRA Limited	[ICRA] A1+ / [ICRA] AAA	[ICRA] A1+ / [ICRA] AAA
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable

## xi) Customer Complaints

Sr. No.	Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
(a)	No. of complaints pending at the beginning of the year	105	73
(b)	No. of complaints received during the year	4,456	2,666
(c)	No. of complaints redressed during the year	4,351	2,634
(d)	No. of complaints pending at the end of the year	210	105

Note: The above information has been extracted from complaint management system (CMS).

**xii)** During FY 2023, there were no draw down from Reserves (Previous year: Nil)

**xiii)** Overseas assets (for those with joint ventures and subsidiaries abroad): Nil (Previous year: Nil)

**xiv)** Off Balance Sheet SPVs sponsored: Nil (Previous year: Nil)

**xv) Frauds committed against the Company:**

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
No. of cases of fraud which occurred during the year	25	13
Amount involved (₹)	192.21	66.09
Amount recovered (₹)	6.00	12.45
Amount provided/loss (₹)	126.67	55.53

(₹ in Lakhs)

**xvi)** The disclosures given in the above notes pursuant to RBI Notification are only to the extent they are applicable to the Company.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## NOTE 61: DISCLOSURE PURSUANT TO RBI NOTIFICATION NO. DOR (NBFC).CC.PD.NO.109/22.10.106/2019-20 DATED MARCH, 13<sup>TH</sup>, 2020.

As on 31<sup>st</sup> March, 2023

(₹ in Lakhs)						
Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	75,67,191.38	37,273.37	75,29,918.01	34,520.92	2,752.45
	Stage 2	2,08,390.31	7,018.93	2,01,371.38	4,689.25	2,329.68
<b>Subtotal</b>		<b>77,75,581.69</b>	<b>44,292.30</b>	<b>77,31,289.38</b>	<b>39,210.17</b>	<b>5,082.13</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 1	16,132.82	173.51	15,959.31	1,652.10	(1,478.59)
	Stage 2	10,345.41	46.67	10,298.74	1,024.48	(977.81)
	Stage 3	84,482.09	34,049.95	50,432.14	4,207.06	29,842.89
Doubtful - up to 1 year	Stage 3	1,00,102.38	49,918.71	50,183.67	44,876.76	5,041.95
1 to 3 years	Stage 3	42,778.44	22,374.01	20,404.43	14,421.98	7,952.03
More than 3 years	Stage 3	25,981.84	10,769.24	15,212.60	13,059.05	(2,289.80)
<b>Subtotal for doubtful</b>		<b>1,68,862.66</b>	<b>83,061.96</b>	<b>85,800.70</b>	<b>72,357.79</b>	<b>10,704.18</b>
Loss	Stage 3	-	-	-	-	-
<b>Subtotal for NPA</b>		<b>2,79,822.98</b>	<b>1,17,332.09</b>	<b>1,62,490.89</b>	<b>79,241.43</b>	<b>38,090.67</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	8,111.85	29.89	8,081.96	3.44	26.45
	Stage 2	100.00	0.06	99.94	0.40	(0.34)
	Stage 3	200.00	-	200.00	20.00	(20.00)
<b>Subtotal</b>		<b>8,411.85</b>	<b>29.95</b>	<b>8,381.90</b>	<b>23.84</b>	<b>6.11</b>
<b>Total</b>	Stage 1	75,91,436.05	37,476.77	75,53,959.28	36,176.46	1,300.31
	Stage 2	2,18,835.72	7,065.66	2,11,770.06	5,714.13	1,351.53
	Stage 3	2,53,544.75	1,17,111.91	1,36,432.84	76,584.85	40,527.06
	<b>Total</b>	<b>80,63,816.52</b>	<b>1,61,654.34</b>	<b>79,02,162.18</b>	<b>1,18,475.44</b>	<b>43,178.90</b>

### Notes:

- In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22.10.106/2019-20 dated March, 13, 2020 on Implementation of Indian Accounting Standards, Non Banking Finance Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the corporation exceeds the total provision required under IRACP (including standard asset provisioning), as at March, 31, 2023 and accordingly, no amount is required to be transferred to impairment reserve.
- Amounts in NPA that have been classified otherwise than as stage-3 represent loan assets that were restructured but have not completed one year of satisfactory performance as at the reporting date.



# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## As on 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	49,76,890.04	15,959.53	49,60,930.51	22,925.46	(6,965.93)
	Stage 2	2,64,739.13	12,650.36	2,52,088.77	8,527.12	4,123.24
<b>Subtotal</b>		<b>52,41,629.17</b>	<b>28,609.89</b>	<b>52,13,019.28</b>	<b>31,452.58</b>	<b>(2,842.69)</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 1	159.10	0.91	158.19	16.55	(15.64)
	Stage 2	30,836.87	1,532.29	29,304.58	3,207.03	(1,674.74)
	Stage 3	1,15,316.99	44,474.08	70,842.91	9,637.86	34,836.22
Doubtful - up to 1 year	Stage 3	28,171.93	11,614.73	16,557.20	12,216.03	(601.30)
1 to 3 years	Stage 3	41,594.88	17,333.64	24,261.24	14,301.00	3,032.64
More than 3 years	Stage 3	10,519.61	3,866.19	6,653.42	5,313.94	(1,447.75)
<b>Subtotal for doubtful</b>		<b>80,286.42</b>	<b>32,814.56</b>	<b>47,471.86</b>	<b>31,830.97</b>	<b>983.59</b>
Loss	Stage 3	-	-	-	-	-
<b>Subtotal for NPA</b>		<b>2,26,599.38</b>	<b>78,821.84</b>	<b>1,47,777.54</b>	<b>44,692.41</b>	<b>34,129.43</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	11,748.84	39.40	11,709.44	4.00	35.40
	Stage 2	200.00	11.40	188.60	0.80	10.60
	Stage 3	-	-	-	-	-
<b>Subtotal</b>		<b>11,948.84</b>	<b>50.80</b>	<b>11,898.04</b>	<b>4.80</b>	<b>46.00</b>
<b>Total</b>	Stage 1	49,88,797.98	15,999.84	49,72,798.14	22,946.01	(6,946.17)
	Stage 2	2,95,776.00	14,194.05	2,81,581.95	11,734.95	2,459.10
	Stage 3	1,95,603.41	77,288.64	1,18,314.77	41,468.83	35,819.81
<b>Total</b>		<b>54,80,177.39</b>	<b>1,07,482.53</b>	<b>53,72,694.86</b>	<b>76,149.79</b>	<b>31,332.74</b>

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## NOTE 62: INFORMATION IN RESPECT OF RESTRUCTURED ASSETS IN ACCORDANCE WITH REVIEW OF GUIDELINES ON RESTRUCTURING OF ADVANCES BY NBFC (RBI/2013-14/459) DNBS. CO. PD. NO. 367/03.10.01/2013-14.

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:-

(₹ in Lakhs)

Sr. no.	Type of Restructuring Asset Classification Details	Under CDR Mechanism				Under SME Debt Restructuring Mechanism					
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
<b>1</b>	<b>Restructured Accounts at 01<sup>st</sup> April, 2022</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>2</b>	<b>Movement in balance for account appearing in opening balance</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>3</b>	<b>Fresh restructuring during the year ended 31<sup>st</sup> March, 2023</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>4</b>	<b>Upgradations to restructured standard category during the year ended 31<sup>st</sup> March, 2023</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>5</b>	<b>Restructured standard advances at 01<sup>st</sup> April, 2022, which cease to attract higher provisioning and/or additional risk weight at 31<sup>st</sup> March, 2023 and hence need not be shown as restructured standard advances at 01<sup>st</sup> April, 2023</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>6</b>	<b>Downgradations of restructured accounts during the year ended 31<sup>st</sup> March, 2023</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>7</b>	<b>Write-offs of restructured accounts during the year ended 31<sup>st</sup> March, 2023</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>8</b>	<b>Restructured Accounts at 31<sup>st</sup> March, 2023</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-



# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring :

(₹ in Lakhs)

Sr. no.	Type of Restructuring Asset Classification Details	Others				Total					
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
<b>1</b>	<b>Restructured Accounts at 01<sup>st</sup> April, 2022</b>										
	No. of borrowers	9,899	3,715	191	-	13,805	9,899	3,715	191	-	13,805
	Amount outstanding	1,15,769.53	61,505.71	1,962.01	-	1,79,237.25	1,15,769.53	61,505.71	1,962.01	-	1,79,237.25
	Provision thereon	4,420.66	9,580.17	752.45	-	14,753.28	4,420.66	9,580.17	752.45	-	14,753.27
<b>2</b>	<b>Movement in balance for account appearing in opening balance</b>										
	No. of borrowers	(7,070)	(2,003)	(170)	-	(9,243)	(7,070)	(2,003)	(170)	-	(9,243)
	Amount outstanding	(41,165.85)	(15,336.07)	(1,920.18)	-	(58,422.10)	(41,165.85)	(15,336.07)	(1,920.18)	-	(58,422.10)
	Provision thereon	236.53	(959.40)	(730.13)	-	(1,453.00)	236.53	(959.40)	(730.13)	-	(1,453.00)
<b>3</b>	<b>Fresh restructuring during the year ended 31<sup>st</sup> March, 2023</b>										
	No. of borrowers	1	11	-	-	12	1	11	-	-	12
	Amount outstanding	206.21	1,247.33	-	-	1,453.54	206.21	1,247.33	-	-	1,453.54
	Provision thereon	7.24	3.09	-	-	10.33	7.24	3.09	-	-	10.33
<b>4</b>	<b>Upgradations to restructured standard category during the year ended 31<sup>st</sup> March, 2023</b>										
	No. of borrowers	17	(17)	-	-	-	17	(17)	-	-	-
	Amount outstanding	1,006.47	(1,006.47)	-	-	-	1,006.47	(1,006.47)	-	-	-
	Provision thereon	16.49	(16.49)	-	-	-	16.49	(16.49)	-	-	-
<b>5</b>	<b>Restructured standard advances at 01<sup>st</sup> April, 2022, which cease to attract higher provisioning and/or additional risk weight at 31<sup>st</sup> March, 2023 and hence need not be shown as restructured standard advances at 01<sup>st</sup> April, 2023</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>6</b>	<b>Downgradations of restructured accounts during the year ended 31<sup>st</sup> March, 2023</b>										
	No. of borrowers	(289)	107	182	-	-	(289)	107	182	-	-
	Amount outstanding	(11,752.62)	(2,678.04)	14,430.66	-	-	(11,752.62)	(2,678.04)	14,430.66	-	-
	Provision thereon	(3,224.38)	(1,846.83)	5,071.21	-	-	(3,224.38)	(1,846.83)	5,071.21	-	-
<b>7</b>	<b>Write-offs of restructured accounts during the year ended 31<sup>st</sup> March, 2023</b>										
	No. of borrowers	(1,851)	(1,492)	(21)	-	(3,364)	(1,851)	(1,492)	(21)	-	(3,364)
	Amount outstanding	(4,305.85)	(3,162.26)	(41.83)	-	(7,509.94)	(4,305.85)	(3,162.26)	(41.83)	-	(7,509.94)
	Provision thereon	(694.36)	(1,453.49)	(22.32)	-	(2,170.17)	(694.36)	(1,453.49)	(22.32)	-	(2,170.18)
<b>8</b>	<b>Restructured Accounts at 31<sup>st</sup> March, 2023</b>										
	No. of borrowers	707	321	182	-	1,210	707	321	182	-	1,210
	Amount outstanding	59,757.88	40,570.21	14,430.66	-	1,14,758.75	59,757.88	40,570.21	14,430.66	-	1,14,758.75
	Provision thereon	762.17	5,307.05	5,071.21	-	11,140.43	762.17	5,307.05	5,071.21	-	11,140.43

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:-

(₹ in Lakhs)											
Sr. no.	Type of Restructuring Asset Classification Details	Under CDR Mechanism				Under SME Debt Restructuring Mechanism					
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
<b>1</b>	<b>Restructured Accounts at 01<sup>st</sup> April, 2021</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>2</b>	<b>Movement in balance for account appearing in opening balance</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>3</b>	<b>Fresh restructuring during the year ended 31<sup>st</sup> March, 2022</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>4</b>	<b>Upgradations to restructured standard category during the year ended 31<sup>st</sup> March, 2022</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>5</b>	<b>Restructured standard advances at 01<sup>st</sup> April, 2021, which cease to attract higher provisioning and/or additional risk weight at 31<sup>st</sup> March, 2022 and hence need not be shown as restructured standard advances at 01<sup>st</sup> April, 2022</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>6</b>	<b>Downgradations of restructured accounts during the year ended 31<sup>st</sup> March, 2022</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>7</b>	<b>Write-offs of restructured accounts during the year ended 31<sup>st</sup> March, 2022</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>8</b>	<b>Restructured Accounts at 31<sup>st</sup> March, 2022</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring :

(₹ in Lakhs)

Sr. no.	Type of Restructuring Asset Classification Details	Others				Total					
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
<b>1</b>	<b>Restructured Accounts at 01<sup>st</sup> April, 2021</b>										
	No. of borrowers	19,451.00	1,627.00	1.00	-	21,079.00	19,451.00	1,627.00	1.00	-	21,079.00
	Amount outstanding	1,07,375.58	12,081.64	11.16	-	1,19,468.38	1,07,375.58	12,081.64	11.16	-	1,19,468.38
	Provision thereon	4,536.96	2,092.20	5.58	-	6,634.74	4,536.96	2,092.20	5.58	-	6,634.74
<b>2</b>	<b>Movement in balance for account appearing in opening balance</b>										
	No. of borrowers	(1,084.00)	(129.00)	-	-	(1,213.00)	(1,084.00)	(129.00)	-	-	(1,213.00)
	Amount outstanding	(33,277.00)	(1,775.04)	-	-	(35,052.04)	(33,277.00)	(1,775.04)	-	-	(35,052.04)
	Provision thereon	(1,357.85)	(452.61)	-	-	(1,810.46)	(1,357.85)	(452.61)	-	-	(1,810.46)
<b>3</b>	<b>Fresh restructuring during the year ended 31<sup>st</sup> March, 2022</b>										
	No. of borrowers	4,232.00	974.00	4.00	-	5,210.00	4,232.00	974.00	4.00	-	5,210.00
	Amount outstanding	76,866.84	32,929.83	312.69	-	1,10,109.36	76,866.84	32,929.83	312.69	-	1,10,109.36
	Provision thereon	3,228.12	8,418.45	291.97	-	11,938.54	3,228.12	8,418.45	291.97	-	11,938.54
<b>4</b>	<b>Upgradations to restructured standard category during the year ended 31<sup>st</sup> March, 2022</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>5</b>	<b>Restructured standard advances at 1<sup>st</sup> April, 2022, which cease to attract higher provisioning and/or additional risk weight at 31<sup>st</sup> March, 2022 and hence need not be shown as restructured standard advances at 1<sup>st</sup> April, 2022</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>6</b>	<b>Downgradations of restructured accounts during the year ended 31<sup>st</sup> March, 2022</b>										
	No. of borrowers	(2,487.00)	2,300.00	187.00	-	-	(2,487.00)	2,300.00	187.00	-	-
	Amount outstanding	(21,562.73)	19,913.41	1,649.32	-	-	(21,562.73)	19,913.41	1,649.32	-	-
	Provision thereon	(743.89)	283.41	460.48	-	-	(743.89)	283.41	460.48	-	-
<b>7</b>	<b>Write-offs of restructured accounts during the year ended 31<sup>st</sup> March, 2022</b>										
	No. of borrowers	(10,213.00)	(1,057.00)	(1.00)	-	(11,271.00)	(10,213.00)	(1,057.00)	(1.00)	-	(11,271.00)
	Amount outstanding	(13,633.16)	(1,644.13)	(11.16)	-	(15,288.45)	(13,633.16)	(1,644.13)	(11.16)	-	(15,288.45)
	Provision thereon	(1,242.68)	(761.28)	(5.58)	-	(2,009.54)	(1,242.68)	(761.28)	(5.58)	-	(2,009.54)
<b>8</b>	<b>Restructured Accounts at 31<sup>st</sup> March, 2022</b>										
	No. of borrowers	9,899.00	3,715.00	191.00	-	13,805.00	9,899.00	3,715.00	191.00	-	13,805.00
	Amount outstanding	1,15,769.53	61,505.71	1,962.01	-	1,79,237.25	1,15,769.53	61,505.71	1,962.01	-	1,79,237.25
	Provision thereon	4,420.66	9,580.17	752.45	-	14,753.28	4,420.66	9,580.17	752.45	-	14,753.28

**Note:** Amount outstanding includes interest receivable.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## NOTE 63: RELATED PARTY DISCLOSURE Related party transactions

(₹ in Lakhs)

Related Party	Holding/ultimate holding company		Fellow Subsidiaries		Associates of holding company**		Key Management Personnel		Relatives of Director		Directors		Others		Total	
	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022
Borrowings#	-	-	25,704.22	15,466.86	-	-	-	-	-	-	-	-	-	-	25,704.22	15,466.86
Deposits#	-	-	109.85	-	21.69	-	-	-	-	-	-	-	-	-	131.54	-
Placement of deposits#	-	-	283.26	94.60	3.68	-	-	-	-	-	-	-	615.12	615.12	902.06	709.72
Advances#	-	-	26,109.16	4,356.58	-	-	-	-	-	-	-	-	-	-	26,109.16	4,356.58
Investments#	-	-	22,555.12	33.32	-	-	-	-	-	-	-	-	-	-	22,555.12	33.32
Purchase of Aditya Birla Special Situations Fund   *	-	-	21,884.31	-	-	-	-	-	-	-	-	-	-	-	21,884.31	-
Purchase of fixed/other assets	-	-	34.60	27.11	-	-	-	-	-	-	-	-	-	0.56	34.60	27.67
Sale of fixed/other assets	20.97	-	0.65	30.02	-	-	-	-	-	-	-	-	-	-	21.62	30.02
Interest paid	-	-	1,528.36	2,313.06	-	-	-	-	-	-	-	-	-	-	1,528.36	2,313.06
Interest received	-	-	732.90	388.78	-	-	-	-	-	-	-	-	-	-	732.90	388.78
Business support expenses*	3,676.62	2,911.16	2,380.72	1,853.92	-	-	-	-	-	-	-	-	3,828.25	3,162.17	9,885.59	7,927.25
Other transactions	1,360.11	11,293.51	29,383.32	20,028.63	2,840.37	1,488.29	1,215.15	381.66	23.81	-	1,525.46	978.02	42.64	52.15	36,390.86	34,222.26

## Maximum balance outstanding during the year

(₹ in Lakhs)

Related Party	Holding/ultimate holding company		Fellow Subsidiaries		Associates of holding company**		Key Management Personnel		Relatives of Director		Directors		Others		Total	
	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022
Borrowings	-	-	25,704.22	30,898.99	-	-	-	-	-	-	-	-	-	-	25,704.22	30,898.99
Deposits	-	-	109.85	-	21.69	-	-	-	-	-	-	-	-	-	131.54	-
Placement of deposits	-	-	283.26	94.60	3.68	-	-	-	-	-	-	-	615.12	615.12	902.06	709.72
Advances	-	-	26,221.05	4,356.58	-	-	-	-	-	-	-	-	-	-	26,221.05	4,356.58
Investments	-	-	-	-	22,535.12	33.32	-	-	-	-	-	-	-	-	22,535.12	33.32

\* Item shown separately as its total aggregate value exceeds 5% of total related party transactions during the period

\*\* The above number includes transactions with Aditya Birla Health Insurance Company Limited which has become associate w.e.f. 21st Oct 2022. Earlier, it was a fellow subsidiary company. All the figures shown here pertain to respective financial year

# items represents balances outstanding at the end of the reporting period

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## NOTE 64: BREACH OF COVENANT

There are no instances of breach of covenant of loan availed or debt securities issued.

## NOTE 65: DIVERGENCE IN ASSET CLASSIFICATION AND PROVISIONING

(₹ in Lakhs)

Sr. No.	Particulars	31 <sup>st</sup> March, 2022
1	Gross NPAs as reported by the Company	1,95,603.41
2	Gross NPAs as assessed by the Reserve Bank of India	1,95,603.41
3	Divergence in Gross NPAs (2-1)	-
4	Net NPAs as reported by the Company	1,18,314.77
5	Net NPAs as assessed by Reserve Bank of India	1,18,314.77
6	Divergence in Net NPAs (5-4)	-
7	Provisions for NPAs as reported by the Company	77,288.64
8	Provisions for NPAs as assessed by Reserve Bank of India	77,288.64
9	Divergence in provisioning (8-7)	-
10	Reported Profit before tax and impairment loss on financial instruments for the year	2,14,057.64
11	Reported Net Profit after Tax (PAT) for the year ended	1,10,833.06
12	Adjusted (notional) Net Profit after Tax (PAT) for the year ended after considering the divergence in provisioning	1,10,833.06

## NOTE 66: SECTORAL EXPOSURE

(₹ in Lakhs)

Sectors	31 <sup>st</sup> March, 2023			31 <sup>st</sup> March, 2022		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
<b>1. Agriculture and Allied Activities</b>	26,728.93	315.22	1.18%	20,541.38	1,183.70	5.76%
<b>2. Industry (2.1 to 2.4)</b>						
2.1 Micro and Small	5,49,382.02	16,422.84	2.99%	4,25,613.93	23,226.29	5.46%
2.2 Medium	27,539.68	770.20	2.80%	34,645.78	750.00	2.16%
2.3 Large	9,77,873.12	35,437.93	3.62%	7,52,923.19	43,373.71	5.76%
2.4 Others, if any, Please specify	0.00	0.00	0.00%	0.00	0.00	0.00%
<b>Total of Industry</b>	<b>15,54,794.82</b>	<b>52,630.97</b>	<b>3.39%</b>	<b>12,13,182.91</b>	<b>67,349.99</b>	<b>5.55%</b>
<b>3. Services (3.1 to 3.10)</b>						
3.1 Transport Operators	26,555.08	710.73	2.68%	22,834.97	541.95	2.37%
3.2 Computer Software	54,240.27	11,682.91	21.54%	40,386.05	10,759.94	26.64%
3.3 Tourism, Hotel and Restaurants	1,76,179.94	921.88	0.52%	1,71,155.51	1,514.64	0.88%
3.4 Shipping	0.00	0.00	0.00%	0.00	0.00	0.00%
3.5 Professional Services	4,29,707.55	33,148.21	7.71%	3,25,788.38	31,167.96	9.57%
3.6 Trade	4,02,341.31	25,597.68	6.36%	3,55,785.83	21,578.66	6.07%
3.7 Commercial Real Estate	11,32,546.06	26,214.54	2.31%	7,35,650.19	5,962.98	0.81%
3.8 NBFCs	1,96,862.26	9,650.10	4.90%	1,43,817.16	10,739.05	7.47%
3.9 Aviation	0.00	0.00	0.00%	21,504.22	0.00	0.00%
3.10 Other Services	9,17,434.44	19,146.25	2.09%	8,06,391.45	5,053.08	0.63%

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

(₹ in Lakhs)

Sectors	31 <sup>st</sup> March, 2023			31 <sup>st</sup> March, 2022		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
<b>Total of Services</b>	<b>33,35,866.91</b>	<b>1,27,072.30</b>	<b>3.81%</b>	<b>26,23,313.75</b>	<b>87,318.26</b>	<b>3.33%</b>
<b>4. Retail Loans (4.1 to 4.10)</b>						
4.1 Housing Loans (incl. priority sector Housing)	0.00	0.00	0.00%	0.00	0.00	0.00%
4.2 Consumer Durables	0.00	0.00	0.00%	0.00	0.00	0.00%
4.3 Credit Card Receivables	0.00	0.00	0.00%	0.00	0.00	0.00%
4.4 Vehicle/Auto Loans	0.00	0.00	0.00%	0.00	0.00	0.00%
4.5 Education Loans	0.00	0.00	0.00%	0.00	0.00	0.00%
4.6 Advances against Fixed Deposits (incl. FCNR(B), etc.)	0.00	0.00	0.00%	0.00	0.00	0.00%
4.7 Advances to Individuals against Shares, Bonds	3,009.41	-	0.00%	2,920.67	0.96	0.03%
4.8 Advances to Individuals against Gold	0.00	0.00	0.00%	0.00	0.00	0.00%
4.9 Micro finance loan/SHG Loan	0.00	0.00	0.00%	0.00	0.00	0.00%
4.10 Other Retail loans , if any, Please specify	24,52,502.62	65,037.83	2.65%	11,11,255.85	37,194.96	3.35%
<b>Total of Personal Loans</b>	<b>24,55,512.03</b>	<b>65,037.83</b>	<b>2.65%</b>	<b>11,14,176.52</b>	<b>37,195.91</b>	<b>3.34%</b>
<b>5. Other Non-food Credit, if any</b>	<b>6,72,327.59</b>	<b>5,653.56</b>	<b>0.84%</b>	<b>4,96,992.96</b>	<b>2,555.54</b>	<b>0.51%</b>
<b>Total Loans &amp; advances</b>	<b>80,45,230.28</b>	<b>2,50,709.88</b>	<b>3.12%</b>	<b>54,68,207.51</b>	<b>1,95,603.41</b>	<b>3.58%</b>

## NOTE 67: INTRA-GROUP EXPOSURES

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Total amount of intra-group exposures	48,644.28	4,389.90
Total amount of top twenty intra-group exposures	48,644.28	4,389.90
Percentage of intra-group exposures to total exposure of the Company on borrowers/customers	0.58%	0.08%

## NOTE 68: UNHEDGED FOREIGN CURRENCY EXPOSURE

Company does not have any unhedged foreign currency exposures. Please refer Note 52: Risk management.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## NOTE 69: DISCLOSURE OF COMPLAINTS

### (A) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

(₹ in Lakhs)

Sr. No.	Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Complaints received by the Company from its customers</b>			
1	Number of complaints pending at beginning of the year	105	73
2	Number of complaints received during the year	4,456	2,666
3	Number of complaints disposed during the year	4,351	2,634
3.1	Of which, number of complaints rejected by the Company	-	-
4	Number of complaints pending at the end of the year	210	105
<b>Maintainable complaints received by the Company from Office of Ombudsman</b>			
5	Number of maintainable complaints received by the Company from Office of Ombudsman	1,644	766
5.1	Of 5, number of complaints resolved in favour of the Company by Office of Ombudsman	1,582	747
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	62	19
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the Company	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

### (B) Top five grounds of complaints received by the Company from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
<b>31<sup>st</sup> March, 2023</b>					
Bureau Related	31	1764	142%	57	6
Pre-Closure/Closure	37	1117	38%	49	10
Payment Related	14	780	86%	58	12
Alleged Fraud	6	273	194%	15	1
Customer Experience	0	292	1%	18	3
Other	17	230	(30%)	13	5
<b>Total</b>	<b>105</b>	<b>4456</b>	<b>67%</b>	<b>210</b>	<b>37</b>
<b>31<sup>st</sup> March, 2022</b>					
Bureau Related	1	728	215%	31	8
Pre-Closure/Closure	40	808	122%	37	11
Payment Related	7	420	(23%)	14	6
Alleged Fraud	2	93	11%	6	3
Customer Experience	7	290	(62%)	0	0
Other	16	327	17%	17	9
<b>Total</b>	<b>73</b>	<b>2666</b>	<b>18%</b>	<b>105</b>	<b>37</b>

Note : The above disclosure in Note 69 (A) and (B) has been extracted by the Company from complaint management system (CMS).

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## NOTE 70: DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES:

Particulars	(₹ in Lakhs)	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
1. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	288.81	696.87
2. The amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-	-
3. Amounts of the payment made to the suppliers beyond the appointed day during the year; the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-	-
4. The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
5. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

The disclosure regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

## NOTE 71: EXPENDITURE IN FOREIGN CURRENCY

Particulars	(₹ in Lakhs)	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Finance Cost	8,009.78	11,554.27
Employee Benefit Expenses	48.39	20.59
Intangible Assets under Development	40.28	36.37
Legal and Professional Charges	20.43	198.99
Miscellaneous Expenses	12.87	7.98
<b>Total</b>	<b>8,131.75</b>	<b>11,818.20</b>

Unhedged foreign currency payable & receivable as at 31<sup>st</sup> March, 2023 & 31<sup>st</sup> March, 2022 are Nil.

## NOTE 72: DISCLOSURE PERTAINING TO STOCK STATEMENT FILED WITH BANKS OR FINANCIAL INSTITUTIONS

The Company has availed of the facility (Secured borrowing) from the lenders inter alia on the condition that, the company shall provide or create or arrange to provide or have created, security interest by way of a first pari passu charge of the loans.

### Details reported in the quarterly stock statement and as per book of accounts in financial year 2022-2023

Quarter ended	As per Statement filed with Bank	As per Book of accounts
June 2022	50,64,848.25	50,64,848.34
September 2022	57,39,729.70	57,39,730.07
December 2022	64,31,269.35	64,31,268.98
March 2023	73,11,607.37	73,11,607.37

### Details reported in the quarterly stock statement and as per book of accounts in financial year 2021-2022

Quarter ended	As per Statement filed with Bank	As per Book of accounts
June 2021	43,42,495.00	43,48,960.87
September 2021	46,10,894.00	46,26,444.78
December 2021	48,44,432.00	48,16,907.06
March 2022	53,34,821.00	53,35,301.88

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## NOTE 73: EVENTS AFTER REPORTING DATE

There have been no events after the reporting date that require adjustments or disclosure in these financial statements.

**NOTE 74:** Money raised by way of borrowing from bank and financial institution have been applied by the Company for the purposes for which they were raised, other than temporary deployment pending application of proceeds.

## NOTE 75: ULTIMATE BENEFICIARY

No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

No funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

**NOTE 76:** The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

**NOTE 77:** No proceedings have been initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

**NOTE 78:** The Reserve Bank of India vide its press release dated 30<sup>th</sup> September, 2022 has categorised the Company in the Upper layer under Scale Based Regulation (SBR) for NBFCs. The Company is taking necessary steps in complying with the requirements of SBR as applicable.

**NOTE 79:** The company has not defaulted in repayment of principal and interest during the year end and as at Balance sheet date March, 31, 2023

## NOTE 80: AMENDMENTS IN PREVAILING STANDARDS BUT NOT EFFECTIVE

On March, 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015. The effective date for adoption of these amendments is annual period beginning on or after 1<sup>st</sup> April, 2023. The significant amendments are as below.

### (i) Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The Company has evaluated the amendment and the impact of the amendment is insignificant on its financial statements.

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2023

## (ii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The Company has evaluated the amendment and the impact of the amendment is insignificant on its financial statements.

## (iii) Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The Company has evaluated the amendment and the impact of the amendment is insignificant on its financial statements.

**NOTE 81:** The figures for previous year have been regrouped/rearranged/recasted wherever necessary to conform to current period presentation.

As per our report of even date attached.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

ICAI Firm Reg. No: 117366W/W-100018

per **Sanjiv V. Pilgaonkar**

Partner

Membership No: 039826

Place: Mumbai

Date: 09<sup>th</sup> May, 2023

For **Singhi & Co.**

Chartered Accountants

ICAI Firm Reg. No: 302049E

per **Amit Hundia**

Partner

Membership No: 120761

Place: Mumbai

Date: 09<sup>th</sup> May, 2023

For and on behalf of the Board of Directors of

**Aditya Birla Finance Limited**

**Vishakha Mulye**

Director

DIN - 00203578

**Pradeep Agrawal**

Chief Financial Officer

Place: Mumbai

Date: 09<sup>th</sup> May, 2023

**Rakesh Singh**

Managing Director and  
Chief Executive Officer

DIN - 07006067

**Ankur Shah**

Company Secretary

Aditya Birla Housing Finance Limited



**ADITYA BIRLA  
CAPITAL**

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# Independent Auditor's Report

To  
The Members of  
**Aditya Birla Housing Finance Limited**

## REPORT ON THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

### Opinion

- We have audited the accompanying Ind AS Financial Statements of Aditya Birla Housing Finance Limited ('the Company'), which comprise the balance sheet as at 31 March 2023, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information ('the Ind AS Financial Statements').
- In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with
- the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year then ended.
- Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS Financial Statements of the current year. These matters were addressed in the context of our audit of the Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Basis for Opinion

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

### Key Audit Matters

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<b>Provisioning based on Expected Credit Loss model (ECL) under IND AS 109 and testing of Impairment of assets, more particularly the Loan Book of the Company</b>	
	Refer to the accounting policies in 'Note 3.23 to the Ind AS Financial Statements: Expected Credit Loss', 'Note 3.1 to the Ind AS Financial Statements: Revenue Recognition' and 'Note 4.1 to the Ind AS Financial Statements: Impairment of Financial Assets and 'Note 49 to the Ind AS Financial Statements: Risk Management'.	
	<p><b>Subjective estimates:</b></p> <p>Under Ind AS 109, "Financial Instruments", allowance for loan losses are determined using expected credit loss ('ECL') estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates and therefore increased levels of audit focus in the Company's estimation of ECLs, which are as under:</p> <ul style="list-style-type: none"> <li>Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.</li> </ul>	<p><b>Our key audit procedures included:</b></p> <p>Review of Policy/procedures &amp; design/controls</p> <ul style="list-style-type: none"> <li>Minutely going through the Board approved Policy and approach note concerning the assessment of credit and other risks and ascertainment/ageing of 'default' by the borrowers and procedures in relation to stages and ECL computation.</li> <li>Testing key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection and application of probability weights.</li> <li>Assessing the design, implementation and operating effectiveness of key internal financial controls including monitoring process of overdue loans (including those which became overdue after the reporting date), measurement of provision, stage-wise classification of loans, identification of NPA accounts, assessing the reliability of management information.</li> </ul>

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	<ul style="list-style-type: none"> <li>- Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default (“PD”), Loss Given Default (“LGD”), and Exposures at Default (“EAD”). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company’s modelling approach.</li> <li>- Economic scenarios - Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic indicators. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them.</li> </ul> <p>The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers, involving estimations and judgements, with a potential range of reasonable outcomes greater than our materiality for the Ind AS Financial Statements as a whole.</p>	<ul style="list-style-type: none"> <li>- Understanding management’s approach, interpretation, systems and controls implemented in relation to probability of default and stage-wise bifurcation of product-wise portfolios for timely ascertainment of stress and early warning signals.</li> <li>- Testing and review of controls over measurement of provisions and disclosures in the Ind AS Financial Statements.</li> <li>- Involvement of Information system resource to obtain comfort over data integrity and process of report generation through interface of various systems. Walk through the processes which involve manual work to ascertain existence of maker-checker controls</li> <li>- Understanding of models and general economic indicator criteria used for regression testing over data of the loan book.</li> </ul> <p><b>Substantive verification</b></p> <ul style="list-style-type: none"> <li>- Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied.</li> <li>- Model calculations testing through selective re-performance, wherever possible.</li> <li>- Assessing disclosures - Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment of loans (including restructuring related disclosures) in the Ind AS Financial Statements are appropriate and sufficient as also aligned to regulatory requirements.</li> </ul>
<b>2</b>	<p><b>Information Technology</b></p> <p><b>IT systems and controls</b></p> <p>The Company’s financial reporting processes are dependent on technology considering significant number of transactions that are processed daily across multiple and discrete Information Technology (‘IT’) systems. The Financial accounting system of the Company is interfaced with several other IT systems including Loan Management &amp; Originating systems and several other systemic workflows.</p> <p>IT general and application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner. Adequate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to the applications and data. These includes implementation of preventive and detective controls across critical applications and infrastructure.</p>	<p>In course of audit, our focus was on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems. We performed a range of audit procedures, which included:</p> <ul style="list-style-type: none"> <li>- Review of the report of IS Audit carried in earlier year(s) by an independent firm of Chartered Accountants pertaining to IT systems general controls including access rights over applications, operating systems and databases relied upon for financial reporting.</li> <li>- Deployed our internal experts to carry out IT general and specific application Controls testing and identifying gaps, if any.</li> <li>- Our other processes include: <ul style="list-style-type: none"> <li>• selectively recomputing interest calculations and maturity dates;</li> <li>• Selectively re-evaluating masters updation, interface with resultant reports like LTV Report, SUD Report, Portfolio movement Report;</li> </ul> </li> </ul>

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	Due to the pervasive nature of role of information technology systems in financial reporting, in our preliminary risk assessment, we planned our audit by assessing the risk of a material misstatement arising from the technology as significant for the audit, hence the Key Audit Matter.	<ul style="list-style-type: none"> <li>• Selective testing of the interface of SAP FA module with other IT systems like Loan Management System and other workflows.</li> <li>• Testing of the system generated reports and accounting entries manually for core financial reporting matters (i.e. verification around the computer system)</li> <li>• Evaluating the design, implementation and operating effectiveness of the significant accounts-related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission.</li> <li>• Other areas that were independently assessed included password policies, system configurations, system interface controls, controls over changes to applications and databases</li> </ul>

### Other Information

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Ind AS Financial Statements and our auditors' report thereon.
  6. Our opinion on the Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
  7. In connection with our audit of the Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.
- are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the Ind AS Financial Statements, the 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 the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
  10. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

8. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards ('Ind AS') specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that
- are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- ### Auditor's responsibilities for the audit of the Ind AS Financial Statements
11. Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS Financial Statements.
  12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 12.1. Identify and assess the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 12.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Ind AS Financial Statements in place and the operating effectiveness of such controls.
- 12.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- 12.4. Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 12.5. Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
13. 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.
14. 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.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

16. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. As required by Section 143(3) of the Act, we report that:
  - 17.1. 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.
  - 17.2. 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.
  - 17.3. The balance sheet, the statement of profit and loss including other comprehensive income, the statement of changes in equity and the cash flow statement dealt with by this Report are in agreement with the books of account.
  - 17.4. In our opinion, the aforesaid Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act.
  - 17.5. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - 17.6. With respect to the adequacy of the internal financial controls with reference to Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

- 17.7. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.
18. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- 18.1. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its Ind AS Financial Statements – Refer Note 34 to the Ind AS Financial Statements;
- 18.2. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 42 to the Ind AS Financial Statements;
- 18.3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 18.4. The Management has represented, to best of their knowledge and belief, that no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 18.5. The Management has represented, to best of their knowledge and belief, that no funds (which are material either individually or in aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 18.6. Based on such audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representation under para 18.4 and 18.5 contain any material misstatement.
- 18.7. In our opinion and according to the information and explanations given to us, no dividend is declared and / or paid during the year by the Company.
- 18.8. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for the feature of recording of audit trail (edit log) facility in the accounting software used by the Company for maintenance of books of account, which is applicable to the Company from financial year beginning 1 April 2023. The reporting by us under clause (g) of Rule 11 would be done from financial year 2023-24 onwards.

For **KKC & Associates LLP**  
**Chartered Accountants**  
 (formerly Khimji Kunverji & Co LLP)  
 Firm Registration Number: 105146W/W100621

**Hasmukh B Dedhia**  
 Partner  
 ICAI Membership No: 033494  
 UDIN: XXXXXXXXXX

Place: Mumbai  
 Date: 27 April 2023

# Annexure 'A'

to the Independent Auditor's Report

Report on the Financial Statements of **Aditya Birla Housing Finance Ltd** for the year ended 31 March 2023

(Referred to in paragraph 16 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

The Company is maintaining proper records showing full particulars of intangible assets.

- (b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain PPE were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year.

- (e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The Company is in the business of providing loans and does not have any physical inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to it.
- (b) In our opinion and according to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of rupees five crore, in aggregate, from banks or financial institutions which are secured on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- iii. (a) Since the Company's principal business is to give loans, the provisions of clause 3(iii)(a) of the Order are not applicable to it.
- (b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the terms and conditions of the grant of all loans and advances, investments made are not observed to be prejudicial to the Company's interest.
- (c)&(d) The company, being a Housing Finance Company ('HFC'), registered under provisions of National Housing Bank Act, 1987 (as amended) and rules made thereunder, in pursuance of its compliance with provisions of the said Act/ Rules, particularly, the Income Recognition, Asset

Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its borrowers as stipulated. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note 8.1 to the Financial Statements for summarised details of such loans/ advances which are not repaid by borrowers as per stipulations as also details of reasonable steps taken by the Company for recovery thereof.

- (e) Since the Company's principal business is to give loans, the provisions of clause 3(iii)(e) of the Order are not applicable to it.
- (f) Based on our audit procedures and the information and explanations made available to us, the Company has not granted any loans or advances in the nature of loans to Promoters/Related Parties (as defined in section 2(76) of the Act which are either repayable on demand or without specifying any terms or period of repayment.
- iv. According to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees in contravention of provisions of Section 185 of the Act. The Company has complied with the provisions of Section 186(1) of the Act; as informed, the other provisions of Section 186 of the Act are not applicable to it.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections

73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

- vi. The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of the clause (vi) of the Order is not applicable.
- vii. (a) In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues have been regularly deposited by the Company with the appropriate authorities .

According to the information and explanations given to us, no undisputed amounts payable in respect of above statutes were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

- (b) In our opinion and according to the information and explanations given to us, we confirm that the following dues of income-tax have not been deposited to/with the appropriate authority on account of any dispute. No dues of Goods and Services Tax, provident fund, employees' state insurance, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, remain to be deposited to/with the appropriate authority on account of any dispute.

Name of the Statute	Nature of the Dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax Demand	Rs. 304.95	AY 2020-21	CIT(A)	
Income Tax Act, 1961	Income Tax Demand	Rs. 362.90	AY 2021-22	CIT(A)	

- viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained, other than temporary parking of funds for few days pending utilization towards purpose for which the same are obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company and further considering the Asset Liability management mechanism of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes.
- (e) The Company does not have any subsidiaries, associates, or joint ventures. Accordingly, the provisions of the clauses (ix)(e) & (f) of the Order are not applicable.
- x. (a) The Company did not raise money by way of an initial public offer or further public offer (including debt instruments) during the year.
- (b) The Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the course of our audit, other than the instances of fraud noticed and reported by the management in terms of the regulatory provisions applicable to the Company. Also refer Note 5.5 to the Financial Statements.
- (b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the Management, there are no whistleblower complaints received by the Company during the year.

- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards (Ind AS).
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.  
(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company, being a Housing Finance Company is registered with the National Housing Bank ('NHB') and hence, as informed by the management, it is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.  
(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company ('CIC') as defined under the Regulations by the Reserve Bank of India ('RBI')
- (d) According to the information and explanations provided to us, the Group to which Company belongs (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has one CIC which is registered with RBI and, two CICs which are in process of being registered with RBI.
- xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly paragraph 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, along with details provided in Note 49 to the financial statements which describe the maturity analysis of assets & liabilities and other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is

based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) According to the information and explanations given to us and based on our examination of the records of the Company, it is not required to transfer any unspent amount pertaining to the year under report to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub section 5 of section 135 of the said Act.
- (b) According to the information and explanations given to us and based on our examination of the records of

the Company, there is no amount which is remaining unspent under sub-section (5) of the section 135 of the Act pursuant to any ongoing project.

For **KKC & Associates LLP**

**Chartered Accountants**

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

**Hasmukh B Dedhia**

Partner

ICAI Membership No: 033494

UDIN: XXXXXXXXXX

Place: Mumbai

Date: 27 April 2023

# Annexure 'B'

to the Independent Auditors' report

(Referred to in paragraph '17.6' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

### Opinion

1. We have audited the internal financial controls with reference to the IND AS Financial Statements of Aditya Birla Housing Finance Limited ("the Company") as at 31 March 2023 in conjunction with our audit of the IND AS Financial Statements of the Company for the year ended on that date.
2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the IND AS Financial Statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

### Management's responsibility for Internal Financial Controls

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's responsibility

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the IND AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the IND AS Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the IND AS Financial Statements were established and maintained and whether such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the IND AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the IND AS Financial Statements included obtaining an understanding of internal financial controls with reference to the IND AS Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the IND AS Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the IND AS Financial Statements.

### Meaning of Internal Financial Controls with reference to the IND AS Financial Statements

7. A company's internal financial controls with reference to the Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of IND AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the IND AS Financial Statements include 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 IND AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company ; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

### Inherent Limitations of Internal Financial Controls with reference to the IND AS Financial Statements

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

For **KKC & Associates LLP**

**Chartered Accountants**

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

**Hasmukh B Dedhia**

Partner

ICAI Membership No: 033494

UDIN: XXXXXXXXXX

Place: Mumbai

Date: 27 April 2023

# Balance sheet

as at March 31, 2023

(₹ in lakh)			
Particulars	Note No.	As at March 31, 2023 Audited	As at March 31, 2022 Audited
<b>ASSETS</b>			
<b>(1) FINANCIAL ASSETS</b>			
(a) Cash and cash equivalents	5	20,474.22	55,695.10
(b) Derivative financial instruments	6	18.55	1,420.03
(c) Receivables			
(i) Trade receivables	7	391.00	1,224.70
(ii) Other receivables	7	109.13	53.56
(d) Loans	8	13,55,696.21	11,89,546.08
(e) Investments	9	12,536.72	-
(f) Other financial assets	10	796.38	306.29
		<b>13,90,022.21</b>	<b>12,48,245.76</b>
<b>(2) NON- FINANCIAL ASSETS</b>			
(a) Current tax assets (Net)		1,543.04	232.75
(b) Deferred tax assets (Net)	11	5,750.34	5,372.56
(c) Property, plant and equipment	12	1,721.99	830.69
(d) Right to use assets	14	3,941.19	1,921.43
(e) Intangible assets under development	13.2	469.51	61.42
(f) Other intangible assets	13	1,076.47	561.33
(g) Other non-financial assets	15	2,689.98	1,844.16
		<b>17,192.52</b>	<b>10,824.34</b>
<b>TOTAL ASSETS</b>		<b>14,07,214.73</b>	<b>12,59,070.10</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) FINANCIAL LIABILITIES</b>			
(a) Payables			
Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	16	25.75	49.22
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	16	2,174.52	2,776.70
(b) Debt securities	17	2,69,356.34	2,19,114.54
(c) Borrowings other than debt securities	18	8,90,155.86	8,18,218.60
(d) Subordinated liabilities	19	34,211.43	34,191.81
(e) Lease Liability	20	3,952.04	2,019.30
(f) Other financial liabilities	21	8,707.41	8,953.04
		<b>12,08,583.35</b>	<b>10,85,323.21</b>
<b>(2) NON- FINANCIAL LIABILITIES</b>			
(a) Current tax liabilities (Net)		-	11.11
(b) Provisions	22	1,024.41	948.44
(c) Other non-financial liabilities	23	807.10	688.26
		<b>1,831.51</b>	<b>1,647.81</b>
<b>TOTAL LIABILITIES</b>		<b>12,10,414.86</b>	<b>10,86,971.02</b>
<b>(3) EQUITY</b>			
(a) Equity share capital	24	50,119.77	50,119.77
(b) Other equity	25	1,46,680.10	1,21,979.31
<b>TOTAL EQUITY</b>		<b>1,96,799.87</b>	<b>1,72,099.08</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>14,07,214.73</b>	<b>12,59,070.10</b>

See accompanying notes forming part of the financial statements.

In terms of our report attached  
For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji Co & LLP)  
ICAI Firm Registration No: : 105146W/W100621

For and on behalf of the Board of Directors of  
**Aditya Birla Housing Finance Limited**

**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

**Vishakha Mulye**  
Director  
DIN: 00203578

**Pankaj Gadgil**  
Managing Director and Chief Executive Officer  
DIN: 08521239

**Ashish Damani**  
Chief Financial Officer

**Swati Singh**  
Company Secretary

Place: Mumbai  
Date: 27<sup>th</sup> April 2023

Place: Mumbai  
Date: 27<sup>th</sup> April 2023

# Statement of Profit and Loss

for the period ended March 31, 2023

(₹ in lakh)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Revenue from operations</b>			
Interest income	26	1,36,397.92	1,18,567.54
Fees and commission income		3,783.22	2,713.99
Net gain on fair value changes	27	343.68	234.19
<b>I Total revenue from operations</b>		<b>1,40,524.82</b>	<b>1,21,515.72</b>
II Other income	29	219.95	108.60
<b>III Total income (I+II)</b>		<b>1,40,744.77</b>	<b>1,21,624.32</b>
<b>EXPENSES</b>			
Finance costs	30	74,836.99	69,493.52
Net loss on derecognition of financial instruments classified under amortised cost category	28	1,843.82	1,023.69
Impairment of financial instruments	31	5,392.51	6,446.77
Employee benefit expenses	32	17,900.77	13,173.98
Depreciation, amortization and impairment	12, 13 & 14	1,588.49	1,003.10
Other expenses	33	8,329.67	5,158.14
<b>IV Total expenses</b>		<b>1,09,892.25</b>	<b>96,299.20</b>
<b>V Profit before tax (III-IV)</b>		<b>30,852.52</b>	<b>25,325.12</b>
<b>VI Tax expenses</b>			
(1) Current tax	11	7,394.08	7,108.81
(2) Deferred tax	11	(560.16)	(1,594.41)
(3) Income tax for earlier years	11	(74.47)	81.43
<b>Total tax expenses</b>		<b>6,759.45</b>	<b>5,595.83</b>
<b>VII Profit for the year (V-VI)</b>		<b>24,093.07</b>	<b>19,729.29</b>
<b>VIII Other comprehensive income</b>			
(1) Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		59.71	67.66
Income tax relating to the items that will not be reclassified to profit or loss	11	(15.03)	(17.03)
		<b>44.68</b>	<b>50.63</b>
(2) Items that will be reclassified to profit or loss			
Re-measurement gains/ (losses) on hedge instruments		664.93	539.71
Income tax relating to the items that will not be reclassified to profit or loss	11	(167.35)	(135.83)
		<b>497.58</b>	<b>403.88</b>
<b>Other comprehensive income</b>		<b>542.26</b>	<b>454.51</b>
<b>IX Total comprehensive income for the year (VII+VIII) (Comprising profit and other comprehensive income for the year)</b>		<b>24,635.33</b>	<b>20,183.80</b>
<b>X Earnings per equity share of Rs. 10 each</b>			
Basic & diluted earnings per equity share	37	4.81	3.94

See accompanying notes forming part of the financial statements.

In terms of our report attached  
For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji Co & LLP)  
ICAI Firm Registration No: : 105146W/W100621

For and on behalf of the Board of Directors of  
**Aditya Birla Housing Finance Limited**

**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

**Vishakha Mulye**  
Director  
DIN: 00203578

**Pankaj Gadgil**  
Managing Director and Chief Executive Officer  
DIN: 08521239

**Ashish Damani**  
Chief Financial Officer

**Swati Singh**  
Company Secretary

Place: Mumbai  
Date: 27<sup>th</sup> April 2023

Place: Mumbai  
Date: 27<sup>th</sup> April 2023

# Cash Flow Statement

for the year months ended March 31, 2023

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. Cash flow from operating activities</b>		
(a) Profit before tax	30,852.52	25,325.12
<b>Adjustments for:</b>		
Depreciation and amortisation	1,588.49	1,003.10
Interest on lease liability	219.11	139.71
Profit on surrender of lease liability/ income from rent concession	(98.44)	(21.93)
Impairment on financial instruments including loss on derecognition of financial assets at amortised cost	7,236.33	7,470.46
Expense on Employee Stock Options Scheme	65.46	-
Net gain on Fair value changes	(343.68)	(234.19)
Loss/ (profit) on derecognition of property, plant and equipment	(16.33)	0.44
<b>(b) Operating profit before working capital changes</b>	<b>39,503.46</b>	<b>33,682.71</b>
<b>Adjustments for:</b>		
Decrease/(increase) in trade receivables	778.13	(840.41)
Decrease/(increase) in loans	(1,73,386.46)	(16,753.83)
Decrease/(increase) in other financial assets	(490.09)	707.08
Decrease/(increase) in derivative financial instruments	2,066.41	(1,187.05)
Decrease/(increase) in other assets	(987.10)	(698.97)
(Decrease)/increase in trade payables	(625.65)	(615.16)
(Decrease)/increase in provisions	135.68	192.67
(Decrease)/increase in other financial liabilities	(333.81)	(3,053.24)
(Decrease)/increase in other liabilities	118.84	399.07
<b>(c) Cash from operating activities</b>	<b>(1,33,220.59)</b>	<b>11,832.87</b>
Direct taxes paid (net of refund)	(8,641.01)	(7,323.96)
<b>Net cash from operating activities (A)</b>	<b>(1,41,861.60)</b>	<b>4,508.91</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment, acquisition of intangible assets	(2,742.83)	(865.67)
Proceeds from sale of property, plant and equipment	22.20	22.05
Profit on sale of current investments	103.97	355.07
(Purchase)/sale of current investments (net)	(12,297.01)	9,999.50
<b>Net cash used in investing activities (B)</b>	<b>(14,913.67)</b>	<b>9,510.95</b>

# Cash Flow Statement (Contd.)

for the year months ended March 31, 2023

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>C. Cash flow from financing activities</b>		
Payment of lease liability	(741.64)	(436.20)
Proceeds from long term borrowings	3,55,000.00	55,957.49
Repayment of long term borrowings	(2,70,956.05)	(71,969.67)
Net proceeds/ (repayment) for short term borrowings	38,252.08	20,386.28
<b>Net cash used in financing activities (C)</b>	<b>1,21,554.39</b>	<b>3,937.90</b>
<b>D. Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(35,220.88)</b>	<b>17,957.76</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>55,695.10</b>	<b>37,737.34</b>
<b>F. Cash and cash equivalents at the end of the year*</b>	<b>20,474.22</b>	<b>55,695.10</b>
Interest received	1,35,149.01	1,15,277.75
Interest paid	79,989.08	86,489.37

\*Includes current account balance of ₹204.99 lakh (March 31, 2022: ₹32,002.46 lakh) are earmarked for disbursement of loan in affordable segment.

See accompanying notes forming part of the financial statements.

In terms of our report attached  
 For **KKC & Associates LLP**  
 Chartered Accountants  
 (formerly Khimji Kunverji Co & LLP)  
 ICAI Firm Registration No: : 105146W/W100621

For and on behalf of the Board of Directors of  
**Aditya Birla Housing Finance Limited**

**Hasmukh B. Dedhia**  
 Partner  
 Membership No: 033494

**Vishakha Mulye**  
 Director  
 DIN: 00203578

**Pankaj Gadgil**  
 Managing Director and Chief Executive Officer  
 DIN: 08521239

**Ashish Damani**  
 Chief Financial Officer

**Swati Singh**  
 Company Secretary

Place: Mumbai  
 Date: 27<sup>th</sup> April 2023

Place: Mumbai  
 Date: 27<sup>th</sup> April 2023

# Statement of Changes in Equity

for the year ended March 31, 2023

## A. EQUITY SHARE CAPITAL

(₹ in lakh)

	As at March 31, 2023		As at March 31, 2022	
	No.'s	Amount	No.'s	Amount
Equity shares of ₹10 each issued, subscribed and fully paid				
<b>As at beginning of the year</b>	<b>50,11,97,682</b>	<b>50,119.77</b>	<b>50,11,97,682</b>	<b>50,119.77</b>
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	50,11,97,682	50,119.77	50,11,97,682	50,119.77
Changes in equity share capital during the current year	-	-	-	-
<b>As at end of the year</b>	<b>50,11,97,682</b>	<b>50,119.77</b>	<b>50,11,97,682</b>	<b>50,119.77</b>

## B. OTHER EQUITY

(₹ in lakh)

	Reserves & surplus				Items of other comprehensive income		Total other equity
	Securities premium	Retained earnings	Special reserve u/s 29C of The National Housing Bank Act, 1987	Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	Employee stock option outstanding reserve	Cash flow hedge reserve	
<b>Balance as at April 01, 2021</b>	71,582.21	23,995.30	328.85	6,790.61	-	(901.45)	1,01,795.52
Profit for the year	-	19,729.29	-	-	-	-	19,729.29
Other comprehensive income	-	50.63	-	-	-	403.87	454.50
<b>Total comprehensive income</b>	-	<b>19,779.92</b>	-	-	-	<b>403.87</b>	<b>20,183.79</b>
Transfer to special reserve u/s 29C of The National Housing Bank Act, 1987	-	(214.49)	214.49	-	-	-	-
Transfer to reserve u/s 36(1)(viii) of the Income Tax Act, 1961	-	(3,731.36)	-	3,731.36	-	-	-
Less: Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of provision u/s 29C of the National Housing Bank Act, 1987	-	-	-	-	-	-	-
Addition on issue of shares during the year	-	-	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>71,582.21</b>	<b>39,829.37</b>	<b>543.34</b>	<b>10,521.97</b>	-	<b>(497.58)</b>	<b>1,21,979.31</b>



# Statement of Changes in Equity (Contd.)

for the year ended March 31, 2023

(₹ in lakh)

	Reserves & surplus				Items of other comprehensive income		Total other equity
	Securities premium	Retained earnings	Special reserve u/s 29C of The National Housing Bank Act, 1987	Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	Employee stock option outstanding reserve	Cash flow hedge reserve	
<b>Balance as at April 01, 2022</b>	71,582.21	39,829.37	543.34	10,521.97	-	(497.58)	1,21,979.31
Profit for the year	-	24,093.07	-	-	-	-	24,093.07
Other comprehensive income/ (losses)	-	44.68	-	-	-	497.58	542.26
<b>Total comprehensive income</b>	-	<b>24,137.75</b>	-	-	-	<b>497.58</b>	<b>24,635.33</b>
Transfer to special reserve u/s 29C of National Housing Bank Act, 1987	-	(665.91)	665.91	-	-	-	-
Transfer to reserve u/s 36(1)(viii) of the Income Tax Act, 1961	-	(4,152.71)	-	4,152.71	-	-	-
Less: Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of provision u/s 29C of the National Housing Bank Act, 1987	-	-	-	-	-	-	-
Transfer to ESOP reserve on account of Employee stock option plan	-	-	-	-	65.46	-	65.46
<b>Balance as at March 31, 2023</b>	<b>71,582.21</b>	<b>59,148.50</b>	<b>1,209.25</b>	<b>14,674.68</b>	<b>65.46</b>	-	<b>1,46,680.10</b>

See accompanying notes forming part of the financial statements.

In terms of our report attached  
For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji Co & LLP)  
ICAI Firm Registration No: : 105146W/W100621

**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

Place: Mumbai  
Date: 27<sup>th</sup> April 2023

For and on behalf of the Board of Directors of  
**Aditya Birla Housing Finance Limited**

**Vishakha Mulye**  
Director  
DIN: 00203578

**Ashish Damani**  
Chief Financial Officer

Place: Mumbai  
Date: 27<sup>th</sup> April 2023

**Pankaj Gadgil**  
Managing Director and Chief Executive Officer  
DIN: 08521239

**Swati Singh**  
Company Secretary

# Notes to the financial statements

for the year ended March 31, 2023

## 1 CORPORATE INFORMATION

Aditya Birla Housing Finance Limited (the 'Company' or 'ABHFL') is a Public Company domiciled in India and incorporated on 27<sup>th</sup> July, 2009. The Company has received a Certificate of Registration from the National Housing Bank ('NHB') on 9<sup>th</sup> July, 2014 to commence / carry on the business of Housing Financial Institution ('HFC') without accepting public deposits.

## 2 BASIS OF PREPARATION AND PRESENTATION

- 2.1 The accompanying financial statements have been prepared and presented under the historical cost convention except for certain financial assets and liabilities measured at fair value; and defined benefit plans where plan assets are measured at fair value, in accordance with accounting principles generally accepted in India, the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') and (Companies (Indian Accounting Standards) Rules, 2015) along with other relevant provisions of the Act, the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC. CC.No.120/03.10.136/2020-21, 17 February, 2021 ('the RBI Master Directions') and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI.

The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Company has changed the classification of certain items. Previous period/year figures have been re-grouped or reclassified, to confirm to such current period grouping / classifications. There is no impact on Equity or Net Loss due to these regrouping / reclassifications.

Amounts in the financial statements are presented in Indian Rupees in lakh rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupee to two decimal places.

## 2.2 Presentation of financial statements

The Company presents its balance sheet in order of liquidity in compliance with requirements of Schedule III of the Companies Act 2013 ("the Act") applicable for Non Banking Finance Companies ("NBFC"). An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note 49.

The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting standards.

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 3.1 Recognition of interest income

#### 3.1.1 The effective interest rate method

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Any fees collected or costs incurred in respect of financial instruments form an integral part of the EIR.

#### 3.1.2 Interest income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

# Notes to the financial statements

for the year ended March 31, 2023

When a financial asset becomes credit-impaired (as set out in note 3.23) and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Interest income on all trading assets and other financial assets which are required to be measured at FVTPL is recognised using the contractual interest rate in net gain on fair value changes.

Delayed payment interest (penal interest and the like) levied on customers for delay in repayments/ non payment of contractual cashflows is recognised on realisation.

## 3.2 Recognition of income and expenses

### 3.2.1 Fee and commission income

Fee and commission income include fees other than those that are an integral part of EIR. The Company recognises the fee and commission income in accordance with the terms of the relevant contracts / agreement and when it is probable that the Company will collect the consideration.

### 3.2.2 Dividend income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the dividend is established.

## 3.3 Property, plant and equipment

All items of property, plant and equipment (PPE) are stated at historical cost, net of accumulated depreciation and impairment loss if any. The cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

## Depreciation methods, estimated useful lives and residual value

Depreciation is provided on straight line basis so as to write off the cost of the assets (other than freehold land) less their residual values, using the rates arrived at based on the useful lives estimated by the Management. The Company has used the following useful life to provide depreciation on its property, plant and equipment.

Asset	Useful life as prescribed by Schedule II of the Co's Act, 2013	Estimated useful life
Office computers and electronic equipment	3 years	4 Years
Vehicles	8 years	5 Years
Furniture, fixtures and other office equipment	10 years	7 Years
Buildings	60 years	60 years
Leasehold improvements	Over the primary period of the lease	Over the primary period of the lease or 3 years; whichever is lower

Useful life of assets different from as prescribed in Schedule II has been estimated by management and is supported by the technical assessment. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on assets whose cost individually does not exceed Rs. 5,000/- is fully provided in the year of purchase.

Depreciation on assets acquired / sold during the year is recognised on a pro-rata basis to the statement of profit and loss from/ till the date of acquisition or sale.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress".

## 3.4 Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

# Notes to the financial statements

for the year ended March 31, 2023

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over a period of 3 years or its useful life whichever is lower.

Amortization on the intangible assets added/disclosed off/discarded during the year is provided on pro-rata basis with reference to the month of addition/disposal/discarding.

The amortization period and the amortization method are reviewed at least at each financial year end. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

## Intangible assets under development

Expenditure on Research and/or development eligible for capitalisation are carried as intangible assets under development where such assets are not yet ready for their intended use.

## 3.5 Impairment of non financial assets

The Company assesses at each reporting date whether there is an indication that a non financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and the resulting impairment loss is charged to the statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of

the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

## 3.6 Taxes

### 3.6.1 Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the Indian Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

### 3.6.2 Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

# Notes to the financial statements

for the year ended March 31, 2023

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

## 3.7 Retirement and other employee benefits

### 3.7.1 Short term employee benefits

Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

### 3.7.2 Defined contribution plan

Retirement benefit in the form of Government managed Employee Provident Fund and Government managed Employee Pension Fund are the defined contribution schemes. The Company has no obligation, other than the contribution payable to the respective schemes which are recognised as an expense, when an employee renders the related service.

### 3.7.3 Defined benefit plan

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The Company's liabilities under Payment of Gratuity Act and compensated absences are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

Remeasurements, comprising of actuarial gains and losses on retirement benefits arising from experience adjustments and changes in actuarial assumptions are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

# Notes to the financial statements

for the year ended March 31, 2023

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- Net interest expense or income.

## 3.7.4 Long term incentive benefit

Other long term incentive benefits includes future encashment or availment, at the option of the employee subject to the rules framed by the Company which are expected to be availed or encashed beyond 12 months from the end of the year and long term incentive payable to employees on fulfilment of criteria prescribed by the Company.

## 3.7.5 Termination benefits

Termination benefits such as compensation under employee separation schemes are recognised as expense when the Company's offer of the termination benefit is accepted or when the Company recognises the related restructuring costs whichever is earlier.

## 3.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur at amortised cost using EIR. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## 3.9 Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with banks with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

## 3.10 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

## 3.11 Provisions, contingent liabilities and contingent assets

Provisions are recognized when there is a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date.

Contingent liability is disclosed in case when a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation and a present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

# Notes to the financial statements

for the year ended March 31, 2023

Contingent assets are not recognised in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

## 3.12 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for;
- b) Uncalled liability on shares and other investments partly paid;
- c) Funding related commitment to associate and joint venture companies; and
- d) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.”

## 3.13 Leases

### 3.13.1 Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes right – of – use (“ROU”) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve

months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value – in – use) is determined on an individual asset basis unless the asset generates cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

# Notes to the financial statements

for the year ended March 31, 2023

## 3.13.2 Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

## 3.14 Special reserve

The Company creates special reserve every year out of its profits in terms of Section 29C of the National Housing Bank Act, 1987. For this purpose any special reserve created by the Company under Section 36(1) (viii) of the Income- tax Act, 1961 is considered to be an eligible transfer.

## 3.15 Securities premium

Securities premium is recognised for shares issued at premium. The issue expenses of securities which qualify as equity instruments are written off against securities.

## 3.16 Financial instruments – initial recognition

### 3.16.1 Date of recognition

Financial assets and liabilities, with the exception of loans, debt securities and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans are recognised when funds are transferred to the customers' account. The Company recognises debt securities and borrowings when funds reach the Company.

### 3.16.2 Initial measurement of financial instruments

Financial assets and financial liabilities are initially recognised when the company becomes party to the

contractual provisions of the instruments. All financial instruments are recognised initially at fair value, with the exception of trade receivables. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on trade date while, loans and borrowings are recognised net of directly attributable transactions costs.

### 3.16.3 Day 1 profit or loss

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

### 3.16.4 Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either amortised cost, Fair Value through Other Comprehensive Income (FVOCI) and Fair Value through Profit or Loss (FVTPL).

## 3.17 Financial assets and liabilities

### 3.17.1 Bank balances & Loans at amortised cost

The Company measures Bank balances and Loans at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

# Notes to the financial statements

for the year ended March 31, 2023

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

### 3.17.2 Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR. A compound financial instrument which contains both a liability and an equity component is separated at the issue date.

### 3.17.3 Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

- 1 The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis.
- 2 The liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.
- 3 The liabilities containing one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

Financial assets and financial liabilities at FVTPL are recorded in the balance sheet at fair value. However, trade receivables that do not contain a significant financing component are initially measured at transaction price. Changes in fair value are recorded in profit and loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Company's own credit risk. Such changes in fair value are recorded in the Own credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or finance cost, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

### 3.17.4 Undrawn loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Company is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of the ECL requirements.

The nominal contractual value of undrawn loan commitments, where the loan agreed to be provided is on market terms, are not recorded in the balance sheet.

### 3.18 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities in FY 2022-23 and FY 2021-22.

### 3.19 Modification and derecognition of financial asset

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset.

# Notes to the financial statements

for the year ended March 31, 2023

A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. When a financial asset is modified the Company assesses whether this modification results in derecognition.

In the case where the financial asset is derecognised the loss allowances for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms may lead to a gain or loss on derecognition. The new financial asset may have a loss allowance measured based on 12-month ECL except where the new loan is considered to be originated-credit impaired. When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Company determines if the financial asset's credit risk has increased significantly since initial recognition."

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

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

## 3.20 Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original

financial liability and the consideration paid is recognised in profit or loss.

## 3.21 Repossession of Collaterals

To mitigate the credit risk on financial assets, the Company seeks to use collateral, as per the powers conferred on the HFC under SARFAESI act. In its normal course of business, the Company does not physically repossess properties or other assets in its portfolio, but engages external agents to recover funds, generally at auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, the residential properties under legal repossession processes are not recorded on the balance sheet and not treated as non-current assets held for sale.

## 3.22 Derivatives and hedging activities

Derivatives are only used for economic hedging purposes and not as a speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVTPL.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Company designates certain derivatives as either: hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value changes) hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges), or hedges of a net investment in a foreign operation (net investment hedges).

At inception of the hedge relationship, the Company documents the economic relationship between hedging instruments and hedged items including whether the changes in the cash flows of the hedging instrument are expected to offset changes in cash flows of hedged items. The Company documents its risk management objective before undertaking hedge transactions.

# Notes to the financial statements

for the year ended March 31, 2023

## 3.22 Cash flow hedges that qualify for hedge accounting

The effective portion of change in the fair value of the designated hedging instrument is recognised in the other comprehensive income and accumulated under the heading cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within Other Income.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. The gain or loss relating to the effective portion of the interest rate swaps hedging variable rate borrowings is recognised in profit or loss within 'finance cost' at the same time as the interest expense on the hedged borrowings.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset.

When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).

## 3.23 Impairment of financial assets

### 3.23.1 Overview of the ECL principles

The Company records allowance for expected credit losses (ECL) for all loans, other debt financial assets not held at FVTPL, together with loan commitments, in this section all referred to as 'financial instruments'.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL) as outlined in note 3.23.2.

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into Stage 1, Stage 2, Stage 3 and POCI, as described below:

**Stage 1** When loans are first recognised, the Company recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

**Stage 2** When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

**Stage 3** Loans considered credit-impaired. The Company records an allowance for the LTECLs.

**POCI** Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit-adjusted EIR. ECLs are only recognised or released to the extent that there is a subsequent change in the expected credit losses.

### 3.23.2 The calculation of ECLs

The Company calculates ECLs based on a probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

# Notes to the financial statements

for the year ended March 31, 2023

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

**PD** The Probability of Default (PD) is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

**EAD** The Exposure at Default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

**LGD** The Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

When estimating the ECLs, the Company considers four scenarios (a base case, an upside, a mild downside ('downside 1') and a more extreme downside ('downside 2')). Each of these is associated with different PDs, EADs and LGDs. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure and the value of collateral or the amount that might be received for selling the asset.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

The mechanics of the ECL method are summarised below:

**Stage 1** The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after

the reporting date. The company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

**Stage 2** When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

**Stage 3** For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

**POCI/POCI** assets are financial assets that are credit impaired on initial recognition. The Company only recognises the cumulative changes in lifetime ECLs since initial recognition, based on a probability-weighting of the four scenarios, discounted by the credit-adjusted EIR.

**Loan commitments** When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weighting of the four scenarios. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

For a loan and an undrawn commitment, ECLs are calculated and presented together with the loan. For loan commitments, the ECL is recognised within provisions.

# Notes to the financial statements

for the year ended March 31, 2023

### 3.23.3 Significant increase in credit risk

The Company monitors all financial assets and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than 12-month ECL.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the Probability of Default will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD. As a back-stop when loan asset becomes 30 days past due, the Company considers that a significant increase in credit risk has occurred and the asset is in stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL.

### 3.23.4 Credit-impaired financial assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;

- restructuring of loans due to financial difficulty of the borrowers;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event. Instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Company assesses whether debt instruments that are financial assets measured at amortised cost or FVOCI are credit-impaired at each reporting date. To assess if corporate debt instruments are credit impaired, the Company considers factors such as bond yields, credit ratings and the ability of the borrower to raise funds.

A loan is considered credit-impaired when a concession is granted to the borrower due to deterioration in the borrower's financial condition. The definition of default includes unlikelihood to pay indicators and a back-stop if amounts are overdue for 90 days or more.

### 3.23.5 Trade receivables and other assets

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates.

### 3.23.6 Forward looking information

In its ECL models, the Company relies on a broad range of forward looking information as economic inputs, such as: GDP growth, unemployment rates, Central Bank base rates, house price indices, etc

# Notes to the financial statements

for the year ended March 31, 2023

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

### 3.23.7 Write-offs

Financial assets are written off either partially or in their entirety only when the Company had concluded that it had no reasonable expectations of recovering the asset and has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

### 3.23.8 Presentation of allowance for ECL in the Balance Sheet

For financial assets measured at amortised cost, loss allowances for ECL are presented in the statement of financial position as a deduction from the gross carrying amount of the assets.

### 3.24 Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as below:

- |         |  |
|---------|--|
| Level 1 | Quoted (unadjusted) market prices in active markets for identical assets or liabilities  |
| Level 2 | Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable |
| Level 3 | Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable                      |

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

# Notes to the financial statements

for the year ended March 31, 2023

## 3.25 Security deposits

At initial recognition the carrying value of the refundable deposits is taken at present value of all expected future principal repayments discounted using market rates prevailing at the time of inception. For Interest expenses, the difference between present market value and deposit made is recognised as prepayment and amortised in the Statement of Profit and loss over the benefit period on systematic basis. Interest income is recognised at the prevailing market rates.

## 3.26 Statement of Cash flows

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

## 3.27 Foreign Currencies

Functional currency of the Company and foreign operations has been determined based on the primary economic environment in which the Company and its foreign operations operate considering the currency in which funds are generated, spent and retained.

Transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the rates prevailing at the year-end. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise.

## 3.28 Share-based payment arrangements

The stock options granted to employees by the holding company's (i.e. Aditya Birla Capital Limited) Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. The cost incurred by the holding company, in respect of options granted to employees of the Company, is being recovered by holding company and it is charged to the Statement of Profit and Loss of the Company over the period of vesting.

## 4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

# Notes to the financial statements

for the year ended March 31, 2023

## 4.1 Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's internal credit grading model, which assigns PDs to the individual grades

- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

# Notes to the financial statements

for the year ended March 31, 2023

## 5 CASH AND CASH EQUIVALENTS

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
Balances with banks	20,474.22	55,695.10
Cheques, drafts on hand	-	-
Term deposits with banks with original maturity of three months or less	-	-
	<b>20,474.22</b>	<b>55,695.10</b>

Foot note:

Current account balance of ₹204.99 lakh (March 31, 2022: ₹32,002.46 lakh) are earmarked for disbursement of loan in affordable segment.

## 6 DERIVATIVE FINANCIAL INSTRUMENTS

### 6.1 Financial Asset

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
Cross currency interest rate derivatives	-	1,420.03
Overnight Index Swaps	18.55	-
	<b>18.55</b>	<b>1,420.03</b>

## 7 RECEIVABLES

(₹ in lakh)

Receivables	As at March 31, 2023	As at March 31, 2022
<b>I Trade receivables</b>		
<b>(i) Undisputed</b>		
Receivables considered good - unsecured	76.47	464.31
Having significant increase in Credit Risk	-	-
Credit impaired	-	-
<b>(ii) Disputed</b>		
Receivables considered good - unsecured	-	-
Having significant increase in Credit Risk	-	-
Credit impaired	-	-
	<b>76.47</b>	<b>464.31</b>
Provision for impairment	-	-
Other receivables from customers	314.53	760.39
	<b>391.00</b>	<b>1,224.70</b>
<b>II Other receivables</b>		
Unsecured considered good		
Receivable from related parties (refer note 35 (II) (b))	109.13	53.56
	<b>109.13</b>	<b>53.56</b>

Foot notes:

- No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms including limited liability partnership (LLP's) or private companies respectively in which any director is a partner, a director or a member. Further, there are no receivables for which there has been a significant increase in credit risk or which have become credit impaired.

# Notes to the financial statements

for the year ended March 31, 2023

## 2 Trade Receivables Ageing -

(₹ in lakh)

Particulars	Unbilled Trade Receivables	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2023</b>							
(i) Undisputed Trade receivables – considered good	-	341.86	-	-	-	-	341.86
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
- Unbilled Trade Receivables	49.15	-	-	-	-	-	49.15
<b>Total</b>	<b>49.15</b>	<b>341.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>391.00</b>
<b>As at March 31, 2022</b>							
(i) Undisputed Trade receivables – considered good	-	938.96	170.54	20.24	33.32	-	1,163.06
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
- Unbilled Trade Receivables	61.64	-	-	-	-	-	61.64
<b>Total</b>	<b>61.64</b>	<b>938.96</b>	<b>170.54</b>	<b>20.24</b>	<b>33.32</b>	<b>-</b>	<b>1,224.70</b>

## 8 LOANS (AT AMORTISED COST)

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
(A) Loans relating to financing activity (refer note 8.2.1)	13,80,802.38	12,12,842.38
<b>Total (A) – Gross</b>	<b>13,80,802.38</b>	<b>12,12,842.38</b>
Less: Impairment loss allowance (refer note 8.2.2)	(25,106.17)	(23,296.30)
<b>Total (A) – Net</b>	<b>13,55,696.21</b>	<b>11,89,546.08</b>
(B) (a) Secured by tangible assets (property including land and building)	13,79,983.04	12,12,083.82
(b) Unsecured, considered good	819.34	758.56
<b>Total (B) – Gross</b>	<b>13,80,802.38</b>	<b>12,12,842.38</b>
Less: Impairment loss allowance	(25,106.17)	(23,296.30)
<b>Total (B) – Net</b>	<b>13,55,696.21</b>	<b>11,89,546.08</b>

# Notes to the financial statements

for the year ended March 31, 2023

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
<b>(C) (I) Loans in India</b>		
(a) Public sector	-	-
(b) Others	13,80,802.38	12,12,842.38
	<b>13,80,802.38</b>	<b>12,12,842.38</b>
<b>(II) Loans outside India</b>	-	-
<b>Total (C) – Gross</b>	<b>13,80,802.38</b>	<b>12,12,842.38</b>
Less: Impairment loss allowance	(25,106.17)	(23,296.30)
<b>Total (C) – Net</b>	<b>13,55,696.21</b>	<b>11,89,546.08</b>

## 8.1 Credit quality of assets

The table below shows the credit quality and the gross carrying amount to credit risk based on year-end stage classification. The amounts presented are gross of impairment allowances.

(₹ in lakh)

Stage	As at March 31, 2023		As at March 31, 2022*	
	Count	Amount	Count	Amount
Stage 1	52,885	13,11,959.79	43,336	11,06,703.19
Stage 2	572	24,250.73	1,200	63,843.38
Stage 3	1,044	44,591.86	981	42,295.71
<b>Total</b>	<b>54,501</b>	<b>13,80,802.38</b>	<b>45,517</b>	<b>12,12,842.38</b>

(₹ in lakh)

Stage	As at March 31, 2023		As at March 31, 2022 (Reported)	
	Count	Amount	Count	Amount
Stage 1	52,885	13,11,959.79	43,354	11,07,198.10
Stage 2	572	24,250.73	1,472	79,815.73
Stage 3	1,044	44,591.86	691	25,828.55
<b>Total</b>	<b>54,501</b>	<b>13,80,802.38</b>	<b>45,517</b>	<b>12,12,842.38</b>

Note - The Company has taken necessary steps to recover the amount for all the cases. All the recovery process are as per the terms mentioned in agreement and are in compliant with RBI and NHB.

\* The company has realigned the methodology of classification of NPA as per IRAC norms during the year FY 2022-23. For the purposes of comparison the company has regrouped the staging as per revised norms.

# Notes to the financial statements

for the year ended March 31, 2023

## 8.2 An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans relating to financing activity, as follows:

### 8.2.1 Reconciliation of gross carrying amount:

	(₹ in lakh)			
	Stage 1	Stage 2	Stage 3	Total
<b>March 31, 2023</b>				
Gross carrying amount opening balance	11,06,703.19	63,843.38	42,295.71	12,12,842.28
New assets originated or purchased	5,27,493.40	1,167.14	1,274.94	5,29,935.48
Assets derecognised or repaid (excluding write offs)	(3,36,992.59)	(7,873.19)	(11,508.90)	(3,56,374.68)
Transfers to stage 1	40,369.42	(32,580.55)	(7,788.87)	-
Transfers to stage 2	(12,431.70)	13,524.12	(1,092.42)	-
Transfers to stage 3	(12,809.50)	(13,640.35)	26,449.85	-
Amounts written off	(372.43)	(189.82)	(5,038.45)	(5,600.70)
<b>Gross carrying amount closing balance</b>	<b>13,11,959.79</b>	<b>24,250.73</b>	<b>44,591.86</b>	<b>13,80,802.38</b>

	(₹ in lakh)			
	Stage 1	Stage 2	Stage 3	Total
<b>March 31, 2022*</b>				
Gross carrying amount opening balance	11,30,153.91	45,751.90	23,051.35	11,98,957.16
New assets originated or purchased	3,70,926.45	2,785.09	1,415.94	3,75,127.48
Assets derecognised or repaid (excluding write offs)	(3,54,633.89)	(1,196.14)	(2,332.78)	(3,58,162.81)
Transfers to stage 1	14,096.54	(11,195.48)	(2,901.06)	-
Transfers to stage 2	(44,131.45)	44,155.30	(23.85)	-
Transfers to stage 3	(9,187.01)	(16,351.17)	25,538.18	-
Amounts written off	(521.36)	(106.12)	(2,452.07)	(3,079.55)
<b>Gross carrying amount closing balance</b>	<b>11,06,703.19</b>	<b>63,843.38</b>	<b>42,295.71</b>	<b>12,12,842.38</b>

\* Note: The company has realigned the methodology of classification of NPA as per IRAC norms during the year FY 2022-23. For the purposes of comparison the company has regrouped the staging as per revised norms.

	(₹ in lakh)			
	Stage 1	Stage 2	Stage 3	Total
<b>March 31, 2022 (Reported)</b>				
Gross carrying amount opening balance	11,30,153.91	45,751.90	23,051.35	11,98,957.16
New assets originated or purchased	3,70,957.86	3,777.71	391.91	3,75,127.48
Assets derecognised or repaid (excluding write offs)	(3,54,661.50)	(1,532.82)	(1,968.39)	(3,58,162.71)
Transfers to stage 1	14,281.01	(11,379.95)	(2,901.06)	-
Transfers to stage 2	(47,237.17)	48,140.67	(903.50)	-
Transfers to stage 3	(5,774.65)	(4,835.66)	10,610.31	-
Amounts written off	(521.36)	(106.12)	(2,452.07)	(3,079.55)
<b>Gross carrying amount closing balance</b>	<b>11,07,198.10</b>	<b>79,815.73</b>	<b>25,828.55</b>	<b>12,12,842.38</b>

# Notes to the financial statements

for the year ended March 31, 2023

## 8.2.2 Reconciliation of ECL balance is given below:

(₹ in lakh)

	Stage 1	Stage 2	Stage 3	Total
<b>March 31, 2023</b>				
ECL allowance - opening balance	5,623.42	4,509.80	13,163.08	23,296.30
New assets originated or purchased	3,237.74	93.65	460.05	3,791.44
Assets derecognised or repaid (excluding write offs)	(1,882.89)	(549.16)	(921.47)	(3,353.52)
Transfers to Stage 1	4,339.78	(2,426.09)	(1,913.69)	-
Transfers to Stage 2	(80.77)	385.41	(304.64)	-
Transfers to Stage 3	(73.56)	(941.17)	1,014.73	-
Impact on year end ECL of exposures transferred between stages during the year	(3,401.62)	121.53	7,309.61	4,029.52
ECL recognised due to change in credit risk	1,142.47	425.64	(141.12)	1,426.99
Recoveries	(158.77)	(16.00)	(327.15)	(501.92)
Amounts written off	(3.38)	(2.03)	(3,577.23)	(3,582.64)
<b>ECL allowance - closing balance</b>	<b>8,742.42</b>	<b>1,601.58</b>	<b>14,762.17</b>	<b>25,106.17</b>

(₹ in lakh)

	Stage 1	Stage 2	Stage 3	Total
<b>March 31, 2022*</b>				
ECL allowance - opening balance	6,071.50	4,342.16	8,280.79	18,694.45
New assets originated or purchased	2,350.77	222.12	416.90	2,989.79
Assets derecognised or repaid (excluding write offs)	(2,334.07)	(186.33)	(1,334.30)	(3,854.72)
Transfers to Stage 1	1,148.46	(1,141.45)	(7.01)	-
Transfers to Stage 2	(248.87)	258.01	(9.14)	-
Transfers to Stage 3	(189.08)	(1,497.83)	1,686.91	-
Impact on year end ECL of exposures transferred between stages during the year	(1,038.32)	2,816.89	6,400.74	8,179.31
ECL recognised due to change in credit risk	22.91	(303.40)	(419.16)	(699.65)
Recoveries	(110.87)	(0.34)	(56.76)	(167.97)
Amounts written off	(48.99)	(0.03)	(1,795.90)	(1,844.92)
<b>ECL allowance - closing balance</b>	<b>5,623.44</b>	<b>4,509.80</b>	<b>13,163.07</b>	<b>23,296.30</b>

\* Note: The company has realigned the methodology of classification of NPA as per IRAC norms during the year FY 2022-23. For the purposes of comparison the company has regrouped the staging as per revised norms.

(₹ in lakh)

	Stage 1	Stage 2	Stage 3	Total
<b>March 31, 2022 (Reported)</b>				
ECL allowance - opening balance	6,071.50	4,342.16	8,280.79	18,694.45
New assets originated or purchased	2,351.17	466.70	140.25	2,958.12
Assets derecognised or repaid (excluding write offs)	(3,043.32)	(205.15)	(606.21)	(3,854.68)
Transfers to Stage 1	1,884.18	(1,183.19)	(700.99)	-
Transfers to Stage 2	(267.35)	421.23	(153.88)	-
Transfers to Stage 3	(37.28)	(670.68)	707.96	-
Impact on year end ECL of exposures transferred between stages during the year	(1,077.18)	4,920.96	3,156.32	7,000.10
ECL recognised due to change in credit risk	22.95	916.57	(428.31)	511.21
Recoveries	(110.87)	(17.10)	(40.01)	(167.98)
Amounts written off	(48.99)	(0.03)	(1,795.90)	(1,844.92)
<b>ECL allowance - closing balance</b>	<b>5,744.81</b>	<b>8,991.47</b>	<b>8,560.02</b>	<b>23,296.30</b>

# Notes to the financial statements

for the year ended March 31, 2023

## 8.3 Exposure to modified financial assets

The Company has extended resolution plans to relieve from COVID-19 pandemic related stress to eligible borrowers on the parameters laid down in accordance with the guidelines issued by the RBI and policy approved by the Board of Directors of the Company. As of March 31, 2023, all the resolution plans under this framework were duly implemented.

The Company has further renegotiated loans given to customers, in financial difficulties who are not eligible under the guidelines issued by RBI related to COVID-19 (referred to as restructuring or rescheduling) to maximise collection opportunities and minimise the risk of default.

		(₹ in lakh)	
Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
	Loan exposure to modified financial assets		
(i)	Maximum exposure amount	74,431.04	88,739.06
(ii)	Impairment allowance	10,675.65	8,902.19
(iii)	Net carrying amount	63,755.39	79,836.87

### Foot notes:

- A. There are no loans or advances in the nature of loans that are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are (a) repayable on demand or (b) without specifying any terms or period of repayment.

## 9 INVESTMENTS

		(₹ in lakh)	
		As at March 31, 2023	As at March 31, 2022
	Investments carried at fair value through Profit & Loss		
	Investments in Government Securities	12,536.72	-
		12,536.72	-

## 10 OTHER FINANCIAL ASSETS

		(₹ in lakh)	
		As at March 31, 2023	As at March 31, 2022
	Security deposit	643.47	295.08
	Other receivables	152.91	11.21
		796.38	306.29

## 11 INCOME TAX

The components of income tax expense for the years ended March 31, 2023 and March 31, 2022 are as under:

		(₹ in lakh)	
Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Recognised in statement of profit and loss</b>			
	Current tax	7,394.08	7,108.81
	Deferred tax relating to origination and reversal of temporary differences	(560.16)	(1,594.41)
	<b>Tax charges</b>	<b>6,833.92</b>	<b>5,514.40</b>
	Adjustment in respect of current income tax of earlier years	(74.47)	81.43
	<b>Total tax charges</b>	<b>6,759.45</b>	<b>5,595.83</b>

# Notes to the financial statements

for the year ended March 31, 2023

## 11.1 Reconciliation of the total tax charge

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended March 31, 2023 and March 31, 2022 is, as follows:

(₹ in lakh)		
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Accounting profit before tax	30,852.52	25,325.12
At India's statutory income tax rate of (March 31, 2023: 25.168% ; March 31, 2022: 25.168% )	7,764.96	6,373.83
Adjustment in respect of current income tax of earlier years	(74.47)	81.43
Differences other than temporary in nature on account of tax benefit u/s 36(1)(viii) of the Income Tax Act, 1961 and others	(931.03)	(859.43)
Deferred tax difference for earlier years recognised in current year for brought forward losses, impairment loss allowance and others	-	-
<b>Income tax expense reported in the statement of profit and loss</b>	<b>6,759.45</b>	<b>5,595.83</b>

The effective income tax rate for March 31, 2023 is 22.15% (March 31, 2022: 21.77%).

## 11.2 Deferred tax Assets (Net)

(₹ in lakh)		
	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax asset</b>		
<b>Timing differences on account of</b>		
Impairment allowance for financial assets	6,318.72	5,863.21
Provision for employee benefits	336.05	283.61
Differences in depreciation as per income tax & as charged in financials	67.39	87.00
Cash flow hedges	-	167.35
<b>Deferred tax asset (A)</b>	<b>6,722.16</b>	<b>6,401.17</b>
<b>Deferred tax liability</b>		
<b>Timing differences on account of</b>		
Tax deduction under Section 36(1)(viii) of Income Tax Act, 1961	652.76	630.90
Recognition of financial instruments under amortised cost under Ind AS 109	319.06	397.71
<b>Deferred tax liability (B)</b>	<b>971.82</b>	<b>1,028.61</b>
<b>Deferred tax asset (net) (A-B)</b>	<b>5,750.34</b>	<b>5,372.56</b>

(₹ in lakh)		
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Deferred tax credit (Net)</b>		
<b>Recognised in statement of profit and loss</b>		
Impairment allowance for financial assets	(433.65)	(1,065.64)
Provision for employee benefits	(67.47)	(85.39)
Differences in depreciation as per income tax & as charged in financials	19.61	(10.90)
Deferred tax liability on amortised cost under Ind AS 109	(78.65)	(432.48)
	<b>(560.16)</b>	<b>(1,594.41)</b>
<b>Recognised in OCI</b>		
Deferred tax on re-measurement gains/ (losses) on defined benefit plans	(15.03)	(17.03)
Deferred tax on re-measurement gains/ (losses) on cash flow hedges	(167.35)	(135.83)
	<b>(182.38)</b>	<b>(152.86)</b>
<b>Total deferred tax expense recognised (including OCI)</b>	<b>(377.78)</b>	<b>(1,441.55)</b>

# Notes to the financial statements

for the year ended March 31, 2023

## 12 PROPERTY, PLANT AND EQUIPMENT

(₹ in lakh)

Particulars	Building*	Computers & Hardware	Furniture & fixtures	Vehicle	Office equipment	Leasehold improvements	Total
<b>Gross block</b>							
<b>As at April 01, 2021</b>	<b>255.52</b>	<b>965.50</b>	<b>34.63</b>	<b>161.51</b>	<b>153.36</b>	<b>177.75</b>	<b>1,748.27</b>
Adjustment	-	-	-	-	-	-	-
Additions	-	253.77	14.26	36.30	55.01	119.35	478.69
Acquisitions through business combinations	-	-	-	-	-	-	-
Deletions	-	(35.63)	(2.93)	(83.35)	(7.01)	(1.95)	(130.87)
<b>As at March 31, 2022</b>	<b>255.52</b>	<b>1,183.64</b>	<b>45.96</b>	<b>114.46</b>	<b>201.36</b>	<b>295.15</b>	<b>2,096.09</b>
Adjustment	-	-	-	-	-	-	-
Additions	-	731.27	34.90	111.44	91.79	383.36	1,352.76
Acquisitions through business combinations	-	-	-	-	-	-	-
Deletions	-	(140.62)	(12.08)	(38.83)	(19.73)	(29.90)	(241.17)
<b>As at March 31, 2023</b>	<b>255.52</b>	<b>1,774.29</b>	<b>68.78</b>	<b>187.07</b>	<b>273.42</b>	<b>648.61</b>	<b>3,207.68</b>
<b>Accumulated depreciation</b>							
<b>As at April 01, 2021</b>	<b>17.53</b>	<b>676.50</b>	<b>25.91</b>	<b>98.51</b>	<b>107.10</b>	<b>163.88</b>	<b>1,089.43</b>
Adjustment	-	-	-	-	-	-	-
Charge for the year	4.39	178.16	16.49	28.35	29.87	27.07	284.33
Reduction	-	(35.06)	(2.88)	(62.19)	(6.27)	(1.95)	(108.36)
<b>As at March 31, 2022</b>	<b>21.92</b>	<b>819.59</b>	<b>39.52</b>	<b>64.67</b>	<b>130.70</b>	<b>189.00</b>	<b>1,265.40</b>
Adjustment	-	-	-	-	-	-	-
Charge for the year	4.38	256.25	29.60	21.40	40.63	103.32	455.58
Reduction	-	(140.58)	(11.70)	(33.45)	(19.66)	(29.90)	(235.29)
<b>As at March 31, 2023</b>	<b>26.30</b>	<b>935.26</b>	<b>57.42</b>	<b>52.62</b>	<b>151.67</b>	<b>262.42</b>	<b>1,485.69</b>
<b>Net book value</b>							
<b>As at March 31, 2022</b>	<b>233.60</b>	<b>364.05</b>	<b>6.44</b>	<b>49.79</b>	<b>70.66</b>	<b>106.15</b>	<b>830.69</b>
<b>As at March 31, 2023</b>	<b>229.22</b>	<b>839.03</b>	<b>11.36</b>	<b>134.45</b>	<b>121.75</b>	<b>386.19</b>	<b>1,721.99</b>

Foot notes:

- Assets pledged as security: Buildings with gross block ₹255.52 lakh and accumulated depreciation ₹26.30 lakh (March 31, 2022: Gross block ₹255.52 lakh and accumulated depreciation ₹21.92 lakh ) is subject to a first charge to secure debentures issued by the Company.
- No revaluation of any class of assets is carried out during the year.
- All the title deeds of immovable properties are held in name of the Company.

## 13 OTHER INTANGIBLES ASSET

(₹ in lakh)

Particulars	Computer Software
<b>Gross block</b>	
<b>As at April 01, 2021</b>	<b>1,454.04</b>
Adjustment	-
Additions	416.54
Acquisitions through business combinations	-
Deletions/adjustment	-

# Notes to the financial statements

for the year ended March 31, 2023

(₹ in lakh)

Particulars	Computer Software
<b>As at March 31, 2022</b>	<b>1,870.58</b>
Adjustment	-
Additions	973.42
Acquisitions through business combinations	-
Deletions/adjustment	-
<b>As at March 31, 2023</b>	<b>2,844.00</b>
<b>Accumulated amortization</b>	
<b>As at April 01, 2021</b>	<b>968.52</b>
Adjustment	-
Charge for the year	340.73
Reduction	-
<b>As at March 31, 2022</b>	<b>1,309.25</b>
Adjustment	-
Charge for the year	458.28
Reduction	-
<b>As at March 31, 2023</b>	<b>1,767.53</b>
<b>Net book value</b>	
<b>As at March 31, 2022</b>	<b>561.33</b>
<b>As at March 31, 2023</b>	<b>1,076.47</b>

Foot notes:

- 1 Company does not have any internally generated intangible assets.
- 2 Intangible assets under development ageing schedule -

Intangible assets under development	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2023</b>					
Projects in progress	469.51	-	-	-	469.51
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>469.51</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>469.51</b>
<b>As at March 31, 2022</b>					
Projects in progress	61.42	-	-	-	61.42
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>61.42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>61.42</b>

- 3 There are no projects whose completion is overdue to its original plan & there are no projects that has exceeded its cost compared to the original plan.

# Notes to the financial statements

for the year ended March 31, 2023

## 14 ROU ASSET

(₹ in lakh)	
Particulars	ROU Asset
<b>Gross block</b>	
<b>As at April 01, 2021</b>	<b>1,919.31</b>
Additions	808.54
Deletions/adjustment	(94.45)
<b>As at March 31, 2022</b>	<b>2,633.40</b>
Additions	3,099.29
Deletions/adjustment	(1,013.95)
<b>As at March 31, 2023</b>	<b>4,718.74</b>
<b>Accumulated Depreciation</b>	
<b>As at April 01, 2021</b>	<b>425.99</b>
Charge for the year	378.05
Reduction	(92.07)
<b>As at March 31, 2022</b>	<b>711.97</b>
Charge for the year	674.63
Reduction	(609.05)
<b>As at March 31, 2023</b>	<b>777.55</b>
<b>Net book value</b>	
<b>As at March 31, 2022</b>	<b>1,921.43</b>
<b>As at March 31, 2023</b>	<b>3,941.19</b>

Foot notes:

- All the lease deeds of Right of use asset are held in name of the company.

## 15 OTHER NON-FINANCIAL ASSETS

(₹ in lakh)		
	As at March 31, 2023	As at March 31, 2022
Capital advances	36.26	36.87
Other Advances	636.39	-
Prepaid expense	715.36	843.69
Retirement benefits gratuity fund (refer note 47)	612.32	577.14
Balances with tax authorities	689.57	383.37
Deferred lease expense	0.08	3.09
	<b>2,689.98</b>	<b>1,844.16</b>

## 16 PAYABLES

(₹ in lakh)		
	As at March 31, 2023	As at March 31, 2022
<b>(I) Trade payables</b>		
(i) total outstanding dues of micro enterprises and small enterprises (refer note 38)	25.75	49.22
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,174.52	2,776.70
	<b>2,200.27</b>	<b>2,825.92</b>

# Notes to the financial statements

for the year ended March 31, 2023

Foot note:-

Trade Payables ageing schedule -

Particulars	Unbilled Dues	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2023</b>						
(i) MSME	-	25.75	-	-	-	25.75
(ii) Others	-	1,296.03	23.91	19.64	11.10	1,350.68
(iii) Disputed Dues- MSME	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-
- Unbilled Dues	823.84	-	-	-	-	823.84
<b>Total</b>	<b>823.84</b>	<b>1,321.78</b>	<b>23.91</b>	<b>19.64</b>	<b>11.10</b>	<b>2,200.27</b>
<b>As at March 31, 2022</b>						
(i) MSME	-	49.22	-	-	-	49.22
(ii) Others	-	918.09	24.64	11.26	5.60	959.59
(iii) Disputed Dues- MSME	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-
- Unbilled Dues	1,817.11	-	-	-	-	1,817.11
<b>Total</b>	<b>1,817.11</b>	<b>967.31</b>	<b>24.64</b>	<b>11.26</b>	<b>5.60</b>	<b>2,825.92</b>

## 17 DEBT SECURITIES

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
<b>At amortised cost</b>		
<b>Secured</b>		
Redeemable non convertible debentures (refer foot note (ii) below)	2,43,641.89	2,01,752.49
<b>Unsecured</b>		
Commercial papers (refer note (iii) below )	20,667.94	17,362.05
<b>At Fair Value</b>		
<b>Secured</b>		
Redeemable non convertible debentures (refer foot note (ii) below)	5,046.51	-
<b>Total (A)</b>	<b>2,69,356.34</b>	<b>2,19,114.54</b>
Debt securities in India	2,69,356.34	2,19,114.54
Debt securities outside India	-	-
<b>Total (B)</b>	<b>2,69,356.34</b>	<b>2,19,114.54</b>

# Notes to the financial statements

for the year ended March 31, 2023

Foot notes:

- (i) The company does not have any convertible debt securities.
- (ii) The debt securities are secured by way of mortgage of the immovable property and have first pari- passu charge on receivables of the Company. The repayment terms and rate of interest of redeemable non convertible debentures are as under:

(₹ in lakh)

<b>Maturing upto 3 years, Rate of interest (ROI) 4.97% to 9.40 % p.a.</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
ABHFL NCD I1 - FY 2018-19, ROI: 9.30% p.a.(XIRR basis); Maturity date: April 13, 2022	-	24,229.30
ABHFL NCD C1 - FY 2017-18, ROI: 8.00% p.a.; Maturity date: June 07, 2022	-	10,646.34
ABHFL NCD F1 - FY 2017-18, ROI: 7.60% p.a.; Maturity date: September 08, 2022	-	2,083.39
ABHFL NCD PPMLD FY 2019-20, ROI: 7.95% XIRR.; Maturity date: September 30, 2022	-	1,815.73
ABHFL NCD K1 - FY 2019-20, ROI: 6.22% p.a.; Maturity date: February 17, 2023 (2 <sup>nd</sup> Coupon = 3.72% + 250bps i.e. 6.22 % ; 1 <sup>st</sup> Coupon: 5.26% + 250 bps = 7.76% Benchmark 12 Month T-Bill + 250 bps spread Reset on yearly basis with fixed spread of 250 bps)	-	2,519.28

(₹ in lakh)

<b>Maturing upto 3 years, Rate of interest (ROI) 5.12% to 8.95% p.a. (continued)</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
ABHFL NCD A1 - FY 2020-21, ROI: 8.00% p.a.; Maturity date: May 17, 2023	43,053.00	43,040.40
ABHFL NCD F1 - FY 2020-21, ROI: 6.05% p.a.; Maturity date: September 08, 2023	5,163.93	5,162.77
ABHFL NCD L1 - FY 2020-21, ROI: 7.95% p.a; Maturity date: March 15, 2024 (2 <sup>nd</sup> Int. Payment : 7.95%; Set as Simple average of rates on March 18, 2022 - 6.53%, June 18, 2022 - 7.74%, September 18, 2022 - 8.42% and December 18, 2022 - 9.12%). Coupon Rate: 275 bps spread over Benchmark, Benchmark to be Reset on quarterly basis. Benchmark: 3 Month T-bill (FBIL Benchmark) yield shall be taken as Average closing yield of previous 10 working days (rounding to 2 decimal), Quarterly reset of Coupon maintaining spread of 275 bps over Benchmark	25,104.01	25,058.86
ABHFL NCD D1 - FY 2021-22, ROI: 5.12% p.a; Maturity date: July 16, 2024 (1 <sup>st</sup> Int. Payment : 5.12%; Set as Simple average of rates on July 16, 2021 (Initial Coupon) - 4.97%, October 16, 2021 - 4.97%, January 18, 2022 - 5.12% and April 16, 2022 - 5.41%). Coupon Rate: 156 bps spread over Benchmark, Benchmark to be Reset on quarterly basis. Benchmark: 3 Month T-bill (FBIL Benchmark) yield shall be taken as Average closing yield of previous 10 working days (rounding to 2 decimal), Quarterly reset of Coupon maintaining spread of 275 bps over Benchmark	26,306.00	25,872.36
ABHFL NCD L1 - FY 2021-22, ROI: 7.02% p.a; Maturity date: March 21, 2025 (1 <sup>st</sup> Int. Payment : 7.02%; Set as Simple average of rates on March 21, 2022 (Initial Coupon) - 5.57%, June 21, 2022 - 6.81%, September 21, 2022 - 7.51% and December 21, 2022 - 8.20%). Coupon Rate: 181 bps spread over Benchmark, Benchmark to be Reset on quarterly basis. Benchmark: 3 Month T-bill (FBIL Benchmark) yield shall be taken as Average closing yield of previous 10 working days (rounding to 2 decimal), Quarterly reset of Coupon maintaining spread of 275 bps over Benchmark	34,109.46	34,039.48
ABHFL NCD H1 FY 2022-2023, ROI: 7.95% p.a; Maturity date: November 28, 2025	25,637.58	-
ABHFL NCD A1 - FY 2015-16, ROI: 8.95% p.a; Maturity date: March 20, 2026	2,003.14	2,003.01
	<b>1,61,377.12</b>	<b>1,76,470.92</b>

# Notes to the financial statements

for the year ended March 31, 2023

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
<b>Maturing after 3 years, Rate of interest(ROI) 6.70% to 8.15 % p.a.</b>		
ABHFL NCD J1 - FY 2021-22, ROI: 6.70% p.a; Maturity date: January 22, 2027	25,271.23	25,281.57
ABHFL NCD G1 FY 2022-2023, ROI: 8.15% p.a; Maturity date: October 25, 2032	62,040.05	-
	<b>87,311.28</b>	<b>25,281.57</b>
	<b>2,48,688.40</b>	<b>2,01,752.49</b>

(iii) The repayment terms of commercial papers are as under-

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
Maturing upto 3 months*	20,667.94	17,362.05
	<b>20,667.94</b>	<b>17,362.05</b>
* The above is net of unamortized discounting charges on commercial paper amounting to ₹332.06 lakh (March 31, 2022: ₹137.95 lakh)		
<b>Total Debt securities</b>	<b>2,69,356.34</b>	<b>2,19,114.54</b>

## 18 BORROWINGS OTHER THAN DEBT SECURITIES

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
<b>Secured</b>		
Term loan from banks (refer foot note (i) below )	6,18,223.18	5,99,235.80
NHB Refinance (refer foot note (ii) below )	2,05,744.33	1,49,845.90
External Commercial Borrowing (ECB) (refer foot note (iii) below )	-	37,894.74
Loan repayable on demand from banks		
Working capital demand loan (refer foot note (iv) below )	48,009.78	9,000.00
Overdraft (refer foot note (v) below )	18,178.57	22,242.16
	<b>8,90,155.86</b>	<b>8,18,218.60</b>
<b>Unsecured</b>		
Loan from related party		
Inter corporate borrowings (refer foot note (vii) below )	-	-
	-	-
<b>Total (A)</b>	<b>8,90,155.86</b>	<b>8,18,218.60</b>
Borrowings in India	8,90,155.86	7,80,323.86
Borrowings outside India	-	37,894.74
<b>Total (B)</b>	<b>8,90,155.86</b>	<b>8,18,218.60</b>

Foot notes:

(i) The term loans from banks are secured by way of first pari-passu charge on the receivables of the Company. The repayment terms and rate of interest of term loans are as under-

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
Maturing upto 3 years, rate of interest 7.64 % p.a. - 8.60 % p.a.	4,75,819.45	4,88,237.37
Maturing after 3 years, rate of interest 7.64 % p.a. - 8.50 % p.a.	1,42,403.73	1,10,998.43
	<b>6,18,223.18</b>	<b>5,99,235.80</b>

# Notes to the financial statements

for the year ended March 31, 2023

The Company is adequately submitting quarterly statements of current assets to the banks which are as per the books of accounts maintained by the Company.

Term loans are used fully for the purpose for which they were obtained.

- (ii) The NHB Refinance is secured by way of exclusive on the receivables of the Company. The refinance facility of ₹2,05,744.33 lakh (March 31, 2022 - ₹1,49,845.90 lakh) is further guaranteed by way of corporate guarantee issued by holding company. The repayment terms and rate of interest are as under-

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
Maturing upto 3 years, rate of interest 2.94% p.a. and 8.00% p.a.	93,673.29	64,145.25
Maturing after 3 years, rate of interest 2.94% p.a. and 8.00% p.a.	1,12,071.04	85,700.65
	<b>2,05,744.33</b>	<b>1,49,845.90</b>

- (iii) The external commercial loan is secured by way of first pari-passu charge on the receivables of the Company. The repayment terms and rate of interest are as under-

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
Maturing upto 3 years, rate of interest 7.79 %p.a.	-	37,894.74
	-	<b>37,894.74</b>

- (iv) The working capital loans are secured by way of first pari-passu charge on receivables of the Company. The repayment terms and rate of interest of working capital loans are as under-

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
Repayable on demand , rate of interest 7.00 % to 7.80 % p.a.	48,009.78	9,000.00

- (v) The overdraft on account of cheques issued but not presented as on the balance sheet date are backed by cash credit facilities which are secured by way of first pari-passu charge on the receivables of the Company. The repayment terms and rate if interest is same as applicable to cash credit facilities.

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
Repayable on demand	18,178.57	22,242.16
<b>Total Borrowings other than debt securities</b>	<b>8,90,155.86</b>	<b>8,18,218.60</b>

## 19 SUBORDINATED LIABILITIES

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
<b>Unsecured</b>		
Sub ordinate debts - debentures (refer foot note below)	34,211.43	34,191.81
	<b>34,211.43</b>	<b>34,191.81</b>

# Notes to the financial statements

for the year ended March 31, 2023

The repayment terms and rate of interest (ROI) of subordinate debentures are as under-

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
<b>Maturing after 3 years, Rate of interest(ROI) 7.43% to 9.10 % p.a.</b>		
ABHFL Sub Debt Series 'SD1' FY 2016-17, ROI: 9.10 % p.a; maturity date - 3 July 2026	1,595.85	1,594.96
ABHFL Sub Debt Series 'SD2' FY 2016-17, ROI: 9.10 % p.a; maturity date - 7 July 2026	1,062.46	1,061.71
ABHFL Sub Debt Series 'SD3' FY 2016-17, ROI: 9.10 % p.a; maturity date - 13 July 2026	1,591.33	1,590.21
ABHFL Sub Debt Series 'SD4' FY 2016-17, ROI: 8.99 % p.a; maturity date - 24 July 2026	2,642.20	2,640.32
ABHFL Sub Debt Series 'SDB1' FY 2017-18, ROI: 8.50 % p.a; maturity date - 14 May 2027	6,420.96	6,417.27
ABHFL Sub Debt Series 'SDC1' FY 2017-18, ROI: 8.50 % p.a; maturity date - 1 June 2027	7,994.24	7,988.77
ABHFL Sub Debt Series 'SDC1' FY 2019-20, ROI: 8.94 % p.a; maturity date - 8 June 2029	5,328.23	5,325.32
ABHFL Sub Debt Series 'SDJ1' FY 2020-21, ROI: 7.43 % p.a; maturity date - 15 January 2031	7,576.16	7,573.25
	<b>34,211.43</b>	<b>34,191.81</b>

## 20 LEASE LIABILITY

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
Liability for lease payments	3,952.04	2,019.30
	<b>3,952.04</b>	<b>2,019.30</b>

## 21 OTHER FINANCIAL LIABILITIES

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
Payable for salaries, bonus and other employee benefits	2,264.95	2,487.64
Payable for Capital expenditure	16.17	25.34
Other financial liabilities relating to customer accounts	6,426.29	6,440.06
	<b>8,707.41</b>	<b>8,953.04</b>

## 22 PROVISIONS

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Compensated absences	456.82	367.66
Gratuity (refer note 47)	567.59	580.78
	<b>1,024.41</b>	<b>948.44</b>

# Notes to the financial statements

for the year ended March 31, 2023

## 23 OTHER NON-FINANCIAL LIABILITIES

	As at March 31, 2023	As at March 31, 2022
Payable to government authorities	807.10	688.26
	<b>807.10</b>	<b>688.26</b>

## 24 EQUITY SHARE CAPITAL

	As at March 31, 2023	As at March 31, 2022
<b>Authorised</b>		
1000,000,000 (March 31, 2022 : 1000,000,000) equity shares of ₹10 each	1,00,000.00	1,00,000.00
	<b>1,00,000.00</b>	<b>1,00,000.00</b>
<b>Issued, subscribed and fully paid up shares</b>		
501,197,682 (March 31, 2022: 501,197,682) equity shares of ₹10 each, fully paid up	50,119.77	50,119.77
	<b>50,119.77</b>	<b>50,119.77</b>

### A) Reconciliation of the number of shares outstanding at the beginning and at the end of the year.

	Numbers	Amount
As at April 01, 2021	50,11,97,682	50,119.77
Add: shares issued during the year	-	-
As at March 31, 2022	50,11,97,682	50,119.77
Add: shares issued during the year	-	-
<b>As at March 31, 2023</b>	<b>50,11,97,682.00</b>	<b>50,119.77</b>

### B) Shares held by holding company

	As at March 31, 2023	As at March 31, 2022
Aditya Birla Capital Limited, holding company	50,11,97,682	50,11,97,682

### C) Details of shareholders holding more than 5% shares in the company

	As at March 31, 2023	As at March 31, 2022
Aditya Birla Capital Limited, holding company		
Number of shares	50,11,97,682	50,11,97,682
% Holding	100%	100%

# Notes to the financial statements

for the year ended March 31, 2023

## D) Shares held by promoters at the end of the year

	(₹ in lakh)	
	As at March 31, 2023	As at March 31, 2022
Aditya Birla Capital Limited, Promoter Company		
Number of shares	50,11,97,682	50,11,97,682
% Holding	100%	100%
% Change during the year	-	-

## E) Terms/rights attached to equity shares

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

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

- F) During the past five years immediately preceding the current financial year, the Company has not issued any shares pursuant to any contract without payment being received in cash or by way of bonus shares and have also not engaged in any buyback of its own equity.

## 25 OTHER EQUITY

	(₹ in lakh)	
	As at March 31, 2023	As at March 31, 2022
Securities premium (refer foot note (i) below)	71,582.21	71,582.21
Special reserve u/s 29C of The National Housing Bank Act, 1987(refer foot note (ii) below)	1,209.25	543.34
Reserve u/s 36(1)(viii) of the Income Tax Act, 1961 (refer foot note (iii) below)	14,674.68	10,521.97
Retained earnings (refer foot note (iv) below)	59,148.50	39,829.37
Cash flow hedge reserve (refer foot note (v) below)	-	(497.58)
Employee stock option outstanding reserve (refer foot note (vi) below)	65.46	-
	<b>1,46,680.10</b>	<b>1,21,979.31</b>

Foot notes:

### (i) Securities premium

	(₹ in lakh)	
	As at March 31, 2023	As at March 31, 2022
Balance at beginning of year	71,582.21	71,582.21
Addition: Received on issue of shares during the year	-	-
Deduction: Utilisation against share issue expense	-	-
<b>Balance at end of year</b>	<b>71,582.21</b>	<b>71,582.21</b>

Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.

# Notes to the financial statements

for the year ended March 31, 2023

## (ii) Special reserve u/s 29C of The National Housing Bank Act, 1987 (refer note 3.14)

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
Balance at beginning of year	543.34	328.85
Addition: Amount transferred from surplus balance in the Statement of Profit and Loss	665.91	214.49
<b>Balance at end of year</b>	<b>1,209.25</b>	<b>543.34</b>

As per Section 29C of The National Housing Bank Act, 1987 (the "NHB Act"), the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose any Special Reserve created by the Company under Section 36(1)(viii) of the Income-tax Act, 1961, is considered to be an eligible transfer. The amount transferred to special reserve u/s 29C of the NHB Act includes ₹4,152.71 lakh (March 31, 2022: ₹3,731.36 lakh) for Special Reserve in terms of Section 36(1)(viii) of the Income-tax Act, 1961.

## (iii) Reserve u/s 36(1)(viii) of the Income Tax Act, 1961

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
Balance at beginning of year	10,521.97	6,790.61
Addition: Amount transferred from surplus balance in the Statement of Profit and Loss	4,152.71	3,731.36
Less: Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of provision u/s 29C of the National Housing Bank Act, 1987	-	-
<b>Balance at end of year</b>	<b>14,674.68</b>	<b>10,521.97</b>

## (iv) Retained earnings

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
Balance at beginning of year	39,829.37	23,995.30
Profit for the year	24,093.07	19,729.29
Remeasurement of defined employee benefit plans	44.68	50.63
Transfer to special reserve u/s 29C of The National Housing Bank Act, 1987	(665.91)	(214.49)
Transfer to reserve u/s 36(1)(viii) of the Income Tax Act, 1961	(4,152.71)	(3,731.36)
Items of other comprehensive income recognised directly in retained earnings	-	-
Re-measurement gains/ (losses) on defined benefit plans	-	-
<b>Balance at end of year</b>	<b>59,148.50</b>	<b>39,829.37</b>

## (v) Cash flow hedge reserve

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
Balance at beginning of year	(497.58)	(901.45)
Net change during the year	497.58	403.87
<b>Balance at end of year</b>	<b>-</b>	<b>(497.58)</b>

# Notes to the financial statements

for the year ended March 31, 2023

## (vi) Employee stock option outstanding reserve

	(₹ in lakh)	
	As at March 31, 2023	As at March 31, 2022
Balance at beginning of year	-	-
Addition during the year	65.46	-
<b>Balance at end of year</b>	<b>65.46</b>	<b>-</b>

## 26 INTEREST INCOME

	(₹ in lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
- On financial assets measured at amortised cost		
Interest on loans and advances to customers	1,35,595.41	1,17,243.57
Interest income on investments	109.10	-
Other interest income	693.41	1,323.97
	<b>1,36,397.92</b>	<b>1,18,567.54</b>

## 27 NET GAIN ON FAIR VALUE CHANGES IN INVESTMENTS

	(₹ in lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Net gain on financial instruments at fair value through profit or loss	343.68	234.19
<b>Total Net gain on fair value changes</b>	<b>343.68</b>	<b>234.19</b>
Fair Value changes:		
Realised	103.97	234.19
Unrealised	239.71	-
	<b>343.68</b>	<b>234.19</b>

## 28 NET GAIN/(LOSS) ON DERECOGNITION OF FINANCIAL INSTRUMENTS UNDER AMORTISED COST CATEGORY

	(₹ in lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Reversal of expected credit loss on derecognition of financial instruments	3,582.64	1,844.92
Bad debts written off (net off of recoveries for write off of previous years)	(5,426.46)	(2,868.61)
	<b>(1,843.82)</b>	<b>(1,023.69)</b>

# Notes to the financial statements

for the year ended March 31, 2023

## 29 OTHER INCOME

	(₹ in lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on income tax refund	-	-
Profit on sale of property, plant and equipment	16.33	-
Profit on surrender of right to use asset	98.44	21.93
Rental Income	105.18	86.67
	<b>219.95</b>	<b>108.60</b>

## 30 FINANCE COST

	(₹ in lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
- On financial liabilities measured at amortised cost		
Interest on borrowings	56,968.84	54,723.81
Interest on debt securities	17,232.71	14,512.08
Interest on lease liability	219.11	139.71
Other interest expense	95.04	117.92
- On financial liabilities measured at fair value		
Interest on debt securities	321.29	-
	<b>74,836.99</b>	<b>69,493.52</b>

## 31 IMPAIRMENT ON FINANCIAL INSTRUMENTS (MEASURED AT AMORTISED COST)

	(₹ in lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
-On Financial Assets measured at amortised cost		
Loans (refer note 8.2.2)	5,392.51	6,446.77
	<b>5,392.51</b>	<b>6,446.77</b>

## 32 EMPLOYEE BENEFIT EXPENSES

	(₹ in lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, bonus and allowances	16,500.09	12,247.39
Contribution to provident and other funds (refer note 47)	627.10	513.39
Retirement benefit expense - Gratuity	145.31	126.34
Employee stock option expenses (refer note 41)	232.44	6.60
Staff welfare expenses	395.83	280.26
	<b>17,900.77</b>	<b>13,173.98</b>

# Notes to the financial statements

for the year ended March 31, 2023

## 33 OTHER EXPENSES

(₹ in lakh)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Rental charges payable under operating leases (refer note 36)	625.92	586.76
Travelling and conveyance	751.83	363.77
Water and electricity	172.76	129.53
Repairs and maintenance	1,594.49	830.19
Insurance	500.80	282.65
Credit rating expenses	165.96	159.42
Legal and professional charges (refer note 40)	1,966.21	1,259.91
Rates and taxes	31.95	30.69
Printing and stationery	140.99	107.21
Contract service charges	482.39	177.05
Advertisement expenses	313.59	81.82
Postage expenses	68.18	42.42
Corporate social responsibility	376.94	279.68
Miscellaneous expenses	1,137.66	827.04
	<b>8,329.67</b>	<b>5,158.14</b>

## 34 CONTINGENT LIABILITIES AND COMMITMENTS

### Contingent liabilities

Claims against the Company not acknowledged as debts on account of legal disputes ₹976.11 Lakh (March 31, 2022: ₹246.55 Lakh). Unfavourable outcome of these legal cases if any do not have any material and adverse impact on the financial position of the Company as on the balance sheet date.

The Company is not exposed to any other contingent liabilities as on the balance sheet except as mentioned above for legal disputes.

### Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) on account of property, plant and equipment ₹18.30 Lakh (March 31, 2022: ₹400.25 Lakh) and on account of intangible assets ₹353.60 Lakh (March 31, 2022: ₹208.01 Lakh).

The sanctioned but undisbursed amount stands at ₹1,44,996.3 Lakh (March 31, 2022: ₹92,494.28 Lakh)

# Notes to the financial statements

for the year ended March 31, 2023

## 35 RELATED PARTY DISCLOSURES

### I) List of related parties as per Ind AS - 24 with whom transactions have taken place during the year.

#### (A) Where control exists

Aditya Birla Capital Limited (ABCL) (Holding Company)

Grasim Industries Limited (Ultimate Holding Company)

#### (B) Fellow subsidiaries

Aditya Birla Finance Limited (ABFL)

Aditya Birla Capital Technology Services Limited (ABCTSL)

Aditya Birla Sun Life Insurance Company Limited (ABSLICL)

Aditya Birla Sun Life Asset Management Company Limited (ABSLAMC) associate of ABCL.

Aditya Birla Money Limited (ABML)

Aditya Birla Health Insurance Limited (ABHI) JV of ABCL w.e.f October 21, 2022.

Aditya Birla Financial Shared Services Limited (ABFSSL)

Aditya Birla Insurance Brokers Limited (ABIBL)

Aditya Birla PE Advisors Private Limited (ABPEL)

Aditya Birla Wellness Private Limited (ABWPL)

Ultratech Cement Limited (UCL)

Aditya Birla Insulators (ABI)

Aditya Birla Capital Digital Limited (ABCDL) ( w.e.f March 23, 2023)"

#### (C) Key management personnel

Mr. Pankaj Gadgil Chief Executive Officer (w.e.f August 18, 2022)

Managing Director (w.e.f Sept 23, 2022)

Mr. Netrapal Singh Chief Executive Officer (upto August 17, 2022)

Mr. Ashish Damani Chief Financial Officer (w.e.f December,28 2021)

# Notes to the financial statements

for the year ended March 31, 2023

## II) Transactions with related parties

### (a) Purchase and sale of services

(₹ in lakh)

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Referred in (A) above</b>		
<b>Other operating expenses</b>		
Aditya Birla Capital Limited	407.02	319.01
<b>Employees Stock option plan expenses</b>		
Aditya Birla Capital Limited	166.98	6.60
<b>Interest expenses</b>		
Aditya Birla Capital Limited	-	0.61
<b>Other Comprehensive Income - Gratuity (gain)/loss</b>		
Aditya Birla Capital Limited	4.77	(0.30)
<b>Recovery of other operating expenses</b>		
Aditya Birla Capital Ltd	-	2.81
<b>Referred in (B) above</b>		
<b>Other operating expenses</b>		
Aditya Birla Finance Limited	1,569.52	1,561.51
Aditya Birla Money Limited	-	0.07
Aditya Birla Sun Life Asset Management Company Limited	20.05	6.16
Aditya Birla Capital Technology Services Limited	231.81	112.63
Aditya Birla Health Insurance Limited	9.83	-
Aditya Birla Financial Shared Services Limited	2,422.85	1,278.73
Aditya Birla Wellness Private Limited	9.88	0.08
Ultratech Cement Limited	17.31	10.45
Aditya Birla Capital Digital Limited	5.28	-
Aditya Birla Sun Life Insurance Company Limited	309.32	5.05
<b>Interest expenses</b>		
Aditya Birla Sun Life Insurance Company Limited	85.00	85.00
<b>Other Comprehensive Income - Gratuity (gain)/loss</b>		
Aditya Birla Financial Shared Services Limited	(3.71)	(12.07)
<b>Recovery of other operating expenses</b>		
Aditya Birla Finance Limited	190.74	239.26
Aditya Birla Insurance Brokers Limited	0.40	-
Aditya Birla Sun Life Asset Management Company Limited	11.66	14.64
Aditya Birla Financial Shared Services Limited	-	2.81
Aditya Birla Capital Digital Limited	33.04	-
<b>Income</b>		
Aditya Birla Health Insurance Limited	156.20	104.30
Aditya Birla Sun Life Insurance Company Limited	342.85	497.41
Aditya Birla Money Limited	3.77	-

# Notes to the financial statements

for the year ended March 31, 2023

	(₹ in lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Referred in (C) above</b>		
Managerial Remuneration	466.21	204.95
Mr. Pankaj Gadgil - Aug, 18 2022 to Mar 31, 2023	229.92	-
Mr. Netrapal Singh - April 1, 2022 to Aug 17, 2022	236.29	204.95

## b) Outstanding balances arising from purchase and sale of services

	(₹ in lakh)	
	As at March 31, 2023	As at March 31, 2022
<b>Referred in (A) above</b>		
<b>Payable</b>		
Aditya Birla Capital Limited	52.54	26.26
<b>Referred in (B) above</b>		
<b>Receivable (refer note 7)</b>		
Aditya Birla Money Limited	-	1.50
Aditya Birla Sun Life Asset Management Company Limited	-	0.12
Aditya Birla Health Insurance Limited	31.79	29.97
Aditya Birla Sun Life Insurance Company Limited	47.23	21.98
Aditya Birla Capital Digital Limited	29.74	-
Aditya Birla Insurance Brokers Limited	0.37	-
<b>Payable</b>		
Aditya Birla Finance Limited	250.20	362.92
Aditya Birla Financial Shared Services Limited	294.58	91.19
Aditya Birla Capital Technology Services Limited	-	23.92
Aditya Birla Sun life Asset Management Company Limited	7.02	-
Ultratech Cement Limited	4.60	6.13
Aditya Birla Sun life Insurance Company Limited	70.04	-
Aditya Birla Capital Digital Limited	5.28	-
<b>Other balances (Receivables)</b>		
Aditya Birla Sun Life Insurance Company Limited	74.65	27.75
Aditya Birla Health Insurance Limited	1.93	-
Aditya Birla Financial Shared Services Limited	171.68	9.21
Aditya Birla Sun Life Insurance Company Limited	-	61.10
Aditya Birla Capital Technology Services Limited	0.17	0.10
Aditya Birla Sun life Asset Management Company Limited	2.78	2.78
Aditya Birla Finance Ltd	30.28	-

# Notes to the financial statements

for the year ended March 31, 2023

## c) Loans from related parties

(₹ in lakh)

	As at March 31, 2023	As at March 31, 2022
<b>Referred in (A) above</b>		
<b>Aditya Birla Capital Limited</b>		
Loan balance at the beginning of the year	-	400.00
Loans repaid (including inter corporate borrowings)	-	400.00
Loan balance at the end of the year	-	-
Interest accrued on above	-	-
<b>Referred in (B) above</b>		
<b>Aditya Birla Sun Life Insurance Company Limited</b>		
Loan balance at the beginning of the year	1,000.00	1,000.00
Loan obtained (issue of debentures)	-	-
Loans repaid	-	-
Loan balance at the end of the year	1,000.00	1,000.00
Interest accrued but not due on above	74.29	74.29

## d) Other transactions

(₹ in lakh)

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Referred in (A) above</b>		
<b>Capital issued</b>		
Aditya Birla Capital Limited		
Share capital issued during the year	-	-
<b>Capital Outstanding</b>		
Aditya Birla Capital Limited		
Equity share capital outstanding	50,119.77	50,119.77
<b>Referred in (B) above</b>		
<b>Other transactions</b>		
Aditya Birla Financial Shared Services Limited (Recovery of transfer employees)	11.22	13.56
Aditya Birla Money Limited (Recovery of transfer employees )	7.51	1.50
Aditya Birla Finance Limited (Sale of PPE)	0.10	0.45
Aditya Birla Finance Ltd (Purchase of PPE)	-	22.37
Aditya Birla Health Insurance Co Limited(Recovery of transfer employees)	4.37	7.70
Aditya Birla Health Insurance Co Limited(Security Deposit)	1.93	-
Aditya Birla Sun life Insurance Company Limited(Security Deposit)	46.90	27.75
Aditya Birla Sun life Asset Management Company Limited(Security Deposit)	2.78	2.78
Aditya Birla Capital Technology Services Limited (Purchase of PPE)	20.95	19.84
Aditya Birla Finance Ltd (Security Deposit)	30.28	-
Aditya Birla Finance Limited (Recovery of transfer employees)	95.62	72.12

Foot notes:

- The related party relationships have been as identified by the management on the basis of the requirements of the Ind AS -24 'Related Party Disclosures' issued by the Ministry of Corporate Affairs.
- The relationships as mentioned above except where control exists pertain to those related parties with whom transactions have taken place during the year.
- There is no write off/write back of any related party balances during the year.

# Notes to the financial statements

for the year ended March 31, 2023

## 36 LEASING ARRANGEMENTS

**Disclosure Pursuant to Indian Accounting Standard 116 - Leases is as under:**

### Critical accounting judgements and key sources of estimation uncertainty

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

**Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:**

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

### Operating lease commitments – Company as lessee (refer note 33)

The Company has entered into lease agreements for premises at various locations for periods above 12 months. The lease payments recognised in the statement of profit and loss are ₹625.92 lakhs (March 31, 2022 ₹586.76 lakhs).

Following are the changes in the carrying value of right of use assets: (refer note 14)

### Category of ROU Asset - Leasehold premises

	(₹ in lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Balance	1,921.43	1,493.32
Additions	2958.62	859.33
Reclassified from deferred lease expense	140.67	53.10
Deletions	(404.90)	(106.27)
Depreciation	(674.63)	(378.05)
<b>Closing Balance</b>	<b>3,941.19</b>	<b>1,921.43</b>

### Amounts recognised in profit and loss

	(₹ in lakh)	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation expense on right-of-use assets	674.63	378.05
Interest expense on lease liabilities	219.11	139.71
Expense relating to short-term leases	243.14	308.42
Income from subleasing right-of-use assets	105.18	86.67

# Notes to the financial statements

for the year ended March 31, 2023

## The break-up of current and non-current lease liabilities is as follows:

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current Lease Liabilities	823.53	445.73
Non-Current Lease Liabilities	3128.51	1573.57
<b>Total</b>	<b>3,952.04</b>	<b>2,019.30</b>

## The movement in lease liabilities during the is as follows:

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening balance	2,019.30	1,584.65
Additions	2,958.62	859.33
Additions through Business Combinations	-	-
Deletions	(503.33)	(128.20)
Finance Cost accrued during the period	219.11	139.71
Payment of Lease Liabilities	(741.66)	(436.19)
<b>Closing balance</b>	<b>3,952.04</b>	<b>2,019.30</b>

## The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Less than one year	849.97	461.71
One to Five years	3,277.25	1,471.59
More than Five years	604.72	582.22
<b>Total</b>	<b>4,731.94</b>	<b>2,515.52</b>

## Operating lease commitments – Company as lessor

The Company is not involved in such activity during the current financial year as well as during previous financial year.

## 37 EARNINGS PER SHARE (EPS)

(₹ in lakh)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Net profit for the year available for equity shareholders	24,093.07	19,729.29
Weighted average number of equity shares outstanding (numbers)	50,11,97,682	50,11,97,682
Basic and diluted earnings per share (Rs.)	4.81	3.94

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

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

# Notes to the financial statements

for the year ended March 31, 2023

## 38 MICRO, SMALL AND MEDIUM ENTERPRISES

Particulars	(₹ in lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
i. the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	25.75	49.22
ii. the amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-	-
iii. the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-	-
iv. the amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
v. the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

The management has identified micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier or vendors of the Company.

## 39 SEGMENT INFORMATION

Operating business segment results are reviewed regularly by the Company's Chief Operating Decision Maker (Board of Directors) to make decisions about resources to be allocated to the segments and assess their performance. Business segment is the primary segment comprising of 'Housing finance'. As the Company operates only in a single business segment, no segment information thereof is given as required under Ind AS 108.

## 40 AUDITORS REMUNERATION (INCLUDED IN LEGAL AND PROFESSIONAL CHARGES - REFER NOTE 33)

	(₹ in lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
For Statutory audit & limited review	28.00	23.61
For Tax audit	3.00	3.00
For other services	12.80	7.42
For reimbursement of expenses	4.39	0.07
	<b>48.19</b>	<b>34.10</b>

(In FY 2021-22, Auditor's remuneration "For Statutory audit & limited review" and "For other services" includes ₹4.12 lakh to erstwhile auditors.)

# Notes to the financial statements

for the year ended March 31, 2023

## 41 EMPLOYEE STOCK OPTION PLAN (ESOP)

### As on 31st March 2023

Pursuant to ESOP Plan being established by the holding company i.e. Aditya Birla Capital Limited, stock options were granted to the employees of the Company. Total cost incurred by the holding company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of Rs. 166.98 lakh (March 31, 2022 : Rs. 6.60 lakh) has been charged to the Statement of Profit and Loss. The balance sum of Rs. 536.45 lakh (March 31, 2022 :Rs. 1.90 lakh) will be charged to the Statement of Profit and Loss in future periods.

### Characteristics & Details of the ESOPs issued by ABHFL:

**Conversion ratio:** 1:1

**Vesting Period:** 3 years'

**Vesting conditions:** On fulfillment of the ESOP plan, 50% at the end of year 2 and 3.

**Exercise period:** 5 years from the date of the grant

**Settlement:** In Equity share of ABHFL.

Grant Date	Exercise Price (₹)	Options Granted	Options vested & exercisable	Options unvested	Options exercised	Options cancelled	Options outstanding
21-10-2022	37.2	1549598	-	-	-	-	1549598
27-01-2023	37.2	183379	-	-	-	-	183379
<b>Total</b>		<b>1732977</b>	-	-	-	-	<b>1732977</b>

### Weighted average fair value of options as follows:

#### Year ended 31st March 2023

Particulars	Year ended 31 <sup>st</sup> March 2023	
	21-10-2022	27-01-2023
Grant Date		
No of Options granted	1549598	183379
Weighted Average Fair value	34.6	36.5

#### As on 31st March 2022

Grant Date	Exercise Price (₹)	Options Granted	Options vested & exercisable	Options unvested	Options exercised	Options cancelled	Options outstanding
Total	-	-	-	-	-	-	-

### Weighted average fair value of options as follows:

#### Year ended 31st March 2022

Particulars	Year ended 31 <sup>st</sup> March 2022	
Grant Date		
No of Options granted	-	-
Weighted Average Fair value	-	-

# Notes to the financial statements

for the year ended March 31, 2023

## 42 NATURE AND TERM OF OUTSTANDING DERIVATIVE CONTRACT

### a) Cross currency interest rate swaps (CCIRS)

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
i) Total notional principal amount of CCIRS agreement undertaken during the year	-	35,445.00
ii) Total notional principal amount of CCIRS agreement outstanding as on end of the year	-	35,445.00
iii) Maturity date of CCIRS	October 30, 2022	October 30, 2022
iv) Hedge ratio	1:1	1:1
v) Currency pair	USD / INR	USD / INR

### b) Overnight Index Swaps (OIS)

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
i) Total notional principal amount of OIS agreement undertaken during the year	5,000.00	-
ii) Total notional principal amount of OIS agreement outstanding as on end of the year	5,000.00	-
iii) Maturity date of OIS	October 4, 2023	-

### c) The fair value mark to market (MTM) gains or losses in respect of Swaps Agreement outstanding as at the Balance Sheet date is stated below:

(₹ in lakh)

Hedging Instrument	For the year ended March 31, 2023	For the year ended March 31, 2022
Cross currency interest rate swaps (CCIRS)	-	1,420.03
Overnight Index Swaps(OIS)	18.55	-

### d) Movement in Hedge Reserve (excluding deferred tax)

(₹ in lakh)

Cash Flow Hedge Reserve Account	March 31, 2023		
	Realised	Unrealised	Total
i) Balance at the beginning of the year	-	(664.93)	(664.93)
ii) Add: Changes in the fair value during the Year	(1,407.73)	(1,426.28)	(2,834.01)
iii) Less: Amounts reclassified to statement of profit & loss	(1,407.73)	(2,091.20)	(3,498.93)
iv) Balance at the end of the year	-	-	-

(₹ in lakh)

Cash Flow Hedge Reserve Account	March 31, 2022		
	Realised	Unrealised	Total
i) Balance at the beginning of the year	-	(1,204.63)	(1,204.63)
ii) Add: Changes in the fair value during the Year	2,229.19	1,722.23	3,951.42
iii) Less: Amounts reclassified to statement of profit & loss	2,229.19	1,182.53	3,411.72
iv) Balance at the end of the year	-	(664.93)	(664.93)

# Notes to the financial statements

for the year ended March 31, 2023

(₹ in lakh)

Particulars - CCIRS	For the year ended March 31, 2023	For the year ended March 31, 2022
i) Name of the Counter Party	State Bank of India	State Bank of India
ii) Hedge Designation	Effective	Effective
iii) Exchange rate (USD/INR)	70.89	70.89
iv) Interest rate (p.a.)	7.79%	7.79%

(₹ in lakh)

Particulars - OIS	For the year ended March 31, 2023	For the year ended March 31, 2022
i) Name of the Counter Party	State Bank of India	-
ii) Hedge Designation	Effective	-
iii) Floating rate	FBIL Mibor	-
iv) Fixed rate	6.96%	-

## 43 DISCLOSURE AS PER INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA (REGISTRATION OF CORPORATE AGENTS) REGULATIONS, 2015 :-

### Detail of income received from insurers:

(₹ in lakh)

Name of insurer	For the year ended March 31, 2023	For the year ended March 31, 2022
Aditya Birla Health Insurance Co Ltd.	152.04	98.38
Liberty General Insurance Co. Ltd.	79.40	111.53
Reliance General Insurance Co. Ltd.	182.32	196.33
Aditya Birla Sun Life Insurance Co. Ltd.	192.66	156.38
Go Digit General Insurance Ltd.	64.76	16.11

## 44 FEES AND COMMISSION INCOME

Fees and commission Income includes brokerage of ₹671.18 lakh (March 31, 2022: ₹578.74 lakh) received in respect of insurance/ agency business undertaken by the Company. Out of this, ₹344.70 lakh (March 31, 2022: ₹254.76 lakh) have been received from related parties.

# Notes to the financial statements

for the year ended March 31, 2023

## 45 STATEMENT OF CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility as per Sec 135 (5) of the Companies Act, 2013 was ₹376.94 lakh (March 31, 2022 : ₹279.68 lakh).

(₹ in lakh)

Name of insurer	For the year ended March 31, 2023	For the year ended March 31, 2022
Amount required to be spent by the company during the year	376.94	279.68
Amount of expenditure incurred	437.79	218.83
Shortfall at the end of the year	-	60.85
Total of previous years shortfall	-	-
Reasons for shortfall*	Not Applicable	Ongoing projects
Nature of CSR activities	Healthcare, Education and Women Empowerment & Sustainable Livelihood	Healthcare, Education and Women Empowerment & Sustainable Livelihood
Details of related party transactions	Not Applicable	Not Applicable

## 46 ISSUANCE OF DEBT SECURITIES BY LARGE CORPORATE (REF : SEBI/HO/DDHS/CIR/P/2018/144 DATED 26.11.2018)

### A. Initial disclosure to be made by an entity identified as a Large Corporate -

Sr. No.	Particulars	Details
1	Name of the company	Aditya Birla Housing Finance Limited
2	CIN	U65922GJ2009PLC083779
3	Outstanding borrowing of company as on March 31, 2023"	* ₹10,96,980 lakh
4	Highest Credit Rating During the previous FY along with name of the Credit Rating Agency	1. AAA by India Ratings & Research Private Ltd for NCD, Sub Debt & PPMLD (Principal Protected Market Linked Debenture), Bank Lines (Long Term). 2. AAA by ICRA Ltd for NCD, Sub Debt & Bank Lines (Long Term).
5	Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	National Stock Exchange India Ltd (NSE)

\* Principal Outstanding and Excluding commercial papers, cash credit, WCDL & inter corporate borrowings from Parent Company.

We confirm that we are a Large Corporate as per the applicability criteria given under the Chapter XII of SEBI Operational circular dated August 10, 2021 amended from time to time.

\*\*In terms paragraph of 2.2(d) of the circular, beginning FY2022, in the event of shortfall in the mandatory borrowing through debt securities, a fine of 0.2% of the shortfall shall be levied by Stock Exchanges at the end of the two-year block period. Therefore, an entity identified as LC shall provide, in its initial disclosure for a financial year, the name of stock exchange to which it would pay the fine in case of shortfall in the mandatory borrowing through debt markets.

# Notes to the financial statements

for the year ended March 31, 2023

## B. Annual disclosure to be made by an entity identified as a Large Corporate -

- 1 Name of the Company : Aditya Birla Housing Finance Limited
- 2 CIN : U65922GJ2009PLC083779
- 3 Report filed for : FY : 2022-2023
- 4 Details of the borrowings (₹ in Lakhs)

(₹ in lakh)

Sr. No.	Particulars	Details
I	3-year block period	T (2022-2023), T+1 (2023-2024), T+ 2 (2024-2025)
II	Incremental Borrowing in FY T (a)	3,55,000
III	Mandatory borrowing to be done through issuance of debt securities FY T (b) = (25% of a)	88,750
IV	Actual borrowings done through debt securities in FY T (c)	85,000
V	Shortfall in the borrowing through debt securities, if any for FY (T-1) i.e FY (2021-22) carried forward to FY T (d)	-
VI	Quantum of (d), which has been met from (c) (e)	
VII	Shortfall, if any, in the mandatory borrowing through debt securities for FY (T) {after adjusting for any shortfall in borrowing for FY (T-1) i.e FY (2021-22) which was carried forward to FY (T)} (f)= (b)-[(c)-(e)] {If the calculated value is zero or negative, write "nil"}	3750

Details of penalty to be paid, if any, in respect to previous block (all figures in Rs. lakhs)

Sr. No.	Particulars	Details
1	2-year block period	(T-1) FY (2021-22) ,(T) FY (2022-23)
2	Amount of fine to be paid for the block, if applicable Fine = 0.2% of {(d)-(e)}	-

## 47 EMPLOYEE BENEFIT PLANS

### I) Defined contribution plans

Amount recognised as an expense and included in note 32 - "Contribution to provident and other funds" :

(₹ in lakh)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Contribution to Govt. managed Employees Provident Fund	596.53	491.34
Contribution to Employee State Insurance Fund and others	30.57	22.05
	<b>627.10</b>	<b>513.39</b>

# Notes to the financial statements

for the year ended March 31, 2023

## II) Defined benefit plans

The Company has a defined benefit gratuity plan (funded) to cater its liability under Payment of Gratuity Act, 1972 and long term compensated absences plan (unfunded) for leave entitlements to employees.

The details of the Company's defined benefit gratuity plan for its employees are given below:

### a) Amount recognized in the balance sheet

	For the year ended March 31, 2023 (Funded)	For the year ended March 31, 2022 (Funded)
Present value of defined benefit obligation at the end of the year (refer note 22)	567.59	580.78
Fair value of plan assets at the end of the year (refer note 15)	612.32	577.14
<b>Net liability at the end of the year</b>	<b>(44.73)</b>	<b>3.64</b>

(₹ in lakh)

### b) Components of defined benefit costs recognised in statement of profit and loss and other comprehensive income

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Recognised in the statement of profit and loss</b>		
Current service cost	136.46	115.29
Interest on defined benefit obligation	0.20	1.03
Past service cost	-	-
Administration expenses	-	-
(Gains) / loss on settlement	-	-
<b>Total expense charged</b>	<b>136.66</b>	<b>116.32</b>
<b>Recognised in other comprehensive income</b>		
Remeasurement of the net defined benefit liability due to		
- Changes in financial assumptions	(67.83)	(30.40)
- Changes in demographic assumptions	(1.53)	(11.49)
- Experience adjustments	26.41	15.02
- Actual return on plan assets less interest on plan assets	0.76	(28.43)
- Adjustments to recognise the effect of asset ceiling	-	-
<b>Closing amount recognised in OCI</b>	<b>(42.19)</b>	<b>(55.30)</b>

(₹ in lakh)

Current service cost and the net interest expense for the year are included in the 'Employee benefit expenses'.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

Gratuity expense in the Statement of Profit and loss includes the charge of ₹ 14.09 lakh (March 31, 2022 : ₹ 7.56 lakh ) from Aditya Birla Financial Shared Services Limited and ₹ 2.86 lakh (March 31, 2022 : ₹ 2.46 lakh) from Aditya Birla Capital Limited on account of shared employee cost.

Other comprehensive Income in the Statement of Profit and loss includes the charge/ (credit) of ₹(3.71) lakh (March 31, 2022 : ₹ (12.07) lakh) from Aditya Birla Financial Shared Services Limited and ₹ 4.77 lakh (March 31, 2022 : ₹ (0.30) lakh) from Aditya Birla Capital Limited on account of shared employee cost.

# Notes to the financial statements

for the year ended March 31, 2023

## c) Reconciliation of present value of the obligation

(₹ in lakh)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening defined benefit obligation	580.78	523.97
Current service cost	136.46	115.29
Past service cost	-	-
Interest on defined benefit obligation	32.50	25.65
Remeasurements due to:		
- Actuarial loss/(gain) arising from change in financial assumption	(67.83)	(30.40)
- Actuarial loss/(gain) arising from change in demographic assumption	(1.53)	(11.49)
- Actuarial loss/(gain) arising on account of experience changes	26.42	15.02
Benefit paid	(139.21)	(57.26)
Liabilities assumed / (settled)	-	-
Closing defined benefit obligation	567.59	580.78

## d) Reconciliation of fair value of the plan assets:

(₹ in lakh)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening fair value of the plan assets	577.14	502.92
Employer contributions	3.64	21.16
Interest on plan assets	32.30	24.63
Administration expenses	-	-
Remeasurements due to:		
- Actual return on plan assets less interest on plan assets	(0.76)	28.43
Benefits paid	-	-
Assets acquired / (settled)	-	-
Assets distributed on settlements	-	-
Closing fair value of plan assets	612.32	577.14

## e) Disaggregation of plan assets

(₹ in lakh)

	As at March 31, 2023		
	Quoted value	Non quoted value	Total
Government debt instruments	-	65.15	65.15
Other debt instruments	-	4.90	4.90
Insurer managed funds	-	226.07	226.07
Others	-	316.20	316.20
<b>Total</b>	-	<b>612.32</b>	<b>612.32</b>

# Notes to the financial statements

for the year ended March 31, 2023

(₹ in lakh)

	As at March 31, 2022		Total
	Quoted value	Non quoted value	
Government debt instruments	-	61.41	61.41
Other debt instruments	-	4.62	4.62
Insurer managed funds	-	213.08	213.08
Others	-	298.03	298.03
<b>Total</b>	<b>-</b>	<b>577.14</b>	<b>577.14</b>

## f) Principal actuarial assumptions

(₹ in lakh)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate (p.a.)	7.25%	5.60%
Salary escalation rate (p.a)	7.00%	7.00%
Expected return on plan assets (p.a)	7.25%	5.60%
Attrition rate (p.a)	Age: Upto 30 : 46% Age: 31-40 : 35% Age: 41-50 : 19% Age: Above 50 : 0%	Age: Upto 30 : 46% Age: 31-40 : 35% Age: 41-50 : 19% Age: Above 50 : 0%

## g) Sensitivity analysis of principal assumptions

(₹ in lakh)

(in terms of percentage)	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Impact of increase in 50 bps on DBO</b>		
Discount rate	-3.10%	-3.30%
Salary escalation rate	3.30%	3.40%
Attrition Rate	-10.10%	-10.20%
<b>Impact of decrease in 50 bps on DBO</b>		
Discount rate	3.30%	3.50%
Salary escalation rate	-3.20%	-3.20%
Attrition Rate	19.90%	23.00%

(₹ in lakh)

(in terms of amount)	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>DBO due to Impact of increase in 50 bps</b>		
Discount rate	549.74	561.82
Salary escalation rate	586.56	600.64
Attrition Rate	510.11	521.67
<b>DBO due to Impact of decrease in 50 bps</b>		
Discount rate	586.56	600.96
Salary escalation rate	549.57	561.93
Attrition Rate	680.64	714.34

# Notes to the financial statements

for the year ended March 31, 2023

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

## h) Maturity profile of defined benefit obligation

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

Maturity profile	(₹ in lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Expected benefits for year 1	107.80	119.81
Expected benefits for year 2	85.66	74.92
Expected benefits for year 3	69.27	61.40
Expected benefits for year 4	59.27	49.61
Expected benefits for year 5	50.35	39.66
Expected benefits for year 6	38.95	31.44
Expected benefits for year 7	30.87	25.91
Expected benefits for year 8	35.44	32.31
Expected benefits for year 9	52.48	25.63
Expected benefits for year 10 and above	485.48	446.33

The weighted average duration to the payment of these cash flows is 7 years (March 31, 2022 : 7 years).

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

Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields as at Balance Sheet date.

Estimated amount of contribution expected to be paid to the gratuity fund during the period after the Balance Sheet date is ₹90.13 lakh (March 31, 2022: ₹112.85 lakh).

# Notes to the financial statements

for the year ended March 31, 2023

## 48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

ABHFL's risk philosophy involves a competent and comprehensive risk management framework & robust policies and processes which minimise the element of uncertainty and help in developing and maintaining a healthy portfolio within its risk appetite and the regulatory framework. The Risk Management provides stability and balance ensuring that growth is backed by a robust portfolio. ABHFL is exposed to various types of risks such as credit risk, market risk (which includes liquidity risk and pricing risk), operational risk, legal risk, regulatory risk and competition risk.

ABHFL's risk management strategy is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring. The policies and procedures established for this purpose are continuously benchmarked with best practices. The Board of Directors have an oversight over the risk management framework applicable to the Company. The risk management oversight structure includes various Committees such as Risk Management Committee which consist of Board members and Senior Management. The Risk Management Committee ("RMC") which is chaired by an Independent Director conducts review at regular intervals to monitor compliance with risk policies, risk tolerance limits, review and analysis of risk exposure and provides oversight of risk across the organization.

### Market risk

The Company does not have any investments in securities other than short term investments of excess funds in liquid schemes of mutual funds and other government securities hence, there is no material market risk. On liabilities front, the Company borrows through CPs (fixed rate, short duration), Term Loans (from Banks – at rates lined to their MCLR) and NCDs (fixed rate & floating rate, long term).

The Company has a robust mechanism to take care of liquidity risks in form of free Bank lines (CC and TL). From time to time depending on markets, the Company also invests in liquid schemes of mutual funds and other government securities which ensures availability of funds to meet its immediate liabilities.

Asset Liability Committee (ALCO) meets around 6 times a year to discuss market conditions and Asset Liability Management (ALM). There is a Risk Committee meeting every quarter and also a Board meeting every quarter where the risks are discussed and ALM is presented.

### Interest rate risk

Interest rate risk is monitored through the IRS statement prepared every quarter. The Company has issued NCDs which are fixed / floating rate instruments. The major portion of the borrowings are through term loans, which are a variable rate with annual reset, linked to the Bank's MCLR. ALCO has set a limit for the interest rate gap that is acceptable and the same is monitored by ALCO and Risk Committee. Most of the loans given by the Company are floating rate loans and hence, any change in interest rate can be passed on to the customers, thereby minimising the risk.

### Credit risk

Credit Risk is managed and controlled through a Credit Risk Management Framework comprising detailed risk evaluation of borrower and security. ABHFL has developed expertise to underwrite all kinds of customer segments (salaried, self-employed professionals, self-employed non-professionals) and our underwriting guidelines are benchmarked to the market and adequate internal controls have been put in place to maintain the quality of loans being approved. Distinct policies and processes are in place which are followed rigorously while selecting the borrowers and people who occupy key positions are professionally qualified (such as CA/MBA/ICWA). For each product, programs defining customer segments, underwriting standards, security structures, etc. are specified to ensure consistency of credit patterns. All the cases are approved by Credit Committees formulated at different levels with various approval limits. Collateral Risk refers to the risk of loss arising from errors in the nature, quantity, pricing, or characteristics of collateral securing a transaction with credit risk. ABHFL has dual external valuation process and the same is also evaluated internally to mitigate such risk. After sanctioning the loan, regular monitoring of the accounts is also done to sight irregularities if any and where required prompt action is initiated and a well defined collection process helps in ensuring minimum credit loss. As credit risk is one of the major risks faced by the Company, the policies and processes are reviewed periodically and, if need be, revised in order to keep them up-to-date.

# Notes to the financial statements

for the year ended March 31, 2023

## Analysis of maximum exposure to credit risk and collateral and other credit enhancements

The following table shows the maximum exposure to credit risk, the total fair value of collateral and the net exposure to credit risk. The collateral value as at the time of on-boarding of the customer has been considered except for stage 3 (Latest Valuation) and loss cases (Nil value) for below disclosure.

(₹ in lakh)

	Maximum exposure to credit risk	Fair value of collateral and other credit enhancements held (Mortgage)	Net exposure
As at March 31, 2023	15,25,798.66	37,20,045.89	-
As at March 31, 2022	13,05,732.09	30,82,310.98	-

## Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

The main type of collateral obtained is mortgages over residential/ commercial properties.

The table below shows the value of the credit impaired asset (stage 3) and the value of the collateral available -

(₹ in lakh)

Particulars	As at March 31, 2023		As at March 31, 2022*	
	Credit Impaired	Security Held	Credit Impaired	Security Held
Loans - Maximum exposure (Stage 3)	44,591.80	79,872.57	44,591.86	57,886.53

(₹ in lakh)

Particulars	As at March 31, 2023		As at March 31, 2022 (Reported)	
	Credit Impaired	Security Held	Credit Impaired	Security Held
Loans - Maximum exposure (Stage 3)	44,591.80	79,872.57	25,828.55	32,974.03

\* Note: The company has realigned the methodology of classification of NPA as per IRAC norms during the year FY 2022-23. For the purposes of comparison the company has regrouped the staging as per revised norms.

## Liquidity risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

Company manages its liquidity requirement by analysing the maturity pattern of Company's cash flows of financial assets and financial liabilities. The Asset Liability Management of the Company is periodically reviewed by its Risk Management Committee.

# Notes to the financial statements

for the year ended March 31, 2023

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at respective balance sheet dates.

## As at March 31, 2023

(₹ in lakh)

	Liabilities			Assets	
	Borrowings from banks	Market borrowings#	Other financial liabilities	Advances*	Other financial assets
Less than 1 year	2,78,432.07	99,189.14	11,731.21	77,689.29	33,725.19
More than 1 year	6,11,723.79	2,04,378.63	3,128.51	12,78,006.92	600.81
<b>Total</b>	<b>8,90,155.86</b>	<b>3,03,567.77</b>	<b>14,859.72</b>	<b>13,55,696.21</b>	<b>34,326.00</b>

## As at March 31, 2022

(₹ in lakh)

	Liabilities			Assets	
	Borrowings from banks	Market borrowings#	Other financial liabilities	Advances*	Other financial assets
Less than 1 year	1,47,284.70	65,038.00	4,399.49	68,862.98	58,451.94
More than 1 year	6,70,933.91	1,88,268.35	9,398.77	11,20,683.11	247.74
<b>Total</b>	<b>8,18,218.61</b>	<b>2,53,306.35</b>	<b>13,798.26</b>	<b>11,89,546.09</b>	<b>58,699.68</b>

The above table includes future contractual cash flows recognised as at balance sheet date in different buckets and does not include other future contracted cash flows (such as interest which are not accrued as at Balance Sheet date).

# Net of unamortized discounting charges on commercial paper amounting to Rs. 332.06 lakh (March 31, 2022: Rs. 137.95 lakh)

\* Advances includes loan and advances to the customers.

## Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

## Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets/ liabilities are denominated in a currency other than the functional currency. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates.

The Company, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange.

The total foreign currency exposure as at March 31, 2023 is Nil (March 31, 2022: USD 500 lakh) of which unhedged foreign currency exposure as at March 31, 2023 is Nil (March 31, 2022: Nil)

# Notes to the financial statements

for the year ended March 31, 2023

## 49 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

(₹ in lakh)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
<b>FINANCIAL ASSETS</b>						
(a) Cash and cash equivalents	20,474.22	-	20,474.22	55,695.10	-	55,695.10
(b) Derivative financial instruments	18.55	-	18.55	1,420.03	-	1,420.03
(c) Receivables						
- Trade Receivables	391.00	-	391.00	1,224.70	-	1,224.70
- Other Receivables	109.13	-	109.13	53.56	-	53.56
(d) Loans	23,239.40	13,32,456.81	13,55,696.21	65,032.72	11,24,513.36	11,89,546.08
(e) Investments	12,536.72	-	12,536.72	-	-	-
(f) Other Financial assets	195.57	600.81	796.38	58.55	247.74	306.29
	<b>56,964.59</b>	<b>13,33,057.62</b>	<b>13,90,022.21</b>	<b>1,23,484.66</b>	<b>11,24,761.10</b>	<b>12,48,245.76</b>
<b>NON- FINANCIAL ASSETS</b>						
(a) Current tax assets (Net)		1,543.04	1,543.04	-	232.75	232.75
(b) Deferred tax Assets (Net)	-	5,750.34	5,750.34	-	5,372.56	5,372.56
(c) Property, Plant and Equipment	-	1,721.99	1,721.99	-	830.69	830.69
(d) Right to use of Assets	-	3,941.19	3,941.19	-	1,921.43	1,921.43
(e) Intangible assets under development	-	469.51	469.51	-	61.42	61.42
(f) Other Intangible assets	-	1,076.47	1,076.47	-	561.33	561.33
(g) Other non-financial assets	2,676.85	13.13	2,689.98	1,804.61	39.55	1,844.16
	<b>2,676.85</b>	<b>14,515.67</b>	<b>17,192.52</b>	<b>1,804.61</b>	<b>9,019.73</b>	<b>10,824.34</b>
<b>TOTAL ASSETS</b>	<b>59,641.44</b>	<b>13,47,573.29</b>	<b>14,07,214.73</b>	<b>1,25,289.27</b>	<b>11,33,780.83</b>	<b>12,59,070.10</b>
<b>LIABILITIES AND EQUITY</b>						
<b>LIABILITIES</b>						
<b>FINANCIAL LIABILITIES</b>						
(a) Payables						
(l) Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	25.75	-	25.75	49.22	-	49.22
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,174.52	-	2,174.52	2,776.70	-	2,776.70
(c) Debt Securities	98,337.94	1,71,018.40	2,69,356.34	63,182.04	1,55,932.50	2,19,114.54
(d) Borrowings other than debt securities	2,78,431.35	6,11,724.51	8,90,155.86	1,47,284.69	6,70,933.91	8,18,218.60
(e) Subordinated Liabilities	15.67	34,195.76	34,211.43	1,855.95	32,335.86	34,191.81
(f) Lease Liability	823.53	3,128.51	3,952.04	445.73	1,573.57	2,019.30
(g) Other financial liabilities	8,707.41	-	8,707.41	8,953.04	-	8,953.04
	<b>3,88,516.17</b>	<b>8,20,067.18</b>	<b>12,08,583.35</b>	<b>2,24,547.37</b>	<b>8,60,775.84</b>	<b>10,85,323.21</b>

# Notes to the financial statements

for the year ended March 31, 2023

(₹ in lakh)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>NON- FINANCIAL LIABILITIES</b>						
(a) Current tax liabilities (Net)	-	-	-	11.11	-	11.11
(a) Provisions	1,024.41	-	1,024.41	948.44	-	948.44
(b) Other non-financial liabilities	807.10	-	807.10	688.26	-	688.26
	<b>1,831.51</b>	<b>-</b>	<b>1,831.51</b>	<b>1,647.81</b>	<b>-</b>	<b>1,647.81</b>
<b>NET</b>	<b>(3,30,706.24)</b>	<b>5,27,506.11</b>	<b>1,96,799.87</b>	<b>(1,00,905.91)</b>	<b>2,73,004.99</b>	<b>1,72,099.08</b>

## 50 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of its Regulator, NHB. The Company monitors capital using, among other measures, a capital adequacy ratio which is a ratio of weighted assets to total owned capital derived as per the NHB requirements. As per the NHB guidelines Company being a Housing Finance Company is required to maintain minimum of 15% of capital adequacy ratio (March 31, 2022 - 15%). Company has complied in full with all its externally imposed capital requirements over the reported period

The Company also manages its leverage position on periodic basis by monitoring debt equity ratio to aligning itself with market and peers.

(₹ in lakh)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Capital adequacy ratio :	21.58%	23.94%
Tier I CRAR	18.01%	19.44%
Tier II CRAR	3.57%	4.50%
Debt equity ratio :	6.07	6.23
Liquidity Coverage Ratio	215.89%	121.84%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

# Notes to the financial statements

for the year ended March 31, 2023

## 51 FAIR VALUES

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values, that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

(₹ in lakh)

	Carrying value		Fair value	
	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Financial assets at amortised cost</b>				
Loans #	13,55,696.21	11,89,546.08	13,55,696.21	11,89,546.08
Security deposits	643.47	295.08	620.97	306.95
	<b>13,56,339.68</b>	<b>11,89,841.16</b>	<b>13,56,317.18</b>	<b>11,89,853.03</b>
<b>Financial assets at FVTPL</b>				
Investments - Government Securities	12,536.72	-	12,536.72	-
	<b>12,536.72</b>	<b>-</b>	<b>12,536.72</b>	<b>-</b>
<b>Financial assets at Fair Value</b>				
Derivative financial instruments	18.55	1,420.03	18.55	1,420.03
	<b>18.55</b>	<b>1,420.03</b>	<b>18.55</b>	<b>1,420.03</b>
<b>Financial liabilities at amortised cost</b>				
Debt Securities	2,48,688.40	2,01,752.49	2,44,516.42	2,09,805.49
Sub debts*	34,211.43	34,191.81	32,913.15	34,617.06
Commercial papers	20,667.94	17,362.05	20,667.94	17,362.05
Borrowings other than debt securities#	8,90,155.86	8,18,218.60	8,90,155.86	8,18,218.60
	<b>11,93,723.63</b>	<b>10,71,524.94</b>	<b>11,88,253.37</b>	<b>10,80,003.20</b>
<b>Financial liabilities at Fair Value</b>				
Derivative financial instruments	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Loans to customers and borrowings other than debt securities are primarily at floating rate of interest hence carrying value approximates the fair value.

\*Includes subordinate debts subscribed by Aditya Birla Sunlife Insurance Company Limited of face value ₹1,000 lakh ( March 31, 2022 : ₹1,000 lakh ) with fair value ₹1,042.92 lakh ( March 31, 2022 : ₹1,094.31 lakh ) included in level 2 below.

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

Interest accrued upto reporting period are included in both "Carrying value" and "Fair value".

The Company has availed the exemption granted under para 29(a) Ind AS 107-Financial Instruments: Disclosures, with regard to disclosure of financial instruments where the carrying amount approximates the fair value and accordingly, have not provided the disclosure of financial instruments falling under this category, except in case of loans to customers and borrowings other than debt securities.

# Notes to the financial statements

for the year ended March 31, 2023

## Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

### Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and bank balances, Trade receivables, trade payables, other financial assets and financial liabilities. Disclosures of financial assets and financial liabilities where the carrying amount approximates fair value is not required and hence not given.

### Loans and advances to customers

Since the mortgage lending by the Company is primarily bearing variable rate of interest, the carrying amount net of ECL is considered as the most comparable price and approximates fair value.

### Debt securities, security deposits and other borrowings

The fair values of the Company's interest-bearing debt securities and security deposits are determined by using discounted cash flow (DCF) method using discount rate that reflects the issuer's market borrowing rate as at the end of the reporting period.

Since entity's other borrowings are primarily bearing variable rate of interest, the carrying amount of such borrowings is considered as the most comparable price and approximates fair value.

## Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

(₹ in lakh)

	Carrying Amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
<b>As at March 31, 2023</b>					
<b>Financial assets at amortised cost</b>					
Loans	13,55,696.21	-	-	13,55,696.21	13,55,696.21
Security deposits	643.47	-	-	620.97	620.97
	<b>13,56,339.68</b>	-	-	<b>13,56,317.18</b>	<b>13,56,317.18</b>
<b>Financial assets at FVTPL</b>					
Investments - Government Securities	12,536.72	-	12,536.72	-	12,536.72
	<b>12,536.72</b>	-	<b>12,536.72</b>	-	<b>12,536.72</b>
<b>Financial assets at Fair Value</b>					
Derivative financial instruments	18.55	-	18.55	-	18.55
	<b>18.55</b>	-	<b>18.55</b>	-	<b>18.55</b>
<b>Financial liabilities at amortised cost</b>					
Debt securities	2,48,688.40	-	2,44,516.42	-	2,44,516.42
Sub Debts	34,211.43	-	32,913.15	-	32,913.15
Commercial papers	20,667.94	-	20,667.94	-	20,667.94
Borrowings other than debt securities	8,90,155.86	-	-	8,90,155.86	8,90,155.86
	<b>11,93,723.63</b>	-	<b>2,98,097.51</b>	<b>8,90,155.86</b>	<b>11,88,253.37</b>

# Notes to the financial statements

for the year ended March 31, 2023

(₹ in lakh)

	Carrying Amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
<b>Financial liabilities at Fair Value</b>					
Derivative financial instruments	-	-	-	-	-
	-	-	-	-	-
<b>As at March 31, 2022</b>					
<b>Financial assets at amortised cost</b>					
Loans	11,89,546.08	-	-	11,89,546.08	11,89,546.08
Security deposits	295.08	-	-	306.95	306.95
	<b>11,89,841.16</b>	-	-	<b>11,89,853.03</b>	<b>11,89,853.03</b>
<b>Financial assets at FVTPL</b>					
Investments - mutual fund	-	-	-	-	-
	-	-	-	-	-
<b>Financial assets at Fair Value</b>					
Derivative financial instruments	1,420.03	-	1,420.03	-	1,420.03
	<b>1,420.03</b>	-	<b>1,420.03</b>	-	<b>1,420.03</b>
<b>Financial liabilities at amortised cost</b>					
Debt securities	2,01,752.49	-	2,09,805.49	-	2,09,805.49
Sub Debts	34,191.81	-	34,617.06	-	34,617.06
Commercial papers	17,362.05	-	17,362.05	-	17,362.05
Borrowings other than debt securities	8,18,218.60	-	-	8,18,218.60	8,18,218.60
	<b>10,71,524.94</b>	-	<b>2,61,784.60</b>	<b>8,18,218.60</b>	<b>10,80,003.20</b>
<b>Financial liabilities at Fair Value</b>					
Derivative financial instruments	-	-	-	-	-
	-	-	-	-	-

## 52 DETAILS OF STRUCK OFF COMPANIES\*

(₹ in lakh)

Name of struck off Company	Nature of Transaction	Balance outstanding	Whether it is related party?
Maark Vision Architects Private Limited	Loan to Customer (Receivable)	323.24	No

(\*based on information available as on the date of reporting.)

# Notes to the financial statements

for the year ended March 31, 2023

## 53 OTHER DISCLOSURES

I. The disclosure on the following matters required under Schedule III as amended not being relevant or applicable in case of the Company, same are not covered such as-

- a) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- b) There are no transactions pertaining to surrender/disclosure of income which have not been recorded in the books.
- c) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- d) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- e) The Company has not entered into any scheme of arrangement.
- f) No Registration or satisfaction of charges are pending to be filed with ROC.
- g) The provision relating to compliance with number of layers of companies prescribed under clause (87) of section 2 of the Companies Act is not applicable to the Company.

II. No dividend is declared & paid during the current financial year.

III. a) To the best of our knowledge & belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any

guarantee, security or the like on behalf of the Ultimate Beneficiaries.

III. b) To the best of our knowledge & belief, no funds (which are material either individually or in aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

### Recent Amendments

The Ministry of Corporate Affairs (MCA) on 31<sup>st</sup> March 2023 through Companies (Indian Accounting Standards) Amendment Rules, 2023 has notified the following amendments to IND AS which are applicable for the annual periods beginning on or after 1<sup>st</sup> April, 2023.

a) Ind AS 1 - Presentation of Financial Statements - This amendment requires the Company to disclose its material accounting policies rather than their significant accounting policies.

The Company will carry out a detailed review of accounting policies to determine material accounting policy information to be disclosed going forward.

b) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has changed the definition of a "change in accounting estimates" to a definition of "accounting estimates". The amendment clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates.

c) Ind AS 12 - Income Taxes - This amendment has done away with the recognition exemption on initial recognition of assets and liabilities that give rise to equal and offsetting temporary differences.

The Company does not expect the above amendments to have any material impact in its financial statements.

# Notes to the financial statements

for the year ended March 31, 2023

## Report on Other Legal and Regulatory Requirements

Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

## 54 EVENTS AFTER REPORTING DATE

There have been no events after the reporting date that require disclosure in these financial statements.

**55** Disclosure of details as required under amended guidelines on Housing Finance Companies- Corporate Governance (National Housing Bank) Directions, 2016 issued by NHB vide circular dated February 9, 2017 has been given under Annexure 1 to these financial statements.

The accompanying notes are an integral part of the financial statements.

In terms of our report attached  
For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji Co & LLP)  
ICAI Firm Registration No: : 105146W/W100621

For and on behalf of the Board of Directors of  
**Aditya Birla Housing Finance Limited**

**Hasmukh B. Dedhia**  
Partner  
Membership No: 033494

**Vishakha Mulye**  
Director  
DIN: 00203578

**Pankaj Gadgil**  
Managing Director and Chief Executive Officer  
DIN: 08521239

**Ashish Damani**  
Chief Financial Officer

**Swati Singh**  
Company Secretary

Place: Mumbai  
Date: 27<sup>th</sup> April 2023

Place: Mumbai  
Date: 27<sup>th</sup> April 2023

# Notes to the financial statements

for the year ended March 31, 2023

## 1 DISCLOSURE OF DETAILS AS REQUIRED UNDER ANNEXURE IV OF MASTER DIRECTION – NON-BANKING FINANCIAL COMPANY – HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021 ISSUED BY RESERVE BANK OF INDIA VIDE CIRCULAR DATED FEBRUARY 17, 2021 & UNDER SCALE BASED REGULATION FRAMEWORK FOR NBFCS, CIRCULAR DOR.CRE.REC.NO.60/03.10.001/2021-22 DATED OCTOBER 21, 2022 & CIRCULAR DOR.ACC.REC.NO.20/21.04.018/2022-23 DATED APRIL 19, 2022.

### 1.1 Capital:

Particulars	(₹ in lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
CRAR (%)	21.58%	23.94%
CRAR - Tier I capital (%)	18.01%	19.44%
CRAR - Tier II Capital (%)	3.57%	4.50%
Amount of subordinated debt outstanding as Tier- II Capital	34,211.43	34,191.81
Amount raised by issue of perpetual debt instruments	-	-

### 1.2 Reserve fund u/s 29C of the National Housing Bank Act, 1987:

Particulars	(₹ in lakh)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Balance at the beginning of the year</b>		
i) Statutory reserves u/s 29C of the National Housing bank Act, 1987	543.34	328.85
ii) Amount of special reserve u/s 36(1)(viii) of the Income Tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of the National Housing Bank Act, 1987	10,521.97	6,790.61
<b>Total</b>	<b>11,065.31</b>	<b>7,119.46</b>
<b>Addition/ appropriation/ withdrawal during the year</b>		
<b>Add:</b>		
i) Amount transferred u/s 29C of the National Housing Bank Act, 1987	665.91	214.49
ii) Amount of special reserve u/s 36(1)(viii) of the Income Tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of the National Housing Bank Act, 1987	4,152.71	3,731.36
<b>Less:</b>		
i) Amount appropriated from the statutory reserve u/s 29C of the National Housing Bank Act, 1987	-	-
<b>Balance at the end of the year</b>		
i) Statutory reserve u/s 29C of the National Housing Bank Act, 1987	1,209.25	543.34
ii) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987	14,674.68	10,521.97
<b>Total</b>	<b>15,883.93</b>	<b>11,065.31</b>

# Notes to the financial statements

for the year ended March 31, 2023

## 1.3 Investments:

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>1.3.1 Value of Investments</b>		
i) Gross value of investments		
- In India	12,536.72	-
- Outside India	-	-
ii) Provisions for depreciation		
- In India	-	-
- Outside India	-	-
iii) Net value of investments		
- In India	12,536.72	-
- Outside India		
<b>1.3.2 Movement of provisions held towards depreciation on investments</b>		
i) Opening balance	-	-
ii) Add: Provisions made during the year	-	-
iii) Less: Write-off / Written-back of excess provisions during the year	-	-
iv) Closing balance	-	-

## 1.4 Derivatives:

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>1.4.1 Forward rate agreement (FRA) / Interest rate swap (IRS)</b>		
<b>Cross currency interest rate swaps</b>		
i) The notional principal of swap agreements	35,445.00	35,445.00
ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
iii) Collateral required by the HFC upon entering into swaps	NA	NA
iv) Concentration of credit risk arising from the swaps \$	Refer foot note \$	Refer foot note \$
v) The fair value of the swap book	-	1,420.03
<b>Interest rate swaps</b>		
i) The notional principal of swap agreements	5,000.00	-
ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
iii) Collateral required by the HFC upon entering into swaps	NA	NA
iv) Concentration of credit risk arising from the swaps \$	Refer foot note \$	Refer foot note \$
v) The fair value of the swap book	18.55	-

\$ Counter-party for all Swaps entered into by the company are Scheduled Commercial Banks.

# Notes to the financial statements

for the year ended March 31, 2023

## 1.4.2 Exchange traded interest rate (IR) derivative

Company has not entered into any Exchange traded interest rate (IR) derivative during the current as well as previous financial year, hence the disclosure under this clause is not applicable.

## 1.4.3 Disclosures on risk exposure in derivatives

### i) Qualitative disclosure

The Company's activities expose it to the financial risks of changes in foreign exchange rates and interest rates. The Company uses derivative contracts such as cross currency interest rate swaps to hedge its exposure to movements in foreign exchange and to hedge its exposure in fluctuations of interest rates the company has entered into overnight index swaps. The use of these derivative contracts reduce the risk or cost to the Company and the Company does not use those for trading or speculation purposes.

The Company uses hedging instruments that are governed by the policies of the Company which are approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company. The Board constituted Risk Management Committee (RMC) of the company manages risk on the company's derivative portfolio. All derivative transactions that are entered into by the company are reported to the board, and the mark-to-market on its portfolio is monitored regularly by the senior management.

To hedge its risks on the principal and/or interest amount for foreign currency borrowings on its balance sheet, the company has currently used cross currency interest rate swaps (CCIRS). The same is also used to hedge its LIBOR risk for foreign currency borrowings. To hedge its risks on the fluctuations in interest rates for secured debentures issued, the company has currently used overnight index swaps (OIS).

Derivative financial instruments are initially measured at fair value on the contract date and are subsequently remeasured to fair value at each reporting date. Derivatives are classified as assets when the fair value is positive (positive marked to market value) or as liabilities when the fair value is negative (negative marked to market value). Derivative assets and liabilities are recognized on the balance sheet at fair value. Fair value of derivatives is ascertained from the mark to market and accrual values received from the counter-party banks. Changes in the fair value of derivatives other than those designated as hedges are recognized in the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, no longer qualifies for hedge accounting or the Company chooses to end the hedging relationship.

### ii) Quantitative disclosure

(₹ in lakh)

Particulars	Cross Currency interest rate Derivatives	Interest Rate Swaps Derivatives
(i) Derivatives (Notional Principal Amount)	35,445.00	5,000.00
(ii) Marked to Market Positions [1]		
(a) Assets (+)	-	18.55
(b) Liability (-)	-	-
(iii) Credit Exposure [2]	Nil	Nil
(iv) Unhedged Exposures	Nil	Nil

Company has entered into a cross currency interest rates swaps hence the name of the column has been amended to that extent and the existing columns (currency derivatives and interest rate derivatives) as per NHB circulars requirements have not been given as they are not applicable.

# Notes to the financial statements

for the year ended March 31, 2023

## 1.5 Securitisation :

**1.5.1** Since the Company has not sponsored any securitisation transactions during the current as well as previous financial year, the disclosure under this clause is not applicable.

### 1.5.2 Details of financial assets sold to securitisation / reconstruction Company for asset reconstruction

Since the Company has not sold any financial assets to securitisation or reconstruction company for asset reconstruction during the current as well as previous financial year, the disclosure under this clause is not applicable.

### 1.5.3 Details of assignment transactions undertaken by HFCs (portfolio acquired)

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
i) No. of accounts	-	-
ii) Aggregate value (net of provisions) of accounts assigned	-	-
iii) Aggregate consideration paid	-	-
iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
v) Aggregate gain / loss over net book value	-	-

### 1.5.4 Details of non-performing financial assets purchased / sold

#### A. Details of non-performing financial assets purchased:

Since the Company has not purchased any non-performing financial assets during the current as well as previous financial year, the disclosure under this clause is not applicable.

#### B. Details of non-performing financial assets sold:

Since the Company has not sold any non-performing financial assets during the current as well as previous financial year, the disclosure under this clause is not applicable.

## 1.6 Exposure

(₹ in lakh)

Direct exposure to	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>1.6.1 Exposure to real estate sector</b>		
<b>i) Residential mortgages -</b>		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; Exposure would also include non-fund based (NFB) limits;"	11,61,221.69	10,22,228.11
<b>ii) Commercial real estate -</b>		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.) Exposure would also include non-fund based (NFB) limits;	2,19,580.69	1,90,614.27
<b>iii) Investments in mortgage backed securities (MBS) and other securitised exposures -</b>		
Residential	-	-
Commercial real estate	-	-

# Notes to the financial statements

for the year ended March 31, 2023

(₹ in lakh)

Direct exposure to	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>1.6.2 Indirect exposure</b>		
Fund base and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	-	-

## 1.6.3 Exposure to capital market

Since the Company does not have any exposure to capital market during the current as well as previous financial year, the disclosure under this clause is not applicable.

## 1.6.4 Details of financing of parent company products

Since the Company has not entered into any transaction for financing the parent company products during the current as well as previous financial year, the disclosure under this clause is not applicable.

## 1.6.5 Single Borrower Limit (SBL) / Group Borrower Limit (GBL)

The Company has not exceeded Single Borrower Limit (SBL) / Group Borrower Limit (GBL) during the current as well as previous financial year.

## 1.6.6 Unsecured advances

The exposure of the company towards unsecured advances in the current year is ₹819.34 Lakh, previous year is ₹758.56 Lakh.

(₹ in lakh)

Description	Amount	% of owned fund
(i) Exposure to any single entity in a group engaged in real estate business	Nil	Nil
(ii) Exposure to all entities in a group engaged in real estate business	Nil	Nil

## 1.6.8 Intra group exposure

There are no exposures to the group companies in the current year as well as previous year

## 1.6.9 Sectoral Exposure

(₹ in lakh)

Sectors	Particulars					
	As at March 31, 2023			As at March 31, 2022		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
<b>1. Agriculture and Allied Activities</b>						
<b>2. Industry</b>						
i. Construction Finance	192,098.47	859.93	0.45%	113,380.81	74.35	0.07%
Others						
<b>Total of Industry (i+Others)</b>	<b>192,098.47</b>	<b>859.93</b>	<b>0.45%</b>	<b>113,380.81</b>	<b>74.35</b>	<b>0.07%</b>
<b>3. Services</b>						
Others						
<b>Total of Services (i+ii+...+Others)</b>						

# Notes to the financial statements

for the year ended March 31, 2023

(₹ in lakh)

Sectors	Particulars					
	As at March 31, 2023			As at March 31, 2022		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
<b>4. Personal Loans</b>						
i. Housing Loan	957,603.65	28,558.50	2.98%	832,160.76	28,992.52	3.48%
ii. Loan against Property	337,625.19	14,708.11	4.36%	334,465.63	12,865.84	3.85%
iii. Insurance	38,471.36	465.33	1.21%	25,724.89	363.00	1.41%
<b>Total of Personal Loans (i+ii+...+Others)</b>	<b>1,333,700.20</b>	<b>43,731.94</b>	<b>8.55%</b>	<b>1,192,351.28</b>	<b>42,221.36</b>	<b>8.74%</b>
<b>5. Others, if any (please specify)</b>						
<b>Total</b>	<b>1,525,798.67</b>	<b>44,591.87</b>	<b>9.00%</b>	<b>1,305,732.09</b>	<b>42,295.71</b>	<b>8.81%</b>

## 1.7 Miscellaneous

### 1.7.1 Registration obtained from other financial sector regulators-

Regulator	Registration No
Insurance Regulatory and Development Authority: As corporate agent (Composite)	CA0623

### 1.7.2 Disclosure of penalties imposed by NHB and other regulators -

A penalty amount of Rs. Nil is imposed by NHB during the current financial year [March 31, 2022: Nil].

### 1.7.3 Related party transactions

Details of all material transactions with related parties are disclosed in note no 35. The policy on related party transaction is set out in Director's report.

### 1.7.4 Group Structure

For diagrammatic representation of group structure please refer 'annexure a' to these notes.

### 1.7.5 Rating assigned by Credit Rating Agencies and migration of rating during the year

Instrument	Rating agency	Rating assigned
Bank lines programme	India Ratings	IND AAA Outlook Stable
	ICRA	[ICRA] AAA (stable) / ICRA A1+
Non-convertible debenture programme	India Ratings	IND AAA; Outlook Stable
	ICRA	[ICRA] AAA with Stable Outlook
Subordinated debt programme	India Ratings	IND AAA; Outlook Stable
	ICRA	[ICRA] AAA with Stable Outlook
Principal Protected Market Linked Debenture - (PP-MLD)	India Ratings	IND- PPMLD AAA ' Outlook Stable
Commercial paper programme	India Ratings	IND A1+
	ICRA	[ICRA] A1+

There were no changes in any of the ratings or outlook during the year.

# Notes to the financial statements

for the year ended March 31, 2023

## 1.7.6 Remuneration of directors

Details of remuneration of directors are disclosed as part of the Director's Report.

## 1.7.7 Management

Refer to the Management Discussion and Analysis Report for the relevant disclosures.

## 1.7.8 Net profit or loss for the period, prior period items and changes in accounting policies

There are no prior period items that have impact on the current as well as previous year's profit and loss.

## 1.7.9 Revenue recognition

There have been no instances during current as well as previous financial year in which revenue recognition has been postponed pending the resolution of significant uncertainties.

### Accounting Standard 21 - Consolidated Financial Statements (CFS)

These details are not applicable since the Company does not have any subsidiary / associate.

## 1.7.11 Unhedged foreign currency exposure

The company doesn't have any unhedged foreign currency exposure during the current & previous years.

## 1.8 Additional Disclosures

### 1.8.1 Provisions and contingencies

	(₹ in lakh)		
Break up of 'Provisions and Contingencies' shown under the head expenditure in statement of profit and loss	For the year ended March 31, 2023	For the year ended March 31, 2022**	For the year ended March 31, 2022 (Reported)
i) Provisions for depreciation on investments	-	-	-
ii) Provision made towards income tax (including tax on other comprehensive income)	6,941.83	5,748.69	5,748.69
iii) Provision towards Stage 3 assets	6,202.09	4,882.28	279.23
iv) Provision towards Stage 1 & Stage 2 assets*	-4,392.22	-280.42	4,322.62
v) Other provision and contingencies			
- Provision for employee benefits - gratuity (net of fund assets)	85.60	58.67	58.67
- Provision for employee benefits - leave encashment	146.44	105.90	105.90

\*Provision for Stage 1 & Stage 2 assets includes charge of CRE of ₹258.71 lakh (March 31, 2022 ₹ 548.26 lakh), CRE - RH of ₹199.45 lakh (March 31, 2022 ₹(119.82) lakh) and Others of ₹(742.84) lakh (March 31, 2022 ₹950.78 lakh).

# Notes to the financial statements

for the year ended March 31, 2023

(₹ in lakh)

Break up of loan & advances and provisions thereon	For the year ended March 31, 2023	For the year ended March 31, 2022**	For the year ended March 31, 2022 (Reported)
<b>Housing loans</b>			
Standard assets			
- Total outstanding amount	9,13,400.86	7,66,352.46	7,66,352.46
- Provisions made	6,504.02	7,473.03	9,427.37
Sub standard assets			
- Total outstanding amount	16,037.51	15,195.52	15,195.52
- Provisions made	5,755.42	5,028.96	3,890.04
Doubtful I			
- Total outstanding amount	5,103.03	4,869.14	4,869.14
- Provisions made	1,810.34	1,539.06	1,539.06
Doubtful II			
- Total outstanding amount	4,679.59	5,721.25	5,721.25
- Provisions made	1,150.94	1,750.48	1,750.48
Doubtful III			
- Total outstanding amount	620.06	76.78	76.78
- Provisions made	161.50	18.41	18.41
Loss			
- Total outstanding amount	-	119.74	119.74
- Provisions made	-	119.74	119.74
<b>Non-housing loans</b>			
Standard assets			
- Total outstanding amount	4,22,809.71	4,04,194.21	4,04,194.21
- Provisions made	3,840.04	2,660.19	3,452.29
Sub standard assets			
- Total outstanding amount	14,554.31	12,260.19	12,260.19
- Provisions made	4,786.17	3,416.75	1,809.26
Doubtful I			
- Total outstanding amount	2,159.06	1,716.73	1,716.73
- Provisions made	739.31	455.51	455.51
Doubtful II			
- Total outstanding amount	1,040.65	2,075.62	2,075.62
- Provisions made	258.30	658.45	658.45
Doubtful III			
- Total outstanding amount	397.60	144.41	144.41
- Provisions made	100.12	59.36	59.36
Loss			
- Total outstanding amount	-	116.33	116.33
- Provisions made	-	116.36	116.33
<b>Total</b>			
- Total outstanding amount	13,80,802.38	12,12,842.38	12,12,842.38
- Provisions made	25,106.17	23,296.30	23,296.30

\*\* Note: The company has realigned the methodology of classification of NPA as per IRAC norms during the year FY 2022-23. For the purposes of comparison the company has regrouped the staging as per revised norms.

# Notes to the financial statements

for the year ended March 31, 2023

## 1.8.2 Draw down from reserves

There were no draw down from Reserves during the current as well as previous financial year.

## 1.8.3 Concentration of public deposits, advances, exposures and NPA

### i) Concentration of public deposits

Since the company is not a public deposit taking/holding HFC, the above disclosure is not applicable to the company.

### ii) Concentration of loans & advances

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Total loans & advances to twenty largest borrowers	14,101.69	43,002.64
Percentage of loans & advances to twenty largest borrowers to total advances of the company	1.02%	3.55%

### iii) Concentration of all exposure (including off-balance sheet exposure)

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Total exposure to twenty largest borrowers / customers	14,833.78	54,835.53
Percentage of exposure to twenty largest borrowers / customers to total exposure of the company on borrowers / customers	1.07%	4.20%

### iv) Concentration of NPAs

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Total exposure to top ten NPA accounts	9,131.49	6,569.63

### v) Sector-wise NPAs

Sector	Percentage of NPAs to total advances in that sector
<b>I. Housing loans :-</b>	
a) Individuals	2.86%
b) Builders/project loans	1.13%
c) Corporates	20.35%
d) Others (specify)	0.00%
<b>II. Non - housing loans :-</b>	
a) Individuals	3.11%
b) Builders/project loans	0.00%
c) Corporates	15.80%
d) Organisation	0.00%

# Notes to the financial statements

for the year ended March 31, 2023

## vi) Movement of NPAs

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(I) Net NPAs to net advances (%)	2.20%	2.68%
(II) Movement of NPAs (Gross)		
a) Opening balance	42,295.71	35,197.81
b) Additions during the year	25,229.66	16,214.23
c) Reductions during the year	22,933.51	9,116.33
d) Closing balance	44,591.86	42,295.71
(III) Movement of Net NPAs		
a) Opening balance	31,879.09	26,047.26
b) Additions during the year	14,793.50	10,982.24
c) Reductions during the year	16,842.82	5,150.41
d) Closing balance	29,829.77	31,879.09
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	10,416.62	9,150.55
b) Provisions made during the year	10,436.16	5,231.99
c) Write-off/write-back of excess provisions	6,090.69	3,965.92
d) Closing balance	14,762.09	10,416.62

## vii) Overseas assets

The company does not have any overseas assets during the current as well as previous financial year.

## viii) Off- balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The company does not have any off- balance sheet SPVs during the current as well as previous financial year.

## 1.9 Disclosure of Complaints

### 1.9.1 Customers complaints

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1) No of complaints pending as at the beginning of the year	35	11
2) No of complaints received during the year	581	547
3) No of complaints redressed during the year	614	523
3.1) Of which, number of complaints rejected by the Company	-	-
4) No of complaints pending as at the end of the year	2	35

### 1.9.2 Maintainable complaints received from the Office of Ombudsman

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1) No of maintainable complaints received from Office of Ombudsman	NIL	NIL
1.1) Of 1, No of complaints resolved in favour of the company by Office of Ombudsman	NIL	NIL
1.2) Of 1, No of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	NIL	NIL
1.3) Of 1, No of Complaints resolved after passing of Awards by the Office of Ombudsman	NIL	NIL
2) No of Awards unimplemented within the stipulated time (other than those appealed)	NIL	NIL

# Notes to the financial statements

for the year ended March 31, 2023

## 1.9.3 Top 5 grounds of complaints received by the company from the customers

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Ground 1:</b>	Pre-Closure/ Closure	Pre-Closure/ Closure
No of complaints pending at the beginning of the year	15	4
No of complaints received during the year	297	289
% increase/ decrease in the number of complaints received over the previous year	2.77% ↑	28.29% ↓
Number of complaints pending at the end of the year	1	15
Of Above, number of complaints pending beyond 30 days	0	0
<b>Ground 2:</b>	Waiver / Refund	PMAY Subsidy Related
No of complaints pending at the beginning of the year	1	4
No of complaints received during the year	57	74
% increase/ decrease in the number of complaints received over the previous year	280.00% ↑	28.16% ↓
Number of complaints pending at the end of the year	0	4
Of Above, number of complaints pending beyond 30 days	0	0
<b>Ground 3:</b>	Credit Bureau	Rescheduling Related
No of complaints pending at the beginning of the year	1	1
No of complaints received during the year	56	53
% increase/ decrease in the number of complaints received over the previous year	1020.00% ↑	22.06% ↓
Number of complaints pending at the end of the year	0	9
Of Above, number of complaints pending beyond 30 days	0	3
<b>Ground 4:</b>	Rescheduling Related	Disbursement Related
No of complaints pending at the beginning of the year	9	0
No of complaints received during the year	47	27
% increase/ decrease in the number of complaints received over the previous year	11.32% ↓	80% ↑
Number of complaints pending at the end of the year	0	1
Of Above, number of complaints pending beyond 30 days	0	1
<b>Ground 5:</b>	PMAY Subsidy Related	Statements & Documents
No of complaints pending at the beginning of the year	4	0
No of complaints received during the year	29	25
% increase/ decrease in the number of complaints received over the previous year	60.81% ↓	127.27% ↑
Number of complaints pending at the end of the year	0	0
Of Above, number of complaints pending beyond 30 days	0	0

# Notes to the financial statements

for the year ended March 31, 2023

## 1.10 A) Corporate governance

### 1) Composition of the Board

Sl. No	Name of Director	Director since	"Capacity (i.e. Executive/ Non- Executive/ Chairman/ Promoter nominee/ Independent)"	DIN	Number of Board Meetings		No. of other Director ships#	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1	Mrs. Vishakha Mulye	13-10-2022	Non-Executive - Non-Independent Director	00203578	10*	2	9	NA	-	NA	-
2	Mr. Rakesh Singh	08-10-2014	Non-Executive - Non-Independent Director	07006067	10	6	1	NA	-	NA	-
3	Mr. V Chandrasekaran	28-06-2018	Non-Executive - Independent Director	03126243	10	10	8	NA	20,00,000	NA	-
4	Mrs. Anita Ramachandran	31-03-2015	Non-Executive - Independent Director	00118188	10	9	11	NA	18,00,000	NA	-
5	Mr. Narayanan N R	19-01-2023	Non-Executive - Independent Director	07877022	10**	1	1	NA	3,75,000	NA	-
6	Mr. Pankaj Gadgil	23-09-2022	Executive Director	08521239	10***	3	1	2,29,91,644	NA	NA	-

# Excluding Directorship in the Company, Foreign Companies, Private Limited Companies and Companies under Section 8 of the Companies Act, 2013

\* Entitled to attend 2 board meetings

\*\* Entitled to attend 1 board meeting.

\*\*\* Entitled to attend 3 board meetings.

#### Details of change in composition of the Board during the current and previous financial year.

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1	Mr Pankaj Gadgil	Executive Director	Appointment	23-09-2022
2	Mrs. Vishakha Mulye	Non-Executive Director	Appointment	13-10-2022
3	Mr Narayanan N R	Independent	Appointment	19-01-2023
4	Mr Ajay Srinivasan	Non-Executive - Non-Independent Director	Resignation	25-07-2022

Details of any relationship amongst the directors inter-se shall be disclosed - NA

Where an independent director resigns before expiry of her/ his term, the reasons for resignation as given by her/him shall be disclosed - Not Applicable

# Notes to the financial statements

for the year ended March 31, 2023

## 2) Committees of the Board and their composition

- i Mention the names of the committees of the Board.
- ii For each committee, mention the summarized terms of reference and provide the following details.

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
<b>Audit Committee</b>						
1.	Mr. V. Chandrasekaran	16-07-2018	Independent Director	6	6	-
2.	Mrs. Anita Ramachandran	31-03-2015	Independent Director	6	6	-
3.	Mrs. Vishakha Mulye*	13-10-2022	Non- Executive Director	6	1	-
4.	Mr. Narayanan N R**	19-01-2023	Independent Director	6	1	-
* Entitled to attend 2 Audit Committee Meetings						
* Entitled to attend 1 Audit Committee Meeting						
<b>Nomination &amp; Remuneration Committee</b>						
1.	Mrs. Anita Ramachandran	31-03-2015	Independent Director	8	8	-
2.	Mr. V. Chandrasekaran	16-07-2018	Independent Director	8	8	-
3.	Mrs. Vishakha Mulye*	13-10-2022	Non- Executive Director	8	2	-
4.	Mr. Narayanan N R**	19-01-2023	Independent Director	8	1	-
* Entitled to attend 2 Nomination & Remuneration Committee Meetings						
* Entitled to attend 1 Nomination & Remuneration Committee Meeting						
<b>Stakeholder Relationship Committee</b>						
1.	Mrs. Anita Ramachandran	13-10-2022	Independent Director	1	1	-
2.	Mr. Rakesh Singh	13-10-2022	Non- Executive Director	1	1	-
3.	Mr. Pankaj Gadgil	13-10-2022	Executive Director	1	1	-
<b>Risk Management Committee</b>						
1.	Mr. Narayanan N R	19-01-2023	Independent Director	2	1	-
2.	Mr. V. Chandrasekaran	16-07-2018	Independent Director	2	2	-
3.	Mrs. Vishakha Mulye	13-10-2022	Non- Executive Director	2	1	-
4.	Mr. Pankaj Gadgil	13-10-2022	Executive Director	2	1	-
<b>Corporate Social Responsibility Committee</b>						
1.	Mr. Narayanan N R	19-01-2023	Independent Director	1	1	-
2.	Mr. Rakesh Singh	27-08-2019	Non- Executive Director	1	1	-
3.	Mr. Pankaj Gadgil	13-10-2022	Executive Director	1	1	-
<b>IT Strategy Committee</b>						
1.	Mr. Narayanan N R*	19-01-2023	Independent Director	2	1	-

# Notes to the financial statements

for the year ended March 31, 2023

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
2.	Mr. Pankaj Gadgil	08-09-2022	Executive Director	2	2	-
3.	Mr. Ashish Damani	31-01-2022	Chief Financial Officer	2	1	-
4.	Mr. Subhajeet Roy Choudhury	31-01-2022	Chief Risk Officer	2	2	-
5.	Mr. Anindya Karmakar	31-01-2022	Head - Operations, Customer Service, Products	2	2	-
6.	Mr. Dharmendra Patro	31-01-2022	Chief Credit Officer	2	2	-
7.	Mr. Sachin Jadhav	31-01-2022	Head - Information Technology	2	2	-
8.	Mr. Ashish Chauhan	08-09-2022	Chief Information Security Officer	2	2	-

\* Entitled to attend 1 IT Strategy Committee Meeting

Asset Liability Management Committee (ALCO)						
1.	Mr. Pankaj Gadgil*	08-09-2022	Executive Director	12	6	-
2.	Mr. Ashish Damani	31-01-2022	Chief Financial Officer	12	11	-
3.	Mr. Subhajeet Roy Choudhury	31-01-2022	Chief Risk Officer	12	10	-
4.	Mr. Anindya Karmakar	31-01-2022	Head - Operations, Customer Service, Products	12	9	-
5.	Mr. Dharmendra Patro	31-01-2022	Chief Credit Officer	12	11	-
6.	Mr. Anubhav Katare	03-08-2016	Lead - Treasury	12	12	-

### 3) General Body Meetings

Details of the date, place and special resolutions passed at the General Body Meetings.

Sl. No.	Type of Meeting (Annual/ Extra-Ordinary)	Date and Place	Special resolutions passed
1	Extra-Ordinary	17-05-2022	Increase in the borrowings in excess of the limits as provided for under section 180 (1)(c) of the Companies Act. 2013 Granting of authority to mortgage / create charge on the assets of the Company as a security towards borrowings under section 180 (1)(a) of the Companies Act. 2013 Issue of Debentures under Section 42, 71 of the Companies Act. 2013
2	Extra-Ordinary	21-10-2022	Adoption of Aditya Birla Housing Finance Limited Employee Stock Option Scheme 2022 Extending the benefit of Aditya Birla Housing Finance Limited Employee Stock Option Plan 2022 to the employees of present or future holding and / or subsidiary company(ies) of the Company
3	Extra-Ordinary	07-11-2022	Adoption of Aditya Birla Capital Limited Employee Stock Option and Performance Stock Unit Scheme 2022 (ABCL Scheme 2022) and the extension of the benefits under ABCL Scheme 2022 to the employees of the Company

# Notes to the financial statements

for the year ended March 31, 2023

## 4) Details of non-compliance with requirements of Companies Act, 2013

During the year there were no defaults in compliance with the requirements of Companies Act,2013, including with respect to compliance with accounting & secretarial standards.

## 5) Details of penalties and strictures

Details of penalties or stricture imposed on it by the RBI or any other statutory authority March 31, 2023 (Rs NIL) March 31,2022 (Rs NIL)

## B) Breach of covenant

During the year there were no instances of breach of covenant of loan availed or debt securities issued.

## C) Divergence in Asset Classification and Provisioning

Details of divergence as per the table given below, if either or both of the following conditions are satisfied:

- a) the additional provisioning requirements assessed by RBI (or National Housing Bank(NHB) in the case of Housing Finance Companies) exceeds 5 percent of the reported profits before tax and impairment loss on financial instruments for the reference period - **Not applicable**
- b) the additional Gross NPAs identified by RBI/NHB exceeds 5 per cent of the reported Gross NPAs for the reference period - **Not applicable**

		(₹ in lakh)
SN.	Particulars	Amount
1.	Gross NPAs as on March 31, 2022* as reported by the Company	NIL
2.	Gross NPAs as on March 31, 2022 as assessed by the Reserve Bank of India/ NHB	NIL
3.	Divergence in Gross NPAs (2-1)	NIL
4.	Net NPAs as on March 31, 2022 as reported by the NBFC	NIL
5.	Net NPAs as on March 31, 2022 as assessed by Reserve Bank of India/ NHB	NIL
6.	Divergence in Net NPAs (5-4)	NIL
7.	Provisions for NPAs as on March 31, 2022 as reported by the NBFC	NIL
8.	Provisions for NPAs as on March 31, 2022 as assessed by Reserve Bank of India/ NHB	NIL
9.	Divergence in provisioning (8-7)	NIL
10.	Reported Profit before tax and impairment loss on financial instruments for the year ended March 31, 2022	NIL
11.	Reported Net Profit after Tax (PAT) for the year ended March 31, 2022	NIL
12.	Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, 2022 after considering the divergence in provisioning	NIL

### Note:

\* March 31, 2022 is the close of the reference period in respect of which divergences were assessed

# Notes to the financial statements

for the year ended March 31, 2023

## 1.11 Related Party Disclosure

For related party disclosure under the SBR framework, please refer note no 35. There are no transactions entered by the company with relatives of KMP in the current as well as the previous year.

## 1 Disclosure of details as required under Annexure IV of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by Reserve Bank of India vide circular dated February 17, 2021 & under Scale based regulation framework for NBFCs, circular DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 21, 2022 & circular DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022.

### 1.1 Asset liability management (Maturity pattern of certain items of assets and liabilities)

(₹ in lakh)

Particulars	Liabilities				Assets		
	Deposits	Borrowings from banks	Market borrowings*	Foreign Currency Liabilities	Advances**	Investments	Foreign Currency Assets
1 day to 7 days	-	5,951.88	-	-	5,870.88	-	-
8 to 14 days	-	25,457.65	-	-	6,145.09	-	-
15 days to 30/31 days (one month)	-	26,025.12	3,054.30	-	1,575.44	-	-
Over one months to 2 months	-	35,836.03	40,682.71	-	3,203.41	-	-
Over 2 months to 3 months	-	12,167.82	21,553.51	-	2,863.86	-	-
Over 3 months to 6 months	-	94,707.37	5,609.34	-	9,637.95	-	-
Over 6 months to 1 year	-	78,286.20	28,289.28	-	48,392.66	-	-
Over 1 year to 3 years	-	3,57,277.63	86,514.56	-	3,04,248.63	-	-
Over 3 years to 5 years	-	2,00,666.02	45,060.64	-	82,658.79	-	-
Over 5 years	-	53,780.14	72,803.42	-	8,91,099.51	-	-
<b>Total</b>	<b>-</b>	<b>8,90,155.86</b>	<b>3,03,567.77</b>	<b>-</b>	<b>13,55,696.21</b>	<b>-</b>	<b>-</b>

\* The above amount is net of unamortized discounting charges on commercial paper amounting to Rs. 332.06 lakh .

\*\* Advances includes loan and advances in the nature of loans and excludes advances recoverable in cash or kind or for value to be received and advance payment of taxes and other Deposits.

## 2 Disclosure of details relating to Principal Business Criteria as per Paragraph 4.1.17 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by Reserve Bank of India vide circular dated February 17, 2021.

Criteria	For the year ended March 31, 2023	For the year ended March 31, 2022
Percentage of total assets towards housing finance	67.17%	63.23%
Percentage of total assets towards housing finance for individuals	61.35%	59.07%



# Notes to the financial statements

for the year ended March 31, 2023

## Qualitative Disclosure:

- (a) **The main drivers of their LCR results and the evolution of the contribution of inputs to the LCR's calculation over time** : RBI had introduced the liquidity coverage ratio (LCR) to ensure that NBFC has an adequate stock of unencumbered high-quality liquid assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is defined as a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. At March 31, 2023, the applicable minimum LCR required to be maintained by NBFC is 60%.

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk. The ALCO meets at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

- (b) **Intra-period changes as well as changes over time**: The Company has started maintaining LCR w.e.f 1<sup>st</sup> December 2021. The details for the year ended 31<sup>st</sup> March 2022 and year ended 31<sup>st</sup> March 2023 are disclosed above.
- (c) **The composition of HQLAs**: The Company, for the year ended 31 March 2023, had HQLA of Rs. 31,823.90 lakhs vis-à-vis 23,735.43 lakhs for the month ended March 31, 2022.

	(₹ in lakh)	
High-Quality Liquid Assets (HQLA)	For the year ended 31-Mar-2023	For the year ended 31-Mar-2022
<b>Total</b>	<b>31,823.90</b>	<b>23,735.43</b>
Cash	7,236.52	23,735.43
Investments in Govt Securities	12,552.78	-
Others	12,034.60	-

- (d) **Concentration of funding sources:**

### As at 31 March 2023

Name of the Source	% of Total Borrowings
Banks	65%
Corporate	1%
Insurance	5%
Mutual Fund	9%
PF	3%
Public Financial Institution	18%
Retail & Others	0%
<b>Total</b>	<b>100%</b>

- (e) **Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile**: All inflows/ outflows considered relevant has been considered for LCR calculation.

Disclosure of details as required under Annexure III of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by Reserve Bank of India vide circular dated February 17, 2021.

# Notes to the financial statements

for the year ended March 31, 2023

## Schedule to the Balance Sheet

(₹ in lakh)

Particulars	Amount outstanding	Amount overdue
<b>Liabilities side</b>		
<b>(1) Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:</b>		
(a) Debentures : Secured	2,48,688.40	-
: Unsecured	34,211.43	-
(other than falling within the meaning of public deposits*)		
(b) Deferred Credits	-	-
(c) Term Loans (includes NHB Refinance & External Commercial Borrowing)	8,23,967.51	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	20,667.94	-
(f) Public Deposits*	-	-
(g) Other Loans (Working capital demand loan & Overdraft)	66,188.35	-
* Please see Note 1 below		
<b>(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>		
(a) In the form of Unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-

(₹ in lakh)

Assets side	Amount outstanding
<b>(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:</b>	
(a) Secured	13,79,983.04
(b) Unsecured	819.34
<b>(4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities</b>	
(i) Lease assets including lease rentals under sundry debtors	-
(a) Financial lease	-
(b) Operating lease	-
(ii) Stock on hire including hire charges under sundry debtors	-
(a) Assets on hire	-
(b) Repossessed Assets	-
(iii) Other loans counting towards asset financing activities	-
(a) Loans where assets have been repossessed	-
(b) Loans other than (a) above	-

# Notes to the financial statements

for the year ended March 31, 2023

		(₹ in lakh)
<b>Assets side</b>		<b>Amount outstanding</b>
<b>(5) Break-up of Investments</b>		
Current Investments		
1	Quoted	-
	(i) Shares	-
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	12,536.72
	(v) Others (please specify)	-
2	Unquoted	-
	(i) Shares	-
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
<b>(5) Break-up of Investments</b>		
Long Term investments		
1	Quoted	-
	(i) Share	-
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
2	Unquoted	-
	(i) Shares	-
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-

# Notes to the financial statements

for the year ended March 31, 2023

## 6 Borrower group-wise classification of assets financed as in (3) and (4) above:

(Please see Note 2 below)

		(₹ in lakh)		
Category		Amount net of provisions		
		Secured	Unsecured	Total
1	Related Parties **			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	-	-
2	Other than related parties	13,55,360.27	335.94	13,55,696.21
<b>Total</b>		<b>13,55,360.27</b>	<b>335.94</b>	<b>13,55,696.21</b>

## 7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

(Please see Note 3 below)

		(₹ in lakh)	
Category		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
		1	Related Parties **
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
2	Other than related parties	12,536.72	12,536.72
<b>Total</b>		<b>12,536.72</b>	<b>12,536.72</b>

\*\* As per applicable Accounting Standard (Please see Note 3)

## 8 Other information

		(₹ in lakh)
Particulars		Amount
(i)	Gross Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	44,591.86
(ii)	Net Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	29,829.77
(iii)	Assets acquired in satisfaction of debt	-

### Notes:

- As defined in Paragraph 4.1.30 of these Directions.
- Provisioning norms shall be applicable as prescribed in these Directions.
- As per applicable Accounting Standards including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

# Notes to the financial statements

for the year ended March 31, 2023

## 5 Disclosure of details as required under other guidelines of HFCs (NHB) Directions, 2010 and Reserve Bank of India circulars.

### 5.1 Percentage of outstanding loans granted against the collateral gold jewellery to their outstanding total assets :

We have not disbursed any loans against the collateral of gold jewellery during the relevant financial year and in previous year.

### 5.2 Disclosure related to information namely, area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries as prescribed under the said Directions :

We do not have any joint venture or overseas subsidiaries during the relevant financial year and in previous year.

### 5.3 Disclosure pursuant to RBI circular RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

(₹ in lakh)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	13,11,959.79	8,524.99	13,03,434.86	9,341.78	(816.79)
	Stage 2	24,250.73	1,599.86	22,650.87	861.60	738.26
<b>Subtotal</b>		<b>13,36,210.52</b>	<b>10,124.85</b>	<b>13,26,085.73</b>	<b>10,203.38</b>	<b>(78.53)</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard (Re-structured)	Stage 2	-	-	-	-	-
		-	-	-	-	-
Substandard	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	30,591.88	10,541.59	20,050.22	4,393.58	6,148.01
		-	-	-	-	-
Doubtful - up to 1 year	Stage 3	7,262.10	2,549.65	4,712.44	1,880.39	669.26
1 to 3 years	Stage 3	5,720.24	1,409.24	4,311.00	2,231.15	(821.91)
More than 3 years	Stage 3	1,017.65	261.62	756.03	924.24	(662.62)
Subtotal for doubtful		13,999.98	4,220.52	9,779.47	5,035.78	(815.27)
		-	-	-	-	-
Loss (potential threat of non-recoverability)	Stage 1	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
<b>Subtotal for NPA</b>		<b>44,591.86</b>	<b>14,762.11</b>	<b>29,829.69</b>	<b>9,429.36</b>	<b>5,332.74</b>

# Notes to the financial statements

for the year ended March 31, 2023

(₹ in lakh)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	217.49	(217.49)	-	217.49
	Stage 2	-	1.73	(1.73)	-	1.73
	Stage 3	-	-	-	-	-
<b>Subtotal</b>						
<b>Total</b>	Stage 1	13,11,959.79	8,742.42	13,03,217.37	9,341.78	(599.30)
	Stage 2	24,250.73	1,601.58	22,649.14	861.60	739.98
	Stage 3	44,591.86	14,762.17	29,829.69	9,429.36	5,332.74
	<b>Total</b>	<b>13,80,802.38</b>	<b>25,106.17</b>	<b>13,55,696.20</b>	<b>19,632.74</b>	<b>5,473.42</b>

5.4 Details of resolution plan implemented under the Resolution Framework for COVID-19-related stress as per RBI circular RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 (Resolution Framework 1.0) and Resolution for COVID-19 related stress of Individuals and Small Businesses dated May 05, 2021 (RBI Resolution Framework - 2.0) are given below:

(₹ in lakh)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans~	60,466.76	7,679.17	52.80	5,390.96	49,259.82
Corporate persons*	2,754.45	1,017.51	407.09	228.91	1,277.68
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>63,221.21</b>	<b>8,696.68</b>	<b>459.89</b>	<b>5,619.87</b>	<b>50,537.50</b>

\* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

5.5 Disclosure of Frauds as per NHB (ND)/DRS/Policy Circular No.92/2018-19 dated 05 February, 2019

During financial year ended March 31, 2023, there were 9 instances of fraud detected and reported where amount has been involved Rs. 336.22 lakhs [March 31, 2022: NIL].

# Notes to the financial statements

for the year ended March 31, 2023

## 5.6 Disclosure on liquidity risk under RBI/2020-21/60 DOR.NBFC (HFC).CC.No.118/03.10.136/2020-21 dated October 22, 2020

- i. Funding Concentration based on significant counterparty (both deposits and borrowings)

(₹ in lakh)

Sr. No.	No. of Significant Counterparties	Amount	% of total Deposits	% of Total Liabilities*
1	18	11,00,481.95	NA	90.92%

- ii. Top 20 large deposits – Not Applicable

- iii. Top 10 Borrowings

(₹ in lakh)

Amount	% of Total Liabilities*
9,06,648.95	75.95%

- iv. Funding Concentration based on significant instrument/product

(₹ in lakh)

Sr. No.	Name of the instrument	Amount	% of Total Liabilities*
1	Term Loans	6,18,223.18	51.08%
2	NHB Loans	2,05,744.33	17.00%
3	NCD	2,48,688.40	20.55%
4	ECB	-	0.00%
5	Sub-Debt	34,211.43	2.83%
6	Working capital / short term facilities	48,009.78	3.97%
7	CP	20,667.94	1.71%

- v. Stock Ratios

Sr. No.	Particulars	31-Mar-23
1	Commercial Papers to Total Liabilities*	1.71%
2	Commercial Papers to Total Assets	1.47%
3	NCDs (Original Maturity <1 ys) to Total Assets	Nil
4	NCDs (Original Maturity <1 ys) to Total Liabilities	Nil
5	Other Short-Term Liabilities** to Total Assets	26.31%
6	Other Short-Term Liabilities to Total Liabilities	30.58%

\*Total Liabilities does not include Net Worth.

\*\* Other Short Term Liabilities excludes Commercial Paper as they are already considered in 1 & 2.

\*\*\* Significant Counterparties and Top 10 Borrowings are as per actual outstanding

- vi. Institutional set-up for liquidity risk management

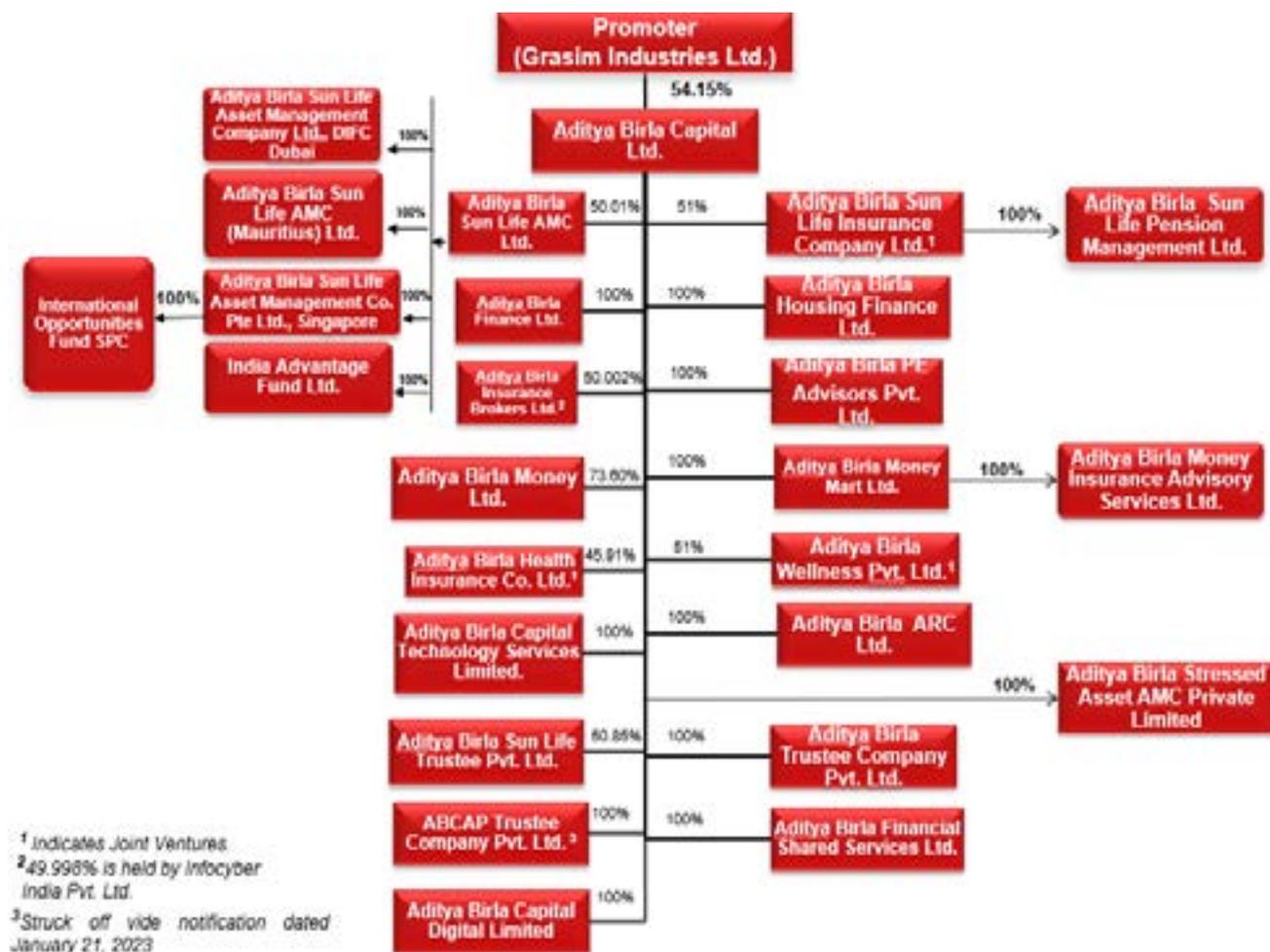
The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk. The ALCO meetings are held at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

# Notes to the financial statements

for the year ended March 31, 2023

- 1 Disclosure of details as required under Annexure IV of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by Reserve Bank of India vide circular dated February 17, 2021 & under Scale based regulation framework for NBFCs, circular DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 21, 2022 & circular DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022.

The diagrammatic representation of group structure is shown as below (refer note 1.7.4):



Aditya Birla ARC Limited



**ADITYA BIRLA  
CAPITAL**

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T: +91 22 43567000

F: 2243567266

E: [abarcl@adityabirlacapital.com](mailto:abarcl@adityabirlacapital.com)

W: <https://assetreconstruction.adityabirlacapital.com/>

# Independent Auditor's Report

To the members of **Aditya Birla ARC Limited**

## REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying standalone financial statements of Aditya Birla ARC Limited ("the Company"), which comprise the Standalone Balance sheet as at 31<sup>st</sup> March, 2023, the Standalone Statement of Profit and Loss including the statement of Other Comprehensive Income, the Standalone Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("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 accounting principles generally accepted in India, of the state of affairs of the Company (financial position) as at 31<sup>st</sup> March, 2023, its profit including other comprehensive income (financial performance), its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (Sas), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("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 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Key Audit Matters

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

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
1.	<p>Fair Valuation of financial instruments – Security Receipts (SRs)</p> <p>Company has invested in SRs issued by various trust incorporated by the Company for acquisition of distressed credit Business. Depending on the arrangement such Investments are in the range of 100% - 15% of the total SRs issued by the various trust. The said SRs are subsequently measured at Fair Value through Profit and Loss (FVTPL) as per the business model of the Company and considered as level 3 in the valuation hierarchy. Total investment in SRs outstanding as on 31<sup>st</sup> March, 2023 is ₹49,908.15 Lakhs.</p> <p>Company determines the fair value of SRs based on the Net Assets Value (NAV) report provided by the trust. The NAV of the said investment can only be estimated by the trusts using a combination of the recovery range provided by the external rating agency, estimated cash flows, collateral values, discount rate used and various other assumptions.</p> <p>Considering the complexities involved and various assumptions and significant judgements made by the trust in deriving Net Assets Value of such SRs, we have considered the valuation of these investments as a key audit matter.</p> <p>Refer Note No. 10 of standalone financial Statements.</p>	<p>Audit procedures followed:</p> <ul style="list-style-type: none"><li>- We have tested the design and effectiveness of internal controls implemented by the management in respect of valuation of the investments including those relating to assessment of recovery plan by Asset Acquisition Committee for determination of appropriate recovery rate based on the range provided by the External Rating Agency.</li><li>- Assessment of the valuation inputs;<ul style="list-style-type: none"><li>i. Analysed reasonableness of the estimated cash flows and recovery rate, the other relevant judgments and estimates, if any; and</li><li>ii. Assessed the information used to determine the key assumptions;</li><li>iii. Compared the historical estimates of the cash flows with the actual recoveries and obtained explanations for the variations, if any;</li><li>iv. Compared the management's assumption of discount rate with the supporting internal/ external evidence;</li><li>v. Valuation report of collateral values</li></ul></li></ul>

## Independent Auditor's Report (Contd.)

### Information other than the Standalone Financial Statements and Auditor's Report Thereon

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

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

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

### Responsibilities of Management and those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to

the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the standalone financial statements by the Board of Directors of the Company, as aforesaid.

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

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

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most

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

### Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Standalone Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - (e) Based on the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

Independent Auditor's Report (Contd.)

- (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (1) and (2) contain any material misstatement.
    - d) The Company has not declared or paid any dividend during the year.
    - v. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1<sup>st</sup> April, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31<sup>st</sup> March, 2023.
- 3. The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended 31<sup>st</sup> March, 2023, since none of the directors of the Company have drawn any managerial remuneration.

For **C N K & Associates LLP**  
Chartered Accountants  
Firm Registration No: 101961W/W – 100036

**Hiren Shah**  
Partner  
Membership No. 100052

Place: Mumbai  
Date: 20<sup>th</sup> April, 2023  
UDIN: 23100052BGVTTD1853

# Annexure 1 to Independent Auditor's Report

[Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory requirements' in the Independent Auditor's Report of even date to the members of Aditya Birla ARC Limited ("the Company") on the standalone financial statements for the year ended 31<sup>st</sup> March, 2023]

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that;

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (B) The Company has maintained proper records showing full particulars of intangible assets;
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification;
- (c) The Company does not hold any immovable properties and hence reporting under clause 3(i)(c) of the Order is not applicable;
- (d) The Company has not revalued any Property, Plant and Equipment including Right of Use Assets or intangible assets during the year,;
- (e) As disclosed in note 58 no proceedings have been initiated during the year or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- ii. (a) The Company is a service company primarily in the business of securitization and asset reconstruction and hence does not have any inventory. Accordingly reporting under clause 3(ii)(a) of the Order is not applicable;
- (b) During the year Company has taken a working capital facility in excess of ₹ 500 Lakhs, in aggregate, from Bank on the basis of security of current assets (i.e.

Security Receipts, considering based on the nature of business); based on our verification of quarterly statements (Pledge / Hypothecation) filed by the Company with such bank are in agreement with the books of account of the Company.

- iii. During the year the Company has made investment in and given unsecured advances in the nature of loan to other parties as per the Regulations applicable to Asset Reconstruction Companies issued by Reserve Bank of India ("RBI") and the terms of the trust deeds respectively. The Company has not provided any guarantee or security or granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnership

- (a) Details of advances in the nature of loans given during the year to other parties are as under:

Particulars	Amount (₹ In lakhs)
(A) Aggregate amount granted during the year:	
- Subsidiary, Joint Ventures and Associates	
- Others (Trusts)	563.28
(B) Balance outstanding as at balance sheet date in respect of above cases	
- Subsidiary, Joint Ventures and Associates	
- Others (Trusts)	820.54

- (b) Investment made in other parties and the terms and conditions of advances in nature of loans to other parties are not prejudicial to the Company's interest.
- (c) The advances in nature of loans given to other parties are interest free and no schedule of repayment of principal has been stipulated since the same are dependent on recoveries/realisation of Financial Assets held by such other parties.
- (d) Since no repayment of principal is stipulated as mentioned in clause 3(iii)(c) above, requirements under clause 3(iii)(d) and 3(iii)(e) of the Order is not applicable to the Company.

Annexure 1 to Independent Auditor's Report (Contd.)

- (e) Following are the details of advances in nature of loan granted to other parties for which period of repayment has not been stipulated:

Particulars	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans	563.38	-	5.33
Agreement does not specify terms or period of repayment	563.38	-	5.33
Percentage of loans/ advances in nature of loans to the total loans	100%	-	0.95%

- iv. There are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable and hence reporting under clause 3(iv) of the Order is not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits to which directives issued by the RBI and the provisions of sections 73 to 76 or any other relevant provisions of the Act and rules made thereunder apply. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company.
- vii. The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, cess and other statutory dues applicable to it. As informed, the provisions of employees' state insurance, sales-tax, duty of custom, duty of excise and value added taxes are not applicable to the Company.
- a. According to the information and explanations given to us, no undisputed amounts payable in respect of goods and services tax, provident fund, income-tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. As informed, the provisions of employees' state insurance, sales-tax, duty of custom, duty of excise and value added taxes are not applicable to the Company.
- b. According to the information and explanations given to us, there are no dues referred to in 3(vii)(a) above which have not been deposited on account of any dispute.
- viii. As disclosed in note 60, there are no unrecorded transactions which have been surrendered or disclosed as income during the year in the tax assessment under Income Tax Act, 1961 (43 of 1961).
- ix. (a) During the year, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) As disclosed in note 59, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, we report that funds raised on short term basis have prima facie not been used for long term purposes.
- (e) On an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any Associate or Joint Ventures.
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- x. (a) During the year, the Company has raised money by way of initial public offer of debt instruments and the same has been utilised for the purposes for which they were raised.
- (b) The Company has made private placement of preference shares for which the requirements of section 42 and 62 of the Act have been complied with and the funds raised have been used for the purpose for which it was raised. The Company has not made any preferential allotment or private placement of fully or partly or optionally convertible debentures during the year.

- xi. (a) We report that no fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) No report under sub section (12) of section 143 of the Act has been filed in the form ADT – 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with central government during the year
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year
- xii. The Company is not a Nidhi company. Therefore, reporting under clause 3(xii) (a) to (c) of the Order is not applicable to the Company
- xiii. In our opinion, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- xv. During the year, the Company has not entered any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.
- (b) Reserve Bank of India has granted Certificate of Registration to carry on the business of securitisation or assets reconstruction under section 3 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
- (c) The Company is not a Core Investment Company (“CIC”) and accordingly requirements of clause xiv(c) of the Order is not applicable.
- (d) There are three CICs as a part of the Group.
- xvii. Based on the overall examination of financial statement, the Company has not incurred cash losses during the year but it has incurred cash losses of ₹ 647.23 Lakhs in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly reporting under clause xviii of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.”
- xx. As mentioned in note 57, provisions of section 135 of the Act are not applicable to the company in current financial year and accordingly clause 3(xx)(a) and (b) of the Order is not applicable.

For **C N K & Associates LLP**  
Chartered Accountants  
Firm Registration No: 101961W/W – 100036

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**Hiren Shah**  
Partner  
Membership No. 100052

Place: Mumbai  
Date: 20<sup>th</sup> April, 2023  
UDIN: 23100052BQVTTD1853

# Annexure 2

To the Independent Auditor's Report of even date on Standalone Financial Statements of Aditya Birla ARC Limited

## REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE I OF SUBSECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of Aditya Birla ARC Limited ("the Company") as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE FINANCIAL STATEMENTS

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

## **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE STANDALONE FINANCIAL STATEMENTS**

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

## **OPINION**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with

reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at 31<sup>st</sup> March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **C N K & Associates LLP**

Chartered Accountants

Firm Registration No: 101961W/W – 100036

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**Hiren Shah**

Partner

Membership No. 100052

Place: Mumbai

Date: 20<sup>th</sup> April, 2023

UDIN: 23100052BGVTTD1853



# Standalone Balance Sheet

as at 31<sup>st</sup> March, 2023

₹ in Lakhs

	Note	As at 31st March, 2023	As at 31st March, 2022
<b>I ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and Cash Equivalents	6	513.77	245.34
(b) Bank Balance other than (a) above	7	7,214.61	5,726.36
(c) Receivables			
(i) Trade Receivables	8	339.51	210.62
(d) Loans	9	817.27	263.94
(e) Investments			
- Other Investments	10	50,545.87	37,931.34
(f) Other Financial Assets	11	49.26	101.30
<b>Sub-Total</b>		<b>59,480.29</b>	<b>44,478.90</b>
<b>(2) Non-Financial Assets</b>			
(a) Non-Current Tax Assets (Net)		255.26	1,655.46
(b) Property, Plant and Equipment	12	48.72	46.21
(c) Other Intangible assets	13	28.46	-
(d) Right to use of assets	39	160.51	240.78
(e) Other non-Financial assets	14	97.11	64.80
<b>Sub-Total</b>		<b>590.06</b>	<b>2,007.25</b>
<b>Total assets</b>		<b>60,070.35</b>	<b>46,486.15</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) Financial Liabilities</b>			
(a) Payables			
(i) Trade Payables	15		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		26.65	56.79
(b) Debt Securities	16	26,825.15	22,045.54
(c) Borrowings (Other than Debt Securities)	17	9,988.83	4,500.00
(d) Subordinated Liabilities	18	2,700.00	2,100.00
(e) Lease Liability	39	186.21	264.31
(f) Other Financial Liabilities	19	413.26	612.53
<b>Sub- Total</b>		<b>40,140.10</b>	<b>29,579.17</b>
<b>(2) Non Financial Liabilities</b>			
(a) Provisions	20	60.22	81.19
(b) Deferred tax liabilities (net)	38	1,117.09	1,127.54
(c) Other Non Financial Liabilities	21	1,352.15	924.40
<b>Sub-Total</b>		<b>2,529.46</b>	<b>2,133.13</b>
<b>(3) Equity</b>			
(a) Equity Share capital	22	10,000.00	10,000.00
(b) Other Equity	23	7,400.79	4,773.85
<b>Total equity</b>		<b>17,400.79</b>	<b>14,773.85</b>
<b>Total Liabilities and Equity</b>		<b>60,070.35</b>	<b>46,486.15</b>
Significant Accounting Policies	5		

The accompanying Notes are an integral part of the Financial Statements.  
In terms of our report of even date attached

For **CNK & Associates LLP**  
ICAI Firm Registration No.:- 101961W/W-100036  
Chartered Accountants

**Hiren Shah**  
Partner  
Membership No. 100052

Mumbai, 20<sup>th</sup> April, 2023

For and on behalf of the Board of Directors  
**Aditya Birla ARC Limited**

**Tushar Shah**  
Director  
DIN-00239762

**Sandeep Somani**  
Chief Financial Officer

**Hiral Sidhpura**  
Company Secretary

Mumbai, 20<sup>th</sup> April, 2023

**Pinky Mehta**  
Director  
DIN-00020429

**Sanjay Jain**  
Chief Executive Officer

# Standalone Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2023

₹ in Lakhs

	Note	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Revenue from operations</b>			
(a) Fee Income	24	3,352.84	2,761.44
(b) Recovery Incentive	25	324.58	-
(c) Net Gain on Fair Value Changes	26	4,525.05	4,443.34
<b>Total Revenue from Operations</b>		<b>8,202.47</b>	<b>7,204.78</b>
Other Income	27	379.41	239.50
<b>Total Income</b>		<b>8,581.88</b>	<b>7,444.28</b>
<b>EXPENSES</b>			
(a) Finance Costs	28	4,014.48	3,337.83
(b) Impairment on Financial Instruments	29	(0.64)	2.94
(c) Employee benefits expense	30	818.90	1,001.85
(d) Depreciation, amortization and impairment	31	98.94	92.17
(e) Other expenses	32	165.79	129.96
<b>Total Expenses</b>		<b>5,097.47</b>	<b>4,564.75</b>
<b>Profit Before Tax</b>		<b>3,484.41</b>	<b>2,879.53</b>
Tax Expenses			
Current Tax		892.69	546.04
Excess Provision for Tax Related to Earlier Years (Net)		-	(10.08)
Deferred Tax		(16.68)	176.63
<b>Total Tax Expenses</b>		<b>876.01</b>	<b>712.59</b>
<b>Profit after tax</b>		<b>2,608.40</b>	<b>2,166.94</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of the net defined benefit liability/asset (net)		24.77	(10.77)
Income tax relating to items that will not be reclassified to profit and loss		6.23	(2.71)
<b>Other Comprehensive Income for the year</b>		<b>18.54</b>	<b>(8.06)</b>
<b>Total Comprehensive Income for the year</b>		<b>2,626.94</b>	<b>2,158.88</b>
Earnings per share :			
Basic- (₹)	33	2.61	2.17
Diluted - (₹)		2.54	2.12
(Face Value of ₹ 10 each)			
Significant Accounting Policies	6		

The accompanying Notes are an integral part of the Financial Statements.  
In terms of our report of even date attached

For **CNK & Associates LLP**  
ICAI Firm Registration No.:- 101961W/W-100036  
Chartered Accountants

**Hiren Shah**  
Partner  
Membership No. 100052

Mumbai, 20<sup>th</sup> April, 2023

For and on behalf of the Board of Directors  
**Aditya Birla ARC Limited**

**Tushar Shah**  
Director  
DIN-00239762

**Sandeep Somani**  
Chief Financial Officer

**Hiral Sidhpura**  
Company Secretary

Mumbai, 20<sup>th</sup> April, 2023

**Pinky Mehta**  
Director  
DIN-00020429

**Sanjay Jain**  
Chief Executive Officer

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2023

## (A) EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares of face value of ₹ 10/- each issued on subscribed and fully paid up				
Balance at the beginning of the year	100,000,000	10,000.00	100,000,000	10,000.00
Changes in Equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	100,000,000	10,000.00	100,000,000	10,000.00
Changes in Equity share capital during the year	-	-	-	-
<b>Balance at the end of the year</b>	<b>100,000,000</b>	<b>10,000.00</b>	<b>100,000,000</b>	<b>10,000.00</b>

## (B) OTHER EQUITY

₹ in Lakhs

Particulars	Reserve and Surplus	Total Other Equity
<b>Balance as at 1<sup>st</sup> April, 2021</b>	2,614.97	2,614.97
Changes in accounting policies or prior period errors	-	-
<b>Restated balance as at 1<sup>st</sup> April, 2021</b>	<b>2,614.97</b>	<b>2,614.97</b>
Profit for the year	2,166.94	2,166.94
Other Comprehensive loss for the year	(8.06)	(8.06)
Total Comprehensive income	2,158.88	2,158.88
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>4,773.85</b>	<b>4,773.85</b>
<b>Equity attributable to Shareholders of Company</b>	<b>4,773.85</b>	<b>4,773.85</b>
<b>Balance as at 1<sup>st</sup> April, 2022</b>	4,773.85	4,773.85
Changes in accounting policies or prior period errors	-	-
<b>Restated balance as at 1<sup>st</sup> April, 2022</b>	<b>4,773.85</b>	<b>4,773.85</b>
Profit for the year	2,608.40	2,608.40
Other Comprehensive income for the year	18.54	18.54
Total Comprehensive income	2,626.94	2,626.94
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>7,400.79</b>	<b>7,400.79</b>
<b>Equity attributable to Shareholders of Company</b>	<b>7,400.79</b>	<b>7,400.79</b>

The accompanying Notes are an integral part of the Financial Statements.  
In terms of our report of even date attached

For **CNK & Associates LLP**  
ICAI Firm Registration No.:- 101961W/W-100036  
Chartered Accountants

**Hiren Shah**  
Partner  
Membership No. 100052

Mumbai, 20<sup>th</sup> April, 2023

For and on behalf of the Board of Directors  
**Aditya Birla ARC Limited**

**Tushar Shah**  
Director  
DIN-00239762

**Sandeep Somani**  
Chief Financial Officer

**Hiral Sidhpura**  
Company Secretary

Mumbai, 20<sup>th</sup> April, 2023

**Pinky Mehta**  
Director  
DIN-00020429

**Sanjay Jain**  
Chief Executive Officer

# Standalone statement of Cash Flows

for the year ended 31<sup>st</sup> March, 2023

₹ in Lakhs

Note Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>A Cash Flow From Operating Activities</b>		
Profit before tax	3,484.41	2,879.53
Adjustments for :		
Impairment on Financial Assets	(0.64)	2.94
Net gain on Fair value changes on Investment in security receipts	(4,525.05)	(4,443.34)
Net gain on Fair value changes on Investment in mutual fund units	(2.75)	-
Interest Income	(288.58)	(233.97)
Notional interest on Security Deposits	(2.75)	(2.57)
Profit on sale of Property, Plant and Equipment	(1.14)	-
Finance Cost	3,998.80	3,317.03
Notional Interest on Lease	15.68	20.80
Depreciation and Amortisation	98.94	92.17
Operating Profit Before Working Capital Changes	<b>2,776.92</b>	<b>1,632.59</b>
Adjustments for:		
Decrease/(Increase) in Loans	0.67	(0.99)
Decrease in Other Financial Assets	54.79	32.64
Increase in Trade Receivables	(128.89)	(164.92)
Decrease in Right to use of assets	0.10	0.11
Increase in Other Non-Financial Assets	(32.31)	(3.56)
Decrease in Trade Payables	(30.14)	(4.38)
Increase in Provisions	3.80	34.12
Decrease in Lease Liability	(0.12)	(0.10)
(Decrease)/Increase in Other Financial Liabilities	(199.27)	281.97
Increase/(Decrease) in Other Non Financial Liabilities	427.75	(89.76)
Cash From Operations	<b>96.38</b>	<b>85.13</b>
Income Taxes Paid	507.51	(1,569.80)
<b>Net Cash Flow From Operating Activities</b>	<b>3,380.81</b>	<b>147.92</b>
<b>B Cash Flow from Investing Activities</b>		
Addition to Property, Plant and Equipment	(22.28)	(37.16)
Proceeds from sale of Property, Plant and Equipment	5.68	-
Addition of Other Intangible assets	(32.00)	
Investment in Security Receipts	(32,830.02)	(11,286.00)
Redemption of Security Receipts	25,378.26	20,833.52
Interest Received	204.32	52.49
Purchase of Mutual fund units	(634.97)	-
Bank Deposits placed during the period	(21,096.00)	(11,694.00)
Bank Deposits matured during the period	19,692.00	9,264.00
<b>Net Cash Flow (Used In) / From Investing Activities</b>	<b>(9,335.01)</b>	<b>7,132.85</b>

# Standalone statement of Cash Flows

for the year ended 31<sup>st</sup> March, 2023

₹ in Lakhs

Note Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>C Cash Flow From Financing Activities</b>		
Loans & Advances to Trust	(25,493.38)	(241.65)
Loans & Advances recovered from Trust	24,940.02	145.67
Lease Liability - Principal Portion	(77.98)	(68.40)
Lease Liability - Interest Portion	(15.68)	(20.80)
Proceeds from Borrowings	22,700.00	7,250.00
Repayment of Borrowings	(17,200.00)	(6,150.00)
Proceeds from Debt Securities	14,561.00	6,571.00
Repayment of Debt Securities	(11,565.00)	(12,441.00)
Finance Cost on Debt Securities & Borrowings	(2,226.35)	(3,626.49)
Proceeds from Compulsorily Convertible Preference Shares	600.00	500.00
<b>Net Cash Flow From / (Used In) Financing Activities</b>	<b>6,222.63</b>	<b>(8,081.67)</b>
Net Increase / (Decrease) in Cash and Cash Equivalents	268.43	(800.90)
Cash And Cash Equivalents (Opening Balance)	245.34	1,046.24
Cash And Cash Equivalents (Closing Balance)	513.77	245.34

The accompanying Notes are an integral part of the Financial Statements.

In terms of our report of even date attached

For **CNK & Associates LLP**

ICAI Firm Registration No.:- 101961W/W-100036

Chartered Accountants

**Hiren Shah**

Partner

Membership No. 100052

Mumbai, 20<sup>th</sup> April, 2023

For and on behalf of the Board of Directors

**Aditya Birla ARC Limited**

**Tushar Shah**

Director

DIN-00239762

**Sandeep Somani**

Chief Financial Officer

**Hiral Sidhpura**

Company Secretary

Mumbai, 20<sup>th</sup> April, 2023

**Pinky Mehta**

Director

DIN-00020429

**Sanjay Jain**

Chief Executive Officer

# Notes

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## 1. ABOUT THE COMPANY

Aditya Birla ARC Limited (the Company) was incorporated as a public limited company under the provisions of the Companies Act, 2013 on 10<sup>th</sup> March 2017.

The principal activity of the Company is to carry on the business of securitization and asset reconstruction as defined in section 2 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ('the SARFAESI Act'). The Company acts as a Manager / Trustee for trusts set up for securitization pursuant to the SARFAESI Act. The financial assets are acquired under separate trusts set up for securitization or directly for asset reconstruction.

Reserve Bank of India ('RBI') granted a Certificate of Registration to the Company on 13<sup>th</sup> March 2018 to carry on business of securitization or asset reconstruction under section 3 of the SARFAESI Act.

The Company recognises its income through Trusteeship and Management Fees, which is recognized on accrual basis in accordance with the terms of the respective trust deed / offer document, wherever applicable.

The financial statements were authorized for issue by the Company's Board of Directors on 20<sup>th</sup> April, 2023.

## 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The financial statements have been prepared on a historical cost basis and accrual basis except for fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, other financial assets held for trading and financial assets and liabilities designated at fair value through profit or loss (FVTPL), all of which have been measured at fair value. The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, except when otherwise indicated.

## 3. USE OF ESTIMATES

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

## 4. PRESENTATION OF FINANCIAL ESTIMATES

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business.
- The event of default.
- The event of insolvency or bankruptcy of the Company and/or its counterparties.

## 5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 5.1 Revenue from contract with customer

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at transaction price i.e. the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties. The Company consider the terms of the contract and its customary business practices to determine the transaction price.

Where the consideration promised is variable, the Company excludes the estimates of variable consideration that are constrained. Ind AS 115 Revenue from contracts

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with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from the following sources:

- a. The fee income comprises of Trusteeship and Management Fee. The Company receives management fee from trusts declared by it for acquisition of financial assets and the same is accounted for on accrual basis as per terms of the relevant trust deeds and offer document issued by the Trust. With reference to the Notification on 'Review of Regulatory Framework' issued by RBI dated 11<sup>th</sup> October, 2022, the management fee for all the new acquisitions post the said notification shall be recovered only from the recoveries from the financial asset of the underlying Trusts. Management fees are calculated and charged as a percentage of the Net Assets Value (NAV) at the lower end of the range of the NAV specified by the Credit Rating Agency.
- b. Redemption incentive and recovery incentive is accounted as and when the right to receive the amount is established as per the terms of Trust Deed.
- c. Any upside share in excess realisation over acquisition price of security receipts by the Company is recognised at point in time basis as per terms of the relevant trust deed/offer document.
- d. The above receipts are recognised as revenue excluding GST.

## Interest Income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

For interest income on Fixed Deposit, the Company recognizes it on accrual basis.

For purchased or originated credit-impaired (POCI) financial assets, the Company calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets. Interest income on all trading assets and financial assets mandatorily required to be measured at FVTPL is recognised using the contractual interest rate in net gain on fair value changes.

## 5.2 Financial Instruments:

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

### Financial Assets

#### Date of Recognition

Financial assets and liabilities, debt securities, deposits and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument

#### Initial Measurement

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. However, trade receivables are measured at the transaction price.

### Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured either:

- At amortised cost
- At fair value through other comprehensive income (FVTOCI)
- At fair value through profit or loss (FVTPL)

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## Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

## Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b. The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

## Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit and loss.

## De-Recognition of Financial Assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises an associated liability.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit and loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial assets.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financials asset between the part it continues to recognise under

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continuing involvement, and the part is no longer recognised on the basis of relative fair values of those parts on the date of transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

## Impairment of Financial Assets (ECL Policy)

In accordance with IND AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets & credit risk exposure.

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as loans and advances held at amortised cost for impairment based on evidence or information that is available without undue cost or effort.

The Company applies a three-stage approach to measuring expected credit losses (ECLs) for financial assets.

### Stage 1: 12-months ECL

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Company has assessed that all loans and advances with no default or upto 30 days default would fall under this category.

For these assets, 12-month ECL are recognized and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance).

### Stage 2: Lifetime ECL – Significant increase in credit risk

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. Financial instruments that have had a significant increase in credit risk since initial recognition are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk and classified under this category. For these assets, lifetime ECL are recognized, but interest revenue is calculated on the gross carrying amount of the asset less ECL already provided.

### Stage 3: Lifetime ECL – Credit Impaired

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

### Credit-impaired financial assets:

At each reporting date, the company assesses whether financial assets carried at amortised cost is credit impaired. A financial asset is 'credit-impaired' when a breach of contract such as a default or past due event that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

ECL provisioning is being done on each reporting date basis probability of default and loss given default on outstanding financial asset.

### Trade Receivables

Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of IND AS 115 are recognized. The Company provides 0.4% ECL on prudential basis on Standard Assets.

### Other Financial Assets

Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and

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impairment is measured based on probability of default over the lifetime when there is significant increase in credit risk. The Company provides 0.4% ECL on prudential basis on Standard Assets.

## Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, debt securities and subordinated liabilities, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. The measurement of financial liabilities depends on their classification, as described below:

### Financial liabilities at fair- value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI.

These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

### Financial liabilities and equity instruments

Financial instruments issued by the Company are classified as either financial liabilities or as equity in accordance with

the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognized at the proceeds received, net of direct issue costs.

## Loans & Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss

## De-recognition of financial liabilities

A financial liability shall be de-recognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

## 5.3 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value.

The Cash Flow Statement has been prepared under the "Indirect Method " as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash Flows' prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, as amended.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

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## 5.4 Expenses incurred by the Company on behalf of the Trust

Expenses incurred at pre-acquisition stage are recognized as expenses for the period in which such costs are incurred. If such expenses are contracted to be recovered from the Trust, the same are shown as Loan & Advances to Trust in the Balance Sheet. These expenses are reimbursed to the Company in terms of provisions of relevant Trust Deed and Offer Document of the Trusts.

## 5.5 Property, Plant & Equipment.

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the entity and the cost can be measured reliably. Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Depreciation on Tangible Fixed Assets is provided on Straight Line using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013 or estimated by the management. The Company has used the following useful life to provide depreciation on its fixed assets, which is in line with the useful life suggested by Schedule III.

Asset	Useful Life as Prescribed by Schedule II of the Companies Act, 2013
Computers (end user computers, Laptops)	3
Office Equipment	5
Furniture & Fixtures	10
Motor Vehicles	6

Useful life of assets estimated by management supported by the Internal Technical assessment.

Asset	Estimated Useful Life
Leasehold Improvements *	3
Motor Vehicles <sup>^</sup>	4-5

\*In case of Leasehold Improvements, Depreciation calculated based on lease period

<sup>^</sup> In case of Motor Vehicles, depreciation calculated on basis of its replacement.

Depreciation on the Fixed Assets added/disposed off/discarded during the year is provided on pro-rata basis with reference to the date of addition/disposal/discarding.

## 5.6 Intangible Assets and Amortization

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised on a straight-line basis over their estimated useful lives.

Gains or losses, arising from the retirement or disposal of an intangible asset, are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognized as income or expense in the Statement of Profit and Loss.

Useful life of intangible assets estimated by management is as under:

Asset	Estimated Useful Life
Computer Software	3

The estimated useful lives of the intangible assets and the amortisation period are reviewed at the end of each

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financial year, and the amortisation period is revised to reflect the changed pattern, if any.

## 5.7 Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or the liability; or in the absence of a principal market, in the most advantageous market for the asset or liability, the principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level-2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level-3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

## 5.8 Impairment of Non-Financial Assets

The Company assesses, at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists or when annual impairment testing for any asset is required, the Company estimates the assets recoverable amount. An assets recoverable amount is the higher of an assets fair value less cost of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflow that is largely independent of those from other assets or Company of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written-down to its recoverable amount.

## 5.9 Retirement and Other Employee Benefits

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Company, as detailed below:

### Defined contribution plan (Provident fund)

In accordance with Indian law, eligible employees receive benefits from provident fund, which is a defined contribution plan. Both the employee and employer make monthly contributions to the plan, each equal to a specified percentage of employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company does not have any legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Obligation for contributions to the plan is recognized as an employee benefit expense in the Statement of Profit and Loss when incurred.

### Defined Benefit Plans (Gratuity)

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (the Gratuity Plan) covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company.

The Company's net obligation in respect of the gratuity plan is calculated by estimating the amount of future benefits that the employees have earned in return for their service in

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the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service cost and the fair value of plan assets are deducted. The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligations. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

The Company recognizes all re-measurements of net defined benefit liability/asset directly in other comprehensive income and presented within equity. The Company has employees' gratuity fund under Grasim Industries Limited Employees Gratuity Trust managed by the ultimate parent company.

## Short Term Benefit

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

## Compensated Absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement.

The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

The Company recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Company recognises actuarial gains and losses immediately in the Statement of Profit and Loss.

## Other Benefits

Few employees transferred from other business of the Aditya Birla Capital Group were eligible under long term incentive plan (the "old LTIP scheme") issued by that business in September 2017. The scheme is for 4 years and pay out under the scheme to employees will be made at end of 4 years, as per option opted by the employees. This is a onetime option, which cannot be changed to the option of early vesting, hence liability has been equally spread over the tenure. The old LTIP scheme is vested during the year for the covered employees and the same was settled.

Further Senior employees of the Company were offered the long term incentive plan (the "new LTIP scheme") effective 1<sup>st</sup> September, 2022. The scheme is for 3 years and pay out under the new LTIP scheme to employees will be made on an annual basis as per the plan which is under approval. The liability of the new LTIP scheme is recognized based on the valuation report obtained from the actuarial.

## 5.10 Leases

### AS per IND AS 116

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

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At the date of commencement of the lease, the Company recognizes right – of – use (“ROU”) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value – in – use) is determined on an individual asset basis unless the asset generates cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## 5.11 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not discounted to their present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

## 5.12 Taxes

### Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred Tax

Deferred tax is recognised using the Balance Sheet approach on the temporary differences between the carrying amounts of assets and liabilities in the financial statements and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or

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substantively enacted by the reporting date. Deferred tax assets and liabilities are offset, if there is a legally enforceable right to offset current tax liabilities and assets, and these relate to income taxes levied by the same tax authority and are intended to settle current tax liabilities and assets on a net basis or such tax assets and liabilities will be realised simultaneously.

In the event of unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets are recognised to the extent that it is probable that sufficient future taxable income will be available to realise such assets.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Current and deferred tax are recognised in Statement of Profit and Loss, except when the same relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax relating to such items are also recognised in other comprehensive income or directly in equity respectively.

## 5.13 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split, if any.

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

## 5.14 Capital Management

The primary objective of the Company's capital management is to maximize the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

## 5.15 Significant Accounting Judgements, Estimates and Assumptions

The preparation of financial statements, in conformity, with the Ind AS requires management to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years

### Measurement of Defined Benefit Obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cashflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amount of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## Property plant and equipment and investment property

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful life and residual values of the Company's assets at the end of its useful life are estimated by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The useful life are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

## Impairment of trade receivables

Trade receivables are the trusts of which Company is a trustee and also holds investments in the trust through Security Receipts. The Company estimates the probability of collection of accounts receivable by analyzing the future cash flow in the trust. If the financial condition of the trust deteriorates, additional allowances may be required.

## Fair Value of financial instruments

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

Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

## ECL on financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in

particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different level of allowances.

The Company ECL calculation are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates includes:

- Probabilities of Defaults (PDs) the calculations of which includes historical data, assumptions and expectations of future conditions.
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss model basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Developments of ECL models, including the various formulas and choices of inputs
- Determination of associations between macroeconomic scenarios and economic inputs, such as unemployment levels and collateral values, and the effects of PDs, exposure at defaults and loss given defaults.

## Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

## Policy for sales out of amortised cost business model portfolios

ABARC existing business model focuses on acquisition of financial assets through trusts, with or without participation from external investors. Our existing resolution strategy is to right size the debt and restructure the debt with focus on improvement in operational performance of the acquired financial assets with existing sponsors or strategic investors.

At present ABARC has no amortised cost business model portfolio, therefore it has not prepared and adopted any such policy.

## 5.16 Recent pronouncements

On 31<sup>st</sup> March, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into following amendments in the existing Accounting Standards which are applicable from 1<sup>st</sup> April, 2023.

- i. Ind AS 101 – First time adoption of Ind AS – modification relating to recognition of deferred tax asset by a first-time adopter associated with (a) right to use assets and related liabilities and (b) decommissioning, restoration and similar liabilities and corresponding amounts recognised as cost of the related assets.
- ii. Ind AS 102 – Share-based Payment – modification relating to adjustment after vesting date to the fair value of equity instruments granted.
- iii. Ind AS 103 – Business Combination – modification relating to disclosures to be made in the first financial statements following a business combination.
- iv. Ind AS 107 – Financial Instruments Disclosures – modification relating to disclosure of material accounting policies including information about basis of measurement of financial instruments.
- v. Ind AS 109 – Financial Instruments – modification relating to reassessment of embedded derivatives.
- vi. Ind AS 1 - Presentation of Financials Statements – modification relating to disclosure of ‘material accounting policy information’ in place of ‘significant accounting policies’.
- vii. Ind AS 8 - Accounting Policies, Change in Accounting Estimates and Errors – modification of definition of ‘accounting estimate’ and application of changes in accounting estimates.
- viii. Ind AS 12 – Income Taxes – modification relating to recognition of deferred tax liabilities and deferred tax assets.
- ix. Ind AS 34 – Interim Financial Reporting – modification in interim financial reporting relating to disclosure of ‘material accounting policy information’ in place of ‘significant accounting policies’.

The Company is evaluating the amendments and the expected impact, if any, on the Company’s financial statements on application of the amendments for annual reporting periods beginning on or after 1<sup>st</sup> April, 2023.

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 6 CASH AND CASH EQUIVALENTS

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Balances with Banks		
Current Accounts*	513.77	94.87
Deposit Accounts (with original maturity period of 3 months or less)	-	150.47
	<b>513.77</b>	<b>245.34</b>

\* Includes amount of ₹ 5.30 lakhs (Previous year: ₹ 4.40 lakhs) held in Escrow Account.

## NOTE: 7 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Fixed Deposit Accounts (with original maturity period of more than 3 months)	7,214.61	5,726.36
	<b>7,214.61</b>	<b>5,726.36</b>

## NOTE: 8 TRADE RECEIVABLES, UNSECURED

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
(a) Receivables considered good	340.87	211.47
Less: Expected Credit Loss	(1.36)	(0.85)
(b) Receivables - credit impaired	-	0.51
Less: Expected Credit Loss	-	(0.51)
	<b>339.51</b>	<b>210.62</b>

### NOTE: 8.1

#### Ageing Schedule for Trade Receivable as at 31<sup>st</sup> March, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables receivables considered good	340.87	-	-	-	-	340.87
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## Ageing Schedule for Trade Receivable as at 31<sup>st</sup> March, 2022

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables receivables considered good	211.47	-	-	-	-	211.47
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	0.18	0.22	0.11	0.51
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

## NOTE: 8.2 RECONCILIATION OF ECL ON TRADE RECEIVABLES

₹ in Lakhs

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	1.36	0.62
Add: ECL allowance during the year	-	0.74
<b>Closing Balance</b>	<b>1.36</b>	<b>1.36</b>

## NOTE: 8.3 AGEING SCHEDULE FOR UNREALISED MANAGEMENT FEE AS PER RBI CIRCULAR DOR.ACC. REC.NO. 104/21.07.001/2022-23

₹ in Lakhs

Particulars	As at 31st March, 2023	As at 31st March, 2022
Outstanding amount of unrealised management fee	340.87	211.98
1. Out of the above, amount outstanding for:		
(a) Amounts where the net asset value of the security receipts has fallen below 50 percent of the face value	-	0.51
(b) Other amounts unrealised for:		
(i) More than 180 days but upto 1 year	-	-
(ii) More than 1 year but upto 3 years	-	-
(iii) More than 3 years	-	-
Allowances held for unrealised management fee	1.36	1.36
<b>Net unrealised management fee receivable</b>	<b>339.51</b>	<b>210.11</b>

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 9 LOANS

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Loans (Carried at amortised cost)*	820.55	267.18
Less: Impairment loss allowance*	(3.28)	(3.24)
	<b>817.27</b>	<b>263.94</b>

### \*NOTE: 9.1

Sr. No. Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
	At Amortised Cost	At Amortised Cost
(A) (i) Loans	-	-
(ii) Advances in the nature of loan	820.55	267.18
<b>Total Gross (A)</b>	<b>820.55</b>	<b>267.18</b>
Less: Impairment loss allowance	(3.28)	(3.24)
<b>Total Net (A)</b>	<b>817.27</b>	<b>263.94</b>
(B) (i) Secured by tangible assets	-	-
(ii) Unsecured	820.55	267.18
<b>Total Gross (B)</b>	<b>820.55</b>	<b>267.18</b>
Less: Impairment loss allowance	(3.28)	(3.24)
<b>Total Net (B)</b>	<b>817.27</b>	<b>263.94</b>
(C)(I) Loans in India		
(i) Public Sector	-	-
(ii) Others	820.55	267.18
<b>Total Gross (C)(I)</b>	<b>820.55</b>	<b>267.18</b>
Less: Impairment loss allowance	(3.28)	(3.24)
<b>Total Net (C)(I)</b>	<b>817.27</b>	<b>263.94</b>
(C)(II) Loans outside India	-	-
Less: Impairment loss allowance	-	-
<b>Total Net (C)(II)</b>	<b>-</b>	<b>-</b>
<b>Total (C)(I) and (II)</b>	<b>817.27</b>	<b>263.94</b>

## NOTE: 10 OTHER INVESTMENTS

(Carried at Fair value through Profit or Loss)

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Investments in Security Receipts (Refer Note 16A and 16B)	49,908.15	37,931.34
Investment in Liquid Mutual funds	637.72	-
	<b>50,545.87</b>	<b>37,931.34</b>
In India	50,545.87	37,931.34
Outside India	-	-

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 11 OTHER FINANCIAL ASSETS

(Unsecured, considered good, unless stated otherwise)

₹ in Lakhs

Particulars	As at 31st March, 2023	As at 31st March, 2022
Security Deposits (carried at amortised cost)	45.86	42.07
Interest Accrued	-	1.02
Other Receivable	-	13.63
Other Advance	3.41	45.29
Less: Expected Credit Loss	(0.01)	(0.71)
	<b>49.26</b>	<b>101.30</b>

## NOTE: 12 PROPERTY, PLANT AND EQUIPMENT

₹ in Lakhs

Particulars	Computers	Leasehold Improvements	Office Equipments	Furniture & Fixtures	Vehicles	TOTAL
<b>Gross Block</b>						
As at 1 <sup>st</sup> April, 2021	7.72	87.60	12.65	2.29	16.60	126.86
Additions	3.76	-	-	-	33.40	37.16
Deletions	-	-	-	-	-	-
<b>As at 31<sup>st</sup> March, 2022</b>	<b>11.48</b>	<b>87.60</b>	<b>12.65</b>	<b>2.29</b>	<b>50.00</b>	<b>164.02</b>
<b>Accumulated Depreciation</b>						
As at 1 <sup>st</sup> April, 2021	3.04	87.60	6.16	0.56	8.48	105.84
Depreciation for the year	3.23	-	2.52	0.23	5.99	11.97
Deletions	-	-	-	-	-	-
<b>As at 31<sup>st</sup> March, 2022</b>	<b>6.27</b>	<b>87.60</b>	<b>8.68</b>	<b>0.79</b>	<b>14.47</b>	<b>117.81</b>
<b>Net Carrying amount as at 31<sup>st</sup> March, 2022</b>	<b>5.21</b>	<b>-</b>	<b>3.97</b>	<b>1.50</b>	<b>35.53</b>	<b>46.21</b>
<b>Gross Block</b>						
As at 1 <sup>st</sup> April, 2022	11.48	87.60	12.65	2.29	50.00	164.02
Additions	-	-	4.25	-	18.03	22.28
Deletions	-	-	-	-	(16.62)	(16.62)
<b>As at 31<sup>st</sup> March, 2023</b>	<b>11.48</b>	<b>87.60</b>	<b>16.90</b>	<b>2.29</b>	<b>51.41</b>	<b>169.68</b>
<b>Accumulated Depreciation</b>						
As at 1 <sup>st</sup> April, 2022	6.27	87.60	8.68	0.79	14.47	117.81
Depreciation for the year	3.20	-	2.55	0.23	9.25	15.23
Deletions	-	-	-	-	(12.08)	(12.08)
<b>As at 31<sup>st</sup> March, 2023</b>	<b>9.47</b>	<b>87.60</b>	<b>11.23</b>	<b>1.02</b>	<b>11.64</b>	<b>120.96</b>
<b>Net Carrying amount as at 31<sup>st</sup> March, 2023</b>	<b>2.01</b>	<b>-</b>	<b>5.67</b>	<b>1.27</b>	<b>39.77</b>	<b>48.72</b>

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 13 OTHER INTANGIBLE ASSETS

Particulars	₹ in Lakhs	
	Software License	TOTAL
<b>Gross Block</b>		
<b>As at 1<sup>st</sup> April, 2021</b>	-	-
Additions	-	-
Deletions	-	-
<b>As at 31<sup>st</sup> March, 2022</b>	-	-
<b>Accumulated Amortization</b>		
<b>As at 1<sup>st</sup> April, 2021</b>	-	-
Amortization for the year	-	-
Deletions	-	-
<b>As at 31<sup>st</sup> March, 2022</b>	-	-
<b>Net Carrying amount as at 31<sup>st</sup> March, 2022</b>	-	-
<b>Gross Block</b>		
<b>As at 1<sup>st</sup> April, 2022</b>	-	-
Additions	32.00	32.00
Deletions	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>32.00</b>	<b>32.00</b>
<b>Accumulated Amortization</b>		
<b>As at 1<sup>st</sup> April,</b>	-	-
Amortization for the year	3.54	3.54
Deletions	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>3.54</b>	<b>3.54</b>
<b>Net Carrying amount as at 31<sup>st</sup> March, 2023</b>	<b>28.46</b>	<b>28.46</b>

## NOTE: 14 OTHER NON-FINANCIAL ASSETS

(Unsecured, considered good, unless stated otherwise)

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Dues Recievable from Government - GST	15.13	24.48
Advance to Vendor	12.22	10.23
Prepaid expenses	5.95	5.69
Gratuity Plan Assets	63.81	24.40
	<b>97.11</b>	<b>64.80</b>

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 15

### Ageing Schedule for Trade Payables as at 31<sup>st</sup> March, 2023

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	15.00	11.65	-	-	-	26.65
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>15.00</b>	<b>11.65</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26.65</b>

### Ageing Schedule for Trade Payables as at 31<sup>st</sup> March, 2022

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	21.92	10.91	23.96	-	-	56.79
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>21.92</b>	<b>10.91</b>	<b>23.96</b>	<b>-</b>	<b>-</b>	<b>56.79</b>

## NOTE: 16 DEBT SECURITIES

(Secured, carried at amortised cost)

₹ in Lakhs

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non Convertible Debentures (Refer Note 16A below)	21,537.24	22,045.54
Market Linked Debentures (Refer Note 16B below)	5,287.91	-
	<b>26,825.15</b>	<b>22,045.54</b>
In India	26,825.15	22,045.54
Outside India	-	-

## NOTE 16A:

Following is the repayment terms of Non Convertible Debentures.

Repayment clause	Coupon rate	Maturity period
Repayment is linked to the receipt of distribution amount from redemption of Security Receipts (SR), against which the debentures are issued.	11.50%	8 years

Notes:

- Security over the SR distributions, debt service trust accounts and all rights, title, benefit and interest in the debt service trust account.
- Company is also required to create pledge on SRs issued, however no pledge created on SRs till date. Further Company has executed a Non Disposal Undertaking in favour of Debenture Trustee. Subject to applicable law, as and when the Debenture Trustee instructs the Company to create pledge, Company will create the pledge.

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE 16B:

Following is the repayment terms of Market Linked Debentures.

Repayment clause	Maturity period	Security Details
The Redemption Premium/ coupon payable with respect to the Debentures is linked to performance of Underlying/ Reference Index.	18 months with Call Option available after 13 months	The Company has pledged and hypothecated 3,18,750 Security Receipts (SRs) of 'ABARC-AST-006-TRUST SECURTY RECEIPT CLASS A 29SEP20' and 1,59,375 SRs of 'ABARC-AST-006-TRUST SECURTY RECEIPT CLASS B 29SEP20' having NAV of ₹ 1,313.55/- and ₹ 1,104.67/- respectively. The security cover for the MLDs issued by the Company has been maintained as per the terms of the Information Memorandum and Debenture Trust Deed and is sufficient to discharge principal amount and interest thereon.

## Redemption Premium/Coupon rate

Scenario	Redemption Premium/Coupon
If Final Fixing Level is >= 50% of the Initial Fixing Level	8% XIRR (Annualized yield)
If Final Fixing Level is < 50% of the Initial Fixing Level	NIL

## NOTE: 17 BORROWINGS (OTHER THAN DEBT SECURITIES)

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Term Loans (Carried at amortised cost)		
(i) From Banks (Secured)	6,989.55	-
(ii) From Related parties (Unsecured)	-	4,500.00
Loans repayable on demand		
(i) From Banks (Secured)	2,999.28	-
	<b>9,988.83</b>	<b>4,500.00</b>
In India	9,988.83	4,500.00
Outside India	-	-

Following is the repayment terms of the Bank Borrowings outstanding as at 31<sup>st</sup> March, 2023

Type of Bank Loan	Repayment clause	Interest rate	Security Details
Term Loan	In 36 months commencing from the date of disbursement of the Facility or any part thereof by way of 8 equal quarterly instalments of ₹ 875 lakhs each or such other amount that the Bank may from time to time fix, to the intent that the entire Facility together with interest, additional interest, cost and other expenses shall be repaid within the expiry of the aforesaid period.	MCLR for 3 months tenor + Spread 1.67%	Primary - Pledge of Security Receipts (SRs). Collateral - (i) Letter of Comfort from the Holding Company; (ii) Charge on on Cash flows from all unencumbered SRs including pledged SRs mentioned above (excluding cashflows and security receipts already charged to other creditors).
Working Capital Demand Loan	In lump/by way of bullet payment on or before 26 <sup>th</sup> June, 2023.	MCLR for 3 months tenor + Spread 1.17%	

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

Following is the repayment terms of the outstanding loans taken from related party as at 31<sup>st</sup> March, 2022

Repayment clause	Interest rate	Maturity period
Repayable anytime within 12 months from the date of disbursement. Interest payable at the end of each quarter of calendar year.	9.30%	12 months or on call

## NOTE: 18 SUBORDINATE LIABILITIES

(Carried at amortised cost)

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Compulsorily Convertible Preference Shares	2,700.00	2,100.00
	<b>2,700.00</b>	<b>2,100.00</b>
In India	2,700.00	2,100.00
Outside India	-	-

Notes:

- 0.01% Compulsorily Convertible Preference Shares ('CCPS') on a non-cumulative basis.
- To be compulsorily converted into equity shares of ₹ 10/- each at higher of
  - Fair Market value determined as on the date of conversion or
  - ₹ 10/- per equity share (being the face value of equity shares).
- The date of allotment and the tenor of the outstanding CCPS of ₹ 2,700/- lakhs and ₹ 2,100/- lakhs as at 31<sup>st</sup> Mar'23 and 31<sup>st</sup> Mar'22 respectively is as mentioned in the below table:

Date of allotment	Tenor	CCPS Amount (₹ in Lakhs)
20-02-2018	20 Years	800.00
29-10-2018	20 Years	300.00
31-03-2020	10 Years	500.00
21-06-2021	10 Years	500.00
24-06-2022	10 Years	600.00

## NOTE: 19 OTHER FINANCIAL LIABILITIES

(Carried at amortised cost)

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Accrued salaries and benefits	413.26	612.53
	<b>413.26</b>	<b>612.53</b>

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 20 PROVISIONS

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Provision for Employee Benefits		
Provision for Leave encashment	17.74	24.85
Provision for Gratuity	42.48	56.34
	<b>60.22</b>	<b>81.19</b>

## NOTE: 21 OTHER NON FINANCIAL LIABILITIES

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Unearned Revenue	1,194.49	819.02
Statutory Dues	157.66	105.38
	<b>1,352.15</b>	<b>924.40</b>

## NOTE: 22 SHARE CAPITAL

Particulars	₹ in Lakhs			
	Numbers	As at 31st March, 2023	Numbers	As at 31st March, 2022
<b>Authorised:</b>				
Equity Shares of ₹ 10/- each	150,000,000	15,000.00	130,000,000	13,000.00
	<b>150,000,000</b>	<b>15,000.00</b>	<b>130,000,000</b>	<b>13,000.00</b>
<b>Issued:</b>				
Equity Share Capital				
Equity Shares of ₹ 10/- each	100,000,000	10,000.00	100,000,000	10,000.00
	<b>100,000,000</b>	<b>10,000.00</b>	<b>100,000,000</b>	<b>10,000.00</b>
<b>Subscribed and Paid-up:</b>				
Equity Share Capital				
Equity Shares of ₹ 10/- each, fully paid-up	100,000,000	10,000.00	100,000,000	10,000.00
	<b>100,000,000</b>	<b>10,000.00</b>	<b>100,000,000</b>	<b>10,000.00</b>

### 1) Reconciliation of the number of shares authorized at the beginning and at the end of the year

Sr. No.	Description	As at 31st March, 2023		As at 31st March, 2022	
		Equity Shares	Amount	Equity Shares	Amount
1	No of Shares Outstanding at the beginning of the year	130,000,000	13,000.00	130,000,000	13,000.00
2	Add: Increased during the year	20,000,000	2,000.00	-	-
3	No. of Shares Outstanding at the end of the year	<b>150,000,000</b>	<b>15,000.00</b>	<b>130,000,000</b>	<b>13,000.00</b>

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## 2) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

₹ in Lakhs

Sr. No.	Description	As at 31st March, 2023		As at 31st March, 2022	
		Equity Shares	Amount	Equity Shares	Amount
1	No of Shares Outstanding at the beginning of the year	100,000,000	10,000.00	100,000,000	10,000.00
2	Add: Increased during the year	-	-	-	-
3	No. of Shares Outstanding at the end of the year	100,000,000	10,000.00	100,000,000	10,000.00

### Term/Right Attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

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

### Terms of any securities convertible into equity shares

For the terms of compulsarily convertible preference shares, refer Note 18 on Subordinated Liabilities

### Shares held by holding / ultimate holding Company and / or their subsidiaries / associates

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

Particulars	As at	As at
	31st March, 2023	31st March, 2022
	Amount (₹)	Amount (₹)
<b>Parent - Aditya Birla Capital Limited</b>		
9,99,99,940 equity shares	999,999,400	999,999,400

### Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at	As at
	31st March, 2023	31st March, 2022
<b>Parent - Aditya Birla Capital Limited (in numbers)</b>	99,999,940	99,999,940
% of shareholding	99.99%	99.99%

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## Shares held by promoters

Out of equity shares issued by the company, shares held by promoters are as below:

Sr. No	Promoters Name	Shares held by promoters as at 31st March, 2023		% Change during the year
		No. of Shares	% of total shares	
1	No. of Shares Outstanding at the end of the year	99,999,940	99.99%	-

Sr. No	Promoters Name	Shares held by promoters as at 31st March, 2022		% Change during the year
		No. of Shares	% of total shares	
1	Aditya Birla Capital Limited	99,999,940	99.99%	-

## NOTE: 23 OTHER EQUITY

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
<b>Retained Earnings*</b>		
Opening Balance	4,773.85	2,614.97
Addition:		
Profit for the Year	2,608.40	2,166.94
Other Comprehensive income / (loss) for the year	18.54	(8.06)
<b>Closing Balance</b>	<b>7,400.79</b>	<b>4,773.85</b>
<b>Total Other Equity</b>	<b>7,400.79</b>	<b>4,773.85</b>

\* Retained Earning comprises of Surplus in Profit & Loss Account of the Company

## NOTE: 24 FEE INCOME

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Trusteeship and Management Fees	3,275.58	2,761.44
Debt Restructuring fee	77.26	-
	<b>3,352.84</b>	<b>2,761.44</b>

## NOTE: 25 RECOVERY INCENTIVE

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Recovery Incentive	324.58	-
	<b>324.58</b>	<b>-</b>

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 26 NET GAIN ON FAIR VALUE CHANGES

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Net gain / (loss) on financial assets at fair value through profit or loss	4,525.05	4,443.34
	<b>4,525.05</b>	<b>4,443.34</b>
Fair Value changes :		
Realised	8,054.19	824.04
Unrealised	(3,529.14)	3,619.30
	<b>4,525.05</b>	<b>4,443.34</b>

## NOTE: 27 OTHER INCOME

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Profit on sale of Property, plant and equipments	1.14	-
<b>Interest on deposits with Banks</b>		
On Financial Assets carried at amortised cost	288.58	233.97
<b>Interest on Others</b>		
On Financial Assets carried at amortised cost	2.75	2.97
Interest on tax refunds	84.19	2.56
<b>Net gain / (loss) on financial instruments at fair value through profit or loss</b>		
On Mutual Fund units	2.75	-
	<b>379.41</b>	<b>239.50</b>
Fair Value changes on Mutual Fund units:		
Realised	-	-
Unrealised	2.75	-
	<b>2.75</b>	<b>-</b>

## NOTE: 28 FINANCE COST

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Interest on Financial Liabilities carried at amortised cost		
Debt securities	2,950.14	2,978.39
Borrowing other than Debt securities	1,048.66	338.64
Finance Cost - Lease Liability	15.68	20.80
	<b>4,014.48</b>	<b>3,337.83</b>

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 29 IMPAIRMENT ON FINANCIAL INSTRUMENTS

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
On Trade Receivables	0.01	0.73
On Other Financial Assets held at Amortised Cost	(0.65)	2.21
	<b>(0.64)</b>	<b>2.94</b>

## NOTE: 30 EMPLOYEE BENEFITS EXPENSES

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Salaries and Wages	753.09	961.77
Contribution to provident and other funds (Refer Note no 36)	38.99	32.18
Staff Welfare Expenses	26.82	7.90
	<b>818.90</b>	<b>1,001.85</b>

## NOTE: 31 DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Depreciation of Property, plant and equipment	15.23	11.97
Amortization of other Intangible assets	3.54	-
Amortisation on Lease Assets	80.17	80.20
	<b>98.94</b>	<b>92.17</b>

## NOTE: 32 OTHER EXPENSES

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Rent	0.85	0.47
Repairs & Maintenance - Others	16.62	14.58
Insurance	0.95	0.68
Rates & Taxes	21.91	0.48
Legal & Professional Expenses (Refer Note 32.1)	68.23	61.76
Travelling & Conveyance	1.03	3.31
Printing and Stationery	0.82	0.53
Communication Expenses	0.26	0.17
Electricity Charges	2.84	2.42
Information Technology Expenses	20.17	18.63
Director Sitting Fees	12.90	14.30
Recruitment Charges	10.46	2.04
Miscellaneous Expenses	8.75	10.59
<b>Total</b>	<b>165.79</b>	<b>129.96</b>

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 32.1 INCLUDES AUDITORS REMUNERATION

₹ in Lakhs

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Audit Fees*	6.50	5.50
Tax Audit Fees	1.65	1.50
Other Certification Fees	1.25	0.50
	<b>9.40</b>	<b>7.50</b>

\*Includes ₹ 2.35 lakhs pertaining to erstwhile auditors during the previous year.

## NOTE: 33 DISCLOSURE AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 33 EARNINGS PER SHARE

₹ in Lakhs

Particulars	As at 31st March, 2023	As at 31st March, 2022
Earnings per Share (EPS) is calculated as under:		
Weighted-average Number of Equity Shares for calculation of Basic EPS	1,000.00	1,000.00
Weighted-average number of Equity Shares for calculation of Diluted EPS	1,025.62	1,019.89
Nominal Value of Shares (₹)	10.00	10.00
<b>Profit attributable to equity holders of the Parent:</b>		
<b>Continuing Operations</b>	2,608.40	2,166.94
Basic EPS (₹)	2.61	2.17
Diluted EPS (₹)	2.54	2.12

Dilutive shares for computation of Earnings per share pertain to 27,00,000 (Previous year: 21,00,000) 0.01% compulsorily convertible preference shares.

## NOTE: 34 DISCLOSURE IN RESPECT OF RELATED PARTY PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 24: (AS IDENTIFIED BY MANAGEMENT AND RELIED UPON BY AUDITOR)

### a. List of Related Parties:

#### A Holding Company

Aditya Birla Capital Limited (ABCL) (Formerly known as Aditya Birla Financial Services Limited)

#### B Directors and Key Management Personnel

Ajay Srinivasan- Director (upto 25<sup>th</sup> July, 2022)

Tushar Shah- Director

Pinky Mehta - Director

Vishakha Mulye - Director (wef 18<sup>nd</sup> August, 2022)

Sharadkumar Bhatia - Independent Director

Sanjay Jain - Chief Executive Officer

Sandeep Somani - Chief Financial Officer

Sethurathnam Ravi - Independent Director

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## C Fellow Subsidiary

Aditya Birla Finance Limited  
 Aditya Birla Money Limited  
 Aditya Birla Sunlife Insurance Company Limited  
 Aditya Birla Stressed Asset AMC Private Limited  
 Aditya Birla Financial Shared Services Limited  
 Aditya Birla Sun Life AMC Limited  
 Aditya Birla Wellness Private Limited  
 Aditya Birla Insurance Brokers Limited  
 Grasim Industries Limited -Employee Gratuity Trust Fund

## D Associate of Holding Company

Aditya Birla Sun Life AMC Limited

## E ARC Trust - Controlled by the Company

ABARC-AST-001 Trust\*  
 ABARC-AST-008 Trust\*  
 ABARC-AST-010 Trust\*

\*Trusts set up by the Company for the purpose of carrying out asset securitization and reconstruction business. By virtue of provisions of SARFAESI Act and RBI guidelines, the Company acts as Trustee and Investment Manager (IM) of the aforesaid trusts and decides the acquisition and resolution strategy and takes necessary steps for recovery in line with the strategy decided. As prescribed by RBI, the Asset Acquisition and Resolution has to be approved by a "Committee" of the Company to ensure that there is no potential conflict with the interest of the Company and they are being carried out on arm's length basis at fair market value. Further, powers and duties of the Company, acting as Trustee and AMC of the aforesaid trusts are governed by relevant trust deeds / offer document and commitment agreement.

## b. Transactions and Balances with related parties for the year ended 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022

		₹ in Lakhs	
Sr. No.	Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>A</b>	<b>Holding Company</b>		
<b>1</b>	<b>Transactions during the year *</b>		
	Aditya Birla Capital Limited (Issue of Compulsorily Convertible Preference Shares)	600.00	500.00
	Aditya Birla Capital Limited (ICD taken)	10,200.00	7,250.00
	Aditya Birla Capital Limited (ICD redeemed)	14,700.00	2,750.00
	Aditya Birla Capital Limited (ICD interest)	206.29	296.09
<b>2</b>	<b>Balance Outstanding</b>		
	Aditya Birla Capital Limited (Equity Shares)	10,000.00	10,000.00
	Aditya Birla Capital Limited (CCPS)	1,600.00	1,000.00
	Aditya Birla Capital Limited (ICD)	-	4,500.00
	Aditya Birla Capital Limited (Other - Payables)	3.67	2.36

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

		₹ in Lakhs	
Sr. No.	Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>B</b>	<b>Directors and Key Management Personnel</b>		
<b>1</b>	<b>Transactions during the year*</b>		
	Sanjay Jain (Remuneration)^	137.67	190.42
	Sandeep Somani (Remuneration)^	46.28	54.95
	Sharadkumar Bhatia (Sitting Fees)	6.80	7.85
	Sethurathnam Ravi (Sitting Fees)	6.10	6.45
<b>C</b>	<b>Fellow Subsidiaries</b>		
<b>1</b>	<b>Transactions during the year*</b>		
<b>i</b>	<b>Expenses Reimbursement</b>		
	Aditya Birla Finance Limited (Employee offsite cost)	10.02	-
	Aditya Birla Finance Limited (Software License Expense)	-	0.21
	Aditya Birla Stressed Asset AMC Private Limited (Payroll Expense)	201.67	87.76
	Aditya Birla Money Limited (Insurance expense against employee transfer)	-	0.02
<b>ii</b>	<b>Expense Recovery</b>		
	Aditya Birla Stressed Asset AMC Private Limited (Insurance expense)	1.13	1.23
	Aditya Birla Stressed Asset AMC Private Limited (Professional expense)	0.05	0.06
	Aditya Birla Finance Limited (Employee LTIP expense)	39.48	-
	Aditya Birla Money Limited (Payroll expense)	0.99	-
<b>iii</b>	<b>Expenses</b>		
	Aditya Birla Financial Shared Services Ltd (Professional Expense)	-	0.59
	Aditya Birla Insurance Brokers Limited (Professional Expense)	0.85	-
	Aditya Birla Money Limited (Custodian fees)	2.26	1.01
	Aditya Birla Wellness Private Limited (Staff Welfare Expense)**	0.11	0.00
	Aditya Birla Sun Life Insurance Company Limited (Insurance expense)	0.96	2.00
<b>iv</b>	<b>Others</b>		
	Aditya Birla Finance Limited (Purchase of Asset)	0.65	-
	Aditya Birla Money Limited (Addition in liability against employee transfer)	-	13.65
	Grasim Industries Limited -Employee Gratuity Trust Fund (Amount paid towards Gratuity)	31.89	2.46
<b>v</b>	<b>Advance for Expenses</b>		
	Aditya Birla Sun Life Insurance Company Limited (Insurance premium deposit)	0.60	0.48
<b>2</b>	<b>Balance Outstanding</b>		
<b>i</b>	<b>Receivable</b>		
	Aditya Birla Money Limited	-	13.63
	Grasim Industries Limited -Employee Gratuity Trust Fund (Amount paid towards Gratuity)	63.81	24.40
<b>ii</b>	<b>Payable</b>		
	Aditya Birla Insurance Brokers Limited	0.93	-
	Aditya Birla Stressed Asset AMC Private Limited	4.75	5.37
<b>D</b>	<b>Associate of Holding Company</b>		
<b>1</b>	<b>Transactions during the year *</b>		
<b>i</b>	<b>Expenses</b>		
	Aditya Birla Sun Life AMC Ltd (ICD interest)	81.08	-
<b>ii</b>	<b>Others</b>		
	Aditya Birla Sun Life AMC Ltd (ICD taken)	2,500.00	-
	Aditya Birla Sun Life AMC Ltd (ICD redeemed)	2,500.00	-

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

₹ in Lakhs

Sr. No.	Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>E</b>	<b>ARC Trust - Controlled by the Company</b>		
<b>1</b>	<b>Transactions during the year*</b>		
<b>i</b>	<b>Expense Recovery</b>		
	ABARC-AST-001 Trust (expenses incurred on behalf of the Trust)	-	0.28
	ABARC-AST-008 Trust (expenses incurred on behalf of the Trust)	-	4.29
	ABARC-AST-010 Trust (expenses incurred on behalf of the Trust)	0.04	-
<b>ii</b>	<b>Income</b>		
	ABARC-AST-008 Trust (Trusteeship Fees)	21.25	33.88
<b>iii</b>	<b>Investment in security receipts</b>		
	ABARC-AST-010 Trust	8,500.00	-
<b>iv</b>	<b>Redemption of security receipts</b>		
	ABARC-AST-001 Trust	6.29	-
	ABARC-AST-008 Trust	1,536.85	1,261.88
	ABARC-AST-010 Trust	8,491.50	-
<b>v</b>	<b>Advances</b>		
	ABARC-AST-001 Trust (Advances in the nature of loan)	0.72	1.94
	ABARC-AST-008 Trust (Advances in the nature of loan)	1.77	-
	ABARC-AST-010 Trust (Advances in the nature of loan)	2.83	-
	ABARC-AST-001 Trust (Repayment of Advance)	5.10	-
	ABARC-AST-008 Trust (Repayment of Advance)	-	40.07
	ABARC-AST-010 Trust (Repayment of Advance)	2.85	-
<b>2</b>	<b>Balance Outstanding</b>		
<b>i</b>	<b>Investments</b>		
	ABARC-AST-001 Trust (Investment in security receipts)	-	15.00
	ABARC-AST-008 Trust (Investment in security receipts)	596.27	2,133.12
	ABARC-AST-010 Trust (Investment in security receipts)	8.50	-
<b>ii</b>	<b>Payables</b>		
	ABARC-AST-010 Trust (Excess repayment of advance given)	0.01	-
<b>iii</b>	<b>Receivables</b>		
	ABARC-AST-001 Trust (Trusteeship Fees and expenses incurred on behalf of Trust)	-	1.57
	ABARC-AST-008 Trust (Trade Receivable)	1.71	-
	ABARC-AST-001 Trust (Advance given)	-	4.38
	ABARC-AST-008 Trust (Advance given)	1.77	-

\* All amounts are exclusive of GST

\*\* Figures rounded off to the nearest thousand

^ Variable Pay & Retirement Benefits are not included

Note: The Company has obtained a letter of comfort from Aditya Birla Capital Limited for ₹ 15,000 lakhs against the funds borrowed from the bank and the Market Linked debentures issued during the year.

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 35 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

₹ in Lakhs

Particulars	31st March, 2023			31st March, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Assets</b>						
<b>Financial assets</b>						
Cash and cash equivalents	513.77	-	513.77	245.34	-	245.34
Bank Balance other than above	519.01	6,695.60	7,214.61	2,585.18	3,141.18	5,726.36
Trade receivables	339.51	-	339.51	210.62	-	210.62
Loans	817.27	-	817.27	263.94	-	263.94
Investments	36,800.95	13,744.92	50,545.87	20,581.30	17,350.04	37,931.34
Other financial assets	7.62	41.64	49.26	62.41	38.89	101.30
<b>Non-financial Assets</b>						
Current tax asset	-	255.26	255.26	-	1,655.46	1,655.46
Property, plant and equipment	-	48.72	48.72	-	46.21	46.21
Other Intangible assets	-	28.46	28.46	-	-	-
Right to use of Assets	-	160.51	160.51	-	240.78	240.78
Other non financial assets	97.11	-	97.11	64.80	-	64.80
<b>Total assets</b>	<b>39,095.24</b>	<b>20,975.11</b>	<b>60,070.35</b>	<b>24,013.59</b>	<b>22,472.56</b>	<b>46,486.15</b>
<b>Liabilities</b>						
<b>Financial Liabilities</b>						
Trade payables						
Total outstanding dues of creditors other than micro enterprises and small enterprises	26.65	-	26.65	56.79	-	56.79
Debt Securities	9,683.24	17,141.91	26,825.15	12,823.85	9,221.69	22,045.54
Borrowings (Other than Debt Securities)	5,619.60	4,369.23	9,988.83	4,500.00	-	4,500.00
Subordinate Liabilities	-	2,700.00	2,700.00	-	2,100.00	2,100.00
Lease Liabilities	95.20	91.01	186.21	90.67	173.64	264.31
Other Financial liabilities	306.49	106.77	413.26	612.53	-	612.53
<b>Non-financial Liabilities</b>						
Provisions	45.51	14.71	60.22	59.28	21.91	81.19
Deferred tax liabilities (net)	-	1,117.09	1,117.09	-	1,127.54	1,127.54
Other non-financial liabilities	1,352.15	-	1,352.15	924.40	-	924.40
<b>Equity</b>						
Equity Share Capital	-	10,000.00	10,000.00	-	10,000.00	10,000.00
Other Equity	-	7,400.79	7,400.79	-	4,773.85	4,773.85
<b>Total Liabilities</b>	<b>17,128.84</b>	<b>42,941.51</b>	<b>60,070.35</b>	<b>19,067.52</b>	<b>27,418.63</b>	<b>46,486.15</b>
<b>Net</b>			-			-

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 36 EMPLOYEE BENEFIT DISCLOSURES

### Defined Contribution Plan

The amounts charged to the Statement of Profit and Loss during the year for Provident fund contribution aggregates to ₹ 24.15 lakhs (31<sup>st</sup> March, 2022 – ₹ 22.60 lakhs).

### Defined Benefit Plan

#### General Description of the plan:

The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Company's scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972.

#### Nature of Benefits:

The Company operates a defined benefit final salary gratuity plan which is open to new entrants. The gratuity benefits

payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company.

#### Inherent Risks:

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the balance sheet for the gratuity plan of the Company.

### Amounts recognized in the Balance sheet in respect of Gratuity

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
Opening Defined Benefit Obligations	56.34	21.98
Current Service Cost	11.48	9.44
Interest Cost	3.91	1.24
Actuarial changes arising from changes in demographic assumptions	(6.12)	13.56
Actuarial changes arising from changes in financial assumptions	(1.45)	(3.28)
Actuarial changes arising from changes in experience assumptions	(11.37)	1.80
Add: Benefits paid including transfer in/out	(10.31)	11.60
Present value of defined benefit obligation	42.48	56.34

### Changes in Fair Value of Plan Assets

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
Opening Fair Value of the Plan Assets	24.39	19.52
Interest Income on the Plan Assets	1.69	1.10
Employers Contribution	31.89	2.46
Return on Plan Assets	5.83	1.31
Closing Fair Value of the Plan Assets	63.80	24.39

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## Amounts recognized in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
In Statement of Profit and Loss	11.48	9.44
Interest on net defined benefit liability/(assets)	2.22	0.14
Total Expenses Recognized for the period	13.70	9.58

## Other Comprehensive Income:

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
Actuarial (gains)/ losses		
Actual Return on Plan Assets excluding amount recognised in net interest expense	(5.83)	(1.31)
Actuarial changes arises from change		
- Demographic Assumptions	(6.12)	13.56
- Financial Assumptions	(1.45)	(3.28)
- Experience Variance	(11.37)	1.80
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
Components of defined benefit costs recognized in OCI	(24.77)	10.77

### b) Maturity Profile of Defined Benefit Obligation

	₹ in Lakhs
<b>Weighted average duration (based on discounted cashflows)</b>	<b>6 years</b>
Expected cash flows over the next (valued on undiscounted basis):	
1 years	4.77
2 to 5 years	19.00
6 to 10 years	27.47
More than 10 years	22.42

c) Expected Contribution during the next annual reporting period  
The company's best estimate of contribution during the next year

d) Funding Arrangements and Funding Policy  
The Scheme is on funded basis.

e) Principal Actuarial Financial Assumptions

Particulars	31st March, 2023	31st March, 2022
Discount Rate (per annum)	7.30%	6.95%
Salary Growth Rate (per annum)	10%	10%
Decrement adjusted remaining working life (yrs)	5.83	8.31

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

# Notes

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The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

## f) Demographic Assumptions

Particulars	31st March, 2023	31st March, 2022
Mortality Rate	100% of IALM 2012-24	100% of IALM 2012-24
Normal retirement age	60 yrs	60 yrs
Attrition/Withdrawal rate (per annum)	15%	10%

Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

## g) Major Categories of Plan Assets (as a percentage of Total Plan Assets)

Particulars	31st March, 2023	31st March, 2022
Government of India Securities	3.04%	5.79%
State Govt. Securities	3.94%	4.84%
High Quality Corporate Bonds	0.64%	0.80%
Fund Managed by Insurers	41.06%	36.92%
Other Investments	51.32%	51.64%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

## Sensitivity Analysis

₹ in Lakhs

Particulars	31st March, 2023		31st March, 2022	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 0.5%)	43.86	41.16	59.18	53.70
(% change compared to base due to sensitivity)	3.30%	-3.10%	5.00%	-4.70%
Salary Growth (-/+ 0.5%)	41.19	43.83	53.75	59.09
(% change compared to base due to sensitivity)	-3.00%	3.20%	-4.60%	4.90%
Attrition Rate (-/+ 50%)	53.47	37.60	74.18	47.70
(% change compared to base due to sensitivity)	25.90%	-11.50%	31.70%	-15.30%
Mortality Rate (-/+ 10%)	42.43	42.52	56.30	56.38
(% change compared to base due to sensitivity)	-0.10%	0.10%	-0.10%	0.10%

## Sensitivity Analysis Method

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 37 TAXATION APPROACH

The Company has opted to pay income tax u/s 115BAA of Income Tax Act, 1961 from FY: 2019-20 in order to pay tax at the lower rate.

## NOTE: 38 INCOME TAX DISCLOSURE

Current tax for the year of ₹ 892.69 lakhs (31<sup>st</sup> March, 2022 - ₹ 546.04 lakhs).

### The major components of income tax expense for the years ended

#### Statement of profit and loss:

Profit or loss Section	31-Mar-23	31-Mar-22
Current tax	892.69	546.04
Excess Provision for Tax Related to Earlier Years (Net)	-	(10.08)
Deferred tax	(16.68)	176.63
<b>Income tax expense reported in the statement of profit or loss</b>	<b>876.01</b>	<b>712.59</b>

#### Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for years ended

	31-Mar-23	31-Mar-22
A) Income before income tax	3,484.41	2,879.53
B) Enacted tax rate in India	25.168%	25.168%
C) Expected Tax Expense (A*B)	876.96	724.72
D) Short/(Excess) Provision for Tax Related to Earlier Years (Net)	-	(10.08)
E) Other Adjustments	(0.95)	(2.05)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>876.01</b>	<b>712.59</b>

#### Deferred tax:

Deferred tax relates to the following:

Balance Sheet	31-Mar-23	31-Mar-22
<b>Deferred tax Liabilities</b>		
Marked to Market Value of Investment	1,352.80	2,241.01
<b>Subtotal A</b>	<b>1,352.80</b>	<b>2,241.01</b>
<b>Deferred tax Assets</b>		
Leave Encashment	(4.46)	(6.25)
Difference in WDV between Companies Act and Income Tax Act	(15.14)	(15.29)
Temporary differences due to Lease accounting as per Ind AS 116	(12.66)	(12.11)
Impact of IND AS 116 on Reserve	(1.46)	(1.46)
Employee LTIP provision	(26.87)	(78.94)
ECL provisions	(0.84)	(1.34)
Securitization Income as per Income Tax Act	(174.27)	(998.08)
<b>Subtotal B</b>	<b>(235.71)</b>	<b>(1,113.47)</b>
<b>Net deferred tax liabilities</b>	<b>1,117.09</b>	<b>1,127.54</b>

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

Reflected in the balance sheet as follows:	31-Mar-23	31-Mar-22
Deferred tax assets	(235.71)	(1,113.47)
Deferred tax liabilities	1,352.80	2,241.01
<b>Deferred tax liabilities (net)</b>	<b>1,117.09</b>	<b>1,127.54</b>

Reconciliation of deferred tax liabilities (net)	31-Mar-23	31-Mar-22
<b>Opening balance as of 1<sup>st</sup> April</b>	<b>1,127.54</b>	<b>953.62</b>
Tax expense during the period recognised in profit and loss	(16.68)	176.63
Tax (income)/expense during the period recognised in OCI	6.23	(2.71)
<b>Closing balance as at 31<sup>st</sup> March</b>	<b>1,117.09</b>	<b>1,127.54</b>

## NOTE: 39 LEASES

Following are the changes in the carrying value of right of use assets:

Particulars	Category of ROU Asset Leasehold premises	
	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>Balance as at 1<sup>st</sup> April</b>	<b>240.78</b>	<b>321.09</b>
Additions	-	-
Modification to lease terms	-	-
Deletions	-	-
Depreciation	(80.17)	(80.20)
Other adjustment	(0.10)	(0.11)
<b>Balance as at 31<sup>st</sup> March</b>	<b>160.51</b>	<b>240.78</b>

## Amounts recognised in profit and loss

	Year ended 31st March, 2023	Year ended 31st March, 2022
Depreciation expense on right-of-use assets	80.17	80.20
Interest expense on lease liabilities	15.68	20.80

The following is the break-up of current and non-current lease liabilities:

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Current Lease Liabilities	95.20	90.67
Non-Current Lease Liabilities	91.01	173.64
<b>Total</b>	<b>186.21</b>	<b>264.31</b>

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

The following is the movement in lease liabilities during the year:

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>Balance as at 1<sup>st</sup> April</b>	<b>264.31</b>	<b>332.81</b>
Additions	-	-
Modification to lease terms	-	-
Finance Cost accrued during the period	15.68	20.80
Deletions	-	-
Variable lease payment adjustments	(0.12)	(0.10)
Payment of Lease Liabilities	(93.66)	(89.20)
<b>Balance as at 31<sup>st</sup> March</b>	<b>186.21</b>	<b>264.31</b>

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Less than one year	-	93.66
One to Five years	-	-
More than Five years	-	-
<b>Total</b>	<b>-</b>	<b>93.66</b>

The group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

## NOTE: 40 CAPITAL MANAGEMENT

The primary objective of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using capital adequacy ratio, which is weighted assets divided by total capital derived as per the RBI requirements. As per RBI guidelines, ARC has to maintain capital 15% of the capital adequacy ratio:

	Capital Adequacy Ratio	31-Mar-22
Capital Adequacy Ratio	33.39%	30.38%

## NOTE: 41 ANALYTICAL RATIOS

Particulars	Capital Adequacy Ratio	Capital Adequacy Ratio
Capital to risk-weighted assets ratio*	33.39%	30.38%
Liquidity Coverage Ratio**	4564.63%	5135.18%

\* Since Company is an Asset Reconstruction Company, Tier I CRAR and Tier II CRAR are not applicable.

\*\* Liquidity Coverage Ratio is calculated based on the closing balance of quick assets as numerator and quick liabilities as denominator.

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 42 FAIR VALUE

The following table provides the comparison of carrying value and fair value of the Company's Financial Assets and Liabilities as at 31<sup>st</sup> March, 2023 & 31<sup>st</sup> March, 2022.

### As at 31<sup>st</sup> March, 2023

	₹ in Lakhs	
	Carrying Value	Fair Value
<b>Financial Assets</b>		
Trade Receivables	339.51	339.51
Loans	817.27	817.27
Investments Unquoted(FVTPL)	50,545.87	50,545.87
Others financial Asset	49.26	49.26
<b>Total</b>	<b>51,751.91</b>	<b>51,751.91</b>
<b>Financial Liabilities</b>		
Trade payables	26.65	26.65
Debt Securities	26,825.15	26,825.15
Borrowings (Other than Debt Securities)	9,988.83	9,988.83
Compulsorily Convertible Preference Shares	2,700.00	2,700.00
Lease liabilities	186.21	186.21
Others financial liabilities	413.26	413.26
<b>Total</b>	<b>40,140.10</b>	<b>40,140.10</b>

### As at 31<sup>st</sup> March, 2022

	₹ in Lakhs	
	Carrying Value	Fair Value
<b>Financial Assets</b>		
Trade Receivables	210.62	210.62
Loans	263.94	263.94
Investments Unquoted(FVTPL)	37,931.34	37,931.34
Others financial Asset	101.30	101.30
<b>Total</b>	<b>38,507.20</b>	<b>38,507.20</b>
<b>Financial Liabilities</b>		
Trade payables	56.79	56.79
Debt Securities	22,045.54	22,045.54
Borrowings (Other than Debt Securities)	4,500.00	4,500.00
Compulsorily Convertible Preference Shares	2,100.00	2,100.00
Lease liabilities	264.31	264.31
Others financial liabilities	612.53	612.53
<b>Total</b>	<b>29,579.17</b>	<b>29,579.17</b>

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 43 FAIR VALUE HIERARCHY

Following table provides the fair value measurement hierarchy of the Company's assets and liabilities as on 31<sup>st</sup> March, 2023 & 31<sup>st</sup> March, 2022

### As at 31<sup>st</sup> March, 2023

₹ in Lakhs

Financial Assets	Date of Valuation	Total	Level 1	Level 2*	Level 3
Investments Unquoted(FVTPL)	31-03-2023	50,545.87	-	637.72	49,908.15

Financial Assets & Financial Liabilities not measured at fair value, including their levels in the fair value heirarchy are presented below.

₹ in Lakhs

Particulars	Date of Valuation	Total	Level 1	Level 2	Level 3
<b>Financial Assets</b>					
Trade Receivables	31-03-2023	339.51	-	-	339.51
Loans	31-03-2023	817.27	-	-	817.27
Others financial Asset	31-03-2023	49.26	-	-	49.26
<b>Financial Liabilities</b>					
Trade payables	31-03-2023	26.65	-	-	26.65
Debt Securities	31-03-2023	26,825.15	-	-	26,825.15
Borrowings (Other than Debt Securities)	31-03-2023	9,988.83	-	-	9,988.83
Compulsorily Convertible Preference Shares	31-03-2023	2,700.00	-	-	2,700.00
Lease liabilities	31-03-2023	186.21	-	-	186.21
Others financial liabilities	31-03-2023	413.26	-	-	413.26

### As at 31<sup>st</sup> March, 2022

₹ in Lakhs

Financial Assets	Date of Valuation	Total	Level 1	Level 2	Level 3
Investments Unquoted(FVTPL)	31-03-2022	37,931.34	-	-	37,931.34

Financial Assets & Financial Liabilities not measured at fair value, including their levels in the fair value heirarchy are presented below.

₹ in Lakhs

Particulars	Date of Valuation	Total	Level 1	Level 2	Level 3
<b>Financial Assets</b>					
Trade Receivables	31-03-2022	210.62	-	-	210.62
Loans	31-03-2022	263.94	-	-	263.94
Others financial Asset	31-03-2022	101.30	-	-	101.30
<b>Financial Liabilities</b>					
Trade payables	31-03-2022	56.79	-	-	56.79
Debt Securities	31-03-2022	22,045.54	-	-	22,045.54
Borrowings (Other than Debt Securities)	31-03-2022	4,500.00	-	-	4,500.00
Compulsorily Convertible Preference Shares	31-03-2022	2,100.00	-	-	2,100.00
Lease liabilities	31-03-2022	264.31	-	-	264.31
Others financial liabilities	31-03-2022	612.53	-	-	612.53

# Notes

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

Level-2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level-3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. This means that fair values are determined in whole or in part part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. However, the fair value measurement objective remains the same, that is, to estimate an exit price.

\* Level 2 Investment is Fair value of investment in Mutual Funds as per NAV declared on these units.

There have been no transfers between levels during the year ended 31<sup>st</sup> March, 2023 and year ended 31<sup>st</sup> March, 2022.

## Movement in Level 3 Financial Instruments measured at Fair Value

		₹ in Lakhs	
Financial Assets		Investments Unquoted (in SRs)	
Particulars		As at 31st March, 2023	As at 31st March 2022
As at beginning of the year		37,931.34	43,035.51
Investments		32,830.02	11,286.00
Redemptions/write offs		(17,324.07)	(20,009.47)
Gains for the year recognised in profit or loss		(3,529.14)	3,619.30
At at end of the year		49,908.15	37,931.34
Unrealised gains related to balances held at the end of the year		(3,529.14)	3,619.30

## Unobservable inputs used in measuring fair value categorised within Level 3

				₹ in Lakhs
Type of Financial Instruments	Fair Value of Asset as on 31st March, 2023	Valuation Techniques	Significant Unobservable Input	
Investments Unquoted(FVTPL)	49,908.15	Discounted Projected Cash Flow	Expected Gross Recoveries* & Discount Rates	

				₹ in Lakhs
Type of Financial Instruments	Fair Value of Asset as on 31st March, 2022	Valuation Techniques	Significant Unobservable Input	
Investments Unquoted(FVTPL)	37,931.34	Discounted Projected Cash Flow	Expected Gross Recoveries* & Discount Rates	

\* Expected Gross Recoveries are pertaining to the overall assets under management of the Company. The cash attributable to the Company's share in expected gross recoveries will be dependant on the Company's investment share and terms of the SR subscribed.

## Qualitative analysis of significant unobservable inputs

### Discount margin/spreads

Discount margin/spreads represent the discount rates used when calculating the present value of future cash flows. In discounted cash flow models such spread are added to the benchmark rate when discounting the future expected cash flows. Hence these spreads reduce the net present value of an asset or increase the value of liability. They generally reflect the premium an investor expects to achieve over the benchmark interest rate to compensate for the higher risk driven by the uncertainty of the cash flows caused by the credit quality of the asset. They can be implied from the underlying deal documents and are usually unobservable for illiquid or complex instruments.

# Notes

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## Cash Flow

Expected Cash flow levels including timing of cash flows are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets including default rates, manner of resolution and other economic drivers. The manner of resolution is determined based on financial position and negotiations with counterparty.

## NOTE: 44 RISK MANAGEMENT FRAMEWORK

### a. Governance framework

The primary objective of the Company's risk and financial management framework is to protect the Company's

#### Available capital resources:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Compulsorily Convertible Preferences shares	2,700.00	2,100.00
Debt Securities	26,825.15	22,045.54
Borrowings (Other than Debt Securities)	9,988.83	4,500.00
Total Equity	10,000.00	10,000.00
<b>Total Capital</b>	<b>49,513.98</b>	<b>38,645.54</b>

### c. Regulatory framework

Regulators are interested in ensuring that the Company maintains an appropriate solvency position to meet unforeseeable liabilities arising from economic shocks or natural disasters. The operations of the company are subject to regulatory requirements within the jurisdictions in which it operates.

#### Financial risks

##### 1. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial

shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Key management recognises the critical importance of having efficient and effective risk management systems in place.

### b. Approach to capital management

The Company seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders.

The primary source of capital used by the Company is equity including CCPS, Debt Securities.

liabilities that are settled by delivering cash or another financial asset.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, preference shares. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company manages its liquidity risk through temporary funding from its holding Company and availing bank overdraft as and when require.

# Notes

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The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

₹ in Lakhs

Year ended 31st March, 2023	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade and other payables	-	11.65	15.00	-	-	26.65
Debt Securities*	-	211.10	9,472.14	17,141.91	-	26,825.15
Borrowings (Other than Debt Securities)	2,999.28	(1.16)	2,621.48	4,369.23	-	9,988.83
Compulsorily Convertible Preference Shares	-	-	-	-	2,700.00	2,700.00
Lease Liabilities	-	21.67	73.53	91.01	-	186.21
Other financial liabilities	-	306.49	-	106.77	-	413.26
	<b>2,999.28</b>	<b>549.75</b>	<b>12,182.15</b>	<b>21,708.92</b>	<b>2,700.00</b>	<b>40,140.10</b>

₹ in Lakhs

Year ended 31st March, 2022	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade and other payables	-	34.87	21.92	-	-	56.79
Debt Securities*	-	1,556.33	11,267.52	9,221.69	-	22,045.54
Borrowings (Other than Debt Securities)	-	-	4,500.00	-	-	4,500.00
Compulsorily Convertible Preference Shares	-	-	-	-	2,100.00	2,100.00
Lease Liabilities	-	19.11	71.56	186.23	-	276.90
Other financial liabilities	-	7.89	604.64	-	-	612.53
	-	<b>1,618.20</b>	<b>16,465.64</b>	<b>9,407.92</b>	<b>2,100.00</b>	<b>29,591.76</b>

\* Term of Debt Securities is 8 years, repayment is dependent on distribution from Security Receipts which may stretch more than 5 years.

The table below summarises the maturity profile of the Company's financial Assets based on contractual undiscounted payments.

₹ in Lakhs

Year ended 31st March, 2023	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Cash & Cash Equivalents	513.77	-	-	-	-	513.77
Fixed Deposit Accounts	-	-	519.01	6,695.60	-	7,214.61
Trade Receivables	-	339.51	-	-	-	339.51
Loans	-	-	817.27	-	-	817.27
Investments	-	221.92	36,579.03	13,744.92	-	50,545.87
Other Financial Assets	-	-	7.62	41.64	-	49.26
	<b>513.77</b>	<b>561.43</b>	<b>37,922.93</b>	<b>20,482.16</b>	-	<b>59,480.29</b>

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

₹ in Lakhs

Year ended 31st March, 2022	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Cash & Cash Equivalents	94.87	150.47	-	-	-	245.34
Fixed Deposit Accounts	-	110.41	2,474.77	3,141.18	-	5,726.36
Trade Receivables	-	210.62	-	-	-	210.62
Loans	-	2.19	261.75	-	-	263.94
Investments	-	1,765.99	18,815.31	17,350.04	-	37,931.34
Other Financial Assets	-	15.18	47.23	38.89	-	101.30
	<b>94.87</b>	<b>2,254.86</b>	<b>21,599.06</b>	<b>20,530.11</b>	<b>-</b>	<b>44,478.90</b>

## 2. Operational risks

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Company cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environment, technology and the industry are monitored through the Company's strategic planning and budgeting process. Internal control deficiency are reviewed by management and audit committee on periodic basis.

## 3. Credit risks

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks, investments in security Receipts. The carrying amount of following financial assets represent the maximum credit risk exposure:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade Receivables	339.51	210.62
Loans	817.27	263.94
Investments Unquoted(FVTPL)	50,545.87	37,931.34
Others financial Asset	49.26	101.30
<b>Total</b>	<b>51,751.91</b>	<b>38,507.20</b>

## NOTE: 45 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars	1st April, 2022	Cash flows	Interest	31st March, 2023
Debt Securities	22,045.54	1,829.47	2,950.14	26,825.15
Borrowings (Other than Debt Securities)	4,500.00	4,440.17	1,048.66	9,988.83
Subordinate Liabilities	2,100.00	600.00	-	2,700.00

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

Particulars	1st April, 2021	Cash flows	Interest	31st March, 2022
Debt Securities	28,223.19	(9,156.04)	2,978.39	22,045.54
Borrowings (Other than Debt Securities)	3,401.81	759.55	338.64	4,500.00
Subordinate Liabilities	1,600.00	500.00	-	2,100.00

## NOTE: 46 REVENUE FROM CONTRACTS WITH CUSTOMERS

### Disaggregation of revenue from contracts with customers

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

Particulars	₹ in Lakhs	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Primary geographical market</b>		
India	3,677.42	2,761.44
<b>Total</b>	<b>3,677.42</b>	<b>2,761.44</b>
<b>Major products/service lines</b>		
Fee Income	3,352.84	2,761.44
Other Fees	324.58	-
<b>Total</b>	<b>3,677.42</b>	<b>2,761.44</b>
<b>Timing of revenue recognition</b>		
At a point in time	3,677.42	2,761.44
Over a period of time	-	-
<b>Total</b>	<b>3,677.42</b>	<b>2,761.44</b>

The following table provides information about contract balances:

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Receivables	340.87	211.98

## NOTE: 47 LOANS AND ADVANCES TO PROMOTER, DIRECTORS KMPs AND THE RELATED PARTIES

Following is the disclosure for loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act 2013) either severally or jointly with any other person that are without specifying any terms or period of repayment:

Type of Borrower	As at 31st March, 2023		As at 31st March, 2022	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans (% of Total loans)	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans (% of Total Loans)
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	1.77	0.22%	4.38	1.64%
<b>Total</b>	<b>1.77</b>	<b>0.22%</b>	<b>4.38</b>	<b>1.64%</b>

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 48 CODE ON SOCIAL SECURITY

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

## NOTE: 49 CONTINGENT LIABILITY

The Company has reviewed its pending litigations and proceedings, and on the basis of the same it has been concluded that there is no contingent liability as at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

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

## NOTE: 50 CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is Nil as at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## NOTE: 55 ADDITIONAL DISCLOSURES AS REQUIRED BY RBI GUIDELINES

**(A) Names and addresses of the bank/financial institution from whom the financial assets were acquired and the value at which the assets were acquired from each bank/financial institution by the Trusts:**

Seller wise acquisition details		31st March, 2023	31st March, 2022
Name of selling bank / financial institution	Address of selling bank / financial institution	Acquisition price	Acquisition price
₹ in Lakhs			
<b>Sponsors</b>			
None	-	-	-
<b>Sub Total (A)</b>			
<b>Non sponsors</b>			
Dewan Housing Finance Limited	Western Express Highway, 19, Sahar Rd, Vile Parle East, Mumbai, Maharashtra 400099	-	15.00
Power Finance Corporation Limited	'Urjanidhi' 1, Barakhamba Lane, Connaught Place, New Delhi -110001	75,584.11	75,584.11

## NOTE: 51 LONG TERM CONTRACT

The Company doesn't have long term contract including Derivative contract as at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## NOTE: 52 EVENTS AFTER THE REPORTING DATE

There have been no events after the reporting date that require disclosure in these financial statements.

## NOTE: 53 TRANSACTIONS WITH STRUCK-OFF COMPANIES

The Company has not entered into any transactions with struck-off companies during the year ended 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## NOTE: 54 SEGMENT INFORMATION

The Directors of the Company have been identified as the chief operating decision maker (CODM) as defined by Indian Accounting Standard 108 "Operating Segments". The CODM evaluates the Company's performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit.

The principal business of the Company is of "acquisition and managing Securitisation Trust". All other activities of the Company revolve around its principal business. Therefore, directors have concluded that there is only one operating reportable segment as per Indian Accounting Standard 108 "Operating Segments".

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

₹ in Lakhs

Seller wise acquisition details		31st March, 2023	31st March, 2022
Name of selling bank / financial institution	Address of selling bank / financial institution	Acquisition price	Acquisition price
State Bank of India	Corporate Centre, State Bank Bhavan, Madame Cama Road, Nariman Point, Mumbai -400021	52,879.17	52,879.17
Rural Electrification Corporation Limited	Core 4, Scope Complex, 7, Lodhi Road, New Delhi -110003	29,761.07	29,761.07
Bank of India	Star House, C-5, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai-400051	17,429.22	17,429.22
Axis Bank Limited	Trishul" - 3 <sup>rd</sup> Floor, Opp. Samartheswar Temple, Near Lawn Garden, Ellisbridge, Ahmedabad -380006	10,647.94	10,647.94
UCO Bank	10, BTM Sarani, Kolkata -700001, West Bengal	9,894.41	9,894.41
Life Insurance Corporation of India	"Yogakshema" 6 <sup>th</sup> Floor, West Wing, Project Section, Investment Department, Nariman Point, Mumbai -400021	7,716.32	7,716.32
Central Bank of India	Chandra Mukhi opposite Oberoi Towers, Nariman Point, Mumbai - 400021, Maharashtra	8,414.85	8,414.85
Canara bank	Nos. 112, J C Road, Bengaluru - 560002	19,516.91	19,516.91
United Bank of India	11, Hemant Basu Sarani, Kolkata - 700001	7,461.31	7,461.31
Syndicate Bank	11 Cross, Gandhi Nagar, Bangalore - 560009, Karnataka	5,905.24	5,905.24
Punjab National Bank	Plot Nos. 4, Sector -10, Dwarka, New Delhi - 110075	32,180.17	32,180.17
Axis Bank Limited	"Trishul" - 3 <sup>rd</sup> Floor, Opp. Samartheswar Temple, Near Lawn Garden, Ellisbridge, Ahmedabad -380006	42,500.00	42,500.00
Bank of Baroda	Baroda Bhavan, R.C. Dutt Road, Alkapuri, Baroda - 390007	13,050.00	13,050.00
Karnataka Bank	Mahaveera Circle, Kankanady, Mangaluru - 575002	3,395.00	3,395.00
Punjab National Bank	Large Corporate Branch, Banjara Hills, Hyderabad - 500034	75,240.00	75,240.00
Union Bank of India	104, Bharat House, Ground Floor, Mumbai Samachar Marg, Fort, Mumbai-400 023.	15,928.00	-
Bank of Baroda	Stressed Assets Management Branch 1 <sup>st</sup> Floor, 17/B Horniman Circle, Fort, Mumbai -400001.	11,560.00	-
Indian Overseas Bank	Asset Recovery Management Branch 5 <sup>th</sup> Floor, Maker Tower-E, Cuffe Parade, Mumbai - 400005	4,457.00	-
Jammu & Kashmir Bank	Impaired Assets Recovery Branch, J&K Bank Ltd. First Floor, Zonal Office Mumbai, National Business Centre, Bandra Kurla Complex, Bandra (East) Mumbai - 400051.	3,239.00	-
Bank of India	Andheri Large Corporate Branch, MDI Building, 1 <sup>st</sup> Floor, 28, SV Road, Andheri West, Mumbai - 400058.	2,910.00	-
ACRE-93 Trust	1504, 15 <sup>th</sup> Floor, B Wing, One BKC, G Block, Bandra Kurla Complex, Mumbai	2,517.00	-
Punjab & Sind Bank	H.O SAMVERT, 4 <sup>th</sup> Floor, 21 Bank House, Rajendra Place, New Delhi-110008.	2,423.00	-
Canara Bank	2 <sup>nd</sup> Floor, Maker Tower 'F', Cuffe Parade, Mumbai 400005.	2,400.00	-
Central Bank of India	SAM Branch, Chandramukhi, Nariman Point, Mumbai- 40021.	2,381.00	-
Life Insurance Corporation of India	Nariman Point, Mumbai	2,186.00	-
State Bank of India	Stressed Asset Management Branch, D No. 3-4-1013/A,1 <sup>st</sup> Floor, Commuter Amenity Center(CAC),TSRTC Bus Station, Kachiguda, Hyderabad-500027.	162,200.00	-
<b>Sub Total (B)</b>		<b>623,776.72</b>	<b>411,590.72</b>
<b>Total (A + B)</b>		<b>623,776.72</b>	<b>411,590.72</b>

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## (B) Dispersion of financial assets acquired industry wise:

₹ in Lakhs

Industry	31st March, 2023		31st March, 2022	
	Acquisition price	% of total assets	Acquisition price	% of total assets
Retail (Housing Loan)	-	0.00%	15.00	0.00%
Infrastructure - Power	573,776.72	91.98%	411,575.72	100.00%
Entertainment	50,000.00	8.02%	-	0.00%
<b>Total</b>	<b>623,776.72</b>	<b>91.98%</b>	<b>411,590.72</b>	<b>100.00%</b>

## (C) Other additional disclosures:

₹ in Lakhs

Particulars	31st March, 2023	31st March, 2022
Value of financial assets acquired during the financial year	212,201.00	75,240.00
Value of financial asset realized during the financial year	121,744.72	85,650.17
Value of financial assets outstanding for realization at the end of the financial year	295,823.48	205,450.91
Value of security receipts redeemed partially and the security receipts redeemed fully during the financial year	58,572.74	126,245.78
Value of security receipts pending for redemption as at the end of the financial year	293,459.31	181,340.76
Value of security receipts which could not be redeemed as a result of non-realization of financial assets as per the policy formulated by the Company	8.71	-
Value of land and/or building acquired in ordinary course of business of reconstruction of assets	-	-

## (D) In terms of the requirements of RBI circular no. DNBS (PD) CC. No. 41/ SCRC / 26.03.001/ 2014-2015, as amended from time to time.

- the Company has not acquired any financial assets (own books or in trusts) where the acquisition value of the assets is more than the Book Value (the value of the assets as declared by the seller bank in the auction) - Nil
- with respect to financial assets acquired (own books or in trusts), the Company has not disposed off assets (either by write off or by realisation) during the year at substantial discount (20% of valuation as on the previous year end) - Nil and
- with respect to financial assets acquired (own books or in trusts), details of assets where the value of the security receipts has declined substantially (20% or more) below the acquisition value - Nil

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 56 DISCLOSURE OF TEMPLATE IN NOTES AS PER RBI CIRCULAR DOR (NBFC).CC.PD. NO.109/22.10.106/2019-20 DATED MARCH 13, 2020 ON IMPLEMENTATION OF INDIAN ACCOUNTING STANDARDS

₹ In Lakhs

Asset Classification as per RBI Norms	Asset Classification as per IND AS 109	Gross Carrying amount as per IND AS	Loss Allowances (Provisions) as required under IND AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between IND AS 109 provisions and IRACP norms
1	2	3	4	5=3-4	6	7=4-6
<b>Performing Assets</b>						
Standard	Stage 1	1,164.83	4.65	1,160.18	4.65	-
	Stage 2	-	-	-	-	-
<b>Subtotal</b>		<b>1,164.83</b>	<b>4.65</b>	<b>1,160.18</b>	<b>4.65</b>	<b>-</b>
<b>Non Performing Assets (NPA)</b>						
Substandard	Stage 3	-	-	-	-	-
Doubtful- upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
<b>Subtotal for doubtful</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Loss	Stage 3	-	-	-	-	-
<b>Subtotal for NPA</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other Items such as guarantees, loan commitments, etc. which are in the scope of IND AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) Norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>Stage 1</b>	<b>1,164.83</b>	<b>4.65</b>	<b>1,160.18</b>	<b>4.65</b>	<b>-</b>
	<b>Stage 2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Stage 3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total</b>	<b>1,164.83</b>	<b>4.65</b>	<b>1,160.18</b>	<b>4.65</b>	<b>-</b>

## NOTE: 57 CORPORATE SOCIAL RESPONSIBILITY

The provisions of Corporate Social Responsibility (CSR) doesn't apply to the Company based on the criteria mentioned in Section 135 of the Companies Act 2013 as at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## NOTE: 58 BENAMI PROPERTY UNDER BENAMI TRANSACTIONS (PROHIBITION) ACT, 1988

No proceedings has been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder as at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

# Notes

forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 59 WILFUL DEFAULTER

The Company is not declared as a wilful defaulter by any bank or financial institution or any other lender as at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## NOTE: 60 UNRECORDED INCOME

The Company does not have any previously unrecorded income which needs to be recorded in the books of accounts for the year ended 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## NOTE: 61 MICRO, SMALL AND MEDIUM ENTERPRISES

The company does not have any outstanding dues to Micro, Small and Medium enterprises. As per information available with the company, the Company has made payment to creditors within stipulated period as provided in "Micro, Small and Medium Enterprise Development Act 2006" ("the Act"). Hence the company has not provided for any interest payable to small, micro and medium enterprises as per the provisions of the Act and the necessary disclosures as per the Act have not been given.

## NOTE: 62

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in parties identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly, lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## NOTE: 63 PRIOR YEAR COMPARATIVES

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

In terms of our report of even date attached

For **CNK & Associates LLP**

ICAI Firm Registration No.:- 101961W/W-100036

Chartered Accountants

**Hiren Shah**

Partner

Membership No. 100052

Mumbai, 20<sup>th</sup> April, 2023

For and on behalf of the Board of Directors

**Aditya Birla ARC Limited**

**Tushar Shah**

Director

DIN-00239762

**Sandeep Somani**

Chief Financial Officer

**Hiral Sidhpura**

Company Secretary

Mumbai, 20<sup>th</sup> April, 2023

**Pinky Mehta**

Director

DIN-00020429

**Sanjay Jain**

Chief Executive Officer

# Independent Auditor's Report

To the members of **Aditya Birla ARC Limited**

## REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying consolidated financial statements of Aditya Birla ARC Limited (hereinafter referred to as the "Company" or the "Holding Company") and its Trusts (the Company and its Trusts together to as the "Group") comprising of the consolidated Balance Sheet as at 31<sup>st</sup> March, 2023 (financial position), the consolidated Statement of Profit and Loss (financial performance) including the statement of Other Comprehensive Income, the consolidated Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March, 2023, their consolidated profit including other comprehensive income, their consolidated cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

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

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
1.	<p>Fair Valuation of financial instruments – Security Receipts (SRs)</p> <p>Holding Company has invested in SRs issued by various trust incorporated by the it for acquisition of distressed credit Business. Depending on the arrangement such Investments are in the range of 100% - 15% of the total SRs issued by the various trust. The said SRs are subsequently measured at Fair Value through Profit and Loss (FVTPL) as per the business model of the Holding Company and considered as level 3 in the valuation hierarchy. Total investment in SRs outstanding as on 31<sup>st</sup> March, 2023 is ₹ 47,582.65 Lakhs.</p> <p>Holding Company determines the fair value of SRs based on the Net Assets Value (NAV) report provided by the trust. The NAV of the said investment can only be estimated by the trusts using a combination of the recovery range provided by the external rating agency, estimated cash flows, collateral values, discount rate used and various other assumptions.</p> <p>Considering the complexities involved and various assumptions and significant judgements made by the trust in deriving Net Assets Value of such SRs, we have considered the valuation of these investments as a key audit matter.</p> <p>Refer Note No. 11 of standalone financial Statements.</p>	<p>Audit procedures followed:</p> <ul style="list-style-type: none"> <li>- We have tested the design and effectiveness of internal controls implemented by the management in respect of valuation of the investments including those relating to assessment of recovery plan by Asset Acquisition Committee for determination of appropriate recovery rate based on the range provided by the External Rating Agency.</li> <li>- Assessment of the valuation inputs;</li> <li>i. Analysed reasonableness of the estimated cash flows and recovery rate, the other relevant judgments and estimates, if any; and</li> <li>ii. Assessed the information used to determine the key assumptions;</li> <li>iii. Compared the historical estimates of the cash flows with the actual recoveries and obtained explanations for the variations, if any;</li> <li>iv. Compared the management's assumption of discount rate with the supporting internal/ external evidence;</li> <li>v. Valuation report of collateral values</li> </ul>

## Independent Auditor's Report (Contd.)

### Information Other Than the Consolidated Financial Statements and Auditor's Report Thereon

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

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

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

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The Holding Company's Management and Board of Directors is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting

records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

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

Those Board of Directors are also responsible for overseeing the financial reporting process of the Group.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are independent auditors and whose financial information we have audited to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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

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

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

### Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraph 3(xxii) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"/"CARO") issued by the Central Government in terms of section 143(11) of the Act, to be included in the auditor's report, according to the information and explanation given to us and based on the CARO report issued by us for the Holding Company, refer "Annexure 1" of the Independent Auditors report to the standalone financial statements for qualifications and adverse remarks.

Provisions of CARO are not applicable to the Trusts controlled and consolidated in the consolidated financial statements.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid

## Independent Auditor's Report (Contd.)

- consolidation of the financial statements have been kept so far as it appears from our examination of those books;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) The requirements of reporting on Internal Financials Controls under Clause (i) of sub-section 143 of the Companies Act, 2013 are not applicable to Trusts controlled by the Holding Company. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our report in Annexure '2' of the standalone financial statements.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group does not have any pending litigations which would impact its consolidated financial position;
  - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended 31<sup>st</sup> March, 2023;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended 31<sup>st</sup> March, 2023.
  - iv.
    - a) The management of the Holding Company has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The management of Holding Company has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall,

whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- v. There were no amounts which were declared or paid during the year as dividend by the Holding Company
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1<sup>st</sup> April, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31<sup>st</sup> March, 2023. The above provision is not applicable to the Trusts controlled and consolidated in the consolidated financial statements.

- 3. The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended 31<sup>st</sup> March, 2023, since none of the directors of the Company have drawn any managerial remuneration.

For **C N K & Associates LLP**

Chartered Accountants

Firm Registration No: 101961W/W – 100036

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**Hiren Shah**

Partner

Membership No. 100052

Place: Mumbai

Date: 20<sup>th</sup> April, 2023

UDIN: 23100052BGVTTE8842

# Consolidated Balance Sheet

as at 31<sup>st</sup> March, 2023

₹ in Lakhs

	Note	As at 31st March, 2023	As at 31st March, 2022
<b>I ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and Cash Equivalents	7	518.29	248.08
(b) Bank Balance other than (a) above	8	7,214.61	5,726.36
(c) Receivables			
(i) Trade Receivables	9	337.80	210.62
(d) Loans	10	3,128.22	2,348.52
(e) Investments			
- Other Investments	11	48,220.37	35,790.25
(f) Other Financial Assets	12	49.27	100.77
<b>Sub-Total</b>		<b>59,468.56</b>	<b>44,424.60</b>
<b>(2) Non-Financial Assets</b>			
(a) Non-Current Tax Assets (Net)		255.26	1,655.46
(b) Property, Plant and Equipment	13	48.72	46.21
(c) Other Intangible assets	14	28.46	-
(d) Right to use of Assets	40	160.51	240.78
(e) Other non-Financial assets	15	97.91	65.91
<b>Sub-Total</b>		<b>590.86</b>	<b>2,008.36</b>
<b>Total assets</b>		<b>60,059.42</b>	<b>46,432.96</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) Financial Liabilities</b>			
(a) Payables			
(i) Trade Payables	16	-	-
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		28.91	58.07
(b) Debt Securities	17	26,825.15	22,045.54
(c) Borrowings (Other than Debt Securities)	18	9,988.83	4,500.00
(d) Subordinated Liabilities	19	2,700.00	2,100.00
(e) Lease Liability	40	186.21	264.31
(f) Other Financial Liabilities	20	413.26	612.53
<b>Sub-Total</b>		<b>40,142.36</b>	<b>29,580.45</b>
<b>(2) Non Financial Liabilities</b>			
(a) Provisions	21	60.22	81.19
(b) Deferred tax liabilities (net)	39	1,117.09	1,127.54
(c) Other Non Financial Liabilities	22	1,350.74	919.68
<b>Sub-Total</b>		<b>2,528.05</b>	<b>2,128.41</b>
<b>(3) Equity</b>			
(a) Equity Share capital	23	10,000.00	10,000.00
(b) Other Equity	24	7,389.01	4,724.10
<b>Total equity</b>		<b>17,389.01</b>	<b>14,724.10</b>
<b>Total Liabilities and Equity</b>		<b>60,059.42</b>	<b>46,432.96</b>
Significant Accounting Policies	6		

The accompanying Notes are an integral part of the Financial Statements.  
In terms of our report of even date attached

For **CNK & Associates LLP**  
ICAI Firm Registration No.:- 101961W/W-100036  
Chartered Accountants

**Hiren Shah**  
Partner  
Membership No. 100052

Mumbai, 20<sup>th</sup> April, 2023

For and on behalf of the Board of Directors  
**Aditya Birla ARC Limited**

**Tushar Shah**  
Director  
DIN-00239762

**Sandeep Somani**  
Chief Financial Officer

**Hiral Sidhpura**  
Company Secretary

Mumbai, 20<sup>th</sup> April, 2023

**Pinky Mehta**  
Director  
DIN-00020429

**Sanjay Jain**  
Chief Executive Officer

# Consolidated Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2023

	Note	Year Ended 31st March, 2023	Year Ended 31st March, 2022
₹ in Lakhs			
<b>Revenue from operations</b>			
(a) Fee Income	25	3,331.59	2,727.56
(b) Recovery Incentive	26	324.58	-
(c) Net Gain on Fair Value Changes	27	4,594.82	4,443.34
<b>Total Revenue from Operations</b>		<b>8,250.99</b>	<b>7,170.90</b>
Other Income	28	379.46	240.56
<b>Total Income</b>		<b>8,630.45</b>	<b>7,411.46</b>
<b>EXPENSES</b>			
(a) Finance Costs	29	4,014.48	3,337.83
(b) Impairment on Financial Instruments	30	2.59	2.97
(c) Employee benefits expense	31	818.90	1,001.85
(d) Depreciation, amortization and impairment	32	98.94	92.17
(e) Other expenses	33	173.16	144.21
<b>Total Expenses</b>		<b>5,108.07</b>	<b>4,579.03</b>
<b>Profit Before Tax</b>		<b>3,522.38</b>	<b>2,832.43</b>
Tax Expenses			
Current Tax		892.69	546.04
Excess Provision for Tax Related to Earlier Years (Net)		-	(10.08)
Deferred Tax		(16.68)	176.63
<b>Total Tax Expenses</b>		<b>876.01</b>	<b>712.59</b>
<b>Profit after tax</b>		<b>2,646.37</b>	<b>2,119.84</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of the net defined benefit liability/asset (net)		24.77	(10.77)
Income tax relating to items that will not be reclassified to profit and loss		(6.23)	2.71
<b>Other Comprehensive Income for the year</b>		<b>18.54</b>	<b>(8.06)</b>
<b>Total Comprehensive Income for the year</b>		<b>2,664.91</b>	<b>2,111.78</b>
Earnings per share :			
Basic- (₹)	34	2.65	2.12
Diluted - (₹)		2.58	2.08
(Face Value of ₹ 10 each)			
Significant Accounting Policies	6		

The accompanying Notes are an integral part of the Financial Statements.  
In terms of our report of even date attached

For **CNK & Associates LLP**  
ICAI Firm Registration No.:- 101961W/W-100036  
Chartered Accountants

**Hiren Shah**  
Partner  
Membership No. 100052

Mumbai, 20<sup>th</sup> April, 2023

For and on behalf of the Board of Directors  
**Aditya Birla ARC Limited**

**Tushar Shah**  
Director  
DIN-00239762

**Sandeep Somani**  
Chief Financial Officer

**Hiral Sidhpura**  
Company Secretary

Mumbai, 20<sup>th</sup> April, 2023

**Pinky Mehta**  
Director  
DIN-00020429

**Sanjay Jain**  
Chief Executive Officer

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2023

## (A) EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares of face value of ₹ 10/- each issued on subscribed and fully paid up				
Balance at the beginning of the year	100,000,000	10,000.00	100,000,000	10,000.00
Changes in Equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	100,000,000	10,000.00	100,000,000	10,000.00
Changes in Equity share capital during the year	-	-	-	-
<b>Balance at the end of the year</b>	<b>100,000,000</b>	<b>10,000.00</b>	<b>100,000,000</b>	<b>10,000.00</b>

## (B) OTHER EQUITY

₹ in Lakhs

Particulars	Reserve and Surplus	Total Other Equity
<b>Balance as at 1<sup>st</sup> April, 2021</b>	2,612.32	2,612.32
Changes in accounting policies or prior period errors	-	-
<b>Restated balance as at 1<sup>st</sup> April, 2021</b>	<b>2,612.32</b>	<b>2,612.32</b>
Profit for the year	2,119.84	2,119.84
Other Comprehensive loss for the year	(8.06)	(8.06)
Total Comprehensive income	2,111.78	2,111.78
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>4,724.10</b>	<b>4,724.10</b>
<b>Equity attributable to Shareholders of Company</b>	<b>4,724.10</b>	<b>4,724.10</b>
<b>Balance as at 1<sup>st</sup> April, 2022</b>	4,724.10	4,724.10
Changes in accounting policies or prior period errors	-	-
<b>Restated balance as at 1<sup>st</sup> April, 2022</b>	<b>4,724.10</b>	<b>4,724.10</b>
Profit for the year	2,646.37	2,646.37
Other Comprehensive income for the year	18.54	18.54
Total Comprehensive income	2,664.91	2,664.91
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>7,389.01</b>	<b>7,389.01</b>
<b>Equity attributable to Shareholders of Company</b>	<b>7,389.01</b>	<b>7,389.01</b>

The accompanying Notes are an integral part of the Financial Statements.  
In terms of our report of even date attached

For **CNK & Associates LLP**  
ICAI Firm Registration No.:- 101961W/W-100036  
Chartered Accountants

**Hiren Shah**  
Partner  
Membership No. 100052

Mumbai, 20<sup>th</sup> April, 2023

For and on behalf of the Board of Directors  
**Aditya Birla ARC Limited**

**Tushar Shah**  
Director  
DIN-00239762

**Sandeep Somani**  
Chief Financial Officer

**Hiral Sidhpura**  
Company Secretary

Mumbai, 20<sup>th</sup> April, 2023

**Pinky Mehta**  
Director  
DIN-00020429

**Sanjay Jain**  
Chief Executive Officer

# Consolidated statement of Cash Flows

for the year ended 31<sup>st</sup> March, 2023

₹ in Lakhs

Note Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>A Cash Flow From Operating Activities</b>		
Profit before tax	3,522.38	2,832.43
Adjustments for :		
Impairment on Financial Assets	2.59	2.97
Net gain on Fair value changes on Investment in security receipts	(4,594.82)	(4,443.34)
Net gain on Fair value changes on Investment in mutual fund units	(2.75)	-
Interest Income	(288.63)	(233.97)
Notional interest on Security Deposits	(2.75)	(2.57)
Profit on sale of Property, Plant and Equipment	(1.14)	-
Finance Cost	3,998.80	3,317.03
Notional Interest on Lease	15.68	20.80
Depreciation and Amortisation	98.94	92.17
Operating Profit Before Working Capital Changes	<b>2,748.30</b>	<b>1,585.52</b>
Adjustments for:		
Decrease in Loans	1,568.69	1,318.49
Decrease in Other Financial Assets	54.25	28.53
Increase in Trade Receivables	(127.18)	(164.99)
Decrease in Right to use of assets	0.10	-
(Increase) / Decrease in Other Non-Financial Assets	(32.00)	2.45
Decrease in Trade Payables	(29.16)	(3.93)
Increase in Provisions	3.80	34.12
Decrease in Lease Liability	(0.12)	-
(Decrease) / Increase in Other Financial Liabilities	(199.27)	281.88
Increase / (Decrease) in Other Non Financial Liabilities	431.05	(64.17)
Cash From Operations	<b>1,670.16</b>	<b>1,432.38</b>
Income Taxes Paid	507.51	(1,569.80)
<b>Net Cash Flow From Operating Activities</b>	<b>4,925.97</b>	<b>1,448.10</b>
<b>B Cash Flow from Investing Activities</b>		
Addition to Property, Plant and Equipment	(22.28)	(37.16)
Sale of Property, Plant and Equipment	5.68	-
Addition to Other Intangible assets	(32.00)	-
Investment in Redeemable Preference Shares	(3,500.00)	-
Redemption of Redeemable Preference Shares	3,500.00	-
Investment in Security Receipts	(24,330.01)	(11,286.00)
Redemption of Security Receipts	15,334.82	19,571.63
Interest Received	204.37	52.49
Purchase of Mutual fund units	(634.97)	-
Bank Deposits placed during the period	(21,096.00)	(11,694.00)
Bank Deposits matured during the period	19,692.00	9,264.00
<b>Net Cash Flow (Used In) / From Investing Activities</b>	<b>(10,878.39)</b>	<b>5,870.96</b>

# Consolidated statement of Cash Flows

for the year ended 31<sup>st</sup> March, 2023

₹ in Lakhs

Note Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>C Cash Flow From Financing Activities</b>		
Loans & Advances to Trust	(25,493.38)	(239.70)
Loans & Advances recovered from Trust	24,940.02	105.60
Lease Liability - Principal Portion	(77.98)	(68.40)
Lease Liability - Interest Portion	(15.68)	(20.80)
Proceeds from Borrowings	22,700.00	7,250.00
Repayment of Borrowings	(17,200.00)	(6,150.00)
Proceeds from Debt Securities	14,561.00	6,571.00
Repayment of Debt Securities	(11,565.00)	(12,441.00)
Finance Cost on Debt Securities & Borrowings	(2,226.35)	(3,626.49)
Proceeds from Compulsorily Convertible Preference Shares	600.00	500.00
<b>Net Cash Flow From / (Used In) Financing Activities</b>	<b>6,222.63</b>	<b>(8,119.79)</b>
Net Increase / (Decrease) In Cash and Cash Equivalents	270.21	(800.73)
Cash And Cash Equivalents (Opening Balance)	248.08	1,048.81
Cash And Cash Equivalents (Closing Balance)	518.29	248.08

The accompanying Notes are an integral part of the Financial Statements.

In terms of our report of even date attached

For **CNK & Associates LLP**

ICAI Firm Registration No.:- 101961W/W-100036

Chartered Accountants

**Hiren Shah**

Partner

Membership No. 100052

Mumbai, 20<sup>th</sup> April, 2023

For and on behalf of the Board of Directors

**Aditya Birla ARC Limited**

**Tushar Shah**

Director

DIN-00239762

**Sandeep Somani**

Chief Financial Officer

**Hiral Sidhpura**

Company Secretary

Mumbai, 20<sup>th</sup> April, 2023

**Pinky Mehta**

Director

DIN-00020429

**Sanjay Jain**

Chief Executive Officer

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## 1. ABOUT THE GROUP

Aditya Birla ARC Limited (the Company) was incorporated as a public limited company under the provisions of the Companies Act, 2013 on 10<sup>th</sup> March 2017.

The Company and its Trusts as at 31<sup>st</sup> March, 2023 are together referred to as "Group". The principal activity of the Group is to carry on the business of securitization and asset reconstruction as defined in section 2 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ('the SARFAESI Act'). The Group acts as a Manager / Trustee for trusts set up for securitization pursuant to the SARFAESI Act. The financial assets are acquired under separate trusts set up for securitization or directly for asset reconstruction.

Reserve Bank of India ('RBI') granted a Certificate of Registration to the Company on 13<sup>th</sup> March 2018 to carry on business of securitization or asset reconstruction under section 3 of the SARFAESI Act.

The Group recognises its income through Trusteeship and Management Fee, which is recognized on accrual basis in accordance with the terms of the respective trust deed / offer document, wherever applicable.

The financial statements were authorized for issue by the Company's Board of Directors on 20<sup>th</sup> April, 2023.

## 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The financial statements have been prepared on a historical cost basis and accrual basis except for fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, other financial assets held for trading and financial assets and liabilities designated at fair value through profit or loss (FVTPL), all of which have been measured at fair value. The financial statements are

presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, except when otherwise indicated.

## 3. USE OF ESTIMATES

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

## 4. PRESENTATION OF FINANCIAL ESTIMATES

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business.
- The event of default.
- The event of insolvency or bankruptcy of the Group and/or its counterparties.

## 5. BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Company and its Trusts (hereinafter referred to as "structured entities") as at 31<sup>st</sup> March, 2023 (together referred to as "Group"). The Group consolidates a structured entity when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a structured entity begins when the Group obtains control over the structured entity and ceases when the Group loses control of the structured entity. Assets, liabilities, income and expenses of a structured entity acquired during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the structured entity.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Group, i.e., year ended on 31 March.

## **Consolidation Procedure: -**

### **Structured Entities:**

The consolidated financial statements comprise the financial statements of the Company and its structured Entities. Structured Entities are entities controlled by the Group. The Group controls an investee only if, the Group has:

Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

Exposure, or rights, to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect its returns.

The Group combines the financial statement of the Parent and its structured entities line by line adding together like items. Inter- Group transactions, balances and unrealised gains on transactions between the Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred assets.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the Parent of the Group and to the non- controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of structured entities to bring their accounting policies into line with the Group's accounting policies. All inter-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a structured entity, without a loss of control, is accounted for as an equity transaction. When the Group loses control of a structured entity, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest; and (ii) the carrying amount of the assets (including goodwill) and liabilities of the structured entity and any non-controlling interests. Amounts previously recognised in OCI in relation to the structured entities are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner, as would be required, if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former structured entity at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or joint venture.

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## 6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 6.1 Revenue from contract with customer

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at transaction price i.e. the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties. The Group consider the terms of the contract and its customary business practices to determine the transaction price.

Where the consideration promised is variable, the Group excludes the estimates of variable consideration that are constrained. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Group recognises revenue from the following sources:

- a. The fee income comprises of Trusteeship and Management Fee. The Group receives management fee from trusts declared by it for acquisition of financial assets and the same is accounted for on accrual basis as per terms of the relevant trust deeds and offer document issued by the Trust. With reference to the Notification on 'Review of Regulatory Framework' issued by RBI dated 11<sup>th</sup> October, 2022, the management fee for all the new acquisitions post the said notification shall be recovered only from the recoveries from the financial asset of the underlying Trusts. Management fees are calculated and charged as a percentage of the Net Assets Value (NAV) at the lower end of the range of the NAV specified by the Credit Rating Agency.
- b. Redemption incentive and recovery incentive is accounted as and when the right to receive the amount is established as per the terms of Trust Deed.
- c. Any upside share in excess realisation over acquisition price of security receipts by the Group is recognised at point in time basis as per terms of the relevant trust deed/offer document.

- d. The above receipts are recognised as revenue excluding GST.

### Interest Income

The Group calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Group calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

For interest income on Fixed Deposit, the Group recognizes it on accrual basis

For purchased or originated credit-impaired (POCI) financial assets, the Group calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets. Interest income on all trading assets and financial assets mandatorily required to be measured at FVTPL is recognised using the contractual interest rate in net gain on fair value changes.

### 6.2 Financial Instruments:

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

#### Financial Assets

##### Date of Recognition

Financial assets and liabilities, debt securities, deposits and borrowings are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument

##### Initial Measurement

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments.

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Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price.

## Measurement categories of financial assets and liabilities

The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments, mutual funds at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

### Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

### Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b. The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

### Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit and loss.

### De-Recognition of Financial Assets

The Group de-recognises a financial asset when the contractual rights to the cash flows from the asset expire,

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or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises an associated liability.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit and loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial assets.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of relative fair values of those parts on the date of transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

## Impairment of Financial Assets (ECL Policy)

In accordance with IND AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets & credit risk exposure.

The Group assesses at each reporting date whether a financial asset (or a group of financial assets) such as loans and advances held at amortised cost for impairment based on evidence or information that is available without undue cost or effort.

The Group applies a three-stage approach to measuring expected credit losses (ECLs) for financial assets.

### Stage 1: 12-months ECL

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Group has assessed that all loans and advances with no default or upto 30 days default would fall under this category.

For these assets, 12-month ECL are recognized and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance).

### Stage 2: Lifetime ECL – Significant increase in credit risk

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. Financial instruments that have had a significant increase in credit risk since initial recognition are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk and classified under this category. For these assets, lifetime ECL are recognized, but interest revenue is calculated on the gross carrying amount of the asset less ECL already provided.

### Stage 3: Lifetime ECL – Credit Impaired

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

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## **Credit-impaired financial assets:**

At each reporting date, the Group assesses whether financial assets carried at amortised cost is credit impaired. A financial asset is 'credit-impaired' when a breach of contract such as a default or past due event that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

ECL provisioning is being done on each reporting date basis probability of default and loss given default on outstanding financial asset.

## **Purchased or originated credit-impaired (POCI) financial assets:**

POCI financial assets are treated differently because the asset is credit-impaired at initial recognition. For these assets, the Group recognises all changes in lifetime ECL since initial recognition as a loss allowance with any changes recognised in Statement of Profit and Loss. A favorable change for such assets creates an impairment gain.

## **Trade Receivables**

Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of IND AS 115 are recognized. The Company provides 0.4% ECL on prudential basis on Standard Assets.

## **Other Financial Assets**

Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on probability of default over the lifetime when there is significant increase in credit risk. The Company provides 0.4% ECL on prudential basis on Standard Assets.

## **Financial Liabilities**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, debt securities and subordinated liabilities, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. The

measurement of financial liabilities depends on their classification, as described below:

## **Financial liabilities at fair- value through profit or loss:**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI.

These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognized in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

## **Financial liabilities and equity instruments**

Financial instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognized at the proceeds received, net of direct issue costs.

## **Loans & Borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss

## De-recognition of financial liabilities

A financial liability shall be de-recognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

## 6.3 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value.

The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash Flows' prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, as amended.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## 6.4 Property, Plant & Equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the entity and the cost can be measured reliably. Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Depreciation on Tangible Fixed Assets is provided on Straight Line using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013 or estimated by the management. The Group has used the following useful life to provide depreciation on its fixed assets, which is in line with the useful life suggested by Schedule III.

Asset	Useful Life as Prescribed by Schedule II of the Companies Act, 2013
Computers (end user computers, Laptops)	3
Office Equipment	5
Furniture & Fixtures	10
Motor Vehicles	6

Useful life of assets estimated by management supported by the Internal Technical assessment.

Asset	Estimated Useful Life
Leasehold Improvements *	3
Motor Vehicles^	4-5

\*In case of Leasehold Improvements, Depreciation calculated based on lease period

^ In case of Motor Vehicles, depreciation calculated on basis of its replacement.

Depreciation on the Fixed Assets added/dropped off/discarded during the year is provided on pro-rata basis with reference to the date of addition/disposal/discarding.

## 6.5 Intangible Assets and Amortization

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

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Intangible assets are amortised on a straight-line basis over their estimated useful lives.

Gains or losses, arising from the retirement or disposal of an intangible asset, are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognized as income or expense in the Statement of Profit and Loss.

Useful life of intangible assets estimated by management is as under:

Asset	Estimated Useful Life
Computer Software	3

The estimated useful lives of the intangible assets and the amortisation period are reviewed at the end of each financial year, and the amortisation period is revised to reflect the changed pattern, if any.

## Fair Value Measurement

The Group measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or the liability; or in the absence of a principal market, in the most advantageous market for the asset or liability, the principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level-2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level-3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

## 6.6 Impairment of Non-Financial Assets

The Group assesses, at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists or when annual impairment testing for any asset is required, the Group estimates the assets recoverable amount. An assets recoverable amount is the higher of an assets fair value less cost of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflow that is largely independent of those from other assets or Group of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written-down to its recoverable amount.

## 6.7 Retirement and Other Employee Benefits

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Group, as detailed below:

### Defined contribution plan (Provident fund)

In accordance with Indian law, eligible employees receive benefits from provident fund, which is a defined contribution plan. Both the employee and employer make monthly contributions to the plan, each equal to a specified percentage of employee's basic salary. The Group has no further obligations under the plan beyond its monthly contributions. The Group does not have any legal or constructive obligation to pay further contributions if

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the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Obligation for contributions to the plan is recognized as an employee benefit expense in the Statement of Profit and Loss when incurred.

## Defined Benefit Plans (Gratuity)

In accordance with applicable Indian laws, the Group provides for gratuity, a defined benefit retirement plan (the Gratuity Plan) covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Group.

The Group's net obligation in respect of the gratuity plan is calculated by estimating the amount of future benefits that the employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service cost and the fair value of plan assets are deducted. The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

The Group recognizes all re-measurements of net defined benefit liability/asset directly in other comprehensive income and presented within equity. The Group has employees' gratuity fund under Grasim Industries Limited Employees Gratuity Trust managed by the ultimate parent Group.

## Short Term Benefit

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of

past service provided by the employee and the obligation can be estimated reliably.

## Compensated Absences

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement.

The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

The Group recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Group recognises actuarial gains and losses immediately in the Statement of Profit and Loss.

## Other Benefits

Few employees transferred from other business of the Aditya Birla Capital Group were eligible under long term incentive plan (the "old LTIP scheme") issued by that business in September 2017. The scheme is for 4 years and pay out under the scheme to employees will be made at end of 4 years, as per option opted by the employees. This is a onetime option, which cannot be changed to the option of early vesting, hence liability has been equally spread over the tenure. The old LTIP scheme is vested during the year for the covered employees and the same was settled.

Further Senior employees of the Company were offered the long term incentive plan (the "new LTIP scheme") effective 1<sup>st</sup> September, 2022. The scheme is for 3 years and pay out under the new LTIP scheme to employees will be made on an annual basis as per the plan which is under approval. The liability of the new LTIP scheme is recognized based on the valuation report obtained from the actuarial.

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## 6.8 Leases

### AS per IND AS 116

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes right – of – use (“ROU”) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value – in – use) is determined on an individual asset basis unless the asset generates cash flows that

are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## 6.9 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not discounted to their present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

## 6.10 Taxes

### Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which

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applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

## Deferred Tax

Deferred tax is recognised using the Balance Sheet approach on the temporary differences between the carrying amounts of assets and liabilities in the financial statements and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset, if there is a legally enforceable right to offset current tax liabilities and assets, and these relate to income taxes levied by the same tax authority and are intended to settle current tax liabilities and assets on a net basis or such tax assets and liabilities will be realised simultaneously.

In the event of unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets are recognised to the extent that it is probable that sufficient future taxable income will be available to realise such assets.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Current and deferred tax are recognised in Statement of Profit and Loss, except when the same relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax relating to such items are also recognised in other comprehensive income or directly in equity respectively.

## 6.11 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of

equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split, if any.

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

## 6.12 Capital Management

The primary objective of the Group's capital management is to maximize the shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

## 6.13 Significant Accounting Judgements, Estimates and Assumptions

The preparation of financial statements, in conformity, with the Ind AS requires management to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

### Measurement of Defined Benefit Obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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## Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cashflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amount of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

## Property plant and equipment and investment property

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful life and residual values of the Group's assets at the end of its useful life are estimated by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The useful life are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

## Impairment of trade receivables

Trade receivables are the trusts of which Group is a trustee and also holds investments in the trust through Security Receipts. The Group estimates the probability of collection of accounts receivable by analyzing the future cash flow in the trust. If the financial condition of the trust deteriorates, additional allowances may be required.

## Fair Value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible,

but where this is not feasible, estimation is required in establishing fair values.

Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

## ECL on financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different level of allowances.

The Group ECL calculation are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates includes:

- Probabilities of Defaults (PDs) the calculations of which includes historical data, assumptions and expectations of future conditions.
- The Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss model basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Developments of ECL models, including the various formulas and choices of inputs
- Determination of associations between macroeconomic scenarios and economic inputs, such as unemployment levels and collateral values, and the effects of PDs, exposure at defaults and loss given defaults.

## Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;

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- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

## **Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:**

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

## **Policy for sales out of amortised cost business model portfolios**

Group existing business model focuses on acquisition of financial assets through trusts, with or without participation from external investors. Our existing resolution strategy is to right size the debt and restructure the debt with focus on improvement in operational performance of the acquired financial assets with existing sponsors or strategic investors.

At present Group has no amortised cost business model portfolio, therefore it has not prepared and adopted any such policy.

## **6.14 Recent Pronouncements:**

On 31<sup>st</sup> March, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into following amendments in the existing Accounting Standards which are applicable from 1<sup>st</sup> April, 2023.

- i. Ind AS 101 - First time adoption of Ind AS – modification relating to recognition of deferred tax asset by a first-time adopter associated with

(a) right to use assets and related liabilities and (b) decommissioning, restoration and similar liabilities and corresponding amounts recognised as cost of the related assets.

- ii. Ind AS 102 - Share-based Payment – modification relating to adjustment after vesting date to the fair value of equity instruments granted.
- iii. Ind AS 103 - Business Combination – modification relating to disclosures to be made in the first financial statements following a business combination.
- iv. Ind AS 107 - Financial Instruments Disclosures – modification relating to disclosure of material accounting policies including information about basis of measurement of financial instruments.
- v. Ind AS 109 - Financial Instruments – modification relating to reassessment of embedded derivatives.
- vi. Ind AS 1 - Presentation of Financials Statements – modification relating to disclosure of ‘material accounting policy information’ in place of ‘significant accounting policies’.
- vii. Ind AS 8 - Accounting Policies, Change in Accounting Estimates and Errors – modification of definition of ‘accounting estimate’ and application of changes in accounting estimates.
- viii. Ind AS 12 - Income Taxes – modification relating to recognition of deferred tax liabilities and deferred tax assets.
- ix. Ind AS 34 - Interim Financial Reporting – modification in interim financial reporting relating to disclosure of ‘material accounting policy information’ in place of ‘significant accounting policies’.

The Group is evaluating the amendments and the expected impact, if any, on the Group’s financial statements on application of the amendments for annual reporting periods beginning on or after 1<sup>st</sup> April, 2023.

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 7 CASH AND CASH EQUIVALENTS

₹ in Lakhs

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Balances with Banks		
Current Accounts*	518.29	97.61
Deposit Accounts (with original maturity period of 3 months or less)	-	150.47
	<b>518.29</b>	<b>248.08</b>

\* Includes amount of ₹ 5.30 lakhs (Previous year: ₹ 4.40 lakhs) held in Escrow Account.

## NOTE: 8 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Lakhs

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Fixed Deposit Accounts (with original maturity period of more than 3 months)	7,214.61	5,726.36
	<b>7,214.61</b>	<b>5,726.36</b>

## NOTE: 9 TRADE RECEIVABLES, UNSECURED

₹ in Lakhs

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Receivables considered good	339.16	211.47
Less: Expected Credit Loss	(1.36)	(0.85)
	<b>337.80</b>	<b>210.62</b>

### NOTE: 9.1

#### Ageing Schedule for Trade Receivable as at 31<sup>st</sup> March, 2023

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables receivables considered good	339.16	-	-	-	-	339.16
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## Ageing Schedule for Trade Receivable as at 31<sup>st</sup> March, 2022

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables receivables considered good	211.47	-	-	-	-	211.47
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

## NOTE: 9.2 RECONCILIATION OF ECL ON TRADE RECEIVABLES

₹ in Lakhs

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Opening Balance	0.85	0.18
Add: ECL allowance during the year	0.51	0.67
<b>Closing Balance</b>	<b>1.36</b>	<b>0.85</b>

## NOTE: 9.3

### Ageing Schedule for Unrealised Management fee as per RBI Circular DOR.ACC.REC.No. 104/21.07.001/2022-23

₹ in Lakhs

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Outstanding amount of unrealised management fee	339.16	211.47
1. Out of the above, amount outstanding for:		
(a) Amounts where the net asset value of the security receipts has fallen below 50 percent of the face value	-	-
(b) Other amounts unrealised for:		
(i) More than 180days but upto 1 year	-	-
(ii) More than 1 year but upto 3 years	-	-
(iii) More than 3 years	-	-
Allowances held for unrealised management fee	1.36	0.85
<b>Net unrealised management fee receivable</b>	<b>337.80</b>	<b>210.62</b>

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 10 LOANS

₹ in Lakhs

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Loans (Carried at amortised cost) (Refer Note 10.1)	818.78	2357.38
Less: Impairment loss allowance (Refer Note 10.1)	(3.28)	(8.86)
Loans (Carried at fair value through profit or loss) (Refer Note 10.1 and 10.2)	2312.72	-
	<b>3128.22</b>	<b>2348.52</b>

## NOTE: 10.1

₹ in Lakhs

Sr. No. Particulars	As at	As at
	31st March, 2023	31st March, 2022
	At Amortised Cost	At Amortised Cost
(A) (i) Retail (Housing Loan)	-	15.61
(ii) Term Loan	2,312.72	2,078.97
(iii) Advances in the nature of loan	818.78	2,357.38
<b>Total Gross (A)</b>	<b>3,131.50</b>	<b>4,451.96</b>
Less: Impairment loss allowance	(3.28)	(8.86)
<b>Total Net (A)</b>	<b>3,128.22</b>	<b>4,443.10</b>
(B) (i) Secured by tangible assets	2,312.72	2,094.58
(ii) Unsecured	818.78	2,357.38
<b>Total Gross (B)</b>	<b>3,131.50</b>	<b>4,451.96</b>
Less: Impairment loss allowance	(3.28)	(8.86)
<b>Total Net (B)</b>	<b>3,128.22</b>	<b>4,443.10</b>
(C)(I) Loans in India		
(i) Public Sector	-	-
(ii) Others	3,131.50	4,451.96
<b>Total Gross (C)(I)</b>	<b>3,131.50</b>	<b>4,451.96</b>
Less: Impairment loss allowance	(3.28)	(8.86)
<b>Total Net (C)(I)</b>	<b>3,128.22</b>	<b>4,443.10</b>
(C)(II) Loans outside India	-	-
Less: Impairment loss allowance	-	-
<b>Total Net (C)(II)</b>	<b>-</b>	<b>-</b>
<b>Total (C)(I) and (II)</b>	<b>3,128.22</b>	<b>4,443.10</b>

## NOTE: 10.2

On account of increase in business operations and market developments along with resolution plan with respect to the financial assets acquired, the business model of the Group has undergone a change and accordingly the loans acquired by the Group are classified from 'Amortized cost' to 'Fair value through Profit and Loss' (FVTPL). The said change is effective from 1<sup>st</sup> April, 2022 and the fair value gain of ₹ 1,789.81 lakhs on such assets held at FVTPL is recognized in profit and loss statement during the year.

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 11 OTHER INVESTMENTS

(Carried at fair value through profit or loss)

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Investments in Security Receipts	47,582.65	35,790.25
Investment in Liquid Mutual funds	637.72	-
	<b>48,220.37</b>	<b>35,790.25</b>
In India	48,220.37	35,790.25
Outside India	-	-

## NOTE: 12 OTHER FINANCIAL ASSETS

(Unsecured, considered good, unless stated otherwise)

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Security Deposits (Carried at amortised cost)	45.86	42.07
Interest Accrued	-	1.02
Other Receivable	-	13.63
Other Advance	3.42	44.23
Less: Expected Credit Loss	(0.01)	(0.18)
	<b>49.27</b>	<b>100.77</b>

## NOTE: 13 PROPERTY, PLANT AND EQUIPMENT

Particulars	₹ in Lakhs					
	Computers	Leasehold Improvements	Office Equipments	Furniture & Fixtures	Vehicles	TOTAL
<b>Gross Block</b>						
As at 1 <sup>st</sup> April, 2021	7.72	87.60	12.65	2.29	16.60	126.86
Additions	3.76	-	-	-	33.40	37.16
Deletions	-	-	-	-	-	-
<b>As at 31<sup>st</sup> March, 2022</b>	<b>11.48</b>	<b>87.60</b>	<b>12.65</b>	<b>2.29</b>	<b>50.00</b>	<b>164.02</b>
<b>Accumulated Depreciation</b>						
As at 1 <sup>st</sup> April, 2021	3.04	87.60	6.16	0.56	8.48	105.84
Depreciation for the year	3.23	-	2.52	0.23	5.99	11.97
Deletions	-	-	-	-	-	-
<b>As at 31<sup>st</sup> March, 2022</b>	<b>6.27</b>	<b>87.60</b>	<b>8.68</b>	<b>0.79</b>	<b>14.47</b>	<b>117.81</b>
<b>Net Carrying amount as at 31<sup>st</sup> March, 2022</b>	<b>5.21</b>	<b>-</b>	<b>3.97</b>	<b>1.50</b>	<b>35.53</b>	<b>46.21</b>
<b>Gross Block</b>						
As at 1 <sup>st</sup> April, 2022	11.48	87.60	12.65	2.29	50.00	164.02
Additions	-	-	4.25	-	18.03	22.28
Deletions	-	-	-	-	(16.62)	(16.62)

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

₹ in Lakhs

Particulars	Computers	Leasehold Improvements	Office Equipments	Furniture & Fixtures	Vehicles	TOTAL
<b>As at 31<sup>st</sup> March, 2023</b>	<b>11.48</b>	<b>87.60</b>	<b>16.90</b>	<b>2.29</b>	<b>51.41</b>	<b>169.68</b>
<b>Accumulated Depreciation</b>						
<b>As at 1<sup>st</sup> April, 2022</b>	6.27	87.60	8.68	0.79	14.47	117.81
Depreciation for the year	3.20	-	2.55	0.23	9.25	15.23
Deletions	-	-	-	-	(12.08)	(12.08)
<b>As at 31<sup>st</sup> March, 2023</b>	<b>9.47</b>	<b>87.60</b>	<b>11.23</b>	<b>1.02</b>	<b>11.64</b>	<b>120.96</b>
<b>Net Carrying amount as at 31<sup>st</sup> March, 2023</b>	<b>2.01</b>	<b>-</b>	<b>5.67</b>	<b>1.27</b>	<b>39.77</b>	<b>48.72</b>

## NOTE: 14 OTHER INTANGIBLE ASSETS

₹ in Lakhs

Particulars	Software License	TOTAL
<b>Gross Block</b>		
<b>As at 1<sup>st</sup> April, 2021</b>	-	-
Additions	-	-
Deletions	-	-
<b>As at 31<sup>st</sup> March, 2022</b>	<b>-</b>	<b>-</b>
<b>Accumulated Amortization</b>		
<b>As at 1<sup>st</sup> April, 2021</b>	-	-
Amortization for the year	-	-
Deletions	-	-
<b>As at 31<sup>st</sup> March, 2022</b>	<b>-</b>	<b>-</b>
<b>Net Carrying amount as at 31<sup>st</sup> March, 2022</b>	<b>-</b>	<b>-</b>
<b>Gross Block</b>		
<b>As at 1<sup>st</sup> April, 2022</b>	-	-
Additions	32.00	32.00
Deletions	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>32.00</b>	<b>32.00</b>
<b>Accumulated Amortization</b>		
<b>As at 1<sup>st</sup> April, 2022</b>	-	-
Amortization for the year	3.54	3.54
Deletions	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>3.54</b>	<b>3.54</b>
<b>Net Carrying amount as at 31<sup>st</sup> March, 2023</b>	<b>28.46</b>	<b>28.46</b>

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 15 OTHER NON-FINANCIAL ASSETS

(Unsecured, considered good, unless stated otherwise)

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Dues Recievable from Government - GST	15.13	24.48
Advance to Vendor	12.76	10.39
Prepaid expenses	6.21	6.64
Gratuity Plan Assets	63.81	24.40
<b>Total</b>	<b>97.91</b>	<b>65.91</b>

## NOTE: 16

### Ageing Schedule for Trade Payables as at 31<sup>st</sup> March, 2023

Particulars	₹ in lakhs					Total
	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	17.26	11.65	-	-	-	28.91
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>17.26</b>	<b>11.65</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28.91</b>

### Ageing Schedule for Trade Payables as at 31<sup>st</sup> March, 2022

Particulars	₹ in lakhs					Total
	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	23.14	10.97	23.96	-	-	58.07
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>23.14</b>	<b>10.97</b>	<b>23.96</b>	<b>-</b>	<b>-</b>	<b>58.07</b>

## NOTE: 17 DEBT SECURITIES

(Secured, carried at amortised cost)

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Non Convertible Debentures (Refer Note 17.1)	21,537.24	22,045.54
Market Linked Debentures (Refer Note 17.2)	5,287.91	-
	<b>26,825.15</b>	<b>22,045.54</b>
In India	26,825.15	22,045.54
Outside India	-	-

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE 17.1:

Following is the repayment terms of Non Convertible Debentures.

Repayment clause	Coupon rate	Maturity period
Repayment is linked to the receipt of distribution amount from redemption of Security Receipts (SR), against which the debentures are issued.	11.50%	8 years

Notes:

- Security over the SR distributions, debt service trust accounts and all rights, title, benefit and interest in the debt service trust account.
- Company is also required to create pledge on SRs issued, however no pledge created on SRs till date. Further Company has executed a Non Disposal Undertaking in favour of Debenture Trustee. Subject to applicable law, as and when the Debenture Trustee instructs the Company to create pledge, Company will create the pledge.

## NOTE 17.2:

Following is the repayment terms of Market Linked Debentures.

Repayment clause	Maturity period	Security Details
The Redemption Premium/ coupon payable with respect to the Debentures is linked to performance of Underlying/ Reference Index.	18 months with Call Option available after 13 months	'The Company has pledged and hypothecated 3,18,750 Security Receipts (SRs) of 'ABARC-AST-006-TRUST SECURITY RECEIPT CLASS A 29SEP20' and 1,59,375 SRs of 'ABARC-AST-006-TRUST SECURITY RECEIPT CLASS B 29SEP20' having NAV of ₹ 1,313.55/- and ₹ 1,104.67/- respectively. The security cover for the MLDs issued by the Company has been maintained as per the terms of the Information Memorandum and Debenture Trust Deed and is sufficient to discharge principal amount and interest thereon.

## Redemption Premium/Coupon rate

Scenario	Redemption Premium/Coupon
If Final Fixing Level is $\geq$ 50% of the Initial Fixing Level	8% XIRR (Annualized yield)
If Final Fixing Level is $<$ 50% of the Initial Fixing Level	NIL

## NOTE: 18 BORROWINGS (OTHER THAN DEBT SECURITIES)

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Term Loans (Carried at amortised cost)		
(i) From Banks (Secured)	6,989.55	-
(ii) From Related parties (Unsecured)	-	4,500.00
Loans repayable on demand		
(i) From Banks (Secured)	2,999.28	-
	<b>9,988.83</b>	<b>4,500.00</b>
In India	9,988.83	4,500.00
Outside India	-	-

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

Following is the repayment terms of the Bank Borrowings outstanding as at 31<sup>st</sup> March, 2023

Type of Bank Loan	Repayment clause	Interest rate	Security Details
Term Loan	In 36 months commencing from the date of disbursement of the Facility or any part thereof by way of 8 equal quarterly instalments of ₹ 875 lakhs each or such other amount that the Bank may from time to time fix, to the intent that the entire Facility together with interest, additional interest, cost and other expenses shall be repaid within the expiry of the aforesaid period.	MCLR for 3 months tenor + Spread 1.67%	Primary - Pledge of Security Receipts (SRs). Collateral - (i) Letter of Comfort from the Holding Company; (ii) Charge on on Cash flows from all unencumbered SRs including pledged SRs mentioned above (excluding cashflows and security receipts already charged to other creditors).
Working Capital Demand Loan	In lump/by way of bullet payment on or before 26 <sup>th</sup> June, 2023.	MCLR for 3 months tenor + Spread 1.17%	

Following is the repayment terms of the outstanding loans taken from related party as at 31<sup>st</sup> March, 2022

Repayment clause	Interest rate	Maturity period
Repayable anytime within 12 months from the date of disbursement. Interest payable at the end of each quarter of calendar year.	9.30%	12 months or on call

## NOTE: 19 SUBORDINATE LIABILITIES

(Carried at amortised cost)

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Compulsorily Convertible Preference Shares	2,700.00	2,100.00
	<b>2,700.00</b>	<b>2,100.00</b>
In India	2,700.00	2,100.00
Outside India	-	-

Notes:

- 0.01% Compulsorily Convertible Preference Shares ('CCPS') on a non-cumulative basis.
- To be compulsorily converted into equity shares of ₹ 10/- each at higher of
  - Fair Market value determined as on the date of conversion or
  - ₹ 10/- per equity share (being the face value of equity shares).
- The date of allotment and the tenor of the outstanding CCPS of ₹ 2,700/- lakhs and ₹ 2,100/- lakhs as at 31<sup>st</sup> Mar'23 and 31<sup>st</sup> Mar'22 respectively is as mentioned in the below table:

Date of allotment	Tenor	CCPS Amount (₹ in Lakhs)
20-02-2018	20 Years	800.00
29-10-2018	20 Years	300.00
31-03-2020	10 Years	500.00
21-06-2021	10 Years	500.00
24-06-2022	10 Years	600.00

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 20 OTHER FINANCIAL LIABILITIES

(Carried at amortised cost)

₹ in Lakhs

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Accrued salaries and benefits	413.26	612.53
	<b>413.26</b>	<b>612.53</b>

## NOTE: 21 PROVISIONS

₹ in Lakhs

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Provision for Employee Benefits		
Provision for Leave encashment	17.74	24.85
Provision for Gratuity	42.48	56.34
	<b>60.22</b>	<b>81.19</b>

## NOTE: 22 OTHER NON FINANCIAL LIABILITIES

₹ in Lakhs

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Unearned Revenue	1,193.02	813.76
Statutory Dues	157.72	105.92
	<b>1,350.74</b>	<b>919.68</b>

## NOTE: 23 SHARE CAPITAL

₹ in Lakhs

Particulars	Numbers	As at	Numbers	As at
		31st March, 2023		31st March, 2022
<b>Authorised:</b>				
Equity Shares of ₹ 10/- each	150,000,000	15,000.00	130,000,000	13,000.00
	<b>150,000,000</b>	<b>15,000.00</b>	<b>130,000,000</b>	<b>13,000.00</b>
<b>Issued:</b>				
Equity Share Capital				
Equity Shares of ₹ 10/- each	100,000,000	10,000.00	100,000,000	10,000.00
	<b>100,000,000</b>	<b>10,000.00</b>	<b>100,000,000</b>	<b>10,000.00</b>
<b>Subscribed and Paid-up:</b>				
Equity Share Capital				
Equity Shares of ₹ 10/- each, fully paid-up	100,000,000	10,000.00	100,000,000	10,000.00
	<b>100,000,000</b>	<b>10,000.00</b>	<b>100,000,000</b>	<b>10,000.00</b>

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## 1) Reconciliation of the number of shares authorized at the beginning and at the end of the year

₹ in Lakhs

Sr. No.	Description	As at 31st March, 2023		As at 31st March, 2022	
		Equity Shares	Amount	Equity Shares	Amount
1	No of Shares Outstanding at the beginning of the year	130,000,000	13,000.00	130,000,000	13,000.00
2	Add increased during the year	20,000,000	2,000.00	-	-
3	No. of Shares Outstanding at the end of the year	150,000,000	15,000.00	130,000,000	13,000.00

## 2) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

₹ in Lakhs

Sr. No.	Description	As at 31st March, 2023		As at 31st March, 2022	
		Equity Shares	Amount	Equity Shares	Amount
1	No of Shares Outstanding at the beginning of the year	100,000,000	10,000.00	100,000,000	10,000.00
2	Add increased during the year	-	-	-	-
3	No. of Shares Outstanding at the end of the year	100,000,000	10,000.00	100,000,000	10,000.00

### Term/Right Attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

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

### Terms of any securities convertible into equity shares

For the terms of compulsarily convertible preference shares, refer note 19 on Subordinated Liabilities

### Shares held by holding / ultimate holding Company and / or their subsidiaries / associates

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

Particulars	As at	As at
	31st March, 2023	31st March, 2022
	Amount (₹)	Amount (₹)
<b>Parent - Aditya Birla Capital Limited</b>		
9,99,99,940 equity shares	999,999,400	999,999,400

### Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at	As at
	31st March, 2023	31st March, 2022
<b>Parent - Aditya Birla Capital Limited (in numbers)</b>	99,999,940	99,999,940
% of shareholding	99.99%	99.99%

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## Shares held by promoters

Out of equity shares issued by the company, shares held by promoters are as below:

Sr. No	Promoters Name	Shares held by promoters as at 31st March, 2023		% Change during the year
		No. of Shares	% of total shares	
1	No. of Shares Outstanding at the end of the year	99,999,940	99.99%	-

Sr. No	Promoters Name	Shares held by promoters as at 31st March, 2022		% Change during the year
		No. of Shares	% of total shares	
1	Aditya Birla Capital Limited	99,999,940	99.99%	-

## NOTE: 24 OTHER EQUITY

₹ in Lakhs

Particulars	As at	As at
	31st March, 2023	31st March, 2022
<b>Retained Earnings*</b>		
Opening Balance	4,724.10	2,612.32
Addition:		
Profit for the Year	2,646.37	2,119.84
Other Comprehensive income / (loss) for the year	18.54	(8.06)
<b>Closing Balance</b>	<b>7,389.01</b>	<b>4,724.10</b>
<b>Total Other Equity</b>	<b>7,389.01</b>	<b>4,724.10</b>

\* Retained Earning comprises of Surplus in Profit & Loss Account of the Company

## NOTE: 25 FEE INCOME

₹ in Lakhs

Particulars	Year Ended	Year Ended
	31st March, 2023	31st March, 2022
Trusteeship and Management Fees	3,254.33	2,727.56
Debt Restructuring fee	77.26	-
	<b>3,331.59</b>	<b>2,727.56</b>

## NOTE: 26 RECOVERY INCENTIVE

₹ in Lakhs

Particulars	Year Ended	Year Ended
	31st March, 2023	31st March, 2022
Recovery Incentive	324.58	-
	<b>324.58</b>	<b>-</b>

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 27 NET GAIN ON FAIR VALUE CHANGES

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Net gain / (loss) on financial asset at fair value through profit or loss	4,594.82	4,443.34
	<b>4,594.82</b>	<b>4,443.34</b>
Fair Value changes :		
Realised	8,056.66	824.04
Unrealised	(3,461.84)	3,619.30
	<b>4,594.82</b>	<b>4,443.34</b>

## NOTE: 28 OTHER INCOME

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Profit on sale of Property, plant and equipments	1.14	-
<b>Interest on deposits with Banks</b>		
On Financial Assets carried at amortised cost	288.63	233.97
<b>Interest on Others</b>		
On Financial Assets carried at amortised cost	2.75	4.03
Interest on tax refunds	84.19	2.56
<b>Net gain / (loss) on financial instruments at fair value through profit or loss</b>		
On Mutual Fund units	2.75	-
	<b>379.46</b>	<b>240.56</b>
Fair Value changes on Mutual Fund units:		
Realised	-	-
Unrealised	2.75	-
	<b>2.75</b>	<b>-</b>

## NOTE: 29 FINANCE COST

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Interest on Financial Liabilities carried at amortised cost		
Debt securities	2,950.14	2,978.39
Borrowing other than Debt securities	1,048.66	338.64
Finance Cost - Lease Liability	15.68	20.80
	<b>4,014.48</b>	<b>3,337.83</b>

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 30 IMPAIRMENT ON FINANCIAL INSTRUMENTS

₹ in Lakhs

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
On Trade Receivables	0.52	0.66
On Loans	-	2.03
On Other Financial Assets held at Amortised Cost	2.07	0.28
	<b>2.59</b>	<b>2.97</b>

## NOTE: 31 EMPLOYEE BENEFITS EXPENSES

₹ in Lakhs

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Salaries and Wages	753.09	961.77
Contribution to provident and other funds (Refer Note no 37)	38.99	32.18
Staff Welfare Expenses	26.82	7.90
	<b>818.90</b>	<b>1,001.85</b>

## NOTE: 32 DEPRECIATION AND AMORTIZATION EXPENSES

₹ in Lakhs

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Depreciation of Property, plant and equipment	15.23	11.97
Amortization of other Intangible assets	3.54	-
Amortisation on Lease Assets	80.17	80.20
	<b>98.94</b>	<b>92.17</b>

## NOTE: 33 OTHER EXPENSES

₹ in Lakhs

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Rent	0.85	0.47
Repairs & Maintenance - Others	16.62	14.58
Insurance	0.95	0.68
Rates & Taxes	22.91	0.48
Legal & Professional Expenses (Refer Note 33.1)	70.80	69.15
Travelling & Conveyance	1.03	3.73
Printing and Stationery	0.82	0.53
Communication Expenses	0.26	0.17
Electricity Charges	2.84	2.42
Information Technology Expenses	20.17	18.63
Director Sitting Fees	12.90	14.30
Recruitment Charges	10.46	2.04
Miscellaneous Expenses	12.55	17.03
<b>Total</b>	<b>173.16</b>	<b>144.21</b>

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 33.1 INCLUDES AUDITORS REMUNERATION

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Audit Fees*	7.49	6.21
Tax Audit Fees	1.65	1.50
Other Certification Fees	1.25	0.50
	<b>10.39</b>	<b>8.21</b>

\*Includes ₹ 2.35 lakhs pertaining to erstwhile auditors during the previous year.

## NOTE: 34 DISCLOSURE AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 33 EARNINGS PER SHARE

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Earnings per Share (EPS) is calculated as under:		
Weighted-average Number of Equity Shares for calculation of Basic EPS	1,000.00	1,000.00
Weighted-average number of Equity Shares for calculation of Diluted EPS	1,025.62	1,019.89
Nominal Value of Shares (₹)	10.00	10.00
<b>Profit attributable to equity holders of the Parent:</b>		
<b>Continuing Operations</b>	<b>2,646.37</b>	<b>2,119.84</b>
Basic EPS (₹)	2.65	2.12
Diluted EPS (₹)	2.58	2.08

Dilutive shares for computation of Earnings per share pertain to 27,00,000 (Previous year: 21,00,000) 0.01% compulsorily convertible preference shares.

## NOTE: 35 DISCLOSURE IN RESPECT OF RELATED PARTY PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 24: (AS IDENTIFIED BY MANAGEMENT AND RELIED UPON BY AUDITOR)

### a. List of Related Parties:

#### A Holding Company

Aditya Birla Capital Limited (ABCL) (Formerly known as Aditya Birla Financial Services Limited)

#### B Directors and Key Management Personnel

Ajay Srinivasan- Director (upto 25<sup>th</sup> July, 2022)

Tushar Shah- Director

Pinky Mehta - Director

Vishakha Mulye - Director (wef 18<sup>nd</sup> August, 2022)

Sharadkumar Bhatia - Independent Director

Sanjay Jain - Chief Executive Officer

Sandeep Somani - Chief Financial Officer

Sethurathnam Ravi - Independent Director

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## C Fellow Subsidiary

Aditya Birla Finance Limited  
 Aditya Birla Money Limited  
 Aditya Birla Sunlife Insurance Company Limited  
 Aditya Birla Stressed Asset AMC Private Limited  
 Aditya Birla Financial Shared Services Limited  
 Aditya Birla Wellness Private Limited  
 Aditya Birla Insurance Brokers Limited  
 Grasim Industries Limited -Employee Gratuity Trust Fund

## D Associate of Holding Company

Aditya Birla Sun Life AMC Limited

## b. Transactions and Balances with related parties for the year ended 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022

		₹ in Lakhs	
Sr. No.	Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>A</b>	<b>Holding Company</b>		
<b>1</b>	<b>Transactions during the year *</b>		
	Aditya Birla Capital Limited (Issue of Compulsorily Convertible Preference Shares)	600.00	500.00
	Aditya Birla Capital Limited (ICD taken)	10,200.00	7,250.00
	Aditya Birla Capital Limited (ICD redeemed)	14,700.00	2,750.00
	Aditya Birla Capital Limited (ICD interest)	206.29	296.09
<b>2</b>	<b>Balance Outstanding</b>		
	Aditya Birla Capital Limited (Equity Shares)	10,000.00	10,000.00
	Aditya Birla Capital Limited (CCPS)	1,600.00	1,000.00
	Aditya Birla Capital Limited (ICD)	-	4,500.00
	Aditya Birla Capital Limited (Other - Payables)	3.67	2.36
<b>B</b>	<b>Directors and Key Management Personnel</b>		
<b>1</b>	<b>Transactions during the year *</b>		
	Sanjay Jain (Remuneration)^	137.67	190.42
	Sandeep Somani (Remuneration)^	46.28	54.95
	Sharadkumar Bhatia (Sitting Fees)	6.80	7.85
	Sethurathnam Ravi (Sitting Fees)	6.10	6.45
<b>C</b>	<b>Fellow Subsidiaries</b>		
<b>1</b>	<b>Transactions during the year*</b>		
<b>i</b>	<b>Expenses Reimbursement</b>		
	Aditya Birla Finance Limited (Employee offsite cost)	10.02	-
	Aditya Birla Finance Limited (Software License Expense)	-	0.21
	Aditya Birla Stressed Asset AMC Private Limited (Payroll Expense)	201.67	87.76
	Aditya Birla Money Limited (Insurance expense against employee transfer)	-	0.02

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

₹ in Lakhs

Sr. No.	Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>ii</b>	<b>Expense Recovery</b>		
	Aditya Birla Stressed Asset AMC Private Limited (Insurance expense)	1.13	1.23
	Aditya Birla Stressed Asset AMC Private Limited (Professional expense)	0.05	0.06
	Aditya Birla Finance Limited (Employee LTIP expense)	39.48	-
	Aditya Birla Money Limited (Payroll expense)	0.99	-
<b>iii</b>	<b>Expenses</b>		
	Aditya Birla Financial Shared Services Ltd (Professional Expense)	-	0.59
	Aditya Birla Insurance Brokers Limited (Professional Expense)	0.85	-
	Aditya Birla Money Limited (Custodian fees)	2.26	1.01
	Aditya Birla Wellness Private Limited (Staff Welfare Expense)**	0.11	0.00
	Aditya Birla Sun Life Insurance Company Limited (Insurance expense)	0.96	2.00
<b>iv</b>	<b>Others</b>		
	Aditya Birla Finance Limited (Purchase of Asset)	0.65	-
	Aditya Birla Money Limited (Addition in liability against employee transfer)	-	13.65
	Grasim Industries Limited -Employee Gratuity Trust Fund (Amount paid towards Gratuity)	31.89	2.46
<b>v</b>	<b>Advance for Expenses</b>		
	Aditya Birla Sun Life Insurance Company Limited (Insurance premium deposit)	0.60	0.48
<b>2</b>	<b>Balance Outstanding</b>		
<b>i</b>	<b>Receivable</b>		
	Aditya Birla Money Limited	-	13.63
	Grasim Industries Limited -Employee Gratuity Trust Fund (Amount paid towards Gratuity)	63.81	24.40
<b>ii</b>	<b>Payable</b>		
	Aditya Birla Insurance Brokers Limited	0.93	-
	Aditya Birla Stressed Asset AMC Private Limited	4.75	5.37
<b>D</b>	<b>Associate of Holding Company</b>		
<b>1</b>	<b>Transactions during the year*</b>		
<b>i</b>	<b>Expenses</b>		
	Aditya Birla Sun Life AMC Ltd (ICD interest)	81.08	-
<b>ii</b>	<b>Others</b>		
	Aditya Birla Sun Life AMC Ltd (ICD taken)	2,500.00	-
	Aditya Birla Sun Life AMC Ltd (ICD redeemed)	2,500.00	-

\* All amounts are exclusive of GST

\*\* Figures rounded off to the nearest thousand

^ Variable Pay & Retirement Benefits are not included

Note: The Company has obtained a letter of comfort from Aditya Birla Capital Limited for ₹ 15,000 lakhs against the funds borrowed from the bank and the Market Linked debentures issued during the year.

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 36 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

₹ in Lakhs

Particulars	31st March, 2023			31st March, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Assets</b>						
<b>Financial assets</b>						
Cash and cash equivalents	518.29	-	518.29	248.08	-	248.08
Bank Balance other than above	519.01	6,695.60	7,214.61	2,585.18	3,141.18	5,726.36
Trade receivables	337.80	-	337.80	210.62	-	210.62
Loans	815.50	2,312.72	3,128.22	519.55	1,828.97	2,348.52
Investments	36,786.20	11,434.17	48,220.37	20,331.28	15,458.97	35,790.25
Other financial assets	7.63	41.64	49.27	61.88	38.89	100.77
<b>Non-financial Assets</b>						
Current tax asset	-	255.26	255.26	-	1,655.46	1,655.46
Property, plant and equipment	-	48.72	48.72	-	46.21	46.21
Other intangible assets	-	28.46	28.46	-	-	-
Right to use of Assets	-	160.51	160.51	-	240.78	240.78
Other non financial assets	97.91	-	97.91	65.91	-	65.91
<b>Total assets</b>	<b>39,082.34</b>	<b>20,977.08</b>	<b>60,059.42</b>	<b>24,022.50</b>	<b>22,410.46</b>	<b>46,432.96</b>
<b>Liabilities</b>						
<b>Financial Liabilities</b>						
Trade payables						
Total outstanding dues of creditors other than micro enterprises and small enterprises	28.91	-	28.91	58.07	-	58.07
Debt Securities	9,683.24	17,141.91	26,825.15	12,823.85	9,221.69	22,045.54
Borrowings (Other than Debt Securities)	5,619.60	4,369.23	9,988.83	4,500.00	-	4,500.00
Subordinate Liabilities	-	2,700.00	2,700.00	-	2,100.00	2,100.00
Lease Liabilities	95.20	91.01	186.21	90.67	173.64	264.31
Other Financial liabilities	306.49	106.77	413.26	612.53	-	612.53
<b>Non-financial Liabilities</b>						
Provisions	45.51	14.71	60.22	59.28	21.91	81.19
Deferred tax liabilities (net)	-	1,117.09	1,117.09	-	1,127.54	1,127.54
Other non-financial liabilities	1,350.74	-	1,350.74	919.68	-	919.68
<b>Equity</b>						
Equity Share Capital	-	10,000.00	10,000.00	-	10,000.00	10,000.00
Other Equity	-	7,389.01	7,389.01	-	4,724.10	4,724.10
<b>Total Liabilities</b>	<b>17,129.69</b>	<b>42,929.73</b>	<b>60,059.42</b>	<b>19,064.08</b>	<b>27,368.88</b>	<b>46,432.96</b>
<b>Net</b>			-			-

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 37 EMPLOYEE BENEFIT DISCLOSURES

### Defined Contribution Plan

The amounts charged to the Statement of Profit and Loss during the year for Provident fund contribution aggregates to ₹ 24.15 lakhs (31<sup>st</sup> March, 2022 – ₹ 22.60 lakhs).

### Defined Benefit Plan

#### General Description of the plan:

The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Company's scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972.

#### Nature of Benefits:

The Company operates a defined benefit final salary gratuity plan which is open to new entrants. The gratuity benefits

payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company.

#### Inherent Risks:

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the balance sheet for the gratuity plan of the Company.

### Amounts recognized in the Balance sheet in respect of Gratuity

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
Opening Defined Benefit Obligations	56.34	21.98
Current Service Cost	11.48	9.44
Interest Cost	3.91	1.24
Actuarial changes arising from changes in demographic assumptions	(6.12)	13.56
Actuarial changes arising from changes in financial assumptions	(1.45)	(3.28)
Actuarial changes arising from changes in experience assumptions	(11.37)	1.80
Add: Benefits paid including transfer in/out	(10.31)	11.60
Present value of defined benefit obligation	42.48	56.34

### Changes in Fair Value of Plan Assets

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
Opening Fair Value of the Plan Assets	24.39	19.52
Interest Income on the Plan Assets	1.69	1.10
Employers Contribution	31.89	2.46
Return on Plan Assets	5.83	1.31
Closing Fair Value of the Plan Assets	63.80	24.39

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## Amounts recognized in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
In Statement of Profit and Loss	11.48	9.44
Interest on net defined benefit liability/(assets)	2.22	0.14
Total Expenses Recognized for the period	13.70	9.58

## Other Comprehensive Income:

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
Actuarial (gains)/ losses		
Actual Return on Plan Assets excluding amount recognised in net interest expense	(5.83)	(1.31)
Actuarial changes arises from change		
- Demographic Assumptions	(6.12)	13.56
- Financial Assumptions	(1.45)	(3.28)
- Experience Variance	(11.37)	1.80
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
Components of defined benefit costs recognized in OCI	(24.77)	10.77

### b) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cashflows)	₹ in Lakhs
	6 years
Expected cash flows over the next (valued on undiscounted basis):	
1 years	4.77
2 to 5 years	19.00
6 to 10 years	27.47
More than 10 years	22.42

- c) Expected Contribution during the next annual reporting period  
The company's best estimate of contribution during the next year
- d) Funding Arrangements and Funding Policy  
The Scheme is on funded basis.
- e) Principal Actuarial Financial Assumptions

Particulars	31st March, 2023	31st March, 2022
Discount Rate (per annum)	7.30%	6.95%
Salary Growth Rate (per annum)	10%	10%
Decrement adjusted remaining working life (yrs)	5.83	8.31

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

# Notes

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The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

## f) Demographic Assumptions

Particulars	31st March, 2023	31st March, 2022
Mortality Rate	100% of IALM 2012-24	100% of IALM 2012-24
Normal retirement age	60 yrs	60 yrs
Attrition/Withdrawal rate (per annum)	15%	10%

Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

## g) Major Categories of Plan Assets (as a percentage of Total Plan Assets)

Particulars	31st March, 2023	31st March, 2022
Government of India Securities	3.04%	5.79%
State Govt. Securities	3.94%	4.84%
High Quality Corporate Bonds	0.64%	0.80%
Fund Managed by Insurers	41.06%	36.92%
Other Investments	51.32%	51.64%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

## Sensitivity Analysis

₹ in Lakhs

Particulars	31st March, 2023		31st March, 2022	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 0.5%)	43.86	41.16	59.18	53.70
(% change compared to base due to sensitivity)	3.30%	-3.10%	5.00%	-4.70%
Salary Growth (-/+ 0.5%)	41.19	43.83	53.75	59.09
(% change compared to base due to sensitivity)	-3.00%	3.20%	-4.60%	4.90%
Attrition Rate (-/+ 50%)	53.47	37.60	74.18	47.70
(% change compared to base due to sensitivity)	25.90%	-11.50%	31.70%	-15.30%
Mortality Rate (-/+ 10%)	42.43	42.52	56.30	56.38
(% change compared to base due to sensitivity)	-0.10%	0.10%	-0.10%	0.10%

## Sensitivity Analysis Method

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 38 TAXATION APPROACH

The Company has opted to pay income tax u/s 115BAA of Income Tax Act, 1961 from FY: 2019-20 in order to pay tax at the lower rate.

## NOTE: 39 INCOME TAX DISCLOSURE

Current tax for the year of ₹ 892.69 lakhs (31<sup>st</sup> March, 2022 - ₹ 546.04 lakhs).

### The major components of income tax expense for the years ended

#### Statement of profit and loss:

Profit or loss Section	31-Mar-23	31-Mar-22
Current tax	892.69	546.04
Excess Provision for Tax Related to Earlier Years (Net)	-	(10.08)
Deferred tax	(16.68)	176.63
<b>Income tax expense reported in the statement of profit or loss</b>	<b>876.01</b>	<b>712.59</b>

#### Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for years ended

	31-Mar-23	31-Mar-22
A) Income before income tax	3,522.38	2,832.43
B) Enacted tax rate in India	25.17%	25.17%
C) Expected Tax Expense (A*B)	886.51	712.92
D) Short/(Excess) Provision for Tax Related to Earlier Years (Net)	-	(10.08)
E) Other Adjustments	(10.50)	9.75
Income tax expense reported in the statement of profit and loss	876.01	712.59

#### Deferred tax:

Deferred tax relates to the following:

Balance Sheet	31-Mar-23	31-Mar-22
<b>Deferred tax Liabilities</b>		
Marked to Market Value of Investment	1,352.80	2,241.01
<b>Subtotal A</b>	<b>1,352.80</b>	<b>2,241.01</b>
<b>Deferred tax Assets</b>		
Leave Encashment	(4.46)	(6.25)
Difference in WDV between Companies Act and Income Tax Act	(15.14)	(15.29)
Temporary differences due to Lease accounting as per Ind AS 116	(12.66)	(12.11)
Impact of IND AS 116 on Reserve	(1.46)	(1.46)
Employee LTIP provision	(26.87)	(78.94)
ECL provisions	(0.84)	(1.34)
Securitization Income as per Income Tax Act	(174.27)	(998.08)
<b>Subtotal B</b>	<b>(235.71)</b>	<b>(1,113.47)</b>
<b>Net deferred tax liabilities</b>	<b>1,117.09</b>	<b>1,127.54</b>

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

Reflected in the balance sheet as follows:	31-Mar-23	31-Mar-22
Deferred tax assets	(235.71)	(1,113.47)
Deferred tax liabilities	1,352.80	2,241.01
<b>Deferred tax (assets)/liabilities (net)</b>	<b>1,117.09</b>	<b>1,127.54</b>

Reconciliation of deferred tax liabilities (net)	31-Mar-23	31-Mar-22
<b>Opening balance as of 1<sup>st</sup> April</b>	<b>1,127.54</b>	<b>953.62</b>
Tax expense during the period recognised in profit and loss	(16.68)	176.63
Tax (income)/expense during the period recognised in OCI	6.23	(2.71)
<b>Closing balance as at 31<sup>st</sup> March</b>	<b>1,117.09</b>	<b>1,127.54</b>

## NOTE: 40 LEASES

Following are the changes in the carrying value of right of use assets:

Particulars	Category of ROU Asset Leasehold premises	
	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>Balance as at 1<sup>st</sup> April</b>	<b>240.78</b>	<b>321.09</b>
Additions	-	-
Modification to lease terms	-	-
Deletions	-	-
Depreciation	(80.17)	(80.20)
Other adjustment	(0.10)	(0.11)
<b>Balance as at 31<sup>st</sup> March</b>	<b>160.51</b>	<b>240.78</b>

## Amounts recognised in profit and loss

	Year ended 31st March, 2023	Year ended 31st March, 2022
Depreciation expense on right-of-use assets	80.17	80.20
Interest expense on lease liabilities	15.68	20.80

The following is the break-up of current and non-current lease liabilities:

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Current Lease Liabilities	95.20	90.67
Non-Current Lease Liabilities	91.01	173.64
<b>Total</b>	<b>186.21</b>	<b>264.31</b>

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

The following is the movement in lease liabilities during the year:

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>Balance as at 1<sup>st</sup> April</b>	<b>264.31</b>	<b>332.81</b>
Additions	-	-
Modification to lease terms	-	-
Finance Cost accrued during the period	15.68	20.80
Deletions	-	-
Variable lease payment adjustments	(0.12)	(0.10)
Payment of Lease Liabilities	(93.66)	(89.20)
<b>Balance as at 31<sup>st</sup> March</b>	<b>186.21</b>	<b>264.31</b>

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Less than one year	-	93.66
One to Five years	-	-
More than Five years	-	-
<b>Total</b>	<b>-</b>	<b>93.66</b>

The group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

## NOTE: 41 FAIR VALUE

The following table provides the comparison of carrying value and fair value of the Company's Financial Assets and Liabilities as at 31<sup>st</sup> March, 2023 & 31<sup>st</sup> March, 2022.

### As at 31<sup>st</sup> March, 2023

	₹ in Lakhs	
	Carrying Value	Fair Value
<b>Financial Assets</b>		
Trade Receivables	337.80	337.80
Loans	3,128.22	3,128.22
Investments Unquoted(FVTPL)	48,220.37	48,220.37
Others financial Asset	49.27	49.27
<b>Total</b>	<b>51,735.66</b>	<b>51,735.66</b>
<b>Financial Liabilities</b>		
Trade payables	28.91	28.91
Debt Securities	26,825.15	26,825.15
Borrowings (Other than Debt Securities)	9,988.83	9,988.83
Compulsorily Convertible Preference Shares	2,700.00	2,700.00
Lease liabilities	186.21	186.21
Others financial liabilities	413.26	413.26
<b>Total</b>	<b>40,142.36</b>	<b>40,142.36</b>

# Notes

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## As at 31<sup>st</sup> March, 2022

	₹ in Lakhs	
	Carrying Value	Fair Value
<b>Financial Assets</b>		
Trade Receivables	210.62	210.62
Loans	2,348.52	2,348.52
Investments Unquoted(FVTPL)	35,790.25	35,790.25
Others financial Asset	100.77	100.77
<b>Total</b>	<b>38,450.16</b>	<b>38,450.16</b>
<b>Financial Liabilities</b>		
Trade payables	58.07	58.07
Debt Securities	22,045.54	22,045.54
Borrowings (Other than Debt Securities)	4,500.00	4,500.00
Compulsorily Convertible Preference Shares	2,100.00	2,100.00
Lease liabilities	264.31	264.31
Others financial liabilities	612.53	612.53
<b>Total</b>	<b>29,580.45</b>	<b>29,580.45</b>

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

## NOTE: 42 FAIR VALUE HIERARCHY

Following table provides the fair value measurement hierarchy of the Company's assets and liabilities as on 31<sup>st</sup> March, 2023 & 31<sup>st</sup> March, 2022

## As at 31<sup>st</sup> March, 2023

	₹ in Lakhs				
Financial Assets	Date of Valuation	Total	Level 1	Level 2*	Level 3
Investments Unquoted (FVTPL)	31-03-2023	48,220.37	-	637.72	47,582.65
Loans (FVTPL)	31-03-2023	2,312.72	-	-	2,312.72

Financial Assets & Financial Liabilities not measured at fair value, including their levels in the fair value hierarchy are presented below.

	₹ in Lakhs				
Particulars	Date of Valuation	Total	Level 1	Level 2	Level 3
<b>Financial Assets</b>					
Trade Receivables	31-03-2023	337.80	-	-	337.80
Loans	31-03-2023	815.50	-	-	815.50
Others financial Asset	31-03-2023	49.27	-	-	49.27
<b>Financial Liabilities</b>					
Trade payables	31-03-2023	28.91	-	-	28.91
Debt Securities	31-03-2023	26,825.15	-	-	26,825.15
Borrowings (Other than Debt Securities)	31-03-2023	9,988.83	-	-	9,988.83
Compulsorily Convertible Preference Shares	31-03-2023	2,700.00	-	-	2,700.00
Lease liabilities	31-03-2023	186.21	-	-	186.21
Others financial liabilities	31-03-2023	413.26	-	-	413.26

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## As at 31<sup>st</sup> March, 2022

₹ in Lakhs					
Financial Assets	Date of Valuation	Total	Level 1	Level 2	Level 3
Investments Unquoted (FVTPL)	31-03-2022	35,790.25	-	-	35,790.25

Financial Assets & Financial Liabilities not measured at fair value, including their levels in the fair value heirarchy are presented below.

₹ in Lakhs					
Particulars	Date of Valuation	Total	Level 1	Level 2	Level 3
<b>Financial Assets</b>					
Trade Receivables	31-03-2022	210.62	-	-	210.62
Loans	31-03-2022	2,348.52	-	-	2,348.52
Others financial Asset	31-03-2022	100.77	-	-	100.77
<b>Financial Liabilities</b>					
Trade payables	31-03-2022	58.07	-	-	58.07
Debt Securities	31-03-2022	22,045.54	-	-	22,045.54
Borrowings (Other than Debt Securities)	31-03-2022	4,500.00	-	-	4,500.00
Compulsorily Convertible Preference Shares	31-03-2022	2,100.00	-	-	2,100.00
Lease liabilities	31-03-2022	264.31	-	-	264.31
Others financial liabilities	31-03-2022	612.53	-	-	612.53

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

Level-2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level-3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. This means that fair values are determined in whole or in part part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. However, the fair value measurement objective remains the same, that is, to estimate an exit price.

\* Level 2 Investment is Fair value of investment in Mutual Funds as per NAV declared on these units.

There have been no transfers between levels during the year ended 31<sup>st</sup> March, 2023 and year ended 31<sup>st</sup> March, 2022.

## Movement in Level 3 Financial Instruments measured at Fair Value

₹ in Lakhs			
Financial Assets	Investments Unquoted (in SRs)		
	Particulars	As at 31st March, 2023	As at 31st March, 2022
As at beginning of the year		35,790.25	39,632.54
Transferred assets from Amortized Cost to FVTPL		2,086.77	-
Investments		24,330.01	11,286.00
Redemptions/write offs		(8,849.82)	(18,747.59)
Gains for the year recognised in profit or loss		(3,461.84)	3,619.30
At at end of the year		49,895.37	35,790.25
Unrealised gains related to balances held at the end of the year		(3,461.84)	3,619.30

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## Unobservable inputs used in measuring fair value categorised within Level 3

₹ in Lakhs

Type of Financial Instruments	Fair Value of Asset as on 31st March, 2023	Valuation Techniques	Significant Unobservable Input
Investments Unquoted(FVTPL)	47,582.65	Discounted Projected Cash Flow	Expected Gross Recoveries* & Discount Rates
Loans (FVTPL)	2,312.72	Discounted Projected Cash Flow	Expected Gross Recoveries* & Discount Rates

₹ in Lakhs

Type of Financial Instruments	Fair Value of Asset as on 31st March, 2022	Valuation Techniques	Significant Unobservable Input
Investments Unquoted(FVTPL)	35,790.25	Discounted Projected Cash Flow	Expected Gross Recoveries* & Discount Rates

\* Expected Gross Recoveries are pertaining to the overall assets under management of the Company. The cash attributable to the Company's share in expected gross recoveries will be dependant on the Company's investment share and terms of the SR subscribed.

### Qualitative analysis of significant unobservable inputs

#### Discount margin/spreads

Discount margin/spreads represent the discount rates used when calculating the present value of future cash flows. In discounted cash flow models such spread are added to the benchmark rate when discounting the future expected cash flows. Hence these spreads reduce the net present value of an asset or increase the value of liability. They generally reflect the premium an investor expects to achieve over the benchmark interest rate to compensate for the higher risk driven by the uncertainty of the cash flows caused by the credit quality of the asset. They can be implied from the underlying deal documents and are usually unobservable for illiquid or complex instruments.

#### Cash Flow

Expected Cash flow levels including timing of cash flows are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets including default rates, manner of resolution and other economic drivers.

The manner of resolution is determined based on financial position and negotiations with counterparty.

### NOTE: 43 RISK MANAGEMENT FRAMEWORK

#### a. Governance framework

The primary objective of the Company's risk and financial management framework is to protect the Company's shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Key management recognises the critical importance of having efficient and effective risk management systems in place.

#### b. Approach to capital management

The Company seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders.

The primary source of capital used by the Company is equity including CCPS, Debt Securities.

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## Available capital resources:

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Compulsorily Convertible Preferences shares	2,700.00	2,100.00
Debt Securities	26,825.15	22,045.54
Borrowings (Other than Debt Securities)	9,988.83	4,500.00
Total Equity	10,000.00	10,000.00
<b>Total Capital</b>	<b>49,513.98</b>	<b>38,645.54</b>

## c. Regulatory framework

Regulators are interested in ensuring that the Company maintains an appropriate solvency position to meet unforeseeable liabilities arising from economic shocks or natural disasters. The operations of the company are subject to regulatory requirements within the jurisdictions in which it operates.

### Financial risks

#### 1. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, preference shares. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company manages its liquidity risk through temporary funding from its holding Company and availing bank overdraft as and when require.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Year ended 31st March, 2023	₹ in Lakhs					Total
	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	
Trade and other payables	-	11.65	17.26	-	-	28.91
Debt Securities*	-	211.10	9,472.14	17,141.91	-	26,825.15
Borrowings (Other than Debt Securities)	2,999.28	(1.16)	2,621.48	4,369.23	-	9,988.83
Compulsorily Convertible Preference Shares	-	-	-	-	2,700.00	2,700.00
Lease Liabilities	-	21.67	73.53	91.01	-	186.21
Other financial liabilities	-	306.49	-	106.77	-	413.26
	<b>2,999.28</b>	<b>549.75</b>	<b>12,184.41</b>	<b>21,708.92</b>	<b>2,700.00</b>	<b>40,142.36</b>

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₹ in Lakhs

Year ended 31st March, 2022	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade and other payables	-	34.93	23.14	-	-	58.07
Debt Securities*	-	1,556.33	11,267.52	9,221.69	-	22,045.54
Borrowings (Other than Debt Securities)	-	-	4,500.00	-	-	4,500.00
Compulsorily Convertible Preference Shares	-	-	-	-	2,100.00	2,100.00
Lease Liabilities	-	19.11	71.56	186.23	-	276.90
Other financial liabilities	-	7.89	604.64	-	-	612.53
	-	<b>1,618.26</b>	<b>16,466.86</b>	<b>9,407.92</b>	<b>2,100.00</b>	<b>29,593.04</b>

\* Term of Debt Securities is 8 years, repayment is dependent on distribution from Security Receipts which may stretch more than 5 years.

The table below summarises the maturity profile of the Company's financial Assets based on contractual undiscounted payments.

₹ in Lakhs

Year ended 31st March, 2023	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Cash & Cash Equivalents	518.29	-	-	-	-	518.29
Fixed Deposit Accounts	-	-	519.01	6,695.60	-	7,214.61
Trade Receivables	-	337.80	-	-	-	337.80
Loans	-	-	815.50	2,312.72	-	3,128.22
Investments	-	221.92	36,564.28	11,434.18	-	48,220.37
Other Financial Assets	-	-	7.63	41.64	-	49.27
	<b>518.29</b>	<b>559.72</b>	<b>37,906.42</b>	<b>20,484.14</b>	-	<b>59,468.56</b>

₹ in Lakhs

Year ended 31st March, 2022	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Cash & Cash Equivalents	97.61	150.47	-	-	-	248.08
Fixed Deposit Accounts	-	110.41	2,474.77	3,141.18	-	5,726.36
Trade Receivables	-	210.62	-	-	-	210.62
Loans	-	57.80	461.75	1,828.97	-	2,348.52
Investments	-	1,715.98	18,615.31	15,458.96	-	35,790.25
Other Financial Assets	-	14.65	47.23	38.89	-	100.77
	<b>97.61</b>	<b>2,259.93</b>	<b>21,599.06</b>	<b>20,468.00</b>	-	<b>44,424.60</b>

## 2. Operational risks

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Company cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environment, technology and the industry are monitored through the Company's strategic planning and budgeting process. Internal control deficiency are reviewed by management and audit committee on periodic basis.

# Notes

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### 3. Credit risks

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks, investments in security Receipts. The carrying amount of following financial assets represent the maximum credit risk exposure:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade Receivables	337.80	210.62
Loans	3,128.22	2,348.52
Investments Unquoted(FVTPL)	48,220.37	35,790.25
Others financial Asset	49.27	100.77
<b>Total</b>	<b>51,735.66</b>	<b>38,450.16</b>

### NOTE: 44 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars	1st April, 2022	Cash flows	Interest	31st March, 2023
Debt Securities	22,045.54	1,829.47	2,950.14	26,825.15
Borrowings (Other than Debt Securities)	4,500.00	4,440.17	1,048.66	9,988.83
Subordinate Liabilities	2,100.00	600.00	-	2,700.00

Particulars	1st April, 2021	Cash flows	Interest	31st March, 2022
Debt Securities	28,223.19	(9,156.04)	2,978.39	22,045.54
Borrowings (Other than Debt Securities)	3,401.81	759.55	338.64	4,500.00
Subordinate Liabilities	1,600.00	500.00	-	2,100.00

### NOTE: 45 CREDIT QUALITY OF ASSETS FOR LOANS:

#### Credit Quality of Assets

Following table that sets out the information about the Credit Quality of Financial Assets measured at amortized cost through profit and loss

₹ in Lakhs		
Particulars	As at 31st March, 2023	As at 31st March, 2022
Loans measured at fair value through profit or loss	Purchased or Originated as Credit impaired (POCI)	Purchased or Originated as Credit impaired (POCI)
Individually impaired	-	3,416.70
<b>Total</b>	<b>-</b>	<b>3,416.70</b>

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## Gross carrying amount reconciliation

₹ in Lakhs		
Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Loans measured at fair value through profit or loss</b>	<b>Purchased or Originated as Credit impaired (POCI)</b>	<b>Purchased or Originated as Credit impaired (POCI)</b>
Gross carrying amount opening balance	2,094.58	3,416.70
Assets transferred to FVTPL model	(2,094.58)	-
New Assets purchased	-	-
Interest income during the year	-	-
Less: Written off	-	(3.05)
Less: Recovery	-	(1,319.07)
<b>Gross Carrying amount closing balance</b>	<b>-</b>	<b>2,094.58</b>

## Reconciliation of ECL Balances

₹ in Lakhs		
Particulars	As at 31st March, 2023	As at 31st March, 2022
	<b>Purchased or Originated as Credit impaired (POCI)</b>	<b>Purchased or Originated as Credit impaired (POCI)</b>
ECL allowance opening balance	7.81	8.83
Assets transferred to FVTPL model	(7.81)	-
ECL provision for the year	-	(1.02)
<b>ECL allowance closing balance</b>	<b>-</b>	<b>7.81</b>

## Collateral Held and concentration of Credit Risk

### Collateral Held

The company holds collateral and other credit enhancements against certain of its credit exposures. The following table set out the collateral held:

Instrument Type	Percentage of exposure		Principal type of collateral held
	As at 31st March, 2023	As at 31st March, 2022	
Loan to Borrower	-	100%	Movable and Immovable properties

### Quantitative information of collateral -

Loan to Value (LTV) range - 75% to 100%

## NOTE: 46 INVOLVEMENT WITH UNCONSOLIDATED STRUCTURED ENTITIES

The company has concluded that the Assets Reconstruction trust in which it invests, but that it does not consolidate meet the definition of structured entities because –

- The voting rights in the company are not dominant rights in deciding who controls them because the right relate to administrative tasks only.
- Each Trust activities are restricted by trust deed.
- Insufficient equity to permit the structured entity to finance its activities without substantial financial support, and
- The trust have well defined objective to provide recovery activities to investors.

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The following table describes the type of structured entities that the company does not consolidate but in which it holds an interest-

Type of Structures Entity	Nature and Purpose	Interest Held by the Company	As of 31st March, 2023		As of 31st March, 2022	
		Investment in Security Receipts	SRs issued by Trust	SRs subscribed by Company	SRs issued by Trust	SRs subscribed by Company
Asset Reconstruction Trust	To acquire stressed assets for the purpose of carrying on the activity of securitization and assets reconstruction	Acting as trustee to the Trusts	57,038,072	8,555,711	40,818,072	6,122,711

The following table sets out an analysis of the carrying amount of interest held by company in unconsolidated structure entities. The maximum exposure to loss in carrying amount of the asset held is as below:

Carrying Amount	₹ In Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Investment in SR	47,582.65	35,790.25
Advance to Trusts	818.78	262.80
Reimbursement from Trusts	3.42	44.23
<b>Fees Receivable</b>	<b>339.16</b>	<b>211.47</b>

## NOTE: 47 REVENUE FROM CONTRACTS WITH CUSTOMERS

### Disaggregation of revenue from contracts with customers

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

Particulars	₹ in Lakhs	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Primary geographical market</b>		
India	3,656.17	2,727.56
<b>Total</b>	<b>3,656.17</b>	<b>2,727.56</b>
<b>Major products/service lines</b>		
Fee Income	3,331.59	2,727.56
Other Fees	324.58	-
<b>Total</b>	<b>3,656.17</b>	<b>2,727.56</b>
<b>Timing of revenue recognition</b>		
At a point in time	3,656.17	2,727.56
Over a period of time	-	-
<b>Total</b>	<b>3,656.17</b>	<b>2,727.56</b>

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The following table provides information about contract balances:

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Receivables	339.16	211.47

## NOTE: 48 CODE ON SOCIAL SECURITY

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

## NOTE: 49 CONTINGENT LIABILITY

The Group has reviewed its pending litigations and proceedings and on the basis of the same, it has been concluded that there is no contingent liability as at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

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

## NOTE: 50 CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is Nil as at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## NOTE: 51 LONG TERM CONTRACT

The Group doesn't have long term contract including Derivative contract as at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## NOTE: 52 EVENTS AFTER THE REPORTING DATE

There have been no events after the reporting date that require disclosure in these financial statements.

## NOTE: 53 TRANSACTIONS WITH STRUCK-OFF COMPANIES

The Group has not entered into any transactions with struck-off companies during the year ended 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## NOTE: 54 SEGMENT INFORMATION

The Directors of the Company have been identified as the chief operating decision maker (CODM) as defined by Indian Accounting Standard 108 "Operating Segments". The CODM evaluates the Company's performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit. The principal business of the Company is of "acquisition and managing Securitisation Trust". All other activities of the Company revolve around its principal business. Therefore, directors have concluded that there is only one operating reportable segment as per Indian Accounting Standard 108 "Operating Segments".

## NOTE: 55 CORPORATE SOCIAL RESPONSIBILITY

The provisions of Corporate Social Responsibility (CSR) doesn't apply to the Group based on the criteria mentioned in Section 135 of the Companies Act 2013 as at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

# Notes

forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## NOTE: 56 BENAMI PROPERTY UNDER BENAMI TRANSACTIONS (PROHIBITION) ACT, 1988 2

No proceedings has been initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder as at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## NOTE: 57 WILFUL DEFAULTER

The Group is not declared as a wilful defaulter by any bank or financial institution or any other lender as at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## NOTE: 58 UNRECORDED INCOME

The Group does not have any previously unrecorded income which needs to be recorded in the books of accounts for the year ended 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## NOTE: 59 MICRO, SMALL AND MEDIUM ENTERPRISES

The company does not have any outstanding dues to Micro, Small and Medium enterprises. As per information available with the company, the Company has made payment to creditors within stipulated period as provided in "Micro, Small and

Medium Enterprise Development Act 2006"("the Act"). Hence the company has not provided for any interest payable to small, micro and medium enterprises as per the provisions of the Act and the necessary disclosures as per the Act have not been given.

## NOTE: 60

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in parties identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any parties (Funding Party) with the understanding that the Group shall whether, directly or indirectly, lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## NOTE: 61 PRIOR YEAR COMPARATIVES

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

In terms of our report of even date attached

For **CNK & Associates LLP**  
ICAI Firm Registration No.:- 101961W/W-100036  
Chartered Accountants

**Hiren Shah**  
Partner  
Membership No. 100052

Mumbai, 20<sup>th</sup> April, 2023

For and on behalf of the Board of Directors  
**Aditya Birla ARC Limited**

**Tushar Shah**  
Director  
DIN-00239762

**Sandeep Somani**  
Chief Financial Officer

**Hiral Sidhpura**  
Company Secretary

Mumbai, 20<sup>th</sup> April, 2023

**Pinky Mehta**  
Director  
DIN-00020429

**Sanjay Jain**  
Chief Executive Officer

Aditya Birla Stressed Asset AMC Private Limited



**ADITYA BIRLA  
CAPITAL**

CIN: U67190GJ2018PTC102468

Registered Office Address : Indian Rayon Compound,  
Junagadh Road Na Veraval Junagadh GJ 362266

T: +91 22 43567000

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E: [Hiral.Sidhpura@adityabirlacapital.com](mailto:Hiral.Sidhpura@adityabirlacapital.com)

# Independent Auditor's Report

To the members of **Aditya Birla Stressed Asset AMC Private Limited**

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying financial statements of Aditya Birla Stressed Asset AMC Private Limited ("the Company"), which comprise the Balance sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as financial statements).

In our opinion and to the best of our information and according to the explanations given to us the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("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 accounting principles generally accepted in India, of the state of affairs of the Company (financial position) as at 31<sup>st</sup> March, 2023, its profit including other comprehensive income (financial performance), its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

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

### Other Matter

The financial statements of the Company for the year ended 31<sup>st</sup> March, 2022 were audited by the predecessor auditor whose audit report dated 22<sup>nd</sup> April, 2022 expressed an unmodified opinion on those financial statements. Our opinion is not qualified in this matter.

### Other Information

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

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

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

### Responsibility of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and

prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the financial statements by the Board of Directors of the Company, as aforesaid.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to

provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements

## Independent Auditor's Report (Contd.)

regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) Based on the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether,

directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- (c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- (d) The Company has not declared or paid any dividend during the year.
- v. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1<sup>st</sup> April, 2023, and accordingly, reporting under

Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31<sup>st</sup> March, 2023.

- 3. The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended 31<sup>st</sup> March, 2023 since none of the directors of the Company have drawn any managerial remuneration;

For **C N K & Associates LLP**  
Chartered Accountants  
Firm Registration No. 101961W/W-100036

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**Hiren Shah**  
Partner  
Membership No. 100052  
Place: Mumbai  
UDIN: 23100052BGVTTG1011

Date: 20<sup>th</sup> April, 2023

# Annexure 1 to Independent Auditor's Report

[Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory requirements" in the Independent Auditor's Report of even date to the members of **Aditya Birla Stressed Asset AMC Private Limited** ("the Company") on the financial statements for the year ended 31<sup>st</sup> March, 2023]

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that;

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) The Company does not hold any intangible assets during the year and accordingly, the reporting under clause 3(i)(a)(B) of the Order is not applicable.
  - (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
  - (c) Company does not hold any immovable properties and accordingly, reporting under clause 3(i)(c) of the Order is not applicable.
  - (d) The Company has not revalued any Property, Plant and Equipment and it does not have any Right of Use Assets and accordingly reporting under clause 3(i)(d) of the Order is not applicable.
  - (e) As disclosed in note 39, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami
- Transactions (Prohibition) Act, 1988 and rules made thereunder and accordingly the reporting under clause 3(i)(e) of the Order is not applicable.
  - ii. (a) The Company is a service company primarily in the business of raising and acquiring all types of investment funds and to act as a fund manager and does not hold any inventory. Hence, reporting under clause 3(ii)(a) of the Order not applicable to the Company.
  - (b) The Company does not have any working capital limit which has been sanctioned during the year and utilised and accordingly reporting under clause 3(ii)(b) of the Order is not applicable.
  - iii. (a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to [companies, firms, Limited Liability Partnerships or any other parties]. Accordingly, the reporting under clause 3(iii)(a) of the Order is not applicable to the Company.
  - (b) During the year investments made in companies, firms, Limited Liability Partnerships or any other parties, are not prejudicial to the Company's interest. Further, during the year the Company has not provided loans and advances, guarantees, or given securities to companies, firms, Limited Liability Partnerships or any other parties.
  - (c) The Company has not granted loans and advances in the nature of loans to [companies, firms, Limited Liability Partnerships or any other parties]. Accordingly, reporting under clause 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.

- iv. There are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable and accordingly, reporting under clause 3(iv) of the Order is not applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits to which directives issued by the RBI and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 ("The Act") and rules made thereunder apply. Accordingly, reporting under clause 3(v) of the Order is not applicable.
- vi. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable.
- vii. The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, cess and other statutory dues applicable to it. As informed, the provisions of employees' state insurance, sales-tax, duty of custom, duty of excise and value added taxes are not applicable to the Company.
  - a. According to the information and explanations given to us, no undisputed amounts payable in respect of goods and services tax, provident fund, income-tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. As informed, the provisions of employees' state insurance, sales-tax, duty of custom, duty of excise and value added taxes are not applicable to the Company.
- b. According to the information and explanations given to us, there are no dues referred to in 3(vii)(a) above which have not been deposited on account of any dispute.
- viii. As disclosed by the management in note 43 there are no unrecorded transactions which have been surrendered or disclosed as income during the year in the tax assessment under Income Tax Act, 1961 (43 of 1961).
- ix. (a) During the year, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
  - (b) As disclosed by the management in note 40 as not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (c) During the year Company has not availed any term loans and hence reporting under the clause 3(ix)I of the Order is not applicable.
  - (d) On an overall examination of the financial statements of the Company, we report that the Company has used funds raised on short term basis aggregating to ₹ 465.93 Lakhs for Long Term purposes.
  - (e) The Company does not have any Subsidiary, Associate or Joint Ventures and hence reporting under the clause 3(ix)I and 3(ix)(f) of the Order is not applicable.
- x. (a) During the year Company has not raised money by way of initial public offer / further public offer (including debt instruments) and hence reporting under the clause 3(x)(a) of the Order is not applicable.

Annexure 1 to Independent Auditor's Report (Contd.)

- (b) The Company has not made any preferential allotment or private placement of shares and fully, partially or optionally convertible debentures during the year and hence reporting under the clause 3(x)(b) of the Order is not applicable
- xi. (a) We report that no fraud by the Company or no fraud on the Company has been noticed or reported during the year.
  - (b) No report under sub section (12) of section 143 of the Act has been filed in the form ADT – 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with central government during the year and up to the date of this report.
  - (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) (a) to (c) of the Order are not applicable to the Company.
- xiii. In our opinion, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. The Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act, 2013 and hence the reporting under clause 3(xiv) of the Order is not applicable to the Company.
- xv. During the year, the Company has not entered any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.
  - (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
  - (c) The Company is not a Core Investment Company("CIC") and accordingly requirements of clause xvii of the Order is not applicable.
  - (d) There are three CICs as a part of the Group.
- xvii. The Company has not incurred any cash losses in the Current year and in the immediately preceding financial year and hence the reporting under clause 3(xvii) of the Order are not applicable to the Company.
- xviii. Erstwhile Statutory Auditors have resigned as certain non-audit services were proposed to be provided by another member firm of the outgoing auditors to the Ultimate Parent Company i.e., Grasim Industries Limited. There are no issues, concerns or objections raised by the outgoing auditors, based on our communication with them.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying

the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

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

xx. As mentioned in note 38, provisions of section 135 of the Act are not applicable to the company in current financial year and accordingly clause 3(xx)(a) and (b) of the Order is not applicable.

For **C N K & Associates LLP**  
Chartered Accountants  
Firm Registration No. 101961W/W-100036

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**Hiren Shah**  
Partner  
Membership No. 100052  
Place: Mumbai  
UDIN: 23100052BGVTTG1011

Date: 20<sup>th</sup> April, 2023

# Annexure 2 to the Independent Auditor's Report

Of even date on The Financial Statements of Aditya Birla Stressed Asset AMC Private Limited

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

We have audited the internal financial controls with reference to financial statements of Aditya Birla Stressed Asset AMC Private Limited ("the Company") as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

## MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

## AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan

and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

## MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE FINANCIAL STATEMENTS

A company's internal financial controls over financial reporting with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting with reference to these financial statements includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in

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

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE FINANCIAL STATEMENTS**

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

### **OPINION**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at 31<sup>st</sup> March, 2023, 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 Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **C N K & Associates LLP**  
Chartered Accountants  
Firm Registration No. 101961W/W-100036

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**Hiren Shah**  
Partner  
Membership No. 100052  
Place: Mumbai  
UDIN: 23100052BGVTTG1011

Date: 20<sup>th</sup> April, 2023



# Balance Sheet

as at 31<sup>st</sup> March, 2023

₹ in Lakhs

	Note	As at 31st March, 2023	As at 31st March, 2022
<b>I ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and Cash Equivalents	6	103.78	194.30
(b) Investments			
-Other Investments	7	3,640.42	2,266.36
(c) Other Financial Assets	8	73.37	34.17
<b>Sub-Total</b>		<b>3,817.57</b>	<b>2,494.83</b>
<b>(2) Non-Financial Assets</b>			
(a) Current Tax Assets (Net)		12.25	24.72
(b) Property, Plant and Equipment	9	1.53	1.65
(c) Other Non-Financial assets	10	30.83	26.83
<b>Sub-Total</b>		<b>44.61</b>	<b>53.20</b>
<b>Total assets</b>		<b>3,862.18</b>	<b>2,548.03</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) Financial Liabilities</b>			
(a) Payables			
(i) Trade Payables	11		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		3.27	3.40
(b) Borrowings (Other than Debt Securities)	12	439.00	-
(c) Other Financial Liabilities	13	30.58	29.09
<b>Sub-Total</b>		<b>472.85</b>	<b>32.49</b>
<b>(2) Non Financial Liabilities</b>			
(a) Provisions	14	34.61	35.39
(b) Deferred tax liabilities (net)	29	157.32	65.73
(c) Other Non Financial Liabilities	15	22.93	16.68
<b>Sub-Total</b>		<b>214.86</b>	<b>117.80</b>
<b>(3) Equity</b>			
(a) Equity Share capital	16	1,480.00	1,480.00
(b) Other Equity	17	1,694.47	917.74
Equity attributable to owners of the company		3,174.47	2,397.74
<b>Total equity</b>		<b>3,174.47</b>	<b>2,397.74</b>
<b>Total Liabilities and Equity</b>		<b>3,862.18</b>	<b>2,548.03</b>
Significant Accounting Policies	5		

The accompanying Notes are an integral part of the Financial Statements.

In terms of our report of even date attached

For **CNK & Associates LLP**  
 ICAI Firm Registration No.:- 101961W/W-100036  
 Chartered Accountants

**Hiren Shah**  
 Partner  
 Membership No. 100052  
 Mumbai, 20<sup>th</sup> April, 2023

For and on behalf of the Board of Directors  
**Aditya Birla Stressed Asset AMC Private Limited**

**Tushar Shah**  
 Director  
 DIN-00239762  
 Mumbai, 20<sup>th</sup> April, 2023

**Amber Gupta**  
 Chief Financial Officer  
 Mumbai, 20<sup>th</sup> April, 2023

**Subhro Bhaduri**  
 Director  
 DIN-7504331  
 Mumbai, 20<sup>th</sup> April, 2023

**Sucheta Chaturvedi**  
 Company Secretary  
 Mumbai, 20<sup>th</sup> April, 2023

# Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2023

	Note	Year Ended 31st March, 2023	Year Ended 31st March, 2022
₹ in Lakhs			
<b>Revenue from operations</b>			
(a) Fee and Commission Income	18	627.97	325.21
(b) Net Gain on Fair Value Changes	19	383.02	220.03
(c) Investment Income	20	152.23	69.50
<b>Total Revenue from Operations</b>		<b>1,163.22</b>	<b>614.74</b>
Other Income	21	1.32	17.21
<b>Total Income</b>		<b>1,164.54</b>	<b>631.95</b>
<b>Expenses</b>			
(a) Finance Costs	22	59.62	3.22
(b) Employee benefits expense	23	66.76	72.50
(c) Depreciation	24	0.82	0.12
(d) Other expenses	25	8.23	13.69
<b>Total Expenses</b>		<b>135.43</b>	<b>89.53</b>
<b>Profit Before Tax</b>		<b>1,029.11</b>	<b>542.42</b>
Tax Expenses			
Current Tax		159.54	81.55
Short Provision for tax related to earlier years (Net)		5.77	-
Deferred Tax		90.45	55.39
<b>Total Tax Expenses</b>		<b>255.76</b>	<b>136.94</b>
<b>Profit for the year</b>		<b>773.35</b>	<b>405.48</b>
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		4.52	(2.15)
Income tax relating to items that will not be reclassified to profit and loss		(1.14)	0.54
<b>Other Comprehensive Income for the year, net of tax</b>		<b>3.38</b>	<b>(1.61)</b>
<b>Total Comprehensive Income for the year, net of tax</b>		<b>776.73</b>	<b>403.87</b>
Earnings per equity share :			
Basic- (₹)	26	5.23	2.74
Diluted - (₹)		5.23	2.74
(Face Value of ₹ 10 each)			
Significant Accounting Policies	5		

The accompanying Notes are an integral part of the Financial Statements.

In terms of our report of even date attached

For **CNK & Associates LLP**  
ICAI Firm Registration No.:- 101961W/W-100036  
Chartered Accountants

**Hiren Shah**  
Partner  
Membership No. 100052  
Mumbai, 20<sup>th</sup> April, 2023

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Chief Financial Officer  
Mumbai, 20<sup>th</sup> April, 2023

**Sucheta Chaturvedi**  
Company Secretary  
Mumbai, 20<sup>th</sup> April, 2023

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2023

## (A) EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares of face value of ₹ 10/- each issued on subscribed and fully paid up				
Balance at the beginning of the year	14,800,000	1,480.00	14,800,000	1,480.00
Changes in Equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	14,800,000	1,480.00	14,800,000	1,480.00
Changes in Equity share capital during the year	-	-	-	-
<b>Balance at the end of the year</b>	<b>14,800,000</b>	<b>1,480.00</b>	<b>14,800,000</b>	<b>1,480.00</b>

## (B) OTHER EQUITY

₹ in Lakhs

Particulars	Reserve and Surplus	Total Other Equity
<b>Balance as at 1<sup>st</sup> April, 2021</b>	513.87	513.87
Profit for the year ended 31 <sup>st</sup> March, 2022	405.48	405.48
Other Comprehensive loss for the year	(1.61)	(1.61)
Total Comprehensive income	403.87	403.87
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>917.74</b>	<b>917.74</b>
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>917.74</b>	<b>917.74</b>
Profit for the year ended 31 <sup>st</sup> March, 2023	773.35	773.35
Other Comprehensive income for the year	3.38	3.38
Total Comprehensive income	776.73	776.73
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>1,694.47</b>	<b>1,694.47</b>

In terms of our report of even date attached

For **CNK & Associates LLP**  
ICAI Firm Registration No.:- 101961W/W-100036  
Chartered Accountants

**Hiren Shah**  
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Membership No. 100052  
Mumbai, 20<sup>th</sup> April, 2023

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Company Secretary  
Mumbai, 20<sup>th</sup> April, 2023

# Statement of Cash Flows

for the year ended 31<sup>st</sup> March, 2023

₹ in Lakhs

Note Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>A Cash Flow From Operating Activities</b>		
<b>Profit before tax</b>	<b>1,029.11</b>	<b>542.42</b>
Adjustments for :		
Net gain on fair value changes	(383.02)	(220.03)
Investment Income	(152.23)	(69.49)
Net gain on investment in mutual fund units	(0.14)	(16.70)
Interest Income	(0.74)	(0.51)
Finance Charges	59.62	3.22
Depreciation	0.82	0.12
<b>Operating Profit Before Working Capital Changes</b>	<b>553.42</b>	<b>239.03</b>
Adjustments for:		
Decrease in Trade Receivables	-	26.87
Increase in Other Non-Financial Assets	(4.00)	(3.35)
Decrease / (Increase) in Other Financial Assets	0.62	(0.49)
Decrease in Trade Payables	(0.13)	(0.69)
Increase in Provisions	3.74	6.51
(Decrease)/Increase in other Financial Liabilities	1.49	15.58
Increase / (Decrease) in other Non-Financial Liabilities	6.25	(11.22)
	<b>7.97</b>	<b>33.21</b>
<b>Cash generated from Operations</b>	<b>561.39</b>	<b>272.24</b>
Income Taxes Paid	(152.84)	(85.95)
<b>Net Cash Flow From Operating Activities</b>	<b>408.55</b>	<b>186.29</b>
<b>B Cash Flow from Investing Activities</b>		
Addition to Property, Plant and Equipment	(0.70)	(1.77)
Purchase of Investments in AIF units	(1,408.16)	(1,053.25)
Proceeds from sale of AIF Units	417.13	149.97
Purchase of Investments in Mutual Fund Units	(30.00)	(744.96)
Proceeds from sale of Mutual Fund Units	30.13	761.66
Investment Income	112.41	46.45
Interest Received	0.74	0.51
Bank Deposits matured	-	13.75
<b>Net Cash Used In Investing Activities</b>	<b>(878.45)</b>	<b>(827.64)</b>

# Statement of Cash Flows

for the year ended 31<sup>st</sup> March, 2023

₹ in Lakhs

Note Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>C Cash Flow From Financing Activities</b>		
Proceeds from loan taken	1,270.00	100.00
Repayment of loan taken	(831.00)	(550.00)
Finance charges	(59.62)	(3.22)
<b>Net Cash From / (Used In) Financing Activities</b>	<b>379.38</b>	<b>(453.22)</b>
<b>Net Decrease In Cash And Equivalents</b>	<b>(90.52)</b>	<b>(1,094.57)</b>
<b>Cash And Cash Equivalents (Opening Balance)</b>	<b>194.30</b>	<b>1,288.87</b>
<b>Cash And Cash Equivalents (Closing Balance)</b>	<b>103.78</b>	<b>194.30</b>

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method " as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash Flows' prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017.
- Cash and cash equivalents in the balance sheet comprises of Cash at bank.
- The accompanying notes are an integral part of the financial statements.

In terms of our report of even date attached

For **CNK & Associates LLP**  
 ICAI Firm Registration No.:- 101961W/W-100036  
 Chartered Accountants

**Hiren Shah**  
 Partner  
 Membership No. 100052  
 Mumbai, 20<sup>th</sup> April, 2023

For and on behalf of the Board of Directors  
**Aditya Birla Stressed Asset AMC Private Limited**

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**Sucheta Chaturvedi**  
 Company Secretary  
 Mumbai, 20<sup>th</sup> April, 2023

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

## 1. ABOUT THE COMPANY

Aditya Birla Stressed Asset AMC Private Limited (the Company) was incorporated as a private limited company under the provisions of the Companies Act, 2013 on 22<sup>nd</sup> May, 2018. The primary activity of the company is raising or acquiring all types of investment funds and to act as a fund manager, consultant, advisor, administrators, attorneys, agents, or representatives carry on the activities of all types of investment funds.

The financial statements are authorized for issue by the Company's Board of Directors on 20<sup>th</sup> April, 2023.

## 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The financial statements have been prepared on a historical cost basis and accrual basis except for fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, other financial assets held for trading and financial assets and liabilities designated at fair value through profit or loss (FVTPL), all of which have been measured at fair value.

## 3. USE OF ESTIMATES

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

## 4. PRESENTATION OF FINANCIAL ESTIMATES

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an

unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties.

## 5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 5.1 Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at transaction price of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs. The Company recognises revenue from contracts with customers based on a five step model as set out in Ind 115:

**Step 1:** Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

**Step 2:** Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

**Step 3:** Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

**Step 4:** Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

**Step 5:** Recognise revenue when (or as) the Company satisfies a performance obligation.

## Management fee and Arranger fee income

Revenue recognition for management fees and arranger fees can be divided into the following two categories:

**i) Management fees and Arranger fees – over time**

Management fees and arranger fees is recognized on completion of the period and performance of the service.

**ii) Management fees and Arranger fees – point in time**

Certain incomes are recognized only upon completion of the performance obligation of the Contract.

## Interest Income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired and is, therefore, regarded as ‘Stage 3’, the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Interest income on all trading assets and financial assets mandatorily required to be measured at FVTPL is recognised using the contractual interest rate in net gain on fair value changes.

## Disposal of Investments

On disposal of an investment the difference between carrying amount and net disposal proceeds is charged or credited to the statement of Profit and Loss using weighted average cost.

## 5.2 Financial Instruments:

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

## Financial Assets

### Date of Recognition

Financial assets and liabilities, debt securities, deposits and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument.

### Initial Measurement

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments.

Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price.

### Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset’s contractual terms, measured at either:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments, mutual funds at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

### Debt instruments at amortised cost

A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

## Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b. The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

## Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit and loss.

## Equity investments and Mutual Funds at FVTPL

Investments in Subsidiary/ Associate/ Joint Venture are out of the scope of Ind AS 109 & hence the company has accounted for its investment in Subsidiary/ Associate/ Joint Venture at cost.

All other equity investments and Mutual fund in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For equity instruments other than held for trading, the Company has irrevocable option to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Where the Company classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of profit & loss, even on sale of investment.

Equity instruments, Mutual fund included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

## De-Recognition of Financial Assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises an associated liability.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

recognised in profit and loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial assets.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part is no longer recognised on the basis of relative fair values of those parts on the date of transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

## Impairment of Financial Assets

In accordance with IND AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets & credit risk exposure.

## Other Financial Assets

Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on probability of default over the lifetime when there is significant increase in credit risk.

## Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly

attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. The measurement of financial liabilities depends on their classification, as described below:

### Financial liabilities at fair- value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI.

These gains / losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

### Loans & Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss

### De-recognition of financial liabilities

A financial liability shall be de-recognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

## 5.3 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value.

The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash Flows' prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, as amended.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## 5.4 Property, Plant & Equipment.

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the entity and the cost can be measured reliably. Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Depreciation on Tangible Fixed Assets is provided on Straight Line using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013 or estimated by the management. The Company has used the following useful life to provide depreciation on its fixed assets, which is in line with the useful life suggested by Schedule II.

Asset	Useful Life as Prescribed by Schedule II of the Companies Act, 2013
Motor Vehicles	6
Computers (end user computers, Laptops)	3

Useful life of assets estimated by management supported by the Internal Technical assessment.

Asset	Estimated Useful Life
Motor Vehicles <sup>^</sup>	4-5

<sup>^</sup> In case of Motor Vehicles, depreciation calculated on basis of its replacement.

Depreciation on the Fixed Assets added/dropped off/discarded during the year is provided on pro-rata basis with reference to the date of addition/disposal/discarding.

## 5.5 Retirement and Other Employee Benefits

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Company, as detailed below:

### Defined contribution plan (Provident fund)

In accordance with Indian law, eligible employees receive benefits from provident fund, which is a defined contribution plan. Both the employee and employer make monthly contributions to the plan, each equal to a specified percentage of employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company does not have any legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Obligation for contributions to the plan is recognized as an employee benefit expense in the Statement of Profit and Loss when incurred.

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

## Defined Benefit Plans (Gratuity)

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (the Gratuity Plan) covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company.

The Company's net obligation in respect of the gratuity plan is calculated by estimating the amount of future benefits that the employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service cost and the fair value of plan assets are deducted. The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligations. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

The Company recognizes all re-measurements of net defined benefit liability/asset directly in other comprehensive income and presented within equity. The Company has employees' gratuity fund under Grasim Industries Limited Employees Gratuity Trust managed by the ultimate parent company.

## Short Term Benefit

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

## Compensated Absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated

absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement.

The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

The Company recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Company recognises actuarial gains and losses immediately in the Statement of Profit and Loss.

## 5.6 Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or the liability; or in the absence of a principal market, in the most advantageous market for the asset or liability, the principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

## 5.7 Impairment of Non-Financial Assets

The Company assesses, at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists or when annual impairment testing for any asset is required, the Company estimates the assets recoverable amount. An assets recoverable amount is the higher of an assets fair value less cost of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflow that is largely independent of those from other assets or Company of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written-down to its recoverable amount.

## 5.8 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not discounted to their present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

## 5.9 Contingent Liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the

occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

## 5.10 Taxes

### Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred Tax

Deferred tax is recognised using the Balance Sheet approach on the temporary differences between the carrying amounts of assets and liabilities in the financial statements and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset, if there is a legally enforceable right to offset current tax liabilities and assets, and these relate to income taxes levied by the same tax authority and are intended to settle current tax liabilities and assets on a net basis or such tax assets and liabilities will be realised simultaneously.

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

In the event of unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets are recognised to the extent that it is probable that sufficient future taxable income will be available to realise such assets.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Current and deferred tax are recognised in Statement of Profit and Loss, except when the same relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax relating to such items are also recognised in other comprehensive income or directly in equity respectively.

## 5.11 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split, if any.

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

## 5.12 Capital Management

The primary objective of the Company's capital management is to maximize the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may

adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

## 5.13 Significant Accounting Judgements, Estimates and Assumptions:

The preparation of financial statements, in conformity, with the Ind AS requires management to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

### Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cashflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amount of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

### Fair Value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

## 5.14 Recent Pronouncements:

On 31<sup>st</sup> March, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into following amendments in the existing Accounting Standards which are applicable from 1<sup>st</sup> April, 2023.

- i. **Ind AS 101 – First time adoption of Ind AS** – modification relating to recognition of deferred tax asset by a first-time adopter associated with (a) right to use assets and related liabilities and (b) decommissioning, restoration and similar liabilities and corresponding amounts recognised as cost of the related assets.
- ii. **Ind AS 102 – Share-based Payment** – modification relating to adjustment after vesting date to the fair value of equity instruments granted.
- iii. **Ind AS 103 – Business Combination** – modification relating to disclosures to be made in the first financial statements following a business combination.
- iv. **Ind AS 107 – Financial Instruments Disclosures** – modification relating to disclosure of material accounting policies including information about basis of measurement of financial instruments.
- v. **Ind AS 109 – Financial Instruments** – modification relating to reassessment of embedded derivatives.
- vi. **Ind AS 1 – Presentation of Financials Statements** – modification relating to disclosure of ‘material accounting policy information’ in place of ‘significant accounting policies’.
- vii. **Ind AS 8 – Accounting Policies, Change in Accounting Estimates and Errors** – modification of definition of ‘accounting estimate’ and application of changes in accounting estimates.
- viii. **Ind AS 12 – Income Taxes** – modification relating to recognition of deferred tax liabilities and deferred tax assets.
- ix. **Ind AS 34 – Interim Financial Reporting** – modification in interim financial reporting relating to disclosure of ‘material accounting policy information’ in place of ‘significant accounting policies’.

The Company is evaluating the amendments and the expected impact, if any, on the Company’s financial statements on application of the amendments for annual reporting periods beginning on or after 1<sup>st</sup> April, 2023.

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

## NOTE: 6 BALANCES WITH BANKS

₹ in Lakhs

Particulars	As at 31st March, 2023	As at 31st March, 2022
Current Accounts	103.78	9.23
Deposit Accounts (with original maturity period of 3 months or less)	-	185.07
	<b>103.78</b>	<b>194.30</b>

## NOTE: 7 OTHER INVESTMENTS

₹ in Lakhs

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Carried at Fair Value through Profit or Loss</b>		
<b>Investment in units of AIF</b>		
Aditya Birla Special Situations Fund I		
[27,89,845.96 units of Class A (31 <sup>st</sup> March, 2022: 18,51,857.01 units)]	3,376.62	2,101.90
[2,17,956.73 units of Class B (31 <sup>st</sup> March, 2022: 1,44,676.33 units)]	263.80	164.46
	<b>3,640.42</b>	<b>2,266.36</b>
In India	3,640.42	2,266.36
Outside India	-	-

## NOTE: 8 OTHER FINANCIAL ASSETS

(Unsecured, Carried at amortised Cost)

₹ in Lakhs

Particulars	As at 31st March, 2023	As at 31st March, 2022
Other Receivable (Refer Note 31)	73.37	34.17
	<b>73.37</b>	<b>34.17</b>

## NOTE: 9 PROPERTY, PLANT AND EQUIPMENT

₹ in Lakhs

Particulars	Vehicles	Computers	TOTAL
<b>Gross Block</b>			
<b>As at 1<sup>st</sup> April, 2021</b>	3.53	-	3.53
Additions	-	1.77	1.77
Deletions	-	-	-
<b>As at 31<sup>st</sup> March, 2022</b>	<b>3.53</b>	<b>1.77</b>	<b>5.30</b>
<b>Accumulated Depreciation</b>			
<b>As at 1<sup>st</sup> April, 2021</b>	3.53	-	3.53
For the year	-	0.12	0.12
Deletions	-	-	-
<b>As at 31<sup>st</sup> March, 2022</b>	<b>3.53</b>	<b>0.12</b>	<b>3.65</b>
<b>Net Carrying amount as at 31<sup>st</sup> March, 2022</b>	<b>-</b>	<b>1.65</b>	<b>1.65</b>

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

₹ in Lakhs			
Particulars	Vehicles	Computers	TOTAL
<b>Gross Block</b>			
As at 1 <sup>st</sup> April, 2022	3.53	1.77	5.30
Additions	-	0.69	0.69
Deletions	-	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>3.53</b>	<b>2.47</b>	<b>6.00</b>
<b>Accumulated Depreciation</b>			
As at 1 <sup>st</sup> April, 2022	3.53	0.12	3.65
For the year	-	0.82	0.82
Deletions	-	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>3.53</b>	<b>0.94</b>	<b>4.47</b>
<b>Net Carrying amount as at 31<sup>st</sup> March, 2023</b>	<b>-</b>	<b>1.53</b>	<b>1.53</b>

## NOTE: 10 OTHER NON-FINANCIAL ASSETS

(Unsecured, unless stated otherwise)

₹ in Lakhs			
Particulars	As at 31st March, 2023	As at 31st March, 2022	
Statutory Dues from Government - GST	1.28	2.26	
Prepaid expenses	0.07	0.15	
Gratuity Plan Assets	29.48	24.42	
	<b>30.83</b>	<b>26.83</b>	

## NOTE: 11

### Ageing Schedule for Trade Payables as at 31<sup>st</sup> March, 2023

₹ in Lakhs						
Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	3.27	-	-	-	-	3.27
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>3.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.27</b>

### Ageing Schedule for Trade Payables as at 31<sup>st</sup> March, 2022

₹ in Lakhs						
Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	3.40	-	-	-	-	3.40
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>3.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.40</b>

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

## NOTE: 12 BORROWINGS (OTHER THAN DEBT SECURITIES)

(Unsecured, Carried at amortised cost)

₹ in Lakhs

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Loan from Related Party (Refer Note 31)	439.00	-
	<b>439.00</b>	<b>-</b>
In India	439.00	-
Outside India	-	-

Following is the repayment terms of the Borrowings

Repayment clause	Interest rate	Maturity period
Repayable within a maturity period of 12 months or on call/ put after 30 days. Interest payable at the end of each quarter of calendar year.	9.3% per annum	12 Months

## NOTE: 13 OTHER FINANCIAL LIABILITIES

(Carried at amortised cost)

₹ in Lakhs

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Accrued salaries and benefits	30.58	29.09
	<b>30.58</b>	<b>29.09</b>

## NOTE: 14 PROVISIONS

₹ in Lakhs

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Provision for Employee Benefits		
Provision for Leave encashment	6.44	7.57
Provision for Gratuity	28.17	27.82
	<b>34.61</b>	<b>35.39</b>

## NOTE: 15 OTHER NON FINANCIAL LIABILITIES

₹ in Lakhs

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Statutory Dues	22.93	16.68
	<b>22.93</b>	<b>16.68</b>

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

## NOTE: 16 SHARE CAPITAL

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Numbers	Amount	Numbers	Amount
₹ in Lakhs				
<b>Authorised:</b>				
Equity Shares of ₹ 10/- each	25,000,000	2,500.00	25,000,000	2,500.00
	<b>25,000,000</b>	<b>2,500.00</b>	<b>25,000,000</b>	<b>2,500.00</b>
<b>Issued:</b>				
Equity Share Capital				
Equity Shares of ₹ 10/- each	14,800,000	1,480.00	14,800,000	1,480.00
	<b>14,800,000</b>	<b>1,480.00</b>	<b>14,800,000</b>	<b>1,480.00</b>
<b>Subscribed and Fully Paid-up:</b>				
Equity Share Capital				
Equity Shares of ₹ 10/- each, fully paid-up	14,800,000	1,480.00	14,800,000	1,480.00
	<b>14,800,000</b>	<b>1,480.00</b>	<b>14,800,000</b>	<b>1,480.00</b>

### 1) Reconciliation of the number of shares authorized at the beginning and at the end of the year

Sr. No.	Description	As at 31st March, 2023		As at 31st March, 2022	
		Equity Shares	Amount	Equity Shares	Amount
₹ in Lakhs					
1	No of Shares Outstanding at the beginning of the year	25,000,000	2,500.00	15,000,000	1,500.00
2	Add: increased during the year	-	-	100,000.00	1,000.00
3	No. of Shares Outstanding at the end of the year	25,000,000	2,500.00	25,000,000	2,500.00

### 2) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Sr. No.	Description	As at 31st March, 2023		As at 31st March, 2022	
		Equity Shares	Amount	Equity Shares	Amount
₹ in Lakhs					
1	No of Shares Outstanding at the beginning of the year	14,800,000	1,480.00	14,800,000	1,480.00
2	Add: Issued during the year	-	-	-	-
3	No. of Shares Outstanding at the end of the year	14,800,000	1,480.00	14,800,000	1,480.00

#### Term/Right Attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

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

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

## Shares held by holding / ultimate holding Company and / or their subsidiaries / associates

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

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Amount (₹)	% of Total paid up equity share capital	Amount (₹)	% of Total paid up equity share capital
<b>Parent - Aditya Birla Capital Limited</b>				
1,47,99,990 equity shares (31 <sup>st</sup> March, 2022: 1,47,99,990 equity shares)	147,999,900	99.99%	147,999,900	99.99%

## Shares held by promoters

Out of equity shares issued by the company, shares held by promoters are as below:

Sr. No	Promoters Name	Shares held by promoters as at 31st March, 2023	
		No. of Shares	% of total shares
1	Aditya Birla Capital Limited	14,799,990	99.99%

Sr. No	Promoters Name	Shares held by promoters as at 31st March, 2022	
		No. of Shares	% of total shares
1	Aditya Birla Capital Limited	14,799,990	99.99%

## NOTE: 17 OTHER EQUITY

₹ in Lakhs

Particulars	As at	As at
	31st March, 2023	31st March, 2022
<b>Retained Earnings*</b>		
Opening Balance	917.74	513.87
Addition:		
Profit for the year	773.35	405.48
Other Comprehensive income / (loss) for the year	3.38	(1.61)
<b>Closing Balance</b>	<b>1,694.47</b>	<b>917.74</b>
<b>Total Other Equity</b>	<b>1,694.47</b>	<b>917.74</b>

\* Retained Earning comprises of Surplus in Profit & Loss Account of the Company

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

## NOTE: 18 FEE AND COMMISSION INCOME

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Management Fees (Refer Note 31)	407.22	216.68
Arranger Fee	220.75	108.53
	<b>627.97</b>	<b>325.21</b>

## NOTE: 19 NET GAIN ON FAIR VALUE CHANGES

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Net gain on financial instruments at fair value through profit or loss</b>		
Net Gain from Investments in AIF	383.02	220.03
	<b>383.02</b>	<b>220.03</b>
Fair Value changes :		
Realised	20.24	-
Unrealised	362.78	220.03
	<b>383.02</b>	<b>220.03</b>

## NOTE: 20 (INVESTMENTS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS)

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Investment Income* (Refer Note 31)</b>		
Interest Income	118.65	63.55
Redemption premium received on redemption of underlying units	33.58	5.95
	<b>152.23</b>	<b>69.50</b>

\* The Company has made investment in units of Aditya Birla Special Situations Fund - I which is an Alternative Investment Fund ('AIF'), Category II and income earned is generated and distributed by AIF as per section 10(23) FBB & 115UB of the Income-tax Act, 1961.

## NOTE: 21 OTHER INCOME

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Interest on deposits with Banks		
On financial Assets Measured at Amortised Cost	0.74	0.51
Interest on Income Tax refund	0.45	-
Net gain on financial instruments at fair value through profit or loss		
On Mutual Fund Units	0.13	16.70
	<b>1.32</b>	<b>17.21</b>
Fair Value changes :		
Realised	0.13	16.70
Unrealised	-	-
	<b>0.13</b>	<b>16.70</b>

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

## NOTE: 22 FINANCE COSTS

₹ in Lakhs

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Interest on Financial Liability measured at Amortised Cost</b>		
Borrowing other than Debt security (Refer Note 31)	59.62	3.22
	<b>59.62</b>	<b>3.22</b>

## NOTE: 23 EMPLOYEE BENEFITS EXPENSES

₹ in Lakhs

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Salaries and Wages	52.65	63.59
Contribution to Provident and Other Funds (Refer Note 27)	11.23	7.03
Staff Welfare Expenses	2.88	1.88
	<b>66.76</b>	<b>72.50</b>

## NOTE: 24 DEPRECIATION

₹ in Lakhs

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Depreciation of Property, plant and equipment	0.82	0.12
	<b>0.82</b>	<b>0.12</b>

## NOTE: 25 OTHER EXPENSES

₹ in Lakhs

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Repairs & Maintenance - Others	0.05	0.13
Rates & Taxes	0.37	7.73
Legal & Professional Expenses (Refer Note 25.1)	6.47	4.62
Miscellaneous Expenses	1.34	1.21
	<b>8.23</b>	<b>13.69</b>

## NOTE: 25.1 INCLUDES AUDITORS REMUNERATION

₹ in Lakhs

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Audit Fees*	2.03	1.65
Tax Audit Fees**	0.55	0.55
	<b>2.58</b>	<b>2.20</b>

\*Includes ₹ 1.58 lakhs (₹ 1.65 lakhs previous year) pertaining to erstwhile auditors.

\*\* Previous year figure pertains to erstwhile auditors.

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

## NOTE: 26 DISCLOSURE AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 33 EARNINGS PER SHARE

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Earnings per Share (EPS) is calculated as under:		
Weighted-average Number of Equity Shares for calculation of Basic EPS	14,800,000.00	14,800,000.00
Weighted-average number of Equity Shares for calculation of Diluted EPS	14,800,000.00	14,800,000.00
Nominal Value of Shares (₹)	10.00	10.00
<b>Profit attributable to equity holders of the Parent:</b>		
<b>Continuing Operations</b>	773.35	405.48
Basic EPS (₹)	5.23	2.74
Diluted EPS (₹)	5.23	2.74

## NOTE: 27 EMPLOYEE BENEFIT DISCLOSURES

### Defined Contribution Plan

The amounts charged to the Statement of Profit and Loss during the year for Provident fund contribution aggregates to ₹ 5.08 lakhs (Previous Year: ₹ 4.66 lakhs).

### Defined Benefit Plan

#### General Description of the plan:

The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Company's scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972.

#### Nature of Benefits:

The Company operates a defined benefit final salary gratuity plan which is open to new entrants. The gratuity benefits

payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company.

#### Inherent Risks:

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the balance sheet for the gratuity plan of the Company.

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

## Amounts recognized in the Balance sheet in respect of gratuity

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
Opening Defined Benefit Obligations	27.82	21.15
Current Service Cost	2.93	2.44
Interest Cost	1.92	1.29
Actuarial changes arising from changes in demographic assumptions	(3.97)	3.71
Actuarial changes arising from changes in financial assumptions	(1.26)	(1.44)
Actuarial changes arising from changes in experience assumptions	0.73	0.67
Acquisition adjustment	-	-
Add: Benefits paid including transfer in/out	-	-
Present value of defined benefit obligation	28.17	27.82

## Changes in Fair Value of Plan Assets

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
Opening Fair Value of the Plan Assets	24.42	22.27
Investment Income	1.68	1.36
Employers Contribution	3.34	-
Return on Plan Assets	0.03	0.79
Closing Fair Value of the Plan Assets	29.48	24.42

## Amounts recognized in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
In Statement of Profit and Loss	3.16	2.37
In Other Comprehensive Income	(4.52)	2.15
<b>Total Expenses Recognized for the period</b>	<b>(1.36)</b>	<b>4.52</b>

## Other Comprehensive Income:

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Actuarial (gains)/ losses		
Actual Return on Plan Assets excluding amount recognised in net interest expense	-	-
Actuarial changes arises from change	-	-
- Demographic Assumptions	(3.97)	3.71
- Financial Assumptions	(1.26)	(1.44)
- Experience Variance	0.73	0.67
Return on plan assets, excluding amount recognised in net interest expense	(0.03)	(0.79)
Components of defined benefit costs recognized in OCI	(4.52)	2.15

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

## b) Maturity Profile of Defined Benefit Obligation

	₹ in Lakhs
<b>Weighted average duration (based on discounted cashflows)</b>	<b>7 years</b>
Expected cash flows over the next (valued on undiscounted basis):	
1 years	3.79
2 to 5 years	12.89
6 to 10 years	12.02
More than 10 years	22.72

## c) Expected Contribution during the next annual reporting period

The company's best estimate of contribution during the next year 1.01

## d) Funding Arrangements and Funding Policy

The Scheme is managed on funded basis.

## e) Principal Actuarial Financial Assumptions

Particulars	31st March, 2023	31st March, 2022
Discount Rate (per annum)	7.30%	6.90%
Salary Growth Rate (per annum)	10.00%	10.00%

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

## f) Demographic Assumptions

Particulars	31st March, 2023	31st March, 2022
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14
Normal retirement age	60 yrs	60 yrs
Attrition/Withdrawal rate (per annum)	15.00%	10.00%

Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

g) Major Categories of Plan Assets (as a percentage of Total Plan Assets)

Particulars	31st March, 2023	31st March, 2022
Government of India Securities	3.04%	5.79%
State Govt. Securities	3.94%	4.84%
High Quality Corporate Bonds	0.64%	0.80%
Fund Managed by Insurers	41.06%	36.92%
Other Investments	51.32%	51.64%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

## Sensitivity Analysis

₹ in Lakhs

Particulars	31st March, 2023		31st March, 2022	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 0.5%)	29.17	27.24	29.24	26.49
(% change compared to base due to sensitivity)	3.5%	-3.3%	5.1%	-4.8%
Salary Growth (-/+ 0.5%)	27.25	29.14	26.52	29.20
(% change compared to base due to sensitivity)	-3.3%	3.40%	-4.70%	5.00%
Attrition Rate (-/+ 50%)	35.61	25.69	36.08	24.11
(% change compared to base due to sensitivity)	26.4%	-8.80%	29.7%	-13.30%
Mortality Rate (-/+ 10%)	28.15	28.20	27.80	27.83
(% change compared to base due to sensitivity)	-0.10%	0.10%	-0.10%	0.10%

## Sensitivity Analysis Method

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

## NOTE: 28 TAXATION APPROACH

The Company has opted to pay income tax u/s 115BAA of Income Tax Act, 1961 from F.Y: 2019-20 in order to pay tax at the lower rate.

## NOTE: 29 INCOME TAX DISCLOSURE

Current tax for the year is ₹ 159.54 lakhs (31<sup>st</sup> March, 2022: 81.55 lakhs).

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

## The major components of income tax expense for the years ended:

### Statement of profit and loss:

Profit or loss Section	31st March, 2023	31st March, 2022
Current tax expense	159.54	81.55
Short Provision for tax related to earlier years (Net)	5.77	-
Deferred tax	90.45	55.39
<b>Total tax expense reported in the statement of profit or loss</b>	<b>255.76</b>	<b>136.94</b>

### Reconciliation of effective tax rate

Profit or loss Section	31st March, 2023	31st March, 2022
A) Accounting Profit before tax from continuing operations	1,029.11	542.42
B) Enacted tax rates in India	25.17%	25.17%
C) Expected tax expense (A*B)	259.01	136.52
D) Short Provision for tax related to earlier years (Net)	5.77	-
E) Tax impact on income exempt u/s 10(23FBB)	(5.09)	(1.47)
F) Other Adjustments	(3.93)	1.89
<b>Total tax expense reported in the statement of profit or loss (C+D)</b>	<b>255.76</b>	<b>136.94</b>

### Deferred tax:

Deferred tax relates to the following:

Balance Sheet	31st March, 2023	31st March, 2022
<b>Deferred tax Liabilities</b>		
Marked to Market Value of Investment in SR	159.22	67.91
<b>Subtotal A</b>	<b>159.22</b>	<b>67.91</b>
<b>Deferred tax Assets</b>		
Leave Encashment	(1.62)	(1.91)
Difference in WDV between Companies Act and Income Tax Act	(0.19)	(0.31)
Others	(0.09)	0.04
<b>Subtotal B</b>	<b>(1.90)</b>	<b>(2.18)</b>
<b>Subtotal B (restricted to the Deferred Tax Liabilities as given subtotal A)</b>	<b>-</b>	<b>-</b>
<b>Net deferred tax liabilities</b>	<b>157.32</b>	<b>65.73</b>
<b>Reflected in the balance sheet as follows:</b>		
Deferred tax assets	(1.90)	(2.18)
Deferred tax liabilities	159.22	67.91
<b>Deferred tax Liabilities (Net)</b>	<b>157.32</b>	<b>65.73</b>

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

Reconciliation of deferred tax (assets)/ liabilities (net):	31st March, 2023	31st March, 2022
<b>Opening balance as at 1<sup>st</sup> April</b>	<b>65.73</b>	<b>10.88</b>
Tax expense during the year recognised in profit and loss	90.45	55.39
Tax (income)/expense during the year recognised in OCI	1.14	(0.54)
<b>Closing balance as at 31<sup>st</sup> March</b>	<b>157.32</b>	<b>65.73</b>

## NOTE: 30 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

₹ in Lakhs

Particulars	31st March, 2023			31st March, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Assets</b>						
<b>Financial assets</b>						
Cash and cash equivalents	103.78	-	103.78	194.30	-	194.30
Investments	-	3,640.42	3,640.42	-	2,266.36	2,266.36
Other financial assets	73.37	-	73.37	34.17	-	34.17
<b>Non-financial Assets</b>						
Advance Tax (net)	-	12.25	12.25	-	24.72	24.72
Property, plant and equipment	-	1.53	1.53	-	1.65	1.65
Other non financial assets	30.83	-	30.83	26.83	-	26.83
<b>Total assets</b>	<b>207.98</b>	<b>3,654.20</b>	<b>3,862.18</b>	<b>255.30</b>	<b>2,292.73</b>	<b>2,548.03</b>
<b>Liabilities</b>						
<b>Financial Liabilities</b>						
Trade payables						
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	3.27	-	3.27	3.40	-	3.40
Borrowings (Other than Debt Securities)	439.00	-	439.00	-	-	-
Other Financial liabilities	30.58	-	30.58	29.09	-	29.09
<b>Non-financial Liabilities</b>						
Provisions	29.31	5.30	34.61	28.75	6.64	35.39
Deferred tax liabilities (net)	-	157.32	157.32	-	65.73	65.73
Other non-financial liabilities	22.93	-	22.93	16.68	-	16.68
<b>Equity</b>						
Equity Share Capital	-	1,480.00	1,480.00	-	1,480.00	1,480.00
Other Equity	-	1,694.47	1,694.47	-	917.74	917.74
<b>Total Liabilities</b>	<b>525.09</b>	<b>3,337.09</b>	<b>3,862.18</b>	<b>77.92</b>	<b>2,470.11</b>	<b>2,548.03</b>
<b>Net</b>			-			-

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

## NOTE: 31 RELATED PARTY TRANSACTIONS

As per Ind AS 24, the disclosures of transactions with the Related Parties are given below: (as certified by management and relied upon by Auditor)

List of Related Parties where control exists and also other Related Parties with whom transactions have taken place and relationships:

Name of the Related Party	Relationship
Aditya Birla Capital Limited	Holding Company
Aditya Birla Special Situations Fund I	Subsidiary (From 30.1.2023 onwards)
Aditya Birla Special Situations Fund I	Fellow Subsidiary (upto 30.1.2023)
Aditya Birla Money Limited	Fellow Subsidiary
Aditya Birla Finance Limited	Fellow Subsidiary
Aditya Birla Financial Shared Services Limited	Fellow Subsidiary
Aditya Birla ARC Limited	Fellow Subsidiary
Aditya Birla Wellness Private Limited	Fellow Subsidiary

## Directors and Key Management Personnel

Tushar Harendra Shah - Director

Anantha Subrahmanya Dhananjaya - Director (Resigned wef 31<sup>st</sup> March, 2023)

Subhro Bhaduri - Director (Appointed wef 20<sup>th</sup> January, 2023)

Amber Gupta - Chief Financial Officer (Appointed wef 06<sup>th</sup> August, 2021)

Amit Kansal - Chief Investment Officer

## Transactions and Balances with Related Parties

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>A] Holding Company</b>		
<b>Transaction during the year</b>		
Aditya Birla Capital Limited (Loan Taken)	1,270.00	100.00
Aditya Birla Capital Limited (Loan Repayment)	831.00	550.00
Aditya Birla Capital Limited (Interest on Loan Taken)	59.62	3.22
<b>Balance Outstanding</b>		
Aditya Birla Capital Limited (Equity Share Capital)	1,480.00	1,480.00
Aditya Birla Capital Limited (Borrowings)	439.00	-
<b>B] Subsidiary</b>		
<b>Transaction during the year</b>		
<b>Income</b>		
Aditya Birla Special Situations Fund I (Management Fee)*	407.22	216.68
Aditya Birla Special Situations Fund I (Interest Income)	117.23	63.55
Aditya Birla Special Situations Fund I (Premium)	33.58	5.95
Investment made		
Investment in Aditya Birla Special Situations Fund I (Class A)	1,306.12	976.93
Investment in Aditya Birla Special Situations Fund I (Class B)	102.04	76.32

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

₹ in Lakhs

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Investments Redeemed</b>		
Investment in Aditya Birla Special Situations Fund I (Class A)	368.20	139.10
Investment in Aditya Birla Special Situations Fund I (Class B)	28.77	10.87
<b>Balance Outstanding</b>		
Trade Receivable		
Aditya Birla Special Situations Fund I (Management Fee)	-	-
<b>Investments</b>		
Balance Investment in Aditya Birla Special Situations Fund I (Class A)	2,789.85	1,851.86
FV Gain on Investment in ABSSFI (Class A)	586.77	250.04
Balance Investment in Aditya Birla Special Situations Fund I (Class B)	217.96	144.68
FV Gain on Investment in ABSSFI (Class B)	45.84	19.78
<b>C] Fellow Subsidiaries</b>		
<b>Transaction during the year</b>		
<b>Expenses recovery</b>		
Aditya Birla ARC Limited (Payroll Expense)	201.67	87.76
<b>Expenses reimbursement</b>		
Aditya Birla ARC Limited (Staff Insurance Expense)	1.13	1.23
Aditya Birla ARC Limited (Professional Expense)	0.05	0.06
<b>Expenses</b>		
Aditya Birla Wellness Private Limited (Staff Welfare Expense)**	0.01	0.00
Aditya Birla Wellness Private Limited (Credit note received against Staff Welfare Expense)	0.01	-
Aditya Birla Financial Shared Services Limited (Professional expense)	-	0.07
Aditya Birla Finance Limited (Staff Welfare Expense)	1.93	-
<b>Others</b>		
Grasim Industries Limited Employee Gratuity Trust Fund (Amount paid towards Gratuity)	3.34	-
<b>Directors and Key Management Personnel</b>		
Amit Kansal (Remuneration)^	26.21	37.61
<b>Balances outstanding:</b>		
<b>Other Receivable</b>		
Aditya Birla ARC Limited (Receivable against Payroll Expense)	4.75	5.37
Grasim Industries Limited Employee Gratuity Trust Fund (Amount paid towards Gratuity)	29.48	24.42
Aditya Birla Special Situations Fund I (Deemed Income)	68.62	28.80

\* Amounts are exclusive of GST

\*\*Figures rounded off to the nearest thousand

^ Variable Pay & Retirement Benefits are not included

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

## NOTE: 32 ANALYTICAL RATIO

Particulars	31st March, 2023	31st March, 2022
Liquidity Coverage Ratio (in times)*	3.20	2.05

Capital to risk-weighted assets ratio, Tier I CRAR and Tier II CRAR are not applicable to the Company thereby the same are not disclosed in the above table.

\* Liquidity Coverage Ratio is calculated based on the closing balance of quick assets as numerator and quick liabilities as denominator.

## NOTE: 33 FAIR VALUE

The following table provides the comparison of carrying value and fair value of the Company's Financial Assets and Liabilities as at 31<sup>st</sup> March, 2023 & 31<sup>st</sup> March, 2022.

### As at 31<sup>st</sup> March, 2023

Financial Assets	₹ in Lakhs	
	Carrying Value	Fair Value
Investments Unquoted(FVTPL)	3640.42	3,640.42
Other Financial Assets	73.37	73.37
<b>Total</b>	<b>3,713.79</b>	<b>3,713.79</b>

Financial Liabilities	₹ in Lakhs	
	Carrying Value	Fair Value
Trade Payable	3.27	3.27
Borrowings (Other than Debt Securities)	439.00	439.00
Other Financial Liabilities	30.58	30.58
<b>Total</b>	<b>472.85</b>	<b>472.85</b>

### As at 31<sup>st</sup> March, 2022

Financial Assets	₹ in Lakhs	
	Carrying Value	Fair Value
Investments Unquoted(FVTPL)	2,266.36	2,266.36
Other Financial Assets	34.17	34.17
<b>Total</b>	<b>2,300.53</b>	<b>2,300.53</b>

Financial Liabilities	₹ in Lakhs	
	Carrying Value	Fair Value
Trade Payable	3.40	3.40
Other Financial Liabilities	29.09	29.09
<b>Total</b>	<b>32.49</b>	<b>32.49</b>

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

## NOTE: 34 FAIR VALUE HIERARCHY

Following table provides the fair value measurement hierarchy of the Company's assets and liabilities as at 31<sup>st</sup> March, 2023 & 31<sup>st</sup> March, 2022

### As at 31<sup>st</sup> March, 2023

₹ in Lakhs					
Financial Assets	Date of Valuation	Total	Level 1	Level 2*	Level 3
Investments Unquoted (FVTPL)	31-03-2023	3,640.42	-	3,640.42	-

### As at 31<sup>st</sup> March, 2022

₹ in Lakhs					
Financial Assets	Date of Valuation	Total	Level 1	Level 2*	Level 3
Investments Unquoted (FVTPL)	31-03-2022	2,266.36	-	2,266.36	-

\* Level 2 Investment is Fair value of investment in Unquoted Mutual Funds & Unquoted AIF units as per NAV declared on these units.

There have been no transfers between levels during the year ended 31<sup>st</sup> March, 2023 and year ended 31<sup>st</sup> March, 2022.

## NOTE: 35 RISK MANAGEMENT FRAMEWORK

### a. Governance framework

The primary objective of the Company's risk and financial management framework is to protect the Company's shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Key management recognises the critical importance of having efficient and effective risk management systems in place.

### b. Approach to capital management

The Company seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders.

Available capital resources as at the end of the year:

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Borrowings (Other than Debt Securities)	439.00	-
Total Equity	1,480.00	1,480.00
<b>Total Capital</b>	<b>1,919.00</b>	<b>1,480.00</b>

### c. Regulatory framework

Regulators are primarily interested in protecting the rights of policyholders and monitor them closely to ensure that the company is satisfactorily managing affairs for their benefit. At the same time, regulators are also interested in ensuring that the company maintains an appropriate solvency position to meet unforeseeable liabilities arising from economic shocks or natural disasters. The operations of the company are subject to regulatory requirements within the jurisdictions in which it operates.

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

## NOTE: 36 FINANCIAL RISKS

### 1. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company manages its liquidity risk through temporary funding from its ultimate holding company as and when required.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

₹ in Lakhs						
Year ended 31st March, 2023	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade and other payables	-	3.27	-	-	-	3.27
Borrowings (Other than Debt Securities)	-	439.00	-	-	-	439.00
Other financial liabilities	-	-	30.58	-	-	30.58
	-	442.27	30.58	-	-	472.85

(₹ in Lakh)						
Year ended 31st March, 2022	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade and other payables	-	3.40	-	-	-	3.40
Other financial liabilities	-	-	29.09	-	-	29.09
	-	3.40	29.09	-	-	32.49

The table below summarises the maturity profile of the Company's financial assets based on contractual undiscounted payments.

₹ in Lakhs						
Year ended 31st March, 2023	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Cash and Cash Equivalents	103.78	-	-	-	-	103.78
Investments	-	-	-	3,640.42	-	3,640.42
Other Financial Assets	-	73.37	-	-	-	73.37
	103.78	73.37	-	3,640.42	-	3,817.57

(₹ in Lakh)						
Year ended 31st March, 2022	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Cash and Cash Equivalents	9.23	185.07	-	-	-	194.30
Investments	-	-	-	2,266.36	-	2,266.36
Other Financial Assets	-	34.17	-	-	-	34.17
	9.23	219.24	-	2,266.36	-	2,494.83

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

## 2. Operational risks

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Company cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environment, technology and the industry are monitored

through the Company's strategic planning and budgeting process. Internal control deficiency are reviewed by management and audit committee on periodic basis.

## 3. Credit risks

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks, investments in Mutual Fund units. The Company has no significant concentration of credit risk with any counterparty.

## NOTE: 37 REVENUE FROM CONTRACTS WITH CUSTOMERS

### Disaggregation of revenue from contracts with customers

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

₹ in Lakhs

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Primary geographical market</b>		
India	627.97	325.21
<b>Total</b>	<b>627.97</b>	<b>325.21</b>
<b>Major products/service lines</b>		
Fee and Commission Income	627.97	325.21
<b>Total</b>	<b>627.97</b>	<b>325.21</b>
<b>Timing of revenue recognition</b>		
At a point in time	627.97	325.21
Over a period of time	-	-
<b>Total</b>	<b>627.97</b>	<b>325.21</b>

There are no contract balances as at 31<sup>st</sup> March, 2023 and as at 31<sup>st</sup> March, 2022.

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

## **NOTE: 38 CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Corporate Social Responsibility (CSR) doesn't apply to the Company based on the criteria mentioned in Section 135 of the Companies Act 2013 as at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## **NOTE: 39 BENAMI PROPERTY UNDER BENAMI TRANSACTIONS (PROHIBITION) ACT, 1988**

No proceedings has been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder as at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## **NOTE: 40 WILFUL DEFAULTER**

The Company is not declared as a wilful defaulter by any bank or financial institution or any other lender as at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## **NOTE: 41 TRANSACTIONS WITH STRUCK-OFF COMPANIES**

The Company has not entered into any transactions with struck-off companies during the year ended 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## **NOTE: 42 MICRO, SMALL AND MEDIUM ENTERPRISES**

The company does not have any outstanding dues to Micro, Small and Medium enterprises. As per information available with the company, the Company has made payment to creditors within stipulated period as provided in "Micro, Small and Medium Enterprise Development Act 2006" ("the Act"). Hence the company has not provided for any interest payable to small, micro and medium enterprises as per the provisions of the Act and the necessary disclosures as per the Act have not been given.

## **NOTE: 43 UNRECORDED INCOME**

The Company does not have any previously unrecorded income which needs to be recorded in the books of accounts for the year ended 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## **NOTE: 44 CONTINGENT LIABILITY**

The Company has reviewed its pending litigations and proceedings, and on the basis of the same it has been concluded that there is no contingent liability as at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

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

## **NOTE: 45 CAPITAL COMMITMENTS**

As on 31<sup>st</sup> March, 2023, remaining capital commitment to invest as Sponsor is ₹ 282.04 lakhs (Previous year: ₹ 355.32 lakhs) and as Investor is ₹ 3,610.15 lakhs (Previous year: ₹ 4,548.14 lakhs). As per Regulation No. 10 (d) of SEBI AIF Regulations, 2012, the Company is required to have continuing interest in the Alternative Investment Fund (AIF) of not less than 2.5% of the total corpus or 5 Crore, whichever is lower, in the form of investment in the AIF. The same is complied by the Company.

## **NOTE: 46 LONG TERM CONTRACT**

The Company doesn't have long term contract including derivative contract as at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## **NOTE: 47 EVENTS AFTER THE REPORTING DATE**

There have been no events after the reporting date that require disclosure in these financial statements.

## **NOTE: 48**

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in parties identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly, lend or invest in other persons or entities identified

# Notes forming part of Financial Statement

for the year ended 31<sup>st</sup> March 2023

by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## NOTE: 49 SEGMENT REPORTING

The Board of Directors of the Company has been identified as the chief operating decision maker (CODM) as defined by Indian Accounting Standard 108 “Operating Segments”.

The CODM evaluates the Company’s performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit.

The principal business of the Company is of “Investment Manager”. All other activities of the Company revolve around its principal business. Therefore, directors have concluded that there is only one operating reportable segment as per Indian Accounting Standard 108 “Operating Segments”.

## NOTE: 50 CODE ON SOCIAL SECURITY

The Code on Social Security, 2020 (‘Code’) relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has

been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

## NOTE: 51 EXEMPTION FROM PREPARING CONSOLIDATED FINANCIAL STATEMENT

During the year ended 31<sup>st</sup> March, 2023, the company has established control on Aditya Birla Special Situations Fund – I (‘the fund’) thereby the fund became the subsidiary of the company as per Ind AS 110. However, the financial statement of the fund gets consolidated by the parent entity of the Company thereby the Company has availed exemption from preparing the consolidated financial statement for the year ended 31<sup>st</sup> March, 2023 as per Ind AS 110.

## NOTE: 52 PRIOR YEAR COMPARATIVES

Previous year figures have been regrouped/reclassified wherever necessary to conform to the current year’s presentation.

In terms of our report of even date attached

For **CNK & Associates LLP**

ICAI Firm Registration No.:- 101961W/W-100036  
Chartered Accountants

**Hiren Shah**

Partner  
Membership No. 100052  
Mumbai, 20<sup>th</sup> April, 2023

For and on behalf of the Board of Directors

**Aditya Birla Stressed Asset AMC Private Limited**

**Tushar Shah**

Director  
DIN-00239762  
Mumbai, 20<sup>th</sup> April, 2023

**Subhro Bhaduri**

Director  
DIN-7504331  
Mumbai, 20<sup>th</sup> April, 2023

**Amber Gupta**

Chief Financial Officer  
  
Mumbai, 20<sup>th</sup> April, 2023

**Sucheta Chaturvedi**

Company Secretary  
  
Mumbai, 20<sup>th</sup> April, 2023

Aditya Birla Money Limited



CIN: L65993GJ1995PLC064810,  
Registered Office Address : Indian Rayon Compound,  
Veraval – 362266, Gujarat  
T: 044-49490000  
E: [abm.sectl@adityabirlacapital.com](mailto:abm.sectl@adityabirlacapital.com)  
W: <https://stocksandsecurities.adityabirlamoney.com>

# Independent Auditor's Report

To The Members of Aditya Birla Money Limited

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying financial statements of **Aditya Birla Money Limited** (the "Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS")

### Key Audit Matter

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

and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

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

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Information Technology and General Controls</b></p> <p>The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes.</p> <p>Due to the complexity, large volume of transactions processed daily and reliance on automated and IT dependent manual controls, matter pertaining to adequacy and effectiveness of IT control environment is considered as a Key Audit Matter.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring, IT dependent and application-based controls are operating effectively.</p>	<p>We understood and assessed the overall IT control environment and the controls in place which included controls over access to systems and data, as well as system changes.</p> <p>Tested the design and operating effectiveness of IT access controls over the information systems that are important to financial reporting and various interfaces, configuration and other identified application controls.</p> <p>Tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorised.</p> <p>Tested the Company's periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorization.</p> <p>In addition to the above, we tested the design and operating effectiveness of certain automated and IT dependent manual controls that were considered as key internal controls over financial reporting.</p> <p>Tested the design and operating effectiveness compensating controls in case deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.</p>

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to

going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

## Independent Auditor's Report (Contd.)

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

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

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

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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts (refer Note 52), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts (refer Note 53), no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures performed that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
  - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. 1<sup>st</sup> April 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31<sup>st</sup> March 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

**Mukesh Jain**  
(Partner)

Place: Mumbai (Membership No. 108262)  
Date: 21<sup>st</sup> April 2023 (UDIN: 23108262BGTJME2051)

# ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls with reference to financial statements of **Aditya Birla Money Limited** (the "Company") as of 31<sup>st</sup> March 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about

whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

### Meaning of Internal Financial Controls with reference to financial statements

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

### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference

to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31<sup>st</sup> March 2023, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

**Mukesh Jain**  
(Partner)

Place: Mumbai

(Membership No. 108262)

Date: 21<sup>st</sup> April 2023

(UDIN: 23108262BGTJME2051)

# ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

- (i) In respect of the Company's Property, Plant and Equipment and Intangible assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of the of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of Property, Plant and Equipment so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for physical verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on our examination of the registered sale deed cum general power of attorney provided to us, we report that, the title deeds of all the immovable properties, disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company does not have any inventory and hence reporting under clause (ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising book debt statements and statements on ageing analysis of the debtors filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters as explained in Note 55(j) of financial statements and no material discrepancies have been observed.
- (iii) The Company has made investments in securities and granted loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year in respect of which:
- a) The Company has provided loans during the year and details of which are given below:

₹ in Lakhs	
Particulars	Loans
Aggregate amount during the year	
- Subsidiaries*	-
- Joint Ventures*	-
- Associates*	-
- Others <sup>#</sup>	3,786.56
Balance outstanding as at balance sheet date	
- Subsidiaries*	-
- Joint Ventures*	-
- Associates*	-
- Others	28,280.10

\* As per Companies Act, 2013

<sup>#</sup> The amount represents difference between amount outstanding at 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022.

The Company has not provided any guarantee, security or advances in nature of loans to companies, firms, limited liability partnership or any other parties during the year.

- b) The investments made and the terms and conditions of the grant of all the above-mentioned loans provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

- c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has not been stipulated (given the nature of the loans – Margin funding facility) and in the absence of such schedule, we are unable to comment on the regularity of the repayments of principal amounts and payment of interest (Refer reporting under clause (iii) (f) below).
- d) In respect of loans granted by the company, there is no overdue amount remaining outstanding as at balance sheet date.
- e) No loans granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) The Company has granted loans which are without specifying any terms or period of repayment details of which are given below:

Particulars	₹ in Lakhs		
	All parties	Promoters	Related parties
Aggregate of loans			
Repayable on demand (A)	-	-	-
Agreement does not specify any terms or period of repayment or details (B)	3,786.56	-	12.00
<b>Total (A+B)</b>	<b>3786.56</b>		<b>12.00</b>
<b>Percentage of loans to the total loans</b>	<b>100.00%</b>	<b>-</b>	<b>100.00%</b>

- (iv) The Company has not granted any loans, made investments or provided guarantees and securities under Section 185 of the Act. The Company has complied with the provisions of Sections 186 of the Act in respect of grant of loans and making investments. The Company has not provided any guarantees and securities during the year. Accordingly, para 3(iv) of the Order is not applicable to that extent.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under Section 148(1) of the Companies Act, 2013. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Value Added Tax, Cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been a delay in respect of remittance of professional tax dues.
- There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Value Added Tax, cess and other material statutory dues in arrears as at 31<sup>st</sup> March 2023 for a period of more than six months from the date they became payable other than stamp duties collected by the Company in respect of states wherein the manner of making the payment has not been notified from July 2011 onwards and remaining unpaid as On 31<sup>st</sup> March 2023 amounting to ₹164.90 lakhs as disclosed in Note 34 to the financial statements.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31<sup>st</sup> March 2023 on account of disputes are given below:

₹ in Lakhs

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Demand Amount	Amount paid	Un-paid amount
Finance Act, 1994	Service tax	CESTAT	March 2009 – November 2009	13.65	11.16	2.49
Finance Act, 1994	Service tax	CESTAT	April 2006 – May 2008	7.94	7.62	0.32
Employee's Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund	High Court, Chennai	April 2009 – May 2011	432.05	140.37	291.68
Securities exchange board of India (SEBI) Act, 1992	Penalty for violation under the SEBI provisions	Securities Appellate Tribunal (SAT)	January 2014 – December 2016	102.00	50.00	52.00
Income Tax Act, 1961	Income Tax	High Court, Chennai	AY 2010-11	7.42	-	7.42
Tamil Nadu Value Added Tax, 2006	Value Added Tax	Appellate Assistant Commissioner of Commercial Taxes	April 2006 – March 2007 April 2007 – March 2008	0.40 10.20	0.10 2.55	0.30 7.65
Directorate of Commercial taxes, West Bengal	Professional Tax	Directorate of Commercial taxes, West Bengal	April 2018 – March 2022	0.74	0.74	-

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not made any investment in or given any new loan or advances to any of its subsidiaries, associates or joint ventures during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer/ further public offer. In our opinion, moneys raised by way of debt instruments (commercial papers) during the year have been, prima facie, applied by the Company for the purposes for which they were raised.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

- (b) No report under sub-Section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year (and upto the date of this report).
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary company, associate company or persons connected with such directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, the Group more than one CIC as part of the group. There are three CIC forming part of the group.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities and other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

**Mukesh Jain**

(Partner)

Place: Mumbai

(Membership No. 108262)

Date: 21<sup>st</sup> April 2023

(UDIN: 23108262BGTJME2051)



# Balance Sheet

as at 31<sup>st</sup> March, 2023

₹ in Lakhs

	Note No.	As at 31st March, 2023	As at 31st March, 2022
<b>I ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and Cash Equivalents	3	6,248.57	3,670.08
(b) Bank Balance other than (a) above	4	50,231.17	42,526.59
(c) Investment in Securities	5	40,358.98	43,600.85
(d) Trade and Other Receivables	6	1,832.87	4,535.64
(e) Loans	7	28,281.74	24,521.39
(f) Other Financial Assets	8	2,574.03	2,265.34
<b>Sub-Total</b>		<b>1,29,527.36</b>	<b>1,21,119.88</b>
<b>(2) Non-Financial Assets</b>			
(a) Current Tax Assets (Net)		820.83	600.91
(b) Deferred Tax Assets (Net)	9	696.03	596.95
(c) Property, Plant and Equipment	10	651.94	290.39
(d) Right of use Assets	41	2,219.27	1,956.66
(e) Other Intangible Assets	11	232.75	159.50
(f) Intangible Assets Under Development	46	60.59	32.84
(g) Other Non-Financial Assets	12	2,132.81	1,910.24
<b>Sub-Total</b>		<b>6,814.22</b>	<b>5,547.49</b>
<b>Total Assets</b>		<b>1,36,341.58</b>	<b>1,26,667.37</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) Financial Liabilities</b>			
(a) Trade Payables	13		
(i) total outstanding dues of micro enterprises and small enterprises		8.75	92.84
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,940.33	3,248.36
(b) Debt Securities	14	78,940.78	63,577.52
(c) Subordinated Liabilities	15	8,648.97	8,135.47
(d) Lease Liabilities	41	2,376.25	2,148.77
(e) Other Financial Liabilities	16	28,949.75	38,309.95
<b>Sub-Total</b>		<b>1,20,864.83</b>	<b>1,15,512.91</b>
<b>(2) Non-Financial Liabilities</b>			
(a) Provisions	17	3,347.80	2,569.82
(b) Other Non-Financial Liabilities	18	1,211.73	1,141.34
<b>Sub-Total</b>		<b>4,559.53</b>	<b>3,711.16</b>
<b>(3) Equity</b>			
(a) Equity Share capital	19	564.53	563.75
(b) Other Equity	20	10,352.69	6,879.55
<b>Total Equity</b>		<b>10,917.22</b>	<b>7,443.30</b>
<b>Total Equity and Liabilities</b>		<b>1,36,341.58</b>	<b>1,26,667.37</b>

The accompanying Notes 1 to 55 form an integral part of the Financial Statements.

As per our report of even date  
For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountant  
ICAI Firm Registration Number: 117366W/W-100018

For and on behalf of the Board of Directors of  
**Aditya Birla Money Limited**

**Mukesh Jain**  
Partner  
Membership No. 108262

**Pinky A Mehta**  
Director  
DIN : 00020429

**Tushar Shah**  
Director  
DIN: 00239762

Place: Mumbai  
Date: 21st April 2023

**Pradeep Sharma**  
Chief Financial Officer

**Divya Poojari**  
Company Secretary  
Mem. No.: ACS23792

# Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2023

₹ in Lakhs			
Particulars	Note No.	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Revenue from operations</b>			
(i) Interest Income	21	10,296.56	6,995.62
(ii) Fees and commission Income	22	14,465.19	15,378.00
(iii) Net Gain on fair value changes	23	1,533.79	757.77
<b>Net Revenue from Operations</b>		<b>26,295.54</b>	<b>23,131.39</b>
Other Income	24	1,583.38	261.19
<b>Total Income</b>		<b>27,878.92</b>	<b>23,392.58</b>
<b>EXPENSES</b>			
(i) Finance costs	25	4,957.06	2,613.61
(ii) Fees and commission expenses		5,859.26	6,260.85
(iii) Impairment on financial instruments	26	45.61	28.87
(iv) Employee benefit expenses	27	6,998.73	6,530.35
(v) Depreciation and amortisation expenses	28	665.56	677.31
(vi) Other expenses	29	4,684.94	3,713.36
<b>Total Expenses</b>		<b>23,211.16</b>	<b>19,824.35</b>
<b>Profit Before Tax</b>		<b>4,667.76</b>	<b>3,568.23</b>
Tax Expenses			
Current Tax		1,261.00	1,020.32
Deferred Tax		(99.08)	(65.37)
Short Provision for Earlier Years		115.62	-
<b>Total Tax Expenses</b>		<b>1,277.54</b>	<b>954.95</b>
<b>Profit for the year</b>		<b>3,390.22</b>	<b>2,613.28</b>
Other Comprehensive Income	30		
(i) Items that will not be reclassified to profit or loss			
Remeasurement of post-employment benefit Obligations		76.19	22.06
(ii) Income tax relating to items that will not be reclassified to profit or loss			
Income tax relating to Re-measurement of post- employment benefit Obligations		19.18	5.55
<b>Other Comprehensive Income for the year, net of Tax (i - ii)</b>		<b>57.01</b>	<b>16.51</b>
<b>Total Comprehensive Income for the year</b>		<b>3,447.23</b>	<b>2,629.79</b>
Earnings per equity share :			
Basic		6.01	4.64
Diluted	31	6.01	4.63

The accompanying Notes 1 to 55 form an integral part of the Financial Statements.

As per our report of even date  
For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountant  
ICAI Firm Registration Number: 117366W/W-100018

For and on behalf of the Board of Directors of  
**Aditya Birla Money Limited**

**Mukesh Jain**  
Partner  
Membership No. 108262

**Pinky A Mehta**  
Director  
DIN : 00020429

**Tushar Shah**  
Director  
DIN: 00239762

Place: Mumbai  
Date: 21<sup>st</sup> April 2023

**Pradeep Sharma**  
Chief Financial Officer

**Divya Poojari**  
Company Secretary  
Mem. No.: ACS23792

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2023

## (A) EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares of face value of ₹1/- each issued and subscribed and fully paid up				
Balance at the beginning of the year	5,63,74,998	563.75	5,63,01,357	563.01
Changes in Equity share capital during the year				
Issue of share on employee stock options plan (ESOP) (Refer Note 43)	77,884	0.78	73,641	0.74
<b>Balance at the end of the period</b>	<b>5,64,52,882</b>	<b>564.53</b>	<b>5,63,74,998</b>	<b>563.75</b>

## (B) OTHER EQUITY

For the year ended 31st March, 2023

₹ in Lakhs

Particulars	Reserve and Surplus					Total Other Equity
	Retained Earnings			Other Reserve		
	Surplus as per Statement of Profit and Loss	General Reserve	Capital Reserve	Securities Premium Reserve	Share Option Outstanding Account	
<b>Balance as at 1st April 2022</b>	3,485.70	2,757.82	115.39	495.25	25.40	6,879.55
Profit for the year	3,390.22	-	-	-	-	3,390.22
Other Comprehensive Income for the year (Refer Note 30)	57.01	-	-	-	-	57.01
Total Comprehensive income	3,447.23	-	-	-	-	3,447.23
Transfer to General Reserve on account of lapse of vested options	-	-	-	-	-	-
Exercise of ESOP (Refer Note 43)	-	-	-	40.92	(15.02)	25.90
<b>Balance as at 31st March, 2023</b>	<b>6,932.93</b>	<b>2,757.82</b>	<b>115.39</b>	<b>536.17</b>	<b>10.38</b>	<b>10,352.69</b>

For the year ended 31st March, 2022

₹ in Lakhs

Particulars	Reserve and Surplus					Total Other Equity
	Retained Earnings			Other Reserve		
	Surplus as per Statement of Profit and Loss	General Reserve	Capital Reserve	Securities Premium Reserve	Share Option Outstanding Account	
<b>Balance as at 1st April 2021</b>	855.91	2,695.98	115.39	456.56	101.44	4,225.27
Profit for the year	2,613.28	-	-	-	-	2,613.28
Other Comprehensive Income for the year (Refer Note 30)	16.51	-	-	-	-	16.51
Total Comprehensive income	2,629.79	-	-	-	-	2,629.79
Transfer to General Reserve on account of lapse of vested options	-	61.84	-	-	(61.84)	-
Exercise of ESOP (Refer Note 43)	-	-	-	38.69	(14.20)	24.49
<b>Balance as at 31st March 2022</b>	<b>3,485.70</b>	<b>2,757.82</b>	<b>115.39</b>	<b>495.25</b>	<b>25.40</b>	<b>6,879.55</b>

The accompanying Notes 1 to 55 form an integral part of the Financial Statements.

As per our report of even date  
For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountant  
ICAI Firm Registration Number: 117366W/W-100018

For and on behalf of the Board of Directors of  
**Aditya Birla Money Limited**

**Mukesh Jain**  
Partner  
Membership No. 108262

**Pinky A Mehta**  
Director  
DIN : 00020429

**Tushar Shah**  
Director  
DIN: 00239762

Place: Mumbai  
Date: 21st April 2023

**Pradeep Sharma**  
Chief Financial Officer

**Divya Poojari**  
Company Secretary  
Mem. No.: ACS23792

# Statement of Cash Flows

for the year ended 31<sup>st</sup> March, 2023

PARTICULARS	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Cash flow from operating activities</b>		
Profit before tax	4,667.76	3,568.23
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/ amortization	665.56	677.31
Loss on sale of Property, plant and equipment	11.04	4.66
Impairment on Financial Instruments	45.61	28.87
Gain on Termination of Lease	(37.13)	-
Net Gain on sale of investments (Mutual fund)	(366.87)	(199.29)
Interest expenses	4,957.07	2,613.61
<b>Operating profit before working capital changes</b>	<b>9,943.04</b>	<b>6,693.39</b>
Movements in working capital :		
(Decrease)/Increase in trade payables & Provisions	(580.02)	410.65
(Decrease)/Increase in other Financial liabilities & Non-Financial liabilities	(9,289.73)	1,092.82
Decrease in trade and other receivables	2,657.16	1,275.35
Increase in Loans	(3,760.35)	(14,964.52)
Decrease/(Increase) in Investment in Securities (WDM)	3,241.87	(17,951.84)
Increase in other bank balance other than Cash & Cash Equivalents	(7,704.58)	(2,967.77)
Increase in other Financial assets & other non-Financial assets	(542.39)	(580.15)
<b>Cash used in operations</b>	<b>(6,035.00)</b>	<b>(26,992.06)</b>
<b>Direct taxes paid (net of refunds)</b>	<b>1,615.72</b>	<b>1,412.72</b>
<b>Net cash used in operating activities (A)</b>	<b>(7,650.72)</b>	<b>(28,404.78)</b>
<b>Cash flows from Investing activities</b>		
Purchase of Property, Plant and Equipment, including intangible under development and capital advances	(748.96)	(168.78)
Proceeds from sale of Property, Plant and Equipment	5.97	1.89
Net Proceeds from Mutual Fund transactions*	366.87	199.28
<b>Net cash (used in)/ generated from investing activities (B)</b>	<b>(376.12)</b>	<b>32.39</b>
Cash flows from financing activities		
Proceeds from issuance of equity share capital	0.78	0.74
Premium on issue of equity share capital	25.90	24.49
Proceeds from issuance of Subordinated Liabilities	-	8,000.00
Redemption of Subordinated Liabilities	-	(5,775.52)
Payments towards Lease liabilities (including interest thereon)	(484.99)	(527.30)
Net Short-term borrowings	15,363.27	31,498.15
Interest paid	(4,299.63)	(2,132.60)
<b>Net cash generated from financing activities (C)</b>	<b>10,605.33</b>	<b>31,087.97</b>



# Statement of Cash Flows

for the year ended 31<sup>st</sup> March, 2023

PARTICULARS	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Net increase in cash and cash equivalents (A +B +C)</b>	<b>2,578.49</b>	<b>2,715.58</b>
Cash and cash equivalents at the beginning of the year	3,670.08	954.50
Cash and cash equivalents as at the end of the year	6,248.57	3,670.08
<b>Components of cash and cash equivalents</b>		
Cash on hand	-	-
With banks - Current Accounts	6,248.57	3,670.08
<b>Total cash and cash equivalents (Note 3)</b>	<b>6,248.57</b>	<b>3,670.08</b>

**\*Note:**

Net proceeds from mutual funds transactions is nett off purchases of ₹16,96,200.00 lakhs (PY ₹15,25,399.88 lakhs).

The accompanying Notes 1 to 55 form an integral part of the Financial Statements.

As per our report of even date  
**For DELOITTE HASKINS & SELLS LLP**  
 Chartered Accountant  
 ICAI Firm Registration Number: 117366W/W-100018

For and on behalf of the Board of Directors of  
**Aditya Birla Money Limited**

**Mukesh Jain**  
 Partner  
 Membership No. 108262

**Pinky A Mehta**  
 Director  
 DIN : 00020429

**Tushar Shah**  
 Director  
 DIN: 00239762

Place: Mumbai  
 Date: 21<sup>st</sup> April 2023

**Pradeep Sharma**  
 Chief Financial Officer

**Divya Poojari**  
 Company Secretary  
 Mem. No.: ACS23792

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## 1. GENERAL INFORMATION

Aditya Birla Money Limited ('ABML' or 'the Company') having Company Identification No: L65993GJ1995PLC064810 is a listed public company having its registered office at Indian Rayon Compound, Veraval – 362 266, Gujarat, domiciled in India and is incorporated on 04<sup>th</sup> July 1995, in Chennai, Tamil Nadu under the provisions of erstwhile Companies Act, 1956 (now Companies Act, 2013).

Company's shares are listed in two recognized stock exchanges in India. The Company is a stock broking and capital market products distributor, offering Equity and Derivative trading through NSE and BSE and Currency Derivative on MCX-SX and Commodities Trading through MCX and NCDEX. It is registered as a Depository Participant with both NSDL and CDSL in terms of the Securities and Exchange Board of India (Depository Participants) Regulations, 1996. It also provides Portfolio Management Services and is involved in investment in securities.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Statement of Compliance

These financial statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013, the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable. The financial statements are approved by the Board of Directors of the Company at their meeting held on 21<sup>st</sup> April 2023

#### 2.2.1 Basis Of Preparation

The financial statements are prepared and presented on the going concern basis and at historical cost, except for the following assets and liabilities which have been measured at fair value:

- certain financial assets & liabilities at fair value (refer accounting policy 2.9 on financial Instruments).
- employee's Defined Benefit Plan as per actuarial valuation

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date 31<sup>st</sup> March 2023, and more than 12 months after the reporting date 31<sup>st</sup> March 2023, is presented in Note 32.

Financial assets and liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## 2.2.2 BASIS OF ACCOUNTING

To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Company has changed the classification of certain items. Previous year's figures have been re-grouped or reclassified, to confirm to such current year's grouping / classifications. There is no impact on Equity or Net profit due to these regrouping / reclassifications.

## 2.3 FUNCTIONAL AND PRESENTATION CURRENCY:

The financial statements are presented in Indian Rupees, which are the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

## 2.4 PROPERTY, PLANT AND EQUIPMENT (PPE) & DEPRECIATION:

Property, plant and equipment are stated at acquisition or construction cost less accumulated depreciation and impairment loss. Cost comprises the purchase price and any attributable cost of bringing the asset to its location and working condition for its intended use, including relevant borrowing costs and any expected costs of decommissioning. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

When significant parts of Property, Plant and Equipment are required to be replaced at intervals, the company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the Property, Plant and Equipment as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation on Property, Plant and Equipment is provided on Straight Line basis using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013 or estimated by the management. The company has used the following useful life to provide depreciation on its Property, Plant and Equipment.

Assets where useful life is same as Schedule II:

Asset	Useful Life as Prescribed by Schedule II of the Companies Act, 2013
Computers (end user computers, Laptops)	3 years
Servers	6 years
Office Equipment (AC, UPS, Generator & Invertors)	5 years

The useful life of assets different from those prescribed in Schedule II has been estimated by management supported by the Internal Technical assessments and Policies.

Asset	Useful Life as Prescribed by Schedule II of the Companies Act, 2013	Estimated Useful Life
Batteries (included under office equipment's)	5 Years	4 Years
Furniture & Fixtures*	10 Years	7 years
Vehicles#	6 years	4 Years/5 Years

\*In the case of Furniture & Fixtures fitted within premises, Depreciation calculated based on lease period taking into account the secondary lease period or 7 years whichever is less.

#In the case of vehicles, depreciation calculated based on the period mentioned in the Group vehicle policy. As per policy, an employee has the choice to purchase the vehicle after 4 Years or 5 Years as per the applicable job band.

Property, Plant and Equipment, individually costing less than Rupees five thousand are fully depreciated in the year of purchase.

Depreciation on the Property, Plant and Equipment added/disposed off/discarded during the year is provided on pro-rata basis with reference to the month of addition/disposal/discarding.

Gains or losses arising from de-recognition of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

## 2.4.1 Capital work-in-progress and Capital advances

Cost of assets not yet ready for intended use, as on the Balance Sheet date, is shown as capital work-in-progress. Advances given towards acquisition of Fixed Assets

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

outstanding at each Balance Sheet date are disclosed in Other Non Financial Assets.

## 2.5 INTANGIBLE ASSETS & AMORTISATION

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Capitalized costs include direct costs of implementation and expenses directly attributable to the development of the software. All other expenses on existing intangible assets, including day-to-day maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Computer software cost capitalized is amortized over the estimated useful life of 6 years on a straight-line basis.

### 2.5.1 Intangible Assets Under Development

Expenditure on software development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

## 2.6 IMPAIRMENT

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss

is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

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

## 2.7 BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

## 2.8 LEASES

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes right – of – use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value – in – use) is determined on an individual asset basis unless the asset generates cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## 2.9 FINANCIAL INSTRUMENTS

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

### 2.9.1. Financial Asset

#### 2.9.1.1 Initial Recognition and Measurement

The classification of financial instruments at initial

recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, Transaction costs are added to, or subtracted from, the said fair value except in the case of financial assets and financial liabilities recorded at FVTPL. However, trade receivables are measured at the transaction price.

The purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognized on the trade date i.e. the date that the Company commits to purchase or sell the asset.

#### 2.9.1.2 Subsequent Measurement

For the purpose of subsequent measurement, financial assets are classified as below:

- i) Financial instruments at amortized cost
- ii) Financial instruments at fair value through other comprehensive income (FVTOCI)
- iii) Financial instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

#### (i) Financial assets measured at amortized cost

A 'Financial instrument' is measured at the amortized cost if both the following conditions are met:

The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

# Notes forming part of the Financial Statements

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## (ii) Financial assets at fair value through other comprehensive income (FVTOCI):

A 'Financial Instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Financial Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI Financial Instrument is reported as interest income using the EIR method.

## (iii) Financial Instrument at FVTPL

FVTPL is a residual category for Financial Instruments. Any Financial Instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a Financial Instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such an election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has classified the current investments held as investment in securities (WDM portfolio) at FVTPL.

Financial Instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

## (iv) Equity Investments

All equity investments in scope of IND AS 109 are measured at fair value and the Company may make an irrevocable election to present in other comprehensive

income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amount from OCI to P&L, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

### 2.9.1.3. De-Recognition of Financial Assets

Financial assets are de-recognized when the contractual rights to the cashflows from the financial asset expire or the financial asset is transferred, and the transfer qualifies for de-recognition. On de-recognition of a financial asset in its entirety the difference between the carrying amount (measured at the date of de-recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in Statement of profit and loss.

### 2.9.1.4 Impairment of Financial Assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. In the case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments - for recognition of impairment loss allowance. The application of the simplified approach does not require the Company to track changes in credit risk of trade receivable.

The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

In this approach, assets are grouped on the basis of similar credit characteristics such as industry, customer segment, past due status and other factors which are relevant to estimate the expected cash loss from these assets.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## 2.9.1.5. Other Financial Assets

Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on probability of default over the lifetime when there is significant increase in credit risk.

## 2.9.2 Financial Liabilities

Financial liabilities are classified, at initial recognition,

- as financial liabilities at fair value through profit or loss,
- loans and borrowings,
- payables

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings & payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

### 2.9.2.1. Subsequent Measurement:

The measurement of financial liabilities depends on their classification, as described below:

#### 2.9.2.1.1. Financial liabilities at FVTPL:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI.

These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

### 2.9.2.1.2. Loans & Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss

#### 2.9.2.1.3. De-recognition of financial liabilities:

A financial liability shall be de-recognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

## 2.10 Investment in Securities

Securities acquired with the intention to trade are classified as Investment. Investments are valued at market/ fair value. The profit or loss from the sale of investment is recognised on trade date in the Statement of Profit and Loss.

## 2.11. Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## 2.12. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or the liability; or In the absence of a principal market, in the most advantageous market for the asset or liability,

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

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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 market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at

fair value, and for non-recurring measurement, such as assets held for disposal in discontinued operations.

## 2.13. Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists or when annual impairment testing for any asset is required, the Company estimates the assets recoverable amount. An assets recoverable amount is the higher of an assets fair value less cost of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflow that is largely independent of those from other assets or group of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

## 2.14. Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at transaction price i.e. the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties. The Company considers the terms of the contract and its customary business practices to determine the transaction price.

Where the consideration promised is variable, the Company excludes the estimates of variable consideration that are constrained. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The company recognises revenue from 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.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

**Step 2:** Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

**Step 3:** Determine the transaction price: The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

**Step 4:** Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the company expects to be entitled in exchange for satisfying each performance obligation.

**Step 5:** Recognise revenue when (or as) the company satisfies a performance obligation.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the transaction price, considering contractually defined terms of payment and excluding taxes and duties collected on behalf of the government.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognized.

The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably.
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred for the transaction or to be incurred in respect of the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognized only to the extent of the

expenses recognized that are recoverable. The revenue recognition in respect of the various streams of revenue is described below:

Brokerage Income and related charges are recognized on the trade date of the transaction upon confirmation of the transactions by the exchanges. Account opening charges are recognized when right to receive the income is established.

Income from depository services, interest and finance charges on funding facility availed by the clients are recognized on the basis of agreements entered into with clients and when the right to receive the income is established.

Interest bearing instruments are measured either at amortized cost and interest income is recorded using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future receipts over the expected life of the financial instrument, to the gross carrying amount of the financial asset.

Interest earned from income bearing instruments is allocated between pre-acquisition and post-acquisition period and the accrued portion of the pre-acquisition portion is deducted from cost. The post-acquisition portion of interest is considered as revenue. The Profit / Loss realized from sale of securities are recognized on trade date basis.

Other interest incomes are recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.

Portfolio management fees are recognized on an accrual basis in accordance with the Portfolio Management Agreements entered into with the respective clients.

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

## 2.15. Retirement and Other Employee Benefits

### 2.15.1 Employee benefits

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Company, as detailed below:

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for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## 2.15.1.1 Defined contribution plan (Provident fund)

In accordance with Indian law, eligible employees receive benefits from provident fund, which is a defined contribution plan. Both the employee and employer make monthly contributions to the plan, each equal to a specified percentage of employee's basic salary.

The Company has no further obligations under the plan beyond its monthly contributions. The Company does not have any legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Obligation for contributions to the plan is recognized as an employee benefit expense in the Statement of Profit and Loss when incurred.

## 2.15.1.2 Defined Benefit Plans (Gratuity)

In accordance with applicable Indian laws, the company provides for gratuity, a defined benefit retirement plan (the Gratuity Plan) covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company.

The Company's net obligation in respect of the gratuity plan is calculated by estimating the amount of future benefits that the employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service cost and the fair value of plan assets are deducted.

The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligations. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

The Company recognizes all re-measurements of net defined benefit liability/asset directly in other comprehensive income and presented within equity. The Company has employees' gratuity fund under Grasim

Industries Limited Employees Gratuity Trust managed by the Grasim Industries Limited.

## 2.15.1.3 Short Term Benefit

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

## 2.15.1.4 Compensated Absences

The employees of the Company are entitled to Leave encashment benefit. The employees can carry forward a portion of the unutilized accrued absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence. The Company recognizes an obligation for compensated absences in the period in which the employee renders the services.

The Company provides for the expected cost of compensated absence in the Statement of Profit and Loss as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated based on actuarial valuations carried out by an independent actuary at the balance sheet date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through Statement of Profit & Loss in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

## 2.15.1.5 Share-Based Payment Transactions

Employees (including senior executives) of the company receive remuneration in the form of share-based payments whereby employees render services as consideration for equity instruments (equity-settled transactions).

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## 2.15.1.6 Equity – Settled Transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognized, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense.

The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of

the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## 2.16. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

## 2.17. Taxes

### 2.17.1 Current income tax

Current tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961, and the rules framed thereunder.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and established provisions where appropriate.

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(All amounts are in lakhs, unless otherwise stated)

## 2.17.2. Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## 2.18. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split, if any.

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

## 2.19. Use Of Estimates

The preparation of financial statements in conformity with IND AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period.

Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

## 2.20. Segment Reporting

The Company's business is to provide Brokerage service, further, the company also invests in security as a part of the business activity and portfolio management services ('PMS') to its clients within India and the reportable segment is basis the above business segments.

Segment Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the Business segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated expenses/income". Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment. The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company.

## 2.21. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

from time to time. On 31<sup>st</sup> March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1<sup>st</sup> April 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of ‘accounting estimates’ and included

amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1<sup>st</sup> April 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1<sup>st</sup> April 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

## NOTE: 3 CASH AND CASH EQUIVALENTS

	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Cash on hand	-	-
Balances with banks - Current accounts	6,248.57	3,670.08
	<b>6,248.57</b>	<b>3,670.08</b>

## NOTE: 4 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Fixed deposit accounts (with original maturity period of more than 3 months) *	50,231.17	42,492.82
Corporate social responsibility - unspent account	-	33.77
	<b>50,231.17</b>	<b>42,526.59</b>
* Fixed deposits placed with banks towards:		
a) Margin with exchange (under lien)	34,208.60	29,278.40
b) Issue of bank guarantee (under lien)	14,075.07	11,216.76
c) Others	52.06	52.06
	<b>48,335.73</b>	<b>40,547.22</b>
Corporate social responsibility – unspent account	-	33.77
Interest accrued on fixed deposits	1,895.44	1,945.60
	<b>50,231.17</b>	<b>42,526.59</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## NOTE: 5 INVESTMENT IN SECURITIES

	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
(Carried at fair value through profit or loss)		
Investment in securities	40,358.98	43,600.85
	<b>40,358.98</b>	<b>43,600.85</b>
(a) Opening	43,600.85	25,649.01
(b) Purchases	14,52,794.22	12,40,858.25
(c) Cost of sales	(14,55,444.17)	(12,22,341.62)
(d) Fair value changes	(591.92)	(564.80)
	<b>40,358.98</b>	<b>43,600.85</b>

## NOTE: 6 TRADE AND OTHER RECEIVABLES<sup>^</sup>

	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Secured, considered good	1,795.01	4,407.59
Unsecured, considered good	37.86	128.05
Unsecured, credit impaired	815.56	770.13
	<b>2,648.43</b>	<b>5,305.77</b>
Less: Allowance for impairment loss	(815.56)	(770.13)
	<b>1,832.87</b>	<b>4,535.64</b>

<sup>^</sup>Trade receivables includes pass through amounts representing dues from clients and exchange towards transactions not fully settled as at the reporting date of stock and securities broking business.

<sup>^</sup>Trade receivables includes amount receivable from customers pertaining to amount funded to them for settlement of trade as part of normal business activity.

	₹ in Lakhs						
As at 31st March 2023	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	697.24	846.64	24.62	264.36	-	-	1,832.87
(ii) Undisputed Trade Receivables – credit impaired	-	29.30	42.30	743.96	-	-	815.56
	<b>697.24</b>	<b>875.94</b>	<b>66.92</b>	<b>1,008.32</b>	<b>-</b>	<b>-</b>	<b>2,648.43</b>
Less: Allowance for impairment loss							(815.56)
<b>Total Trade Receivables</b>							<b>1,832.87</b>

	₹ in Lakhs						
As at 31st March 2022	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	2,766.50	1,504.23	36.87	6.93	221.13	-	4,535.65
(ii) Undisputed Trade Receivables – credit impaired	-	12.93	27.66	381.24	348.31	-	770.13
	<b>2,766.50</b>	<b>1,517.15</b>	<b>64.53</b>	<b>388.16</b>	<b>569.43</b>	<b>-</b>	<b>5,305.78</b>
Less: Allowance for impairment loss							(770.13)
<b>Total Trade Receivables</b>							<b>4,535.64</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## NOTE: 7 LOANS

	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
(Unsecured, except otherwise stated)		
(carried at amortised cost)		
Loans and advances to employees*	1.36	2.44
Margin trading facility (Secured)	28,280.10	24,505.54
Others	16.55	29.68
Less: Impairment Loss allowances	(16.27)	(16.27)
	<b>28,281.74</b>	<b>24,521.39</b>

\*Advances towards expenses

## NOTE: 8 OTHER FINANCIAL ASSETS

	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
(Carried at amortised cost, except otherwise stated)		
Interest Accrued on Investment in Securities	324.02	851.80
Security Deposits	1246.32	465.22
Less: Impairment Loss allowances on security deposits	-	(72.77)
Receivable from Exchange	650.15	650.15
Margin with Exchange	304.18	304.18
Less: Impairment Loss allowances on Margin with exchange	(18.75)	(18.75)
Other Receivables	68.11	85.51
	<b>2,574.03</b>	<b>2,265.34</b>

## NOTE: 9 DEFERRED TAX ASSETS (NET)

	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Temporary difference on account of Property, Plant and Equipment and Ind AS adjustments	122.74	147.15
Items to be considered under Section 43B of Income tax Act,1961	98.19	98.93
Provisions for claims	265.08	138.74
Provision for doubtful debts	210.02	212.13
	<b>696.03</b>	<b>596.95</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## NOTE: 10 PROPERTY, PLANT AND EQUIPMENT

						₹ in Lakhs
Particulars	Freehold Land	Furniture & Fixtures	Office Equipment	Computers	Vehicles	TOTAL
<b>Gross Block</b>						
As at 1st April 2021	15.00	31.80	43.31	680.70	68.67	839.48
Additions during the year	-	40.47	11.15	67.54	44.77	163.93
Deletions during the year	-	-	1.57	-	24.40	25.97
<b>As at 31st March 2022</b>	<b>15.00</b>	<b>72.27</b>	<b>52.89</b>	<b>748.24</b>	<b>89.04</b>	<b>977.44</b>
Additions during the year	-	54.96	8.16	353.66	144.53	561.31
Deletions during the year	-	11.68	22.34	66.23	47.35	147.60
<b>As at 31st March 2023</b>	<b>15.00</b>	<b>115.55</b>	<b>38.71</b>	<b>1,035.67</b>	<b>186.22</b>	<b>1,391.15</b>
<b>Accumulated Depreciation</b>						
As at 1st April 2021	-	19.30	24.96	443.23	36.52	524.01
Depreciation for the year	-	6.14	8.74	156.03	11.57	182.48
Deletions during the year	-	-	1.56	-	17.87	19.43
<b>As at 31st March 2022</b>	<b>-</b>	<b>25.44</b>	<b>32.14</b>	<b>599.26</b>	<b>30.22</b>	<b>687.06</b>
Depreciation for the year	-	19.58	9.03	122.38	31.74	182.73
Deletions during the year	-	11.68	22.27	65.63	31.01	130.59
<b>As at 31st March 2023</b>	<b>-</b>	<b>33.34</b>	<b>18.90</b>	<b>656.01</b>	<b>30.95</b>	<b>739.20</b>
<b>Net Carrying Value</b>						
As at 31st March 2022	15.00	46.83	20.75	148.98	58.82	290.39
<b>As at 31st March 2023</b>	<b>15.00</b>	<b>82.21</b>	<b>19.80</b>	<b>379.66</b>	<b>155.27</b>	<b>651.94</b>

## NOTE: 11 OTHER INTANGIBLE ASSETS

		₹ in Lakhs	
Particulars	Computer Software	TOTAL	
<b>Gross Block</b>			
As at 1st April 2021	502.53	502.53	
Additions during the year	40.38	40.38	
Deletions during the year	-	-	
<b>As at 31st March 2022</b>	<b>542.91</b>	<b>542.91</b>	
Additions during the year	139.06	139.06	
Deletions during the year	-	-	
<b>As at 31st March 2023</b>	<b>681.97</b>	<b>681.97</b>	
<b>Accumulated Amortisation</b>			
As at 1st April 2021	303.63	303.63	
Amortisation for the year	79.78	79.78	
Deletions during the year	-	-	
<b>As at 31st March 2022</b>	<b>383.41</b>	<b>383.41</b>	
Amortisation for the year	65.81	65.81	
Deletions during the year	-	-	
<b>As at 31st March 2023</b>	<b>449.22</b>	<b>449.22</b>	
<b>Net Carrying Value</b>			
As at 31st March 2022	159.50	159.50	
<b>As at 31st March 2023</b>	<b>232.75</b>	<b>232.75</b>	

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## NOTE: 12 OTHER NON-FINANCIAL ASSETS

	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
(Unsecured, except otherwise stated)		
Unbilled revenue	17.00	14.22
Balances held with government authorities	407.12	307.28
Advance for expenses	447.34	448.09
Capital advances	20.78	-
Prepaid expenses	259.60	224.65
Gratuity assets receivables	968.48	907.81
Others	12.49	8.19
	<b>2,132.81</b>	<b>1,910.24</b>

## NOTE: 13 TRADE PAYABLES

	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
(Carried at Amortized Cost, except otherwise stated)		
(i) total outstanding dues of Micro Enterprises and Small Enterprises	8.75	92.84
(ii) total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1,940.33	3,248.36
	<b>1,949.08</b>	<b>3,341.20</b>

### Note:

There are no Micro, Small and Medium Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at 31<sup>st</sup> March 2023 and no interest payment made during the year to any Micro, Small and Medium Enterprises (MSME). (Previous Year MSME Interest: NIL), This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties has been identified on the basis of information available with the company.

### For Trade Payable outstanding following is the ageing schedule

	₹ in Lakhs				
As at 31st March 2023	Outstanding for following periods from date of invoices				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSME	8.75	-	-	-	8.75
(ii) Undisputed dues – Others*	1,820.31	45.22	8.50	66.30	1,940.33
	<b>1,829.06</b>	<b>45.22</b>	<b>8.50</b>	<b>66.30</b>	<b>1,949.08</b>

	₹ in Lakhs				
As at 31st March 2022	Outstanding for following periods from date of invoices				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSME	92.84	-	-	-	92.84
(ii) Undisputed dues – Others*	1,320.57	801.09	809.90	316.80	3,248.36
	<b>1,413.41</b>	<b>801.09</b>	<b>809.90</b>	<b>316.80</b>	<b>3,341.20</b>

\* Including accrual for expenses

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## NOTE: 14 DEBT SECURITIES

	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
(At Amortised Cost)		
Unsecured		
Commercial Papers	78,940.78	63,577.52
	<b>78,940.78</b>	<b>63,577.52</b>
i) Maximum balance outstanding during the year	93,239.00	66,793.29
ii) Commercial Papers are shown net of unamortized discounting charges		
iii) Repayable in 59 to 91 days (Previous year :15 days 152 days) from the date of draw down. The interest on this loan ranges from 4.45% to 8.40% (Previous year ranged from 3.94% to 5.10%)		

## NOTE: 15 SUBORDINATED LIABILITIES\*

	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
(At Amortised Cost)		
Preference Shares - 4% Redeemable Non-Convertible Non-Cumulative of ₹100/- each fully paid	8,648.97	8,135.47
	<b>8,648.97</b>	<b>8,135.47</b>

\* Includes accrual of redemption premium as on 31<sup>st</sup> March 2023 of ₹648.97 Lakhs (As on 31<sup>st</sup> March 2022 ₹135.47 lakhs )

## Reconciliation of the number of Preference shares outstanding at the beginning and at the end of the period

Description	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares	Amount in Lakhs	Number of shares	Amount in Lakhs
a) Preference Shares-8% Redeemable Non-Convertible Non-Cumulative of ₹100/- each fully paid				
At the beginning of the year	-	-	10,00,000	1,000.00
Redemption during the year	-	-	10,00,000	1,000.00
Outstanding at the end of the year	-	-	-	-
b) Preference Shares-4% Redeemable Non-Convertible Non-Cumulative of ₹100/- each fully paid				
At the beginning of the year	16,00,000	1,600.00	-	-
Issued during the year	-	-	16,00,000	1,600.00
Outstanding at the end of the year	16,00,000	1,600.00	16,00,000	1,600.00

## Terms/Rights attached to Preference Shares

### a) Preference Shares - 4% Redeemable Non-Convertible Non-Cumulative of ₹100/- each fully paid

The company has issued 16,00,000 4% Non-Cumulative Non-Convertible Redeemable Preference Shares of ₹100/- each for cash, at an issue price of ₹500/- per share including premium of ₹400/- per share aggregating to ₹80 crore on 24<sup>th</sup> December 2021 redeemable on 23<sup>rd</sup> December 2025 at ₹639/- per share.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## b) Shares held by Holding Company

Shares held by Holding Company Aditya Birla Capital Limited :

31<sup>st</sup> March 2023 16,00,000 (Previous Year : 16,00,000) 4% Redeemable Non-Convertible Non-Cumulative Preference shares of ₹100/- each fully paid-up

## NOTE: 16 OTHER FINANCIAL LIABILITIES

	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
<b>(Carried at amortised cost, except otherwise stated)</b>		
Amount Payable to customers*	26,074.73	35,030.29
Other Payables		
Deposits	759.37	756.57
Payable Related to Employees	1,465.67	1,873.11
Other Obligation	649.98	649.98
	<b>28,949.75</b>	<b>38,309.95</b>

\* It includes amount payable of ₹384.98 lakhs (Previous year ₹778.13 lakhs) towards expected reversal for brokerage and interest.

## NOTE: 17 PROVISIONS

	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits		
Provision for compensated absences	201.18	201.71
Provision for gratuity	800.04	753.68
Provision for long term incentive plan	656.23	426.08
Provision for claims*	1,690.35	1,188.35
	<b>3,347.80</b>	<b>2,569.82</b>
*Movement of provision for claims		
Opening balance	1,188.35	1,188.35
Additions during the year	502.00	-
Utilise/Reversal during the year	-	-
Closing balance	1690.35	1,188.35

## NOTE: 18 OTHER NON-FINANCIAL LIABILITIES

	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Income received in advance	279.35	259.28
Statutory dues	885.28	820.34
Others	47.10	61.72
	<b>1,211.73</b>	<b>1,141.34</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## NOTE: 19 SHARE CAPITAL

	As at 31st March, 2023	As at 31st March, 2022
₹ in Lakhs		
<b>Authorised:</b>		
700,00,000 (Previous year: 700,00,000) Equity Shares of Re.1/- each (Previous Year: Re.1/- each)	700.00	700.00
26,00,000 4% Preference Shares of Rs.100/- each (Previous Year: 26,00,000 4% Preference Shares of Rs.100/- each) (Refer note :15)	2,600.00	2,600.00
	<b>3,300.00</b>	<b>3,300.00</b>
<b>Issued, Subscribed and Paid-up:</b>		
<b>Equity Share Capital</b>		
5,64,52,882 Equity Shares of Re.1/- each Fully paid as on 31st March 2023	564.53	-
5,63,74,998 Equity Shares of Re.1/- each Fully paid as on 31st March 2022	-	563.75
	<b>564.53</b>	<b>563.75</b>

### 1) Reconciliation of the number of Shares outstanding at the beginning and at the end of the year

Sr. No.	Description	As at 31st March, 2023		As at 31st March, 2022	
		Number of Shares	Amount	Number of Shares	Amount
1	Number of Shares Outstanding at the beginning of the Year	5,63,74,998	563.75	5,63,01,357	563.01
2	Allotment of fully paid-up Shares during the Year a) Employee Stock Option Plan (Refer Note No.43)	77,884	0.78	73,641	0.74
3	Number of Shares Outstanding at the end of the Year	5,64,52,882	564.53	5,63,74,998	563.75

### 2) Term/Right Attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹1/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

### 3) Shares held by Holding Company

4,15,50,000 (Previous Year: 4,15,50,000) Equity shares of Re.1/- each fully paid-up are held by Aditya Birla Capital Limited, the Holding Company.

### 4) Equity Shares in the Company held by each shareholder holding more than 5 per cent shares and number of Equity Shares held are as under:

Sr. No.	Name of Shareholder	As at 31st March, 2023		As at 31st March, 2022	
		No. of Shares Held	% of Total Paid-up Equity Share Capital	No. of Shares Held	% of Total Paid-up Equity Share Capital
1	Aditya Birla Capital Limited	4,15,50,000	73.60%	4,15,50,000	73.70%

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

- 5) The Shares reserved for issue under Employee Stock Option Plan (ESOP) of the Company (Refer Note No. 43).
- 6) Shares held by promoters at the end of the year

₹ in Lakhs

Sr. No.	Name of Promoter	As at 31st March, 2023		As at 31st March, 2022		% Change during the year
		No. of Shares Held	% of Total Paid-up Equity Share Capital	No. of Shares Held	% of Total Paid-up Equity Share Capital	
1	Aditya Birla Capital Limited	4,15,50,000	73.60%	4,15,50,000	73.70%	0.00

## NOTE: 20 OTHER EQUITY

₹ in Lakhs

	As at 31st March, 2023	As at 31st March, 2022
<b>1) Capital Reserve</b>		
Opening Balance	115.39	115.39
Adjustments:	-	-
<b>Closing Balance</b>	<b>115.39</b>	<b>115.39</b>
<b>2) Securities Premium</b>		
Opening Balance	495.25	456.56
Adjustments:		
ESOP Exercised	25.90	24.49
Transfer from Stock Options Outstanding Account on Exercise of Options	15.02	14.20
<b>Closing Balance</b>	<b>536.17</b>	<b>495.25</b>
<b>3) Share Option Outstanding Account</b>		
Opening Balance	25.40	101.44
Deduction:		
Transfer to Securities Premium Account on Exercise of Options	(15.02)	(14.20)
Transfer to General Reserve on account of lapse of vested options	-	(61.84)
<b>Closing Balance</b>	<b>10.38</b>	<b>25.40</b>
<b>4) General Reserve</b>		
Opening Balance	2,757.82	2,695.98
Adjustments:		
Transfer from Share Option Outstanding Account on account of lapse of vested options	-	61.84
<b>Closing Balance</b>	<b>2,757.82</b>	<b>2,757.82</b>
<b>5) Surplus in Profit and loss accounts</b>		
Opening Balance	3,485.70	855.91
Addition:		
Profit for the Year	3,390.22	2,613.28
Other Comprehensive Income/(loss) for the year arising from remeasurement gains/(loss) on defined benefit plans	57.01	16.51
<b>Closing Balance</b>	<b>6,932.93</b>	<b>3,485.70</b>
<b>Total Other Equity</b>	<b>10,352.69</b>	<b>6,879.55</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## NOTE: 21 INTEREST INCOME

	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Other Interest Income</b>		
On financial assets measured at amortised cost	5,371.43	3,018.31
On financial assets classified at fair value through profit or loss	2,808.96	1,593.85
<b>Interest on deposits with Banks</b>		
On financial assets measured at amortised cost	2,116.17	2,383.46
	<b>10,296.56</b>	<b>6,995.62</b>

## NOTE: 22 FEES AND COMMISSION INCOME

	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Brokerage income	13,314.05	13,951.37
Account opening charges	-	6.55
Income from depository services	704.61	788.28
Setup and management fee	402.27	570.88
Miscellaneous other operating income	44.25	60.92
	<b>14,465.19</b>	<b>15,378.00</b>

## NOTE: 23 NET GAIN ON FAIR VALUE CHANGES

	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Net gain / (loss) on financial instruments at fair value through profit or loss (FVTPL)</b>		
On WDM portfolio		
Debt instrument at FVTPL	1,533.79	757.77
	<b>1,533.79</b>	<b>757.77</b>
Fair Value Change on Financial Instrument at FVTPL:		
Realised	2,125.71	1,322.57
Unrealised	(591.92)	(564.80)
	<b>1,533.79</b>	<b>757.77</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## NOTE: 24 OTHER INCOME

	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Interest income on financial assets held at amortised cost	13.24	12.86
Net gain on financial instruments at FVTPL (Mutual Fund)	366.87	199.28
Profit on sale of property, plant & equipment	-	-
Gain on termination of lease	37.13	-
Miscellaneous income (net)	1,166.14	49.05
	<b>1,583.38</b>	<b>261.19</b>
Fair Value Change on Financial Instrument at FVTPL:		
Realised	366.87	199.28
Unrealized	-	-
	<b>366.87</b>	<b>199.28</b>

## NOTE: 25 FINANCE COSTS

	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Interest on fair value measured at amortised cost</b>		
Debt securities	4,185.44	1,925.16
Borrowing other than debt securities	85.41	60.76
Subordinated liabilities	513.50	448.55
Other borrowing costs	28.77	18.10
Finance cost - lease liabilities	143.94	161.04
	<b>4,957.06</b>	<b>2,613.61</b>

## NOTE: 26 IMPAIRMENT ON FINANCIAL INSTRUMENTS

	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
On trade and other receivables	45.61	28.87
	<b>45.61</b>	<b>28.87</b>

## NOTE: 27 EMPLOYEE BENEFITS EXPENSES

	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Salaries and Wages	6,480.35	6,077.12
Contribution to provident and other funds (refer note 42)	289.55	246.84
Contribution to gratuity fund (refer note 42)	83.97	73.88
Expense on employee stock options scheme (refer note 43.1(ii))	1.17	3.47
Staff welfare expenses	143.69	129.04
	<b>6,998.73</b>	<b>6,530.35</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## NOTE: 28 DEPRECIATION AND AMORTISATION EXPENSES

	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Depreciation of property, plant and equipment	182.73	182.48
Amortisation of intangible assets	65.80	79.78
Amortisation on lease assets	417.03	415.05
	<b>665.56</b>	<b>677.31</b>

## NOTE: 29 OTHER EXPENSES

	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Rent	62.08	30.50
Repairs and maintenance - Building	6.11	16.40
Repairs and maintenance - Others	528.04	419.44
Insurance	173.98	167.01
Rates and taxes	237.20	253.55
Advertisement and sales promotion expenses	21.51	22.04
Legal and professional expenses	1,061.56	881.37
Auditor's remuneration *	35.05	23.85
Travelling and conveyance	225.49	111.47
Printing and stationery	47.54	39.64
Communication expenses	356.19	282.86
Electricity charges	72.06	101.50
Information technology expenses	914.62	821.97
Corporate social responsibility (CSR) expenses (Refer Note-48)	56.51	37.87
Director's fees	19.45	16.80
Postage expenses	46.74	60.24
Bank charges	111.93	165.66
Loss on sale of property, plant & equipment	11.04	4.66
Provision against legal claims	502.00	-
Miscellaneous expenses	195.83	256.53
	<b>4,684.94</b>	<b>3,713.36</b>
* Auditor's Remuneration includes payment to auditors as under:		
Audit Fee	17.50	13.00
Limited reviews	7.00	4.50
Tax audit fee	3.50	2.00
Certification fee	2.60	1.85
Reimbursement of expenses	4.45	2.50
	<b>35.05</b>	<b>23.85</b>



# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## NOTE: 30 OTHER COMPREHENSIVE INCOME

	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>(i) Items that will not be reclassified to profit or loss</b>		
Remeasurement of post-employment benefit obligations	76.19	22.06
	<b>76.19</b>	<b>22.06</b>
<b>(ii) Income tax relating to items that will not be reclassified to profit or loss</b>		
Income tax relating to Re-measurement of post-employment benefit obligations	19.18	5.55
<b>Other Comprehensive Income</b>	<b>57.01</b>	<b>16.51</b>

## NOTE: 31 EARNINGS PER EQUITY SHARE

Particulars		₹ in Lakhs	
		Year Ended 31st March, 2023	Year Ended 31st March, 2022
Profit attributable to Equity Holder (in ₹)	(A)	33,90,22,111	26,13,28,336
Weighted average number of equity shares:			
Basic	(B)	5,63,97,988	5,63,45,936
Diluted	(C)	5,64,20,481	5,64,03,610
Earnings per share (in ₹) :			
Basic	(A/B)	6.01	4.64
Diluted	(A/C)	6.01	4.63
Nominal value of equity share (in ₹)		<b>Re.1/-</b>	<b>Re.1/-</b>

## NOTE: 32 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled.

Particulars	₹ in Lakhs					
	31st March, 2023			31st March, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>I ASSETS</b>						
(1) Financial Assets						
(a) Cash and Cash Equivalents	6,248.57	-	6,248.57	3,670.08	-	3,670.08
(b) Bank Balance other than (a) above	10,620.23	39,610.94	50,231.17	5,206.16	37,320.43	42,526.59
(c) Investment in Securities	40,358.98	-	40,358.98	43,600.85	-	43,600.85
(d) Trade and Other Receivables	1,832.87	-	1,832.87	4,535.64	-	4,535.64

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

₹ in Lakhs

Particulars	31st March, 2023			31st March, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
(e) Loans	28,281.74	-	28,281.74	24,521.39	-	24,521.39
(f) Other Financial Assets	324.02	2,250.01	2,574.03	851.80	1,413.54	2,265.34
<b>Sub-Total</b>	<b>87,666.41</b>	<b>41,860.95</b>	<b>1,29,527.36</b>	<b>82,385.91</b>	<b>38,733.97</b>	<b>1,21,119.88</b>
<b>(2) Non-Financial Assets</b>						
(a) Tax Assets (Net)	-	820.83	820.83	-	600.91	600.91
(b) Deferred tax assets (Net)	-	696.03	696.03	-	596.95	596.95
(c) Property, Plant and Equipment	-	651.94	651.94	-	290.39	290.39
(d) Right to use of Assets	-	2,219.27	2,219.27	-	1,956.66	1,956.66
(e) Other Intangible assets	-	232.75	232.75	-	159.50	159.50
(f) Intangible assets under development	-	60.59	60.59	-	32.84	32.84
(g) Other non-financial assets	1,143.55	989.26	2,132.80	995.32	914.92	1,910.24
<b>Sub-Total</b>	<b>1,143.55</b>	<b>5,670.67</b>	<b>6,814.22</b>	<b>995.32</b>	<b>4,552.17</b>	<b>5,547.49</b>
<b>Total assets</b>	<b>88,809.96</b>	<b>47,531.62</b>	<b>1,36,341.58</b>	<b>83,381.23</b>	<b>43,286.14</b>	<b>1,26,667.37</b>
<b>II LIABILITIES AND EQUITY</b>						
<b>LIABILITIES</b>						
<b>(1) Financial Liabilities</b>						
(a) Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	8.75	-	8.75	92.84	-	92.84
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,940.33	-	1,940.33	3,248.36	-	3,248.36
(b) Debt Securities	78,940.78	-	78,940.78	63,577.52	-	63,577.52
(c) Subordinated Liabilities	-	8,648.97	8,648.97	-	8,135.47	8,135.47
(d) Lease Liability	520.99	1,855.26	2,376.25	469.52	1,679.25	2,148.77
(e) Other Financial Liabilities	28,299.77	649.98	28,949.75	37,659.97	649.98	38,309.95
<b>Sub-Total</b>	<b>1,09,710.62</b>	<b>11,154.21</b>	<b>1,20,864.83</b>	<b>1,05,048.21</b>	<b>10,464.70</b>	<b>1,15,512.91</b>
<b>(2) Non-Financial Liabilities</b>						
(a) Provisions	2,547.76	800.04	3,347.80	1,816.14	753.68	2,569.82
(b) Other Non-Financial Liabilities	932.38	279.35	1,211.73	882.07	259.27	1,141.34
<b>Sub-Total</b>	<b>3,480.14</b>	<b>1,079.39</b>	<b>4,559.53</b>	<b>2,698.21</b>	<b>1,012.95</b>	<b>3,711.16</b>
<b>(3) Equity</b>						
(a) Equity Share capital	-	564.53	564.53	-	563.75	563.75
(b) Other Equity	-	10,352.69	10,352.69	-	6,879.55	6,879.55
<b>Total equity</b>	<b>-</b>	<b>10,917.22</b>	<b>10,917.22</b>	<b>-</b>	<b>7,443.30</b>	<b>7,443.30</b>
<b>Total Equity and Liabilities</b>	<b>1,13,190.76</b>	<b>23,150.82</b>	<b>1,36,341.58</b>	<b>1,07,746.42</b>	<b>18,920.95</b>	<b>1,26,667.37</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## NOTE: 33. A. FINANCIAL INSTRUMENTS-ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The management assessed that the fair value of cash and cash equivalents, Security deposits, Staff Advances, Subordinate Liabilities, Debt securities, trade receivables, margin with exchanges, trade payables, bank balances and other current liabilities approximate their carrying amount.

With respect to Investments Refer Note 5 are fair valued based on quoted price available in the active market (Level 1).

## NOTE: 33.B. FINANCIAL RISK

The following table provides the Liquidity risk of Company's Liabilities as on 31<sup>st</sup> March 2023 & 31<sup>st</sup> March 2022 and the liquidity risk of Company's financial assets are analyzed and disclosed under notes 32 of maturity analysis of Assets.

Liquidity Risk	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
<b>Year ended 31st March 2023</b>						
(a) Trade Payable	-	1,949.08	-	-	-	1,949.08
(b) Debt Securities	-	78,940.78	-	-	-	78,940.78
(c) Subordinated Liabilities	-	-	-	8,648.97	-	8,648.97
(d) Other Financial Liabilities	26,074.74	759.37	1,465.67	649.98	-	28,949.75
<b>TOTAL</b>						<b>1,18,488.58</b>

Liquidity Risk	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
<b>Year ended 31st March 2022</b>						
(a) Trade Payable	-	3,341.20	-	-	-	3,341.20
(b) Debt Securities	-	63,577.52	-	-	-	63,577.52
(c) Subordinated Liabilities	-	-	-	8,135.47	-	8,135.47
(d) Other Financial Liabilities	35,030.29	756.57	1,873.11	649.98	-	38,309.95
<b>TOTAL</b>						<b>1,13,364.13</b>

## NOTE: 34 STAMP DUTY

Hitherto, the Company had been collecting and remitting stamp duties with respect to states wherein the manner of payment of the same has been prescribed by the respective state governments. From July 2011, the Company had started collecting stamp duty on contract notes for all states, including the states wherein the manner of payment has not yet been notified. The Company is evaluating various options of remitting the same, including remitting those amounts in the State of Tamil Nadu, as all the contract notes are executed at Tamil Nadu. Pending, the final determination of the manner of remittance, amount of ₹164.90 lakhs (PY: ₹164.90 lakhs) collected till 30<sup>th</sup> June 2020 has been disclosed under statutory dues in other Non-Financial liabilities.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## NOTE: 35 MANAGERIAL REMUNERATION

During the earlier years the Company had made an application to the Central Government under Section 309 (5B) of the Companies Act, 1956 for seeking waiver of excess managerial remuneration amounting to ₹30.95 Lakhs (Previous year: ₹30.95 lakhs) (excluding statutory contribution to provident fund, gratuity and leave encashment which are exempted under Schedule VI) paid to Mr. P.B. Subramanian, the erstwhile whole time director ('Erstwhile Director') of the Company for the period from 1<sup>st</sup> April 2008 to 6<sup>th</sup> March 2009.

During the earlier years, the Company has received an order from the Central Government (CG) whereby the CG has rejected excess remuneration of ₹16.27 lakhs (Previous year: ₹16.27 lakhs) and directed the Company to collect the same from the Erstwhile Director. Further the Company has filed a civil suit in the High Court of Judicature at Madras vide C.S. No. 53/2016 seeking recovery of the excess remuneration paid to Mr. P.B. Subramanian. Pending the recovery of the same, it has been shown as advances recoverable by the Company in the Balance Sheet.

## NOTE: 36 FOREIGN CURRENCY TRANSACTIONS

The Company did not enter into any foreign currency transactions in the current year and previous year.

## NOTE: 37 CAPITAL MANAGEMENT

For the purpose of the Company's Capital management, Capital includes issued equity capital, Long-term borrowings and other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value, comply to the regulatory requirements and maintain an optimal capital structure to reduce the cost of capital to the company. The Company makes adjustments in light of changes in economic conditions and the requirements of the applicable financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
<b>Debt</b>		
Short Term Borrowings	78,940.78	63,577.52
Trade Payable	1,949.08	3,341.20
Other Financial Liabilities	28,949.75	38,309.95
Less: Investments, Cash & Cash Equivalents	96,838.72	89,797.51
<b>Net Debt (A)</b>	<b>13,000.89</b>	<b>15,431.16</b>
Reserves	10,352.69	6,879.55
Long Term Borrowings	8,648.97	8,135.47
Equity Capital	564.53	563.75
<b>Total Capital (B)*</b>	<b>19,566.19</b>	<b>15,578.77</b>
<b>Capital + Net Debt C = (A+B)</b>	<b>32,567.08</b>	<b>31,009.93</b>
<b>Gearing Ratio (A/C)</b>	<b>39.92%</b>	<b>49.76%</b>

\*Definition of total capital has been redefined during the year to include long-term borrowings (Subordinated Liabilities).

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

In order to achieve the overall objective, the Company's Capital Management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

## NOTE: 38 CREDIT RISK

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The Company's exposure to credit risk is very minimal as the trade receivables are covered by collateral.

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation, credit limit of each customer is defined. Wherever the Company assesses the credit risk as high, the exposure is backed by either stocks comfort or margin money

Total Trade Receivables as on 31<sup>st</sup> March 2023 is ₹1,832.87 Lakhs (Previous year ₹4,535.65 Lakhs).

As at 31st March 2023	Neither past due nor impaired	Past due but not impaired				Total
		< 30 Days	30 -90 Days	90 -180 Days	> 180 Days	
Trade receivables	697.24	692.72	106.88	47.04	288.99	1,832.87

As at 31st March 2022	Neither past due nor impaired	Past due but not impaired				Total
		< 30 Days	30 -90 Days	90 -180 Days	> 180 Days	
Trade receivables	2,766.48	1,270.34	183.88	50.02	264.92	4,535.64

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

## Movement of Loss Allowance:

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
Opening Provision	770.13	750.74
Add: Provided during the year	45.61	28.87
Less: ECL impact due to Write-offs	0.18	9.48
Closing Provision	815.56	770.13

## NOTE: 39 CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

The Company does not recognize a contingent liability in the financial statements except when the management decides to recognize basis the probability of the contingent liability devolving on the Company.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

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

Particulars	31st March, 2023	31st March, 2022
<b>Disputed tax and other statutory liabilities not provided for:</b>		
Income tax & interest on tax - for various assessment years in respect of which Company has gone on appeal. Based on judicial pronouncements, the claim of the Company is likely to be accepted by the judicial authorities.	7.42	7.42
<b>Claims against the Company not acknowledged as debts &amp; not provided for:</b>		
Claims made on the Company by various customers alleging unauthorized trades, loss of profits etc. The Company has been advised by its legal counsel that it is possible, but not probable, the action will succeed and accordingly no provision for any liability has been made in these financial statements.	1,544.00	2,046.00
<b>Grand Total</b>	<b>1,551.42</b>	<b>2,053.42</b>

## NOTE: 40 INCOME TAX

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

### Deferred Tax:

Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or a separate component of equity

	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate</b>		
<b>Current income tax:</b>		
Current income tax expenses	1,261.00	1,020.32
Short tax provision for earlier years	115.62	-
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	(99.08)	(65.37)
<b>Income tax expense reported in the statement of profit or loss</b>	<b>1,277.54</b>	<b>954.95</b>
<b>Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate</b>		
<b>Accounting profit before income tax</b>	<b>4,667.76</b>	<b>3,568.23</b>
At India's statutory income tax rate	1,174.78	898.05
%	25.17%	25.17%
Interest on Preference shares and other Ind AS adjustment	116.56	112.89
Others	(129.42)	(55.99)
Short tax Provision for Earlier Years	115.62	-
<b>Income tax expense reported in the statement of profit and loss</b>	<b>1,277.54</b>	<b>954.95</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## NOTE 41 LEASE DISCLOSURES

### Disclosure Pursuant to Indian Accounting Standard 116 - Leases is as under:

#### Transition:

Effective 1<sup>st</sup> April 2019, the Company adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on 1<sup>st</sup> April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee’s incremental borrowing rate at the date of initial application.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly for all contracts as on 1<sup>st</sup> April 2019, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted average incremental borrowing rate applied to lease liabilities as at 31<sup>st</sup> March 2023 is between the ranges of 6.29% to 8.39% for a period varying from 1 to 10 years.

Critical accounting judgments and key sources of estimation uncertainty

Critical judgments required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

Following are the changes in the carrying value of right of use assets (ROU) for the year ended 31<sup>st</sup> March 2023:

Particulars	Category of ROU Asset Leasehold premises
Gross Carrying Value	
<b>Balance as at 1st April 2021</b>	2,649.84
Additions	556.73
Deletions	(28.62)
<b>Balance as at 31st March 2022</b>	<b>3,177.95</b>
Additions	898.95
Deletions	(219.31)
<b>Balance as at 31st March 2023</b>	<b>3,857.59</b>
Accumulated Amortisation	
<b>Balance as at 1st April 2021</b>	<b>(806.24)</b>
Additions	(415.05)
<b>Balance as at 31st March 2022</b>	<b>(1,221.29)</b>
Additions	(417.03)
<b>Balance as at 31st March 2023</b>	<b>(1,638.32)</b>
Net Carrying Value	
<b>As at 31st March 2022</b>	<b>1,956.66</b>
<b>As at 31st March 2023</b>	<b>2,219.27</b>

## Amounts recognised in profit and loss

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Amortisation expense on right-of-use assets	417.03	415.05
Interest expense on lease liabilities	143.94	161.04
Expense relating to short-term leases	62.08	26.86
Expense relating to leases of low value assets	-	3.64
Gains or losses arising from Modification of Lease Agreements	(37.13)	(15.56)

## The following is the break-up of current and non-current lease liabilities

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
Current Lease Liabilities	520.99	469.52
Non-Current Lease Liabilities	1,855.26	1,679.25
<b>Total</b>	<b>2,376.25</b>	<b>2,148.77</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

The following is the movement in lease liabilities during the year ended 31<sup>st</sup> March 2023:

Particulars	Amount
Balance as at 1st April 2022	2,148.77
Additions	825.81
Deletions	(257.28)
Finance Cost accrued during the period	143.94
Payment of Lease Liabilities	(484.99)
Rent waiver Reduction	-
<b>Balance as at 31st March 2023</b>	<b>2,376.25</b>

The following is the movement in lease liabilities during the year ended 31<sup>st</sup> March 2022:

Particulars	Amount
Balance as at 1st April 2021	1,986.92
Additions	491.74
Deletions	(41.57)
Finance Cost accrued during the period	161.04
Payment of Lease Liabilities	(449.35)
Rent Waiver Reduction	-
<b>Balance as at 31st March 2022</b>	<b>2,148.77</b>

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
Less than one year	536.45	486.72
One to Five years	1,716.68	1,416.84
More than Five years	671.03	638.72
<b>Total</b>	<b>2,924.16</b>	<b>2,542.28</b>

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## NOTE: 42 EMPLOYMENT BENEFIT DISCLOSURES

### Defined Contribution Plan

The amounts charged to the Statement of Profit and Loss during the year for Provident fund contribution aggregates to ₹272.40 Lakhs (Previous year – ₹233.99 lakhs), NPS contribution fund contribution aggregates to ₹15.25 Lakhs (Previous year – ₹10.31 Lakhs) and employees' state insurance contribution aggregates to ₹1.90 Lakhs (Previous year – ₹2.54 Lakhs).

### Defined Benefit Plan

#### General Description of the plan:

The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Company's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972.

#### Nature of Benefits

The Company operates a defined benefit final salary gratuity plan which is open to new entrants. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company.

#### Regulatory Framework:

There are no minimum funding requirements for a gratuity plan in India. The trustees of the gratuity fund have a fiduciary responsibility to act according to the provisions of the trust deed and rules. Since the fund is income tax approved, the Company and the trustees have to ensure that they are at all times fully compliant with the relevant provisions of the income tax and rules. Besides this if the Company is covered by the Payment of Gratuity Act, 1972 then the Company is bound to pay the statutory minimum gratuity as prescribed under this Act.

#### Governance of The Plan:

The Group has setup an income tax approved irrevocable trust fund to finance the plan liability. The trustees of the trust fund are responsible for the overall governance of the plan.

#### Inherent Risks:

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Amounts recognised in the Balance Sheet in respect of Gratuity:

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
Present Value of the funded Defined Benefit Obligations at the end of the period	800.04	753.68
Fair Value of Plan Assets	968.48	907.81

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

Amounts recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
In Statement of Profit and Loss	83.97	73.88
In Other Comprehensive Income	(76.19)	(22.06)
<b>Total Expenses Recognized for the period</b>	<b>7.78</b>	<b>51.82</b>

The above note is a disclosure that covers both the obligation value & employee benefit expense debited to Profit and Loss.

Other Comprehensive Income:

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
Actuarial (gains)/ losses		
- change in demographic assumptions	(44.40)	-
- change in financial assumptions	(52.25)	(16.01)
- experience variance	26.24	15.88
Return on plan assets, excluding amount recognized in net interest expense	(5.78)	(21.93)
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
<b>Components of defined benefit costs recognized in OCI</b>	<b>(76.19)</b>	<b>(22.06)</b>

## Reconciliation of Present Value of the Obligation and the Fair Value of the Plan Assets:

Change in Present Value of the Obligations:

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
Opening Defined Benefit Obligations	753.68	708.82
Current Service Cost	93.28	81.20
Interest Expenses or cost	45.57	40.02
Re-measurement (or Actuarial) (gain)/loss arising from :		
- change in demographic assumptions	(44.40)	-
- change in financial assumptions	(52.25)	(16.01)
- experience variance	26.24	15.88
- others		
Benefits Paid including Transfer In / (Out)	(22.08)	(76.23)
<b>Closing Defined Benefit Obligations</b>	<b>800.04</b>	<b>753.68</b>

Change in Fair Value of the Plan Assets:

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
Opening Fair Value of the Plan Assets	907.81	838.54
Interest Income on plan assets	54.88	47.34
Actual return on plan assets less interest on plan assets	5.78	21.93
Contributions by the Employer	22.08	76.23
Benefits Paid	(22.08)	(76.23)
<b>Closing Fair Value of the Plan Assets</b>	<b>968.48</b>	<b>907.81</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## Funding Arrangement and Policy

The money contributed by the Company to the fund to finance the liabilities of the plan has to be invested.

The trustees of the plan are required to invest the funds as per the prescribed pattern of investments laid out in the income tax rules for such approved schemes. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset-liability matching strategy to manage risk actively.

There is no compulsion on the part of the Company to fully pre fund the liability of the Plan. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of underfunding of the plan.

Effect of Plan on Entity's Future Cash Flows:

- Expected Contribution during the next annual reporting period
- The Company's best estimate of Contribution during the next year- Nil
- Maturity Profile of Defined Benefit Obligation

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
The weighted-average duration (Based on discounted cash flows)	4 years	5 years
Expected cash flows over the next (valued on undiscounted basis):		
Within the next 12 months (next annual reporting period)	193.52	127.09
More than 1 and up to 5 years	509.69	413.22
More than 5 and up to 10 years	285.52	302.67
Above 10 Years	119.70	239.60

## Sensitivity Analysis

Particulars	31st March, 2023		31st March, 2022	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 0.5%)	816.02	784.63	773.85	734.43
(% change compared to base due to sensitivity)	2.00%	-1.90%	2.70%	-2.60%
Salary Growth (-/+ 0.5%)	784.86	815.63	734.94	773.10
(% change compared to base due to sensitivity)	-1.90%	1.90%	-2.50%	2.60%
Attrition Rate (-/+ 50%)	961.32	748.27	972.15	680.03
(% change compared to base due to sensitivity)	20.20%	-6.50%	29.00%	-9.80%
Mortality Rate (-/+ 10%)	799.37	800.71	753.10	754.25
(% change compared to base due to sensitivity)	-0.10%	0.10%	-0.10%	0.10%

## Sensitivity Analysis Method

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

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## Details of plan assets

The plan assets represent Company's proportionate share in the Grasim Industries Limited Employees Gratuity Trust managed by the ultimate parent company for the employees of the Company. The details of plan assets are as under:

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
Government of India securities	3.03%	5.88%
State Government securities	3.90%	4.93%
Corporate Bonds	0.64%	0.82%
Insurer managed funds	41.32%	36.76%
Deposit Scheme	0.00%	0.00%
Others	51.11%	51.62%
	<b>100%</b>	<b>100%</b>

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The Company does not expect to contribute additional amount to the fund in the next year.

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

Principal Actuarial Assumptions at the Balance Sheet Date	₹ in Lakhs	
	31st March, 2023	31st March, 2022
Discount Rate	7.25%	6.05%
Salary escalation	10.00%	10.00%

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

Note: Salaries and Wages includes share of ABFSSL allocation of Salaries, PF, Gratuity of ₹88.64 lakhs of FY 23 and ₹70.29 lakhs of FY 22

## NOTE: 43.1. STOCK OPTIONS GRANTED

### I) ABML – Employee Stock Option Scheme – 2014

The objective of the Employee Stock Option Scheme is to attract and retain talent and align the interest of employees with the Company as well as to motivate them to contribute to its growth and profitability.

The Company adopts Senior Executive Plan in granting Stock options to its Senior Employees. (Employee Stock Option Scheme – 2014)

During 2014 the Company had formulated the ABML Employee Stock Option Scheme – 2014 (ABML ESOP Scheme – 2014) with the approval of the shareholders at the Annual General Meeting dated 09<sup>th</sup> September 2014. The Scheme provides that the total number of options granted there under will be 27,70,000 and to follow the Market Value Method (Intrinsic Value) for valuation of the Options.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

Each option, on exercise, is convertible into one equity share of the Company having face value of ₹1/- each. Subsequently, the Nomination and Remuneration Committee of the Board of Directors on 2<sup>nd</sup> December 2014 has granted 25,09,341 stock options to its eligible employees under the ABML ESOP Scheme – 2014 at an exercise price of ₹34.25. The Exercise Price was based on the latest available closing price, prior to the 2<sup>nd</sup> December 2014 (the date of grant by the Nomination & Remuneration Committee) on the recognized stock exchanges on which the shares of the Company are listed with the highest trading volume.

Summary of Stock Options granted under ABML ESOP Scheme – 2014 is as under

The vesting period in respect of the options granted under ABML ESOP Scheme – 2014 is as follows:

Sr. No	Vesting Dates	% of options that shall vest
1	12 months from the date of grant	25% of the grant
2	24 months from the date of grant	25% of the grant
3	36 months from the date of grant	25% of the grant
4	48 months from the date of grant	25% of the grant

Particulars	As on 31st March, 2023
Options granted on 02nd December 2015	25,09,341
Options outstanding as on 01st April 2022	1,31,729
No. of options granted during the year	NIL
Method of Accounting	Intrinsic Value
Vesting Plan	25% every year
Exercise period	Within 5 years from the date of vesting of respective options
Grant/Exercise price (₹ per share)	34.25
Market price as on the date of the grant	34.25 (previous day closing price on the recognized stock exchange)
Options forfeited/lapsed during the year	-
Options exercised during the year	(77,884)
<b>Options outstanding as on 31st March 2023</b>	<b>53,845</b>

Particulars	As on 31st March, 2022
Options granted on 02nd December 2015	25,09,341
Options outstanding as on 01st April 2021	5,20,312
No. of options granted during the year	NIL
Method of Accounting	Intrinsic Value
Vesting Plan	25% every year
Exercise period	Within 5 years from the date of vesting of respective options
Grant/Exercise price (₹ per share)	34.25
Market price as on the date of the grant	34.25 (previous day closing price on the recognized stock exchange)
Options forfeited/lapsed during the year	(3,14,942)
Options exercised during the year	(73,641)
<b>Options outstanding as on 31st March 2022</b>	<b>1,31,729</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

The Company has granted options to the eligible employees at an exercise price of ₹34.25 per share being the latest market price as per SEBI ESOP Regulations. In view of this, there being no intrinsic value (being the excess of the market price of share under ESOP over the exercise price of the option), on the date of grant, the Company is not required to account the accounting value of option as per SEBI ESOP Regulations.

## ii) ABCL – Employee Stock Option Scheme – 2017

Pursuant to ESOP Plan being established by the holding company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company during the financial year. Total cost incurred by the holding company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹1,17,371/- (Previous year – ₹3,47,297/-) has been recovered from the Company during the year, which has been charged to the Statement of Profit and Loss.

### NOTE: 43.2. FAIR VALUATION

The fair Value of the option on the date of grant has been done by an independent valuer using Black Scholes Formula. The key assumption are as under

Risk-free interest rate (%)	8.13%
Expected life (No. of years)	5 Years
Expected volatility (%)	54.26%
Dividend yield (%)	0.00%
The price of the underlying share in market at the time of option grant	₹34.25

### NOTE: 44 SEGMENT REPORTING

The Company's business is to provide brokerage service, wholesale debt market and others ('PMS') to its clients in the capital markets within India. All other activities of the Company revolve around these activities.

		₹ in Lakhs	
1	Particulars	31st March, 2023	31st March, 2022
	<b>Segment Revenue</b>		
	Broking	21,547.11	20,203.63
	Wholesale debt market	4,342.75	2,351.63
	Others	405.68	576.13
	<b>Total Segment Revenue from Operations (Net)</b>	<b>26,295.54</b>	<b>23,131.39</b>

		₹ in Lakhs	
2	Particulars	31st March, 2023	31st March, 2022
	<b>Segment Results</b>		
	Broking	2,003.45	2,877.99
	Wholesale debt market	2,036.56	1,110.27
	Others	(313.41)	(155.62)
	<b>Total Segment Result</b>	<b>3,726.60</b>	<b>3,832.63</b>
	Less: Finance Costs	642.22	525.59
	Add: Other income	1,583.38	261.19
	<b>Profit Before Tax</b>	<b>4,667.76</b>	<b>3,568.23</b>
	Income tax expenses	1,277.54	954.95

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

		₹ in Lakhs	
2	Particulars	31st March, 2023	31st March, 2022
	<b>Profit after tax</b>	<b>3,390.22</b>	<b>2,613.28</b>
	<b>Other information as per Ind AS 108:</b>		
	<b>Interest revenue</b>		
	Broking	7,487.60	5,401.77
	Wholesale debt market	2,808.96	1,593.85
	Others	-	-
	<b>Total</b>	<b>10,296.56</b>	<b>6,995.62</b>
	<b>Interest expense</b>		
	Broking	2,286.31	1,138.94
	Wholesale debt market	2,028.54	949.09
	Others	-	-
	Unallocated	642.22	525.59
	<b>Total</b>	<b>4,957.06</b>	<b>2,613.61</b>
	<b>Depreciation and amortisation</b>		
	Broking	665.56	677.31
	Wholesale debt market	-	-
	Others	-	-
	<b>Total</b>	<b>665.56</b>	<b>677.31</b>
	<b>Material non-cash expenses other than depreciation and amortisation</b>		
	Broking	-	-
	Wholesale debt market	-	-
	Others	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>

		₹ in Lakhs	
3	Segment Assets	31st March, 2023	31st March, 2022
	Broking	94,054.52	80,935.44
	Wholesale debt market	40,733.71	44,452.64
	Others	36.49	81.43
	<b>Total Segment Assets</b>	<b>1,34,824.72</b>	<b>1,25,469.51</b>
	Add: Unallocated Corporate Assets	1,516.86	1,197.86
	<b>Total Assets</b>	<b>1,36,341.58</b>	<b>1,26,667.37</b>

		₹ in Lakhs	
4	Segment Liabilities	31st March, 2023	31st March, 2022
	Broking	75,383.12	66,889.89
	Wholesale debt market	41,244.11	44,165.64
	Others	148.16	33.07
	<b>Total Segment Liabilities</b>	<b>1,16,775.39</b>	<b>1,11,088.60</b>
	Add: Unallocated Corporate Liabilities	8,648.97	8,135.47
	<b>Total Liabilities</b>	<b>1,25,424.36</b>	<b>1,19,224.07</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## NOTE: 45 RELATED PARTY TRANSACTIONS

List of related parties with whom the company has transactions

Ultimate Holding Company	Grasim Industries Limited
Holding Company	Aditya Birla Capital Limited
<b>Related parties under Ind AS 24 with whom transactions have taken place during the year</b>	
Fellow subsidiaries	Aditya Birla Finance Limited
	Aditya Birla Financial Shared Services Limited
	Aditya Birla Sun Life Insurance Company Limited
	Aditya Birla Insurance Brokers Limited
	Aditya Birla Capital Technology Services Limited
	Aditya Birla Housing Finance Limited
	Aditya Birla ARC Limited
	Aditya Birla Sun Life AMC Limited
	Aditya Birla Health Insurance Company Limited (Fellow subsidiary till 20th October 2022 and Joint Venture w.e.f. 21st October 2022)
	Aditya Birla Wellness Private Limited
Key Management Personnel	Divya Poojari (Company Secretary - w.e.f. 22nd April 2022)
	Pradeep Sharma (Chief Financial Officer)
	Sangeeta Shetty (Company Secretary - Resigned w.e.f. 19th January 2022)
	Murali Krishnan L R (Manager)
	Tushar Harendra Shah (Non-Executive Non-Independent Director)
	G Vijayaraghavan (Non-Executive Independent Director)
	P Sudhir Rao (Non-Executive Independent Director)

₹ in Lakhs

Sr. No.	Particulars	Closing balance as on 31st March, 2023	Transactions 2022 - 23*	Closing balance as on 31st March, 2022	Transactions 2021 - 22*
<b>I</b>	<b>Grasim Industries</b>				
1	Custodian fee recoverable		-		0.01
2	Outstanding balances				
	- Gratuity Asset receivable	968.48		907.81	
	- Trade Payable	-		(0.02)	
<b>II</b>	<b>Aditya Birla Capital Limited</b>				
1	ESOP expenses		1.17		3.47
2	Ind AS - Interest on Preference shares		513.50		448.55
3	Recovery of expenses		36.47		3.27
4	Allotment of preference shares		-		8,000.00
5	Redemption of preference shares		-		5,775.52
6	Outstanding balances				
	- Preference shares capital	(8,000.00)		(8,000.00)	
	- IND AS - Interest Payable on Preference shares	(648.97)		(135.47)	
	- Trade Payable	(6.61)		(4.11)	

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

₹ in Lakhs					
Sr. No.	Particulars	Closing balance as on 31st March, 2023	Transactions 2022 - 23*	Closing balance as on 31st March, 2022	Transactions 2021 - 22*
<b>III</b>	<b>Aditya Birla Finance Limited</b>				
1	Recovery of Manpower cost		283.43		213.71
2	Recovery of Cost - Rent & other expenses		20.40		0.07
3	Custodian - Fee recoverable		3.88		5.90
4	Brokerage Income		22.29		27.54
5	Reimbursement of cost		0.50		-
6	Referral Fee expense		20.19		20.99
7	Referral Fee income		-		0.09
8	Expenses - Commission, - Management fees		383.55		427.88
9	Employee Liability transfer-In		6.96		-
10	IT Support recovery		-		0.28
11	Incentive Recovery		19.11		-
12	Recovery of Cost - LTIP		41.58		7.45
13	Employee Liability transfer out		5.63		3.77
14	Security deposit Paid		9.93		-
15	Security Deposit Received		5.24		-
16	Outstanding balances				
	- Advances Receivable	1.10		1.49	
	- Trade Payable	(44.56)		(183.34)	
	- Amount Payable	-		(0.24)	
	- Security Deposit (asset)	9.93		-	
	- Security Deposit (liability)	(5.24)		-	
<b>IV</b>	<b>Aditya Birla Financial Shared Services Limited</b>				
1	Reimbursement of Cost - Manpower expenses		88.64		70.29
2	Reimbursement of Cost - Electricity, Staff welfare and other expenses		237.21		175.67
3	Reimbursement of Cost - IT		104.56		74.60
4	Contribution to Fund				
	- Expenses Recognised in income Statement		-		0.89
	- Other comprehensive income		-		1.41
5	Employee Liability transfer out		0.16		0.94
6	Employee Liability transfer in		11.93		3.11
7	Recovery of Cost - LTIP		-		5.19
10	Recovery of Cost - Insurance		-		0.17
11	Outstanding balances				
	- Trade Payable	(75.75)		(32.95)	
	- Prepaid expenses	32.25		14.26	

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

₹ in Lakhs

Sr. No.	Particulars	Closing balance as on 31st March, 2023	Transactions 2022 - 23*	Closing balance as on 31st March, 2022	Transactions 2021 - 22*
<b>V</b>	<b>Aditya Birla Sun Life Insurance Company Limited</b>				
1	Brokerage income		63.90		70.72
2	Reimbursement of Rent expenses		107.81		0.27
3	Other transaction - WDM		-		1,754.54
4	Recovery of Rent & other expenses		0.34		0.66
5	Employee Liability transfer in		23.81		3.46
6	Reimbursement of other expenses		8.72		8.35
7	Recovery of expenses		0.52		-
8	Security deposit paid		21.15		8.10
9	Outstanding balances				
	- Trade Payable	(29.19)		(7.02)	
	- Security Deposit (asset)	29.25		8.10	
<b>VI</b>	<b>Aditya Birla Insurance Brokers Limited</b>				
1	Reimbursement of Cost - Rent & other expenses		20.54		19.13
2	Outstanding balances				
	- Trade Payable	(11.81)		(15.52)	
<b>VII</b>	<b>Aditya Birla Capital Technology Services Limited</b>				
1	Reimbursement of Cost - IT & other expenses		16.84		19.68
2	Reimbursement of Cost - IT expenses		8.17		8.54
3	Reimbursement of Space sharing expenses		10.38		-
4	Recovery of Expenses		0.31		-
5	Security Deposit paid		57.50		-
6	Prepaid Amortisation		8.19		-
7	Outstanding balances:				
	- Trade Payable	(1.28)		(2.63)	
	- Prepaid expenses	0.22		0.24	
	- Security Deposit (asset)	57.50		-	
<b>VIII</b>	<b>Aditya Birla Housing Finance Limited</b>				
1	Asset transfer		3.77		-
2	Referral fee income		-		0.06
3	Reimbursement of expenses		-		1.50
4	Recovery of expenses		7.51		-
5	Outstanding Balances				
	- Trade Payable	-		(1.50)	
<b>IX</b>	<b>Aditya Birla ARC Limited</b>				
1	Custodian - Fee recoverable		2.05		1.01
2	Employee Liability transfer out		0.99		13.65
3	Recovery of expenses		0.21		0.02
4	Outstanding balances				
	- Trade Payable	-		(13.63)	

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

₹ in Lakhs					
Sr. No.	Particulars	Closing balance as on 31st March, 2023	Transactions 2022 - 23*	Closing balance as on 31st March, 2022	Transactions 2021 - 22*
<b>X</b>	<b>Aditya Birla Sun Life AMC Limited</b>				
1	PMS income		-		0.08
2	Liability transfer		7.92		-
3	Recovery of expenses		1.08		-
4	Reimbursement of expenses		10.57		4.35
5	Security deposit given		-		2.33
6	Outstanding balances				
	- Trade Payable	(2.70)		(3.63)	
	- Security Deposit (asset)	2.33		2.33	
<b>XI</b>	<b>Aditya Birla Health Insurance Company Limited</b>				
1	Reimbursement of Expenses		0.25		-
2	Outstanding Balances				
	- Trade Payable	-		-	
<b>XII</b>	<b>Aditya Birla Wellness Private Limited</b>				
1	Reimbursement of expenses		3.19		0.02
2	Outstanding balances				
	- Trade Payable	(0.19)			-
<b>XIII</b>	<b>Mr. P Sudhir Rao</b>				
1	Sitting fees		7.55		8.40
<b>XIV</b>	<b>Mr. G Vijayaraghavan</b>				
1	Sitting fees		9.40		8.40
<b>XV</b>	<b>Mr. Tushar Harendra Shah</b>				
1	Brokerage Income		0.01		0.02
<b>XVI</b>	<b>Mr. Pradeep Sharma</b>				
1	Remuneration#		179.04		115.82
2	Reimbursement of Cost		0.80		0.40
3	Advance against variable pay received		12.00		-
4	Advance against variable pay repaid		12.00		-
<b>XVII</b>	<b>Mr. Murali Krishnan L R</b>				
1	Remuneration #		65.22		55.44
2	Brokerage Income		-		0.05
<b>XVIII</b>	<b>Ms. Sangeeta Shetty</b>				
1	Remuneration #		-		32.18
2	Reimbursement of Cost		-		0.08
<b>XIX</b>	<b>Ms. Divya Poojari</b>				
1	Remuneration #		30.38		-

\* Amounts excluding GST

# Variable pay, long term incentive plan, deferred compensation plan and leave encashment is included on payment basis

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## NOTE: 46 INTANGIBLE ASSETS UNDER DEVELOPMENT

Following is the ageing schedule of Intangible Assets Under Development

₹ in Lakhs

As at 31 Mar 23	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	27.76	27.83	5.00	-	60.59
Projects temporarily suspended	-	-	-	-	-

₹ in Lakhs

As at 31 Mar 22	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	5.00	27.84	-	-	32.84
Projects temporarily suspended	-	-	-	-	-

## NOTE: 47 DISPUTED IMMOVABLE PROPERTY HELD IN NAME OF THE COMPANY

The Company has a land of ₹15 Lakhs in the name of Apollo Sindhoori Capital Investments Limited (Currently known as Aditya Birla Money Limited) and the title is under dispute and the matter is in sub judice.

## NOTE: 48 CORPORATE SOCIAL RESPONSIBILITY

Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Shortfall at the beginning of the year	33.77	-
Amount required to be spent by the company during the year (Refer note 29)	56.51	37.87
Amount of expenditure incurred (including shortfall at the beginning of the year)	90.28	4.11
Shortfall at the end of the year	-	33.77
Nature of CSR activities	Health Care, Education, Setting up homes for orphans	Health Care, Education, Setting up homes for orphans
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	NA	NA
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	The unspent amount of ₹33.77 Lakhs has been transferred to the separate Bank account as "CSR unspent account"

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

**NOTE: 49** The Company has a process whereby periodically all long term contracts, if any, are assessed for material foreseeable losses. As at the balance sheet date, there were no long term contracts (including derivative contracts).

**NOTE: 50** The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with Income Tax and other statutory authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. Refer note 39 for details on contingent liabilities.

**NOTE: 51** Disclosure Pursuant to Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956, the Company disclose the following details of struck off Companies

Name of the struck off company	Nature of transactions	Transactions for the year 31st March, 2023	Transactions for the year 31st March, 2022	Balance outstanding as at March 31,2023	Balance outstanding as at March 31,2022	Relationship with the struck off company
Ceeplast Trading Company Private Limited	AMC Charges	-	0.012	-	0.053	Customer
Chaturbhuj Securities Private Limited	AMC Charges	-	0.000	-	(0.005)	Customer
Doniv Enterprises Private Ltd	AMC Charges	-	0.012	-	(0.023)	Customer
Orion Media Private Limited	AMC Charges	-	-	-	(0.002)	Customer
Pusha Steels Limited	AMC Charges	-	-	-	(0.003)	Customer
Gurukul Commosales Private Limited	AMC Charges	-	0.000	-	(0.010)	Customer
Savinan Enterprises Private Limited	Commission Charges	(0.243)	-	(0.293)	-	Creditor

**NOTE: 52** No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**NOTE: 53** No funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(All amounts are in lakhs, unless otherwise stated)

## NOTE: 54 CAPITAL COMMITMENT

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹8.81 Lakhs (Previous year: Nil).

## NOTE: 55 OTHER STATUTORY INFORMATION

- (a) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (b) The Company is not holding any benami property under the Benami Transactions (Prohibition) Act, 1988.
- (c) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (d) The Company has no charges or satisfaction to be registered which is yet to be registered with the Register of Companies beyond the statutory period.
- (e) The Company has not entered into any scheme of arrangement under Section 230 to 237 of the Companies Act 2013.
- (f) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (g) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.
- (h) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- (i) No loans or advances in the nature of loans are granted to promoters, Directors, Key Managerial Personnel and the related parties (as defined under the Companies Act, 2013) either severally or jointly with any other person.
- (j) The Company is required to submit gross debit balance (excluding credit balance) as at period end after making an adjustment for transactions for which settlement is not due. Post these adjustments, the amount reported are in agreement with unaudited books of accounts.
- (k) The company has utilized the funds for the purposes for which the loans were obtained.

For and on behalf of the Board of Directors of  
**Aditya Birla Money Limited**

**Pinky A Mehta**  
Director  
DIN : 00020429

**Pradeep Sharma**  
Chief Financial Officer

**Tushar Shah**  
Director  
DIN: 00239762

**Divya Poojari**  
Company Secretary  
Mem. No.: ACS23792

Place: Mumbai  
Date: 21<sup>st</sup> April 2023

Aditya Birla Insurance Brokers Limited



**ADITYA BIRLA  
CAPITAL**

CIN: U99999GJ2001PLC062239

Registered Office Address :Indian Rayon Compound,  
Road, Veraval – 362266, Gujarat

T: +91 22 4356 8585

# Independent Auditor's Report

To the Members of

**Aditya Birla Insurance Brokers Limited**

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying financial statements of **Aditya Birla Insurance Brokers Limited** (the "Company"), which comprise the Balance Sheet as at 31 March, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

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

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report but does not include the financial statements and our auditor's report thereon ("Other Information").
- Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

## Independent Auditor's Report (Contd.)

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

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

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

## Independent Auditor's Report (Contd.)

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 31 March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023 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 with reference to financial statements.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,
    - h. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
    - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
      - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
      - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
      - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
      - iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## Independent Auditor's Report (Contd.)

- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The interim dividend declared and paid by the Company during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B", a Statement on the matters specified in paragraphs 3 and 4 of the Order.

**For S.B.BILLIMORIA & Co. LLP**

Chartered Accountants

(Firm's Registration No. 101496W/W100774)

**Mukesh Jain**

(Partner)

(Membership No. 108262)

(UDIN: 23108262BGTJMH5280)

Place: Mumbai

Date: 26 April, 2023

# Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls with reference to financial statements of Aditya Birla Insurance Brokers Limited (the "Company") as of 31 March, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls 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 with reference to financial statements.

### Meaning of Internal Financial Controls with reference to financial statements

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

### Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the

## Independent Auditor's Report (Contd.)

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March, 2023, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.B.BILLIMORIA & Co. LLP**

Chartered Accountants

(Firm's Registration No. 101496W/W100774)

**Mukesh Jain**

(Partner)

(Membership No. 108262)

(UDIN: 23108262BGTJMH5280)

Place: Mumbai

Date: 26 April, 2023

## 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)**

In terms of the information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) In respect to the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
  - (B) The Company has also maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of property, plant and equipment so to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, all Property, Plant and Equipment were due for physical verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The Company does not own any immovable properties (other than properties where the Company is the lessee and lease agreements are duly executed in favour of the lessee) and hence reporting under of Clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
- (b) The Company has not been sanctioned working

capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets, and hence reporting under clause 3(ii) (b) of the Order is not applicable.

- (iii) The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

- (a) The Company has provided loans or advances in the nature of loans during the year and details of which are given below:

(₹ in lakh)	
Particulars	Loans
A. Aggregate amount granted / provided during the year:	
- Others (Fellow Subsidiaries)	6,025
B. Balance outstanding as at balance sheet date in respect of above cases:	
- Others (including Fellow Subsidiaries)	2,375

The Company has not provided any advances in nature of loans, any guarantee or security to any other entity during the year.

- (b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all the above-mentioned loans and advances in the nature of loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

## Independent Auditor's Report (Contd.)

- (e) During the year loans or advances in the nature of loans aggregating to ₹ 2,350 lakh fell due from certain parties and fresh loans aggregating to ₹ 2,350 lakh were granted to such parties to settle the overdues of existing loans given to them during the year. The details of such loans that fell due and those granted during the year are stated below:

Name of the party	Aggregate amount of overdues of existing loans renewed or extended or settled by fresh loans (₹ in lakh)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Aditya Birla Financial Shared Services Limited	850	14%
Aditya Birla Capital Technology Services Limited	1,500	25%

- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence reporting under clause 3(vi) of CARO 2016 is not applicable.
- (vii) In respect of statutory dues:
- (a) In our opinion, the Company has been generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Customs Duty, cess and other material statutory dues applicable to it to the appropriate authorities.

There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of the statute	Nature of dues	Amount Involved (₹ in lakh)	Amount Unpaid (₹ in lakh)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	12.21	12.21	FY 2016-17	Commissioner of Income-tax (Appeal)
Income Tax Act, 1961	Income Tax	15.51	15.51	FY 2005-06	Deputy Commissioner of Income-tax (Assessing Officer)
Income Tax Act, 1961	Income Tax	4.87	4.87	FY 2017-18	Deputy Commissioner of Income-tax (Assessing Officer)
Income Tax Act, 1961	Income Tax	0.60	0.60	FY 2011-12	Commissioner of Income-tax (Appeal)

**Independent Auditor's Report (Contd.)**

Name of the statute	Nature of dues	Amount Involved (₹ in lakh)	Amount Unpaid (₹ in lakh)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	17.95	17.95	FY 2015-16	Commissioner of Income-tax (Appeal)
Income Tax Act, 1961	Income Tax	22.97	22.97	FY 2019-20	Commissioner of Income-tax (Appeal)
The Telangana Goods and Services Tax Act, 2017	Goods and Service Tax	32.31	32.31	FY 2019-20	The Company is in the process of filing the appeal against the order
The Telangana Goods and Services Tax Act, 2017	Goods and Service Tax	26.03	26.03	FY 2018-19	
The Telangana Goods and Services Tax Act, 2017	Goods and Service Tax	0.02	0.02	July 2017 – March 2018	
The West Bengal Goods and Services Tax Act, 2017	Goods and Service Tax	2.14	2.14	July 2017- March 2018	
Finance Act, 1994	Service Tax	2,517.41*	1,355.89	June 2012- June 2017	Custom, Excise and Service Tax Appellate Tribunal, Mumbai
Insurance Regulatory and Development Authority Act, 1999	Penalty	300.00	300.00	July 2017- August 2018	Securities Appellate Tribunal, Mumbai

\*Service Tax amount has been paid by the Company under protest.

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.
- (f) The Company does not have any investment in subsidiary or joint venture or associate companies and consequently has not raised any loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence the provisions of Clause 3(x)(b) of the Order is not applicable.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

## Independent Auditor's Report (Contd.)

- (c) There were no whistle blower complaints received by the Company during the year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report which is not mitigated indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, with respect to applicable 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) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Act are not applicable.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a),(b) and (c) of the Order is not applicable.
- (b) The Group has more than one CIC as part of Group. There are 3 CICs forming part of the Group.
- (xxi) The Company does not have any investment in subsidiary, joint venture and associate and hence the Company is not required to prepare consolidated financial statements. Therefore, reporting under clause 3(xxi) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

For **S.B.BILLIMORIA & Co. LLP**  
Chartered Accountants  
(Firm's Registration No. 101496W/W100774)

**Mukesh Jain**  
(Partner)  
(Membership No. 108262)  
(UDIN: 23108262BGTJMH5280)

Place: Mumbai  
Date: 26 April, 2023



# Balance Sheet

as at 31<sup>st</sup> March, 2023

(₹ in lakh)

Sr no	Particulars	Notes	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>				
<b>(1)</b>	<b>Non current assets</b>			
(a)	Property, plant and equipment	2A	456.88	372.05
(b)	Right-of-use assets	21	884.48	1,264.97
(c)	Other intangible assets	2B	150.75	288.40
(d)	Intangible assets under development	2C	178.06	41.88
(e)	Financial assets			
(i)	Others	3	390.13	320.56
(f)	Deferred tax assets (net)	4	525.85	515.88
(g)	Income tax assets (net)	5	3,625.80	5,284.70
(h)	Other non current assets	6	1,152.21	1,126.33
	<b>Total Non Current Assets</b>		<b>7,364.16</b>	<b>9,214.77</b>
<b>(2)</b>	<b>Current assets</b>			
(a)	Financial assets			
(i)	Investments	7	15,238.45	4,503.93
(ii)	Trade and other receivables	8	3,041.09	8,062.63
(iii)	Cash and cash equivalents	9	89.49	157.77
(iv)	Bank Balance other than (iii) above	10	565.14	687.74
(v)	Loans	11	2,391.48	5,836.11
(vi)	Others	12	31.45	35.41
(b)	Other current assets	13	1,000.00	1,086.95
	<b>Total Current Assets</b>		<b>22,357.10</b>	<b>20,370.54</b>
	<b>Total assets</b>		<b>29,721.26</b>	<b>29,585.31</b>
<b>EQUITY AND LIABILITIES</b>				
<b>(1)</b>	<b>Equity</b>			
(a)	Equity share capital	14	513.00	513.00
(b)	Other equity	15	13,733.69	12,455.69
	<b>Total equity</b>		<b>14,246.69</b>	<b>12,968.69</b>
<b>(2)</b>	<b>Liabilities</b>			
<b>(2.1)</b>	<b>Non-current liabilities</b>			
(a)	Financial liabilities			
(i)	Lease liabilities	21	557.13	916.55
(b)	Long term provision	16	1,026.50	1,109.49
	<b>Total Non Current Liabilities</b>		<b>1,583.63</b>	<b>2,026.04</b>
<b>(2.2)</b>	<b>Current liabilities</b>			
(a)	Financial liabilities			
(i)	Lease liabilities	21	397.19	393.03
(ii)	Trade and other payables	17		
	- Micro and small enterprises		1,486.43	1,383.18
	- Other than micro and small enterprises		7,467.63	7,922.75
(iii)	Other financial liabilities	18	2,805.95	3,055.96
(b)	Other current liabilities	19	1,513.41	1,560.07
(c)	Short term provisions	20	220.33	275.59
	<b>Total Current Liabilities</b>		<b>13,890.94</b>	<b>14,590.58</b>
	<b>Total Liabilities</b>		<b>15,474.57</b>	<b>16,616.62</b>
	<b>Total Equity and Liabilities</b>		<b>29,721.26</b>	<b>29,585.31</b>
	Significant accounting policies	1		
The accompanying notes are an integral part of the Financial Statements				

As per our report of even date

For **S. B. Billimoria & Co. LLP**  
ICAI Firm Registration No. : 101496W/W100774  
Chartered Accountants

**Mukesh Jain**  
Partner  
Membership No: 108262

For and on behalf of the Board of Directors of  
**Aditya Birla Insurance Brokers Limited**

**Vijay Agarwal**  
Director  
DIN:00058548

**Anantha Dhananjaya**  
Director  
DIN:01744569

**Sandeep Dadia**  
Chief Executive Officer

**Jaibind Sahu**  
Company Secretary

Place: Mumbai  
Date: April 26, 2023

Place: Mumbai  
Date: April 26, 2023

# Statement of Profit & Loss

for the year ended March 31, 2023

(₹ in lakh)				
Sr no	Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
<b>1</b>	<b>Revenue from operations:</b>			
	Revenue from operations	22	60,714.09	68,451.75
	<b>Other Income:</b>			
	Interest income	23	893.79	542.23
	Net gain on fair value changes	24	534.09	249.65
	Others	25	11.91	19.29
			1,439.79	811.17
	<b>Total income</b>		<b>62,153.88</b>	<b>69,262.92</b>
<b>2</b>	<b>Expenses:</b>			
	(a) Fees and commission expense		42,415.23	50,613.92
	(b) Finance cost (Interest expense on lease liabilities)		71.07	78.88
	(c) Impairment on financial instruments including loss on derecognition of financial assets		113.10	179.16
	(d) Employee benefits expenses	26	6,501.64	6,872.82
	(e) Depreciation and amortisation expenses	27	714.90	806.64
	(f) Other expenses	28	2,611.59	2,109.19
	<b>Total expenses</b>		<b>52,427.53</b>	<b>60,660.61</b>
<b>3</b>	<b>Profit before tax</b>		<b>9,726.35</b>	<b>8,602.31</b>
4	Income tax expenses	29		
	Current tax		2,477.84	2,233.33
	Deferred tax charge - (Net)		(9.97)	(36.94)
			2,467.87	2,196.39
<b>5</b>	<b>Profit for the year</b>		<b>7,258.48</b>	<b>6,405.92</b>
6	Other comprehensive income (Not to be reclassified to profit and loss - actuarial gain/(loss) on defined benefit plan)	30	28.94	23.55
	Income tax relating to items that will not be reclassified to profit and loss		(7.32)	(6.05)
<b>7</b>	<b>Total comprehensive income for the year</b>		<b>7,280.10</b>	<b>6,423.42</b>
<b>8</b>	<b>Earnings per share of ₹ 10/- each</b>	31		
	<b>Basic and Diluted- ₹</b>		<b>141.49</b>	<b>124.87</b>
	Significant accounting policies	1		
	The accompanying notes are an integral part of the Financial Statements.			

As per our report of even date

For **S. B. Billimoria & Co. LLP**  
ICAI Firm Registration No. : 101496W/W100774  
Chartered Accountants

**Mukesh Jain**  
Partner  
Membership No: 108262

Place: Mumbai  
Date: April 26, 2023

For and on behalf of the Board of Directors of  
**Aditya Birla Insurance Brokers Limited**

**Vijay Agarwal**  
Director  
DIN:00058548

**Jaibind Sahu**  
Company Secretary

Place: Mumbai  
Date: April 26, 2023

**Anantha Dhananjaya**  
Director  
DIN:01744569

**Sandeep Dadia**  
Chief Executive Officer

# Statement of Cash Flows

for the year ended March 31, 2023

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>A. Cash flow from operating activities</b>		
Profit before tax	9,726.35	8,602.31
<b>Adjustment for:</b>		
Impairment on financial instruments including loss on derecognition of financial assets	113.10	179.16
Net (gain) on fair value changes	(534.09)	(249.65)
Loss on sale of property, plant and equipment	0.17	18.92
Interest income	(564.86)	(438.18)
Interest expense related to lease liability	71.07	78.88
Depreciation and amortisation	714.90	806.64
<b>Operating profit before working capital changes</b>	<b>9,526.64</b>	<b>8,998.08</b>
<b>Adjustment for-</b>		
Decrease/(Increase) in trade receivables	4,918.68	(2,271.76)
Decrease in financial assets	221.05	637.17
(Increase)/Decrease in trade payables	(461.18)	872.14
(Decrease)/Increase in financial liabilities	(395.55)	795.54
<b>Cash generated from operating activities</b>	<b>13,809.64</b>	<b>9,031.17</b>
Income taxes paid (net of refund)	(826.26)	(3,446.58)
<b>Net cash generated from operating activities</b>	<b>12,983.38</b>	<b>5,584.59</b>
<b>B. Cash Flow from investing activities</b>		
Purchases of property, plant and equipment and intangibles assets	(431.14)	(432.29)
Proceeds from sale of property, plant and equipment	75.13	9.70
Interest received	539.76	433.78
Investment in fixed deposit	(51.30)	(327.64)
Purchase of current investments	(84,492.78)	(74,376.28)
Sale of current investments	74,292.34	74,937.00
Investment in inter corporate deposits	(6,025.00)	(2,500.00)
Redemption of inter corporate deposits	9,450.00	750.00
<b>Net cash used in investing activities</b>	<b>(6,642.99)</b>	<b>(1,505.73)</b>
<b>C. Cash flow from financing activities</b>		
Repayment of lease liability (including interest as per Ind AS 116)	(406.57)	(409.02)
Payment of dividend	(6,002.10)	(3,591.00)
<b>Net cash used in financing activities</b>	<b>(6,408.67)</b>	<b>(4,000.02)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(68.28)</b>	<b>78.84</b>
<b>Opening cash and cash equivalents</b>	<b>157.77</b>	<b>78.93</b>
<b>Closing cash and cash equivalents</b>	<b>89.49</b>	<b>157.77</b>
	Note no.	
Significant accounting policies	1	

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For **S. B. Billimoria & Co. LLP**  
ICAI Firm Registration No. : 101496W/W100774  
Chartered Accountants

**Mukesh Jain**  
Partner  
Membership No: 108262

For and on behalf of the Board of Directors of  
**Aditya Birla Insurance Brokers Limited**

**Vijay Agarwal**  
Director  
DIN:00058548

**Jaibind Sahu**  
Company Secretary

**Anantha Dhananjaya**  
Director  
DIN:01744569

**Sandeep Dadia**  
Chief Executive Officer

Place: Mumbai  
Date: April 26, 2023

Place: Mumbai  
Date: April 26, 2023

# Statement of Changes in Equity

for year ended March 31, 2023

## (A) EQUITY SHARE CAPITAL

Particulars	No of Shares in lakh	Notes	Amount (₹ in lakh)
As at April 01, 2021	51.30	14	513.00
Changes in Equity share capital	-		-
As at March 31, 2022	51.30		513.00
Changes in Equity share capital	-		-
<b>As at March 31, 2023</b>	<b>51.30</b>	<b>14</b>	<b>513.00</b>

## (B) OTHER EQUITY

(₹ in lakh)

Particulars	Notes	Reserves & Surplus		Total
		Retained earnings	General reserve	
<b>Balance at April 01, 2021</b>	15	<b>7,440.30</b>	<b>2,182.97</b>	<b>9,623.27</b>
Profit for the year		6,405.92	-	6,405.92
Other comprehensive income-Net of tax (Remeasurement gains/(loss) on defined benefit plan)		17.50	-	17.50
Total comprehensive income for the year		6,423.42	-	6,423.42
Transfer to general reserve		(1,705.67)	1,705.67	-
Dividend paid		(3,591.00)	-	(3,591.00)
<b>Balance as at March 31, 2022</b>	15	<b>8,567.05</b>	<b>3,888.64</b>	<b>12,455.69</b>
Profit for the year		7,258.48	-	7,258.48
Other comprehensive income-Net of tax (Remeasurement gains/(loss) on defined benefit plan)		21.62	-	21.62
Total comprehensive income for the year		7,280.10	-	7,280.10
Dividend paid		(6,002.10)	-	(6,002.10)
<b>Balance as at March 31, 2023</b>	15	<b>9,845.05</b>	<b>3,888.64</b>	<b>13,733.69</b>
Significant accounting policies	1			

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For **S. B. Billimoria & Co. LLP**

ICAI Firm Registration No. : 101496W/W100774

Chartered Accountants

**Mukesh Jain**

Partner

Membership No: 108262

For and on behalf of the Board of Directors of

**Aditya Birla Insurance Brokers Limited**

**Vijay Agarwal**

Director

DIN:00058548

**Anantha Dhananjaya**

Director

DIN:01744569

**Sandeep Dadia**

Chief Executive Officer

**Jaibind Sahu**

Company Secretary

Place: Mumbai

Date: April 26, 2023

Place: Mumbai

Date: April 26, 2023

# Notes to the Financial Statements

for the year ended March 31, 2023

## NOTE '01' SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS

### 1 CORPORATE INFORMATION

Aditya Birla Insurance Brokers Limited (Corporate ID No. U99999GJ2001PLC062239) is a limited Company incorporated and domiciled in India. The registered office of the company is located at Indian Rayon Compound, Veraval, Gujarat - 362 266. The Company is a composite general insurance intermediary, licensed by the Insurance Regulatory and Development Authority (IRDA) of India. The Company specialises in providing general insurance broking and risk management solutions for corporates and individuals alike. The financial statements of the Company for the year ended March 31, 2023 were authorized for issue in accordance with a resolution of the directors on April 26, 2023.

Board of Directors of the Company at its meeting held on March 27, 2023, has approved execution of Share Purchase Agreement to transfer 100% of issued and paid up share capital to Edme Services Private Limited, part of the Samara Capital Group and an affiliate of Samara Alternate Investment Fund. The Proposed Transaction is subject to receipt of the approval of Insurance Regulatory and Development Authority of India ("IRDAI") and other regulatory / statutory approvals and satisfaction of other conditions under the Share Purchase Agreement

### 2 BASIS OF PREPARATION

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time. The presentation of the Financial Statements is based on Ind AS Schedule III of the Companies Act, 2013.

These financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an

asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date

All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of the assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabilities. The statement of cash flows have been prepared under indirect method.

To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Company has changed the classification of certain items. Previous year figures have been re-grouped or reclassified, to confirm to such current year's grouping / classifications. There is no impact on Equity or Net Loss due to these regrouping / reclassifications

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

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in preparation of the financial statements have been discussed in the respective notes.

#### 3.1 Revenue Recognition

Revenue is recognised on satisfaction of the performance obligations. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation which is the consideration, adjusted for discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue for placement services (also commonly referred to as "Commission Income") is recognized as income (net of Goods and Services Tax) at the point in time, i.e.

# Notes to the Financial Statements

for the year ended March 31, 2023

at the inception date of the risk (insurance policy) or the date of issue of the prime documents by the Insurance Company, whichever is earlier. Adjustments to brokerage, if any, arising from premium additions or reductions are recognised on intimation.

Brokerage in respect of facultative inward / outward and treaty reinsurance placements is accounted when the premium to be paid by the insurer to the reinsurance company becomes due.

Interest income is recognised using the effective interest rate method.

## 3.2 Property, plant and equipment

All items of property, plant and equipment are stated at historical cost, net of accumulated depreciation and impairment loss if any. The cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

### 3.2.1 Depreciation methods, estimated useful lives and residual value

Depreciation is provided on straight line basis using the rates arrived at based on the useful lives estimated by the Management. The Company has used the following useful life to provide depreciation on its property, plant and equipment.

Asset	Useful life as prescribed by Schedule II of the Co's Act, 2013	Estimated useful life
Computers and office equipments	3 years	4 Years
Vehicles	8 years	5 Years
Furniture and fixtures	10 years	7 Years
Leasehold improvements	Over the primary period of the lease	Over the primary period of the lease

Useful life of assets different from as prescribed in Schedule II has been estimated by management and is supported by the technical assessment. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Property, plant and equipments individually costing less than Rupees five thousands, are fully depreciated in the year of purchase.

Depreciation on assets acquired / sold during the year is recognised on a pro-rata basis to the statement of profit and loss from/ till the date of acquisition or sale.

## 3.3 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition,

intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over a period of 3 years.

Amortization on the intangible assets added/disclosed off/discarded during the year is provided on pro-rata basis with reference to the month of addition/disposal/discarding.

The amortisation period and the amortisation method are reviewed at least at each financial year end. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

# Notes to the Financial Statements

for the year ended March 31, 2023

## 3.3.1 Intangible assets under development

Expenditure on Research and/or development eligible for capitalisation are carried as intangible assets under development where such assets are not yet ready for their intended use.

## 3.4 Leases

The company's lease asset classes primarily consist of leases for land and buildings. The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (1) the contract involves the use of an identified asset (2) the company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the company recognizes right – of – use (“ROU”) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated amortisation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the under lying

asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## 3.5 Impairment of non financial assets

The Company assesses at each reporting date whether there is an indication that a non financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and the resulting impairment loss is charged to the statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

# Notes to the Financial Statements

for the year ended March 31, 2023

## 3.6 Taxes

### 3.5.1 Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the Indian Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

### 3.5.2 Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

## 3.7 Employee benefits

### 3.7.1 Defined contribution plan

Retirement benefit in the form of Government managed Employee Provident Fund, Government managed Employee Pension Fund and Employee State Insurance are the defined contribution schemes. The Company has no obligation, other than the contribution payable to the respective schemes which are recognised as an expense, when an employee renders the related service.

### 3.7.2 Defined benefit plan

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The Company's liabilities under Payment of Gratuity Act and compensated absences are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

Remeasurements, comprising of actuarial gains and losses on retirement benefits arising from experience adjustments and changes in actuarial assumptions are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate

# Notes to the Financial Statements

for the year ended March 31, 2023

to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- Net interest expense or income.

### 3.7.3 Long term incentive benefit

Other long term incentive benefits includes future encashment or availment, at the option of the employee subject to the rules framed by the Company which are expected to be availed or encashed beyond 12 months from the end of the year and long term incentive payable to employees on fulfilment of criteria prescribed by the Company.

### 3.8 Foreign currency transactions and balances

Transactions in foreign currencies are recorded at the rate of exchange prevailing on the date of transaction.

Monetary asset and liabilities denominated in foreign currencies are translated at the functional currency at rates of exchange on the reporting date.

Exchange difference on restatement of all other monetary items is recognised in the Statement of Profit and Loss.

### 3.9 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

### 3.10 Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying

economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date.

### 3.11 Financial instruments and fair value measurement

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

#### Initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized by the Company when it becomes a party to the contractual provisions of the financial instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of a financial instrument are adjusted to fair value, except where the financial instrument is measured at Fair Value through profit or loss, in which case the transaction costs are immediately recognized in profit or loss.

#### Financial assets

##### Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above as they are considered an integral part of the Company's cash management.

# Notes to the Financial Statements

for the year ended March 31, 2023

## Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

## Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

## Financial liabilities and equity instruments

### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. (Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.)

### Other financial liabilities

Other financial liabilities (including borrowings, financial guarantee contracts and trade and other payables) are subsequent to initial recognition, measured at amortised cost using the effective interest (EIR) method.

### Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

## Derecognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

## Fair value measurement

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility. In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and Level 3 inputs are unobservable inputs for the asset or liability.

## Impairment of financial assets

The impairment provision for financial assets (other than trade receivables) are based on assumptions of risk of default and expected loss rates. The Company makes judgements about these assumptions for selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Trade receivables are stated at their nominal values as reduced by appropriate allowances for estimated

# Notes to the Financial Statements

for the year ended March 31, 2023

irrecoverable amounts which are based on the historical percentages of amounts written off of the operating revenue. Individual trade receivables are written off when management deems them not to be collectible.

## 3.12 Security deposits

At initial recognition the carrying value of the refundable deposits is taken at present value of all expected future principal repayments discounted using market rates prevailing at the time of inception. For Interest expenses, the difference between present market value and deposit made is recognised as prepayment and amortised in the Statement of Profit and loss over the benefit period on systematic basis. Interest income is recognised at the prevailing market rates.

## 3.13 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## 3.14 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements

were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

## 3.15 Recent Accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below: Ind AS 1 – Presentation of Financial Statements The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements. Ind AS 12 – Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

# Notes to the Financial Statements

for the year ended March 31, 2023

## NOTE 2A: PROPERTY, PLANT AND EQUIPMENT

(₹ in lakh)

Particulars	Leasehold improvements	Computers and office equipments	Furniture and fixtures	Vehicles	Total
<b>Gross Block</b>					
As at April 01, 2021	359.08	555.71	85.41	327.44	1,327.64
Additions during the year	8.75	40.49	9.11	157.05	215.40
Deletions during the year	43.80	130.64	3.96	110.93	289.33
<b>As at March 31, 2022</b>	<b>324.03</b>	<b>465.56</b>	<b>90.56</b>	<b>373.56</b>	<b>1,253.71</b>
Additions during the year	-	76.36	0.61	240.34	317.31
Deletions during the year	5.94	181.54	8.24	158.52	354.24
<b>As at March 31, 2023</b>	<b>318.09</b>	<b>360.38</b>	<b>82.93</b>	<b>455.38</b>	<b>1,216.78</b>
<b>Accumulated depreciation</b>					
As at April 01, 2021	261.81	421.32	54.03	224.26	961.42
Additions during the year	44.71	66.16	8.60	61.47	180.94
Deletions during the year	19.56	129.34	2.04	109.76	260.70
<b>As at March 31, 2022</b>	<b>286.96</b>	<b>358.14</b>	<b>60.59</b>	<b>175.97</b>	<b>881.66</b>
Additions during the year	9.84	64.47	9.58	73.30	157.19
Deletions during the year	2.03	179.02	4.99	92.91	278.95
<b>As at March 31, 2023</b>	<b>294.77</b>	<b>243.59</b>	<b>65.18</b>	<b>156.36</b>	<b>759.90</b>
<b>Net WDV as at March 31, 2023</b>	<b>23.32</b>	<b>116.79</b>	<b>17.75</b>	<b>299.02</b>	<b>456.88</b>
<b>Net WDV as at March 31, 2022</b>	<b>37.07</b>	<b>107.42</b>	<b>29.97</b>	<b>197.59</b>	<b>372.05</b>

## NOTE 2B: INTANGIBLE ASSETS

(₹ in lakh)

Particulars	Computer software	Total
<b>Gross Block</b>		
As at April 01, 2021	1,549.79	1,549.79
Additions during the year	108.61	108.61
Deletions during the year	-	-
<b>As at March 31, 2022</b>	<b>1,658.40</b>	<b>1,658.40</b>
Additions during the year	59.33	59.33
Deletions during the year	2.96	2.96
<b>As at March 31, 2023</b>	<b>1,714.77</b>	<b>1,714.77</b>
<b>Accumulated amortisation</b>		
As at April 01, 2021	1,091.96	1,091.96
Additions during the year	278.04	278.04
Deletions during the year	-	-
<b>As at March 31, 2022</b>	<b>1,370.00</b>	<b>1,370.00</b>
Additions during the year	196.98	196.98
Deletions during the year	2.96	2.96
<b>As at March 31, 2023</b>	<b>1,564.02</b>	<b>1,564.02</b>
<b>Net WDV as at March 31, 2023</b>	<b>150.75</b>	<b>150.75</b>
<b>Net WDV as at March 31, 2022</b>	<b>288.40</b>	<b>288.40</b>

\*There is no internal generated intangible assets

# Notes to the Financial Statements

for the year ended March 31, 2023

## NOTE 2C: INTANGIBLE ASSETS UNDER DEVELOPMENT (IAUD):

Ageing:

(₹ in lakh)

Particulars	March 31, 2023		March 31, 2022	
	Projects in progress	Projects temporarily suspended	Projects in progress	Projects temporarily suspended
Amount in IAUD for year ended				
Less than 1 year	154.59	-	34.90	-
1-2 years	19.03	-	4.78	-
2-3 years	4.44	-	-	-
More than 3 years	-	-	2.20	-
<b>Total</b>	<b>178.06</b>	<b>-</b>	<b>41.88</b>	<b>-</b>

### Note:

There are no projects as on the reporting periods which has overdue and exceeded cost as compared to its original plan

## Movement of Intangible assets under development (IAUD):

(₹ in lakh)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Opening Balance	41.88	49.36
Add: Additions during the year	193.46	98.97
Less: Transferred to Computer Software from opening balance	18.40	42.38
Less: Transferred to Computer Software from current year's additions	38.88	64.06
<b>Closing balance</b>	<b>178.06</b>	<b>41.88</b>

## NOTE 3: OTHER NON CURRENT FINANCIAL ASSETS

(₹ in lakh)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Bank deposits with more than 12 months maturity (Fixed deposits with banks marked lien in favour of IRDAI)	209.61	158.31
Add : Interest accrued but not due	10.21	1.08
	<b>219.82</b>	<b>159.39</b>
(Unsecured, considered good, except otherwise stated)		
Rental security deposits	170.44	160.62
Other security deposits	0.55	0.55
Less: Impairment Loss	(0.68)	-
	<b>170.31</b>	<b>161.17</b>
<b>Total</b>	<b>390.13</b>	<b>320.56</b>

# Notes to the Financial Statements

for the year ended March 31, 2023

## NOTE 4: DEFERRED TAX ASSET (NET)

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax asset (net) :		
On account of accumulated depreciation and amortisation	118.24	110.04
On account of provision for doubtful debts and other provisions	386.32	427.24
Others	21.29	(21.40)
Net deferred tax asset (Refer note 29)	<b>525.85</b>	<b>515.88</b>

## NOTE 5: INCOME TAX ASSET (NET)

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance payment of income tax - net of provision of ₹ 9,994.80 lakh (Previous year March 22: ₹ 7,528.54 lakh)	3,625.80	5,284.70
<b>Total</b>	<b>3,625.80</b>	<b>5,284.70</b>

## NOTE 6: OTHER NON CURRENT ASSETS

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance against capital expenditure	17.19	-
Gratuity Fund Receivables	717.25	679.83
Prepaid expenses	5.12	23.85
	<b>739.56</b>	<b>703.68</b>
Service tax amount paid under protest	1,168.22	1,168.22
Less: Provision for service tax liability	(755.57)	(745.57)
	412.65	422.65
<b>Total</b>	<b>1,152.21</b>	<b>1,126.33</b>

## NOTE 7: INVESTMENTS

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unquoted:</b>		
Investment in mutual fund units	15,238.45	4,503.93
(Number of units March 31, 2023 : 41.96 lakh, March 31, 2022 : 14.29 lakh at fair value through profit and loss)		
<b>Total</b>	<b>15,238.45</b>	<b>4,503.93</b>
Investments outside India	-	-
Investments in India	15,238.45	4,503.93

# Notes to the Financial Statements

for the year ended March 31, 2023

## NOTE 8: TRADE AND OTHER RECEIVABLES

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured considered good	-	-
Unsecured, undisputed considered good	3,041.09	8,062.63
Unsecured, undisputed considered doubtful	229.82	289.70
	<b>3,270.91</b>	<b>8,352.33</b>
Less: Impairment loss	(229.82)	(289.70)
	<b>3,041.09</b>	<b>8,062.63</b>
<b>Total</b>	<b>3,041.09</b>	<b>8,062.63</b>

Note :- There are no disputed trade receivables as on March 31, 2023 and March 31, 2022

(₹ in lakh)

Outstanding for following periods from date of transactions as on March 31, 2023	Unbilled	Considered good	Considered doubtful	Total
Less than 6 months	1,222.55	1,818.54	110.74	3151.83
6 months -1 year	-	-	87.95	87.95
1-2 years	-	-	9.74	9.74
2-3 years	-	-	21.39	21.39
More than 3 years	-	-	-	-
<b>Total</b>	<b>1,222.55</b>	<b>1,818.54</b>	<b>229.82</b>	<b>3,270.91</b>

(₹ in lakh)

Outstanding for following periods from date of transactions as on March 31, 2022	Unbilled	Considered good	Considered doubtful	Total
Less than 6 months	968.85	7016.50	-	7985.35
6 months -1 year	77.28	-	98.28	175.56
1-2 years	-	-	152.55	152.55
2-3 years	-	-	21.11	21.11
More than 3 years	-	-	17.76	17.76
<b>Total</b>	<b>1,046.13</b>	<b>7,016.50</b>	<b>289.70</b>	<b>8,352.33</b>

## NOTE 9: CASH AND CASH EQUIVALENTS

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents:		
Balance with banks - current account	89.49	157.77
<b>Total</b>	<b>89.49</b>	<b>157.77</b>

# Notes to the Financial Statements

for the year ended March 31, 2023

## NOTE 10: OTHER BANK BALANCES

(₹ in lakh)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Bank balance for reinsurance accounts *	165.14	287.74
Deposit with bank having maturity more than three months	400.00	400.00
<b>Total</b>	<b>565.14</b>	<b>687.74</b>

\*Held by the Company in fiduciary capacity on behalf of insurers/reinsurers, corresponding liability for the same is included in other financial liabilities

## NOTE 11: LOANS- CURRENT

(₹ in lakh)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
(Unsecured, except otherwise stated)		
Advances and other receivables from employees:		
Unsecured, considered good	1.48	0.77
Unsecured, considered doubtful	-	-
	<b>1.48</b>	<b>0.77</b>
Less: Impairment loss	-	-
	<b>1.48</b>	<b>0.77</b>
Other receivables:		
Related parties	20.03	33.37
Others	4.47	1.97
Inter corporate deposits (Refer note below)		
Related parties	2,375.00	4,000.00
Others	-	1,800.00
Less: Impairment Loss	(9.50)	-
	<b>2,365.50</b>	<b>5,800.00</b>
<b>Total</b>	<b>2,391.48</b>	<b>5,836.11</b>

Note:

1. Inter corporate deposits placed with financial institution and related parties yield fixed interest rate between the range of 7.15% to 8.50% for general purpose requirement with terms 12 month or demand whichever is earlier.
2. The Company has not given Loans or advances in the nature of loans to promoters, directors, KMPs and the related parties, that are repayable on demand or without specifying any terms or period of repayment
3. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
4. The details of loans given under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

# Notes to the Financial Statements

for the year ended March 31, 2023

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	5,800.00	4,050.00
ICD given during the year	6,025.00	2,500.00
ICD repayment during the year	(9,450.00)	(750.00)
<b>Closing balance</b>	<b>2,375.00</b>	<b>5,800.00</b>

## NOTE 12: OTHER FINANCIAL ASSETS -CURRENT

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Rental security deposits	14.65	16.02
Other security deposits	2.78	7.23
Less: Impairment Loss	(0.07)	-
	<b>17.36</b>	<b>23.25</b>
Interest accrued but not due:		
Deposit with bank having maturity more than three months	14.09	12.16
<b>Total</b>	<b>31.45</b>	<b>35.41</b>

## NOTE 13: OTHER CURRENT ASSETS

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	276.35	303.93
GST input credit	714.17	763.68
Others	9.48	19.34
<b>Total</b>	<b>1,000.00</b>	<b>1,086.95</b>

## NOTE 14: SHARE CAPITAL

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Authorized share capital:</b>		
55.00 lakh (Previous year: 55.00 lakh) equity shares of ₹ 10/- each	550.00	550.00
	<b>550.00</b>	<b>550.00</b>
<b>Issued, subscribed and fully paid up share capital:</b>		
51.30 lakh (Previous year: 51.30 lakh) equity shares of ₹10/- each fully paid	513.00	513.00
	<b>513.00</b>	<b>513.00</b>

### Term/right attached to equity shares:

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees.

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

# Notes to the Financial Statements

for the year ended March 31, 2023

## Reconciliation of the number of shares outstanding at the beginning and at the end of the year

(₹ in lakh)		
Name of shareholder	Numbers in lakh	Amount
As at April 01, 2021	51.30	513.00
Add: Shares issued during the year	-	-
As at March 31, 2022	51.30	513.00
Add: Shares issued during the year	-	-
<b>As at March 31, 2023</b>	<b>51.30</b>	<b>513.00</b>

## Details of shareholder holding more than 5% share of the Company

(Numbers in lakh)		
Name of shareholder	As at March 31, 2023	As at March 31, 2022
Aditya Birla Capital Limited	25.65	25.65
Infocyper India Private Limited	25.65	25.65
	<b>51.30</b>	<b>51.30</b>
% of shareholding:		
Aditya Birla Capital Limited	50.002	50.002
Infocyper India Private Limited	49.998	49.998

Board of Directors of the Company at its meeting held on March 27, 2023, has approved execution of Share Purchase Agreement to transfer 100% of issued and paid up share capital to Edme Services Private Limited, part of the Samara Capital Group and an affiliate of Samara Alternate Investment Fund. The Proposed Transaction is subject to receipt of the approval of Insurance Regulatory and Development Authority of India ("IRDAI") and other regulatory / statutory approvals and satisfaction of other conditions under the Share Purchase Agreement

## Details of Promoters shareholding of the Company

Promoter name	No. of Shares in Lakhs	% of total shares	% Change during the year
Aditya Birla Capital Limited	2,565,000	50.002	No change

## NOTE 15: OTHER EQUITY

(₹ in lakh)		
Particulars	As at March 31, 2023	As at March 31, 2022
(1) General reserve:		
Opening balance	3,888.64	2,182.97
Add: Transfer from retained earnings	-	1,705.67
<b>Closing balance</b>	<b>3,888.64</b>	<b>3,888.64</b>
(2) Retained earnings:		
Opening balance	8,567.05	7,440.30
Profit for the year	7,258.48	6,405.92
<b>Other comprehensive income for the year-Net of tax</b>	<b>21.62</b>	<b>17.50</b>
	<b>15,847.15</b>	<b>13,863.72</b>
Less: Appropriation		
Transfer to general reserve	-	(1,705.67)
Dividend paid on equity shares*	(6,002.10)	(3,591.00)
<b>Closing balance</b>	<b>9,845.05</b>	<b>8,567.05</b>
<b>Total (1+2)</b>	<b>13,733.69</b>	<b>12,455.69</b>

\* The Company has paid interim dividend on equity shares of ₹ 117 /- per share (Previous year: ₹ 70/- per share). The Company has not proposed any dividend during the year.

# Notes to the Financial Statements

for the year ended March 31, 2023

## NOTE 16: LONG-TERM PROVISION

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Gratuity	597.82	680.81
Provision against claim/demand *	428.68	428.68
<b>Total</b>	<b>1,026.50</b>	<b>1,109.49</b>

(₹ in lakh)

Movement *	For the year March 31, 2023	For the year March 31, 2022
Balance at the beginning of the year	428.68	428.68
Add: Provision during the year	-	-
<b>Balance at the end of the year</b>	<b>428.68</b>	<b>428.68</b>

## NOTE 17: TRADE AND OTHER PAYABLES

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Payable to related parties		
- Micro and small enterprises*	-	-
- Other than micro and small enterprises	104.86	51.82
Payable for other expenses:		
- Micro and small enterprises*	1,486.43	1,383.18
- Other than micro and small enterprises	7,362.77	7,870.93
<b>Total</b>	<b>8,954.06</b>	<b>9,305.93</b>

Note:-There are no disputed dues for MSME & Other trade payables as on March 31, 2023 and March 31, 2022

\* Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. There have been no reported cases of delays in payments to micro and small enterprises or of interest payments due to delays in such payments. The above is based on the information available with the Company which has been relied upon by the auditors.

(₹ in lakh)

Outstanding as on March 31, 2023 (from date of transaction)	Payable to other expenses-MSME	Payable to other expenses-Non MSME	Total
Unbilled	-	-	-
Less than 1 year	1,348.07	5,844.85	7,192.92
1-2 years	71.45	586.28	657.73
2-3 years	43.83	496.75	540.58
More than 3 years	23.07	539.76	562.83
<b>Total</b>	<b>1,486.42</b>	<b>7,467.64</b>	<b>8,954.06</b>

# Notes to the Financial Statements

for the year ended March 31, 2023

(₹ in lakh)

Outstanding as on March 31, 2022 (from date of transaction)	Payable to other expenses-MSME	Payable to other expenses-Non MSME	Total
Unbilled	-	-	-
Less than 1 year	1,304.88	6,640.48	7,945.36
1-2 years	52.22	696.86	749.08
2-3 years	21.81	384.72	406.53
More than 3 years	4.27	200.69	204.96
<b>Total</b>	<b>1,383.18</b>	<b>7,922.75</b>	<b>9,305.93</b>

## NOTE 18: OTHER FINANCIAL LIABILITIES- CURRENT

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Payable for salaries, wages and other employee benefits	2,228.44	2,362.69
Reinsurance premium payable	88.30	216.76
Other financial liabilities	357.02	443.19
Capital creditors	132.19	33.32
<b>Total</b>	<b>2,805.95</b>	<b>3,055.96</b>

## NOTE 19: OTHER LIABILITIES - CURRENT

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Other payables - statutory dues	1,511.46	1,558.52
Income received in advance	1.95	1.55
<b>Total</b>	<b>1,513.41</b>	<b>1,560.07</b>

## NOTE 20: SHORT-TERM PROVISION

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Compensated absences	220.33	275.59
<b>Total</b>	<b>220.33</b>	<b>275.59</b>

# Notes to the Financial Statements

for the year ended March 31, 2023

## NOTE 21: RIGHT OF USE ASSET AND LEASE LIABILITY

Following are the changes in the carrying value of right of use assets.

(₹ in lakh)

Particulars	Category of ROU Asset
	Leasehold Premises
<b>Gross Carrying Value</b>	
Balance as at April 01, 2021	1,499.58
Additions	738.76
Deletions	41.16
<b>Balance as at March 31, 2022</b>	<b>2,197.18</b>
Additions	26.92
Deletions	63.18
<b>Balance as at March 31, 2023</b>	<b>2,160.92</b>
<b>Accumulated Amortisation</b>	
As at April 01, 2021	599.86
Additions	347.66
Deletions	15.31
<b>Balance as at March 31, 2022</b>	<b>932.21</b>
Additions	360.73
Deletions	16.50
<b>Balance as at March 31, 2023</b>	<b>1,276.44</b>
<b>Net Carrying Value as at March 31, 2022</b>	<b>1,264.97</b>
<b>Net Carrying Value as at March 31, 2023</b>	<b>884.48</b>

The following is the movement in lease liabilities

(₹ in lakh)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Opening balance	1,309.58	937.87
Additions	26.92	727.70
Deletions	(46.68)	(25.85)
Finance cost accrued during the year	71.07	78.88
Payment of lease liabilities	(406.57)	(409.02)
<b>Closing balance</b>	<b>954.32</b>	<b>1,309.58</b>

The following is the break-up of current and non-current lease liabilities

(₹ in lakh)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Current lease liabilities	397.19	393.03
Non-current lease liabilities	557.13	916.55
<b>Total</b>	<b>954.32</b>	<b>1,309.58</b>

# Notes to the Financial Statements

for the year ended March 31, 2023

## NOTE 22: REVENUE FROM OPERATIONS

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>General insurance advisory services:</b>		
Brokerage	60,631.66	68,390.95
Administrative services and consultancy charges	82.43	60.80
<b>Total</b>	<b>60,714.09</b>	<b>68,451.75</b>

## NOTE 23: INTEREST INCOME

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Interest income from financial assets through amortized cost</b>		
<b>Interest on inter corporate deposits:</b>		
Related parties	518.87	260.29
Others	-	139.49
Interest on fixed deposits with bank	31.93	25.54
Unwinding of discount on security deposits	14.06	12.86
Interest on income tax refund	328.93	104.05
<b>Total</b>	<b>893.79</b>	<b>542.23</b>

## NOTE 24: NET GAIN ON FAIR VALUE CHANGES

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
MTM of investments measured at FVTPL -gain/(loss)	(18.84)	105.27
Gain on sale of investments measured at FVTPL	552.93	144.38
<b>Total</b>	<b>534.09</b>	<b>249.65</b>
<b>Fair value changes :</b>		
Realised	552.93	144.38
Unrealised	(18.84)	105.27
<b>Total</b>	<b>534.09</b>	<b>249.65</b>

## NOTE 25: OTHER INCOME

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Foreign exchange gain	3.83	10.46
Gain on discarding of lease asset	7.08	7.11
Recovery of bad debts	1.00	1.72
<b>Total</b>	<b>11.91</b>	<b>19.29</b>

# Notes to the Financial Statements

for the year ended March 31, 2023

## NOTE 26: EMPLOYEE BENEFITS EXPENSES

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and other allowances	6,076.47	6,409.89
Contribution to gratuity fund	84.44	81.79
Contribution to provident and other funds	205.10	209.19
Employee stock options scheme -ESOP	7.15	34.35
Staff welfare expenses	128.48	137.60
<b>Total</b>	<b>6,501.64</b>	<b>6,872.82</b>

## NOTE 27: DEPRECIATION AND AMORTISATION

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment	157.20	180.94
Amortization of intangible assets	196.97	278.04
Amortization of right-of-use assets	360.73	347.66
<b>Total</b>	<b>714.90</b>	<b>806.64</b>

## NOTE 28: OTHER EXPENSES

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Legal and professional charges (Refer note 1 below)	399.91	362.26
Advertisement and business promotion expenses	183.90	130.83
Telephone and communication expenses	67.16	51.01
Travelling and conveyance expenses	247.50	89.43
Rent	7.28	3.02
Rates and taxes	29.94	25.96
Repair and maintenance	141.55	74.17
Director's Fees	20.40	13.40
Insurance expenses	228.33	179.24
Service hire charges	264.40	358.25
Electricity expenses	35.29	30.07
Printing and stationery	8.72	8.34
Loss on sale of property, plant and equipment	0.17	18.92
Information technology expenses	704.24	559.30
Bank charges	9.71	8.07
Postage and courier expenses	7.95	3.59
CSR expenses (refer note 3 below)	132.75	93.75
Miscellaneous expenses (refer note 2 below)	122.39	99.58
<b>Total</b>	<b>2,611.59</b>	<b>2,109.19</b>

Notes:

1. Legal and professional charges include the auditors' remuneration as under:

# Notes to the Financial Statements

for the year ended March 31, 2023

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>As auditor:</b>		
Audit fee	14.00	13.00
Tax audit fee	2.00	2.00
Limited review	11.00	9.00
<b>In other capacity:</b>		
Certification fee	7.00	7.00
Out of pocket expenses	1.78	0.84
<b>Total</b>	<b>35.78</b>	<b>31.84</b>

2. Miscellaneous expenses :- Include employee recruitment expenses, security expenses, conference expenses and other office relevant expenses

3. Details of CSR expenditure:

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
1) Gross amount required to be spent by the company during the year	132.55	93.43
2) Amount spent during the year		
i) Construction/acquisition of any asset		
In cash	-	-
Yet to be paid in cash	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
ii) On purpose other than (i) above - (For development and education of disabled children)		
In cash	132.75	93.75
Yet to be paid in cash	-	-
<b>Total</b>	<b>132.75</b>	<b>93.75</b>

## NOTE 29: INCOME TAX EXPENSES

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current tax	2,477.84	2,233.33
Deferred tax charge - (Net)	(9.97)	(36.94)
<b>Total</b>	<b>2,467.87</b>	<b>2,196.39</b>

# Notes to the Financial Statements

for the year ended March 31, 2023

## Tax rate reconciliation

(₹ in lakh)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>Current income tax:</b>		
Current income tax charge	2,477.84	2,233.33
Deferred tax relating to origination and reversal of temporary differences	(9.97)	(36.94)
<b>Tax charges</b>	<b>2,467.87</b>	<b>2,196.39</b>
<b>Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2023</b>		
<b>Accounting profit before income tax</b>	<b>9,726.35</b>	<b>8,602.31</b>
<b>At India's statutory income tax rate of 25.168%</b>	<b>2,447.93</b>	<b>2,165.03</b>
Income tax expenses on non deductible/non taxable items and others	19.94	31.36
<b>At the effective income tax</b>	<b>2,467.87</b>	<b>2,196.39</b>

## Deferred tax assets

(₹ in lakh)

Particulars	As on April 1, 2021	P&L and OCI Movement	As on March 31, 2022	P&L and OCI Movement	As on March 31, 2023
<b>Temporary differences on account of:</b>					
Provision for doubtful debts and other provisions	396.12	31.12	427.24	(40.91)	<b>386.33</b>
Difference in written down value of property plant and equipment between Income-tax Act and Companies Act.	81.99	28.04	110.03	8.20	<b>118.23</b>
Others	18.97	3.48	22.45	2.77	<b>25.22</b>
<b>Total (A)</b>	<b>497.08</b>	<b>62.64</b>	<b>559.72</b>	<b>(29.94)</b>	<b>529.78</b>

## Deferred Tax Liabilities

(₹ in lakh)

Particulars	As on April 1, 2021	P&L and OCI Movement	As on March 31, 2022	P&L and OCI Movement	As on March 31, 2023
<b>Temporary differences on account of:</b>					
Fair Value Change of Investments under Ind AS 109	18.14	25.70	43.84	(39.91)	<b>3.93</b>
<b>Total (B)</b>	<b>18.14</b>	<b>25.70</b>	<b>43.84</b>	<b>(39.91)</b>	<b>3.93</b>
<b>Net Deferred Tax Assets (A-B)</b>	<b>478.94</b>	<b>36.94</b>	<b>515.88</b>	<b>9.97</b>	<b>525.85</b>

## NOTE 30: OTHER COMPREHENSIVE INCOME

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Other comprehensive income	28.94	23.55
(Not to be reclassified to profit and loss -actuarial gain/(loss) on defined benefit plan)		
Income tax relating to items that will not be reclassified to profit and loss	(7.32)	(6.05)
<b>Total</b>	<b>21.62</b>	<b>17.50</b>

# Notes to the Financial Statements

for the year ended March 31, 2023

## NOTE 31 : OTHER NOTES FORMING PART OF FINANCIAL STATEMENTS

### 1 Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances):

Particulars	(₹ in lakh)	
	March 31, 2023	March 31, 2022
Property, plant and equipment	14.38	95.50
Intangible assets	96.78	114.94
<b>Total</b>	<b>111.16</b>	<b>210.44</b>

### 2 Contingent liability not provided for:

Particulars	(₹ in lakh)	
	March 31, 2023	March 31, 2022
(1) Direct tax matters	74.11	51.14
(2) Indirect tax matters	1,961.63	1,861.05
(3) Claims against the Company not acknowledged as debts	1,519.99	709.36
<b>Total</b>	<b>3,555.73</b>	<b>2,621.55</b>

### 3 Disclosure in respect of employee benefits pursuant to Ind AS -19

#### A The details of the company's defined benefit plans in respect of gratuity:

##### General description of the plan

The Company has maintained a gratuity plan with a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Company's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972.

The expected contribution payable to the plan next year is ₹ 61.25 lakh

#### B The status of employee benefits as on March 31, 2023 as per actuarial valuation report is as under:

Particulars	(₹ in lakh)	
	March 31, 2023	March 31, 2022
<b>Amounts recognised in Balance Sheet in respect of gratuity:</b>		
Present value of the funded defined benefit obligations at the end of the year	597.82	680.82
Fair value of assets	717.25	679.83
<b>Amounts recognised in employee benefits expenses in the Statement of Profit and Loss in respect of gratuity:</b>		
Current service cost	82.95	78.15
Interest on net defined benefit liability / (assets)	(2.17)	0.54
<b>Net gratuity cost</b>	<b>80.78</b>	<b>78.69</b>

# Notes to the Financial Statements

for the year ended March 31, 2023

(₹ in lakh)

Particulars	March 31, 2023	March 31, 2022
<b>Amount recognised in Other Comprehensive Income (OCI) for the year:</b>		
Actual return on assets excluding interest income	6.12	(28.65)
Actuarial changes arising from changes in demographic assumptions	(85.41)	(24.08)
Actuarial changes arising from changes in financial assumptions	42.05	(9.12)
Actuarial changes arising from changes in experience assumptions	4.19	39.57
<b>Closing amount recognised in OCI outside the statement of profit and loss</b>	<b>(33.05)</b>	<b>(22.28)</b>

(₹ in lakh)

Particulars	March 31, 2023	March 31, 2022
<b>Change in net liability/ assets</b>		
Opening net defined benefit liability/ (assets)	1.00	36.65
Expense charged to profit and loss account	80.78	78.69
Amount recognised outside profit and loss account - OCI	(33.05)	(22.28)
Employer contributions	(0.99)	(36.78)
Impact of liability assumed or (settled)	(167.17)	(55.28)
<b>Closing net defined benefit liability / (asset)</b>	<b>(119.43)</b>	<b>1.00</b>
Change in Present Value of the Obligations:		
Opening defined benefit obligations	680.83	615.94
Current service cost	82.95	78.15
Interest cost	40.39	35.65
Actuarial changes arising from changes in demographic assumptions	(85.41)	(24.08)
Actuarial changes arising from changes in financial assumptions	42.05	(9.12)
Actuarial changes arising from changes in experience assumptions	4.19	39.57
Past service costs	-	-
Liabilities assumed/(settled)	(167.17)	(55.28)
Benefit payments from assets	-	-
Closing defined benefit obligations	<b>597.83</b>	<b>680.83</b>
<b>Change in fair value of assets:</b>		
Opening fair value of assets	679.83	579.29
Interest on assets	42.56	35.11
Actuarial gain/(loss)	-	-
Contributes by employer	0.99	36.78
Remeasurements due to :		
Actual return on asset less interest on assets	(6.12)	28.65
Assets acquired on acquisition/distributed on divestiture	-	-
Benefit payments from assets	-	-
<b>Closing fair value of assets</b>	<b>717.26</b>	<b>679.83</b>
<b>Experience adjustment:</b>		
Defined benefit obligation	597.83	680.83
Assets	717.26	679.83
Surplus/(deficit)	<b>119.43</b>	<b>(1.00)</b>

# Notes to the Financial Statements

for the year ended March 31, 2023

(₹ in lakh)

Particulars	March 31, 2023	March 31, 2022
<b>Principal actuarial assumptions at the balance sheet date:</b>		
Discount rate (p.a.)	7.30%	6.26%
Salary escalation rate	10.00%	8.00%
<b>Attrition Rate</b>		
For MM & SM	20.00%	8.50%
For JM	32.00%	32.00%
<b>Mortality Rate</b>		
	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
<b>Retirement age</b>	<b>60 Years</b>	<b>60 Years</b>

Particulars	March 31, 2023		March 31, 2022	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
a. -50 basis points	610.05	585.64	704.04	660.53
a. -50 basis points impact (%)	2.05%	-2.04%	3.41%	-2.98%
b. + 50 basis points	586.07	610.38	658.94	702.13
b. + 50 basis points impact (%)	-1.97%	2.10%	-3.21%	3.13%

## Sensitivity analysis method

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

## E Projected future contributions:

(₹ in lakh)

Maturity profile	March 31, 2023	March 31, 2022
Expected benefits for 1 year	119.84	71.32
Expected benefits for 2 year	102.82	68.28
Expected benefits for 3 year	88.95	61.37
Expected benefits for 4 year	75.61	135.07
Expected benefits for 5 year	67.15	44.99
Expected benefits for 6 to 10 year	257.92	298.68
Expected benefits for 10 year and above	130.68	438.03

# Notes to the Financial Statements

for the year ended March 31, 2023

## F Disaggregation of assets

(₹ in lakh)

	As at March 31, 2023		
	Quoted value	Non quoted value	Total
Government debt instruments	-	49.72	49.72
Other debt instruments	-	4.57	4.57
Entity's own equity instruments	-	-	-
Insurer managed funds	-	296.36	296.36
Others	-	366.60	366.60
<b>Grand Total</b>	<b>-</b>	<b>717.25</b>	<b>717.25</b>

(₹ in lakh)

Disaggregation of assets	As at March 31, 2022		
	Quoted value	Non quoted value	Total
Government debt instruments	-	72.30	72.30
Other debt instruments	-	5.46	5.46
Entity's own equity instruments	-	-	-
Insurer managed funds	-	250.97	250.97
Others	-	351.10	351.10
<b>Grand Total</b>	<b>-</b>	<b>679.83</b>	<b>679.83</b>

(₹ in lakh)

Particulars	March 31, 2023	March 31, 2022
Actual return on assets	36.44	63.75

## 4 Defined contribution plan

(₹ in lakh)

Particulars	March 31, 2023	March 31, 2022
Contribution to employees' provident fund (Govt. Provident Fund)	157.10	154.97
Contribution to employees' pension scheme (Govt. Pension Fund)	37.15	46.65
Contribution to ESIC fund	0.07	0.12
Contribution to MLW fund	0.15	0.14

# Notes to the Financial Statements

for the year ended March 31, 2023

## NOTE 31 : OTHER NOTES FORMING PART OF FINANCIAL STATEMENTS

### 5 Related party disclosures

#### (a) List of related parties:

##### Relationship

##### Ultimate holding company

Grasim Industries Limited

##### Promoter and Promter Group\*

Umang Commercial Co. Pvt. Ltd.

##### Holding company

Aditya Birla Capital Limited

\* The Company has been identified as a Related Party as per the 6<sup>th</sup> Amendment to SEBI, LODR regulations (2015) w.e.f. April 01,2022

##### Relationship

##### Shareholder holding >20%

Infocyper India Private Limited

##### Fellow subsidiaries

Aditya Birla Finance Ltd (ABFL)

Aditya Birla Financial Shared Services Limited (ABFSSL)

Aditya Birla Money Mart Limited (ABMML)

Aditya Birla Sun Life Insurance Company Limited (ABSLI) (formerly known as Birla Sun life Insurance Company Limited)

Aditya Birla Money Limited (ABML)

Aditya Birla Housing Finance Limited (ABHFL)

Aditya Birla Health Insurance Limited (ABHIL)

Aditya Birla Capital Technology Services Limited (ABCTSL)

Aditya Birla ARC Limited

Aditya Birla Sun Life Pension Management Ltd

Aditya Birla PE Advisors Pvt Ltd

Aditya Birla Wellness Private Limited

Aditya Birla Sun Life AMC Limited

##### Key Management Personnel:

Mr. Sandeep Dadia (Chief Executive Officer)

Mr. M. M. Bhagat (Director)

Mr. Adesh Gupta (Director)

Mr. Vijay Agrawal (Director)

##### Other related party

Grasim Industries Limited Employee Gratuity Fund

Notes:

- (i) The relationships as mentioned above except where control exists pertain to those related parties with whom transactions have taken place during the year.

# Notes to the Financial Statements

for the year ended March 31, 2023

The following inter company transactions/balances with Holding Company/Fellow Subsidiaries have taken place during the period under review and are included in the above figures under respective heads:

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Promoter and Promter Group</b>		
<b>Umang Commercial Co. Pvt. Ltd.</b>		
<b>Interest Income:</b>		
Umang commercial Co. Pvt. Ltd. (Interest on ICD)	130.93	-
<b>Financial assets : Receivables from related parties</b>		
Umang commercial Co. Pvt. Ltd. (ICD)	-	-
<b>Other Transactions :</b>		
Umang commercial Co. Pvt. Ltd. (Redeemed ICD)	1,800.00	-
<b>Holding Company</b>		
<b>Aditya Birla Capital Limited:</b>		
<b>Dividend Paid</b>		
Aditya Birla Capital Limited	3,001.17	1,795.57
<b>Other Comprehensive Income/(Loss):</b>		
Aditya Birla Capital Limited	(4.40)	0.30
<b>Expenses Reimbursed</b>		
Aditya Birla Capital Limited (Other expenses)	71.68	57.28
Aditya Birla Capital Limited (Employee benefit expense)	211.35	172.32
Aditya Birla Capital Limited - (ESOP expense)	7.15	34.35
<b>Trade Payable</b>		
Aditya Birla Capital Limited (Payable against expenses)	37.78	31.16
<b>Other shareholder:</b>		
<b>Dividend Paid</b>		
Infocyper India Private Limited	2,700.84	1,795.43
<b>Fellow subsidiaries:</b>		
<b>Income from operations</b>		
Aditya Birla Health Insurance Limited (General insurance brokerage)	39.56	48.97
Aditya Birla Sun life Insurance Company Limited (Life Insurance Brokerage)	50.73	80.89
<b>Other Comprehensive Income/(Loss):</b>		
Aditya Birla Financial Shared Services Limited	0.29	0.96

# Notes to the Financial Statements

for the year ended March 31, 2023

Particulars	(₹ in lakh)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>Interest income</b>		
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla Myuniverse Limited) (Interest on ICD)	133.15	128.78
Aditya Birla Money Mart Limited (Interest on ICD)	81.61	-
Aditya Birla Financial Shared Services Limited (Interest on ICD)	173.18	131.51
<b>Expenses recovered</b>		
Aditya Birla Health Insurance Co. Ltd (Rent Expenses)	0.82	3.22
Aditya Birla Finance Limited (Rent Expenses)	2.62	3.84
Aditya Birla Finance Limited (Employee Benefit Expenses -Transfer of employee dues)	-	0.92
Aditya Birla Finance Limited (Sale of Asset)	9.71	0.71
Aditya Birla Sun Life Insurance Company Limited (Rent expenses)	8.97	5.24
Aditya Birla Sun Life Insurance Company Limited (Employee Benefit Expenses -Transfer of employee dues)	3.91	3.35
Aditya Birla Money Limited (Rent expenses)	20.26	19.13
Aditya Birla Money Limited (Other expenses)	0.28	-
Aditya Birla Money Mart Limited (Insurance & Other Expenses)	6.07	3.16
Aditya Birla ARC Limited (Other Expenses)	0.85	-
Aditya Birla Sun Life Pension Management Ltd (Employee Benefit Expenses -Transfer of employee dues)	-	0.58
<b>Expenses reimbursed</b>		
Aditya Birla Finance Limited (Rent expenses)	2.39	2.29
Aditya Birla Finance Limited (Employee Benefit Expenses)	2.87	23.99
Aditya Birla Finance Limited (Other Expenses)	0.79	0.43
Aditya Birla Sun Life Insurance Company Limited (Rent deposit)	2.17	3.77
Aditya Birla Sun Life Insurance Company Limited (Rent expense)	23.51	-
Aditya Birla Sun Life Insurance Company Limited (Employee Benefit Expenses)	2.48	9.91
Aditya Birla Financial Shared Services Limited (Employee Benefit expenses)	111.85	31.32
Aditya Birla Financial Shared Services Limited (Service Hire expenses)	1.16	109.14
Aditya Birla Financial Shared Services Limited (Other expenses)	387.56	185.31

# Notes to the Financial Statements

for the year ended March 31, 2023

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Aditya Birla Housing Finance Limited (Rent expenses)	0.34	-
Aditya Birla Health Insurance Limited (Employee dues transfer)	48.02	2.96
Aditya Birla Capital Technology Services Limited (Other expenses)	49.94	45.73
Aditya Birla Sun Life AMC Limited (Rent expenses)	0.05	0.36
Aditya Birla PE Advisors Pvt Ltd (Other Expenses)	-	0.25
Aditya Birla Wellness Private Limited (Employee Benefit Expenses)	2.47	0.30
Grasim Industries Limited (Transfer of Employee Dues)	1.73	2.19
<b>Contribution to Gratuity Fund :</b>		
Grasim Industries Limited Employee Gratuity Fund	0.99	36.78
<b>Other Transactions :</b>		
Aditya Birla Sun Life Insurance Company Limited (Reinsurance premium received)	25.93	37.23
Aditya Birla Sun Life Insurance Company Limited (Group term policy premium paid)	35.16	-
<b>Key Management Personnel:</b>		
Mr. Sandeep Dadia *	685.76	489.70
Mr. M. M. Bhagat	10.20	3.20
Mr. Adesh Gupta	-	1.50
Mr. Vijay Agrawal	10.20	8.70
<b>Trade Payables :</b>		
Aditya Birla Sun Life Insurance Company Limited (Payable against expenses)	-	-
Aditya Birla Housing Finance Limited (Payable against expenses)	0.37	-
Aditya Birla Financial Shared Services Limited (Payable against expenses)	64.40	16.71
Aditya Birla Capital Technology Services Limited (Payable against expenses)	2.32	3.56
Aditya Birla Wellness Private Limited (Payable against expenses)	-	-
Aditya Birla Sun Life AMC Limited (Payable against expenses)	-	0.39
Grasim Industries Limited (Payable against expenses)	-	-
Financial assets : Receivables from related parties		
Aditya Birla Sun Life Insurance Company Limited (Receivable against rent)	5.85	6.68
Aditya Birla Sun Life Insurance Company Limited (Receivable against security deposit)	5.94	-
Aditya Birla Health Insurance Limited (Receivable against rent)	0.68	-

# Notes to the Financial Statements

for the year ended March 31, 2023

Particulars	(₹ in lakh)	
	Year ended March 31, 2023	Year ended March 31, 2022
Aditya Birla Finance Limited (Receivable against expenses)	-	11.17
Aditya Birla Money Limited (Receivable against rent - Net off)	11.81	15.52
Aditya Birla Money Mart Limited (Receivable against expense)	0.76	-
Aditya Birla Capital Technology Services Limited (Receivable against ICD)	-	2,000.00
Aditya Birla Money Mart Limited (Receivable against ICD)	-	-
Aditya Birla Financial Shared Services Limited (Receivable against ICD)	2,375.00	2,000.00
Aditya Birla ARC Limited (Receivable against expense)	0.93	
<b>Other current assets (non financial):</b>		
Aditya Birla Financial Shared Services Limited (Prepaid expenses)	20.44	13.55
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla Myuniverse Limited) (Prepaid expenses)	1.63	1.18
<b>Trade and other receivables/(payables):</b>		
Aditya Birla Sun Life Insurance Company Limited (Life Insurance Brokerage)	1.76	7.16
Aditya Birla Health Insurance Limited (General insurance brokerage)	(6.56)	(6.65)

Notes:

1. Expenses are net of GST
2. Payables/Receivables are net of TDS

\* Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall company basis at the end of each year and accordingly have not been considered in the above information.

# Notes to the Financial Statements

for the year ended March 31, 2023

## 6 Financials ratios:

Sr No.	Particulars	Formula	March 31, 2023 (₹ in Lakh)	Ratio	March 31, 2022 (₹ in Lakh)	Ratio	Change in %	Remarks for Variation of more than 25%
1	Current Ratio	Current Assets	22,357.10	1.61	20,370.54	1.40	15%	Not applicable
		Current Liabilities	13,890.94		14,590.58			
2	Return on Equity Ratio	Net Profits after taxes	7,258.48	0.53	6,405.92	0.55	-4%	Not applicable
		Average Shareholder's Equity	13,607.69		11,552.48			
3	Trade Receivables turnover Ratio	Revenue from operations	60,714.09	10.94	68,451.75	9.76	12%	Not applicable
		Average Trade Receivable	5,551.86		7,016.33			
4	Trade payables turnover Ratio	Fees and commission expense + Other expenses	45,026.82	4.93	52,723.11	5.91	-17%	Not applicable
		Average Trade Payable	9,130.00		8,923.83			
5	Net capital turnover Ratio	Revenue from operations	60,714.09	7.17	68,451.75	11.84	-39%	Trade payables have increased significantly as compared to Revenue resulting in said variance
		Working Capital*	8,466.16		5,779.96			
6	Net profit Ratio	Net Profit After Tax	7,258.48	0.12	6,405.92	0.09	33%	Increase in other income as compared to previous year as resulted in said variance
		Revenue from operations	60,714.09		68,451.75			
7	Return on capital employed	Earning Before Interest & Tax	9,797.42	0.69	8,681.19	0.67	3%	Not applicable
		Capital Employed (Total Equity)	14,246.69		12,968.69			

\* Working capital= Current Assets- Current Liabilities

Note:

- i Inventory Turnover Ratio Company's operation are in service section hence, this ratio does not applicable
- ii Debt-equity ratio As the company does not have debts the said ratio is not applicable
- ii Debt service coverage ratio As the company does not have debts the said ratio is not applicable
- iv Return on investment This ratio is not applicable since the Company does not have any projects / investments other than current operations.

## 7 Financial Risk Management Objectives And Policies

Company's risk philosophy involves a competent and comprehensive risk management framework & robust policies and processes which minimise the element of uncertainty and help in developing and maintaining a healthy portfolio within its risk appetite and the regulatory framework. The Risk Management provides stability and balance ensuring that growth is backed by a robust portfolio. Company is exposed to various types of risks such as credit risk, market risk (which includes liquidity risk and pricing risk), operational risk, legal risk, regulatory risk and competition risk.

# Notes to the Financial Statements

for the year ended March 31, 2023

Company's risk management strategy is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring. The policies and procedures established for this purpose are continuously benchmarked with best practices. The Board of Directors have an oversight over the risk management framework applicable to the Company. The risk management oversight structure includes various Committees such as Risk Management Committee which consist of Board members and Senior Management.

## 7.1 Market risks

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Market Risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables and loans.

The sensitivity analyses in the following sections relate to the position as at March 31, 2023 and March 31, 2022.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations and provisions.

### Assumptions

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2023 and March 31, 2022.

### 7.1.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's inter corporate deposits. The interest rate on inter corporate deposits is largely of fixed nature, hence the company is not exposed to interest rate risk.

### 7.1.2 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Company does not have significant exposure of foreign exchange, hence the Company is not expose to foreign currency risk

## 7.2 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

# Notes to the Financial Statements

for the year ended March 31, 2023

## 7.2.1 Trade receivables

Debtor's credit risk is managed by the company subject to the Company's established policy, procedures and control relating to Debtor's credit risk management. Outstanding Debtors are regularly monitored.

(₹ in lakh)

As at March 31, 2023	Neither past due nor impaired	Past due but not impaired					Total
		< 30 days	30 to 60 days	61 to 90 days	91 to 120 days	> 120 days	
Trade Receivables	-	2,924.23	98.02	50.67	33.34	164.65	3,270.91
<b>Total</b>	<b>-</b>	<b>2,924.23</b>	<b>98.02</b>	<b>50.67</b>	<b>33.34</b>	<b>164.65</b>	<b>3,270.91</b>

(₹ in lakh)

As at March 31, 2022	Neither past due nor impaired	Past due but not impaired					Total
		< 30 days	30 to 60 days	61 to 90 days	91 to 120 days	> 120 days	
Trade Receivables	-	7,680.01	113.70	111.63	50.54	396.45	8,352.33
<b>Total</b>	<b>-</b>	<b>7,680.01</b>	<b>113.70</b>	<b>111.63</b>	<b>50.54</b>	<b>396.45</b>	<b>8,352.33</b>

₹ in lakh

ECL movement allowances	Amount
<b>As at April 01, 2021</b>	220.90
Provided during the year	179.16
Amounts written off	(110.36)
<b>As at March 31, 2022</b>	289.70
Provided during the year	102.85
Amounts written off	(162.73)
<b>As at March 31, 2023</b>	<b>229.82</b>

## 7.2.2 Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company Management in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Authorised Persons and updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

## 7.3 Liquidity risk

The Company monitors its Liquidity position on a regular basis and the same is managed by the Company Management.

The Company invests its surplus funds in bank fixed deposit, inter corporate deposits and schemes of mutual funds, which carry no or low mark to market risks.

# Notes to the Financial Statements

for the year ended March 31, 2023

## Maturity profile of financial assets and liabilities

The table below provides details regarding the remaining contractual maturities of financial assets and liabilities at the reporting date based on contractual undiscounted payments.

(₹ in lakh)

As at March 31, 2023	Less than a year	1 to 2 years	2 to 3 years	3 to 5 years	> 5 years	Total
<b>Financial assets</b>						
Cash and cash equivalents	89.49	-	-	-	-	89.49
Bank Balance other	565.14	-	-	-	-	565.14
Loans- Other	2,391.48	-	-	-	-	2,391.48
Current investments	15,238.45	-	-	-	-	15,238.45
Trade and other receivables	3,270.91	-	-	-	-	3,270.91
Other financials assets	58.80	234.88	86.63	69.91	4.96	455.18
<b>Total</b>	<b>21,614.27</b>	<b>234.88</b>	<b>86.63</b>	<b>69.91</b>	<b>4.96</b>	<b>22,010.65</b>
<b>Financial Liabilities</b>						
Trade Payables	8,954.06	-	-	-	-	8,954.06
Other financial liabilities	2,805.95	-	-	-	-	2,805.95
Lease liabilities	409.18	367.37	176.87	86.71	1.26	1,041.39
<b>Total</b>	<b>12,169.19</b>	<b>367.37</b>	<b>176.87</b>	<b>86.71</b>	<b>1.26</b>	<b>12,801.40</b>

(₹ in lakh)

As at March 31, 2022	Less than a year	1 to 2 years	2 to 3 years	3 to 5 years	> 5 years	Total
<b>Financial assets</b>						
Cash and cash equivalents	157.77	-	-	-	-	157.77
Bank Balance other	687.74	-	-	-	-	687.74
Loans- Other	5,836.11	-	-	-	-	5,836.11
Current investments	4,503.93	-	-	-	-	4,503.93
Trade and other receivables	8,352.33	-	-	-	-	8,352.33
Other financials assets	35.97	27.03	261.59	66.00	13.06	403.65
<b>Total</b>	<b>19,573.85</b>	<b>27.03</b>	<b>261.59</b>	<b>66.00</b>	<b>13.06</b>	<b>19,941.53</b>
<b>Financial Liabilities</b>						
Trade Payables	9,305.93	-	-	-	-	9,305.93
Other financial liabilities	3,055.96	-	-	-	-	3,055.96
Lease liabilities	405.29	409.84	367.56	273.98	24.78	1,481.45
<b>Total</b>	<b>12,767.18</b>	<b>409.84</b>	<b>367.56</b>	<b>273.98</b>	<b>24.78</b>	<b>13,843.34</b>

## 7.4 Capital risk management

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

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

# Notes to the Financial Statements

for the year ended March 31, 2023

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company's monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the balance sheet) less cash and cash equivalents. Total capital is calculated as equity' as shown in the balance sheet plus net debt.

The Company monitors capital using gearing ratio, which is total debt divided by total capital plus debt. However as on balance sheet date, the Company does not have any debts.

## 7.5 Operational & business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit

## 8 Financial Instruments - Accounting Classifications and Fair Value Measurements

The management assessed that, the fair value, of cash and cash equivalents, other bank balance, trade receivable, other financial assets and financial liabilities approximate their carrying amounts, largely due to their short term maturities

### Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method at March 31, 2023. The different levels have been defined as follows:

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

**Level 2:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

**Level 3:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

### Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2023:

Financial assets	Date of valuation	Total value (₹ in lakh)	Fair value measurement using (₹ In lakh)		
			Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities	Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable	Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
Current Investments	March 31, 2023	15,238.45	15,238.45	-	-
Current Investments	March 31, 2022	4,503.93	4,503.93	-	-

# Notes to the Financial Statements

for the year ended March 31, 2023

## 9 Disclosure Pursuant to section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, the Company disclose the following details of struck off Companies

(₹ in lakh)

Name of the struck off company	Nature of transactions with struck off company	Transactions with struck off company for the year March 31, 2023	Transactions with struck off company for the year March 31, 2022	Balance outstanding as at March 31, 2023	Balance outstanding as at March 31, 2022	Relationship with the struck off company, if any, to be disclosed
Rainbow Automotive Pvt Ltd	Payables	-	2.33	-	0.04	Vendor
Dimple Motors Pvt Ltd	towards	0.30	0.63	0.56	0.42	Vendor
Vintage Motors Pvt. Ltd	distribution fees	0.08	-	0.20	0.12	Vendor
The Riders Zone Pvt Ltd		-	-	0.17	0.17	Vendor

## 10 Disclosure Pursuant to Indian Accounting Standard 116 - Leases is as under:

The weighted average incremental borrowing rate applied to lease liabilities as at March 31, 2023 is between the range of 4.56 % to 6.41 % for a period varying from 1 to 10 years.

Critical accounting judgements and key sources of estimation uncertainty

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Determination of whether variable payments are in-substance fixed;

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

## 10.1 Amounts recognised in profit and loss for the year ended March 31, 2023

(₹ in lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Amortisation expense on right-of-use assets	360.73	347.66
Interest expense on lease liabilities	71.07	78.88
Expense relating to short-term leases	6.40	15.07
Expense relating to leases of low value assets	5.49	4.90
Gain on discarding of Lease Asset	(7.08)	(7.11)
<b>Total</b>	<b>436.61</b>	<b>439.40</b>

# Notes to the Financial Statements

for the year ended March 31, 2023

## 10.2 The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis:

Particulars	₹ in lakh)	
	March 31, 2023	March 31, 2022
Less than one year	409.18	405.29
One to Five years	630.96	1,051.38
More than Five years	1.26	24.78
<b>Total</b>	<b>1,041.40</b>	<b>1,481.45</b>

The company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

- 11 The Company has single reportable segment viz–insurance advisory & broking services for the purpose of IND AS 108 on ‘Segment Reporting’. The Company does not have any reportable geographical segment

## 12 Earnings per share (basic and diluted):

Particulars	₹ in lakh)	
	March 31, 2023	March 31, 2022
Net profit after tax available for equity shareholders (₹ in lakh)	7,258.48	6,405.92
Weighted average number of equity shares outstanding (Nos):		
Number of shares at the beginning of the year (in lakh)	51.30	51.30
Number of shares at the end of the year (in lakh)	51.30	51.30
Earning per share (₹)	141.49	124.87
Face value of share (₹)	10	10

- 13 The details of the clients from where the Company has earned more than 10% of its total revenue are as under:-

Sr. No.	For the year ended March 31, 2023	For the year ended March 31, 2022
A	21.48%	17.80%
B	14.52%	16.12%

- 14 Pursuant to ESOP Plan being established by the holding company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company during the financial year. Total cost incurred by the holding company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹ 7.15 lakh (Previous year ₹34.35 lakh) has been recovered from the Company during the year, which has been charged to the Statement of Profit and Loss. The balance sum of ₹ 0.65 lakh (Previous year ₹7.27 Lakh) will be charged to the statement of Profit and Loss in future periods.
- 15 Disclosure of details as required under amended guidelines as per Regulation 34 (6) of Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulations, 2018 has been given under Annexure 1 to these financial statements.

# Notes to the Financial Statements

for the year ended March 31, 2023

- 16** To the best of information of management of the Company, the disclosure requirements as per Gazette notification for Amendments pertaining to following matters are not applicable in the case of the Company.
- (a) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year
  - (b) The Company is not holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)
  - (c) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (d) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with the companies (Restriction on number of layer) Rules, 2017.
  - (e) The Company has not entered in any scheme of arrangement under section 230 to 237 of Companies Act 2013.
  - (f) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (g) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
  - (h) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year
  - (i) The Company has not taken any loans or other borrowings from any lender. Further the Company does not have any sanctioned loan limit.
- 17** The figures in respect of the previous year have been regrouped / rearranged, wherever necessary to make them comparable.

For and on behalf of the Board of Directors of  
**Aditya Birla Insurance Brokers Limited**

**Vijay Agarwal**  
Director  
DIN:00058548

**Anantha Dhananjaya**  
Director  
DIN:01744569

**Sandeep Dadia**  
Chief Executive Officer

**Jaibind Sahu**  
Company Secretary

Place: Mumbai  
Date: April 26, 2023

# Notes to the Financial Statements

for the year ended March 31, 2023

## ANNEXURE -1 (REFER NOTE 31(15))

### (A) Detail of income received from insurers (Refer note below the table):

Name of insurer	(₹ in lakh)	
	March 31, 2023	March 31, 2022
Aditya Birla Health Insurance Co Ltd	47.12	49.25
HDFC Ergo General Insurance Co. Ltd	4,823.98	4,566.22
Bajaj Allianz General Insurance Co. Ltd	4,578.38	5,090.88
Bharti Axa General Insurance Company Limited	11.22	1,600.12
Cignatkk Health Insurance Company Limited	15.55	2.57
Cholamandlam MS General Insurance Co. Ltd	4,261.66	3,862.41
ECGC of India Ltd.	47.44	19.66
Go Digit General Insurance Limited	3,411.33	2,730.51
Future Generali India Insurance Company Limited	1,582.84	2,650.29
ICICI Lombard General Insurance Co. Ltd	8,754.17	10,894.79
Iffco Tokio General Insurance Co. Ltd	2,356.54	2,326.61
Kotak Mahindra General Insurance Co Ltd	166.77	372.30
Liberty General Insurance Co. Ltd.	2,899.16	3,382.96
Magma HDI General Insurance Co Ltd	3,214.46	2,468.09
Niva Bupa Health Insurance Co. Ltd.	4.10	6.23
National Insurance Co. Ltd	124.25	87.38
Raheja QBE General Insurance Company Limited	1,654.94	1,859.59
Reliance General Insurance Co. Ltd	3,103.01	5,057.97
Care Health Insurance Limited	27.55	50.72
Royal Sundaram General Insurance Co. Ltd	61.98	120.60
SBI General Insurance Co. Ltd.	2,494.66	4,343.18
Shriram General Insurance Company Limited	3.70	5.02
Star Health and Allied Insurance Company Limited	13.22	31.62
Tata AIG General Insurance Co. Ltd	1,927.27	2,332.94
The New India Assurance Co. Ltd	12,962.33	12,029.88
The Oriental Insurance Co. Ltd	334.40	308.70
United India Insurance Co. Ltd	546.72	573.72
Universal Sompo General Insurance Co. Ltd.	727.71	19.60
Aditya Birla Sun Life Insurance Co. Ltd.	55.13	70.75
Hdfc Standard Life Insurance Co Ltd	5.22	0.97
ICICI Prudential Life Insurance Company Limited	14.33	25.14
India First Life Insurance Co.Ltd	3.17	3.66
Kotak Life Insurance Ltd	3.04	8.97
Max Life Insurance Co Ltd	5.91	1.05
PNB Metlife India Insurance Company Limited	0.23	2.95
Edelweiss General Insurance Company Limited	2.16	2.83
SBI Life Insurance Company Limited	0.99	3.97

# Notes to the Financial Statements

for the year ended March 31, 2023

(₹ in lakh)

Name of insurer	March 31, 2023	March 31, 2022
Aegon Life Insurance Company Limited	0.01	0.64
Aviva Life Insurance Company India Limited	5.36	3.12
Life Insurance Corporation Of India	5.80	0.50
Associated Insurance Brokers	24.31	-
Bajaj Allianz Life Insurance Company Limited	1.72	-
Lockton Wattana Insurance Brokers (Thailand) Ltd.	13.88	-
Pramerica Life Insurance Limited	1.07	-
Pt. Howden Insurance Brokers Indonesia	2.04	-
Pt. Talisman Insurance Brokers	34.73	-
Star Union Dai-Ichi Life Insurance Company	0.60	-
Tata Aia Life Insurance Company Limited	4.01	3.38

## Note:

The information provided in above table is excluding reinsurance brokerage as the same is received from reinsurers

## (B) Detail of payments received by the group companies from insurers (Refer note below the table):

(₹ in lakh)

Company name	Name of Insurer	Nature of payment	March 31, 2023	March 31, 2022	
Aditya Birla Housing Finance Ltd	Liberty Videocon General Insurance Co. Ltd.	Insurance Commission	79.40	111.53	
	Reliance General Insurance Co. Ltd	Insurance Commission	182.39	196.33	
	Aditya Birla Health Insurance Co Ltd	Insurance Commission	152.04	98.38	
	Aditya Birla Sun life Insurance Co Ltd	Insurance Commission	192.66	156.38	
	Go Digit Insurance Ltd	Insurance Commission	64.69	16.11	
	ICICI Lombard General Insurance Co Ltd	GPA Policy Refund	-	0.02	
	Tata AIG General Insurance Co. Ltd	Claim-Laptop Damage/theft	0.27	0.19	
Aditya Birla Sun life Insurance Co Ltd	Aditya Birla Health Insurance Co Ltd	Recovery of expenses	72.55	18.21	
		Security deposit received	36.39	48.08	
		Group mediclaim premium	99.35	1.69	
		Transfer of Asset	0.67	-	
		Reimbursement of Rent	348.31	12.88	
Aditya Birla Money Insurance Advisory Services Limited	Tata AIG General Insurance Co. Ltd	Refund of Premium	-	0.10	
		Aditya Birla Sun life Insurance Co Ltd	Insurance Commission	300.23	265.12
		Liberty General Insurance Ltd.	Insurance Commission	308.44	243.88
		Reliance General Insurance Co. Ltd.	Insurance Commission	470.65	265.53
		Aditya Birla Health Insurance Co. Ltd.	Insurance Commission	215.81	77.57
Grasim Industries Ltd	Tata AIG General Insurance Co. Ltd	Insurance Commission	0.05	2.64	
		The New India Assurance Co. Ltd.	Office package policy claim	-	1.66
		Insurance Claim	-	2.30	
		Refund related to various policy	-	272.19	
		Mega policy claim	-	56.39	
		Bajaj Allianz General Insurance Co.	Refund -Crime Policy	-	0.22
		Life Insurance Corporation Of India	Refund of Mega Policy 20-21	-	133.17
		Tata AIG General Insurance Co. Ltd	Office package policy claim	-	0.04

# Notes to the Financial Statements

for the year ended March 31, 2023

(₹ in lakh)

Company name	Name of Insurer	Nature of payment	March 31, 2023	March 31, 2022
Aditya Birla Finance Limited	Tata-Aig General Insurance Co. Ltd	Office package policy claim/ Insurance Claim	0.83	0.54
	Reliance General Insurance Co. Ltd	Insurance Claim	3.73	0.34
	The New India Assurance Co. Ltd.	Insurance Claim	9.42	-
	ICICI Lombard General Insurance Co. Ltd	Policy Cancelled refund	-	0.53
Aditya Birla Money Limited	Aditya Birla Sun Life Insurance Co Ltd	Recovery of expenses-Rental charges	-	-
Aditya Birla Health Insurance Co Ltd	Edelweiss General Insurance Company Limited	Co-Insurance premium	-	15.16
	ICICI Lombard General Insurance Co. Ltd	Co-Insurance premium	443.19	327.44
	HDFC Ergo General Insurance Co. Ltd	Co-Insurance premium	28.33	141.28
	SBI General Insurance Co. Ltd.	Co-Insurance premium	-	0.06
	The New India Assurance Co. Ltd	Co-Insurance premium	1,840.75	387.46
	Care Health Insurance Limited	Co-Insurance premium	40.46	12.77
	Kotak Mahindra General Insurance Co Ltd	Co-Insurance premium	-	22.21
	ROYAL SUNDARAM GENERAL INSURANCE CO. LIMITED	Co-Insurance premium	30.02	-
	TATA-AIG GENERAL INSURANCE CO. LTD	Co-Insurance premium	225.57	-
The Oriental Insurance Co. Ltd	Co-Insurance premium	223.10	-	
Aditya Birla Sun Life AMC Ltd	Tata AIG General Insurance Co. Ltd	Insurance Claim for Damages	6.64	0.01
	United India Insurance Co. Ltd	Insurance Claim for Damages	1.03	-
	HDFC Ergo General Insurance Co. Ltd	Claim for Damages/Refund	1.13	1.35
Aditya Birla Capital Limited	Aditya Birla Sun Life Insurance Co Ltd	Business Support Cost	3,601.29	3,217.25
	Aditya Birla Health Insurance Ltd.	Business Support Cost	480.35	93.48
Aditya Birla Financial Shared Services Limited	Aditya Birla Sun Life Insurance Co Ltd	Business Support Cost	8,391.98	6,735.10
	Aditya Birla Health Insurance Ltd.	Business Support Cost	3,605.07	3,269.83
Aditya Birla Capital Technology Services Limited	Aditya Birla Health Insurance Ltd.	IT Development	199.07	-
	Aditya Birla Health Insurance Ltd.	Group Mediciam - Receipt	-	2.94
	Aditya Birla Sun Life Insurance Co Ltd	IT Development	697.12	-
Aditya Birla ARC Limited	Aditya Birla Health Insurance Ltd.	Refund of CD Balance against GMC Top-up Policy	-	0.13
	United India Insurance Co. Ltd.	Refund of CD Balance against GMC Top-up Policy	0.16	-
	Tata AIG General Insurance Co. Ltd	Refund claim against car reimbursement	-	0.06

**Note:**

As per Regulation 34 (6) of Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulations, 2018, insurance brokers are required to include details of payments received by the group companies and/or associates and/or related parties of the insurance broker from any insurer and the details thereof in their financial statements. The above information covers payments received from insurers by Aditya Birla Capital Group companies and Grasim Industries Limited, the ultimate holding company.

# Notes to the Financial Statements

for the year ended March 31, 2023

## (C) Disclosure of details as required under amended guidelines as per Regulation 34 (1-C) of Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulations, 2018.

### Cash flow statement for the year ended March 31, 2023:

Particulars	(₹ in Lakh)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>A. Cash Flow from Operating Activities:</b>		
Brokerage Receipts	56,678.44	59,417.43
Reinsurance Receipts	761.74	681.99
Other Receipts/(Payments)	177.21	458.99
Realisations from Sundry Debtors	8,180.34	6,082.29
Payment towards Expenses	(40,931.28)	(47,932.98)
Payment of Tax Deducted at Source	(826.26)	(3,446.58)
Payments to Sundry Creditors	(11,287.36)	(10,313.73)
Payment of Other Advances	230.55	637.18
<b>Net Cash from Operating Activities (A)</b>	<b>12,983.38</b>	<b>5,584.59</b>
<b>B. Cash Flow from Investing Activities:</b>		
Purchase of Investments	(90,569.08)	(76,453.92)
Sale of Investments	83,742.34	74,937.00
Purchases of fixed assets	(431.14)	(432.29)
Sale of fixed assets	75.13	9.70
Income received on Investments	539.76	433.78
Expenses relating to Investments	-	-
<b>Net Cash from Investing Activities (B)</b>	<b>(6,642.99)</b>	<b>(1,505.73)</b>
<b>C. Cash Flow from Financing Activities:</b>		
Proceeds from issue of Share Capital	-	-
Proceeds from borrowings	-	-
Repayment of borrowings	(406.57)	(409.02)
Interest/Dividends paid	(6,002.10)	(3,591.00)
<b>Net Cash from Financing Activities (C)</b>	<b>(6,408.67)</b>	<b>(4,000.02)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents [(A) + (B) + (C)]</b>	<b>(68.28)</b>	<b>78.84</b>
<b>D. Cash Bank Balances as on 01.04.2022</b>		
Cash in Hand	-	-
Balance in Current Accounts	157.77	78.93
<b>E. Cash Bank Balances as on 31.03.2023</b>		
Cash in Hand	-	-
Balance in Current Accounts	89.49	157.77

Aditya Birla Money Mart Limited



**ADITYA BIRLA  
CAPITAL**

CIN: U61190GJ1997PLC062406

Registered Office Address : Indian Rayon Compound,  
Junagadh Road, Veraval – 362266, Gujarat

T: +91 22 4356 7000

E: Prajakta.Vasaikar2@adityabirlacapital.com

# Independent Auditor's Report

To the Members of **Aditya Birla Money Mart Limited**

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the standalone financial statements of **Aditya Birla Money Mart Limited** ("the Company"), which comprise the Standalone Balance Sheet as at 31<sup>st</sup> March, 2023, and the standalone Statement of Profit and Loss, standalone Statement of changes in Equity and standalone Statement of Cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to a "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2023, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the financial performance highlights, board report including annexures to the Board Report, report on corporate governance and other information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

### Responsibilities of management and those charged with governance for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that

are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has an adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance regarding with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate

## Independent Auditor's Report (Contd.)

with them all relationships and other matters that may reasonably be thought to bear on our Independence, and where applicable, related safeguards.

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **"Annexure 1"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
  2. A. As required by Section 143(3) of the Act, we report that:
    - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
    - c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including other comprehensive Income, Standalone Statement of Cash Flow and the standalone 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representation received from directors as on March 31, 2023 taken of record by the Board of Director, none of the director is disqualified as on March 31, 2023 from being appointed as director in term 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 2"**. Our Report expressed an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements – Refer Note 34 to the Standalone financial statements;
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - c. There no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company.

- d. (i) The management has represented that, to the best of its knowledge and belief, as disclosed in note no 42(x) to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in note no 42(x) to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- (iii) Based on audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.
- e. There is no dividend declared or paid during the year.

For **Sarda & Pareek LLP**  
Chartered Accountants  
Firm Registration Number 109262W/W100673

Sd/-  
**CA Satya Narayan Bohra**  
Partner  
Membership No. 042623  
UDIN: 23042623BGXZNI4011

Place: Mumbai  
Date: 24<sup>th</sup> April, 2023

# Annexure 1 to Independent Auditor's Report

With reference to the Annexure referred to in Independent Auditors' Report to the members of Company on the financial statements for the year ended 31<sup>st</sup> March, 2023, we report the following:

(Referred to in the paragraph 1 under the "Report on other Legal and Regulatory requirements section of our report of even date)

## (i) In respect of Company's Property, plant and Equipment's

- a. A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (PPE).
- B. The Company has maintained proper records showing full particulars of intangible assets.
- b. The Company has a regular program of physical verification to cover all the items of property, plant and equipment's annually which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, property, plant and equipment's were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c. The Company does not have any immovable property under PPE. Accordingly, para 3(i) (c) of the Order is not applicable to the Company.
- d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment or Intangible assets or both during the year.
- e. According to the information and explanations given to us no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

## (ii) In respect of Inventory

- a. The Company does not have any inventories, Accordingly, para 3(ii) (a) of the Order is not applicable to the Company

- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits during the year. Accordingly, para 3(ii) (b) of the Order is not applicable to the Company

## (iii) In respect of Investment made in, provided guarantee or granted any loans secured/unsecured;

- a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security, to companies, firms, limited liability partnerships or any other parties during the year.

The Company has granted loans to companies during the year, details of the loans given stated below.

(Rupees in Lakhs)	
Name of particulars	Amount
Aggregate amount during the year	
- Others – (Subsidiary of holding company)	3300.00
Balance Outstanding as on balance sheet date	
- Others – (Subsidiary of holding company)	3300.00

- b. According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, prima facie, not prejudicial to the interest of the Company.
- c. According to the information and explanations given to us and based on the audit procedures conducted by us, in case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated. The loans given during the year are not due for payment. Further, the company has not given any advance in nature of loan to any party during the year.
- d. According to the information and explanations given to us and based on the audit procedures conducted by us, there is no overdue amount for more than ninety days in respect of loan given. Further, the Company has not given any advance in nature of loan to any party during the year.

- e. According to the information and explanations given to us and based on the audit procedures conducted by us, no loans of the has been renewed or extended or fresh loan granted to settle to the overdue of exciting loans given to the same party.
- f. According to the information and explanations given to us and on the basis of our examination of the records, in opinion the Company has not granted or advances in nature of loans either repayable on demand or without specifying any terms or period of repayment, except for the following loans or advances in nature of loans to its related parties as defined in clause 76 of sections 2 of the companies Act, 2013 (“The Act”), whereby the Company has defined the repayment terms of loans as 12 month with a call option.

(₹ in lakhs)

Name of Particulars	All parties	Promoters	Related Party
Aggregate amount loans and advance in nature of loans			
A) Repayable on demand	-	-	3300.00*
B) Agreement does not specify any terms or period of repayment	-	-	-
<b>Total (A+B)</b>	-	-	<b>3300.00</b>
Percentage of loans/ advances in nature of loans to the total loans	-	-	100%

\*Repayment term of loans at 12 monthswith call options.

- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013. The Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to investments made or loans or guarantees or security provided to the parties covered under section 186.
- (v) The Company has not accepted deposits or amounts which are deemed to be deposits from public in terms of provisions of section 73 to 76 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014, as amended and other relevant provisions of the Act, during the year and does not have any unclaimed deposits as at 31<sup>st</sup> March, 2023. In view of the above, the provisions

of the clause 3 (v) of the Order is not applicable to the Company.

- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. In view of the above, reporting under clause 3(vi) of the order is not applicable to the Company.
- (vii) a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the amount deducted/ accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and others statutory dues have generally been regular in depositing with appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues were in arrears as at 31<sup>st</sup> March, 2023 for a period of more than six months from the date they became payable.

- b. According to the information and explanation given to us and on the basis of our examination of the record of the company, statutory dues referred to in (a) above, which have not been deposited as on 31<sup>st</sup> March, 2023 on account dispute are as under:

Sr. No.	Name of Statute	Nature of dues	Amounts Involved (₹ in Lakhs)	Period to which the amount relates (Financial Year)	Forum where disputed is pending
1	Finance Act, 1994	Service Tax	9.06 Lakhs	July 2003 to October 2005	Central Excise and Service Tax Appellate

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments

## Annexure 1 to Independent Auditor's Report (Contd.)

under the Income-tax Act, 1961 as income during the year. Hence, clause 3 (viii) of the Order is not applicable to the Company.

- (ix) a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any loans from financial institutions, banks and government or has not issued any debenture. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not availed any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable to the Company.
- d. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, the Company has not utilized funds raised on short term basis for long term purposes.
- e. According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. The company does not have any Joint Venture or Associates. Accordingly, clause 3(ix)(e) of the Order is not applicable to the Company.
- f. According to the information and explanations given to us and procedures performed by us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. The company does not have any Joint Venture or Associates. Accordingly, clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) a. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Hence reporting under clause 3(x) (a) of the Order is not applicable to the Company.
- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) a. According to the information and explanations given to us and procedures performed by us, no fraud by the Company or no fraud on the Company by its officers or employees, that causes the standalone financial statements to be materially misstated has been noticed or reported during the year.
- In view of the above reporting under clause 3 (xi) (b) of the order is not applicable to the Company.
- b. According to the information and explanations given to us and procedures performed by us, the company has not received whistle-blower complaints, during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and procedures performed by us, the transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of related party transactions have been disclosed in the standalone financial statements, as required by the applicable accounting standards.
- (xiv) a. According to information and explanations provided to us and procedures performed by us, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

- b. We have considered the reports of Internal Auditors of the Company issued till date for the period under audit.
- (xv) According to the information and explanations given to us, and based on our examination of the records, the Company has not entered into any non-cash transactions with its directors or persons connected with them as referred to in Section 192 of the Act. Hence reporting under clause 3 (xv) of the Order is not applicable to the Company.
- (xvi) a. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. In view of the above, clause 3(xvi)(a) of the Order is not applicable to the Company.
- b. According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities which require the Company to obtain Certificate of Registration (CoR) from Reserve Bank of India as per the Reserve Bank of India Act 1934. Hence reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- c. According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- d. According to the information and explanations given to us, the Group to which Company belong, has one CIC, Namely Aditya Birla Capital Limited.
- (xvii) According to the information and explanations given to us, and based on our examination of the records, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year and the outgoing auditors have not raised any issues, objections or concerns.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of our audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us, and based on our examination of the records, the Provision of Section 135 of the Act is not applicable to the Company. In view of the above, clause 3(xx)(a) and (b) of the Order is not applicable to the Company.
- (xxi) Reporting under clause 3 (xxi) of the Order is not applicable to the Company at Standalone level of reporting.

For **Sarda & Pareek LLP**

Chartered Accountants

Firm Registration Number 109262W/W100673

Sd/-

**CA Satya Narayan Bohra**

Partner

Membership No. 042623

UDIN: 23042623BGXZNI4011

Place: Mumbai

Date: 24<sup>th</sup> April, 2023

# Annexure 2

Referred to in Independent Auditors' Report on the Financial Statements of Aditya Birla Money Mart Limited for the year ended 31<sup>st</sup> March, 2023

## **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")**

(Referred to in the paragraph 2A(f) under the "Report on other Legal and Regulatory requirements section of our report of even date)

We have audited the internal financial controls over financial reporting of **Aditya Birla Money Mart Limited** ("the Company") as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the 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 judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Control 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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Sarda & Pareek LLP**

Chartered Accountants

Firm Registration Number 109262W/W100673

Sd/-

**CA Satya Narayan Bohra**

Partner

Membership No. 042623

UDIN: 23042623BGXZNI4011

Place: Mumbai

Date: 24<sup>th</sup> April, 2023

# Balance Sheet

as at 31<sup>st</sup> March, 2023

₹ in Lakhs

Particulars	Note	As at 31st March, 2023	As at 31st March, 2022
<b>ASSETS</b>			
<b>Non Current assets</b>			
(a) Property, Plant and Equipment	3	0.28	0.43
(b) Intangible assets	4	0.12	1.40
(c) Investments	5	2,064.61	8,639.25
(d) Tax assets (net)		-	12.21
<b>Total Non Current Assets(A)</b>		<b>2,065.01</b>	<b>8,653.29</b>
<b>Current assets</b>			
(a) Financial Assets			
(i) Investments	6	805.39	-
(ii) Cash and cash equivalents	7	8,025.80	8,954.01
(iii) Loans	8	3,300.00	-
(b) Other current assets	9	26.80	33.44
<b>Total Current Assets (B)</b>		<b>12,157.99</b>	<b>8,987.45</b>
<b>Total assets (A+B)</b>		<b>14,223.00</b>	<b>17,640.74</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	10	9,319.64	9,319.64
(b) Other Equity	11	51.24	862.97
<b>Total equity (C)</b>		<b>9,370.88</b>	<b>10,182.61</b>
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	12	4,771.84	4,373.58
<b>Total Non Current Liabilities</b>		<b>4,771.84</b>	<b>4,373.58</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	13	-	3,000.00
(ii) Trade and Other Payables	14		
Trade payable for MSMED		1.99	1.08
Trade payable for Other Than MSMED		4.51	4.68
(iii) Other Financial Liabilities	15	20.94	27.14
(b) Other Current Liabilities (non financial)	16	3.03	5.33
(c) Provisions	17	48.20	46.32
(d) Current Tax Liabilities (Net)		1.61	-
<b>Total Current Liabilities</b>		<b>80.28</b>	<b>3,084.55</b>
<b>Total Liabilities (D)</b>		<b>4,852.12</b>	<b>7,458.13</b>
<b>Total Equity and Liabilities (C+D)</b>		<b>14,223.00</b>	<b>17,640.74</b>
Summary of Significant Accounting Policies	2.1		

The accompanying Notes are an integral part of the Financial Statements

As per our report of even date

For **Sarda & Pareek LLP**  
Chartered Accountants  
FRN : 109262W/W100673

Sd/-  
**CA Satya Narayan Bohra**  
Partner  
Membership No: 042623

Place : Mumbai  
Date: 24<sup>th</sup> April, 2023

For and on behalf of the Board of Directors of  
**Aditya Birla Money Mart Limited**

Sd/-  
**Mukesh Malik**  
Director  
DIN: 02125091

Sd/-  
**Sunil Kumar Jain**  
Chief Financial Officer

Place : Mumbai  
Date: 24<sup>th</sup> April, 2023

Sd/-  
**Pinky Mehta**  
Director  
DIN : 00020429

Sd/-  
**Prajakta Vasaikar**  
Company Secretary

# Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2023

₹ in Lakhs

Particulars	Note	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Revenue from Operations	18	-	-
Other Income	19		
- Interest income		51.62	44.14
- Net gain on fair value changes		1,624.21	1,938.88
<b>Total Income</b>		<b>1,675.83</b>	<b>1,983.02</b>
<b>Expenses</b>			
Employee benefits expenses	20	102.16	110.40
Depreciation and amortisation expenses	21	1.43	16.60
Finance Cost	22	620.03	567.33
Impairment on financial instrument		1,237.44	-
Other expenses	23	23.60	38.93
<b>Total Expenses</b>		<b>1,984.66</b>	<b>733.26</b>
<b>Profit/(Loss) before tax</b>		<b>(308.83)</b>	<b>1,249.76</b>
<b>Tax expenses</b>			
Current Tax		500.14	302.10
Deferred Tax		-	-
(Excess) / Short provision relating to earlier years		2.31	0.44
		<b>502.45</b>	<b>302.54</b>
<b>Profit/(Loss) for the year</b>		<b>(811.28)</b>	<b>947.22</b>
<b>Other Comprehensive Income/(Loss) Statement</b>	25		
A (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
B (i) Items that will not be reclassified to profit or loss			
- Remeasurement gains/losses on defined benefit plans		(0.45)	(1.98)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Other Comprehensive Income/(Loss) for the Year</b>		<b>(0.45)</b>	<b>(1.98)</b>
<b>Total Comprehensive Income/(Loss)</b>		<b>(811.73)</b>	<b>945.24</b>
<b>Earning per Equity Share</b>			
Basic Earnings per Share - ₹	26	(0.87)	1.02
Diluted Earnings per Share - ₹	26	(0.87)	1.02
(Face Value of ₹ 10/- each)			
Summary of Significant Accounting Policies	2.1		

The accompanying Notes are an integral part of the Financial Statements

As per our report of even date

For **Sarda & Pareek LLP**  
Chartered Accountants  
FRN : 109262W/W100673

Sd/-  
**CA Satya Narayan Bohra**  
Partner  
Membership No: 042623

For and on behalf of the Board of Directors of  
**Aditya Birla Money Mart Limited**

Sd/-  
**Mukesh Malik**  
Director  
DIN: 02125091

Sd/-  
**Sunil Kumar Jain**  
Chief Financial Officer

Sd/-  
**Pinky Mehta**  
Director  
DIN : 00020429

Sd/-  
**Prajakta Vasaikar**  
Company Secretary

Place : Mumbai  
Date: 24<sup>th</sup> April, 2023

Place : Mumbai  
Date: 24<sup>th</sup> April, 2023

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2023

## (A) EQUITY SHARE CAPITAL

	Number of shares	(₹ in Lakhs)
<b>As at 1<sup>st</sup> April, 2021</b>	<b>93,196,446</b>	<b>9,319.64</b>
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at 1 <sup>st</sup> April, 2021	93,196,446	9,319.64
Changes in equity share capital	-	-
<b>As at 31<sup>st</sup> March, 2022</b>	<b>93,196,446</b>	<b>9,319.64</b>
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at 1 <sup>st</sup> April, 2022	93,196,446	9,319.64
Changes in equity share capital	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>93,196,446</b>	<b>9,319.64</b>

## (B) OTHER EQUITY

Particulars	Equity Component	Reserves and Surplus			Total	
		Capital Redemption Reserve	General Reserve	Retained earnings		
<b>As at 1<sup>st</sup> April, 2021</b>	<b>1,083.84</b>	<b>292.50</b>	<b>31.59</b>	<b>(3,030.18)</b>	<b>1,539.98</b>	<b>(82.27)</b>
Profit for the year	-	-	-	947.22	-	947.22
Other comprehensive income	-	-	-	(1.98)	-	(1.98)
<b>As at 31<sup>st</sup> March, 2022</b>	<b>1,083.84</b>	<b>292.50</b>	<b>31.59</b>	<b>(2,084.94)</b>	<b>1,539.98</b>	<b>862.97</b>
Profit for the year	-	-	-	(811.28)	-	(811.28)
Other comprehensive income	-	-	-	(0.45)	-	(0.45)
<b>As at 31<sup>st</sup> March, 2023</b>	<b>1,083.84</b>	<b>292.50</b>	<b>31.59</b>	<b>(2,896.67)</b>	<b>1,539.98</b>	<b>51.24</b>

Summary of Significant Accounting Policies

Note no.

2.1

The accompanying Notes are an integral part of the Financial Statements

As per our report of even date

For **Sarda & Pareek LLP**  
Chartered Accountants  
FRN : 109262W/W100673

For and on behalf of the Board of Directors of  
**Aditya Birla Money Mart Limited**

Sd/-  
**CA Satya Narayan Bohra**  
Partner  
Membership No: 042623

Sd/-  
**Mukesh Malik**  
Director  
DIN: 02125091

Sd/-  
**Pinky Mehta**  
Director  
DIN : 00020429

Sd/-  
**Sunil Kumar Jain**  
Chief Financial Officer

Sd/-  
**Prajakta Vasaikar**  
Company Secretary

Place : Mumbai  
Date: 24<sup>th</sup> April, 2023

Place : Mumbai  
Date: 24<sup>th</sup> April, 2023

# Statement of Cash Flow

for the year ended 31<sup>st</sup> March, 2023

₹ in Lakhs

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>A Cash Flow from Operating Activities</b>		
Net Profit / (Loss) before Tax	(308.83)	1,249.76
<b>Non Cash Adjustments to reconcile Profit/(Loss) before tax to Net Cash Flows:</b>		
Depreciation / Amortisation	1.43	16.59
Provision for Compensated Absences and Gratuity	4.11	7.11
Interest Income	(51.62)	(44.14)
Net gain on fair value changes	(1,624.21)	(1,938.88)
Impairment on financial instrument	1,237.44	-
Interest Expense	620.03	567.33
<b>Operating Profit before Working Capital Changes</b>	<b>(121.65)</b>	<b>(142.23)</b>
<b>Movements in Working Capital</b>		
Increase / (Decrease) in Trade Payables	0.74	4.44
Increase / (Decrease) in Other Current Financial Liabilities	(6.21)	15.62
Increase / (Decrease) in Other Current Liabilities(Non Financial)	(2.30)	1.91
Increase / (Decrease) in Short Term Provisions	(2.69)	8.09
Decrease / (Increase) in Short Term Loans	(3,300.00)	1.99
Decrease / (Increase) in Other Current Assets	6.64	(4.63)
<b>Cash generated from Operations</b>	<b>(3,425.47)</b>	<b>(114.81)</b>
Income Taxes Refund/(paid)	(488.62)	(258.17)
<b>Net cash (Used in)/generated from operations (A)</b>	<b>(3,914.09)</b>	<b>(372.98)</b>
<b>B Cash Flow from Investing Activities</b>		
(Purchases) of property, plant and equipment and intangibles assets	-	(0.44)
Proceeds of property, plant and equipment and intangibles assets	-	5.42
(Purchase) from Current Investments mutual fund	(16,031.20)	(3,976.80)
Proceeds from Current Investments mutual fund	15,260.19	4,015.42
(Purchase)from Non Current Investments	(8,571.43)	(6,478.20)
Proceeds from Non Current Investments	15,498.47	9,957.79
Interest Income	51.62	42.81
<b>Net Cash Flow from Investing Activities (B)</b>	<b>6,207.65</b>	<b>3,566.00</b>
<b>C Cash Flow from Financing Activities</b>		
Proceeds from borrowings	(3,000.00)	(5,500.00)
Interest on Unsecured Loan	(221.77)	(203.46)
<b>Net Cash Flow used in Financing Activities (C)</b>	<b>(3,221.77)</b>	<b>(5,703.46)</b>
<b>D Net Increase in Cash &amp; Cash Equivalent (A)+(B)+(C)</b>	<b>(928.21)</b>	<b>(2,510.44)</b>
<b>E Cash and Cash Equivalent at the beginning of the Year</b>	<b>8,954.01</b>	<b>11,464.45</b>
<b>F Cash and Cash Equivalent at the end of the Year (D+E)</b>	<b>8,025.80</b>	<b>8,954.01</b>
<b>Components of Cash and Cash Equivalents :</b>		
With Banks in Current Account	8,025.80	8,954.01
<b>Total Cash and Cash Equivalents</b>	<b>8,025.80</b>	<b>8,954.01</b>

1. The above Cash Flow Statement has been prepared under the "Indirect Method " as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash Flows' prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017.

2. Cash and cash equivalents in the balance sheet comprises of Cash in hand, Cash at bank and Fixed deposits.

Summary of Significant Accounting Policies

2.1

The accompanying notes are an integral part of the financial statements  
As per our report of even date

For **Sarda & Pareek LLP**  
Chartered Accountants  
FRN : 109262W/W100673

Sd/-  
**CA Satya Narayan Bohra**  
Partner  
Membership No: 042623

For and on behalf of the Board of Directors of  
**Aditya Birla Money Mart Limited**

Sd/-  
**Mukesh Malik**  
Director  
DIN: 02125091

Sd/-  
**Sunil Kumar Jain**  
Chief Financial Officer

Sd/-  
**Pinky Mehta**  
Director  
DIN : 00020429

Sd/-  
**Prajakta Vasaikar**  
Company Secretary

Place : Mumbai  
Date : 24<sup>th</sup> April, 2023

Place : Mumbai  
Date : 24<sup>th</sup> April, 2023

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## (1) CORPORATE INFORMATION

ABMML is engaged in the business of Financial Consultancy, Management Consultancy etc. and buy, sell, trade in and /or deal in stocks, securities, or securities issued by any mutual funds, alternative investment funds etc. The Company is further evaluating foraying into facilitating provision of information technology services/ solutions.

## (2) BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017.

All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the schedule III of the Companies' act 2013. Based on the nature of products and the time between the acquisition of the assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabilities. The financial statements are presented in INR Unless Otherwise Stated.

The financial statements of the Company for the year ended 31<sup>st</sup> March, 2023 were authorized for issue in accordance with a resolution of the directors on 24<sup>th</sup> April, 2023.

## (2.1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Use of Estimates :

The preparation of financial statements in conformity with Indian Accounting Standards requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates

are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

### (b) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- 1) In the principal market for the asset or liability, or
- 2) In the absence of a principal market, in the most advantageous market for the asset or liability  
The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 1) Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- 2) Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- 3) Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company’s accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

## (c) Property , Plant and Equipments :

- (i) Tangible Fixed Assets are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total

cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

- (ii) Depreciation on Tangible assets is provided on Straight Line Method at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013. Depreciation on assets added/ disposed off during the year is provided on prorata basis with reference to the month of addition / deduction. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized .
- (iii) Following rates are used to provide depreciation on Tangible fixed assets

Assets	Useful Life as prescribed by Schedule II of The Companies Act, 2013	Estimated useful life used by the Company
Leasehold Improvements	Over the primary period of the lease	Lease period or six years, whichever is earlier
Computers	3 years	3 years
Server & Networks	6 years	6 years
Office Equipments	5 years	5 years
Electronic Equipments	10 years	4 years
Furniture & fixture	10 years	7 years
Vehicles	6 years	6 years

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

Useful life of assets different from those prescribed in Schedule II has been estimated by management supported by technical assessment.

- (iv) Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.
- (v) Assets costing ₹ 5,000 or less are written off in the year of purchase.

## (d) Intangible Fixed Assets :

Intangible Assets are stated at cost less accumulated amortisation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Intangible assets, viz. Trade Names and other business rights and Software are amortised over a period of ten years and three financial years respectively.

## (e) Impairment of Assets :

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss if any is charged to Statement of Profit & Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment

loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

## (f) Borrowing Costs :

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing cost are recognized as expense in the period in which they are incurred. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment of the borrowing cost.

## (g) Redeemable Non Convertible Cumulative Preference Shares

Preference shares are separated into liability and equity components based on the terms of the contract. On issuance of the preference shares, the fair value of the liability component is determined using a market rate for an equivalent instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification

## (h) Revenue Recognition :

### Income from Services

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. Specifically, IndAS 115 Revenue from contract with customers, introduces a 5-step approach to revenue recognition :

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

## Rendering of services

Revenue from rendering of services can be estimated reliably, revenue associated with the transaction shall be recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the stage of completion of the transaction at the end of the reporting period can be measured reliably.

## Interest Income

For all Financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

## (i) Retirement and Other Employee Benefits :

### (a) Defined Contribution Plan :

The Company makes defined contribution to Government Employee Provident Fund, Government Employee Pension Fund, Employee Deposit Linked Insurance, Employee State Insurance and Superannuation Schemes, which are recognised in the Statement of Profit and Loss on accrual basis. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contribution.

### (b) Defined Benefit Plan :

The Company operates two defined benefit plans for its employees, viz., gratuity and leave encashment. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method.

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

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the balance sheet date.

Remeasurements, comprising of actuarial gains and losses on retirement benefits, the effect of the asset ceiling, excluding amounts

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- Net interest expense or income.

## (j) Income Taxes :

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting

date. Deferred tax liabilities are recognised for all taxable temporary differences. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## (k) Contingent Liabilities and Provisions :

### Contingent Liabilities

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

### Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The estimates are reviewed at each reporting date and adjusted to reflect the current management estimates.

## (I) Financial instruments:

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

### Financial assets

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 are added to the fair value. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

### Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

- 1) Financial Asset at amortised cost
- 2) Financial Assets at fair value through other comprehensive income (FVTOCI)
- 3) Financial Asset, derivatives, equity instruments and mutual fund at fair value through profit or loss (FVTPL)
- 4) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial Asset at amortised cost  
A 'Financial Asset' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables

### Financial Asset at FVTOCI

A 'Financial Asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Financial Asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

## Financial Asset at FVTPL

FVTPL is a residual category for Financial Asset. Any Financial Asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a Financial Asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any Financial Asset as at FVTPL.

Financial Asset included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

## Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

## Impairment of financial assets

In accordance with Ind AS 109, the group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., deposits, trade receivables and bank balance

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables, deposits or contract revenue receivables.

The application of simplified approach does not require the group to track changes in credit risk.

## Derecognition

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

## Financial liabilities

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge

relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

#### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

#### Derecognition

When the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **(m) Cash and Cash Equivalent :**

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short term highly liquid investments with an original maturity of three months or less.

## **(n) Cash Flow Statement :**

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## **(o) Segment Reporting :**

### **Identification of Segments**

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company.

The Company's operating business are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products.

### **Allocation of common costs**

The costs other than finance cost are attributable to the advertisement segment.

### **Unallocated Items**

Unallocated items include Other Income other than Interest income on Investments and Finance Cost.

### **Segment accounting policies**

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

## **(p) Earnings per Share :**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

## **(q) Share-Based Payment :**

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## **Equity-settled transactions :**

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

## **(r) Translation of Foreign Currency Items :**

Transactions in foreign currency are initially recorded at the spot rate of exchange prevailing on the date of transaction. Monetary asset and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange. A exchange difference on settlement or translation of all other monetary items is recognised in the Statement of Profit and Loss. Non-monetary items are measured in terms of historical cost in foreign currency duly translated using the exchange rate at transaction date.

## **(s) Functional and Presentation Currency**

Amounts in the financial statements are presented in Indian Rupees in Lakh rounded off to two decimal places as permitted by Division II of Schedule III to the Act, except when otherwise indicated.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 3 PROPERTY, PLANT AND EQUIPMENT

Particulars	(₹ in Lakhs)		
	Computer	Vehicles	TOTAL
<b>Gross Block</b>			
<b>As at 1<sup>st</sup> April, 2021</b>	-	5.42	5.42
Additions	0.44	-	0.44
Deletions	-	5.42	5.42
<b>As at 31<sup>st</sup> March, 2022</b>	<b>0.44</b>	<b>-</b>	<b>0.44</b>
Additions	-	-	-
Deletions	-	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>0.44</b>	<b>-</b>	<b>0.44</b>
<b>Accumulated Depreciation</b>			
<b>As at 1<sup>st</sup> April, 2021</b>	-	0.68	0.68
For the year	0.01	0.30	0.31
Deletions	-	0.98	0.98
<b>As at 31<sup>st</sup> March, 2022</b>	<b>0.01</b>	<b>-</b>	<b>0.01</b>
For the year	0.15	-	0.15
Deletions	-	-	-
Addition/(Deletion) on Stake Change/ Amalgamations	-	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>0.16</b>	<b>-</b>	<b>0.16</b>
<b>Net Block as at 31<sup>st</sup> March, 2022</b>	<b>0.43</b>	<b>-</b>	<b>0.43</b>
<b>Net Block as at 31<sup>st</sup> March, 2023</b>	<b>0.28</b>	<b>-</b>	<b>0.28</b>

## NOTE: 4 INTANGIBLE ASSETS

Particulars	(₹ in Lakhs)	
	Software	TOTAL
<b>Gross Block</b>		
<b>As at 1<sup>st</sup> April, 2021</b>	50.70	50.70
Additions	-	-
Deletions	-	-
<b>As at 31<sup>st</sup> March, 2022</b>	<b>50.70</b>	<b>50.70</b>
Additions	-	-
Deletions	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>50.70</b>	<b>50.70</b>
<b>Accumulated Depreciation</b>		
<b>As at 1<sup>st</sup> April, 2021</b>	33.01	33.01
For the year	16.29	16.29
Deletions	-	-
<b>As at 31<sup>st</sup> March, 2022</b>	<b>49.30</b>	<b>49.30</b>
For the year	1.28	1.28
Deletions	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>50.58</b>	<b>50.58</b>
<b>Net Block as at 31<sup>st</sup> March, 2022</b>	<b>1.40</b>	<b>1.40</b>
<b>Net Block as at 31<sup>st</sup> March, 2023</b>	<b>0.12</b>	<b>0.12</b>

All Intangible assets are other than internally generated.

\* Based on Written-down Value, the balance amortisation period of material intangible assets:

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 5: INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>(A) Investment In Subsidiary (At Cost)</b>		
Equity Shares (fully paid up) (Unquoted)		
4965000 shares of face value of ₹ 10 each fully paid up in Aditya Birla Money Insurance Advisory Services Limited (31 <sup>st</sup> March, 2022- 4965000 shares) (Refer Note 39)	3,225.44	3,225.44
Less: Impairment in value of investment *	(1,237.44)	-
	<b>1,988.00</b>	<b>3,225.44</b>
<b>(B) Alternative Investment funds (Unquoted) (FVTPL)</b>		
<b>Aditya Birla Special Situation fund I</b>	76.61	5,413.81
43591.37 Units face value of ₹ 100/- each fully paid up (As at 31 <sup>st</sup> March, 2022 Units 46,51,044.38 of ₹ 100/- each fully paid up)		
	<b>2,064.61</b>	<b>8,639.25</b>
<b>Aggregate book value of Unquoted investments</b>	<b>2,064.61</b>	<b>8,639.25</b>

\*The Company has made an assessment of its value of investments in Equity Shares of Aditya Birla Money Insurance Advisory Services Limited. Based on such an independent valuation report, the value of Equity Shares assessed at ₹ 1988.00 Lakhs, accordingly impairment loss of ₹ 1234.44 Lakhs have been provided.

## NOTE 6 : CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Unquoted:</b>		
<b>Investment in mutual fund units at FVTPL</b>		
ABSL Liquid fund-Growth-Direct	380.37	-
Units 104761.227 (31 <sup>st</sup> March, 2022 Units Nil)		
ABSL Overnight Direct Growth	425.02	-
Units 35054.566 (31 <sup>st</sup> March, 2022 Units Nil)		
	<b>805.39</b>	<b>-</b>
Aggregate book value of Unquoted investments	<b>805.39</b>	<b>-</b>

## NOTE 7 : CASH AND BANK BALANCE

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Cash and Cash Equivalent</b>		
Balances with Scheduled Banks		
in Current Account	19.27	51.94
<b>Other bank balances:</b>		
Fixed Deposits with banks	8,000.00	8,900.00
Add: Interest accrued but not due	6.53	2.07
	<b>8,006.53</b>	<b>8,902.07</b>
	<b>8,025.80</b>	<b>8,954.01</b>

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 8 : LOANS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Short Term Loans</b>		
(Unsecured, considered good and at amortised cost unless stated otherwise)		
Loans to Related parties	3,300.00	-
	<b>3,300.00</b>	<b>-</b>

## NOTE 9 : OTHER CURRENT ASSETS

(Unsecured, considered good unless stated otherwise)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Statutory Deposits and Dues from Government	19.71	26.41
Prepaid expense	0.02	0.23
Advance other	0.02	-
Gratuity fund Receivable (Refer note 24)	7.05	6.80
	<b>26.80</b>	<b>33.44</b>

## NOTE 10 : SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Authorised shares:</b>		
9,50,00,000 (31 <sup>st</sup> March, 2022: 9,50,00,000) Equity Shares of ₹ 10 each	9,500.00	9,500.00
30,00,000 (31 <sup>st</sup> March, 2022: 30,00,000) 0.1% Redeemable Non Convertible Cumulative Preference Shares of ₹ 10 each.	300.00	300.00
27,00,000 (31 <sup>st</sup> March, 2022: 27,00,000) 0.1% Redeemable Non Convertible Non Cumulative Preference Shares of ₹ 100 each.	2,700.00	2,700.00
	<b>12,500.00</b>	<b>12,500.00</b>
<b>Issued, Subscribed and Paid up :</b>		
<b>Equity Share Capital</b>		
9,31,96,446 (31 <sup>st</sup> March, 2022: 9,31,96,446) Equity Shares of ₹ 10/- each	9,319.64	9,319.64
	<b>9,319.64</b>	<b>9,319.64</b>

### 1. Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

#### Equity Shares

Particulars	31st March, 2023		31st March, 2022	
	No of Shares	(₹ in Lakhs)	No of Shares	(₹ in Lakhs)
At the beginning of the year	93,196,446	9,319.64	93,196,446	9,319.64
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>93,196,446</b>	<b>9,319.64</b>	<b>93,196,446</b>	<b>9,319.64</b>

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## 2. Shareholding of Promoters :

### Shares held by promoters at the end of the year ended 31<sup>st</sup> March, 2023

Promoter name	No of Shares	% of total shares	% Change during the year
Aditya Birla Capital Limited	93,196,446	100	No change

### Shares held by promoters at the end of the previous year ended 31<sup>st</sup> March, 2022

Promoter name	No of Shares	% of total shares	% Change during the year
Aditya Birla Capital Limited	93,196,446	100	No change

## 3. Terms / Rights attached to Equity Shares :

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any is proposed by the Board of Directors and is subject to the approval of the shareholders in the ensuing Annual General Meeting.

## 4. Shares held by the Holding Company :

All the Equity and Redeemable Non Convertible Non Cumulative Preference Shares are held by the holding company - Aditya Birla Capital Limited (Formerly Known as Aditya Birla Financial Services Limited)

## 5. Shareholders holding more than 5% shares in the Company

Equity Share Capital

Aditya Birla Capital Limited and nominees - 93196446 Equity Shares – 100%  
(Previous Year - Aditya Birla Capital Limited -93196446 Equity Shares – 100%)

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

## 6. For a five year period immediately preceding the date at which Balance Sheet is prepared:

- No Shares were allotted as fully paid up pursuant to contract(s) without payment being received in cash
- No Shares were allotted as fully paid up by way of bonus shares.
- The company has not undertaken any buy back of shares

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 11 : OTHER EQUITY

Particulars	(₹ in Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>(i) Capital Redemption Reserve</b>		
Opening Balance	292.50	292.50
Add : Addition/(deletion) during the year	-	-
<b>Closing Balance</b>	<b>292.50</b>	<b>292.50</b>
<b>(ii) Capital Reserve</b>		
Opening Balance	1,539.98	1,539.98
Add : Addition/(deletion) during the year	-	-
<b>Closing Balance</b>	<b>1,539.98</b>	<b>1,539.98</b>
<b>(iii) General Reserve</b>		
Opening Balance	31.59	31.59
Add : Addition/(deletion) during the year	-	-
<b>Closing Balance</b>	<b>31.59</b>	<b>31.59</b>
<b>(iv) Retained Earning :</b>		
Balance as per the last financial statements	(2,084.94)	(3,030.18)
Profit/ (Loss) for the year	(811.28)	947.22
Other comprehensive (loss)/income for the year-Net of tax	(0.45)	(1.98)
<b>Balance at the end of the year</b>	<b>(2,896.67)</b>	<b>(2,084.94)</b>
<b>(v) Other Component of Equity</b>	<b>1,083.84</b>	<b>1,083.84</b>
<b>Total Reserves and Surplus</b>	<b>51.24</b>	<b>862.97</b>

## NOTE 12 : NON-CURRENT LIABILITIES-BORROWINGS

(At Amortised Cost unless stated otherwise)

Particulars	(₹ in Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Subordinated Liabilities</b>		
0.1% Redeemable Non Convertible Non Cumulative Preference Shares	4,771.84	4,373.58
	<b>4,771.84</b>	<b>4,373.58</b>

### Terms and Conditions

#### 1. 0.1% Redeemable Non Convertible Non Cumulative Preference Shares

- (i) Company had issued the 26,00,866 0.1% Compulsory Convertible Debenture (CCD) of face value ₹ 100/- each on March 21, 2016 to its holding company Aditya Birla Capital Limited (Formerly known as Aditya Birla Financial Services Limited).
- (ii) Each CCD shall be converted into 0.1% Redeemable Non Convertible Non Cumulative Preference Share (RNCNCPS) of ₹ 100/- each at a premium of ₹ 54/- per Preference Share, at the end of 5 years and such RNCNCPS shall be redeemable at a price of ₹ 183/- per Preference Share at the end of 2 years from the date of conversion or any such time as may be informed in writing at option of holder thereof
- (iii) On March 21, 2021 holding company Aditya Birla Capital Limited has exercised option to convert these 26,00,866 0.1% Compulsory Convertible Debenture (CCD) into equal number of 0.1% Redeemable Non Convertible Non Cumulative Preference Shares (RNCNCPS) of ₹ 100 each at a premium of ₹ 54/- per RNCNCPS.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

- (iv) On March 21, 2023 holding company Aditya Birla Capital Limited has granted extension in terms of redemption of 26,00,866 0.1% Redeemable Non Convertible Non Cumulative Preference Shares (RNCNCPS) of ₹ 100 each for a period of 2 years from March 21, 2023 to March 20, 2025. Such RNCNCPS shall be redeemable at a price of ₹ 219/- per Preference Share on extended date of redemption or at an IRR of 9.40% in case of an early redemption, at the option of the holder.

## 0.1% Redeemable Non Convertible Non Cumulative Preference Shares (RNCNCPS), confer on the holders thereof the following rights and privileges:

- i) the right to a cumulative preferential dividend of 0.1% on the nominal value of the RNCNCPS every year, till the redemption of these RNCNCPS, subject to the availability of the distributable profits, free of Company's Income-tax, but subject to deduction of taxes at source at the rate or rates prescribed from time to time. The dividend will be calculated on a day count of 365 days a year basis and are cumulative in nature. The dividend shall be paid to such Preference Shareholders whose names appears on the Register of Preference Shareholders on the Record Date, as may be declared by the Company.
- (ii) the right in the event of winding up to the payment of such capital and arrears of dividend, whether earned, accrued, declared or not, down to the commencement of the winding up in priority to the equity Shares but shall not confer any further right to participate in profits or assets.
- (iii) Shareholders holding more than 5% shares in the Company

Aditya Birla Capital Limited (Formerly known as Aditya Birla Financial Services Limited)- 26,00,866 Redeemable Non Convertible Non Cumulative Preference Shares – 100%

(Previous Year - Aditya Birla Capital Limited - 26,00,866 Redeemable Non Convertible Non Cumulative Preference Shares – 100%)

## NOTE 13 : CURRENT LIABILITIES-BORROWINGS

(At Amortised Cost unless stated otherwise)

(₹ in Lakhs)

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Loan from Related Party (unsecured)	-	3,000.00
	-	3,000.00

## Terms & Conditions

Unsecured Loan from related party carrying interest @9.00% p.a. and repayable on demand.

## NOTE 14 : TRADE PAYABLES

(At Amortised Cost unless stated otherwise)

(₹ in Lakhs)

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Trade Payables*		
-Total outstanding dues of micro enterprises and small enterprises	1.99	1.08
-Total outstanding dues of creditors other than micro enterprises and small enterprises)	4.51	4.68
	6.50	5.76

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## \*Micro and Small Scale Business Entities

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31<sup>st</sup> March, 2023. The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006 (Act) has been determined to the extent such parties have been identified on the basis of information available with the Company

## Trade Payables ageing as on 31<sup>st</sup> March, 2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of transactions					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1.87	0.12	-	-	-	1.99
(ii) Others	4.40	0.11	-	-	-	4.51
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-

## Trade Payables ageing as on 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of transactions					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1.07	0.01	-	-	-	1.08
(ii) Others	4.60	0.08	-	-	-	4.68
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-

## NOTE 15 : OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Payable to related party	0.76	-
Payable related to employees	20.18	27.14
	<b>20.94</b>	<b>27.14</b>

## NOTE 16: OTHER CURRENT LIABILITIES (NON FINANCIAL)

(₹ in Lakhs)

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Statutory Dues	3.03	5.33
	<b>3.03</b>	<b>5.33</b>

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 17 : PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Employee Benefits :		
Compensated Absences	11.18	11.34
Gratuity (Present Value of Obligation)- (Refer note 24)	37.02	34.98
	<b>48.20</b>	<b>46.32</b>

## NOTE 18 : REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Fees income	-	-
	-	-

## NOTE 19 : OTHER INCOME

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest Income at Amortised Cost		
- Interest Income on Fixed deposit	46.49	39.96
- Interest Income on Inter Corporate deposit	5.13	-
- Interest on income tax refund	-	4.18
	<b>51.62</b>	<b>44.14</b>
Net gain on fair value changes		
MTM of investments measured at FVTPL-Gain	(668.28)	392.57
Gain on sale of investments measured at FVTPL	2,292.49	1,546.31
	<b>1,624.21</b>	<b>1,938.88</b>
	<b>1,675.83</b>	<b>1,983.02</b>
Fair Value changes :		
Realised	2,292.49	1,546.31
Unrealised	(668.28)	392.57

## NOTE 20 : EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Salary, wages and bonus	94.41	103.25
ESOP Expense	0.41	1.22
Contribution to provident and other funds	3.72	3.39
Gratuity	3.57	2.38
Staff Welfare	0.05	0.16
	<b>102.16</b>	<b>110.40</b>

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 21 : DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Depreciation	0.15	0.31
Amortisation	1.28	16.29
	<b>1.43</b>	<b>16.60</b>

## NOTE 22 : FINANCE COST

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest on Loan	221.77	203.47
Interest on Subordinated Liabilities	398.26	363.86
	<b>620.03</b>	<b>567.33</b>

## NOTE 23 : OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Information technology charges	0.57	0.30
Insurance	-	0.05
Rates and Taxes	13.07	2.58
Legal and professional charges (Refer Note 23.1 below)*	9.48	24.55
Communication expenses	0.01	-
Travelling and conveyance	0.19	-
Printing and stationery	0.02	-
Director Fees	-	11.25
Miscellaneous Expenses	0.26	0.20
	<b>23.60</b>	<b>38.93</b>

## NOTE 23.1- PAYMENT TO AUDITOR\*

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
As Auditor		
- Statutory Audit Fee	3.25	3.25
- Reimbursement of Expenses	0.09	0.10
- Other Services	-	0.25
<b>Total</b>	<b>3.34</b>	<b>3.60</b>

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 24: RETIREMENT BENEFITS

The company operates defined plans of Gratuity for its employees. . The Scheme is funded with an Insurance company in the form of qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in Statement of Profit and Loss Account and the funded status and the amounts recognised in the Balance Sheet for the respective plans

### (a) Statement of Profit and Loss

#### Net Employee Benefit Expense recognized In Income Statement

(₹ in Lakhs)

	Gratuity	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Current service cost	1.69	1.22
Interest cost on obligation	2.32	1.59
Interest (income) on plan assets	(0.44)	(0.43)
<b>Expense recognised in Income Statement</b>	<b>3.57</b>	<b>2.38</b>

#### Expenses Recognised during the year

(₹ in Lakhs)

	Gratuity	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Expense recognised in Income Statement	3.57	2.38
Expense recognised in Other Comprehensive income	0.46	1.98
<b>Total expenses/(Income)Recognised during the year</b>	<b>4.03</b>	<b>4.36</b>

### (b) Balance Sheet

#### Benefit Asset / Liability

(₹ in Lakhs)

	Gratuity	
	As at 31st March, 2023	As at 31st March, 2022
Present Value of defined benefit obligation	37.03	34.98
Fair Value of Plan Assets	(7.05)	(6.80)
<b>Plan (Asset) / Liability - to be Funded to Gratuity Trust</b>	<b>29.98</b>	<b>28.18</b>

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## (c) Changes in the present value of the defined benefits obligation are as follows :

(₹ in Lakhs)

Particulars	Gratuity	
	As at 31st March, 2023	As at 31st March, 2022
Opening Defined Benefit Obligation	34.98	23.50
Current service cost	1.69	1.22
Interest Cost	2.32	1.59
Benefits paid including transfer in / (out)	(2.22)	6.86
Transfer of employee due	-	(0.01)
Actuarial (gains) / losses arising from:	-	-
Change in Demographic Assumptions	-	-
Change in Financial assumptions	(2.39)	0.42
Experience Variance	2.65	1.40
<b>Closing defined benefit obligation</b>	<b>37.03</b>	<b>34.98</b>

## (d) Changes in the Fair Value of Plan Assets are as follows :

(₹ in Lakhs)

Particulars	Gratuity	
	As at 31st March, 2023	As at 31st March, 2022
Opening Fair Value of Plan Assets	6.80	6.54
Investment Income	0.43	0.43
Contributions by Employer	-	-
Benefits paid including transfer in / (out)	-	-
Return on Plan Assets	(0.18)	(0.17)
<b>Closing fair value of plan assets</b>	<b>7.05</b>	<b>6.80</b>

## (e) Actual Return on Plan Assets

(₹ in Lakhs)

Particulars	Gratuity	
	As at 31st March, 2023	As at 31st March, 2022
Expected return on Plan Assets	0.43	0.43
Actuarial Gain / (Loss) on Plan Assets	(0.18)	(0.17)
<b>Actual return on Plan Assets</b>	<b>0.25</b>	<b>0.26</b>

Plan Assets of Gratuity have been invested in Insurer Managed Fund (Group Bond Plan I, Group Fixed Interest Fund Plan I and Group Money Market Fund Plan I)

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## (f) Major Category of Plan Assets: (As a percentage of total plan assets)

	As at 31st March, 2023	As at 31st March, 2022
Funds managed by Insurer	100%	100%

## (g) The principal assumptions used in determining Gratuity Obligations for the company's plans are shown below:

(₹ in Lakhs)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Rate of Interest (Discount rate)	7.36%	6.70%
Salary growth	8% for 1st year, 7% thereafter	8% for 1st year, 7% thereafter
Withdrawals rate, based on age : (per annum)		
Upto 30 Years	25%	25%
31 - 44 years	0%	0%
Above 44 years	0%	0%
Mortality Rates	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age	60 years	60 years
Expected Return on Plan Assets	7.36%	6.70%

## Experience Adjustment

(₹ in Lakhs)

Particulars	Gratuity	
	As at 31st March, 2023	As at 31st March, 2022
Present Value of Defined Benefit Obligation	37.03	34.98
Fair Value of Plan Assets	7.05	6.80
(Surplus)/Deficit	29.98	28.17
Experience adjustment on Plan Liability - (Gain) / Loss	2.66	1.40
Experience adjustment on Plan Assets - Gain / (Loss)	(0.18)	(0.17)

## (h) Sensitivity Analysis of principal assumptions

(₹ in Lakhs)

	As at 31st March, 2023	As at 31st March, 2022
Impact of increase in 50bps on DBO		
Discount Rate	35.32	31.68
Salary Escalation Rate	38.86	38.63
Impact of decrease in 50bps on DBO		
Discount Rate	38.82	38.67
Salary Escalation Rate	35.27	31.66

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## (i) Maturity Profile of Defined Benefit Obligation

	(₹ in Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
Above 1 year	0.18	0.70
Between 2 and 4 Years	0.76	1.68
Between 5 and 10 years	3.26	3.28
<b>Total expected payments</b>	<b>4.20</b>	<b>5.66</b>
Weighted Average duration	6.21 Years	5.89 Years

## (j) Defined Contribution Plan :

The Company has recognized the following amounts as expenses and included in Note 19 in “Contribution to Provident and Other Funds”

	(₹ in Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
Contribution to Government Employees Provident Fund	3.72	3.39

## NOTE 25 : COMPONENTS OF OTHER COMPREHENSIVE INCOME

	(₹ in Lakhs)	
Particulars	As at 31st March, 2023	As at 31st March, 2022
Remeasurement of gains(Losses) on defined benefit plans -Part of Retained earnings	(0.45)	(1.98)
<b>Total</b>	<b>(0.45)</b>	<b>(1.98)</b>

## NOTE 26 : EARNINGS PER SHARE

	(₹ in Lakhs)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Net Profit as per Statement of Profit and Loss Account for Continuing Operations :	(811.28)	947.22
Net Profit for Basic EPS (A)	(811.28)	947.22
Weighted Average number of Outstanding Equity Shares for EPS :		
- Basic (B)	93,196,446	93,196,446
- Diluted (C)	93,196,446	93,196,446
Earnings per Share (₹)		
- Basic (A) / (B)	(0.87)	1.02
- Diluted (A) / (C)	(0.87)	1.02

## NOTE 27 : SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures,

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

## Estimation of Useful life of Plant Property Equipments and Intangible Assets

Refer Note no 2.1(c) and (d)

## Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

## NOTE 28 : FAIR VALUES

(₹ in Lakhs)

Financial Assets	Carrying Value		Fair Value	
	As at	As at	As at	As at
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
Cash and cash equivalents	8,025.80	8,954.01	8,025.80	8,954.01
Investments	2,064.61	8,639.25	2,064.61	8,639.25
Investments in mutual fund	805.39	-	805.39	-
Loans	3,300.00	-	3,300.00	-
<b>Total</b>	<b>14,195.80</b>	<b>17,593.26</b>	<b>14,195.80</b>	<b>17,593.26</b>

(₹ in Lakhs)

Financial Assets	Carrying Value		Fair Value	
	As at	As at	As at	As at
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
Trade and Other Payables	6.50	5.76	6.50	5.76
Subordinated Liabilities	4,771.84	4,373.58	4,771.84	4,373.58
Loan from Related Party (Unsecured)	-	3,000.00	-	3,000.00
Other Financial Liabilities	20.94	27.14	20.94	27.14
<b>Total</b>	<b>4,799.28</b>	<b>7,406.48</b>	<b>4,799.28</b>	<b>7,406.48</b>

The management assessed that other assets and liabilities other than those disclosed above approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the unquoted Investments have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 29 : FAIR VALUE HIERARCHY

The table below analyses financial instruments carried at fair value, by valuation method at 31<sup>st</sup> March, 2023. The different levels have been defined as follows:

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

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The carrying amount of trade receivables, trade payables, other financial liabilities, loans, other financial assets, cash and cash equivalents as at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 are considered to the same as fair values, due to their short-term nature. These are classified as Level 3 fair value hierarchy due to inclusion of unobservable inputs including counterparty credit risk.

	Date of Valuation	Fair Value Measurement Using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(₹ in Lakhs)					
<b>Assets Measured As Fair Value as at 31<sup>st</sup> March, 2022:-</b>					
Cash and cash equivalents	31-03-2022	8,954.01	-	-	8,954.01
Investments	31-03-2022	8,639.25	-	5,413.81	3,225.44
<b>Assets Measured As Fair Value as at 31<sup>st</sup> March, 2023:-</b>					
Cash and cash equivalents	31-03-2023	8,025.80	-	-	8,025.80
Investments	31-03-2023	2,064.61	-	76.61	1,988.00
Investments in mutual fund	31-03-2023	805.39	-	805.39	-
Loans	31-03-2023	3,300.00	-	-	3,300.00
<b>Liabilities Measured As Fair Value as at 31<sup>st</sup> March, 2022:-</b>					
Trade and Other Payables	31-03-2022	5.76	-	-	5.76
Subordinated Liabilities	31-03-2022	4,373.58	-	-	4,373.58
Loan from Related Party (Unsecured)	31-03-2022	3,000.00	-	-	3,000.00
Other Financial Liabilities	31-03-2022	27.14	-	-	27.14
<b>Liabilities Measured As Fair Value as at 31<sup>st</sup> March, 2023:-</b>					
Trade and Other Payables	31-03-2023	6.50	-	-	6.50
Subordinated Liabilities	31-03-2023	4,771.84	-	-	4,771.84
Other Financial Liabilities	31-03-2023	20.94	-	-	20.94

Note:

- The fair values of the company's interest-bearing borrowings, loans and security deposits are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.
- During the reporting period ending 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 there were no transfers between Level 1 and Level 2 fair value measurements.
- The Fair Valuation of Unquoted mutual funds and alternative Investment funds units is done based on NAV of units.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 30 :

The company has single reportable segment viz referral fees for the purpose of IND AS 108 on 'Segment Reporting'. The company does not have any geographical segment.

## NOTE 31 : RELATED PARTY DISCLOSURES

### Name of Related Parties and Related Party relationship :

#### Related Parties where Control exist :

Ultimate Holding Company:	Grasim Industries Limited
Holding Company:	Aditya Birla Capital Limited
Subsidiary Company :	Aditya Birla Money Insurance Advisory Services Limited

#### Related Parties with whom transactions have taken place during the year :

Fellow Subsidiaries:	Aditya Birla Finance Limited
	Aditya Birla Insurance Brokers Limited
	Aditya Birla Capital Technology Services Limited
	Aditya Birla PE Advisors Private Limited
	Aditya Birla Financial Shared Services Limited
	Aditya Birla Special Situation Fund -I

#### Key Management Personnel:

Mr. Vijay Agarwal -Upto 25/03/2022
Mr. Suresh Kothari - Upto 25/03/2022
Mr. Rakesh Singh - Upto 19/01/2022
Mrs. Pinky Mehta -W.E.F.01/11/2021
Mr. Tushar Shah -W.E.F.25/03/2022
Mr. Anantha Dhananjaya- W.E.F.25/03/2022
Mr. Mukesh Malik- W.E.F.25/01/2023

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

The following Inter Company Transactions/Balances with Subsidiaries/Fellow Subsidiaries/Joint Ventures / Associates have taken place during the period under review and are included in the above figures under respective heads:-

		(₹ in Lakhs)	
Sr. No.	Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>A</b>	<b>Holding Company / Ultimate Holding Company</b>		
	<b>Interest Expenses -</b>		
	Aditya Birla Capital Limited (Interest on ICD)	140.15	203.46
	Aditya Birla Capital Limited (Interest On Preference Shares)	398.26	363.86
	<b>Expenses Reimbursed</b>		
	Aditya Birla Capital Limited (ESOP Expenses)	0.41	1.22
	<b>Other transactions</b>		
	Aditya Birla Capital Limited (ICD repaid)	3,000.00	-
	Financial Liabilities		
	Aditya Birla Capital Limited(ICD)	-	3,000.00
	Aditya Birla Capital Limited (Redeemable Non Convertible Cumulative Preference Shares)	4,771.84	4,373.57
<b>B</b>	<b>Subsidiaries / Fellow Subsidiaries</b>		
	<b>Interest Income</b>		
	Aditya Birla Financial Shared Services Limited (ICD)	0.72	-
	Aditya Birla Capital Technology Services Limited (ICD)	4.41	-
	<b>Expenses Recovery</b>		
	Aditya Birla PE Advisors Private Limited (Employee due)	-	36.71
	<b>Interest Expenses (ICD)</b>		
	Aditya Birla Insurance Brokers Limited	81.61	-
	<b>Expenses Reimbursed</b>		
	Aditya Birla Insurance Brokers Limited	6.07	3.16
	Aditya Birla Finance Limited (Employee transfer dues)	3.86	28.35
	Aditya Birla Financial Shared Services Limited	-	0.03
	Aditya Birla Wellness Pvt Ltd	0.04	-
	<b>Financial Assets- Investments</b>		
	Investment in Equity shares of Aditya Birla Money Insurance Advisory Services Limited	1,988.00	3,225.44
	Aditya Birla Special Situation Fund -I	76.61	5,413.81
	<b>Other Transactions</b>		
	Aditya Birla Capital Technology Services Limited (Sale of Investment- AIF units)	-	8,750.00
	Aditya Birla Finance Limited (Sale of Investment- AIF units)	14,383.01	-
	Aditya Birla Insurance Brokers Limited (ICD taken)	2,150.00	-
	Aditya Birla Insurance Brokers Limited (ICD repaid)	2,150.00	-
	Aditya Birla Financial Shared Services Limited (given)	1,000.00	-
	Aditya Birla Capital Technology Services Limited (given)	2,300.00	-
	<b>Fixed Assets (Transfer out)</b>		
	Aditya Birla Finance Limited (Transfer of employee due-Vehicle)	-	4.44



# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

(₹ in Lakhs)

Sr. No.	Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Loans</b>			
	Aditya Birla Financial Shared Services Limited (ICD)	1,000.00	-
	Aditya Birla Capital Technology Services Limited (ICD)	2,300.00	-
	Other Financial Liabilities		
	Aditya Birla Insurance Brokers Limited	0.76	-
<b>C Key Management Personnel:</b>			
<b>Director Sitting Fees</b>			
	Mr. Vijay Agarwal	-	6.00
	Mr. Suresh Kothari	-	5.25

## NOTE 32 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

### Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

(₹ in Lakhs)

As at 31-Mar-2023	Neither past due nor impaired	Past due but not impaired					Total
		< 30 days	30 to 60 days	61 to 90 Days	91 to 120 Days	> 120 days	
Loans	-	3,300.00	-	-	-	-	3,300.00
Other current assets		26.80	-	-	-	-	26.80
	-	<b>3,326.80</b>	-	-	-	-	<b>3,326.80</b>

(₹ in Lakhs)

As at 31-Mar-2022	Neither past due nor impaired	Past due but not impaired					Total
		< 30 days	30 to 60 days	61 to 90 Days	91 to 120 Days	> 120 days	
Other current assets		33.44	-	-	-	-	33.44
	-	<b>33.44</b>	-	-	-	-	<b>33.44</b>

### Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, preference shares. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The manages its liquidity risk through temporary funding from its ultimate holding company and availing bank overdraft as and when require.

The table below summarises the maturity profile of the Company's financial assets and liabilities based on contractual undiscounted payments.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

(₹ in Lakhs)

Year Ended 31st March, 2023	On Demand	Less than 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	Total
<b>Financial Assets</b>						
Cash and cash equivalents	-	8,025.80	-	-	-	8,025.80
Investments in Aditya Birla Special Situation fund I	-	-	-	-	76.61	76.61
Investment in Subsidiary Company (Aditya Birla Money Insurance Advisory Services Limited)	-	-	-	-	1,988.00	1,988.00
Loans	-	-	3,300.00	-	-	3,300.00
Investments in mutual fund	-	805.39	-	-	-	805.39
<b>Financial Liabilities</b>						
Trade and Other Payables	-	6.50	-	-	-	6.50
Subordinated Liabilities	-	-	-	4,771.84	-	4,771.84
Other Financial Liabilities	-	20.94	-	-	-	20.94

(₹ in Lakhs)

Year Ended 31st March, 2022	On Demand	Less than 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	Total
<b>Financial Assets</b>						
Cash and cash equivalents	-	8,954.01	-	-	-	8,954.01
Investments in Aditya Birla Special Situation fund I	-	-	-	-	5,413.81	5,413.81
Investment in Subsidiary Company (Aditya Birla Money Insurance Advisory Services Limited)	-	-	-	-	3,225.44	3,225.44
<b>Financial Liabilities</b>						
Trade and Other Payables	-	5.76	-	-	-	5.76
Borrowings	3,000.00	-	-	-	-	3,000.00
Subordinated Liabilities	-	-	-	4,373.58	-	4,373.58
Other Financial Liabilities	-	27.14	-	-	-	27.14

## Capital Management

For the purpose of the company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the company's capital management is to maximise the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

₹ in Lakhs

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Borrowings (Note no. 12&13)	4,771.84	7,373.58
Trade Payables (Note no. 14)	6.50	5.76
Other Payables (Note no 15)	20.94	27.14
Less : Cash and Cash Equivalents (Note no. 7)	8,025.80	8,954.01
<b>Net Debt</b>	<b>(3,226.52)</b>	<b>(1,547.53)</b>
Equity	9,319.64	9,319.64
<b>Capital and Net Debt</b>	<b>6,093.12</b>	<b>7,772.11</b>
<b>Gearing Ratio</b>	<b>-52.95%</b>	<b>-19.91%</b>

## NOTE 33 : FINANCIAL RATIOS:

(₹ in Lakhs)

Sr No.	Particulars	Formula	31st March, 2023 (₹ in Lakhs)	Ratio	31st March, 2022 (₹ in Lakhs)	Ratio	Change in %	Remarks for variation of more than 25%
1	Current Ratio	Current Assets	12,157.99	151.45	8,987.45	2.91	5104%	The increase in asset is greater than decrease in liabilities by approx 206% leading to a variance of more than 25%.
		Current Liabilities	80.28		3,084.55			
2	Debt-Equity Ratio	Total Debt	4,771.84	0.51	7,373.58	0.72	-30%	During the year the Debt has decreased by approx ₹ 2600 lakhs as compared to rise in Equity of only ₹ 430 lakhs leading to decrease in the Debt Equity ratio
		Shareholder's Equity	9,370.88		10,182.61			
3	Debt Service Coverage Ratio	Earning available for debt service	(189.82)	(0.04)	1,531.15	0.19	-118%	During the year company has provided impairment on investment of ₹ 1237.44 lakhs, directly leads to said vairance.
		Debt Service	5,391.87		7,940.91			
4	Return on Equity Ratio	Net Profits after taxes	(811.28)	-8%	947.22	10%	-180%	The increase in finance cost on borrowings and decrease of income on investments during the year has directly lead to the said variance
		Average Shareholder's Equity	9,776.75		9,709.99			
5	Net capital turnover Ratio	Revenue from Operations	-	-	-	-	0%	As the Company has not earned any operaing income during the year, the ratios are strictly not applicable.
		Working Capital	12,077.72		5,902.90			
6	Net profit Ratio	Net Profit	(811.28)	-	947.22	-	0%	As the Company has not earned any operaing income during the year, the ratios are strictly not applicable.
		Turnover	-		-			
7	Return on capital employed	Earning Before Interest & Tax	311.20	2%	1,817.09	10%	-80%	During the year company has provided impairment on investment of ₹ 1237.44 lakhs, directly leads to said vairance.
		Capital Employed	14,142.72		17,556.19			
8	Return on investment	Gain on investment	1,675.83	12%	1,983.02	11%	9%	Not applicable
		Investment	14,176.52		17,541.32			

Note:

- Inventory Turnover Ratio Company's operation are in service section hence, this ratio does not applicable
- Trade receivables turnover ratio Company does not have trade receivables as on 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 hence, this ratio does not applicable
- Trade payable turnover ratio As the company does not have expenses relating to the operating business the said ratio is not applicable

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 34 : CONTINGENT LIABILITIES

### Contingent Liabilities not provided for :

	(₹ in Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
Service Tax	9.06	9.06
<b>Total</b>	<b>9.06</b>	<b>9.06</b>

#### Level at which pending

Pending at CESTAT

#### Grounds of Appeal

Advertisement income from investime considered as commission income from MF.

## NOTE 35 : CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) as on 31<sup>st</sup> March, 2023 is ₹ NIL (31<sup>st</sup> March, 2022- NIL)

## NOTE 36 : DEFERRED TAX

The breakup of Net Deferred Tax Asset arising on account of following timing differences is as under :

	(₹ in Lakhs)	
Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Deferred Tax Assets</b>		
IND AS Adjustments	100.24	91.58
Expenses allowed on payment basis	7.17	4.58
Carry forward losses	120.14	120.14
<b>Deferred Tax Liabilities</b>		
Recognised in OCI	-	-
<b>Net Deferred Tax Asset / (Liability)</b>	<b>227.55</b>	<b>216.30</b>

Deferred tax assets have been created only to the extent of Deferred tax liability due to absence of reasonable certainty. Accordingly Deferred tax asset as on 31<sup>st</sup> March, 2023 ₹ 227.55 Lakh (31<sup>st</sup> March, 2022 ₹ 216.30 Lakh)/- is not recognised in the Accounts.

## NOTE 36 A : RECONCILIATION OF TAX EXPENSE AND THE ACCOUNTING PROFIT MULTIPLIED BY INDIA'S DOMESTIC TAX RATE :

### Income Tax Recognised in Profit and Loss:

	(₹ in Lakhs)	
Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Current Income Tax :</b>		
In respect of the Current Year	500.14	302.10
<b>Deferred Tax :</b>		
In respect of the Current Year		
<b>Income Tax Expenses Reported in the Statement of Profit and Loss</b>	<b>500.14</b>	<b>302.10</b>

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Accounting Profit/(Loss) before income tax *</b>	<b>(308.83)</b>	<b>1,249.76</b>
Corporate tax rate	25.17%	25.17%
Tax on Accounting profit *	(77.73)	314.54
<b>Reconciliation Items</b>		
Depreciation and others	0.72	3.18
Gain on sale of Mutual fund	165.95	(107.75)
Notional interest expenses and provision for loss on diminution of investment	411.85	91.58
Tax effect on other items	(0.65)	0.55
<b>Income tax expense/ (income) reported in the statement of Profit and Loss</b>	<b>500.14</b>	<b>302.10</b>

## NOTE 37 :

The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses need to be provided as required under any law / accounting standards.

## NOTE 38 :

The Company had subscribed for 19,75,000 0.5% Compulsory Convertible Debenture (CCD) of face value ₹ 10/- each at premium of ₹ 113/- on 29<sup>th</sup> September, 2015 in its subsidiary company Aditya Birla Money Insurance Advisory Services Limited (ABMIAS). Each CCD was convertible into 1 Equity share of ₹ 10/- each at Par value at end of 5 year from the date of issue or any such time as may be informed in writing at option of holder thereof.

CCD are converted in equity shares of the ABMIAS at the request of the Company. Each CCD is converted into 1 Equity share of ₹ 10 each at par value. Accordingly, the Investment value outstanding as at 31<sup>st</sup> March, 2018 of ₹ 173,153,158 along with equity component of Debentures of ₹ 119,490,490 is converted into investment equity shares of the ABMIAS.

In 31<sup>st</sup> March, 2020 company had invested ₹ 2,50,00,000/- (Equity shares of ₹ 10/- each) in its subsidiary company Aditya Birla Money Insurance Advisory Services Limited (ABMIAS).

Value of Investment in subsidiary (ABMIAS) as at 31<sup>st</sup> March, 2023 is ₹ 19,88,00,000/- (Previous year 31<sup>st</sup> March, 2022 ₹ 32,25,43,648/-)

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 39 :

During the year company has invested ₹ 8571.43 Lakh (Previous year ₹ 6411.11 Lakh) in Aditya Birla Special Situations Fund I, a scheme of Aditya Birla Special Situation Fund. The details of investment drawdown and distribution of capital are as below.

Particulars	Date	Unit	Face value	₹ in Lakhs
<b>Balance as on 1<sup>st</sup> April, 2022</b>		<b>4,651,044.38</b>	<b>100</b>	<b>4,651.04</b>
10 <sup>th</sup> drawdown	26 <sup>th</sup> May, 2022	8,571,428.57	100	8,571.43
<b>Total</b>		<b>8,571,428.57</b>		<b>8,571.43</b>
13 <sup>th</sup> distribution	3 <sup>rd</sup> May, 2022	67,155.48	100	67.16
15 <sup>th</sup> distribution	23 <sup>th</sup> September, 2022	747,571.85	100	747.57
16 <sup>th</sup> distribution	29 <sup>th</sup> September, 2022	51,958.52	100	51.95
Sale of units to ABFL	24 <sup>th</sup> March, 2023	12,312,195.73	100	12,312.20
<b>Total</b>		<b>13,178,881.58</b>		<b>13,178.88</b>
<b>Balance as on 31<sup>st</sup> March, 2023</b>		<b>43,591.37</b>	<b>100</b>	<b>43.59</b>

Particulars	Date	Unit	Face value	₹ in Lakhs
<b>Balance as on 1<sup>st</sup> April, 2021</b>		<b>6,654,576.01</b>	<b>100</b>	<b>6,654.58</b>
8 <sup>th</sup> drawdown	17 <sup>nd</sup> August, 2021	2,125,608.00	100	2,125.61
9 <sup>th</sup> drawdown	13 <sup>nd</sup> October, 2021	4,285,500.00	100	4,285.50
<b>Total</b>		<b>6,411,108.00</b>		<b>6,411.11</b>
7 <sup>th</sup> distribution	09 <sup>th</sup> April, 2021	147,368.65	100	147.37
8 <sup>th</sup> distribution	28 <sup>th</sup> May, 2021	50,855.48	100	50.86
9 <sup>th</sup> distribution	30 <sup>th</sup> June, 2021	184,838.42	100	184.84
10 <sup>th</sup> distribution	30 <sup>th</sup> September, 2021	145,047.96	100	145.05
11 <sup>th</sup> distribution	30 <sup>th</sup> December, 2021	317,798.32	100	317.80
Sale of units to ABCTSL	29 <sup>th</sup> March, 2022	7,543,103.00	100	7,543.10
12 <sup>th</sup> distribution	31 <sup>st</sup> March, 2022	25,627.80	100	25.63
<b>Total</b>		<b>8,414,639.63</b>		<b>8,414.64</b>
<b>Balance as on 31<sup>st</sup> March, 2022</b>		<b>4,651,044.38</b>	<b>100</b>	<b>4,651.04</b>

## NOTE 40 :

The Company's pending litigations comprise of claims against the Company proceedings pending with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements (Refer note 31). The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial statements as at 31<sup>st</sup> March, 2023.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE 41 : DISCLOSURES IN PURSUANCE OF THE REQUIREMENTS OF SECTION 186(4) OF THE COMPANIES ACT 2013:

### Details of investments made and loan given:

(₹ in Lakhs)

Name of Party	Financial year ended	Opening balance	Invested/Loan during the year	Sold/ Impairment during the year	Closing balance
Aditya Birla Money Insurance Advisory Services Limited	31 <sup>st</sup> March, 2023	3,225.44	-	1237.44*	1,988.00
Aditya Birla Special Situation fund I	31 <sup>st</sup> March, 2023	4,651.04	8,571.43	13,178.88	43.59
Aditya Birla Capital Technology Services Limited -Loan	31 <sup>st</sup> March, 2023	-	2,300.00	-	2,300.00
Aditya Birla Financial Shared Services Limited - Loan	31 <sup>st</sup> March, 2023	-	1,000.00	-	1,000.00

\* Impairment of investment during the year

## NOTE 42 : OTHER ADDITIONAL REGULATORY DISCLOSURES AS REQUIRED UNDER SCHEDULE III OF THE COMPANY'S ACT 2013

### i) Valuation by registered valuer:

During the year the company has not revalued its property, plant and equipment or intangible assets.

### ii) Loans and advances

The company has not granted any loans and advances in the nature of loans to promoters, directors, Key Managerial Personnel (KMPs) and the related parties, repayable on demand or granted without specifying terms.

### iii) Benami Property:

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

### iv) Borrowing Against Security of Current Assets:

The has not borrowed any fund on the basis of security of current assets from Banks and Financial Institution during the year.

### v) Wilful Defaulter:

The company has not been declared as as wilful defaulter by any bank or financial institution or any other lender during the year.

### vi) Relationship with Struck off company:

The compny does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

### vii) Registration of Charges or satisfaction with Register of Companies (ROC):

The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond statutory period

### viii) Compliance with number of Layer of Companies:

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules 2017.

### ix) Scheme of arrangement:

During the year, there is no Scheme of Arrangements have been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 for the company.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2023

## x) Utilisation of Borrowed Fund:

- a) The company has not advanced or loaned or invested any funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- b) The company has not received any funds from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the company shall:
- iii) directly or indirectly lend or invest in other persons or entities identified in any manner

whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or

- iv) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

## xi) Undisclosed Income:

The company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessment under the Income Tax Act 1961.

## xii) Virtual Currency:

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

## NOTE 43 : PREVIOUS YEAR FIGURES

The figures in respect of the previous year have been regrouped / rearranged, wherever necessary to make them comparable. The previous year figures have been given as per last audited accounts, audited by other auditors.

As per our report of even date

For **Sarda & Pareek LLP**  
Chartered Accountants  
FRN : 109262W/W100673

Sd/-  
**CA Satya Narayan Bohra**  
Partner  
Membership No: 042623

Place : Mumbai  
Date: 24<sup>th</sup> April, 2023

For and on behalf of the Board of Directors of  
**Aditya Birla Money Mart Limited**

Sd/-  
**Mukesh Malik**  
Director  
DIN: 02125091

Sd/-  
**Sunil Kumar Jain**  
Chief Financial Officer

Place : Mumbai  
Date: 24<sup>th</sup> April, 2023

Sd/-  
**Pinky Mehta**  
Director  
DIN : 00020429

Sd/-  
**Prajakta Vasaikar**  
Company Secretary

Aditya Birla Money Insurance Advisory Services Limited



**ADITYA BIRLA  
CAPITAL**

CIN: U67200GJ2001PLC062240

Registered Office Address :Indian Rayon Compound,  
Junagadh Road, Veraval – 362266, Gujarat

T: +91 22 6225 7600

F: +91 22 6225 7200

# Independent Auditor's Report

To The Members of

**Aditya Birla Money Insurance Advisory Services Limited**

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of **Aditya Birla Money Insurance Advisory Services Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss, Statement of changes in Equity and Statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to a "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Act, read with the Companies ( Indian Accounting Standards) Rules, 2015 as amended, and the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the financial performance highlights, board report including annexures to the Board Report, report on corporate governance and other information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

### Responsibilities of management and those charged with governance for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and

fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has an

adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **"Annexure 1"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including other comprehensive Income, Statement of Cash Flow and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representation received from directors as on March 31, 2023 taken of record by the Board of Director, none of the director is disqualified as on March 31, 2023 from being appointed as director in term 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 2"**. Our Report expressed an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its financial statements – Refer Note 30 to the financial statements;
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - c. There no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company.
  - d. (i) The management has represented that, to the best of its knowledge and belief, as disclosed in note no 38(x) to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
    - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- (ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in note no 38(x) to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- (iii) Based on audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.
- e. There is no dividend declared or paid during the year.

For **SARDA & PAREEK LLP**  
Chartered Accountants  
Firm Registration Number 109262W/W100673

**CA Satya Narayan Bohra**  
Partner

Place: Mumbai

Membership No. 042623

Date: April 24, 2023

UDIN: 23042623BGXZNJ2052

# ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT

With reference to the Annexure referred to in Independent Auditors' Report to the members of Company on the financial statements for the year ended March 31, 2023, we report the following:

(Referred to in the paragraph 1 under the "Report on other Legal and Regulatory requirements section of our report of even date)

**(i) In respect of Company's Property, plant and Equipment's**

- a. The Company does not have any Property, Plant and Equipment (PPE), intangible assets, immovable property, and any other property. Accordingly, para 3(i) (a) to (d) of the Order is not applicable to the Company.
  - b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceeding initiated or pending against the Company for holding any benami property under the prohibition of Benami Property Transaction Act, 1988 and rules made there under.
- (ii)
- a. The Company does not have any inventories, accordingly, para 3(ii) (a) of the Order is not applicable to the Company.
  - b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits during the year. Accordingly, para 3(ii) (b) of the Order is not applicable to the Company.
- (iii)
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to any companies, firms, limited liability partnerships or any other parties during the year. Accordingly, para 3(iii)(a) to (f) of the Order is not applicable to the Company.
- (iv)
- According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any

guarantee or security as specified under Section 185 of the Companies Act, 2013. The Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to investments made or loans or guarantees or security provided to the parties covered under section 186.

- (v)
- The Company has not accepted deposits or amounts which are deemed to be deposits from public in terms of provisions of section 73 to 76 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014, as amended and other relevant provisions of the Act, during the year and does not have any unclaimed deposits as at March 31, 2023. In view of the above, the provisions of the clause 3 (v) of the Order is not applicable to the Company.
- (vi)
- The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. In view of the above, reporting under clause 3(vi) of the order is not applicable to the Company.
- (vii) a.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the amount deducted/ accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and others statutory dues have generally been regular in depositing with appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- b. According to the information and explanation given to us and on the basis of our examination of the record of the company, statutory dues referred to in (a) above, which have not been deposited as on March 31, 2023 on account dispute are as under:

₹ in Lakhs

Sr. No.	Name of Statute	Nature of dues	Amounts Involved (₹ in Lakhs)	Period to which the amount relates (Financial Year)	Forum where disputed is pending
1	Income Tax Act, 1961	Income Tax	15.26 Lakhs	A Y 2012-13	Commissioner of Income Tax (Appeals)

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year. Hence, clause 3 (viii) of the Order is not applicable to the Company.
- (ix) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any loans from financial institutions, banks and government or has not issued any debenture.
- In view of the above, reporting under clause 3 (ix)(a), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments), hence reporting under clause 3(x) (a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during
- the year. Hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) According to the information and explanations given to us and procedures performed by us, no fraud by the Company or no fraud on the Company by its officers or employees, that causes the financial statements to be materially misstated has been noticed or reported during the year.
- In view of the above, reporting under clause 3 (xi) (b) of the order is not applicable to the Company.
- (b) According to the information and explanations given to us and procedures performed by us, the company has not received whistle-blower complaints, during the year.
- (xii) The Company is not a Nidhi Company, hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and procedures performed by us, the transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of related party transactions have been disclosed in the financial statements, as required by the applicable accounting standards.

## Independent Auditor's Report (Contd.)

- (xiv) (a) In our opinion, the Company is not required to have an internal audit system as per the provisions of the Act. Hence, reporting under clause 3 (xiv) of the Order is not applicable.
- (b) The Company is not required to appoint an internal auditor as per section 138 of Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rule, 2014.
- (xv) According to the information and explanations given to us, and based on our examination of the records, the Company has not entered into any non-cash transactions with its directors or persons connected with them as referred to in Section 192 of the Act. Hence reporting under clause 3 (xv) of the Order is not applicable to the Company.
- (xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities which require the Company to obtain Certificate of Registration (CoR) from Reserve Bank of India as per the Reserve Bank of India Act 1934. Hence reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, the Group to which Company belong, has three CIC, Namely Aditya Birla Capital Limited, Birla Group Holding Private Limited and Umang Commercial Private Limited.
- (xvii) According to the information and explanations given to us, and based on our examination of the records, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year and the outgoing auditors have not raised any issues, objections or concerns.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is

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

(xx) According to the information and explanations given to us, and based on our examination of the records, the Provision of Section 135 of the Act is not applicable to the Company. In view of the above, clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

(xxi) Reporting under clause 3 (xxi) of the Order is not applicable to the Company at standalone level of reporting.

For **SARDA & PAREEK LLP**  
Chartered Accountants

Firm Registration Number 109262W/W100673

**CA Satya Narayan Bohra**  
Partner

Place: Mumbai

Date: April 24, 2023

Membership No. 042623

UDIN: 23042623BGXZNJ2052

# Annexure 2

Referred to in Independent Auditors' Report on the Financial Statements of Aditya Birla Money Insurance Advisory Services Limited for the year ended March 31, 2023

## 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")

(Referred to in the paragraph 2A(f) under the "Report on other Legal and Regulatory requirements section of our report of even date)

We have audited the internal financial controls over financial reporting of **Aditya Birla Money Insurance Advisory Services Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditor's Responsibility

Our responsibility is to express an opinion on the 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### Meaning of Internal Financial Control over Financial Reporting

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

### Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial

reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SARDA & PAREEK LLP**

Chartered Accountants

Firm Registration Number 109262W/W100673

**CA Satya Narayan Bohra**

Partner

Place: Mumbai

Date: April 24, 2023

Membership No. 042623

UDIN: 23042623BGXZNJ2052

# Standalone Balance Sheet

as at 31<sup>st</sup> March, 2023

		₹ in Lakhs	
Particulars	Notes	As at 31st March,2023	As at 31st March,2022
<b>ASSETS</b>			
<b>Non Current Assets</b>			
(a) Property, Plant and Equipments	3	-	-
(b) Tax Assets (Net)	4	328.36	207.46
(c) Deferred Tax Assets (Net)	32	40.62	-
<b>Total Non Current Assets (A)</b>		<b>368.98</b>	<b>207.46</b>
<b>Current Assets</b>			
(a) Financial Assets			
(i) Current Investments	5	804.60	-
(ii) Trade and other receivables	6	317.54	844.18
(iii) Cash and cash equivalents	7	139.01	160.28
(b) Other Current Assets	8	68.69	103.92
<b>Total Current Assets (B)</b>		<b>1,329.84</b>	<b>1,108.38</b>
<b>Total Assets (A+B)</b>		<b>1,698.82</b>	<b>1,315.84</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	9	496.50	496.50
(b) Other Equity	10	942.22	449.29
<b>Total Equity(C)</b>		<b>1,438.72</b>	<b>945.79</b>
<b>Non-Current Liabilities</b>			
(a) Provisions	11(a)	82.80	72.85
<b>Total Non Current Liabilities</b>		<b>82.80</b>	<b>72.85</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Trade and Other Payables	12		
- Total Outstanding dues of Micro and small enterprises		1.95	1.56
- Total Outstanding dues of Other than micro & small enterprises		20.59	75.27
(ii) Other Liabilities	13	77.74	77.51
(b) Other Current Liabilities	14	60.57	127.58
(c) Provisions	11(b)	16.45	15.28
<b>Total Current Liabilities</b>		<b>177.30</b>	<b>297.20</b>
<b>Total Liabilities(D)</b>		<b>260.10</b>	<b>370.05</b>
<b>Total Equity and Liabilities(C+D)</b>		<b>1,698.82</b>	<b>1,315.84</b>
Summary of Significant Accounting Policies	2.1		

The accompanying Notes are an integral part of the Financial Statements.

As per our report of even date  
For **Sarda & Pareek LLP**  
Chartered Accountant  
Firm registration No: 109262W/W100673

For and on behalf of the Board of Directors of  
**Aditya Birla Money Insurance Advisory Services Limited**

**Satya Narayan Bohra**  
Partner  
Membership No: 042623

**Lalit Vermani**  
Director  
DIN : 09189695  
New Delhi

**Mukesh Malik**  
Director  
DIN : 02125091  
Mumbai

Place: Mumbai  
Date: April 24, 2023

# Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2023

₹ in Lakhs

Particulars	Notes	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Revenue From Operations	15	2,206.43	1,637.50
Other Income	16	17.56	10.28
<b>Total Income</b>		<b>2,223.99</b>	<b>1,647.78</b>
<b>Expenses</b>			
Employee Benefit Expenses	17	1,439.37	1,153.97
Finance Cost	18	-	-
Depreciation	19	-	-
Other Expenses	20	278.02	219.19
<b>Total Expenses</b>		<b>1,717.39</b>	<b>1,373.16</b>
<b>Profit/(Loss) before tax</b>		<b>506.60</b>	<b>274.62</b>
<b>Tax expenses</b>			
Current Tax		56.34	-
Deferred Tax Assets		(41.14)	-
<b>Profit/(Loss) For the year after Tax</b>		<b>491.40</b>	<b>274.62</b>
<b>Other Comprehensive Income Statement</b>	23		
A (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
B (i) Items that will not be reclassified to profit or loss			
- Remeasurement gains/losses on defined benefit plans		2.05	(3.37)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.52)	-
<b>Other Comprehensive Income/(Loss) for the Year</b>		<b>1.53</b>	<b>(3.37)</b>
<b>Total Comprehensive Income/(Loss)</b>		<b>492.93</b>	<b>271.25</b>
Earning per Equity Share			
Basic Earnings per Share - ₹	21	9.90	5.53
Diluted Earnings per Share - ₹	21	9.90	5.53
(Face Value of ₹10/- each)			
Summary of Significant Accounting Policies	2.1		

The accompanying Notes are an integral part of the Financial Statements.

As per our report of even date

For **Sarda & Pareek LLP**

Chartered Accountant

Firm registration No: 109262W/W100673

For and on behalf of the Board of Directors of

**Aditya Birla Money Insurance Advisory Services Limited**

**Satya Narayan Bohra**

Partner

Membership No: 042623

Place: Mumbai

Date: April 24, 2023

**Lalit Vermani**

Director

DIN : 09189695

New Delhi

**Mukesh Malik**

Director

DIN : 02125091

Mumbai

# Cash Flow Statement

for the year ended 31<sup>st</sup> March, 2023

Particulars		For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit/(Loss) before Tax		506.60	274.62
<b>Non Cash Adjustments to reconcile Profit/(Loss) before tax to net cash flows :</b>			
Depreciation		-	-
Provision for Compensated absences & Grauity		32.88	46.61
Gain on Fair Valuation of Mutual Funds units (FVTPL)		(4.65)	-
Interest on loan		-	-
<b>Operating Profit before Working Capital Changes</b>		<b>534.83</b>	<b>321.23</b>
<b>Movements in Working Capital</b>			
Increase / (Decrease) in Trade payables		(54.29)	(52.90)
Increase / (Decrease) in other current financial liabilities		-	43.48
Increase / (Decrease) in Other current liabilities		(66.78)	94.65
Increase / (Decrease) in provisions		(19.70)	3.07
(Increase) /Decrease in Trade receivables		526.64	(619.55)
Decrease/(Increase) in Other Current Assets		35.23	(84.79)
		<b>955.93</b>	<b>(294.81)</b>
Income Tax( Paid)/Refund		177.25	74.67
<b>Net cash flow from Operating Activities</b>	(A)	<b>778.68</b>	<b>(369.48)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>			
Investment in Mutual Funds		(799.95)	-
	(B)	<b>(799.95)</b>	-
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>	(C)	-	-
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalent</b>	(A)+(B)+(C)	<b>(21.27)</b>	<b>(369.48)</b>
Cash and Cash Equivalent at the beginning of the Year		160.28	529.75
Cash and Cash Equivalent at the end of the Year		<b>139.01</b>	<b>160.28</b>
<b>Components of Cash and Cash Equivalents :</b>			
With Banks in Current Account		139.01	160.28
<b>Total Cash and Cash Equivalents</b>		<b>139.01</b>	<b>160.28</b>

- The above Cash Flow Statement has been prepared under the "Indirect Method " as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash Flows' prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017.

Summary of Significant Accounting Policies 2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For **Sarda & Pareek LLP**  
Chartered Accountant  
Firm registration No: 109262W/W100673

For and on behalf of the Board of Directors of  
**Aditya Birla Money Insurance Advisory Services Limited**

**Satya Narayan Bohra**  
Partner  
Membership No: 042623

**Lalit Vermani**  
Director  
DIN : 09189695  
New Delhi

**Mukesh Malik**  
Director  
DIN : 02125091  
Mumbai

Place: Mumbai  
Date: April 24, 2023

# Statement of changes in Equity

for the year ended 31<sup>st</sup> March, 2023

## A. EQUITY SHARE CAPITAL

### (1) Current reporting period

₹ in Lakhs

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period Changes in equity share capital during the current year Balance at the end of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
496.50	-	496.50	-	496.50

### (2) Previous reporting period

₹ in Lakhs

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period Changes in equity share capital during the current year Balance at the end of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
496.50	-	496.50	-	496.50

## B. OTHER EQUITY

₹ in Lakhs

Particulars	Reserves and Surplus		Total
	Retained earnings	Securities Premium	
<b>As at 31st March, 2021</b>	(1,356.00)	1,534.03	178.03
Profit/Loss for the Year	274.62	-	274.62
Other comprehensive income	(3.37)	-	(3.37)
<b>Total comprehensive income</b>	<b>271.25</b>	<b>-</b>	<b>271.25</b>
<b>As at 31st March, 2022</b>	<b>(1,084.74)</b>	<b>1,534.03</b>	<b>449.30</b>
Profit/Loss for the Year	491.40	-	491.40
Other comprehensive income	1.53	-	1.53
<b>Total comprehensive income</b>	<b>492.93</b>	<b>-</b>	<b>492.93</b>
<b>As at 31st March ,2023</b>	<b>(591.81)</b>	<b>1,534.03</b>	<b>942.23</b>

As per our report of even date  
For **Sarda & Pareek LLP**  
Chartered Accountant  
Firm registration No: 109262W/W100673

For and on behalf of the Board of Directors of  
**Aditya Birla Money Insurance Advisory Services Limited**

**Satya Narayan Bohra**  
Partner  
Membership No: 042623

**Lalit Vermani**  
Director  
DIN : 09189695  
New Delhi

**Mukesh Malik**  
Director  
DIN : 02125091  
Mumbai

Place: Mumbai  
Date: April 24, 2023

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

## (1) CORPORATE INFORMATION

Aditya Birla Money Insurance Advisory Services Limited (the company) is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. It is registered as a Corporate Agent (Composite) with Insurance Regulatory and Development Authority of India and is engaged in Distribution of Insurance products.

## (2) BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017.

All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies' Act 2013. Based on the nature of products and the time between the acquisition of the assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabilities. The financial statements are presented in INR unless otherwise stated.

The Financial Statements are approved by the Board of Directors of the Company at its meeting held on April 24, 2023.

### (2.1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Use of Estimates :

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based

on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### (b) Property, Plant & Equipment

(i) Tangible Fixed Assets are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

(ii) Depreciation on Tangible assets is provided on Straight Line Method at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013. Depreciation on assets added/ disposed off during the year is provided on prorata basis with reference to the month of addition / deduction. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized .

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

(iii) Following rates are used to provide depreciation on Tangible fixed assets:

Assets	Useful Life as prescribed by Schedule II of The Companies Act, 2013	Estimated useful life used by the Company
Leasehold Improvements	Over the primary period of the lease	Lease period or six years, whichever is earlier
Servers and Networks	6 years	6 years
Computers	3 years	3 years
Office Equipments	5 years	5 years
Electronic Equipments	10 years	4 years
Furniture & fixture	10 years	7 years

(iv) Useful life of assets different from those prescribed in Schedule II has been estimated by management supported by technical assessment.

(v) Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

(vi) Assets costing ₹5,000 or less are written off in the year of purchase .

## (c) Intangible Fixed Assets :

Intangible Assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to it's working condition for it's intended use. Software is amortised over a period of three financial years.

## (d) Impairment of Assets :

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss if any is charged to Statement of Profit & Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased. The

reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

## (e) Fair value measurement

The Company measures financial instruments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- 1) In the principal market for the asset or liability, or
- 2) In the absence of a principal market, in the most advantageous market for the asset or liability The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 1) Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- 2) Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- 3) Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the

lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents."

## (f) Revenue Recognition :

### Income from Services

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. Specifically, IndAS 115 Revenue from contract with customers, introduces a 5-step approach to revenue recognition :

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

### Rendering of services

Revenue from rendering of services can be estimated reliably, revenue associated with the transaction shall be recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the stage of completion of the transaction at the end of the reporting period can be measured reliably.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

## Insurance Commission

Insurance Commission income is accounted in case of first/ single premium in the year in which the policy is issued and thereafter, on receipt of renewal premium and as per the terms agreed with the Insurance Company.

## Interest Income

For all Financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of Profit and Loss.

## (g) Retirement and Other Employee Benefits :

### (a) Defined Contribution Plan :

The Company makes defined contribution to Government Employee Provident Fund which is recognised in the Statement of Profit and Loss on accrual basis. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contribution.

### (b) Defined Benefit Plan :

The Company operates two defined benefit plans for its employees, viz., gratuity and leave encashment. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method.

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

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the balance sheet date.

Remeasurements, comprising of actuarial gains and losses on retirement benefits, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income(OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- Net interest expense or income.

## (h) Income Taxes :

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## (i) Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing cost are recognized as expense in the period in which they are incurred. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment of the borrowing cost.

## (j) Contingent Liabilities and Provisions :

### Contingent Liabilities

Contingent Liabilities is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle an obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot

be recognised because it cannot be measured reliably. The company does not recognise a contingent liability but discloses its existence in the financial statements.

### Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The estimates are reviewed at each reporting date and adjusted to reflect the current management estimates.

## (k) Financial instruments:

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

### Financial assets

#### Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

## Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

- 1) Financial Asset at amortised cost
- 2) Financial Asset at fair value through other comprehensive income (FVTOCI)
- 3) Financial Asset, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- 4) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

## Financial Asset at amortised cost

A 'Financial Asset' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

## Financial Asset at FVTOCI

A 'Financial Asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Financial Asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI Financial Asset is reported as interest income using the EIR method.

## Financial Asset at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a Financial Asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any Financial Asset as at FVTPL.

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

## Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

## Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay."

## Impairment of financial assets

In accordance with Ind AS 109, the group applies expected credit loss (ECL) model for measurement and recognition

of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., deposits, trade receivables and bank balance

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables, deposits or contract revenue receivables.

The application of simplified approach does not require the group to track changes in credit risk.

## Financial liabilities

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

## Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss."

## Derecognition

Financial Liabilities are derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss."

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## (l) Cash and Cash Equivalent :

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short term highly liquid investments with an original maturity of three months or less.

## (m) Cash Flow Statement :

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## (n) Earnings per Share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

## (o) Functional and Presentation Currency:

The Financial Statements are presented in Indian Rupees, which is the functional currency of the company and the currency of primary economic environment in which the company operates and all values are rounded to the nearest lakhs up to two decimals place excepts as otherwise indicated.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

## NOTE: 3

### PROPERTY, PLANT AND EQUIPMENTS

	₹ in Lakhs	
	Computers	Total
<b>Gross Block</b>		
<b>As at 1st April, 2021</b>	0.09	0.09
Additions	-	-
Deletions	-	-
<b>As at 31st March, 2022</b>	0.09	0.09
Additions	-	-
Deletions	0.09	0.09
<b>As at 31st March, 2023</b>	-	-
<b>Accumulated Depreciation</b>		
<b>As at 1st April, 2021</b>	0.09	0.09
For the year	-	-
Deletions	-	-
<b>As at 31st March, 2022</b>	0.09	0.09
For the year	-	-
Deletions	0.09	0.09
<b>As at 31st March, 2023</b>	-	-
<b>Net Block as at 31st March, 2022</b>	-	-
<b>Net Block as at 31st March, 2023</b>	-	-

## NOTE 4 : TAX ASSETS (NET)

	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Income Tax	328.36	207.46
(Net of Provision for Tax ₹84.72 lakhs Previous Year ₹28.38 lakhs )		
	<b>328.36</b>	<b>207.46</b>

## NOTE 5 : INVETSMNETS

	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
<b>Investment in Mutual Funds units (unquoted) carried at FVTPL</b>		
(a) Aditya Birla Sun Life Money Manager Fund - Growth Direct Plan (Units 2,22,551.48)	703.69	-
(b) Aditya Birla Sun Life Liquid Fund - Growth Direct Plan (Units 27,792.62)	100.91	-
<b>Total</b>	<b>804.60</b>	<b>-</b>
<b>Aggregate book value of unquoted investments</b>	<b>804.60</b>	<b>-</b>

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

## NOTE 6 : TRADE RECEIVABLES

₹ in Lakhs

	As at 31st March, 2023	As at 31st March, 2022
(Unsecured, considered good and at amortised cost unless stated otherwise)		
Unsecured, considered good	317.54	844.18
Doubtful	-	-
	<b>317.54</b>	<b>844.18</b>
Impairment Allowance	-	-
	<b>317.54</b>	<b>844.18</b>

Trade Receivables ageing as on March 31, 2023

Particulars	Outstanding for following periods from due date of payment						ECL Provision	Total
	Unbilled	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years		
(i) Undisputed Trade receivables – considered good(< 90 days)	164.08	153.46	-	-	-	-	-	317.54
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired(>90days)	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-

Trade Receivables ageing as on March 31, 2022

Particulars	Outstanding for following periods from due date of payment						ECL Provision	Total
	Unbilled	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years		
(i) Undisputed Trade receivables – considered good(< 90 days)	-	844.18	-	-	-	-	-	844.18
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired(>90days)	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

## NOTE 7 : CASH AND BANK EQUIVALENTS

	₹ in Lakhs	
	As at 31st March,2023	As at 31st March,2022
<b>Balance with Scheduled Banks</b>		
In Current Accounts	139.01	160.28
	<b>139.01</b>	<b>160.28</b>

## NOTE 8 : OTHER CURRENT ASSETS

	₹ in Lakhs	
	As at 31st March,2023	As at 31st March,2022
(Unsecured, considered good unless stated otherwise)		
Imprest Money	0.60	0.50
Prepaid Expenses	65.62	100.62
Balance with Government Authorities	2.47	2.80
	<b>68.69</b>	<b>103.92</b>

## NOTE 9 : SHARE CAPITAL

	₹ in Lakhs	
	As at 31st March,2023	As at 31st March,2022
<b>Authorised shares :</b>		
50,00,000 (31st March, 2022 : 50,00,000) Equity Shares of ₹10 each	500.00	500.00
<b>Issued, Subscribed and Paid up :</b>		
<b>Equity Share Capital :</b>		
49,65,000 (31st March, 2022 : 49,65,000) Equity Shares of ₹10 each	496.50	496.50
	<b>496.50</b>	<b>496.50</b>

### 1. Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period :

Equity Shares	31st March,2023		31st March,2022	
	No of Shares	Amount	No of Shares	Amount
At the beginning of the year	49,65,000	496.50	49,65,000	496.50
Issued during the year	-	-	-	-
Outstanding at the end of the year	<b>49,65,000</b>	<b>496.50</b>	<b>49,65,000</b>	<b>496.50</b>

### Shareholding of Promoters :

Shares held by promoters as at 31<sup>st</sup> March, 2023

Promoter name	No of Shares	% of total shares	% Change during the year
Aditya Birla Money Mart Limited	49,65,000	100	No change

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

Shares held by promoters as at 31<sup>st</sup> March, 2022

Promoter name	No of Shares	% of total shares	% Change during the year
Aditya Birla Money Mart Limited	49,65,000	100	No change

## 2. Terms / Rights attached to Equity Shares :

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any is proposed by the Board of Directors and is subject to the approval of the shareholders in the ensuing Annual General Meeting.

## 3. Shares held by the Holding Company :

All the Equity Shares are held by the Holding Company - Aditya Birla Money Mart Limited

(Previous Year - All the Equity Shares were held by the Holding Company - Aditya Birla Money Mart Limited)

## 4. Shareholders holding more than 5% shares in the Company

Aditya Birla Money Mart Limited - 49,65,000 Equity Shares – 100%

(Previous Year - Aditya Birla Money Mart Limited - 49,65,000 Equity Shares – 100%)

## 5. Information Regarding issue of shares in last five years :-

- The company has not issued any shares without payment being received in cash.
- The company has not issued any bonus shares.
- The company has not undertaken any buyback of shares.

## NOTE 10 : OTHER EQUITY

₹ in Lakhs

	As at 31st March,2023	As at 31st March,2022
<b>Securities Premium</b>		
Balance as per last financial statements	1,534.03	1,534.03
Add : Premium on Debentures	-	-
Closing Balance	<b>1,534.03</b>	<b>1,534.03</b>
<b>Retained Earnings</b>		
Balance as per last financial statements:	(1,084.74)	(1,356.00)
Profit for the year	491.40	274.62
Other Comprehensive income	1.53	(3.37)
Balance at the end of the year	<b>(591.81)</b>	<b>(1,084.74)</b>
	<b>942.22</b>	<b>449.29</b>

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

## NOTE 11 : PROVISIONS

### 11(a) : LONG TERM PROVISIONS

	₹ in Lakhs	
	As at 31st March,2023	As at 31st March,2022
<b>Provision for Employee Benefits</b>		
Provision for Gratuity (Refer Note 22)	46.94	39.27
Provision for Compensated absences	35.86	33.58
	<b>82.80</b>	<b>72.85</b>

### 11(b) : SHORT TERM PROVISIONS

	₹ in Lakhs	
	As at 31st March,2023	As at 31st March,2022
<b>Provision for Employee Benefits</b>		
Provision for Gratuity (Refer Note 22)	1.40	1.32
Provision for Compensated absences	15.05	13.95
	<b>16.45</b>	<b>15.28</b>

## NOTE 12 : TRADE PAYABLES

	₹ in Lakhs	
	As at 31st March,2023	As at 31st March,2022
(At amortised Cost unless stated otherwise)		
Trade Payables		
- Total Outstanding dues of Micro and small enterprises	1.95	1.56
- Total Outstanding dues of Other than micro & small enterprises	20.59	75.27
	<b>22.54</b>	<b>76.83</b>

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31<sup>st</sup> March, 2023. The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006 (Act) has been determined to the extent such parties have been identified on the basis of information available with the Company.

Trade Payables ageing as on March 31, 2023

Particulars	Outstanding for following periods from due date of transactions					Total
	Unbilled Accrual Expenses	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1.95	-	-	-	-	1.95
(ii) Others	16.60	3.81	0.06	-	0.13	20.59
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

Trade Payables ageing as on March 31, 2022

Particulars	Outstanding for following periods from due date of transactions					Total
	Unbilled Accrual Expenses	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1.56	-	-	-	1.56
(ii) Others	-	66.00	9.28	-	-	75.27
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-

## NOTE 13 : OTHER CURRENT FINANCIAL LIABILITIES

	₹ in Lakhs	
	As at 31st March,2023	As at 31st March,2022
(At amortised Cost unless stated otherwise)		
Accrued Expense related to Employees	77.74	77.51
	77.74	77.51

## NOTE 14 : OTHER CURRENT NON FINANCIAL LIABILITIES

	₹ in Lakhs	
	As at 31st March,2023	As at 31st March,2022
Statutory dues	60.57	127.58
	60.57	127.58

## NOTE 15 : REVENUE FROM OPERATIONS

	₹ in Lakhs	
	For the Year Ended 31st March,2023	For the Year Ended 31st March,2022
<b>Sale of services</b>		
Commission	1,295.18	753.55
Other Operating Revenue	911.25	883.95
	2,206.43	1,637.50

## NOTE 16 : OTHER INCOME

	₹ in Lakhs	
	For the Year Ended 31st March,2023	For the Year Ended 31st March,2022
Interest Income at Amortised Cost		
- Interest Income on Fixed Deposits with Bank	8.99	6.96
Interest on Income Tax Refund	3.92	3.32
Gain/(Loss) on Fair Valuation of Mutual Funds units (FVTPL)	4.65	-
	17.56	10.28

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

## NOTE 17 : EMPLOYEE BENEFIT EXPENSES

	₹ in Lakhs	
	For the Year Ended 31st March,2023	For the Year Ended 31st March,2022
Salaries and Other allowances	1,355.85	1,085.20
Gratuity Expenses (Refer Note 22)	14.96	12.63
ESOP Expenses	-	0.08
Contribution to provident and other Funds	49.41	43.12
Staff welfare expenses	19.15	12.94
	<b>1,439.37</b>	<b>1,153.97</b>

## NOTE 18 : FINANCE COST

	₹ in Lakhs	
	For the Year Ended 31st March,2023	For the Year Ended 31st March,2022
Interest on Loan	-	-
	-	-

## NOTE 19 : DEPRECIATION

	₹ in Lakhs	
	For the Year Ended 31st March,2023	For the Year Ended 31st March,2022
Depreciation	-	-
	-	-

## NOTE 20 : OTHER EXPENSES

	₹ in Lakhs	
	For the Year Ended 31st March,2023	For the Year Ended 31st March,2022
Lease Rent	35.05	43.61
Rates and taxes	0.24	0.32
Communication expenses	1.04	1.33
<b>Repairs and Maintenance:</b>		
Buildings	0.20	0.28
Others	0.06	0.00
Printing and Stationery	2.03	1.13
Legal and professional charges (Refer Note 20.1)	21.95	21.60
Bank charges	0.02	0.09
Travelling and conveyance	56.21	33.72
Insurance	108.16	43.32
Miscellaneous expenses	2.65	72.62
Information Technology Charges	1.46	1.16
Asset Utilisation Charges	48.95	-
	<b>278.02</b>	<b>219.19</b>

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

## NOTE 20.1 : Auditors Remuneration

	₹ in Lakhs	
	For the Year Ended 31st March,2023	For the Year Ended 31st March,2022
As Auditor		
- Audit Fees	3.25	3.25
- Tax Audit Fees	0.40	-
- Reimbursement of Expenses	0.10	-
	<b>3.75</b>	<b>3.25</b>

## 21 EARNINGS PER SHARE IS CALCULATED AS UNDER :

	₹ in Lakhs	
Particulars	As at 31st March, 2023	As at 31st March, 2022
Profit/(Loss) as per Statement of Profit and Loss	491.40	274.62
Weighted Average number of Outstanding Equity Shares for Basic EPS	49.65	49.65
Weighted Average number of Outstanding Equity Shares for Diluted EPS	49.65	49.65
Basic EPS	9.90	5.53
Diluted EPS	9.90	5.53

## 22 RETIREMENT BENEFITS

The Company operates defined plan of Gratuity for its employees. Under the Gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service.

The following tables summarise the components of net benefit expense recognised in Statement of Profit and Loss and the funded status and the amounts recognised in the Balance Sheet for the respective plans.

### (a) Statement of Profit and Loss

#### Net Employee Benefit Expense recognized In Income Statement

	₹ in Lakhs	
Particulars	For the Year Ended 31st March,2023	For the Year Ended 31st March,2022
Current service cost	12.18	11.11
Interest cost on obligation	2.78	1.52
<b>Expense recognised in Income Statement</b>	<b>14.96</b>	<b>12.63</b>

#### Expenses Recognised during the year

	₹ in Lakhs	
Particulars	For the Year Ended 31st March,2023	For the Year Ended 31st March,2022
Expense recognised in Income Statement	14.96	12.63
Expense recognised in Other Comprehensive income	(2.05)	3.37
<b>Total expenses Recognised during the year</b>	<b>12.91</b>	<b>16.00</b>

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

## (b) Balance Sheet

### Benefit Asset / Liability

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Present Value of Defined Benefit Obligation	(48.34)	(40.60)
Fair Value of Plan Assets	-	-
<b>Present Value of Defined Benefit Obligation</b>	<b>(48.34)</b>	<b>(40.60)</b>

## (c) Changes in the present value of the Defined Benefits Obligation are as follows :

Particulars	₹ in Lakhs	
	Gratuity	
	As at 31st March, 2023	As at 31st March, 2022
Opening Defined Benefit Obligation	40.60	23.77
Current service cost	12.18	11.11
Interest Cost	2.78	1.52
Benefits paid including transfer in/(out)	(5.17)	0.83
Actuarial (gains) / losses arising from	-	-
- Changes in Financial assumptions	(2.06)	(1.19)
- Changes in Demographic assumptions	(1.09)	3.43
- Experience Variance	1.10	1.13
<b>Closing Defined Benefit Obligation</b>	<b>48.34</b>	<b>40.60</b>

## (d) The principal assumptions used in determining Gratuity obligations for the company's plans are shown below:

	₹ in Lakhs	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Rate of Interest (Discount Rate)	7.40%	6.85%
Salary growth	6.50%	6.50%
Withdrawals rate	14%	14%
Mortality rates	100% of IALM 2012-14	100% of IALM 2012-14
Retirement age	60 years	60 years

### Experience Adjustment

Particulars	₹ in Lakhs	
	Gratuity	
	As at 31st March, 2023	As at 31st March, 2022
Present Value of Defined Benefit Obligation	48.34	40.60
Fair Value of Plan Assets	-	-
(Surplus)/Deficit	48.34	40.60
Experience adjustment on Plan Liability - (Gain) / Loss	1.10	1.13



# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

## (e) Sensitivity Analysis

	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
<b>Impact of increase in 50bps on Defined Benefit Obligation</b>		
Discount Rate	46.66	39.06
Salary Escalation Rate	50.14	42.25
Attrition rate	44.81	37.33
Mortality Rate	48.37	40.62
<b>Impact of decrease in 50bps on Defined Benefit Obligation</b>		
Discount Rate	50.13	42.25
Salary Escalation Rate	46.64	39.04
Attrition rate	53.62	45.54
Mortality Rate	48.31	40.58

## (f) Maturity Profile of Defined Benefit Obligation

	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
<b>Within the next 12 months</b>	<b>1.40</b>	<b>1.32</b>
Between 2 and 5 Years	48.95	6.78
Between 6 and 10 years	6.34	40.18
Beyond 10 years	41.17	31.74
<b>Total expected payments</b>	<b>97.85</b>	<b>80.03</b>
Weighted Average duration	7 Years	6 Years

## (g) Defined Contribution Plan :

The Company has recognized the following amounts as expenses and included in Note 17 in "Contribution to Provident and Other Funds

	₹ in Lakhs	
Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Contribution to Government Employees Provident Fund	49.36	43.01
Contribution to ESIC	-	-
Contribution to Labour Welfare Fund	0.06	0.12

## 23 COMPONENTS OF OTHER COMPREHENSIVE INCOME.

	₹ in Lakhs	
Particulars	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
Remeasurement of gains(Losses) on defined benefit plans -Part of Retained earnings	2.05	(3.37)
<b>Total</b>	<b>2.05</b>	<b>(3.37)</b>

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

## 24 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### Estimation of useful life of Plant Property Equipments and Intangible assets

Refer Note no 2.1 (b) and (c)

### Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

## 25 FAIR VALUES

₹ in Lakhs

	Carrying Value		Fair Value	
	31st March,2023	31st March,2022	31st March,2023	31st March,2022
<b>Financial Assets</b>				
Current Investments	804.60	-	804.60	-
Trade and other receivables	317.54	844.18	317.54	844.18
Cash and cash equivalents	139.01	160.28	139.01	160.28
<b>Total</b>	<b>1,261.15</b>	<b>1,003.46</b>	<b>1,261.15</b>	<b>1,004.46</b>

₹ in Lakhs

	Carrying Value		Fair Value	
	31st March,2023	31st March,2022	31st March,2023	31st March,2022
<b>Financial Liabilities</b>				
<b>Borrowings</b>				
Trade and Other Payables	22.54	76.84	22.54	76.84
Other Financial Liabilities	77.74	77.51	77.74	77.51
<b>Total</b>	<b>100.28</b>	<b>154.35</b>	<b>100.28</b>	<b>154.35</b>

The management assessed that other assets and liabilities disclosed above approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

## 26 FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities which are measured at Amortised Cost. Quantitative disclosures fair value measurement hierarchy for assets and Liabilities:

Particulars	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial Assets as at 31st March, 2022:-</b>				
Trade and other receivables	844.18	-	-	844.18
Cash and cash equivalents	160.28	-	-	160.28
<b>Financial Liabilities as at 31st March, 2022:-</b>				
Trade and Other Payables	76.84	-	-	76.84
Other Financial Liabilities	77.51	-	-	77.51
<b>Financial Assets as at 31st March, 2023:-</b>				
Investmenst (FVTPL) in Mutual Funds	804.60	-	804.61	-
Trade and other receivables	317.54	-	-	317.54
Cash and cash equivalents	139.01	-	-	139.01
<b>Financial Liabilities as at 31st March, 2023:-</b>				
Trade and Other Payables	22.54	-	-	22.54
Other Financial Liabilities	77.74	-	-	77.74

## 27 RELATED PARTY DISCLOSURES

### Names of Related Parties and Related Party relationship :

#### Related Parties where Control exist :

Parent Company	Aditya Birla Capital Limited
Holding Company	Aditya Birla Money Mart Limited
Ultimate Holding Company	Grasim Industries Limited

#### Related Parties with whom transactions have taken place during the year :

Fellow Subsidiaries	Aditya Birla Sun Life Insurance Company Limited
	Aditya Birla Finance Limited
	Aditya Birla Financial shared Services Limited
	Aditya Birla Health Insurance limited (upto 20 October, 2022)

<b>Joint Venture of Parent Company</b>	Aditya Birla Health Insurance limited (w.e.f from 21 October,2022)
--	--

<b>Associate of Parent Company</b>	Aditya Birla Sun Life AMC Limited
<b>Key Managerial Personnel</b>	Ajay Kakar (upto 23rd Januray 2023)
	Subhro Bhaduri
	Sanjay Miranka (upto 1st June 2021)
	Lalit Vermani (w.e.f 1st June 2021)
	Mukesh Malik (w.e.f 23rd Januray 2023)

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

The following Inter Company Transactions/Balances with Parent/holding/Subsidiaries/Fellow Subsidiaries/Joint Ventures / Associates have taken place during the year under review and are included in the above figures under respective heads:-

Sr. No.	Particulars	₹ in Lakhs	
		Year Ended	
		31st March ,2023	31st March, 2022
<b>A</b>	<b>Holding Company / Parent Company</b>		
	<b>Expenses Reimbursed</b>		
	Aditya Birla Capital Limited(ESOP Expenses)	-	0.08
	<b>Share Capital</b>		
	Equity Shares held by Aditya Birla Money Mart Limited (49,65,000 @ 10 Each)	496.50	496.50
<b>B</b>	<b>Subsidiaries / Fellow Subsidiaries</b>		
	<b>Income From Operations</b>		
	Aditya Birla Sun Life Insurance Company Limited (Commission)	300.23	265.12
	Aditya Birla Health Insurance Limited (Commission)	215.81	77.57
	Aditya Birla Finance Limited (Commission on Loan Transaction)	911.25	782.76
	<b>Expenses Reimbursed</b>		
	Aditya Birla Finance Limited (Reimbursement of Rent Expenses)	76.48	-
	Aditya Birla Finance Limited (Reimbursement of Other Admin Expenses)	0.50	2.20
	Aditya Birla Sun Life AMC Limited (Reimbursement of Rent Expenses)	-	2.25
	Aditya Birla Financial shared Services Limited (Reimbursment of Expenses-Oxygen Concentrators)	-	0.09
	Aditya Birla Financial shared Services Limited (Reimbursment of Expenses-Vaccination Cost)	-	0.02
	Aditya Birla Financial shared Services Limited (Business Support Services)	-	0.03
	Aditya Birla Sun Life Insurance Company Limited (Reimbursement of Expenses-Variable Pay)	0.40	-
	Aditya Birla Finance Limited (Asset Utilisation Charges)	49.75	-
	<b>Current Assets(Financial)</b>		
	Aditya Birla Sun Life Insurance Company Limited (Trade Receivables)	39.86	36.34
	Aditya Birla Health Insurance Limited (Trade Receivables)	83.10	11.69
	Aditya Birla Finance Limited (Trade Receivables)	108.77	681.31
	<b>Current Liabilities(Financial)</b>		
	<b>Other Receivable/(Payable)</b>		
	Aditya Birla Finance Limited( Employee Transfer Payable)	9.50	1.38
	Aditya Birla Finance Limited (Employee Transfer Receivable)	-	4.35
	Aditya Birla Sun Life Insurance Company Limited (Employee Transfer Payable)	2.66	-

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

## 28 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

### Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract leading to a financial loss under Ind AS 7.33. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

₹ in Lakhs

As at 31st March, 2023	Neither past due nor impaired	Past due but not impaired					Total
		< 30 days	30 to 60 days	61 to 90 Days	91 to 120 Days	> 120 days	
Trade Receivables	-	278.53	35.75	-	-	3.26	317.54
	-	<b>278.53</b>	<b>35.75</b>	-	-	<b>3.26</b>	<b>317.54</b>

As at 31st March, 2022	Neither past due nor impaired	Past due but not impaired					Total
		< 30 days	30 to 60 days	61 to 90 Days	91 to 120 Days	> 120 days	
Trade Receivables	-	577.95	-	236.05	30.17	-	844.18
	-	<b>577.95</b>	-	<b>236.05</b>	<b>30.17</b>	-	<b>844.18</b>

### Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, preference shares. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company manages its liquidity risk through temporary funding from its ultimate holding company and availing bank overdraft as and when required.

The table below summarises the maturity profile of the Company's financial assets and liabilities based on contractual undiscounted payments.

₹ in Lakhs

Year Ended 31 March ,2023	On Demand	Less than 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	Total
Trade and Other Receivables	-	314.28	3.26	-	-	317.54
Cash and cash equivalents	-	139.01	-	-	-	139.01
Trade and Other Payables	-	22.54	-	-	-	22.54
Other Current Financial Liabilities	-	77.74	-	-	-	77.74

₹ in Lakhs

Year Ended 31 March ,2022	On Demand	Less than 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	Total
Trade and Other Receivables	-	577.95	266.23	-	-	844.18
Cash and cash equivalents	-	160.28	-	-	-	160.28
Trade and Other Payables	-	76.83	-	-	-	76.83
Other Current Financial Liabilities	-	77.51	-	-	-	77.51

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

## 29 FINANCIALS RATIOS:

₹ in Lakhs

Sr No.	Particulars	Formula	March 31, 2023	Ratio	March 31, 2022	Ratio	Change in %	Remarks for variation of more than 25%
1	Current Ratio	Current Assets	1,329.84	7.50	1,108.38	3.73	101%	The Increase in Current Assets is greater than increase in Current liabilities by 285% , Leading to a variance of more than 25%.
		Current Liabilities	177.30		297.20			
2	Return on Equity Ratio	Net Profits after taxes	491.40	34%	274.62	29%	18%	
		Average Shareholder's Equity	1,438.72		945.79			
3	Net capital turnover Ratio	Revenue from Operations	2,206.43	1.91	1,637.50	2.02	-5%	
		Working Capital	1,152.55		811.18			
4	Net profit Ratio	Net Profit	491.40	22%	274.62	17%	33%	The Increase in revenue from operation is greater than increase in expenses, leading to a variance of more than 25%.
		Turnover	2,206.43		1,637.50			
5	Trade Receivable turnover ratio	Revenue From Operations	2,206.43	3.80	1,637.50	3.43	11%	
		Average Trade Receivable	580.86		477.40			
6	Return on capital employed	Earning Before Interest & Tax	506.60	35%	274.62	29%	21%	
		Capital Employed	1,438.72		945.79			
7	Return on Investments	Return	4.65	1%	-	-	NA	Company has made investments in mutual fund during the year. There was no investment in previous year.
		Investments	804.60		-			

Note:

- Inventory Turnover Ratio Company's Operation are in Service action , hence this ratio does not applies.
- Trade payable turnover ratio As the Company does not have any expenses relating to operating business , hence said ratio is not applicable
- Debt Service Coverage Ratio As ther were no debts in previous year as well as current year, thus this ratio is not applicable.
- Debt Equity Ratio As ther were no debts in previous year as well as current year, thus this ratio is not applicable.

## 30 CONTINGENT LIABILITIES

Contingent Liabilities not provided for :

₹ in Lakhs

Particulars	As at 31st March, 2023	As at 31st March, 2022
Income Tax (AY 2012-13)	15.26	15.26
<b>Total</b>	<b>15.26</b>	<b>15.26</b>

Level at which pending	Contingent Liability	Grounds of Appeal
Pending at Commissioner of Income Tax (Appeals) 15.26		Disallowance of Reimbursement , PF , ESIC , Cenvat Credit w/off, Modvat Credit, Bonus, Expenses on leasehold improvement
	<b>15.26</b>	

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

## 31 CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) ₹ NIL  
(Previous year NIL.)

## 32 DEFERRED TAX

The breakup of Net Deferred Tax Asset arising on account of following timing differences is as under :

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
<b>Deferred Tax Assets</b>		
Expenses allowed on payment basis	39.01	26.19
Unabsorbed Depreciation and Carry forward losses	3.30	252.31
<b>Deferred Tax Liabilities</b>		
Recognised in OCI	(0.52)	-
Fair Valuation of Financial Assets	(1.17)	-
<b>Net Deferred Tax Asset / (Liability)</b>	<b>40.62</b>	<b>278.51</b>

Previous year deferred tax assets have been created only to the extent of Deferred tax liability due to absence of reasonable certainty. Accordingly Deferred tax asset to the extent of ₹278.51 Lakhs was not recognised.

## 33 RECONCILIATION OF TAX EXPENSE AND THE ACCOUNTING PROFIT MULTIPLIED BY INDIA'S DOMESTIC TAX RATE :

### Income Tax Recognised in Profit and Loss

Particulars	₹ in Lakhs	
	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
<b>Current Income Tax :</b>		
In respect of the Current Year	56.34	-
<b>Deferred Tax :</b>		
In respect of the Current Year	(41.14)	-
<b>Income Tax Expenses Reported in the Statement of Profit and Loss</b>	<b>15.20</b>	<b>-</b>

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
Accounting Profit/(Loss) before income tax *	506.60	274.62
Corporate tax rate	25.17%	25.17%
Tax on Accounting profit *	<b>127.50</b>	<b>69.12</b>
<b>Reconciliation Items</b>		
Utilisation of unabsorbed depreciation and brought forward losses	(75.53)	-
Effect of expenses deductible on payment basis	(39.01)	-
Deferred tax on carried forward losses	(3.30)	-
Tax effect on other items	5.54	(69.12)
Income tax expense/ ( income ) reported in the statement of Profit and Loss	<b>15.20</b>	<b>-</b>

\*Previous year deferred tax assets have been created only to the extent of Deferred tax liability due to absence of reasonable certainty. Accordingly Deferred tax asset to the extent of ₹278.51 Lakhs was not recognised.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

- 34** Pursuant to ESOP Plan being established by the Parent company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company during the previous financial year. Total cost incurred by the holding company till date is being recovered from the Company over the period of vesting.
- 35** The Company's pending litigations comprise of claims against the Company proceedings pending with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements (Refer note 30). The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial results at March 31, 2023.
- 36** INDAS 116 is not applicable to the Company.
- 37** The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses need to be provided as required under any law / accounting standards.
- 38** To the best of information of management of the Company, the disclosure requirements as per Gazette notification for Amendments pertaining to following matters are not applicable in the case of the company.

**i) Valuation by registered valuer:**

During the year the company has not revalued its property, plant and equipment or intangible assets.

**ii) Loans and advances**

The company has not granted any loans and advances in the nature of loans to promoters, directors, Key Managerial Personnel (KMPs) and the related parties, repayable on demand or granted without specifying terms."

**iii) Benami Property:**

No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder."

**iv) Borrowing Against Security of Current Assets:**

The has not borrowed any fund on the basis of security of current assets from Banks and Financial Institution during the year.

**v) Wilful Defaulter:**

The company has not been declared as as wilful defaulter by any bank or financial institution or any other lender during the year.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

## vi) Relationship with Struck off company:

The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

## vii) Registration of Charges or satisfaction with Register of Companies (ROC):

The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond statutory period

## viii) Compliance with number of Layer of Companies:

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules 2017.

## ix) Scheme of arrangement:

During the year, there is no Scheme of Arrangements have been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 for the company.

## x) Utilisation of Borrowed Fund:

- a) The company has not advanced or loaned or invested any funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
  - i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- b) The company has not received any funds from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the company shall:
  - iii) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or
  - iv) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

# Notes to Financial Statements

for the year ended 31<sup>st</sup> march, 2023

## xi) Undisclosed Income:

The company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessment under the Income Tax Act 1961.

## xii) Virtual Currency:

The Company has not traded or invested in Crypto currently or Virtual Currency during the financial year.

## 39 PREVIOUS YEARS FIGURES

The Company has reclassified previous years figures to confirm to this years classification. Previous year figures have been given as per last Audited accounts, audited by other auditors.

As per our report of even date  
For **Sarda & Pareek LLP**  
Chartered Accountant  
Firm registration No: 109262W/W100673

For and on behalf of the Board of Directors of  
**Aditya Birla Money Insurance Advisory Services Limited**

**Satya Narayan Bohra**  
Partner  
Membership No: 042623

**Lalit Vermani**  
Director  
DIN : 09189695  
New Delhi

**Mukesh Malik**  
Director  
DIN : 02125091  
Mumbai

Place: Mumbai  
Date: April 24, 2023

Aditya Birla Capital Technology Services Limited



**ADITYA BIRLA  
CAPITAL**

CIN: U93000GJ2008PLC108842

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Junagadh Road, Veraval – 362266, Gujarat

T: +91 22 4356 7000,

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# Independent Auditor's Report

To the Members of

**Aditya Birla Capital Technology Services Limited**

## REPORT ON THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying Ind AS financial statements of **Aditya Birla Capital Technology Services Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at 31<sup>st</sup> March, 2023, its loss (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Material Uncertainty Related to Going Concern

We draw attention to Note 35 in the Ind AS financial statements, which indicates that the Company has incurred a loss of ₹ 3.34 (in lakhs) during the year ended 31<sup>st</sup> March, 2023 and as of that date, the Company's accumulated losses amount to ₹ 4,555.01 (in lakhs) resulting in erosion of its net worth. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However as detailed in the said note, the Company has obtained Letter of Support for continued financial support from its shareholders and could meet its obligations in the ordinary course of business. As a result, Ind AS financial statements have been prepared on going concern assumption and consequently, no adjustments have been made to the carrying values or classification of balance sheet accounts.

Our opinion is not modified in respect of this matter.

### Other Information

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

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

### Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to

## Independent Auditor's Report (Contd.)

the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

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

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

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

### Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we report in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023

from being appointed as a director in terms of section 164(2) of the Act;

- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";
- g. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

The Company has not paid / provided for any Managerial Remuneration to its directors during the year;

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 36 on Contingent Liabilities to the Ind AS financial statements;
  - (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
  - (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including

## Independent Auditor's Report (Contd.)

- foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The Company has not declared nor paid any dividend during the year. Hence, reporting the compliance with section 123 of the Act is not applicable.
- (vi) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. 1<sup>st</sup> April, 2023, reporting under this clause is not applicable.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Sd/-

**Sumant Sakhardande**

Partner

Membership No. 034828

UDIN: 23034828BGWUDY8044

Place: Mumbai

Date: 26<sup>th</sup> April, 2023

# Annexure 1 to the Independent Auditor's Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of **Aditya Birla Capital Technology Services Limited** ("the Company") on the Ind AS financial statements for the year ended 31<sup>st</sup> March 2023]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind AS financial statements of the Company and taking into consideration the information, explanations and written representation given to us by the management and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
  - (B) The Company has maintained proper records showing full particulars of Intangible Assets.
  - (b) During the year, the Property, Plant and Equipment of the Company have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) The Company does not have any immovable property and accordingly, reporting under clause (i) (c) of paragraph 3 of the Order is not applicable.
  - (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and Intangible Assets during the year. Accordingly, reporting under clause (i) (d) of paragraph 3 of the Order is not applicable.
  - (e) No proceedings have been initiated or are pending against the Company as at 31<sup>st</sup> March, 2023 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
  - (ii) (a) The Company is in the service Industry, and consequently, does not hold any inventory. Therefore, reporting under clause (ii) (a) of paragraph 3 of the Order is not applicable.
  - (b) The Company has been sanctioned working capital limits in excess of five crore rupees during the year, in aggregate from banks, on the basis of security of current assets. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of account of the Company.
  - (iii) During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting under clause (iii) of paragraph 3 of the Order is not applicable.
  - (iv) There are no loans, guarantees and securities given in respect of which provisions of section 185 and 186 of the Act are applicable to the Company and hence not commented upon. Provisions of section 186 of the Act in respect of investment made have been complied with by the Company.
  - (v) In our opinion, the Company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.
  - (vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of section 148 of the Act and the rules framed there under.
  - (vii) (a) The Company is regular in depositing with the appropriate authorities, undisputed statutory dues including Goods and Services tax (GST), provident fund, employees' state insurance, income-tax, cess and any other material statutory dues applicable to it, in all cases during the year.
- No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, cess and any other material statutory dues

Annexure 1 to Independent Auditor's Report (Contd.)

- applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) There are no dues with respect to provident fund, employees' state insurance, income tax, GST and cess, which have not been deposited on account of any dispute.
- (viii) We have not come across any transactions which were previously not recorded in the books of account of the Company that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not obtained any amounts by way of term loans during the year.
- (d) On an overall examination of the Ind AS financial statements of the Company, no funds raised on short-term basis have, been used for long-term purposes by the Company.
- (e) The company does not have any subsidiaries, associates or joint ventures.
- (x) (a) The Company has not raised money by way of initial public issue offer / further public offer (including debt instruments) during the year. Therefore, reporting under clause (x) (a) of paragraph 3 of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, reporting under clause (x) (b) of paragraph 3 of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company nor any fraud on the Company has been noticed or reported during the year, nor have we been informed of any such instance by the management.
- (b) No report under section 143(12) of the Act has been filed with the Central Government by the auditors of the Company in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, during the year or upto the date of this report.
- (c) There are no whistle blower complaints received by the Company during the year and upto the date of this report.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, reporting under clause (xii) of paragraph 3 of the Order is not applicable.
- (xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Act. Hence, reporting under clause (xiv) of paragraph 3 of the Order is not applicable.
- (b) The Company did not have an internal audit system for the period under audit. Hence, no Internal Audit Reports of the Company for the aforesaid period were provided.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with them during the year and hence, provisions of section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, reporting under clause (xvi) (a) and (b) of paragraph 3 of the Order are not applicable.

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

(c) The Company is not a Core Investment Company (CIC) as defined in Core Investment Companies (Reserve Bank) Directions, 2016 ("Directions") by the Reserve Bank of India. Accordingly, reporting under clause (xvi) (c) and (d) of paragraph 3 of the Order are not applicable.

(d) As informed by the Company, the Group to which the Company belongs has three CIC as part of the Group (including the CICs exempt from registration and CICs not registered).

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

(xviii) There has been no resignation of the statutory auditors during the year and accordingly, reporting under clause (xviii) of paragraph 3 of the Order is not applicable.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements and our knowledge of the Board

of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of this audit report and that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due. Further this has been referred in Note 35 in the Ind AS financial statement.

(xx) The provisions of section 135 of the Act are not applicable to the Company. Hence, reporting under clause (xx) of paragraph 3 of the Order is not applicable.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Sd/-

**Sumant Sakhardande**

Partner

Membership No. 034828

UDIN: 23034828BGWUDY8044

Place: Mumbai

Date: 26<sup>th</sup> April, 2023

# Annexure 2 to the Independent Auditor's Report

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of **Aditya Birla Capital Technology Services Limited** on the Ind AS financial statements for the year ended 31<sup>st</sup> March, 2023]

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

We have audited the internal financial controls with reference to financial statements of Aditya Birla Capital Technology Services Limited ("the Company") as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified

under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

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

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

### Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that

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

### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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

### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31<sup>st</sup> March, 2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Sd/-

**Sumant Sakhardande**

Partner

Membership No. 034828

UDIN: 23034828BGWUDY8044

Place: Mumbai

Date: 26<sup>th</sup> April, 2023



# Balance Sheet

as at 31<sup>st</sup> March 2023

(₹ in Lakh)

Sr. No.	Particulars	Note	As at 31st March 2023	As at 31st March 2022
<b>I ASSETS</b>				
<b>(1) Non - Current Assets</b>				
(a)	Property, Plant and Equipment	3	35.07	36.25
(b)	Right of Use Assets	3A	-	442.81
(c)	Intangible Assets	4	33.73	19.70
(d)	Intangible Assets under Development		-	7.57
(e)	Financial Assets			
(i)	Investments	4A	-	8,623.84
(ii)	Loans	5	-	30.08
(iii)	Other Financial Assets	5A	0.90	0.90
(f)	Income Tax Assets		8.63	82.86
(g)	Other Non - Current Assets	6	153.42	133.25
			<b>231.75</b>	<b>9,377.26</b>
<b>(2) Current Assets</b>				
(a)	Financial Assets			
(i)	Trade Receivables	7	97.67	564.88
(ii)	Cash and Cash Equivalents	8	-	-
(iii)	Loans	9	-	-
(b)	Other Current Assets	10	80.72	67.37
			<b>178.39</b>	<b>632.25</b>
	<b>Total Assets</b>		<b>410.14</b>	<b>10,009.51</b>
<b>II EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
(a)	Equity Share Capital	11	180.01	180.01
(b)	Other Equity	12	(3,922.92)	(3,919.58)
	<b>Total Equity</b>		<b>(3,742.91)</b>	<b>(3,739.57)</b>
<b>(2) LIABILITIES</b>				
<b>Non - Current Liabilities</b>				
(a)	Financial Liabilities			
(i)	Borrowings	13	1,200.01	1,200.01
(ii)	Lease Liabilities	14	-	442.31
(b)	Provisions	15	42.68	57.70
			<b>1,242.69</b>	<b>1,700.02</b>
<b>Current Liabilities</b>				
(a)	Financial Liabilities			
(i)	Borrowings	16	2,358.11	11,288.65
(ii)	Lease Liabilities	16A	-	35.16
(iii)	Trade Payables			
	- total outstanding dues of micro enterprises and small enterprises	17	93.14	21.62
	- total outstanding dues of creditors other than micro enterprises and small enterprises		127.05	289.11
(iv)	Other Financial Liabilities	18	212.57	271.36
(b)	Other Current Liabilities	19	82.12	93.23
(c)	Provisions	20	37.37	49.93
			<b>2,910.36</b>	<b>12,049.06</b>
	<b>Total Liabilities</b>		<b>4,153.05</b>	<b>13,749.08</b>
	<b>Total Equity and Liabilities</b>		<b>410.14</b>	<b>10,009.51</b>
	Significant Accounting Policies Refer Note :	2.1		

The accompanying Notes are an integral part of the Financial Statements.

As per our Report of even date attached

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

For and on behalf of the Board of Directors of  
**Aditya Birla Capital Technology Services Limited**

Sd/-  
**Sumant Sakhardande**  
Partner  
Membership No. 034828

Sd/-  
**Mukesh Malik**  
Director  
DIN : 02125091

Sd/-  
**Pinky Mehta**  
Director  
DIN : 00020429

Place : Mumbai  
Date : 26<sup>th</sup> April, 2023

# Statement of Profit and Loss

for the year ended 31<sup>st</sup> March 2023

(₹ in Lakh)			
Particulars	Note	Year Ended 31st March 2023	Year Ended 31st March 2022
Revenue from Operations	21	2,084.72	2,112.91
Other Income	22	950.49	137.47
<b>Total Income</b>		<b>3,035.21</b>	<b>2,250.38</b>
<b>Expenses</b>			
Employee Benefits Expense	23	988.09	1,011.31
Finance Cost	24	865.79	247.48
Depreciation and Amortisation Expenses	25	74.95	72.09
Other Expenses	26	1,094.15	1,085.24
<b>Total Expenses</b>		<b>3,022.98</b>	<b>2,416.12</b>
<b>Profit/ (Loss) before Exceptional items and tax</b>		<b>12.23</b>	<b>(165.74)</b>
Exceptional Items		-	-
<b>Profit/ (Loss) before tax</b>		<b>12.23</b>	<b>(165.74)</b>
Tax Expenses			
Current Tax		-	-
Deferred Tax		-	-
<b>Profit /(Loss) for the year</b>		<b>12.23</b>	<b>(165.74)</b>
<b>Other Comprehensive Income Statement</b>			
(i) Items that will not be reclassified to profit or loss in subsequent periods			
- Remeasurements gain/(loss) on defined benefit plans		(15.57)	(1.06)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Total Other Comprehensive Income for the Year</b>		<b>(15.57)</b>	<b>(1.06)</b>
<b>Total Comprehensive Income for the Year</b>		<b>(3.34)</b>	<b>(166.80)</b>
Basic Earnings per share (FV ₹ 10)	30	0.68	(9.21)
Diluted Earnings per share (FV ₹ 10)	30	0.39	(9.21)
Significant Accounting Policies Refer Note :	2.1		

The accompanying Notes are an integral part of the Financial Statements.

As per our Report of even date attached

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

Sd/-  
**Sumant Sakhardande**  
Partner  
Membership No. 034828

For and on behalf of the Board of Directors of  
**Aditya Birla Capital Technology Services Limited**

Sd/-  
**Mukesh Malik**  
Director  
DIN : 02125091

Sd/-  
**Pinky Mehta**  
Director  
DIN : 00020429

Place : Mumbai  
Date : 26<sup>th</sup> April, 2023

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March 2023

## (A) EQUITY SHARE CAPITAL

### (1) Current reporting period

(₹ in Lakh)

Balance as at 1st April, 2022	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at 31st March, 2023
180.01	-	-	-	180.01

### (2) Previous reporting period

(₹ in Lakh)

Balance as at 1st April, 2021	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at 31st March, 2022
180.01	-	-	-	180.01

## (B) OTHER EQUITY

(₹ in Lakh)

Particulars	Reserve and Surplus					Total Other Equity
	Retained Earnings	General Reserve	Share Premium	Capital Reserve	Share Option Outstanding Account	
<b>Balance as at 1<sup>st</sup> April, 2021</b>	<b>(4,384.87)</b>	-	<b>632.09</b>	-	-	<b>(3,752.78)</b>
Profit /(Loss) for the year	(165.74)	-	-	-	-	(165.74)
Other Comprehensive Income	(1.06)	-	-	-	-	(1.06)
Total Comprehensive Income	(166.80)	-	-	-	-	(166.80)
ESOP Reserve	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>(4,551.67)</b>	-	<b>632.09</b>	-	-	<b>(3,919.58)</b>
Profit /(Loss) for the year	12.23	-	-	-	-	12.23
Other Comprehensive Income	(15.57)	-	-	-	-	(15.57)
Total Comprehensive Income	(3.34)	-	-	-	-	(3.34)
ESOP Reserve	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>(4,555.01)</b>	-	<b>632.09</b>	-	-	<b>(3,922.92)</b>

The accompanying Notes are an integral part of the Financial Statements.

As per our Report of even date attached

For **Haribhakti & Co. LLP**

Chartered Accountants

Firm's Registration no. 103523W / W100048

Sd/-

**Sumant Sakhardande**

Partner

Membership No. 034828

For and on behalf of the Board of Directors of

**Aditya Birla Capital Technology Services Limited**

Sd/-

**Mukesh Malik**

Director

DIN : 02125091

Sd/-

**Pinky Mehta**

Director

DIN : 00020429

Place : Mumbai

Date : 26<sup>th</sup> April, 2023

# Statement of Cash Flows

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakh)

	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
<b>Cash Flow from Operating Activities</b>		
Profit / (Loss) for the year	12.23	(165.74)
Adjustment :		
Interest Income	(192.88)	(124.24)
(Profit) / Loss of Property, Plant and Equipment Written Off	0.38	-
Realised (Gain) / Loss on Redemption/ Sale of Investment (AIF)	(568.32)	6.61
MTM of investments measured at FVTPL	-	186.43
Depreciation And Amortisation Expenses	74.95	72.09
Short Term Capital Gain on AIF Investment	(158.74)	(0.44)
Adjustment of Lease - INDAS 116	(77.76)	-
Finance Cost	865.79	247.49
<b>Operating profit before working capital changes</b>	<b>(44.35)</b>	<b>222.20</b>
<b>Movements in working capital:</b>		
(Increase) / Decrease in Non Current Loans	57.50	-
(Increase) / Decrease in Other Non Current Assets	(20.17)	56.57
(Increase) / Decrease in Trade Receivables	467.21	(187.72)
(Increase) / Decrease in Current Loans	-	0.04
(Increase) / Decrease in Other Financial Assets	-	-
(Increase) / Decrease in Other Current Assets	(13.35)	(27.96)
Increase / (Decrease) in Non Current Provisions	(30.59)	4.43
Increase / (Decrease) in Trade Payable	(90.54)	185.83
Increase / (Decrease) in Other Financial Liabilities	(58.79)	(15.43)
Increase / (Decrease) in Other Current Liabilities	(11.11)	56.14
Increase / (Decrease) in Current Provisions	(12.56)	9.53
<b>Cash Generated from Operating activities</b>	<b>243.25</b>	<b>303.63</b>
Income Tax paid (Including Interest on IT Refund)	74.22	(44.52)
<b>Net Cash Generated from Operating activities</b>	<b>317.47</b>	<b>259.11</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment	(21.33)	(21.97)
Proceeds from Sale of Property, Plant and Equipment	4.12	11.55
Purchase of Investment	-	(8,750.00)
Redemption of Investment	1,582.65	41.34
Sale of units of AIF Investment	7,501.29	-
Interest Income	296.16	13.58
Short Term Capital Gain on AIF Investment	158.74	0.43
Purchase of Intangible Assets	(15.01)	(27.27)
(Increase)/Decrease in Intangible Assets under Development	-	-
<b>Net Cash used in Investing activities</b>	<b>9,506.62</b>	<b>(8,732.34)</b>

# Statement of Cash Flows

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakh)

	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
<b>Cash Flow from Financing Activities</b>		
Payment of Lease	(27.76)	(29.18)
Payment of Interest on lease Liability	(31.47)	(39.82)
Interest on Unsecured Loans	(834.32)	(207.66)
Proceeds from Borrowings	(630.54)	688.65
Proceeds from Inter Corporate Deposits	2,300.00	9,100.00
Repayment of Inter Corporate Deposits	(10,600.00)	(1,100.00)
<b>Net Cash Generated from / (used in) Financing Activities</b>	<b>(9,824.09)</b>	<b>8,411.99</b>
Net Increase/(Decrease) in Cash and Cash Equivalent	-	(61.24)
Cash and Cash Equivalent at beginning of the year	-	61.24
<b>Cash and Cash Equivalent at year end</b>	<b>-</b>	<b>-</b>

For the purpose of the statement of Cash Flows, Cash and Cash Equivalents comprise the following:

₹ in Lakhs

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Balances with Banks</b>		
Current Accounts	-	-
<b>Balance</b>	<b>-</b>	<b>-</b>

Significant Accounting Policies Refer Note :

The accompanying Notes are an integral part of the Financial Statements. 2.1

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash Flows' prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017.

As per our Report of even date attached

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

Sd/-  
**Sumant Sakhardande**  
Partner  
Membership No. 034828

Place : Mumbai  
Date : 26<sup>th</sup> April, 2023

For and on behalf of the Board of Directors of  
**Aditya Birla Capital Technology Services Limited**

Sd/-  
**Mukesh Malik**  
Director  
DIN : 02125091

Sd/-  
**Pinky Mehta**  
Director  
DIN : 00020429

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## (1) CORPORATE INFORMATION

Aditya Birla Capital Technology Services Limited (the 'Company') was incorporated on 11<sup>th</sup> September, 2008 under the provisions of Companies Act, 1956. The main object of the Company the Company is to engage in the business of development of advanced digital assets in areas of mobility, digital product management, web/app, data & analytics and testing maintenance and software development application services.

## (2) BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017.

All the Assets and Liabilities have been classified as Current and Non-Current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of the Assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of Current/ Non-Current classification of Assets and Liabilities.

The financial statements and notes are presented in INR round off to nearest Lakh as per the requirement of schedule III unless otherwise stated.

## (2.1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Use of Estimates:

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets

and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

### (b) Current versus Non-Current Classification:

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

- 1) Expected to be realised or intended to be sold or consumed in normal operating cycle;
- 2) Held primarily for the purpose of trading;
- 3) Expected to be realised within twelve months after the reporting period, or
- 4) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as Non-Current.

A Liability is Current when:

- 1) It is expected to be settled in normal operating cycle;
- 2) It is held primarily for the purpose of trading;
- 3) It is due to be settled within twelve months after the reporting period, or
- 4) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as Non-Current.

Deferred tax assets and liabilities are classified as Non-Current assets and liabilities.

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

## (c) Fair value measurement

The Company measures Financial Instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- 1) In the principal market for the asset or liability, or
- 2) In the absence of a principal market, in the most advantageous market for the asset or liability, the principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

## (d) Property, Plant and Equipment :

- (i) Depreciation on Property, Plant And Equipment is provided on Straight Line using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013 or estimated by the management. The Company has used the following useful life to provide depreciation on its Property, Plant And Equipment.

Assets	Useful Life as prescribed by Schedule II of the Companies Act, 2013	Estimated useful life used by the Company
Furniture and fixtures	10 years	7 years
IT Equipment	3 years	4 years
Office Equipment	5 years	4 years
Vehicle	8 years	4 years

- (ii) Assets costing ₹ 5,000 or less are written off in the year of purchase Useful life of assets different from those prescribed in Schedule II has been estimated by management supported by technical assessment.

- (iii) Subsequent expenditure related to an item of Property, Plant And Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## (e) Intangible Assets :

Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Intangible assets, viz. Software are amortised over a period of three years (As per Schedule III life is six years). License are amortised over the period of license or three years whichever is earlier.

### Impairment of Assets:

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis, unless the asset generated cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash-Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

## (f) Borrowing Costs:

Borrowing Costs are charged to the Statement of profit and loss in the period in which they are incurred. Borrowing cost includes interest incurred in connection with arrangement of borrowings.

## (g) Revenue Recognition:

The core principle of Ind AS 115 is that an entity should recognise revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation.

The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. Specifically, the standard introduces a 5-step approach to revenue recognition :

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

### Rendering of services

Revenue from rendering of services can be estimated reliably, revenue associated with the transaction shall be recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the stage of completion of the transaction at the end of the reporting period can be measured reliably.

### Interest Income

For all Financial Instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the Financial Instrument or a shorter period, where

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the Financial Instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

## (h) Retirement and Other Employee Benefits :

### (a) Defined Contribution Plan :

The Company makes defined contribution to Government Employee Provident Fund which is recognised in the Statement of Profit and Loss on accrual basis. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contribution. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due of services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

### (b) Defined Benefit Plan :

The Company operates two defined benefit plans for its employees, viz., gratuity and leave encashment. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the balance sheet date.

### (i) Income Taxes :

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.

### (j) Deferred Tax :

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is reasonable certainty that they can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

that it has become reasonably certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

## (k) Leases :

The Company's lease asset classes primarily consist of leases for land and buildings. The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (1) the contract involves the use of an identified asset (2) the company has substantially all of the economic benefits from use of the asset through out the period of the lease and (3) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes right-of-use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The Right-of-Use Assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-Use Assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the under lying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset generates cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The Lease Liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease Liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment on exercise of an extension or a termination option.

Lease Liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## The Company as a Lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

## (l) Contingent Liabilities and Provisions :

### Contingent Liabilities :

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

### Provisions

Provision is recognized when the enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

## (m) Financial Instruments:

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial Assets

#### Initial recognition and measurement:

All financial assets are recognised initially at fair value. 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 are added to the fair value. However, trade receivables that do not contain a significant financing component

are initially measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

#### Subsequent Measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

- 1) Debt instruments at amortised cost;
- 2) Debt instruments at fair value through other comprehensive income (FVTOCI);
- 3) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL);
- 4) Equity instruments measured at fair value through other comprehensive income (FVTOCI).

#### Debt instruments at Amortised Cost

A 'Debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## Debt Instrument at FVTOCI

A 'Financial Instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Financial Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI Financial Instrument is reported as interest income using the EIR method.

## Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following:

- i. Trade receivables and lease receivables;
- ii. Financial assets measured at amortized cost (other than trade receivables and lease receivables);
- iii. Financial assets measured at fair value through other comprehensive income (FVTOCI).

In case of trade receivables and lease receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since

initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'.

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

The financial asset is derecognised the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Group monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's balance sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual

obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On Derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

## (n) Cash and Cash Equivalent :

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

## (o) Segment Reporting :

### Identification of Segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

### Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## Unallocated Items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

## Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

### (p) Earnings per Share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

### (q) Share-Based Payment :

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

### Equity-settled transactions :

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

### (r) Translation of Foreign Currency Items:

Transactions in foreign currency are initially recorded at the spot rate of exchange prevailing on the date of transaction. Monetary asset and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange. A exchange difference on settlement or translation of all other monetary items is recognised in the Statement of Profit and Loss. Non-monetary. Items are measured in terms of historical cost in foreign currency duly translated using the exchange rate at transaction date.

### (s) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 3 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakh)

Particulars	IT Equipments	Furniture & Fixtures	Office Equipment	Vehicle	TOTAL
<b>Gross Block</b>					
<b>As at 1<sup>st</sup> April, 2021</b>	<b>24.67</b>	<b>3.12</b>	<b>11.41</b>	<b>35.40</b>	<b>74.60</b>
Additions	13.67	-	-	8.31	21.98
Deletions	-	3.12	10.52	8.31	21.95
<b>As at 31<sup>st</sup> March, 2022</b>	<b>38.34</b>	<b>-</b>	<b>0.89</b>	<b>35.40</b>	<b>74.63</b>
Additions	8.70	-	0.11	12.52	21.33
Deletions	7.52	-	-	-	7.52
<b>As at 31<sup>st</sup> March, 2023</b>	<b>39.52</b>	<b>-</b>	<b>1.00</b>	<b>47.92</b>	<b>88.44</b>
<b>Accumulated Depreciation</b>					
<b>As at 1<sup>st</sup> April, 2021</b>	<b>15.74</b>	<b>1.29</b>	<b>7.77</b>	<b>9.59</b>	<b>34.39</b>
For the year	3.73	0.12	0.82	9.72	14.39
Deletions	-	1.41	8.13	0.87	10.41
<b>As at 31<sup>st</sup> March, 2022</b>	<b>19.47</b>	<b>-</b>	<b>0.46</b>	<b>18.44</b>	<b>38.37</b>
For the year	7.62	-	0.24	10.16	18.02
Deletions	3.02	-	-	-	3.02
<b>As at 31<sup>st</sup> March, 2023</b>	<b>24.07</b>	<b>-</b>	<b>0.70</b>	<b>28.60</b>	<b>53.37</b>
<b>Net Block as at 1<sup>st</sup> April, 2021</b>	<b>8.93</b>	<b>1.83</b>	<b>3.64</b>	<b>25.81</b>	<b>40.21</b>
<b>Net Block as at 31<sup>st</sup> March, 2022</b>	<b>18.86</b>	<b>-</b>	<b>0.43</b>	<b>16.96</b>	<b>36.25</b>
<b>Net Block as at 31<sup>st</sup> March, 2023</b>	<b>15.45</b>	<b>-</b>	<b>0.30</b>	<b>19.32</b>	<b>35.07</b>

## NOTE: 3A RIGHT OF USE ASSETS

(₹ in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Right of Use Assets	-	442.81
	-	<b>442.81</b>

## NOTE: 4 INTANGIBLE ASSETS

(₹ in Lakh)

Particulars	Software	TOTAL
<b>Gross Block</b>		
<b>As at 1<sup>st</sup> April, 2021</b>	<b>-</b>	<b>-</b>
Additions	19.70	19.70
Deletions	-	-
<b>As at 31<sup>st</sup> March, 2022</b>	<b>19.70</b>	<b>19.70</b>
Additions	22.58	22.58
Deletions	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>42.28</b>	<b>42.28</b>
<b>Accumulated Amortisation</b>		
<b>As at 1<sup>st</sup> April, 2021</b>	<b>-</b>	<b>-</b>
For the year	-	-

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakh)		
Particulars	Software	TOTAL
Deletions	-	-
<b>As at 31<sup>st</sup> March, 2022</b>	-	-
For the year	8.55	8.55
Deletions	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>8.55</b>	<b>8.55</b>
<b>Net Block as at 1<sup>st</sup> April, 2021</b>	-	-
<b>Net Block as at 31<sup>st</sup> March, 2022</b>	<b>19.70</b>	<b>19.70</b>
<b>Net Block as at 31<sup>st</sup> March, 2023</b>	<b>33.73</b>	<b>33.73</b>

## NOTE: 4A INVESTMENTS

(₹ in Lakh)		
Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Investments Valued at FVTPL</b>		
Alternate Investment Fund (AIF) :		
-Aditya Birla Special Situations Fund I	-	8,623.84
	<b>-</b>	<b>8,623.84</b>

## NOTE: 5 LOANS

(₹ in Lakh)		
Particulars	As at 31st March, 2023	As at 31st March, 2022
Security Deposits	-	30.08
	<b>-</b>	<b>30.08</b>

## NOTE: 5A OTHER FINANCIAL ASSETS

(₹ in Lakh)		
Particulars	As at 31st March, 2023	As at 31st March, 2022
Deposit with NSDL for Dematerialised shares under custody	0.90	0.90
	<b>0.90</b>	<b>0.90</b>

## NOTE: 6 OTHER NON - CURRENT ASSETS

(₹ in Lakh)		
Particulars	As at 31st March, 2023	As at 31st March, 2022
- Balance with Revenue Authorities	153.19	132.93
- Service Tax Refund Receivable	-	7.01
- Provision for Doubtful Debt / Service Tax Receivable	-	(7.01)
	<b>153.19</b>	<b>132.93</b>
Prepaid Expense	0.23	0.32
	<b>153.42</b>	<b>133.25</b>

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 7 TRADE RECEIVABLES

(₹ in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured, Considered Good	-	-
Unsecured, Considered Good	97.67	564.88
Unsecured, Considered Doubtful	-	-
	<b>97.67</b>	<b>564.88</b>

### Break up of Trade Receivables:

(₹ in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Receivables from Others	10.97	-
Receivables from Related parties	86.70	564.88
	<b>97.67</b>	<b>564.88</b>

## NOTE: 8 CASH AND CASH EQUIVALENTS

(₹ in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with Banks		
Current Accounts	-	-
	-	-

## NOTE: 9 LOANS

(₹ in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, Considered Good		
- Advance to Employees	-	-
	-	-

## NOTE: 10 OTHER CURRENT ASSETS

(₹ in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Prepaid Expenses	49.33	44.61
Advance to Vendors	12.27	22.76
Accrued Income	19.12	
	<b>80.72</b>	<b>67.37</b>

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 11 EQUITY SHARE CAPITAL

Particulars	(₹ in Lakh)			
	No. of Shares 31st March, 2023	No. of Shares 31st March, 2022	Amount as at 31st March, 2023	Amount as at March 31, 2022
<b>Authorised:</b>				
Equity Shares of ₹ 10/- each	30,000,000	30,000,000	3,000.00	3,000.00
Preference Shares of ₹ 10/- each	10,000,000	10,000,000	1,000.00	1,000.00
	<b>40,000,000</b>	<b>40,000,000</b>	<b>4,000.00</b>	<b>4,000.00</b>
<b>Issued:</b>				
<b>EQUITY SHARE CAPITAL</b>				
Equity Shares of ₹ 10/- each	1,800,112	1,800,112	180.01	180.01
Capital Reduction during the year	-	-	-	-
	<b>1,800,112</b>	<b>1,800,112</b>	<b>180.01</b>	<b>180.01</b>
<b>Subscribed and Paid-up:</b>				
<b>EQUITY SHARE CAPITAL</b>				
Equity Shares of ₹ 10/- each, fully paid-up	1,800,112	1,800,112	180.01	180.01
Capital Reduction during the year	-	-	-	-
	<b>1,800,112</b>	<b>1,800,112</b>	<b>180.01</b>	<b>180.01</b>

### 1) Reconciliation of the number of shares outstanding for the year ended 31<sup>st</sup> March, 2023.

Sr. No.	Description	(₹ in Lakh)	
		As at 31st March, 2023	As at 31st March, 2022
		No. of Equity Shares	
1	Outstanding at the beginning of the period	1,800,112	1,800,112
	Issued during the year	-	-
	Capital Reduction during the year	-	-
2	Outstanding at the end of the period	1,800,112	1,800,112

### 2) Terms/Rights Attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution to all preferential holders. The distribution will be in proportion to the number of the equity shares held by the shareholders.

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

### 3) All the Equity Share Capital are held by its Holding Company i.e. Aditya Birla Capital Limited :

Sr. No.	Name of Shareholder	As at 31st March, 2023		As at 31st March, 2022	
		No of Shares Held	% of Total Paid-up Equity Share Capital	No of Shares Held	% of Total Paid-up Equity Share Capital
1	Aditya Birla Capital Limited	1,800,112	100%	1,800,112	100%

### 4) Shares in the Company held by each shareholder holding more than 5 per cent shares and the number of shares held are as under:

Sr. No.	Name of Shareholder	As at 31st March, 2023		As at 31st March, 2022	
		No of Shares Held	% of Total Paid-up Equity Share Capital	No of Shares Held	% of Total Paid-up Equity Share Capital
1	Aditya Birla Capital Limited	1,800,112	100%	1,800,112	100%

### 5) Details of shareholding by promoter's :

Sr. No.	Name of Shareholder	As at 31st March, 2023		As at 31st March, 2022	
		No of Shares Held	% of Total Paid-up Equity Share Capital	No of Shares Held	% of Total Paid-up Equity Share Capital
1	Aditya Birla Capital Limited	1,800,112	100%	1,800,112	100%

### 6) There are no Equity Shares issued as fully paid-up pursuant to any contract in consideration of other than cash or bonus shares or bought back during the preceding last five years.

## NOTE: 12 OTHER EQUITY

(₹ in Lakh)

Particulars	As at	As at
	31st March, 2023	31st March, 2022
<b>Retained Earnings</b>		
Opening Balance	(4,551.67)	(4,384.87)
Loss for the year	12.23	(165.74)
Other Comprehensive Income	(15.57)	(1.06)
<b>Closing Balance (A)</b>	<b>(4,555.01)</b>	<b>(4,551.67)</b>
<b>Securities Premium :</b>		
Opening Balance	632.09	632.09
Add : Securities Premium on issue of Shares	-	-
Less : Transferred to Capital Reduction Account	-	-
<b>Closing Balance (B)</b>	<b>632.09</b>	<b>632.09</b>
<b>Total Balance (A+B)</b>	<b>(3,922.92)</b>	<b>(3,919.58)</b>

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 13 BORROWINGS- NON - CURRENT

(₹ in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Unsecured</b>		
0.001 % CCPS (Number of Shares - "CCPS - 4,69,594" & "Class B CCPS- 4,69,594")	1,200.01	1,200.01
At Amortised Cost		
	<b>1,200.01</b>	<b>1,200.01</b>

### Compulsorily Convertible Preference Shares (CCPS) :

CCPS carry cumulative dividend @0.001% p.a.

The CCPS so issued are convertible on the occurrence of the earlier of the two events, namely:

- (i) at the option of the holder
- (ii) on the occurrence of the mandatory conversion event

Optional Conversion : Each CCPS shall be convertible at the option of the holder thereof, at any time by a written notice into such number of Equity Shares, calculated in such manner as mentioned in the Shareholders agreement.

Mandatory Conversion : All of the CCPS shall mandatorily be converted in such manner and into such number of fully paid Equity Shares as mentioned in the agreement, upon the occurrence of listing of the entity.

In the event of liquidation before conversion of CCPS, the holders of the CCPS should be eligible for such claim, calculated in such manner as mentioned in the CCPS agreement.

## NOTE: 14 LEASE LIABILITY - NON - CURRENT

(₹ in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Lease Liability	-	442.31
	<b>-</b>	<b>442.31</b>

## NOTE: 15 PROVISIONS- NON - CURRENT

(₹ in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Employee Benefit		
Provision for Gratuity (Refer Note 33)	42.68	57.70
	<b>42.68</b>	<b>57.70</b>

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 16 BORROWINGS- CURRENT

(₹ in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Unsecured</b>		
Loan from Related Parties	2,300.00	10,600.00
Bank Overdraft	58.11	688.65
	<b>2,358.11</b>	<b>11,288.65</b>

Note :Borrowings -Loan From Related Parties are repayable after 12 months or on call , the interest details as follows.

Particulars	Inter Corporate Deposit (ICD)	Interest Rate
Aditya Birla Money Mart Limited	2,300.00	8.75%

## NOTE: 16A LEASE LIABILITY - CURRENT

(₹ in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Lease Liability	-	35.16
	<b>-</b>	<b>35.16</b>

## NOTE: 17 TRADE PAYABLES

(₹ in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>TRADE PAYABLES</b>		
- Micro enterprises and small enterprises	93.14	21.62
- Creditors other than micro enterprises and small enterprises	127.05	289.11
	<b>220.19</b>	<b>310.73</b>

### Break up of Trade Payables

(₹ in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Payables to others	220.19	310.73
Payables to related parties	-	-
	<b>220.19</b>	<b>310.73</b>

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31<sup>st</sup> March, 2023, and no interest payment made during the year to any Micro and Small Enterprises. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

(₹ in Lakh)			
Particulars	As at		As at
	31st March, 2023	31st March, 2022	31st March, 2022
a) (i) Principal amount remaining unpaid to supplier under MSMED Act	93.14		21.62
(ii) Interest on (a) (i) above	-		-
b) (i) Amount of principal paid beyond the appointed date (as per section 16)	-		-
(ii) Amount of interest paid beyond the appointed date (as per section 16)	-		-
c) Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under section 16 of the MSMED Act	-		-
d) Amount of interest accrued and due	-		-
e) Amount of further interest remaining due and payable even in succeeding years	-		-

## NOTE: 18 OTHER FINANCIAL LIABILITIES

(₹ in Lakh)			
Particulars	As at		As at
	31st March, 2023	31st March, 2022	31st March, 2022
Payable for Employee Benefits	171.49		178.63
Provision for Expenses	35.96		85.64
Reimbursement of Payables to Related Party	-		-
Payables for capital expenditure	5.12		7.09
	<b>212.57</b>		<b>271.36</b>

## NOTE: 19 OTHER CURRENT LIABILITIES

(₹ in Lakh)			
Particulars	As at		As at
	31st March, 2023	31st March, 2022	31st March, 2022
Advance Income	41.24		36.52
Statutory Dues	40.88		56.71
	<b>82.12</b>		<b>93.23</b>

## NOTE: 20 PROVISIONS- CURRENT

(₹ in Lakh)			
Particulars	As at		As at
	31st March, 2023	31st March, 2022	31st March, 2022
<b>Provision for Employee Benefit</b>			
Provision for Gratuity (Refer Note 33)	5.54		9.95
Provision for Leave Encashment (Refer Note 33)	31.83		39.98
	<b>37.37</b>		<b>49.93</b>

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 21 REVENUE FROM OPERATIONS

(₹ in Lakh)

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
IT Development Fees	2,084.72	2,112.91
	<b>2,084.72</b>	<b>2,112.91</b>

## NOTE: 22 OTHER INCOME

(₹ in Lakh)

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Notional Income on Security deposit	4.94	2.44
Excess GST Provision Written Back	7.01	11.00
Interest on Income Tax Refund	11.73	1.80
Recovery of Expense-Other Income	10.38	-
Interest Income on -Alternate Investment Fund	187.94	121.80
Short Term Capital Gain on AIF Investment	158.74	0.43
Profit on Sale on AB Special Situation Fund I (Net)	568.32	-
Other Income	1.43	-
	<b>950.49</b>	<b>137.47</b>

## NOTE: 23 EMPLOYEE BENEFITS EXPENSES

(₹ in Lakh)

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Salaries and Wages	897.53	965.53
Contribution to Provident and Other Funds	27.72	27.90
Stock Appreciation Rights -SARs	2.87	(1.95)
Employee Stock Option Cost	19.01	-
Staff Welfare Expenses	40.96	19.83
	<b>988.09</b>	<b>1,011.31</b>

## NOTE: 24 FINANCE COST

(₹ in Lakh)

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Interest on Bank Overdraft	32.17	2.08
Interest on ICD	802.15	205.58
Interest Expense on Property Lease Liability	31.47	39.82
	<b>865.79</b>	<b>247.48</b>

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 25 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakh)

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Depreciation of Property,Plant & Equipment and Intangible Assets	26.57	14.39
Depreciation on Property Lease Assets	48.38	57.70
	<b>74.95</b>	<b>72.09</b>

## NOTE: 26 OTHER EXPENSES

(₹ in Lakh)

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Support Charges - Software / License	963.26	760.95
Rent	(35.66)	39.56
Repairs & Maintenance : Others	1.50	1.86
Repairs & Maintenance	6.33	1.51
Rates and Taxes	4.31	0.97
Legal and Professional Expenses	10.76	13.32
Audit Fees and Expenses (Refer Note 26A)	18.11	19.06
Staff recruitment expenses	3.40	0.77
License Expenses	49.93	10.89
Outsource Manpower Expenses	3.98	3.33
Insurance	2.35	2.13
Housekeeping and Security	13.11	11.47
Printing and Stationery	0.85	0.21
Travelling & Conveyance	24.53	8.20
Communication Expenses	8.98	0.29
Electricity Charges	15.76	13.88
Bank Charges	0.01	0.05
Miscellaneous Expenses	2.26	3.75
Tangible Asset Written Off	0.38	-
Loss on Redemption of Investment (AIF)	-	6.61
Short Term Capital Gain on AIF Investment	-	-
MTM of investments measured at FVTPL	-	186.43
	<b>1,094.15</b>	<b>1,085.24</b>

## NOTE: 26A PAYMENT TO AUDITORS

(₹ in Lakh)

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Auditor	16.50	16.50
For taxation matters	1.00	1.00
For other services	-	1.00
For reimbursement of expenses	0.61	0.56
<b>Total Payment to Auditors</b>	<b>18.11</b>	<b>19.06</b>

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 27 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### (i) Defined Benefit Plans (Gratuity Benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### (ii) Property, Plant And Equipment

Estimation of useful life of Property, plant and equipments - Refer Note no. 2.1 (c) & (d) .

## NOTE: 28 LEASES

The Company has taken certain office premises on cancellable and non cancellable operating lease.

### Following are the changes in the carrying value of Right of Use Assets for the year ended 31<sup>st</sup> March, 2023:

Particulars	Category of ROU Asset Leasehold Premises * (₹ in Lakh)
<b>Gross Carrying Value</b>	
<b>Balance as at 1<sup>st</sup> April, 2021</b>	650.98
Add : Deferred Rent Lease exp	-
Additions :	-
Deletions :	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>650.98</b>
Additions :	-
Deletions :	650.98
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>-</b>
<b>Accumulated Amortisation</b>	
<b>As at 1<sup>st</sup> April, 2021</b>	150.46
Add : Deferred Rent Lease exp	3.29
Additions :	54.42
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>208.17</b>
Add : Deferred Rent Lease exp	2.76
Additions :	45.62
Deletions :	256.55
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>-</b>
<b>Net Carrying Value as at 31<sup>st</sup> March, 2022</b>	<b>442.81</b>
<b>Net Carrying Value as at 31<sup>st</sup> March, 2023</b>	<b>-</b>

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## Amounts Recognised in Profit and Loss:

Particulars	(₹ in Lakh)	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Depreciation expense on Right-of-Use Assets	48.38	57.70
Interest Expense on Property Lease Liabilities	31.47	39.82

## The following is the break-up of Current and Non-Current Lease Liabilities as at 31<sup>st</sup> March, 2023:

Particulars	(₹ in Lakh)	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Current Lease Liabilities	-	35.16
Non-Current Lease Liabilities	-	442.31
<b>Total</b>	<b>-</b>	<b>477.47</b>

## The following is the movement in Lease Liabilities during the year ended 31<sup>st</sup> March, 2023:

Particulars	(₹ in Lakh)	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Opening Balance</b>	<b>477.47</b>	<b>506.65</b>
Additions	-	-
Deletions	(449.71)	-
Finance Cost accrued during the period	31.47	39.82
Payment of Lease Liabilities	(59.23)	(69.00)
<b>Closing Balance</b>	<b>-</b>	<b>477.47</b>

## The table below provides details regarding the contractual maturities of Lease Liabilities as at 31<sup>st</sup> March, 2023 on an undiscounted basis:

Particulars	(₹ in Lakh)	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Less than one year	-	72.45
One to Five years	-	333.27
More than Five years	-	243.34
<b>Total</b>	<b>-</b>	<b>649.06</b>

The group does not face a significant liquidity risk with regard to its Lease Liabilities as the current assets are sufficient to meet the obligations related to Lease Liabilities as and when they fall due.

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 29 THE BREAKUP OF NET DEFERRED TAX ASSET ARISING ON ACCOUNT OF FOLLOWING TIMING DIFFERENCES IS AS UNDER:

(₹ in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Deferred Tax Liability</b>		
Depreciation / Amortisation	-	-
<b>Gross Deferred Tax Liability</b>	-	-
<b>Deferred Tax Asset</b>		
Depreciation / Amortisation	6.22	4.44
Unabsorbed Depreciation and Carry forward losses	893.16	1,075.18
Provision For Doubtful Debts/Gratuity/Leave Encashment/Service Liability	20.81	27.98
Gross Deferred Tax Assets	920.19	1,107.60
<b>Deferred Tax Asset/(Liability) (net)</b>	<b>920.19</b>	<b>1,107.60</b>

Deferred tax asset has been created only to the extent of Deferred tax liability in the absence of Reasonable certainty. Company does not have any taxable income and there is no provision for tax in books of accounts.

## NOTE: 30 EARNINGS PER SHARE (EPS) IS CALCULATED AS UNDER:

(₹ in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Basic :</b>		
Loss as per Statement of Profit and Loss :	12.23	(165.74)
Weighted Average number of Outstanding Equity Shares for Basic EPS : -	18.00	18.00
Basic EPS	0.68	(9.21)
<b>Diluted:</b>		
Net loss as per Statement of Profit and Loss	12.23	(165.74)
Net Loss considered for diluted EPS calculation (a)	12.23	(165.74)
Weighted average number of equity shares considered in calculating diluted earnings per share (b) (Refer Note Below)	31.50	31.50
Diluted EPS - (a) / (b)	0.39	(5.26)
Diluted earnings per share [Since Diluted EPS (a) / (b) is anti dilutive, effect of the same has not been considered while calculating diluted earnings per share. Thus basic earnings per share are considered to be diluted earnings per share].	0.39	(9.21)

## NOTE: 31 FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

There were no Foreign Exchange earnings during the current year as well as during the previous year . However, the Foreign Exchange expenditure was (₹ in Lakh) Nil in comparison with (₹ in Lakh) Nil in the previous year.

## NOTE: 32 SEGMENTAL REPORTING

Operating business segment results are reviewed regularly by the Company's Chief Operating Decision Maker (Board of Directors) to make decisions about resources to be allocated to the segments and assess their performance. Business segment is the primary segment comprising of ' Software Technology Development '. As the Company operates only in a single business segment and all other activities revolve around its principal business, no segment information thereof is given as required under Ind AS 108.

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 33 RETIREMENT BENEFITS (UNFUNDED) :

Disclosure in respect of Employee Benefits pursuant to Ind AS -19. The Company has classified the various benefits provided to employees as under :

### Defined Contribution Plan :

The Company has recognized the following amounts as expenses and included in Note 23 in “Contribution to Provident and Other Funds”-

Particulars	₹ in Lakhs	
	31st March, 2023	31st March, 2022
Employer's Contribution to Government Employee Provident Fund	23.25	22.01
Employer's Contribution to Government Employee Pension Fund	4.47	5.89

### Defined Benefit Plan :

#### Gratuity Plan :

The Company operates Defined Benefit Plan, viz., Gratuity for its employees. Under the Gratuity Plan, every employee who has completed atleast five years of service gets a Gratuity on departure @ 15 days of last drawn salary for each completed year of service. The Scheme is non-funded.

The following tables summarise the components of net benefit expense recognised in Statement of Profit and Loss and the funded status and the amounts recognised in the Balance Sheet for the respective plans:-

### Balance Sheet

#### Benefit Asset /Liability

Particulars	₹ in Lakhs	
	Gratuity	
	31st March, 2023	31st March, 2022
Present Value of Defined Benefit Obligation	48.22	67.65
Fair Value of Plan Assets	-	-
<b>Plan (Asset) / Liability</b>	<b>48.22</b>	<b>67.65</b>

### Statement of Profit and Loss

#### Net Employee Benefit Expense recognized in the Employee Cost

Particulars	₹ in Lakhs	
	Gratuity	
	31st March, 2023	31st March, 2022
Current Service Cost	8.26	9.98
Interest cost on obligation	4.12	3.42
Net Actuarial (Gain) / Loss recognised	-	-
<b>Expense recognised in Statement of Profit and Loss</b>	<b>12.38</b>	<b>13.40</b>

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## Amount recognised in Other Comprehensive Income (OCI) for the year

₹ in Lakhs

Particulars	Gratuity	
	31st March, 2023	31st March, 2022
Experience Adjustment	19.76	3.08
Demographic Assumptions	-	-
Financial Assumption	(4.20)	(2.01)
<b>Closing amount recognised in OCI outside Profit and Loss account</b>	<b>15.56</b>	<b>1.07</b>

## Changes in the present value of the Defined Benefits Obligation are as follows :

₹ in Lakhs

Particulars	Gratuity	
	31st March, 2023	31st March, 2022
Opening Defined Benefit Obligation	67.65	60.06
Liability in respect of Employees transferred	-	-
Current Service Cost	8.26	9.98
Interest Cost	4.12	3.42
Benefits paid	(47.38)	(6.87)
Actuarial (Gains) / Losses on obligation	15.57	1.06
<b>Closing Defined Benefit Obligation</b>	<b>48.22</b>	<b>67.65</b>

## A quantitative sensitive analysis for significant assumptions as on 31st March, 2023 is as shown below:

(₹ in Lakh)

Assumptions	31st March, 2023		31st March, 2023	
	Discount rate		Salary Growth	
Sensitivity Level	0.50 % Increase	0.50% Decrease	0.50 % Increase	0.50% Decrease
Impact of defined benefit obligation	46.63	49.90	49.90	46.62

(₹ in Lakh)

Assumptions	31st March, 2023		31st March, 2023	
	Attrition rate		Mortality rate	
Sensitivity Level	50 % Increase	50% Decrease	10 % Increase	10% Decrease
Impact of defined benefit obligation	44.77	55.25	48.28	48.16

## A quantitative sensitive analysis for significant assumptions as on 31st March, 2022 is as shown below:

(₹ in Lakh)

Assumptions	31st March, 2022		31st March, 2022	
	Discount rate		Salary Growth	
Sensitivity Level	0.50 % Increase	0.50% Decrease	0.50 % Increase	0.50% Decrease
Impact of defined benefit obligation	65.27	70.19	70.16	65.27

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakh)

Assumptions	31st March, 2022		31st March, 2022	
	Attrition rate		Mortality rate	
Sensitivity Level	50 % Increase	50% Decrease	10 % Increase	10% Decrease
Impact of defined benefit obligation	61.31	82.54	67.71	67.59

The principal assumptions used in determining Gratuity and Leave Encashment obligations for the Company's Plans are shown below:

Assumptions	31st March, 2023	31st March, 2022
Discount Rate	7.30%	6.10%
Salary Growth	7.00%	7.00%
Mortality Rate (% of IALM 12-14)	100%	100%
<b>Attrition / Withdrawal Rates, based on age: (Per Annum) :</b>		
Up to 30 years	30%	30%
31 - 44 years	20%	20%
Above 44 years	10%	10%

Disability :- Leaving service due to disability is included in the provision made for all causes of Leaving service (as above)

The estimates of future Salary increase, considered in Actuarial Valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

## Leave Encashment :

Leave Encashment / Sick Leave are entitled to be carried forward for future encashment or availment, at the option of the employee during the tenure of the employment.

The Net Provision for unfunded Leave Encashment/ Sick Leave Liability upto March 2023 is (₹ in Lakh) 31.83 /- (Previous year (₹ in Lakh) 39.98 /-)

## NOTE: 34 EMPLOYEE STOCK OPTION PLAN :

Pursuant to ESOP Plan being established by the Holding Company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company. Total cost incurred by the Holding Company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of (₹ in Lakh) 19.01 /- has been recovered from the Company during the year (Previous year Nil (₹ in Lakh), which has been charged to the Statement of Profit and Loss.

Under Aditya Birla Capital Stock Appreciation Rights (SARs) Rights Scheme 2019, The ABCL has approved grant RSU Stock Appreciation Rights (SARs) and Options SARs to the employees of Aditya Birla Capital Technology Services Limited. ABCL have carried out the valuation of SARs through independent valuer and on the basis of the Company has taken the SARs provision as on 31<sup>st</sup> March, 2023 (Cumulative expense) of (₹ in Lakh) ₹ 6.50/- .

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 35

The Company has accumulated losses of (₹ in Lakh) 4,555.01/- (Previous year (₹ in Lakh) 4,551.67 /-) as at the Balance Sheet date, resulting in a complete erosion of Company's Net Worth. However, the Company has been able to meet its obligations in the ordinary course of business by establishing future profitable operations and considering the financial support received and also the Letter of Support received from Aditya Birla Capital Limited (Holding Company) these financial statements have been prepared assuming that the Company will continue as a going concern.

## NOTE: 36 THERE ARE NO CONTINGENT LIABILITIES AS AT 31ST MARCH, 2023 (PREVIOUS YEAR: NIL).

The Company's pending Litigations comprise of claims against the Company with proceedings pending with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the Contingent Liabilities where applicable, in its Financial Statements . The Company does not expect the outcome of these proceedings to have a material adverse effect on its Financial results at 31<sup>st</sup> March, 2023.

## NOTE: 37

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) (₹ in Lakh) Nil (Previous year (₹ in Lakh) 15.58/-)

## NOTE: 38 FAIR VALUES

(₹ in Lakh)

	Carrying Value		Fair Value	
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
<b>Financial Assets</b>				
Security Deposits	-	30.08	-	32.90
Investments	-	8,623.84	-	8,623.84
<b>Total</b>	<b>-</b>	<b>8,653.92</b>	<b>-</b>	<b>8,656.74</b>

(₹ in Lakh)

	Carrying Value		Fair Value	
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
<b>Financial Liabilities</b>				
<b>Borrowings</b>				
Compulsory Convertible Preference Shares	1,200.01	1,200.01	1,200.01	1,200.01
<b>Total</b>	<b>1,200.01</b>	<b>1,200.01</b>	<b>1,200.01</b>	<b>1,200.01</b>

The management assessed that other Assets and Liabilities other than those disclosed above approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the Financial Assets and Liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 39 FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities which are measured in Fair value. Quantitative disclosures fair value measurement hierarchy for assets as at 31<sup>st</sup> March, 2023.

(₹ in Lakh)

Particulars	Date of Valuation	Fair Value Measurement Using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets/Liability Measured As Fair Value as at 31<sup>st</sup> March, 2022:-</b>					
Security Deposits	31-Mar-22	32.90	-	-	32.90
Investments	31-Mar-22	8,623.84	-	8,623.84	-
Compulsory Convertible Preference Shares	31-Mar-22	1,200.01	-	-	1,200.01
<b>Assets/Liability Measured As Fair Value as at 31<sup>st</sup> March, 2023:-</b>					
Security Deposits	31-Mar-23	-	-	-	-
Investments	31-Mar-23	-	-	-	-
Compulsory Convertible Preference Shares	31-Mar-23	1,200.01	-	-	1,200.01

## NOTE: 40 RELATED PARTY TRANSACTION :

During the year ended 31<sup>st</sup> March, 2023, the Company had transactions with related parties as defined in IND-AS 24 on "Related Party Disclosures". Related Parties have been identified by the management on the basis of the information available with the Company. Details of these parties with whom the Company had transactions, nature of the relationship, transactions with them and balances at year-end, are detailed in Annexure I.

## NOTE: 41 CAPITAL MANAGEMENT

For the purpose of Capital Management, Capital includes Equity share capital, Convertible Preference shares, Share Premium and all Other Equity Reserves attributable to the Equity holders of the parent. The primary objective of the Company's Capital Management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement are met through equity, operating cash flows and borrowing. No changes were made in the objectives, policies or processes for managing capital during the years ended 31<sup>st</sup> March, 2023.

## Interest Rate Risk :

Interest rate risk is the risk that the fair value or future cash flows of a Financial Instrument will fluctuate because of changes in market interest rates. Floating rate instruments exposes the company to cash flow interest rate risk, whereas fixed interest rate instruments expose the company to fair value interest risk. The Company has primarily invested in fixed rate borrowings. Hence the company is not significantly exposed to interest rate risk.

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lakh)

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Borrowing other than Convertible Preferences shares	2,358.11	11,288.65
Trade Payables	220.19	310.73
Other Financial Liabilities	212.57	271.36
Less: Cash and Cash Equivalents	-	-
<b>Net Debt</b>	<b>2,790.87</b>	<b>11,870.74</b>
Convertible Preferences shares	1,200.01	1,200.01
Equity	180.01	180.01
<b>Total Capital</b>	<b>1,380.02</b>	<b>1,380.02</b>
Capital and Net debt	<b>4,170.89</b>	<b>13,250.76</b>
<b>Gearing Ratio</b>	<b>67%</b>	<b>90%</b>

## NOTE: 42 RISK MANAGEMENT FRAMEWORK:-

### a. Governance framework

The primary objective of the Company's risk and financial management framework is to protect the Company's shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Key management recognises the critical importance of having efficient and effective risk management systems in place.

### b. Approach to Capital Management

The Company seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders.

The primary source of Capital used by the Company is Equity including CCPS and Short Term Borrowing.

### Available Capital Resources as at 31st March, 2023.

(₹ in Lakh)

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Compulsory Convertible Preference Shares	1,200.01	1,200.01
Total Equity	(3,742.91)	(3,739.57)
Borrowings	2,358.11	11,288.65
<b>Total Capital</b>	<b>(184.79)</b>	<b>8,749.09</b>

## Financial Risks :

### 1. Liquidity Risk :

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with Financial Liabilities that are settled by delivering cash or another Financial Asset.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, preference shares. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company manages its Liquidity Risk through temporary funding from its ultimate holding company and availing bank overdraft as and when require.

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

The table below summarises the Maturity Profile of the Company's Financial Liabilities based on contractual undiscounted payments and relied by Auditors:

(₹ in Lakh)

Year ended 31st March, 2023	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings (other than Convertible Preference Shares)	2,358.11	-	-	-	-	2,358.11
Convertible Preference Shares	-	-	-	1,200.01	-	1,200.01
Lease Liabilities	-	-	-	-	-	-
Other Financial Liabilities	-	37.03	175.55	-	-	212.58
Trade and Other Payables	-	220.19	-	-	-	220.19
	<b>2,358.11</b>	<b>257.22</b>	<b>175.55</b>	<b>1,200.01</b>	<b>-</b>	<b>3,990.89</b>

(₹ in Lakh)

Year ended 31st March, 2022	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings (other than convertible preference shares)	11,288.65	-	-	-	-	11,288.65
Convertible Preference Shares	-	-	-	1,200.01	-	1,200.01
Lease Liabilities	-	7.70	27.46	222.91	219.40	477.47
Other Financial Liabilities	-	93.29	178.48	-	-	271.77
Trade and Other Payables	-	310.73	-	-	-	310.73
	<b>11,288.65</b>	<b>411.72</b>	<b>205.94</b>	<b>1,422.92</b>	<b>219.40</b>	<b>13,548.63</b>

The table below summarises the Maturity Profile of the Company's Financial Assets based on contractual undiscounted payments and relied by Auditors:

₹ in Lakhs

Year ended 31st March, 2023	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Loans	-	-	-	-	-	-
Trade Receivables	-	97.67	-	-	-	97.67
Investments	-	-	-	-	-	-
Other Financial Assets	-	-	-	0.90	-	0.90
	<b>-</b>	<b>97.67</b>	<b>-</b>	<b>0.90</b>	<b>-</b>	<b>98.57</b>

₹ in Lakhs

Year ended 31st March, 2022	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Loans	-	-	-	-	-	-
Trade Receivables	-	564.88	-	-	-	564.88
Cash and Cash Equivalents	-	-	-	-	-	-
Investments	-	-	-	8,623.84	-	8,623.84
Other Financial Assets	-	-	-	0.90	30.08	30.98
	<b>-</b>	<b>564.88</b>	<b>-</b>	<b>8,624.74</b>	<b>30.08</b>	<b>9,219.70</b>

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## 2. Operational Risks :-

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Company cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environment, technology and the industry are monitored through the Company's strategic planning and budgeting process. Internal control deficiency are reviewed by management and audit committee on periodic basis.

## 3. Credit Risks

Credit risk is the risk that counterparty will not meet its obligations under a Financial Instrument or customer contract, leading to a financial loss. The Company is exposed to Credit Risk from its operating activities (Primarily Trade Receivables).

### Movement of Impairment Allowance :-

(₹ in Lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Trade Receivables	97.67
Provision made	-	-
% of Provision over Trade Receivables	0%	0%

### As at 31<sup>st</sup> March, 2023:-

(₹ in Lakh)

Particulars	Neither Past due not impaired	Past due not impaired					Total
		0 - 30 Days	30 - 60 Days	60 - 90 Days	90 - 120 Days	More Than 120 Days	
Trade Receivables	-	79.25	7.45	-	10.97	-	97.67
Loans and Other Financial Assets	0.90	-	-	-	-	-	0.90
<b>Closing Balance</b>	<b>0.90</b>	<b>79.25</b>	<b>7.45</b>	<b>-</b>	<b>10.97</b>	<b>-</b>	<b>98.57</b>

### As at 31<sup>st</sup> March, 2022 :-

(₹ in Lakh)

Particulars	Neither Past due not impaired	Past due not impaired					Total
		0 - 30 Days	30 - 60 Days	60 - 90 Days	90 - 120 Days	More Than 120 Days	
Trade Receivables	-	491.04	61.24	-	-	12.60	564.88
Loans and Other Financial Assets	30.98	-	-	-	-	-	30.98
<b>Closing Balance</b>	<b>30.98</b>	<b>491.04</b>	<b>61.24</b>	<b>-</b>	<b>-</b>	<b>12.60</b>	<b>595.86</b>

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## **NOTE: 43 UNDISCLOSED INCOME:**

The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of accounts, in the tax assessments under the Income Tax Act, 1961 as income during the year.

## **NOTE: 44 TRANSACTIONS WITH STRUCK-OFF COMPANIES**

The Company has not entered into any transactions with struck-off companies during the year ended 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## **NOTE: 45**

No Loans or Advances are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person

## **NOTE: 46 NO TRANSACTIONS TO REPORT AGAINST THE FOLLOWING DISCLOSURE :**

- (a) Revaluation of Property, plant and equipment (including Right to Use).
- (b) Revaluation of Intangible assets
- (c) Crypto Currency or Virtual Currency
- (d) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- (e) Registration of charges or satisfaction with Registrar of Companies
- (f) Scheme of Arrangement
- (g) Relating to borrowed funds:
  - i. Wilful defaulter
  - ii. Utilisation of borrowed funds & share premium
  - iii. Borrowings obtained on the basis of security of current assets
  - iv. Discrepancy in utilisation of borrowings
- (h) Corporate Social Responsibility

## **NOTE: 47 THE FOLLOWING DISCLOSURES ARE NOT APPLICABLE :**

- (a) Since the Company does not have any Immovable property, reporting on the Title deeds of immovable properties is not applicable
- (b) Since the Company does not have Investment property, Valuation of Investment property is not applicable
- (c) Since the Company does not have any subsidiary, the provision of Section 2 (87) of the act, read with Companies (Restriction on number of layer) Rules 2017, is not applicable to the company.

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

## NOTE: 48 BUSINESS RATIOS:

Sr No.	Particulars	Numerator / Denominator	31st March, 2023 (₹ in Lakhs)	Current Year Ratio	31st March, 2022 (₹ in Lakhs)	Previous Year Ratio	Change in %	Remarks for variation of more than 25%
1	Current Ratio (In times)	Total Current Assets	178.39	0.06	632.25	0.05	20%	In current year the decreased in Liabilities due to ICD paid 8,300 and also the Bank overdraft ₹ 630.54 last year collection received from Debtors therefore current assets also decreased .
		Total Current Liabilities	2,910.36		12,049.06			
2	Debt-Equity Ratio (In times)	Total Debt	3,558.12	(0.95)	12,488.66	(3.34)	-72%	During the year the Debt has decreased by approx. ₹ 8,930.54 (ICD ₹ 8,300 and Bank Overdraft ₹630.54) as compared to rise in Equity of only ₹ 3.32 leading to decreased in the Debt Equity ratio
		Shareholder's Equity	(3,742.91)		(3,739.57)			
3	Debt Service Coverage Ratio (In times)	Earning available for Debt Service	952.97	0.22	153.83	0.01	1683%	The company has income by way of Operation income and which has decreased during the year by ₹ 28.19. but the Company has earned the interest and sale of AIF investment ₹ 792.77 and other ₹ 20.25 in addition ICD repaid 8,300 and Bank Overdraft also paid ₹ 630.54 therefore borrowing has reduced. The variance is directly attributable to the delta change in income.
		Debt Service	4,423.91		12,736.14			
4	Return on Equity Ratio (In %)	Net Profits after taxes	12.23	0.00%	(165.74)	5.00%	-100%	The increase in income from Other income to sold the all units of AIF Investments during the year has directly lead to the said variance.
		Average Shareholder's Equity	(3,741.24)		(3,656.18)			
5	Net capital turnover Ratio (In times)	Revenue from Operations	2,084.72	(0.76)	2,112.91	(0.19)	300%	As the Company has reduced the operating income during the year by ₹ 28.19, . In addition Assets and Liability decreased due to last year debtors out standing has cleared during the year amount of ₹ 467.21 and repaid ICD / Bank Overdraft amount of ₹ 8,930.54 The variance is directly attributable to the delta change in Assets and Liability.
		Working Capital	(2,731.97)		(11,416.81)			
6	Net profit Ratio (In %)	Net Profit	12.23	1.00%	(165.74)	-8.00%	-113%	As the Company has earned Other income (sold the AIF Investment) during the year by ₹ 177.98,. The variance is directly attributable to the delta change in Other income.
		Turnover	2,084.72		2,112.91			
7	Return on capital employed (In %)	Earning Before Interest & Tax	878.02	23.00%	81.74	1.00%	2200%	During the year borrowings have decreased by 8,930.54 due to sold AIF Investment and repaid the ICD and Bank Overdraft. and also profit has increased by ₹ 796.28 contributing to an overall increase of 220%
		Capital Employed	3,738.13		12,668.67			

# Notes to financial statements

for the year ended 31<sup>st</sup> March, 2023

Sr No.	Particulars	Numerator / Denominator	31st March, 2023 (₹ in Lakhs)	Current Year Ratio	31st March, 2022 (₹ in Lakhs)	Previous Year Ratio	Change in %	Remarks for variation of more than 25%
8	Return on investment (In %)	Income Generated from invested Fund Investment	915.00 -	0.00%	(70.81) 8,623.84	-1.00%	100%	During the year company has sold all units-75,01,767.35 of AIF Investment and earned the income of ₹ 915.00 as a result there was overall increase the income and reduced the investments.
9	Trade receivables turnover ratio (In times)	Revenue from Operations Average Trade Receivable	2,084.72 331.28	6.29	2,112.91 471.02	4.49	40%	As the Company has decreased the operating income during the year by ₹ 28.19 and also the Average trade receivable decreased in current year due to the company has Collected most of last year's outstanding receivables and also the current year , The variance is directly attributable to the delta change in trade receivable.
10	Trade payable turnover ratio (In times)	Cost of equipment and software license +Other expenses Average Trade Payable	1,094.15 265.46	4.12	1,085.24 217.82	4.98	-17%	During the year the purchased of operating cost increased due to new application and project developed therefore increased trade payable turnover ratio.

## NOTE: 49

The Company has reclassified previous year's figures to confirm to current year's classification. Audited figures for Financial Year 2021-2022 as per Ind AS have been regrouped to be in line with amounts/ disclosures for the Financial Year 2022-2023.

As per our Report of even date attached

For **Haribhakti & Co. LLP**  
Chartered Accountants  
Firm's Registration no. 103523W / W100048

Sd/-  
**Sumant Sakhardande**  
Partner  
Membership No. 034828

For and on behalf of the Board of Directors of  
**Aditya Birla Capital Technology Services Limited**

Sd/-  
**Mukesh Malik**  
Director  
DIN : 02125091

Sd/-  
**Pinky Mehta**  
Director  
DIN : 00020429

Place : Mumbai  
Date : 26<sup>th</sup> April 2023

# Annexure - I

## NOTE: DISCLOSURE IN RESPECT OF RELATED PARTY PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 24:

### a. List of Related Parties:

#### A Ultimate Holding Company:-

Grasim Industries Limited

#### B Holding Company:-

Aditya Birla Capital Limited

#### C Key Management Personnel

Prajakta Vasaikar - Company Secretary

#### D Associate of Ultimate Holding Company

Aditya Birla Idea Payment Bank Limited

#### E Joint Venture Company

Aditya Birla Sunlife AMC Limited

Aditya Birla Wellness Private Limited

#### F Other related parties with whom the Company has entered into transactions during the year :

Fellow Subsidiaries:-

Aditya Birla Finance Limited

Aditya Birla Housing Finance Limited

Aditya Birla Money Limited

Aditya Birla Insurance Broker Limited

Aditya Birla Sun Life Insurance Company Limited

Aditya Birla Financial Shared Services Limited

Aditya Birla Health Insurance Company Limited

Aditya Birla Money Mart Limited

Aditya Birla Special Situations Fund I

## Annexure - I (Contd.)

### STATEMENT OF RELATED PARTY TRANSACTIONS FOR THE YEAR ENDED AS ON MARCH 31, 2023

The following inter - company transactions and balance with holding companies, ultimate holding company and fellow subsidiaries are included in the below figures under respective heads:-

Figures of the previous periods have been regrouped/ rearranged wherever necessary.

		(₹ in Lakh)	
Sr. No.	Particular	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>1</b>	<b>Income</b>		
	Aditya Birla Finance Limited - Business Support Income (IT Development - Mumbai) (Excl. of GST ₹ 40.20/-)	222.40	192.26
	Aditya Birla Finance Limited - Software Development Income (IT Development - Chennai) (Excl. of GST ₹ 5.51 /-)	30.66	110.99
	Aditya Birla Money Limited - Business Support Income (IT Development - Mumbai) (Excl. of GST ₹ 4.50 /-)	25.03	28.34
	Aditya Birla Capital Limited - Business Support Income (IT Development - Mumbai) (Excl. of GST ₹ 30.66 /-)	170.32	81.98
	Aditya Birla Capital Limited - Software Development Income (IT Development - Chennai) (Excl. of GST ₹ 1.27/-)	-	7.04
	Aditya Birla Sun Life AMC Limited - Business Support Income (IT Development - Mumbai) (Excl. of GST ₹ 29.67 /-)	163.91	200.16
	Aditya Birla Sun Life AMC Limited - Software Development Income (IT Development - Chennai) (Excl. of GST ₹ 9.83 /-)	54.59	77.15
	Aditya Birla Financial Shared Services Limited - Software Development Income (IT Development - Chennai) (Excl. of GST ₹ 67.77 /-)	365.50	481.25
	Aditya Birla Financial Shared Services Limited - Software Development Income (IT Development - Mumbai) (Excl. of GST ₹ 3.44 /-)	-	17.41
	Aditya Birla Insurance Brokers Limited - Business Support Income (IT Development - Mumbai) (Excl. of GST ₹ 9.07 /-)	49.94	44.07
	Aditya Birla Insurance Brokers Limited - Software Development Income (IT Development - Chennai) (Excl. of GST ₹ 0.30 /-)	-	1.67
	Aditya Birla Health Insurance Limited - Business Support Income (IT Development - Mumbai) (Excl. of GST ₹ 25.51 /-)	141.24	86.20
	Aditya Birla Health Insurance Limited - Software Development Income (IT Development - Chennai) (Excl. of GST ₹ 5.40 /-)	30.00	-
	Aditya Birla Housing Finance Limited - Business Support Income (IT Development - Mumbai) (Excl. of GST ₹ 33.58 /-)	186.48	95.79
	Aditya Birla Housing Finance Limited - Software Development Income (IT Development - Chennai) (Excl. of GST ₹ 3.20 /-)	17.75	16.81
	Aditya Birla Sun Life Insurance Company Limited - Business Support Income (IT Development - Mumbai) (Excl. of GST ₹ 68.63/-)	379.38	475.97
	Aditya Birla Sun Life Insurance Company Limited - Software Development Income (IT Development - Chennai) (Excl. of GST ₹ 34.11 /-)	189.50	185.54
	Aditya Birla Special Situations Fund I - Other Income (Interest Income)	187.94	121.80

**Annexure - I (Contd.)**

(₹ in Lakh)

Sr. No.	Particular	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>2</b>	<b>Recovery of Expense</b>		
	Aditya Birla Money Limited - Recovery of expense - Office Maintenance Security (Excl. GST of ₹ 42,027/-)		
	Aditya Birla Housing Finance Limited - Recovery of Expense - Transfer of Employee (Gratuity / Leave Encashment)	12.27	-
	Aditya Birla Finance Limited - Recovery of expense - Electricity Sharing office premises	-	-
	Aditya Birla Finance Limited - Recovery of expense - Other	8.29	5.70
	Aditya Birla Money Limited - Recovery of Expense - Other (Excl. of GST ₹ 1.69 /-)	10.38	-
	Aditya Birla Finance Limited - Sale of Assets -Recovery (Excl. of GST ₹ 0.74)	-	4.11
	Aditya Birla Sun Life Insurance Company Limited - Employee Transfer (Vehicle) - Recovery	-	7.44
	Aditya Birla Sun Life Insurance Company Limited - Employee transfer (Laptop Transfer) - Receivable (Excluding of GST ₹ 0.20/-)	1.10	-
	Aditya Birla Sun Life AMC Limited - Employee transfer (Laptop Transfer) - Receivable (Excluding of GST ₹ 0.54/-)	3.01	-
<b>3</b>	<b>Expenses</b>		
	Aditya Birla Capital Limited - Interest on ICD	664.59	76.79
	Aditya Birla Insurance Brokers Limited - Interest on ICD	133.15	128.78
	Aditya Birla Money Mart Limited - Interest on ICD	4.41	-
	Aditya Birla Wellness Private Limited - Multiply Product Expenses (Excl. GST of ₹ 0.03 /-)	0.18	0.00
	<b>- Reimbursement of Expenses</b>		
	Aditya Birla Financial Shared Services Limited -Other & Prepaid- (Other payment - Support Charges - Software/License Reimbursement (Excl. GST of ₹ 19.86 /-)	100.85	99.33
	Aditya Birla Financial Shared Services Limited - Employee Transfer - (Leave Encashment/ Gratuity)	64.74	-
	Aditya Birla Capital Limited - Reimbursement - Support Charges (Incl. GST)	6.63	5.24
	Aditya Birla Health Insurance Limited - Employee Transfer - Gratuity / Leave Encashment	3.49	1.53
	Aditya Birla Sun Life Insurance Company Limited - Reimbursement of Expense - Transfer of Employee (Gratuity / Leave Encashment)	3.77	3.62
	Aditya Birla Finance Limited - Employee Transfer - Gratuity / Leave Encashment	2.93	2.30
	Aditya Birla Capital Limited - Reimbursement - ESOP Expense	19.01	-
	Aditya Birla Capital Limited - Reimbursement of Expense (Excluding of GST ₹ 0.28 /-)	1.40	-
	Aditya Birla Money Limited - Reimbursement of Expense	0.31	-
	Aditya Birla Sun Life AMC Limited - Employee Transfer - Gratuity / Leave Encashment /Incentive Payable	2.03	-
<b>4</b>	<b>Other Transactions</b>		
	- Issue of Inter Company Deposit by Aditya Birla Capital Limited	-	8,600.00
	- Issue of Inter Company Deposit by Aditya Birla Insurance Brokers Limited	-	500.00
	- Issue of Inter Company Deposit by Aditya Birla Money Mart Limited	2,300.00	-
	- Repayment of Inter Company Deposit to Aditya Birla Insurance Brokers Limited	(2,000.00)	-
	- Repayment of Inter Company Deposit to Aditya Birla Capital Limited	(8,600.00)	(1,100.00)
	Aditya Birla Money Mart Limited - Purchase of Aditya Birla Special Situations Fund I	-	8,750.00
	Aditya Birla Finance Limited - Sale of Aditya Birla Special Situations Fund I	(7,501.29)	-
	Aditya Birla Money Limited - Recovery of Security Deposit-Chennai (on behalf of Janani Property and Estates Pvt. Ltd. )	57.50	-

## Annexure - I (Contd.)

		(₹ in Lakh)	
Sr. No.	Particular	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>5</b>	<b>Outstanding Balances</b>		
	<b>a) Receivables</b>		
	Aditya Birla Housing Finance Limited - (Trade Receivable)	-	23.92
	Aditya Birla Finance Limited - (Trade Receivable)	13.20	100.96
	Aditya Birla Finance Limited - (Recovery of Other Receivables)	-	-
	Aditya Birla Money Limited - (Trade Receivable)	1.28	2.63
	Aditya Birla Financial Shared Services Limited - (Prepaid Expense)	0.41	0.30
	Aditya Birla Financial Shared Services Limited - (Trade Receivable)	6.42	316.22
	Aditya Birla Insurance Brokers Limited - (Trade Receivable)	2.32	3.56
	Aditya Birla Health Insurance Limited - (Trade Receivable)	7.07	7.50
	Aditya Birla Capital Limited - (Trade Receivable)	12.42	15.59
	Aditya Birla Sunlife AMC Limited - (Trade Receivable)	8.70	35.12
	Aditya Birla Sun Life Insurance Limited - (Trade Receivable)	35.29	59.37
	Aditya Birla Special Situations Fund I - (Interest Accrued but not received)	-	108.22
	<b>b) Payables</b>		
	Grasim Industries Limited - Inter Corporate Deposit - (Short Term)		
	Aditya Birla Capital Limited - Inter Corporate Deposit - (Short Term)	-	8,600.00
	Aditya Birla Insurance Brokers Limited - Inter Corporate Deposit - (Short Term)	-	2,000.00
	Aditya Birla Money Mart Limited - Inter Corporate Deposit - (Short Term)	2,300.00	-
	Aditya Birla Finance Limited - (Advance Income)	4.68	3.77
	Aditya Birla Housing Finance Limited - (Advance Income)	0.16	0.09
	Aditya Birla Health Insurance Limited - (Advance Income)	2.11	1.61
	Aditya Birla Insurance Broker Limited - (Advance Income)	1.63	1.18
	Aditya Birla Money Limited - (Advance Income)	0.22	0.24
	Aditya Birla Sunlife AMC Limited - (Advance Income)	10.44	9.49
	Aditya Birla Sunlife Insurance Limited - (Advance Income)	22.01	20.13
<b>6</b>	<b>Long-term borrowings</b>		
	Aditya Birla Capital Limited - Compulsory Convertible Preference Shares	1,200.01	1,200.01
<b>7</b>	<b>Investment</b>		
	Aditya Birla Special Situations Fund I	-	8,623.84
<b>8</b>	<b>Equity held by the Company</b>		
	Aditya Birla Capital Limited - Equity Share Capital	812.10	812.10

		(₹ in Lacs)	
Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022	
	Audited	Audited	
Salary, Allowances and Others	-	6.75	
Contribution to Provident and Other Funds	-	0.33	
Director Sitting Fees	-	-	
	-	7.08	

The Remuneration to Key Management Personnel does not include Provision for Gratuity and Leave Encashment as they are determined on an actuarial basis for the company as a whole.

**Annexure - I (Contd.)**
**Trade Payables aging schedule as at 31<sup>st</sup> March, 2023**

(₹ in Lakh)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1.85	-	93.14	-	-	-	94.99
(ii) Others	34.11	-	127.05	-	-	-	161.16
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>35.96</b>	<b>-</b>	<b>220.19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>256.15</b>

**Trade Payables aging schedule as at 31<sup>st</sup> March, 2022**

(₹ in Lakh)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	3.56	-	21.62	-	-	-	25.18
(ii) Others	82.08	-	289.11	-	-	-	371.19
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>85.64</b>	<b>-</b>	<b>310.73</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>396.37</b>

\* Unbilled amount represent provision for expenses disclosed in Note No. 18

**Trade Receivable aging schedule as at 31<sup>st</sup> March, 2023**

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	97.67	-	-	-	-	97.67
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>97.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>97.67</b>

Annexure - I (Contd.)

**Trade Receivable aging schedule as at 31<sup>st</sup> March,2022**

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	552.79	12.09	-	-	-	564.88
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>552.79</b>	<b>12.09</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>564.88</b>

**Intangible assets under development ageing Schedule as at 31<sup>st</sup> March,2023**

(₹ in Lakh)

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	-	-	-	-	-
Project temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Intangible assets under development ageing Schedule as at 31<sup>st</sup> March,2022**

(₹ in Lakh)

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	7.57	-	-	-	7.57
Project temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>7.57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.57</b>

Aditya Birla Financial Shared Services Limited



**ADITYA BIRLA  
CAPITAL**

CIN: U65999MH2008PLC183695

Registered Office Address: One World Center, Tower 1,  
18<sup>th</sup> Floor, Jupiter Mill Compound, 841,  
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T: 9702036060

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# Independent Auditor's Report

To,  
The Members of  
Aditya Birla Financial Shared Services Limited

## REPORT ON THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying Ind AS financial statements of Aditya Birla Financial Shared Services Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at 31<sup>st</sup> March 2023, its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report including annexure thereto, but does not include the Ind AS financial statements, and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we report in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2023 from being appointed as a director in terms of Section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";

g) With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act:

The Company has not paid any Managerial Remuneration to its directors during the year.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 28 on Contingent Liabilities to the Ind AS financial statements;

(ii) The Company did not have any long-term contracts including derivative contracts. Hence,

the question of any material foreseeable losses does not arise;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

(iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iv) (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iv) (c) Based on the audit procedures that are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as

provided under (a) and (b) above, contain any material misstatement.

- (v) The Company has not declared nor paid any dividend during the year. Hence, reporting the compliance with Section 123 of the Act is not applicable.
- (vi) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. 1<sup>st</sup> April 2023, reporting under this clause is not applicable.

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No.-103523W / W100048

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Sumant Sakhardande  
Partner  
Membership No. 034828  
UDIN: 23034828BGWUDT1957

Place: Mumbai  
Date: 24<sup>th</sup> April 2023

# Annexure -1

## To The Independent Auditor's Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of Aditya Birla Financial Shared Services Limited ("the Company") on the Ind AS financial statements for the year ended 31<sup>st</sup> March 2023]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind AS financial statements of the Company and taking into consideration the information, explanations and written representation given to us by the management and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- (a) (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) During the year, the Property, Plant and Equipment of the Company have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not have any immovable property and accordingly, reporting under clause (i)(c) of paragraph 3 of the Order is not applicable.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and Intangible Assets during the year. Accordingly, reporting under clause (i)(d) of paragraph 3 of the Order is not applicable.
- (e) No proceedings have been initiated or are pending against the Company as at 31<sup>st</sup> March 2023 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company is in the business of providing support services to the Group companies of Aditya Birla Group, and consequently, does not hold any inventory. Therefore, reporting under clause (ii)(a) of paragraph 3 of the Order is not applicable.
- (b) The Company has not obtained any sanctioned working capital limit during the year, from banks and/or financial institutions, on the basis of security of current assets. Therefore, reporting under clause (ii) (b) of paragraph 3 of the Order is not applicable.
- (iii) During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting under clause (iii) of paragraph 3 of the Order is not applicable.
- (iv) There are no loans, guarantees and securities given in respect of which provisions of Sections 185 and 186 of the Act are applicable to the Company and hence not commented upon. Provisions of Section 186 of the Act in respect of investment made have been complied with by the Company.
- (v) In our opinion, the Company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.
- (vii) (a) The Company is regular in depositing with the appropriate authorities, undisputed statutory dues including Goods and Services tax (GST), provident fund, employees' state insurance, income-tax, cess and any other material statutory dues applicable to it, in all cases during the year.  
  
No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, cess and any other material statutory dues applicable to it, were outstanding, at the year-end, for a period of more than six months from the date they became payable.

- (b) There are no dues with respect to provident fund, employees' state insurance, GST, sales tax and cess except with respect to income tax on account of dispute, are as follows:

**Statement of Disputed Dues**

Name of the statute	Nature of the dues	Amount ₹	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	37,31,508	A.Y. 2014-15	CIT (Appeals)	-
Income Tax Act, 1961	Income Tax	7,78,272	A.Y. 2015-16	CIT (Appeals)	-

(viii) We have not come across any transactions which were previously not recorded in the books of account of the Company that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has prima facie utilised the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) On an overall examination of the Ind AS financial statements of the Company, no funds raised on short-term basis have, been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause (ix)(e) of paragraph 3 of the Order is not applicable.
- (f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause (ix)(f) of paragraph 3 of the Order is not applicable.

(x) (a) The Company has not raised money by way of initial public issue offer/further public offer (including debt instruments) during the year. Therefore, reporting under clause (x)(a) of paragraph 3 of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, reporting under clause (x) (b) of paragraph 3 of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company nor any fraud on the Company has been noticed or reported during the year, nor have we been informed of any such instance by the management.

(b) No report under Section 143(12) of the Act has been filed with the Central Government by the auditors of the Company in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, during the year or upto the date of this report.

(c) There are no whistle-blower complaints received by the Company during the year and upto the date of this report.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, reporting under clause (xii) of paragraph 3 of the Order is not applicable.

(xiii) All transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the Internal Audit Reports of the Company issued till date, for the period under audit.

- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with them during the year and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, reporting under clause (xvi)(a) and (b) of paragraph 3 of the Order are not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without having a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in Core Investment Companies (Reserve Bank) Directions, 2016 ("Directions") by the Reserve Bank of India. Accordingly, reporting under clause (xvi)(c) and (d) of paragraph 3 of the Order are not applicable.
- (d) As informed by the Company, the Group to which the Company belongs has not more than three CIC as part of the Group.
- (xvii) The Company has not incurred cash losses in the current and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, reporting under clause (xviii) of paragraph 3 of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of this audit report and that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The provisions of Section 135 of the Act are not applicable to the Company. Hence, reporting under clause (xx) of paragraph 3 of the Order is not applicable.

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No. 103523W / W100048

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Sumant Sakhardande  
Partner  
Membership No. 034828  
UDIN: 23034828BGWUDT1957

Place: Mumbai  
Date: 24<sup>th</sup> April 2023

# Annexure -2

## To The Independent Auditor's Report

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Aditya Birla Financial Shared Services Limited on the Ind AS financial statements for the year ended 31<sup>st</sup> March 2023]

### **Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of Aditya Birla Financial Shared Services Limited ("the Company") as of 31<sup>st</sup> March 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal

financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to

financial statements were operating effectively as at 31<sup>st</sup> March 2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No. 103523W / W100048

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Sumant Sakhardande  
Partner  
Membership No. 034828  
UDIN: 23034828BGWUDT1957

Place: Mumbai  
Date: 24<sup>th</sup> April 2023

# Balance Sheet

as at 31<sup>st</sup> March 2023

(₹ in Lakh)

Particulars	Note	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>I ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	2A	2,287.32	1,850.19
(b) Right to Use of Assets		740.53	1,116.30
(c) Capital Work-in-Progress		218.76	-
(d) Intangible Assets	2B	2,736.62	2,632.57
(e) Intangible Assets Under Development		169.15	285.88
(f) Non-Current Tax Asset (Net)	3	710.96	689.32
(g) Other Financial Assets	4A	196.88	177.81
(h) Other Non-Current Assets	5A	0.09	11.42
		<b>7,060.31</b>	<b>6,763.49</b>
<b>(2) Current Assets</b>			
(a) Financial Assets			
(i) Investments	6	-	0.91
(ii) Cash and Cash Equivalents	7	41.85	55.87
(iii) Other Financial Assets	4B	3,699.95	1,569.83
(b) Other Current Assets	5B	1,812.16	1,586.10
		<b>5,553.96</b>	<b>3,212.71</b>
<b>Total Assets</b>		<b>12,614.27</b>	<b>9,976.20</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share Capital	8	5.00	5.00
(b) Other Equity	8A	204.82	169.03
<b>Total Equity</b>		<b>209.82</b>	<b>174.03</b>
<b>(2) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	9A	1,759.17	1,258.71
(ii) Lease Liability	9B	406.62	792.37
(b) Provisions	10A	216.12	161.24
		<b>2,381.91</b>	<b>2,212.32</b>
<b>(3) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	11	4,325.70	3,215.20
(ii) Trade Payables – Total Outstanding Dues of	12		
Micro enterprises and Small Enterprises		336.10	242.10
Other than Micro Enterprises and Small Enterprises		1,211.30	976.43
(iii) Lease Liabilities	9B	443.97	407.30
(iv) Other Financial Liabilities	13	1,767.21	1,175.29
(b) Other Current Liabilities	14	1,046.39	680.20
(c) Provisions	10B	891.87	893.33
		<b>10,022.54</b>	<b>7,589.85</b>
<b>Total Liabilities</b>		<b>12,404.45</b>	<b>9,802.17</b>
<b>Total Equity and Liabilities</b>		<b>12,614.27</b>	<b>9,976.20</b>

Significant Accounting Policies Refer Note: 1

The accompanying Notes are an integral part of the Financial Statements.

As per our attached Report of even date.

**For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

**Sumant Sakhardande**

Partner

Membership No. 034828

Mumbai, 24<sup>th</sup> April 2023

**For and on behalf of the Board of Directors of  
Aditya Birla Financial Shared Services Limited**

**Mukesh Malik**

Director

DIN: 02125091

Mumbai, 24<sup>th</sup> April 2023

**Vijay Deshwal**

Director

DIN: 10004047

# Statement of Profit and Loss

for the year ended 31<sup>st</sup> March 2023

(₹ in Lakh)			
Particulars	Note	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Revenue from Operations		-	-
Other Income	15	35.79	47.15
<b>Total Income</b>		<b>35.79</b>	<b>47.15</b>
<b>Expenditure</b>			
(a) Employee Benefits Expenses	16	-	-
(b) Finance Cost	17	-	-
(b) Depreciation and Amortisation Expense	18	-	-
(c) Other Expenses	19	-	-
<b>Total Expenses</b>		<b>-</b>	<b>-</b>
<b>Profit before exceptional items and tax</b>		<b>35.79</b>	<b>47.15</b>
Exceptional Items		-	-
<b>Profit before tax</b>		<b>35.79</b>	<b>47.15</b>
Tax Expenses			
Current Tax		-	-
Deferred Tax		-	-
<b>Profit for the Year</b>		<b>35.79</b>	<b>47.15</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to Profit and Loss	20	-	-
Remeasurement of Post Employment Benefit Obligation		-	-
Income Tax relating to items that will not be reclassified to Profit or Loss		-	-
<b>Other Comprehensive Income for the Year</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the Year</b>		<b>35.79</b>	<b>47.15</b>
<b>Earnings Per Share (Face value of ₹ 10 each)</b>	21		
- Basic ₹		71.59	94.31
- Diluted ₹		71.59	94.31

Significant Accounting Policies

1

The accompanying Notes are an integral part of the Financial Statements.

As per our attached Report of even date.

**For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

**Sumant Sakhardande**

**Partner**

Membership No. 034828

Mumbai, 24<sup>th</sup> April 2023

**For and on behalf of the Board of Directors of  
Aditya Birla Financial Shared Services Limited**

**Mukesh Malik**

**Director**

DIN: 02125091

Mumbai, 24<sup>th</sup> April 2023

**Vijay Deshwal**

**Director**

DIN: 10004047

# Cash Flow Statement

for the year ended 31<sup>st</sup> March 2023

(₹ in Lakh)

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Taxes	35.79	47.15
Adjustment for:		
Less: Profit on Sale of Property, Plant and Equipment	-	(1.20)
Less: (Gain)/Loss on fair valuation of Investments through P&L (Net)	(0.03)	(0.03)
Add: Depreciation	2,216.89	2,119.13
Add: Finance Costs	500.74	516.71
	<b>2,753.38</b>	<b>2,681.76</b>
Adjustments for:		
(Increase)/Decrease in Other Financial Assets	(2,129.07)	683.92
(Increase)/Decrease in Other Non-Financial Assets	11.33	(9.30)
(Increase)/Decrease in Other Current Assets	(226.06)	(273.07)
Increase/(Decrease) in Trade Payables	328.87	(702.70)
Increase/(Decrease) in Other Financial Liabilities	591.92	(302.94)
Increase/(Decrease) in Other Liabilities	366.19	163.95
Increase/(Decrease) in Provisions	53.42	(187.25)
<b>Cash Generated from Operating Activities</b>	<b>1,749.99</b>	<b>2,054.39</b>
Less: Income Taxes paid (Net of Refund)	(21.63)	23.28
<b>Net Cash Generated from Operating Activities (A)</b>	<b>1,728.35</b>	<b>2,077.67</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	(1,383.19)	(431.14)
Purchase of Intangible Assets	(1,263.31)	(1,277.99)
Proceeds from Disposal of Property, Plant and Equipment	142.99	1.20
<b>Net Cash Used in Investing Activities (B)</b>	<b>(2,503.51)</b>	<b>(1,707.93)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceed of Non-Current Borrowing	1,620.38	1,100.00
Proceed of Current Borrowing	2,525.00	2,000.00
Repayment of Non-Current Borrowing	(1,384.42)	(2,137.35)
Repayment of Current Borrowing	(1,150.00)	(750.00)
Repayment of Lease Liability	(349.08)	(277.19)
Payment of Finance Cost	(500.74)	(533.24)
<b>Net Cash Generated from/(Used in) Financing Activities (C)</b>	<b>761.14</b>	<b>(597.78)</b>
<b>Net Changes in Cash and Bank Balances (A+B+C)</b>	<b>(14.02)</b>	<b>(228.06)</b>
Cash and Cash Equivalents at the beginning of the Year	55.87	283.93
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>41.85</b>	<b>55.87</b>
Components of Cash and Cash Equivalents:		
Balance in Current Account	41.85	55.87
<b>Total</b>	<b>41.85</b>	<b>55.87</b>

**Cash Flow from Operations includes:**

Particulars	(₹ in Lakh)	
	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
a) Interest paid	500.74	516.71

The above Cash Flow Statement has been prepared under the Indirect Method as set out in Ind AS-7 "Statement of Cash Flows"

As per our attached Report of even date.

**For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

**Sumant Sakhardande**

**Partner**

Membership No. 034828

Mumbai, 24<sup>th</sup> April 2023

**For and on behalf of the Board of Directors of**

**Aditya Birla Financial Shared Services Limited**

**Mukesh Malik**

**Director**

DIN: 02125091

Mumbai, 24<sup>th</sup> April 2023

**Vijay Deshwal**

**Director**

DIN: 10004047

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March 2023

## (A) EQUITY SHARE CAPITAL

### (1) Current Reporting Period

(₹ in Lakh)

Balance as at 31 <sup>st</sup> March 2022	Changes in Equity Share Capital Due to Prior Period Errors	Restated Balance at The Beginning of The Current Reporting Period	Changes in Equity Share Capital During The Year	Balance as at 31 <sup>st</sup> March 2023
5.00	-	-	-	5.00

### (2) Previous Reporting Period

(₹ in Lakh)

Balance as at 31 <sup>st</sup> March 2021	Changes in Equity Share Capital Due to Prior Period Errors	Restated Balance at The Beginning of The Current Reporting Period	Changes in Equity Share Capital During The Year	Balance as at 31 <sup>st</sup> March 2022
5.00	-	-	-	5.00

## (B) OTHER EQUITY

For the year ended 31<sup>st</sup> March 2023

(₹ in Lakh)

Particulars	Reserves and Surplus		Total Other Equity
	Retained Earnings	General Reserve	
Balance as of 1 <sup>st</sup> April 2022	169.03	-	169.03
Profit for the Year	35.79	-	35.79
Total Comprehensive Income	35.79	-	35.79
<b>Balance as at 31<sup>st</sup> March 2023</b>	<b>204.82</b>	<b>-</b>	<b>204.82</b>

For the year ended 31<sup>st</sup> March 2022

(₹ in Lakh)

Particulars	Reserves and Surplus		Total Other Equity
	Retained Earnings	General Reserve	
Balance as at 1 <sup>st</sup> April 2021	121.88	-	121.88
Profit for the Year	47.15	-	47.15
Total Comprehensive Income	47.15	-	47.15
<b>Addition/(Subtraction) during the year</b>			<b>-</b>
Less: Adjustment on account of adoption of Ind AS 116	-	-	-
<b>Balance as at 31<sup>st</sup> March 2022</b>	<b>169.03</b>	<b>-</b>	<b>169.03</b>

Significant Accounting Policies Refer Note: 1

The accompanying Notes are an integral part of the Financial Statements.

As per our attached Report of even date.

**For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

**Sumant Sakhardande**

**Partner**

Membership No. 034828

Mumbai, 24<sup>th</sup> April 2023

**For and on behalf of the Board of Directors of**

**Aditya Birla Financial Shared Services Limited**

**Mukesh Malik**

**Director**

DIN: 02125091

Mumbai, 24<sup>th</sup> April 2023

**Vijay Deshwal**

**Director**

DIN: 10004047

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (NOTES) FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023

### A. COMPANY OVERVIEW:

Aditya Birla Financial Shared Services Limited ('the Company') was incorporated on 19<sup>th</sup> June 2008 under the provisions of the Companies Act, 1956. The registered office of the Company is located at India Bulls Centre, Tower 1, 18<sup>th</sup> Floor, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013. It is a 100% subsidiary of Aditya Birla Capital Limited. The object of this Company is to provide a common pool of facilities and resources like providing technology, application and business process services to its group companies, with a view to optimise the benefits of specialisation and minimise the cost for each member Company. The member companies have participated in the common pool of facilities and share the expenses incurred by the Company.

### B. SIGNIFICANT ACCOUNTING POLICIES:

#### 1.1 (A) Basis of Preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified as prescribed under Section 133 of the Companies Act, 2013 read with the companies (India Accounting Standards) rules, as amended from time to time.

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities which have been measured at fair value.

#### (B) Functional and Presentation Currency

These financial statements are presented in Lakh, which is also the Company's functional currency. All the amounts have been rounded-off to the nearest rupees unless otherwise indicated.

Accounting Policies and Notes to the financial statements given here under are exhaustive and are in line with Ind AS, however, few of them are not applicable to the Company.

#### 1.2 Use of Estimates

The preparation of the financial statements in conformity with Indian Accounting Standards (Ind AS) requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as at the date of the financial statements and the reported income and expenses during the reporting period. Although these estimates are based on the Management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets or liabilities in the future periods.

#### 1.3 Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and on hand, and short-term investments with an original maturity of three months or less.

#### 1.4 Property, Plant and Equipment and Depreciation

Property, plant and equipment is stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises of the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Any trade discounts and rebates are deducted in arriving at the purchase price.

The Company has elected to regard those values of property as deemed cost at the date of the revaluation since they were broadly comparable to fair value.

All property, plant and equipment are stated at cost net off accumulated depreciation and Impairment losses, if any. In case of capital work-in-progress it is stated at cost.

Depreciation on property, plant and equipment is provided on straight-line basis using the rates arrived at based on the useful estimated lives by the management.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

The Company has used the following useful life to provide depreciation on its fixed assets.

Assets Type	Management's Estimate of Useful Life (In years)		Useful Life as Prescribed by Schedule II of the Co. Act, 2013
	till 31 <sup>st</sup> March 2018	w.e.f. 1 <sup>st</sup> April 2018	
i) Office Computers and Servers			
a) Servers	4 years	5 years	6 years
b) Others	4 years	5 years	3 years
ii) Furniture & Fixtures	5 years	5 years	10 years
iii) Vehicles	5 years	5 years	8 years

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of property, plant and equipment over estimated useful lives, which are different from the useful life prescribed in Schedule II of the Companies Act, 2013. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Assets, individually costing less than Rupees Five Thousand, are fully depreciated in the year of purchase.

Depreciation on the property, plant and equipment added/discharged during the year is provided on pro-rata basis with reference to the month of addition/discharging.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

## 1.5 Intangible Assets and Amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing

the asset to its working condition for its intended use. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure incurred. The Company has used the following useful life on intangible assets:

Assets Type	Management's Estimate of Useful Life (In years)		Useful Life as Prescribed by Schedule II of the Co. Act, 2013
	till 31 <sup>st</sup> March 2018	w.e.f. 1 <sup>st</sup> April 2018	
i) Intangible Assets - Software	3 years	5 years	6 years

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of the carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the Statement of Profit and Loss when the asset is derecognised.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## 1.6 Current versus Non-Current Classification

All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle, and other criteria set out in the schedule III of the Companies' Act, 2013. Based on the nature of products and the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as up to 12 months for the purpose of current/non-current classification of assets and liabilities.

## 1.7 Revenue Recognition

The core principle of Ind AS 115 is that an entity should recognise revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

- A) Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind AS.
- B) Interest income is recognised in the profit and loss account on accrual basis.

- C) Dividend income on investments is accounted for when the right to receive the payment is established.
- D) Realised profit/ loss on sale/ redemption of mutual fund units is computed on weighted average cost basis.

## 1.8 Foreign Currency Transactions

Transactions in foreign currency are recorded at the rate of exchange prevailing at the date of the transaction. Monetary assets and liabilities in foreign currency are translated at the rates existing as at the Balance Sheet date. The resulting exchange gain or loss for revenue transactions is reflected in the Statement of Profit and Loss. Non-monetary items are measured in terms of historical cost in foreign currency duly translated using the exchange rate at transaction date.

## 1.9 Retirement and other Employee Benefits

### A) Defined Contribution Plans

**Provident Fund:** The Company makes defined contributions to employee provident fund and employee pension schemes administered by government organisations, set up under the applicable statute.

**Employees state Insurance corporation (ESIC):** The Company makes defined contributions to employee ESIC administered by government organisations, set up under the applicable statute.

### B) Defined Benefits Plans

The Company operates three defined benefit plans for its employees, viz. gratuity, leave encashment, and long-term incentive plan. The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to separately administered fund.

The cost of providing benefits under the defined benefits plans is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability),

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

are recognised immediately in the Balance Sheet with a corresponding debit or credit to OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. The costs of providing benefits under these plans are determined based on actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefits plans are recognised in full in the period in which they occur in the Statement of Profit and Loss.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefits obligations as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the Balance Sheet date.

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement and presentation purpose. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of Profit and Loss and are not deferred.

The Company has long-term incentive plan for different cadre of employee. The expected costs of other long-term employee benefits, such as long-term service incentive plan benefits (not being share-based payments), are accrued over the period of employment using the same accounting methodology as used for defined benefits plans.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of Profit and Loss in the period in which they arise.

## 1.10 Leases

The Determination of whether an arrangement is (or contains) a lease based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets, and the arrangement conveys a right is not explicitly specified in an arrangement.

### Finance Leases

Leases, where substantially all the risks and benefits incidental to ownership of the leased item are transferred to the lessee, are classified as finance lease. The assets acquired under finance lease are capitalised at lower of fair value and present value of the minimum lease payments at the inception of the lease and disclosed as leased assets. Such assets are amortised over the period of lease or estimated life of such asset, whichever is less. Lease payments are apportioned between the finance charges and reduction of the lease liability based on implicit rate of return. Lease management fees, lease charges and other initial direct costs are capitalised.

### Operating Leases

Leases, in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee, are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease, unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

### The Company as a Lessee:

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (1) the contract involves the use of an identified asset,
- (2) the Company has substantially all the economic benefits from use of the asset through the period of the lease, and
- (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises right-of-use (“ROU”) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities included these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment on exercise of an extension or a termination option.

Lease liabilities and ROU assets have been separately presented in the Balance Sheet, and lease payments have been classified as financing cash flows.

## The Company as a Lessor:

Leases, for which the Company is a lessor, are classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease, and the sub-lease separately. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

## 1.11 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## 1.12 Income-Tax

Tax expense comprises of current and deferred tax. Provision for current tax is made on the basis of estimated taxable income for the current accounting year, in accordance with the Income tax Act, 1961. Tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Current income tax relating to items recognised outside profit and loss, is recognised outside profit and loss (either in other comprehensive income or in equity).

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date, and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. The Company off sets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The income tax provision for the inter period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year. Deferred tax, relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

## 1.13 Impairment of Assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables and credit risk exposure:

### a) Impairment of Financial Assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are, measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognitions in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal), that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

### b) Non-Financial Assets

Intangible Assets and Equipment's

Intangible assets, and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis, unless the asset generated cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash-Generating Unit (CGU) to which the asset belongs

If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss, if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated Amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

## 1.14 Financial Instruments

### a) Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognitions as financial liabilities at fair value through profit or loss. All financial liabilities are recognised initially at fair value, in the case of loans and borrowings, and payable net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payable loans and borrowings including bank overdrafts, and any other financial instruments.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Subsequent Measurement

### i) Financial liabilities at fair value through profit or loss:

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognised in OCI. These gains/losses are not subsequently transferred to Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit or Loss. The Company has not designated any financial liability as at fair value through profit and loss.

### ii) Loans and Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

### iii) Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of Profit and Loss.

## b) Financial Assets

### Initial Recognition and Measurement

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 are added to the fair value. However, trade receivables that do not contain a significant financing component are initially measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

For the purpose of subsequent measurement, financial assets are classified in four categories

### i) Debt Instruments at Amortised Cost

A 'debt instrument' is measured at the amortised cost, if both the following conditions are met:

- a) **Business Model Test:** The objective of the Company's model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- b) **Cash Flow Characteristics Test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

After initial measurement such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## ii) Debt Instruments at Fair Value through Other Comprehensive Income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI, if both of the following criteria are met:

- a) **Business Model Test:** The financial asset is held within a business model whose, objective is achieved both by collecting contractual cash flows and selling the financial assets.
- b) **Cash Flow Characteristics Test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially, as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income impairment losses and reversals in the P&L. On derecognition of the asset cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument, is reported as interest income using the EIR method.

## iii) Debt Instruments Equity Instruments at Fair Value through Profit or Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

## iv) Equity Instruments Measured at Fair Value through Other Comprehensive Income (FVTOCI)

All equity investments, in scope of Ind AS 109, are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies, are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

Effective from October 2022, pre-paid assets individually costing less than Five Lakh are fully amortise in the year of purchase.

Financial assets and financial liabilities are offset, and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

## 1.15 Contingent Liabilities/Assets and Commitments

Contingent liability is disclosed in the case of

- Present obligation arising from past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- A present obligation arising from past event, when no reliable estimate is possible.
- A possible obligation arising from past event, unless the probability of outflow of resources is remote.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

Contingent liabilities are disclosed by way of notes.

Contingent assets are possible assets that arise from a past event and whose existence is confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Where inflow of economic benefits is probable, the Company shall disclose a brief description of the nature of the contingent assets at the Balance Sheet date and, where practicable, an estimate of their financial estimate. Where any of the information required above is not disclosed, because it is not practicable to do so, the fact shall be disclosed. In extremely rare circumstances, when disclosure of any or all the above information is considered to be seriously prejudicial to the position of the entity in a dispute with other parties on the subject matter of the contingent asset, the Company does need not to disclose the information but, will disclose the general nature of the dispute, together with the fact that and reason why the information has not been disclosed. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

## 1.16 Cash Flow Statement

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## 1.17 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted-average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted-average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 2A PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakh)

	Computer & Servers	Furniture & Fixtures	Office Equipment	Vehicles	Total
<b>Gross Block</b>					
<b>As at 1<sup>st</sup> April 2021</b>	<b>5,449.13</b>	<b>317.93</b>	<b>37.74</b>	<b>150.99</b>	<b>5,955.79</b>
Additions	268.97	31.64	5.16	136.38	442.14
Deletions/Adjustments	(12.52)				(12.52)
<b>As at 31<sup>st</sup> March 2022</b>	<b>5,705.58</b>	<b>349.56</b>	<b>42.90</b>	<b>287.37</b>	<b>6,385.41</b>
Additions	942.40	262.51	43.40	134.89	1,383.19
Deletions/Adjustments				(142.99)	(142.99)
<b>As at 31<sup>st</sup> March 2023</b>	<b>6,647.98</b>	<b>612.07</b>	<b>86.30</b>	<b>279.27</b>	<b>7,625.61</b>
<b>Accumulated Depreciation</b>					
<b>As at 1<sup>st</sup> April 2021</b>	<b>3,248.64</b>	<b>190.91</b>	<b>20.79</b>	<b>104.37</b>	<b>3,564.71</b>
For the Year	876.91	61.27	7.86	36.99	983.03
Deletions/Adjustments	(12.52)	-	-		(12.52)
<b>As at 31<sup>st</sup> March 2022</b>	<b>4,113.03</b>	<b>252.18</b>	<b>28.65</b>	<b>141.36</b>	<b>4,535.22</b>
For the Year	726.10	107.50	14.51	46.91	895.01
Deletions/Adjustments		-	-	(91.93)	(91.93)
<b>As at 31<sup>st</sup> March 2023</b>	<b>4,839.12</b>	<b>359.68</b>	<b>43.16</b>	<b>96.34</b>	<b>5,338.30</b>
<b>Net book amount as at 31<sup>st</sup> March 2023</b>	<b>1,808.86</b>	<b>252.39</b>	<b>43.14</b>	<b>182.93</b>	<b>2,287.32</b>
<b>Net book amount as at 31<sup>st</sup> March 2022</b>	<b>1,592.56</b>	<b>97.38</b>	<b>14.25</b>	<b>146.01</b>	<b>1,850.19</b>

## NOTE: 2B INTANGIBLE ASSETS

(₹ in Lakh)

	Specialised Software	Total
<b>Gross Block</b>		
<b>As at 1<sup>st</sup> April 2021</b>	<b>4,187.29</b>	<b>4,187.29</b>
Additions	1,263.31	1,263.31
Deletions/Adjustments		
<b>As at 31<sup>st</sup> March 2022</b>	<b>5,450.60</b>	<b>5,450.60</b>
Additions	1,086.47	1,086.47
Deletions/Adjustments	(15.73)	(15.73)
<b>As at 31<sup>st</sup> March 2023</b>	<b>6,521.35</b>	<b>6,521.34</b>
<b>Accumulated Depreciation</b>		
<b>As at 1<sup>st</sup> April 2021</b>	<b>1,995.85</b>	<b>1,995.85</b>
For the Year	822.19	822.19
Deletions/Adjustments	-	-
<b>As at 31<sup>st</sup> March 2022</b>	<b>2,818.03</b>	<b>2,818.04</b>
For the Year	966.68	966.68
Deletions/Adjustments		
<b>As at 31<sup>st</sup> March 2023</b>	<b>3,784.72</b>	<b>3,784.72</b>
<b>Net book amount as at 31<sup>st</sup> March 2023</b>	<b>2,736.63</b>	<b>2,736.62</b>
<b>Net book amount as at 31<sup>st</sup> March 2022</b>	<b>2,632.57</b>	<b>2,632.57</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Capital work-in-progress ageing

Ageing for Capital Work-in-progress as at 31<sup>st</sup> March 2023 is as follows:

(₹ in Lakh)

As at 31st March 2023	Amount in Capital Work-in-Progress for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Project-in-progress	218.76	-	-	-	218.76
	<b>218.76</b>	-	-	-	<b>218.76</b>

Ageing for Capital Work-in-progress as at 31<sup>st</sup> March 2022 is as follows:

(₹ in Lakh)

As at 31st March 2022	Amount in Capital Work-in-Progress for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Project-in-progress	-	-	-	-	-
	-	-	-	-	-

## Intangible assets under development ageing

Ageing for Intangible Assets-under-Development as at 31<sup>st</sup> March 2023 is as follows:

(₹ in Lakh)

As at 31st March 2023	Amount in Capital Work-in-Progress for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Project-in-progress	169.15	-	-	-	169.15
	<b>169.15</b>	-	-	-	<b>169.15</b>

Ageing for Intangible Assets-under-Development as at 31<sup>st</sup> March 2022 is as follows:

(₹ in Lakh)

As at 31st March 2022	Amount in Capital Work-in-Progress for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Project-in-progress	285.88	-	-	-	285.88
	<b>285.88</b>	-	-	-	<b>285.88</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 3 NON-CURRENT TAX ASSET (NET)

(₹ in Lakh)

	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Advance Tax/TDS (Net of provision of Tax ₹ 21.04 Lakh (P.Y. ₹ 21.04 Lakh))	710.96	689.32
	<b>710.96</b>	<b>689.32</b>

## NOTE: 4A OTHER FINANCIAL ASSETS (NON-CURRENT)

(₹ in Lakh)

	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Security Deposit	196.88	177.81
	<b>196.88</b>	<b>177.81</b>

## NOTE: 4B OTHER FINANCIAL ASSETS (CURRENT)

(₹ in Lakh)

	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Reimbursement of expenses receivables from related parties (Refer Annexure 1)	3,605.08	1,565.14
Other Receivables	94.86	4.69
	<b>3,699.95</b>	<b>1,569.83</b>

- For ageing analysis of Other Financial Assets, refer to Note 25.

## NOTE: 5A OTHER NON-CURRENT ASSETS

(₹ in Lakh)

	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Other Non-Current Assets</b>		
Prepaid expense	0.09	11.42
	<b>0.09</b>	<b>11.42</b>

## NOTE: 5B OTHER CURRENT ASSETS

(₹ in Lakh)

	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Prepaid Expense	672.33	369.61
Gratuity – Funded	1,069.18	1,154.33
Advance for Expenses – Others	70.64	62.15
	<b>1,812.16</b>	<b>1,586.10</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 6 INVESTMENTS

	(₹ in Lakh)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>- Unquoted</b>		
- Classified at FVTPL		
- Mutual Funds		
Nil Units ABSL Liquid Fund – Growth-DIRECT Repurchase price ₹ Nil (P.Y. ₹ 0.91 Lakh)	-	0.91
	-	<b>0.91</b>

## NOTE: 7 CASH AND CASH EQUIVALENTS

	(₹ in Lakh)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Balances with Banks		
Current Accounts	41.85	55.87
	<b>41.85</b>	<b>55.87</b>

## NOTE: 8 EQUITY SHARE CAPITAL

	(₹ in Lakh)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Authorised:</b>		
50,000 Equity Shares (P.Y. 50,000 Equity Shares) of ₹ 10 each	5.00	5.00
<b>Total</b>	<b>5.00</b>	<b>5.00</b>
<b>Issued, Subscribed &amp; fully Paid up:</b>		
50,000 Equity Shares (P.Y. 50,000 Equity Shares) of ₹ 10 each	5.00	5.00
<b>Total</b>	<b>5.00</b>	<b>5.00</b>

### 1. Term/Right attached to Equity Shares:

The Company has only one class of Equity Shares having a par value of ₹ 10 per Share. Each holder of Equity Shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of the Equity Shares held by the shareholders.

### 2. Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Sr. No.	Description	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022	
		Equity Shares	Rupees	Equity Shares	Rupees
1	No. of Shares Outstanding at the beginning of the year	50,000	5.00	50,000	5.00
2	Add/(Less): Issued/Buyback	-	-	-	-
3	No of Shares Outstanding at the end of the year	50,000	5.00	50,000	5.00

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

### 3. All the Equity Share Capital are held by its Holding Company i.e. Aditya Birla Capital Limited

Name of the Share Holder	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022	
	No. of Shares Held	% of Total Paid-up Equity Share Capital	No. of Shares held	% of Total Paid-up Equity Share Capital
Aditya Birla Capital Limited	50,000	100%	50,000.00	100%

### 4. Shares in the Company held by each Shareholder holding more than 5 percent Shares specifying the number of Shares held.

Name of Share Holder	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022	
	No. of Shares held	% of Total Paid-up Equity Share Capital	No. of Shares held	% of Total Paid-up Equity Share Capital
Aditya Birla Capital Limited	50,000	100%	50,000	100%

### 5. Details of shareholding by promoter's

Name of Share Holder	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022	
	No. of Shares held	% of Total Paid-up Equity Share Capital	No. of Shares held	% of Total Paid-up Equity Share Capital
Aditya Birla Capital Limited	50,000	100%	50,000	100%
<b>Total Share outstanding</b>	<b>50,000</b>	<b>100%</b>	<b>50,000</b>	<b>100%</b>

6. There are no Equity Shares issued as fully paid-up pursuant to any contract in consideration of other than cash or bonus shares or bought back during the preceding last five years.

## NOTE: 8A OTHER EQUITY

(₹ in Lakh)

	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
i) <b>Surplus in Profit and loss accounts</b>		
Opening Balance	169.03	121.88
Surplus in Profit and loss accounts	35.79	47.15
	204.82	169.03
<b>Total Balance of Other Equity</b>	<b>204.82</b>	<b>169.03</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 9A BORROWINGS

	(₹ in Lakh)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Secured</b>		
Finance Lease Liability	-	40.73
Taken from Hewlett Packard Financial Services India Pvt. Ltd. against IT hardware of the Company.		
Repayment Terms: Between 1 - 16 Quarterly Instalments from 1 <sup>st</sup> April 2023 till 1 <sup>st</sup> January 2024, with interest rate 10.21% per annum		
	-	40.73
<b>Unsecured</b>		
Rupee Term Loans from		
Taken from Hewlett Packard Financial Services India Pvt. Ltd.		
	1,759.17	1,217.98
Repayment Terms: Between 1 - 20 Quarterly Instalments from 1 <sup>st</sup> April 2023 till 30 <sup>th</sup> September 2027, with interest ranging from 7.75% to 10.68% per annum		
	1,759.17	1,217.98
<b>Total Long-term Borrowings</b>	<b>1,759.17</b>	<b>1,258.71</b>

For explanations on the Company's Liquidity Risk Management processes, refer to Note 25.

## NOTE: 9B LEASE LIABILITIES

	(₹ in Lakh)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Finance Lease liabilities - Premises	850.59	1,199.67
	<b>850.59</b>	<b>1,199.67</b>
Current	443.97	407.30
<b>Non-Current</b>	<b>406.62</b>	<b>792.37</b>

## NOTE: 10A PROVISIONS

	(₹ in Lakh)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>NON-CURRENT PROVISIONS</b>		
<b>Provision for employee benefit</b>		
Provision for leave encashment (unfunded)	86.97	61.72
Provision for sick leave (unfunded)	129.15	99.52
	<b>216.12</b>	<b>161.24</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 10B CURRENT PROVISIONS

(₹ in Lakh)

	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>CURRENT PROVISIONS</b>		
<b>Provision for Employee Benefit</b>		
Provision for Long-Term Incentive Plan	50.84	144.53
Provision for Leave Encashment (Unfunded)	28.67	20.45
Provision for Sick Leave (Unfunded)	86.57	67.08
Provision for Gratuity Obligation (Funded)	725.79	661.26
	<b>891.87</b>	<b>893.33</b>

## NOTE: 11 SHORT-TERM BORROWING

(₹ in Lakh)

	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Inter corporate borrowing	3,375.00	2,000.00
On call, Interest rate ranging from 7.15% to 8.75% p.a.		
Current maturity of unsecured borrowing (for Terms, refer note no. 9A)	909.97	934.76
Current maturity of secured borrowing (for Terms, refer note no. 9A)	40.73	280.44
	<b>4,325.70</b>	<b>3,215.20</b>

## NOTE: 12 TRADE PAYABLES – TOTAL OUTSTANDING DUES OF

(₹ in Lakh)

	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
- Micro Enterprises and Small Enterprises	336.10	242.10
- Other than Micro Enterprises and Small Enterprises	1,211.30	976.43
	<b>1,547.39</b>	<b>1,218.53</b>

There are no Micro and Small Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31<sup>st</sup> March 2023, and no interest payment made during the year to any Micro and Small Enterprises. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
a) (i) Principal amount remaining unpaid to supplier under MSMED Act	336.10	242.10
(ii) Interest on (a) (i) above	-	-
b) (i) Amount of principal paid beyond the appointed date (as per Section 16)		
(ii) Amount of interest paid beyond the appointed date (as per Section 16)	-	-
c) Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under Section 16 of the MSMED Act	-	-
d) Amount of interest accrued and due	-	-
e) Amount of further interest remaining due and payable even in succeeding years	-	-

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## For Trade Payable Outstanding following is the Ageing Schedule

(₹ in Lakh)

As at 31 <sup>st</sup> March 2023	Unbilled*	Not Due	Outstanding for the following periods from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Dues – MSME	145.23	-	336.10	-	-	-	336.10
(ii) Undisputed Dues – Others	618.27	-	1,211.30	-	-	-	1,211.30
(iii) Disputed Dues – MSME	-	-	-	-	-	-	-
(iv) Disputed Dues – Others	-	-	-	-	-	-	-
	<b>763.50</b>	-	<b>1,547.39</b>	-	-	-	<b>1,547.39</b>

(₹ in Lakh)

As at 31 <sup>st</sup> March 2022	Unbilled*	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Dues – MSME	48.66	-	242.10	-	-	-	242.10
(ii) Undisputed Dues – Others	465.59	-	976.43	-	-	-	976.43
(iii) Disputed Dues – MSME	-	-	-	-	-	-	-
(iv) Disputed Dues – Others	-	-	-	-	-	-	-
	<b>514.25</b>	-	<b>1,218.53</b>	-	-	-	<b>1,218.53</b>

\* Unbilled amount represents accrued expenses disclosed in note no. 13

## NOTE: 13 OTHER FINANCIAL LIABILITIES

(₹ in Lakh)

	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>CURRENT:</b>		
Interest accrued but not due	36.40	41.17
Accrued expenses	763.50	514.25
Employee related obligation	967.30	619.87
	<b>1,767.21</b>	<b>1,175.29</b>

## NOTE: 14 OTHER CURRENT LIABILITIES

(₹ in Lakh)

	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Withholding Taxes Payable	220.22	140.42
GST Payable	166.16	105.47
Other Statutory Dues	94.53	60.70
Income Received in Advance - Refer Annexure 1	565.48	373.61
	<b>1,046.39</b>	<b>680.20</b>

- For explanations on the Company's Liquidity Risk Management processes, refer to Note 25.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 15 OTHER INCOME

(₹ in Lakh)

	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Gain/(Loss) on sale of Mutual fund	0.03	-
Gain/(Loss) on fair valuation of Investments through P&L (Net)	-	0.03
Profit/(Loss) on Property, Plant And Equipment	-	1.20
Interest on Income Tax Refund	32.83	45.92
Misc Income	2.94	
	<b>35.79</b>	<b>47.15</b>
Realised	0.03	-
Unrealised	-	0.03

## NOTE: 16 EMPLOYEE BENEFITS EXPENSES

(₹ in Lakh)

	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Salaries, Wages and Bonus	8,127.75	5,445.89
Contribution to Provident & Other Funds	560.90	397.61
Employee Stock Option	83.56	(4.64)
Staff Welfare Expenses	105.37	173.69
	<b>8,877.58</b>	<b>6,012.55</b>
Less: Recovery as Professional Services Cost	(8,877.58)	(6,012.55)
	-	-

## NOTE: 17 FINANCE COST

(₹ in Lakh)

	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Interest on finance lease/Loan obligation	326.85	385.20
Interest on ICD	173.90	131.51
	<b>500.74</b>	<b>516.71</b>
Less: Recovery as Professional Services Cost	(500.74)	(516.71)
	-	-

## NOTE: 18 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakh)

	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Depreciation on Property, Plant and Equipment	895.01	983.03
Depreciation on Right of Use Asset	355.19	313.91
Amortisation on Intangible Assets	966.68	822.19
	<b>2,216.89</b>	<b>2,119.13</b>
Less: Recovery as Professional Services Cost	(2,216.89)	(2,119.13)
	-	-

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 19 OTHER EXPENSES

	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
		(₹ in Lakh)
Rent	37.58	71.65
Repairs and Maintenance (others)	237.19	78.62
Insurance	511.67	39.70
Legal and Professional Charges	3,466.75	2,081.05
Auditors Remuneration		
- Audit Fees	5.00	5.00
- Tax Audit Fees	1.50	1.50
- Other Services	2.00	2.00
- Reimbursement of Expenses	0.42	0.23
Software and Support Expenses	2,521.65	2,249.05
Electricity Charges	79.80	39.89
Printing and Stationery	95.69	15.21
Travelling and Conveyance	178.97	81.06
Communication Expenses	170.83	182.54
Postage and Telegram	5.86	2.73
Call Centre Expenses	1,043.72	960.06
Security Expenses	28.87	21.23
Service Charges	109.55	95.89
Rates and Taxes	17.33	12.49
Reward and Recognition	2.98	(6.16)
Training, Seminar and Membership Expenses	113.39	14.60
Miscellaneous Expenses	8.09	5.82
Recruitment Expenses	87.17	14.66
	<b>8,726.04</b>	<b>5,968.82</b>
Less: Recovery as Professional Services Cost	(8,726.04)	(5,968.82)
	-	-

## NOTE: 20 OTHER COMPREHENSIVE INCOME

	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
		(₹ in Lakh)
Employee Benefit Expenses (Gratuity)	(13.61)	(111.09)
Less: Recovery as Professional Services Cost	13.61	111.09
	-	-

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 21 EARNINGS PER SHARE

(₹ in Lakh)

		As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Earnings per Share (EPS) is calculated as under:			
Net Profit as per the Statement of Profit and Loss		35.79	47.15
<b>Net Profit for EPS</b>	(A)	<b>35.79</b>	<b>47.15</b>
Weighted-Average Number of Equity Shares for calculation of Basic EPS	(B)	50,000	50,000
<b>Basic EPS (₹)</b>	(A/B)	<b>71.59</b>	<b>94.31</b>
Weighted-Average Number of Equity Shares Outstanding		50,000	50,000
Weighted-Average Number of Equity Shares for calculation of Diluted EPS	(C)	50,000	50,000
<b>Diluted EPS (₹)</b>	(A/C)	<b>71.59</b>	<b>94.31</b>
Nominal Value of Shares (₹)		10	10

## NOTE: 22 EMPLOYEE BENEFITS

Disclosure in respect of Employee Benefits pursuant to Ind AS -19

The Company has classified the various benefits provided to employees as under:

### Defined Contribution Plans

Contributions to defined contribution plans recognised as expense for the year are as under:

(₹ in Lakh)

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Employer's Contribution to Government Employee Provident Fund	213.53	138.38
Employer's Contribution to Government Employee Pension Fund	184.39	132.04
Employer's Contribution to Government Employee State Insurance Claim	58.99	37.33

### Defined Benefit Plan

The Company recognised costs related to its post-employment defined benefits plans on an actual basis. Remeasurement comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, excluding amounts included in net interest on the net defined benefit liability are recognised in Balance Sheet through other comprehensive income. Thus, employee benefits expense is decreased by ₹ 13.61 Lakh, and is recognised in other comprehensive income during the year ended 31<sup>st</sup> March 2023, and the same has been allocated to related parties.

Gratuity is payable to all eligible employees on superannuation, death or on separation/termination in terms of the provisions of the Payment of Gratuity Act or as per the Company's policy, whichever is beneficial to the employees.

Leave Encashment/Sick Leave is entitled to be carried forward for future encashment or availment, at the option of the employee, during the tenure of the employment.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## A. Gratuity

The following table sets out the funded status of the gratuity plan and unfunded status of paid leave encashments and the amounts recognised in the Company's financial statements as at 31<sup>st</sup> March 2023.

Particulars	(₹ in Lakh)	
	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
<b>i. Amounts recognised in the Balance Sheet in respect of Gratuity</b>		
Present Value of the Funded Defined Benefit Obligations at the end of the Year	725.78	661.26
Fair Value of Plan Assets	1,069.18	1,154.33
<b>Net (Asset)/Liabilities</b>	<b>(343.40)</b>	<b>(493.07)</b>
Amounts recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity		
Current Service Cost	104.26	96.84
Interest on Net Defined Benefits Liabilities/(Assets)	(29.32)	(27.30)
Past Service Cost	-	-
<b>Net Gratuity Cost</b>	<b>74.94</b>	<b>69.54</b>
<b>Amount recognised in Other Comprehensive Income (OCI) for the Year</b>		
Actual Return on Plan Assets excluding interest income	33.19	(29.82)
Actuarial Changes Arising from Changes in Demographic Assumptions	(1.81)	(108.14)
Actuarial Changes Arising from Changes in Financial Assumptions	(94.54)	34.57
Actuarial Changes Arising from Changes in Experience Assumptions	49.55	(7.71)
<b>Closing Amount recognised in OCI outside Profit and Loss Account</b>	<b>(13.61)</b>	<b>(111.10)</b>
<b>ii. Reconciliation of Present Value of the Obligations and the Fair Value of the Plan Assets:</b>		
<b>Change in Net Liabilities/Assets</b>		
Opening Net Defined Benefit Liabilities/(Assets)	(493.07)	(430.24)
Expense Charged to Profit and Loss Account	74.94	69.54
Amount recognised Outside Profit and Loss Account - OCI	(13.61)	(111.10)
Employer Contributions	88.34	(21.28)
Closing Net Defined Benefit Liabilities/(Assets)	<b>(343.40)</b>	<b>(493.07)</b>
<b>Change in Present Value of the Obligations:</b>		
Opening Defined Benefit Obligations	661.26	653.77
Current Service Cost	104.26	96.84
Interest Cost	39.32	41.49
Actuarial Changes Arising from Changes in Demographic Assumptions	(1.81)	(108.14)
Actuarial Changes Arising from Changes in Financial Assumptions	(94.54)	34.57
Actuarial Changes Arising from Changes in Experience Assumptions	49.55	(7.71)
Benefits Paid	(32.26)	(49.56)
<b>Closing Defined Benefit Obligations</b>	<b>725.79</b>	<b>661.26</b>
<b>Change in Fair Value of the Plan Assets:</b>		
Opening Fair Value of the Plan Assets	1,154.34	1,084.01
<b>Interest Income on Plan Assets</b>	<b>68.63</b>	<b>68.79</b>
Actual Return on Plan Assets less Interest on Plan Assets	(33.19)	29.82
<b>Contributions by the Employer</b>	<b>(88.34)</b>	<b>21.28</b>
Benefits Paid	(32.26)	(49.56)
<b>Closing Fair Value of the Plan Assets</b>	<b>1,069.18</b>	<b>1,154.34</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

### iii. Funding Arrangement and Policy:

The money contributed by the Company to the fund, to finance the liabilities of the plan, has to be invested.

The trustees of the plan are required to invest the funds as per the prescribed pattern of investments laid out in the Income Tax rules for such approved schemes. Due to the restrictions in the type of investments, that can be held by the fund, it is not possible to explicitly follow an asset-liability matching strategy to manage risk actively.

There is no compulsion on the part of the Company to fully pre-fund the liability of the plan. The Company's philosophy is to fund the benefits based on its own liquidity and tax position, as well as the level of under funding of the plan.

Estimated amount of contribution expected to be paid to the fund during the annual period being after the Balance Sheet date is ₹ Nil (Previous Year ₹ Nil Lakh).

### Maturity Profile of Defined Benefits Obligations

(₹ in Lakh)

	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Within the next 12 months (next annual reporting period)	75.50	76.19
Between 2 and 5 years	179.75	166.93
Between 6 and 10 years	410.78	272.86
Above 10 years	893.91	707.27

The weighted-average duration to the payment of these cash flows is 09 years (Previous Year: 09 years).

### iv. Quantitative sensitivity analysis for significant assumption is as below:

**Increase/Decrease on Present Value of defined benefits obligations at the end of the year**

(₹ in Lakh)

	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022	
i) 50 bps Increase in Discount Rate	694.13	-4.40%	632.22	-4.40%
ii) 50 bps Decrease in Discount Rate	759.63	4.70%	692.31	4.70%
i) 50 bps Increase in Rate of Salary Increase	759.21	4.60%	691.55	4.60%
ii) 50 bps Decrease in Rate of Salary Increase	694.21	-4.40%	632.64	-4.30%
i) 50 % Increase in Employee Turnover Rate	686.07	-5.50%	628.27	-5.00%
ii) 50 % Decrease in Employee Turnover Rate	795.56	9.60%	728.66	10.20%
i) 10 % Increase in Mortality Rate	725.72	0.00%	661.00	0.00%
ii) 10 % Decrease in Mortality Rate	725.85	0.00%	661.52	0.00%

### v. Sensitivity Analysis Method

These sensitivities have been calculated to show the movement in defined benefits obligations in isolation, and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(₹ in Lakh)

Disaggregation of Plan Assets	Year ended 31 <sup>st</sup> March 2023	
	Quoted Value	Total
Government Debt Instruments	32.40	32.40
Other Debt Instruments	41.70	41.70
Special Deposit Scheme	-	-
Insurer Managed Funds	441.79	441.79
Others	553.30	553.30
<b>Grand Total</b>	<b>1,069.18</b>	<b>1,069.18</b>

(₹ in Lakh)

Disaggregation of Plan Assets	Year ended 31 <sup>st</sup> March 2022	
	Quoted Value	Total
Government Debt Instruments	66.84	66.84
Other Debt Instruments	55.87	55.87
Special Deposit Schemes	-	-
Insurer Managed Funds	426.18	426.18
Others	605.45	605.45
<b>Grand Total</b>	<b>1,154.34</b>	<b>1,154.34</b>

There are no amount included in the Fair Value of Plan Assets for:

- i) The Company's own Financial Instrument
- ii) Property occupied by or other assets used by the Company.

## vi. Principal Actuarial Assumptions at the Balance Sheet Date

(₹ in Lakh)

	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Discount Rate</b>	7.25%	5.95%
Salary Escalation – Staff	8.25%	8.25%
Mortality Rate during Employment	100.00%	100.00%
<b>Rate of Employee Turnover</b>		
Age – Up to 30 Years	26.00%	26.00%
Age 31 to 44 Years	26.00%	26.00%
Age 44 and above	0.00%	0.00%

Disability: Leaving service due to disability is included in the provision made for all causes of leaving service (as above).

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

**B)** The net provision for unfunded leave encashment/sick leave liability up to 31<sup>st</sup> March 2023 is ₹ 331.37 Lakh (P.Y. ₹ 248.78 Lakh).

## **C) Employee Stock Options Plan**

ESOP Scheme of Aditya Birla Capital Limited for employees employed in various group companies, including Aditya Birla Financial Shared Services Limited (ABFSSL). Based on fair valuation of ESOP liability, ABCL has charged ABFSSL with ₹ 83.56 Lakh being its proportionate share of benefits, and the same has been transferred to its Business Units.

## **NOTE: 23 RELATED PARTY TRANSACTIONS**

During the year ended 31<sup>st</sup> March 2023, the Company had transactions with related parties as defined in Ind As 9 on "Related Party Disclosures". Related parties have been identified by the Management on the basis of the information available with the Company. Details of these parties, with whom the Company had transactions, nature of the relationship, transactions with them and balances at year end, are detailed in Annexure 1.

## **NOTE: 24 FINANCIAL INSTRUMENTS – ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

### **Principles for Estimating Fair Value**

- The following summarises the major methods and assumptions used in estimating the fair values of financial instruments reflected in the table.
- The carrying value of trade receivables, trade payables, capital creditors, and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

### **Trade and Other Receivables**

Interest-free receivables are discounted if it has a material impact on fair value. The carrying amount has been reduced for impaired receivables, and reflects a reasonable approximation of fair value due to limited credit risk and short time to maturity.

### **Cash and Short-term Deposits**

Fair value is assumed to be equal to the carrying amount.

### **Long-term Interest-bearing Debt and Other Long-term Liabilities**

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows. Since there are no active market with quoted prices, The Company has used valuation techniques to estimate the fair value. It is evaluated by the Company based on parameters such as interest rates, creditworthiness of the Company, etc.

### **Trade Payables and Other Short-term Debts**

Interest-free short-term payables are discounted if it has material impact on fair value. Fair value is assumed to be equal to the carrying amount due to limited credit risk and short time to maturity.

### **Fair Value Hierarchy**

The table below analyses financial instruments carried at fair value, by valuation method at 31<sup>st</sup> March 2012. The different levels have been defined as follows:

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

**Level 1:** category includes financial assets and liabilities that are measured in whole or in significant part by reference to published quotes in an active market.

**Level 2:** category includes financial assets and liabilities measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions. These include assets and liabilities for which pricing is obtained via pricing services, but where prices have not been determined in an active market, financial assets with fair values based on broker quotes and assets that are valued using the Company's own valuation models, whereby the material assumptions are market observable. The majority of the Company's over-the-counter derivatives and several other instruments not traded in active markets fall within this category.

**Level 3:** category includes financial assets and liabilities measured using valuation techniques based on non-market observable inputs. This means that fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. However, the fair value measurement objective remains the same, that is, to estimate an exit price from the perspective of the Company. The main asset classes in this category are unlisted equity investments, as well as unlisted funds.

## As at 31<sup>st</sup> March 2023

Particulars	Carrying Amount	Fair Value		
	As at 31 <sup>st</sup> March 2023	Level 1	Level 2	Level 3
<b>Financial Assets at Amortised Cost</b>				
Security Deposits - Non-Current	196.88	-	-	196.88
	<b>196.88</b>	-	-	<b>196.88</b>
<b>Financial Assets at Fair Value through Profit or Loss</b>				
Investments in Mutual Funds	-	-	-	-
<b>Total</b>	-	-	-	-
<b>Total Financial Assets</b>	<b>196.88</b>	-	-	<b>196.88</b>
<b>Financial liabilities</b>				
<b>Measured at Amortised Cost for which fair values are disclosed</b>				
Fixed Rate Borrowings	2,669.14	-	-	2,661.08
Finance Lease Obligations,if any	40.73	-	-	40.81
<b>Total</b>	<b>2,709.87</b>	-	-	<b>2,701.89</b>

(₹ in Lakh)

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## As at 31<sup>st</sup> March 2022

(₹ in Lakh)

Particulars	Carrying Amount		Fair Value		
	As at 31 <sup>st</sup> March 2022		Level 1	Level 2	Level 3
<b>Financial Assets at Amortised Cost</b>					
Security Deposits - Non-Current	177.81		-	-	177.81
	<b>177.81</b>		-	-	<b>177.81</b>
<b>Financial Assets at Fair Value through Profit or Loss</b>					
Investments in Mutual Funds	0.91		-	0.91	-
<b>Total</b>	<b>0.91</b>		-	<b>0.91</b>	-
<b>Total Financial Assets</b>	<b>178.72</b>		-	<b>0.91</b>	<b>177.81</b>
<b>Financial Liabilities</b>					
<b>Measured at Amortised Cost for which fair values are disclosed</b>					
Fixed Rate Borrowings	2,152.74		-	-	2,170.98
Finance Lease Obligations,if any	321.17		-	-	322.86
<b>Total</b>	<b>2,473.91</b>		-	-	<b>2,493.84</b>

The fair value of unquoted investment has been calculated using Nav.

The fair value of fixed rate borrowings and finance lease obligations has been calculated using Discounted Cash Flow Method.

The Management has assessed that cash and cash equivalents, short-term loans and advances and other receivables from related parties, short-term deposits received, trade payable approximate their carrying amount largely due to short-term maturities of these instruments,hence, are valued at their carrying cost.

## NOTE: 25 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

To manage associated financial risks, the Company reviews its investments and loans on each reporting date. All its investments are approved by the Board of Directors.

### Credit Risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analyses of historical bad debts and ageing of accounts receivable. Majority of receivables are from related parties, hence the Company has nominal credit risk as on Balance Sheet date.

### Exposure to Credit Risk

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Long-term Loans and Advances	196.88	177.81
Cash and Bank Balances	41.85	55.87

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Trade Receivables

(₹ in Lakh)

As at 31 <sup>st</sup> March 2023	Neither Past Due nor Impaired	Past Due But Not Impaired					Total
		< 30 Days	30 to 60 Days	61 to 90 Days	91 to 120 Days	> 120 days	
Other Receivables	3,699.95	-	-	-	-	-	3,699.95
	<b>3,699.95</b>	-	-	-	-	-	<b>3,699.95</b>

(₹ in Lakh)

As at 31 <sup>st</sup> March 2022	Neither Past Due nor Impaired	Past Due But Not Impaired					Total
		< 30 Days	30 to 60 Days	61 to 90 Says	91 to 120 Days	> 120 days	
Other Receivables	1,566.41	-	-	-	-	3.43	1,569.84
	<b>1,566.41</b>	-	-	-	-	<b>3.43</b>	<b>1,569.84</b>

No significant changes in estimation techniques, or assumptions were made during the reporting period.

## Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by Senior Management. The Management monitors the Company's net liquidity position.

## Maturity Profile of Financial Liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ in Lakh)

As at 31 <sup>st</sup> March 2023	Less than 3 Months	3 to 12 Months	1 to 2 Years	2 to 3 Years	3 to 5 Years	> 5 Years	Total
Borrowings	294.83	692.27	619.00	585.49	554.68	-	2,746.27
Trade and Other Payables	1,583.80	-	-	-	-	-	1,583.80
Lease Liabilities	113.99	344.88	409.63	41.33	-	-	909.83
	<b>1,878.63</b>	<b>692.27</b>	<b>619.00</b>	<b>585.49</b>	<b>554.68</b>	-	<b>5,239.90</b>

(₹ in Lakh)

As at 31 <sup>st</sup> March 2022	Less than 3 Months	3 to 12 Months	1 to 2 Years	2 to 3 Years	3 to 5 Years	> 5 Years	Total
Borrowings	462.94	793.43	643.84	305.13	309.74	-	2,515.08
Trade and Other Payables	1,732.78	-	-	-	-	-	1,732.78
Lease Liabilities	97.09	324.37	458.86	409.63	41.33	-	1,331.28
	<b>2,292.81</b>	<b>1,117.80</b>	<b>1,102.70</b>	<b>714.76</b>	<b>351.07</b>	-	<b>5,579.14</b>

## Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Parent. The primary objective of the Company's capital management is to maximise the shareholder value.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirements are met through equity, operating cash flows and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31<sup>st</sup> March 2023.

## Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the Company to cash flow interest rate risk, whereas fixed interest rate instruments expose the Company to the fair value interest risk.

The Company has primarily invested in fixed rate borrowings. Hence, the Company is not significantly exposed to interest rate risk.

## NOTE: 26 DEFERRED TAX (NET)

The Company has not recognised deferred tax in books.

## NOTE: 27 SEGMENT INFORMATION

Ind AS 108 introduces a 'Management Approach' to identifying and measuring the financial performance of an entity's operating segments. Segment information provided in financial statements is based on the information used internally by the management. The Company's operations are to provide common pool of facilities to its group companies. The member companies participate in common pool of facilities and share the expenses incurred by the Companies. Accordingly, there is no revenue which is accounted in the Statement of Profit and Loss account of the Company related to its operation. Hence, there is no segment-wise internal reporting, which is used by the Management for taking key decision.

## NOTE: 28 CONTINGENT LIABILITIES AND COMMITMENTS:

### (a) Contingent Liabilities:

Contingent Liabilities related to Income Tax matters (A.Y. 2014-15) net off payment (₹ 6.59 Lakh) ₹ 37.31 Lakh as on 31<sup>st</sup> March 2023 (₹ 37.31 Lakh as on 31<sup>st</sup> March 2022). This is related to depreciation claimed by the Company on assets purchased from HPFS on lease. The Company has claimed depreciation on such assets which was disallowed by the Income Tax Department. The Company has preferred appeal against the order passed by the income Tax Department. The appeal has been filed with CIT (Appeals).

Contingent Liabilities related to income tax matters (A.Y. 2015-16) net off payment (₹ 1.95 Lakh) ₹ 7.78 Lakh as on 31<sup>st</sup> March 2023 (₹ 7.78 Lakh as on 31<sup>st</sup> March 2022). This is related to depreciation claimed by the Company on assets purchased from HPFS on lease. The Company has claimed depreciation on such assets which was disallowed by the Income Tax Department. The Company has preferred appeal against the order passed by the Income Tax Department. The appeal has been filed with CIT (Appeals).

### (b) Capital Commitments:

Value of estimated contracts remaining to be executed on capital account not provided for is ₹ 1371.23 Lakh (Previous Year: ₹ 810.66 Lakh).

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 29 ASSETS ACQUIRED UNDER FINANCE LEASES

### a) Leased Liabilities

Effective 1<sup>st</sup> April 2019, the Group adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on 1<sup>st</sup> April 2019, using the modified retrospective method, and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right-of-use asset at its carrying amounts, as if the standard had been applied since the commencement date of the lease, but discounted at the lessee’s incremental borrowing rate at the date of initial application.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use assets at the date of initial application.
4. Applied the practical expedient to grandfather the assessment, of which transactions are leases. Accordingly, for all contracts as on 1<sup>st</sup> April 2019, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted average incremental borrowing rates applied to lease liabilities for the year ended 31<sup>st</sup> March 2023, is between the range of 4.56% to 6.98% for a period varying from 1 to 10 years.

### Critical Accounting Judgements and Key Sources of Estimation Uncertainty

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement &
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

Followings are the changes in the carrying value of right-of-use assets for the year ended 31<sup>st</sup> March 2023:

(₹ in Lakh)

Particulars	Category of ROU Asset Leasehold premises
<b>Gross Carrying Value</b>	
Balance as at 1 <sup>st</sup> April 2021	1,664.79
Additions	336.65
Deletions	-
Balance as on 31 <sup>st</sup> March 2022	2,001.44
Additions	-
Deletions	-
<b>Balance as on 31<sup>st</sup> March 2023</b>	<b>2,001.44</b>
<b>Accumulated Amortisation</b>	
Balance as at 1 <sup>st</sup> April 2021	571.22
Additions	313.91
<b>Balance as on 31<sup>st</sup> March 2022</b>	<b>885.13</b>
Additions	375.77
<b>Balance as on 31<sup>st</sup> March 2023</b>	<b>1,260.90</b>
Net Carrying Value as at 31 <sup>st</sup> March 2022	1,116.30
<b>Net Carrying Value as at 31<sup>st</sup> March 2023</b>	<b>740.54</b>

The following is the break-up of current and non-current lease liabilities as at 31<sup>st</sup> March 2022

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Current Lease Liabilities	443.97	407.30
Non-Current Lease Liabilities	406.62	792.37
<b>Total</b>	<b>850.59</b>	<b>1,199.67</b>

The following is the movement in lease liabilities during the year ended 31<sup>st</sup> March 2023:

(₹ in Lakh)

Particulars	Amount
Balance as at 1 <sup>st</sup> April 2022	1,199.67
Additions	-
Additions through Business Combinations	-
Deletions	-
Finance Cost Accrued during the year	72.38
Payment of Lease Liabilities	421.46
<b>Balance as at 31<sup>st</sup> March 2023</b>	<b>850.59</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(₹ in Lakh)	
Particulars	Amount
Balance as at 1 <sup>st</sup> April 2021	1,154.26
Additions	322.59
Additions through Business Combinations	-
Deletions	-
Finance Cost Accrued during the year	87.63
Payment of Lease Liabilities	364.81
<b>Balance as at 31<sup>st</sup> March 2022</b>	<b>1,199.67</b>

The table below provides details regarding the contractual maturities of lease liabilities as at 31<sup>st</sup> March 2023 on an undiscounted basis:

(₹ in Lakh)		
Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Less than One Year	458.86	421.46
One to Five Years	450.97	909.82
More than Five Years	-	-
<b>Total</b>	<b>909.83</b>	<b>1,331.28</b>

## NOTE: 30 INCOME TAX DISCLOSURE

The major components of income tax expense for the years ended 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 are:

(₹ in Lakh)		
Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Current Income Tax:</b>		
Current Income Tax Charges	-	-
Adjustments in respect of Current Income Tax of Previous Year	-	-
<b>Deferred Tax:</b>		
Relating to Origination and Reversal of Temporary Differences	-	-
<b>Income Tax Expenses reported in the Statement of Profit and Loss</b>	<b>-</b>	<b>-</b>

**OCI Section – Deferred tax related to items recognised in OCI during in the year:**

(₹ in Lakh)		
Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Net Loss/(Gain) on Remeasurements of Defined Benefit Plans	-	-
Unrealised	-	-
<b>Income Tax Expense Charged to OCI</b>	<b>-</b>	<b>-</b>

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022:

(₹ in Lakh)

Particulars	As at	As at
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
Accounting Profit Before Tax from Continuing Operations	-	-
Profit/(Loss) Before Tax from Other Income	35.79	47.15
	<b>35.79</b>	<b>47.15</b>
<b>Enacted Tax Rates in India/MAT</b>	25.17%	25.17%
<b>Accounting Profit Before Income Tax</b>	35.79	47.15
At India's Statutory Income Tax Rate of 25.17% (31 <sup>st</sup> March 2022: 25.17%)	9.01	11.87
Less: Income Not Taxable	-	-
Less: Adjusted Against C/f losses	(9.01)	(11.87)
Add: Write Back of Previous Year Tax	-	-
<b>Income Tax Expenses as per Effective Tax Rate</b>	-	-

Pursuant to The Taxation Laws (Amendment) Ordinance, 2019, promulgated on 20<sup>th</sup> September 2019, the Company intends to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961, to compute Income Tax at the revised rate (i.e. 25.17%) from financial year 2021-22.

### NOTE: 31 BUSINESS RATIO

As per business nature following financial ratios applicable:

Particulars	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022	Change in %
Debt Equity Ratio	29.17	25.94	0.12
Return on equity	18.65	31.34	-0.40
Current ratio	0.55	0.42	0.31
Debt service coverage	0.01	0.01	-0.44
Return on capital employed	0.57	1.01	-0.44

### Reason for variation for more than 25%

Return on Equity: The decrease in income of other Income during the year has directly lead to the said variance

Current Ratio: Current Asset increase by 73% i.e ₹ 2,341 compare to Previous year due to increase other receivable of ₹2,130 Lakh and current liability Increase by 32% increase in borrowing ₹ 1,611 Lakh.

Debt service coverage: During the year Borrowing increase by ₹1,611 Lakh during the year

Return on capital employed: Decrease in other Income by ₹ 11 Lakh and increase in borrowing by ₹ 1611 Lakh

### NOTE: 32

The Company has not granted any Loans or Advances to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person

### NOTE: 33 UNDISCLOSED INCOME

The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of accounts, in the tax assessments under the Income Tax Act, 1961 as income during the year.

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 34 NO TRANSACTIONS TO REPORT AGAINST THE FOLLOWING DISCLOSURE

- (a) Revaluation of Property, plant and equipment (including Right to Use).
- (b) Revaluation of Intangible assets
- (c) Crypto Currency or Virtual Currency
- (d) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- (e) Registration of charges or satisfaction with Registrar of Companies
- (f) Scheme of Arrangement
- (g) Relating to borrowed funds:
  - i. Wilful defaulter
  - ii. Utilisation of borrowed funds & share premium
  - iii. Borrowings obtained on the basis of security of current assets
  - iv. Discrepancy in utilisation of borrowings
- (h) Corporate Social Responsibility

## NOTE: 35 THE FOLLOWING DISCLOSURES ARE NOT APPLICABLE

- (a) Since the Company does not have any Immovable property, reporting on the Title deeds of immovable properties is not applicable
- (b) Since the Company does not have Investment property, Valuation of Investment property is not applicable
- (c) Since the Company does not have any subsidiary, the provision of Section 2 (87) of the act, read with Companies (Restriction on number of layer) Rules 2017, is not applicable to the Company

## NOTE: 36 TRANSACTIONS WITH STRUCK-OFF COMPANIES

The Company has not entered into any transactions with struck-off companies during the year ended 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022.

## NOTE: 37

Previous year's figures have been regrouped/rearranged to confirm to the current year's presentation, wherever necessary.

As per our attached Report of even date.  
**For Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No. 103523W/W100048

**Sumant Sakhardande**  
Partner  
Membership No. 034828

Mumbai, 24<sup>th</sup> April 2023

**For and on behalf of the Board of Directors of**  
**Aditya Birla Financial Shared Services Limited**

**Mukesh Malik**  
Director  
DIN: 02125091

Mumbai, 24<sup>th</sup> April 2023

**Vijay Deshwal**  
Director  
DIN: 10004047

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Annexure 1

The following inter company transactions/balances with Holding Company/Subsidiaries/Fellow Subsidiaries/Joint Ventures /Associates have taken place during the period under review and are included in the above figures under respective heads:

Particulars	Country	Nature of Relationship
Aditya Birla PE Advisors Pvt. Ltd.	India	Fellow Subsidiary
Aditya Birla Money Limited	India	Fellow Subsidiary
Aditya Birla Insurance Brokers Limited	India	Fellow Subsidiary
Aditya Birla Finance Limited	India	Fellow Subsidiary
Aditya Birla Sun Life Insurance Company Limited	India	Fellow Subsidiary
Aditya Birla Capital Technology Services Limited	India	Fellow Subsidiary
Aditya Birla Sun Life Asset Management Company Limited	India	JV/Associate of Parent Company
Aditya Birla Housing Finance Limited	India	Fellow Subsidiary
Aditya Birla Health Insurance Company Limited	India	Joint Venture of Parent Company
Aditya Birla Capital Limited	India	Holding Co.
Aditya Birla Management Corporation Private Ltd.	India	Fellow Subsidiary
Aditya Birla ARC Limited	India	Fellow Subsidiary
Aditya Birla Money Mart Limited	India	Fellow Subsidiary
Aditya Birla Sun Life Pension Management Limited	India	Fellow Subsidiary
Aditya Birla Stressed Asset AMC Private Limited	India	Fellow Subsidiary
Aditya Birla Wellness Private Limited	India	Fellow Subsidiary
Aditya Birla Money Insurance Advisory Services Limited	India	Fellow Subsidiary

(₹ in Lakh)

	Year ended	
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
<b>Trade Receivable:</b>		
Aditya Birla Sun Life Insurance Company Limited	1,163.44	649.31
Aditya Birla Money Limited	75.75	32.95
Aditya Birla Insurance Brokers Limited	64.40	16.71
Aditya Birla Housing Finance Limited	294.58	91.19
Aditya Birla Health Insurance Co Limited	453.99	218.90
Aditya Birla Finance Limited	389.18	241.07
Aditya Birla Capital Limited	108.06	77.04
Aditya Birla Sun Life Asset Management Company Limited	322.41	237.59
Aditya Birla Wellness Private Limited	-	0.07
Grasim Industries Limited	-	0.37
Aditya Birla Capital Digital Limited	733.27	-
<b>Other Comprehensive Income/(Loss):</b>		
Aditya Birla Sun Life Insurance Company Limited	(7.74)	(39.68)
Aditya Birla Sun Life Asset Management Company Limited	(0.30)	(9.78)
Aditya Birla Money Limited	(0.26)	(1.41)
Aditya Birla Insurance Brokers Limited	(0.29)	(0.96)
Aditya Birla Housing Finance Limited	(3.71)	(12.07)
Aditya Birla Health Insurance Co Limited	(0.18)	(28.55)

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(₹ in Lakh)

	Year ended	
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
Aditya Birla Capital Limited	(0.13)	(9.62)
Aditya Birla Finance Limited	(0.79)	(8.70)
Aditya Birla Capital Technology Services Limited	(0.21)	(0.32)
<b>Expenses Reimbursed:</b>		
Aditya Birla Sun Life Insurance Company Limited (Other Expenses)	5.15	0.30
Aditya Birla Sun Life Insurance Company Limited (GST)	1.05	0.42
Aditya Birla Sun Life Insurance Company Limited (Capital Asset)	-	1.85
Aditya Birla Sun Life Insurance Company Limited (Employee benefit expense - Transfer of employee dues)	24.66	4.85
Aditya Birla Sun Life Asset Management Company Limited (Employee benefit expense - Transfer of employee dues)	26.66	-
Aditya Birla Housing Finance Limited (Employee benefit expense - Transfer of employee dues)	11.22	13.56
Aditya Birla Housing Finance Limited (Other Expenses)	-	2.41
Aditya Birla Housing Finance Limited (GST)	-	0.46
Aditya Birla Health Insurance Co Limited (Employee benefit expense - transfer of employee dues)	13.30	5.09
Aditya Birla Finance Limited (Employee benefit expense - transfer of employee dues)	64.71	5.85
Aditya Birla Finance Limited (Other Expenses)	236.42	126.51
Aditya Birla Finance Limited (GST)	46.81	27.94
Aditya Birla Capital Limited (ESOP)	83.56	(4.64)
Aditya Birla Capital Technology Services Limited (Other Expenses)	365.50	111.11
Aditya Birla Capital Technology Services Limited (GST)	67.77	90.07
Aditya Birla Capital Technology Services Limited (Capital Assets)	-	387.55
Aditya Birla Capital Technology Services Limited (Employee Transfer)	64.74	-
Aditya Birla Money Limited (Other Expenses)	-	5.37
Aditya Birla Money Limited (Employee benefit expense - transfer of employee dues)	11.93	3.11
Aditya Birla Money Limited (GST)	-	0.03
Aditya Birla Management Corporation Private Limited (Other Expenses)	2.25	0.72

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(₹ in Lakh)

	Year ended	
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
Aditya Birla Management Corporation Private Limited (GST)	0.41	0.13
Ultratech Cement Limited (Capital Asset)	7.02	-
Aditya Birla Wellness Private Limited (Other Expenses)	0.26	(0.38)
Aditya Birla Wellness Private Limited (GST)	0.05	(0.07)
Aditya Birla Insurance Borker Pvt Limited (Other Expenses)	1.04	-
Aditya Birla Insurance Borker Pvt Limited (GST)	0.21	-
<b>Expenses Recovered:</b>		
Aditya Birla Money Limited (Other Expenses)	245.19	174.63
Aditya Birla Money Limited (Prepaid Expenses)	104.56	74.60
Aditya Birla Money Limited (Employee Dues Transferred)	1.34	0.94
Aditya Birla Money Limited (Employee Benefit)	80.75	71.32
Aditya Birla PE Advisors Pvt. Limited (Other Expenses)	-	0.04
Aditya Birla Insurance Brokers Limited (Other Expenses)	234.97	150.76
Aditya Birla Insurance Brokers Limited (Prepaid Expenses)	141.07	125.66
Aditya Birla Insurance Brokers Limited (Employee Benefit)	125.28	48.38
Aditya Birla Finance Limited (Other Expenses)	1,563.49	1,216.49
Aditya Birla Finance Limited (Prepaid Expenses)	475.27	428.28
Aditya Birla Finance Limited (Employee Benefit)	658.01	437.71
Aditya Birla Finance Limited (Employee Dues Transferred)	31.91	10.22
Aditya Birla Sun Life Insurance Company Limited (Employee Dues Transferred)	18.04	6.58
Aditya Birla Sun Life Insurance Company Limited (Other Expenses)	3,376.64	2,396.39
Aditya Birla Sun Life Insurance Company Limited (Prepaid Expenses)	1,004.70	893.18
Aditya Birla Sun Life Insurance Company Limited (Employee Benefit)	3,042.13	2,037.21
Aditya Birla Capital Technology Services Limited (Other Expenses)	84.85	82.92

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(₹ in Lakh)

	Year ended	
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
Aditya Birla Capital Technology Services Limited (Prepaid Expenses)	1.07	0.43
Aditya Birla Capital Technology Services Limited (Employee Benefit)	14.93	15.98
Aditya Birla Sun Life Asset Management Company Limited (Other Expenses)	1,309.47	1,426.60
Aditya Birla Sun Life Asset Management Company Limited (Prepaid Expenses)	333.61	334.36
Aditya Birla Sun Life Asset Management Company Limited (Employee Benefit)	488.75	492.17
Aditya Birla Sun Life Asset Management Company Limited (Employee Dues Transferred)	5.86	3.11
Aditya Birla Housing Finance Limited (Other Expenses)	579.01	386.98
Aditya Birla Housing Finance Limited (Prepaid Expenses)	108.10	70.20
Aditya Birla Housing Finance Limited (Employee Dues Transferred)	66.46	-
Aditya Birla Housing Finance Limited (Employee Benefit)	1,478.51	624.48
Aditya Birla Health Insurance Co Limited (Other Expenses)	1,265.87	988.41
Aditya Birla Health Insurance Co Limited (Prepaid Expenses)	363.09	191.40
Aditya Birla Health Insurance Co Limited (Employee dues Transferred)	15.51	0.61
Aditya Birla Health Insurance Co Limited (Employee Benefit)	1,597.93	1,471.41
Aditya Birla Capital Limited (Other Expenses)	607.75	393.95
Aditya Birla Capital Limited (Prepaid Expenses)	129.38	107.28
Aditya Birla Capital Limited (Employee Benefit)	568.38	484.07
Aditya Birla ARC Limited (Other Expenses)	-	0.59
Aditya Birla ARC Limited (GST)	-	0.12
Aditya Birla Money Mart Limited (Other Expenses)	-	0.03
Aditya Birla Money Mart Limited (GST)	-	0.01
Aditya Birla Sun Life Pension Management Limited (Other Expenses)	-	0.19
Aditya Birla Sun Life Pension Management Limited (GST)	-	0.04
Aditya Birla Stressed Asset AMC Private Limited (Other Expenses)	-	0.07

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(₹ in Lakh)

	Year ended	
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
Aditya Birla Stressed Asset AMC Private Limited (GST)	-	0.01
Aditya Birla Wellness Private Limited (Other Expenses)	-	0.32
Aditya Birla Wellness Private Limited (GST)	-	0.06
Aditya Birla Money Insurance Advisory Services Limited (Other Expenses)	-	0.15
Aditya Birla Management Corporation Private Limited (Other Expenses)	-	1.91
Aditya Birla Management Corporation Private Limited (GST)	-	0.38
Ultratech Cement Limited (Other Expenses)	-	1.51
Ultratech Cement Limited (Employee Dues Transferred)	2.42	3.84
Ultratech Cement Limited (GST)	-	0.30
Svatanatra Microfin Pvt Limited (Other Expenses)	-	0.40
Svatanatra Microfin Pvt Limited (GST)	-	0.08
Grasim Industries Limited (Other Expenses)	-	0.92
Grasim Industries Limited (GST)	-	0.18
Aditya Birla Money Insurance Advisory Services Limited (GST)	-	0.03
Aditya Birla Money Limited (GST)	85.25	63.47
Aditya Birla Insurance Brokers Limited (GST)	99.26	64.31
Aditya Birla Finance Limited (GST)	533.90	412.33
Aditya Birla Sun Life Insurance Company Limited (GST)	1,468.81	1,054.70
Aditya Birla Capital Technology Services Limited (GST)	19.97	19.67
Aditya Birla Sun Life Asset Management Company Limited (GST)	421.78	446.12
Aditya Birla Housing Finance Limited (GST)	428.97	214.17
Aditya Birla Health Insurance Co Limited (GST)	629.46	524.94
Aditya Birla Capital Limited (GST)	258.08	195.09
Aditya Birla PE Advisors Pvt. Limited (GST)	-	0.01

# Notes forming part of the Financial Statements

for the year ended 31<sup>st</sup> March 2023

(₹ in Lakh)

	Year ended	
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
Aditya Birla Capital Digital Limited (GST)	814.75	-
<b>Trade Payables:</b>		
Aditya Birla Management Corporation Private Limited	2.43	-
Aditya Birla Capital Technology Services Limited	6.42	316.22
Aditya Birla PE Advisors Pvt. Limited.	-	0.00
Aditya Birla Wellness Private Limited	0.03	-
<b>Other Current Liabilities:</b>		
Aditya Birla Sun Life Insurance Company Limited	199.27	152.74
Aditya Birla Sun Life Asset Management Company Limited	68.81	45.88
Aditya Birla Money Limited	32.25	14.26
Aditya Birla Insurance Brokers Limited	20.44	13.55
Aditya Birla Housing Finance Limited	13.74	9.21
Aditya Birla Health Insurance Co Limited	99.10	45.97
Aditya Birla Capital Limited	1.85	6.32
Aditya Birla Finance Limited	129.58	85.39
Aditya Birla Capital Technology Services Limited	0.41	0.30
<b>Inter Corporate Deposit:</b>		
Aditya Birla Insurance Brokers Limited (Inter Corporate Deposit Receipt)	1,525.00	2,000.00
Aditya Birla Insurance Brokers Limited (Inter Corporate Deposit Repayment)	1,150.00	750.00
Aditya Birla Insurance Brokers Limited (Interest On Inter Corporate Deposit)	173.18	131.51
Aditya Birla Insurance Brokers Limited (Closing Balance)	2,375.00	2,000.00
Aditya Birla Money Mart Limited (Inter Corporate Deposit Receipt)	1,000.00	-
Aditya Birla Money Mart Limited (Interest On Inter Corporate Deposit Receipt)	0.72	-
Aditya Birla Money Mart Limited (Closing Balance)	1,000.00	-

For and on behalf of the Board of Directors of  
Aditya Birla Financial Shared Services Limited

**Mukesh Malik**  
Director  
DIN: 02125091

**Vijay Deshwal**  
Director  
DIN: 10004047

Mumbai, 24<sup>th</sup> April 2023

Aditya Birla PE Advisors Private Limited



**ADITYA BIRLA  
CAPITAL**

CIN: U74140MH2008PTC179360

Registered Office Address: One World Center, Tower 1,  
18<sup>th</sup> Floor, Jupiter Mill Compound, 841,  
Senapati Bapat Marg, Elphinstone Road, Mumbai – 400013

T: 9702036060

E: Piyush.Shah@adityabirlacapital.com

# INDEPENDENT AUDITOR'S REPORT

To the Members of  
**Aditya Birla PE Advisors Private Limited**

## REPORT ON THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying Ind AS financial statements of Aditya Birla PE Advisors Private Limited ("the Company"), which comprise the Balance sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information ("the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing ("SAs"), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

### Emphasis of Matter

We draw attention to Note 2.1 to the Financial Statements, which indicates that the Company is not considered to be a going concern and hence, in the financial statements of Company, the

assets and liabilities are stated at their realisable values.

Our opinion is not qualified in respect of this matter.

### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

## INDEPENDENT AUDITOR'S REPORT (Contd.)

- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) The going concern matter described in Emphasis of Matter – Going Concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- (f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164(2) of the Act;
- (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- (h) The provisions of Section 197 read with Schedule V of the Act are not applicable to the Company for the year ended 31<sup>st</sup> March, 2023 since the Company has not paid/provided for managerial remuneration during the year;
- (i) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 24 to the Ind AS financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The management has represented that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.
- v. The management has represented that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.

**For P. L. Kataria & Co.**

Chartered Accountants

ICAI Firm Registration Number: 104913W

**per Nitin Kataria**

Partner

Membership Number: 102949

UDIN:

Place: Mumbai

Date: 24<sup>th</sup> April, 2023

## ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE

### Re: Aditya Birla PE Advisors Private Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (“PPE”).
- The Company is maintaining proper records showing full particulars of intangible assets.
- (b) PPE have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE or intangible assets or both during the year.
- (e) The Company does not have any property. Accordingly, paragraph 3(i)(e) of the Order is not applicable to the Company. Refer Note xx of the financial statements.
- (ii) (a) The Company’s business does not involve inventories and, accordingly, the requirements under paragraph 3(ii)(a) of the Order are not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the Company has not been sanctioned any working capital limits during the year. Accordingly, paragraph 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not made investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the provisions of clause 3(iii)
- (a) to (f) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits during the year in terms of directives issued by the Reserve Bank of India or within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Hence the Company is not required to maintain any cost records prescribed under sub-section (1) of the Section 148 of the Act. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services tax, provident fund, income-tax, service tax, cess and any other statutory dues applicable to it. The provisions relating to employees’ state insurance, sales-tax, duty of customs, duty of excise and value added tax are not applicable to the Company.
- (vii) (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services tax, provident fund, income-tax, service tax, cess and any other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to employees’ state insurance, sales-tax, duty of customs, duty of excise and value added tax are not applicable to the Company.

## INDEPENDENT AUDITOR'S REPORT (Contd.)

- (vii) (c) According to the records of the Company, the dues of income tax which have not been deposited on account of dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
Income-tax Act, 1961	Income tax demand	3,21,920	AY 2018-19	CIT (Appeals)
Income-tax Act, 1961	Income tax demand	-	AY 2018-19	CIT (Appeals) for c/f loss reduced

- (viii) In our opinion and according to the information and explanations given to us there have not been any transactions recorded in the books of account of the Company which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.
- (ix) (a) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- (b) As represented, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) During the year the Company has not taken any term loan. Accordingly, paragraph 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. The Company does not have any associate or joint venture.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary.
- Company does not have any associate or joint venture.
- (x) (a) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer/further public offer (including debt instruments) during the year.
- (b) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year.
- (xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud/material fraud on the Company has been noticed or reported during the year.
- (b) No report under Section 143 (12) of the Act has been filed by us, during the year under report, in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 188 of Companies Act, 2013

where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of Section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to Section 177 of the Act is not applicable to the Company and hence not commented upon.

- (xiv) (a) The Company is not required to have an internal audit system as per provisions of the Act.
- (b) The Company is not required to appoint an internal auditor as per Section 138 of Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rule, 2014.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of Companies Act, 2013.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(a) (b) & (c) of the Order is not applicable to the Company.
- (b) As per information provided by the management of the Company, in course of our audit, the group to which the Company belongs, has three CIC, namely Aditya Birla Capital Limited Birla Group holding Private Limited and Umang Commercial Company Private Limited.
- (xvii) The Company has not incurred cash losses during current financial year but had incurred cash loss of ₹ 39,99,180 in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly paragraph 3(xviii) of the Order is not applicable. There were no issues, objections or concerns raised by the outgoing auditors of the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The provisions of Section 135 of the Act are not applicable to the Company. Accordingly, paragraph 3(xx) (a) and (b) of the Order is not applicable to the Company.
- (xxi) Reporting under Paragraph 3(xxi) of the Order is not applicable at the standalone level of reporting applicable to the Company as it is not a holding Company.

**For P. L. Kataria & Co.**

Chartered Accountants

ICAI Firm Registration Number: 104913W

**per Nitin Kataria**

Partner

Membership Number: 102949

UDIN:

Place: Mumbai

Date: 24<sup>th</sup> April, 2023

## **ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON IND AS FINANCIAL STATEMENTS OF ADITYA BIRLA PE ADVISORS PRIVATE LIMITED**

### **Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Aditya Birla PE Advisors Private Limited ("the Company") as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these Ind AS financial

statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these Ind AS financial statements.

### **Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements**

A company's internal financial control over financial reporting with reference to these Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Ind AS Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls

over financial reporting with reference to these Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these Ind AS financial statements and such internal financial controls over financial reporting with reference to these Ind AS financial statements were operating effectively as at 31<sup>st</sup> March, 2023, based on the internal control over financial reporting criteria established by the Company considering the

essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### For P. L. Kataria & Co.

Chartered Accountants

ICAI Firm Registration Number: 104913W

### per Nitin Kataria

Partner

Membership Number: 102949

UDIN:

Place: Mumbai

Date: 24<sup>th</sup> April, 2023

# Balance Sheet

as at 31<sup>st</sup> March, 2023

₹ in Thousand			
Particulars	Note	As at	As at
<b>I ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	3		
(b) Financial Assets			
(i) Loans	4A	5	18
(c) Advance Tax (net)	5	377	4,254
(d) Other non-current-assets	6A		
<b>Total non-current assets</b>		<b>382</b>	<b>4,272</b>
<b>(2) Current assets</b>			
(a) Financial Assets			
(i) Current Investments	7	31,684	28,397
(ii) Cash and cash equivalents	8	10,620	10,399
(iii) Loans	4B		
(b) Other current assets	6B	330	388
<b>Total current assets</b>		<b>42,634</b>	<b>39,184</b>
<b>Total assets</b>		<b>43,016</b>	<b>43,456</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share capital	9	35,000	35,000
(b) Other Equity			
(i) Retained Earnings	10	7,273	6,366
<b>Equity attributable to equity holders of the Company</b>		<b>42,273</b>	<b>41,366</b>
<b>Total equity</b>		<b>42,273</b>	<b>41,366</b>
<b>LIABILITIES</b>			
<b>(1) Current liabilities</b>			
(a) Financial Liabilities			
(i) Trade Payables	11	407	1,928
(iii) Other Financial Liabilities			
(b) Other Current Liabilities	12	336	162
(c) Provisions	13		
<b>Total current liabilities</b>		<b>743</b>	<b>2,090</b>
<b>Total liabilities</b>		<b>743</b>	<b>2,090</b>
<b>Total Equity and Liabilities</b>		<b>43,016</b>	<b>43,456</b>
Significant Accounting Policies	2		

The accompanying Notes are an integral part of the Financial Statements

As per our attached report of even date  
**For P L Kataria & Co.**  
 Chartered Accountants  
 ICAI Firm Registration No. 104913W

For and on behalf of the Board of Directors  
**Aditya Birla PE Advisors Private Limited**

**Per Nitin Kataria**  
 Partner  
 Membership No. 102949

**Pinky Mehta**  
 Director  
 DIN: 00020429

**Vijay Deshwal**  
 Director  
 DIN: 10004047

**Piyush Shah**  
 Company Secretary

Place: Mumbai  
 Date: 24<sup>th</sup> April, 2023

Place: Mumbai  
 Date: 24<sup>th</sup> April, 2023

# Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2023

₹ in Thousand

	Note	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Continuing operations</b>			
<b>INCOME</b>			
Revenue from Operations	14	-	-
Net gain/(loss) on fair value changes	15	1,026	1,298
Other income	15	2,182	439
<b>Total income</b>		<b>3,208</b>	<b>1,737</b>
<b>EXPENSES</b>			
(a) Employee benefits expenses	16	143	3,247
(b) Depreciation and amortisation expenses	17		141
(c) Other expenses	18	2,008	2,489
<b>Total expenses</b>		<b>2,151</b>	<b>5,877</b>
<b>Profit before share of Profit/(Loss) of associates and joint ventures, exceptional items and tax from continuing operation</b>		<b>1,057</b>	<b>(4,140)</b>
Share of Profit/(Loss) of Associates and Joint Venture Companies			
<b>Profit before exceptional items and tax from continuing operations</b>		<b>1,057</b>	<b>(4,140)</b>
Exceptional Items			
<b>Profit/(loss) before tax from continuing operations</b>		<b>1,057</b>	<b>(4,140)</b>
Tax expenses			
Current Tax		150	
Tax provision reversed for earlier years			
Deferred tax			
<b>Total Tax Expenses</b>		<b>150</b>	
<b>Profit/(loss) for the year</b>		<b>907</b>	<b>(4,140)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
A Actuarial Gain/(Loss) on retirement benefits			298
<b>Other comprehensive income for the year, net of tax:</b>			<b>298</b>
<b>Total comprehensive (loss) for the year, net of tax:</b>		<b>907</b>	<b>(3,842)</b>
<b>Earnings per equity share (EPS), Face Value of ₹ 10 each:</b>	19		
Basic & Diluted EPS for continuing operations in ₹		0.26	(1.18)
Significant Accounting Policies	2		

The accompanying Notes are an integral part of the Financial Statements

As per our attached report of even date

**For P L Kataria & Co.**

Chartered Accountants

ICAI Firm Registration No. 104913W

For and on behalf of the Board of Directors

**Aditya Birla PE Advisors Private Limited**

**Per Nitin Kataria**

Partner

Membership No. 102949

**Pinky Mehta**

Director

DIN: 00020429

**Vijay Deshwal**

Director

DIN: 10004047

**Piyush Shah**

Company Secretary

Place: Mumbai

Date: 24<sup>th</sup> April, 2023

Place: Mumbai

Date: 24<sup>th</sup> April, 2023

# Cash Flow Statement

for the year ended 31<sup>st</sup> March, 2023

Particulars	₹ in Thousand	
	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>A. Cash flow from operating activities</b>		
Net Profit/(Loss) before tax and prior period item	1,057	(4,140)
<b>Adjustments for:</b>		
Depreciation/amortisation		141
Actuarial Gain/(Loss) on retirement benefits		298
Interest On Income tax Refund	(383)	(4)
Interests on Fixed deposits	(1,142)	(435)
MTM Gain on Investment – Held at FVTPL	(1,027)	(1,298)
<b>Operating profit before working capital changes</b>	<b>(1,495)</b>	<b>(5,438)</b>
<b>Adjustment for changes in working capital:</b>		
<b>Increase/(decrease) in liabilities</b>	<b>(1,346)</b>	<b>(4,241)</b>
<b>(Increase)/decrease in Assets</b>	<b>70</b>	<b>3,751</b>
<b>Cash from operating activities</b>	<b>(2,771)</b>	<b>(5,928)</b>
Tax Refund/(Paid)	4,111	25
<b>Net cash from operating activities</b>	<b>1,340</b>	<b>(5,903)</b>
<b>B. Cash flow from investing activities</b>		
Interest Income	1,142	435
Purchase of investments	(25,399)	(750)
Sale of investments	23,138	6,450
Dividend received from mutual fund units		
<b>Net cash used in investing activities</b>	<b>(1,119)</b>	<b>6,135</b>
<b>Net increase/(decrease) in cash and cash equivalents during the year (A+B)</b>	<b>221</b>	<b>232</b>
Cash and cash equivalents at beginning of the period	10,399	10,167
Cash and cash equivalents at end of the period	10,620	10,399

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) – 7 'Statement of Cash Flows' prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
- Cash and cash equivalents in the balance sheet comprises of Cash in hand, Cash at bank and Fixed deposits.

Significant Accounting Policies

Note no. 2

The accompanying Notes are an integral part of the Financial Statements

As per our attached report of even date

**For P L Kataria & Co.**

Chartered Accountants

ICAI Firm Registration No. 104913W

For and on behalf of the Board of Directors

**Aditya Birla PE Advisors Private Limited**

**Per Nitin Kataria**

Partner

Membership No. 102949

**Pinky Mehta**

Director

DIN: 00020429

**Vijay Deshwal**

Director

DIN: 10004047

**Piyush Shah**

Company Secretary

Place: Mumbai

Date: 24<sup>th</sup> April, 2023

Place: Mumbai

Date: 24<sup>th</sup> April, 2023

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2023

## A. EQUITY SHARE CAPITAL

	Number of shares	Amount in ₹ Thousand
<b>As at 1<sup>st</sup> April, 2021</b>	<b>35,00,000</b>	<b>35,000</b>
Changes in Equity Share Capital due to prior period errors		
Restated balance as at 1 <sup>st</sup> April, 2021	35,00,000	35,000
Changes in equity share capital during the year		
<b>As at 31<sup>st</sup> March, 2022</b>	<b>35,00,000</b>	<b>35,000</b>
Changes in Equity Share Capital due to prior period errors		
Restated balance as at 1 <sup>st</sup> April, 2022	35,00,000	35,000
Changes in equity share capital during the year		
<b>As at 31<sup>st</sup> March, 2023</b>	<b>35,00,000</b>	<b>35,000</b>

## B. OTHER EQUITY

Particulars	Equity Component of compound financial Instrument	Reserves and Surplus		Total
		General Reserve	Retained earnings	
		₹ in Thousand		
<b>As at 1<sup>st</sup> April, 2021</b>	-	-	<b>10,208</b>	<b>10,208</b>
Profit/(Loss) for the year	-	-	(4,140)	(4,140)
Other comprehensive income	-	-	298	298
<b>As at 31<sup>st</sup> March, 2022</b>	-	-	<b>6,366</b>	<b>6,366</b>
Profit/(Loss) for the year	-	-	907	907
Other comprehensive income	-	-		
<b>As at 31<sup>st</sup> March, 2023</b>	-	-	<b>7,273</b>	<b>7,273</b>

The accompanying notes are an integral part of the financial statements

As per our attached report of even date  
**For P L Kataria & Co.**  
 Chartered Accountants  
 ICAI Firm Registration No. 104913W

For and on behalf of the Board of Directors  
**Aditya Birla PE Advisors Private Limited**

**Per Nitin Kataria**  
 Partner  
 Membership No. 102949

**Pinky Mehta**  
 Director  
 DIN: 00020429

**Vijay Deshwal**  
 Director  
 DIN: 10004047

**Piyush Shah**  
 Company Secretary

Place: Mumbai  
 Date: 24<sup>th</sup> April, 2023

Place: Mumbai  
 Date: 24<sup>th</sup> April, 2023

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## 1. CORPORATE INFORMATION

Aditya Birla PE Advisors Private Limited (formerly known as Aditya Birla Capital Private Limited) (the 'Company') was incorporated on 22<sup>nd</sup> February, 2008. The Company is a Private Limited Company incorporated under the provisions of the Companies Act, 1956 and a wholly-owned subsidiary of Aditya Birla Capital Limited (formerly known as Aditya Birla Financial Services Limited) and the ultimate holding is Grasim Industries Limited (Previously ultimate holding was of Aditya Birla Nuvo Limited). The registered office of the Company is located at One India Bulls Centre, S. B. Marg, Elphinstone Road, Mumbai, Maharashtra, India. The main object of the Company is to provide financial advisory services and management services and to carry on business of advising and managing venture capital funds. The Company is the Investment Manager to the Aditya Birla Private Equity-Fund I and Aditya Birla Private Equity – Sunrise Fund ("Sunrise Fund"), both of which are Domestic Venture Capital Funds registered with SEBI.

The financial statements are approved for issue by the Company's Board of Directors by resolution passed in the meeting dated 24<sup>th</sup> April, 2023.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation

The Company's ultimate holding is Grasim Industries Limited is a listed company with networth of over ₹ 500 crores and is required to adopt IND AS in terms of rule of the Companies (Indian Accounting Standards) Rules, 2015. All subsidiaries of such companies are also required to adopt IND AS as prescribed under said Rules. Accordingly, the Company has adopted Ind AS and has prepared financial statement under Ind AS.

Sunrise Fund has closed its operations during the year ended 31<sup>st</sup> March, 2019 and ABPE Fund – I, the Term of which was extended till 13<sup>th</sup> January, 2021 is continuing as a liquidation vehicle pending final realisation of some of the assets. The Company has not accrued and received any income from management fees or any other operating income during the year ended 31<sup>st</sup> March, 2023. Further the management of the Company is currently not having any future business plan for the operations of the Company, considering the present macro environment. These conditions indicate significant uncertainty about the Company's going concern and hence financial statements

have not been prepared on a going concern basis. Accordingly, the assets and liabilities as at 31<sup>st</sup> March, 2023 are stated at their current realisable values. The ultimate realisation values of these assets and liabilities may be different.

The Company has prepared financial statements in accordance with Indian Accounting Standards ('Ind AS') under the historic cost convention on the accrual basis except financial instrument which are measured at fair value, and the provisions of the Companies Act, 2013, The Ind AS are prescribed under Section 133 of the act read with rule of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the schedule III of the Companies' Act, 2013. Based on the nature of products and the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as up to 12 months for the purpose of current/non-current classification of assets and liabilities.

### 2.2 Summary of Significant accounting policies

#### (a) Use of estimate

The preparation of financial statements in conformity with Indian Accounting Standards (IND AS) requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### (b) Property, Plant and Equipment

Property, plant and equipment and Capital Work in progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price including import duties and non-refundable purchase taxes,

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

after deducting trade discounts and rebates including directly attributable cost of bringing the assets to its working condition for its intended use. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred. Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the reporting date.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on the property, plant and equipment is provided on straight-line method using the rates arrived as per estimates made by the management supported by technical assessment which coincides with the useful lives of assets as specified in Schedule II to the Companies Act, 2013, except for the assets specified below. The Company has used the following useful lives of the property, plant and equipment to provide depreciation.

Following rates are used to provide depreciation on Property, Plant and Equipment:-

Asset Category	Useful life prescribed by Schedule II of The Companies Act, 2013	Estimated useful life
Furniture and fixtures	10 years	4 years
Office Equipment's	5 years	4 years
Vehicles	6 years	4 years
Computer	3 years	4 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Assets costing ₹ 5,000 or less are written off in the year of purchase Useful life of assets different from those prescribed in Schedule II has been estimated by management supported by technical assessment.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

## (c) Intangible Assets and Amortisation

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Intangible assets are amortised on a straight-line basis over their estimated useful life which is estimated at 3 years.

The amortisation period and the amortisation method are reviewed at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

## (d) Translation in foreign currency items

Transactions in foreign currency are initially recorded at the spot rate of exchange prevailing on the date of transaction. Exchange difference on settlement or translation of all other monetary items is recognised in the Statement of Profit and Loss. Non-monetary items are measured in terms of historical cost in foreign currency duly translated using the exchange rate at the date of initial transaction.

## (e) Revenue recognition

Revenue net of Goods and Service Tax ("GST") (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at the transaction price excluding the estimates of variable consideration that is allocated to that performance

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

obligation. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Company recognises revenue from contracts with customers based on a five steps model as set out in Ind 115:

**Step 1:** Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

**Step 2:** Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

**Step 3:** Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

**Step 4:** Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

**Step 5:** Recognise revenue when (or as) the Company satisfies a performance obligation

The Company recognises revenue on contract with customers based on above model. The contract with each customer is identified and revenue is recognised based on the terms of the contract, period of engagement and quantum of assets under management. Revenue is recognised on satisfaction of the performance obligation of the contract.

## Management fee income

Revenue recognition for management fees can be divided into the following two categories:

### i) Management fees – over time

Management fees is recognised on completion of the period and performance of the service.

### ii) Management fees – point in time

Certain incomes are recognised only upon completion of the performance obligation of the Contract.

## Carried Interest

Carried Interest is recognised on receipt basis and is also considered as revenue from services.

## Dividends

Dividend income on investments is accounted for when the right to receive the payment is established.

## Interest Income

For all Financial Instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

## Disposal of Investments

On disposal of an investment the difference between carrying amount and net disposal proceeds is charged or credited to the statement of Profit and Loss using weighted average cost.

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## (f) Retirement and Other Employee Benefits

Retirement benefit in the form of provident fund, pension fund and superannuation scheme are defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund, pension fund and superannuation scheme. The Company recognises contribution payable to the provident fund, pension fund and superannuation scheme as an expense, when an employee renders the related service. If the contribution payable to the schemes for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit plan for its employees, viz., gratuity. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognised in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date.

The Company treats accumulated leave as a non-contributory defined benefit arrangement providing benefits expressed in terms of a multiple of final monthly salary. It is carried as a current liability since it is to be utilised over a maximum period of one year in terms of the leave policy of the Company. The leave which gets availed whilst in service is valued on employee's CTC basis whereas the leave encashment is valued on the basis of the definition prescribed in

the Company's leave encashment policy. Based on the above principles, an actuarial valuation is made to determine the liability the Company needs to hold on its balance sheet date.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

## (g) Taxation

### Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Minimum Alternative Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. MAT credit is recognised as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

in Guidance Note issued by the ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period and adjustments if any are included is tax cost for the year.

## Deferred Taxes

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. The impact of such recognition and derecognition is included in the profit and loss statement of that year.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to

the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## (h) Operating Lease

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

## (i) Contingent liabilities & Provisions

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

## Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## (j) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial assets

#### Initial recognition and measurement:

All financial assets excluding trade receivables 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. Financial assets in the form of trade receivables, shall be initially measured at their transaction price (as defined in Ind AS 115) unless those contain a significant financing component determined in accordance with Ind AS 115. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

#### Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

1. Debt instruments at amortised cost
2. Debt instruments at fair value through other comprehensive income (FVTOCI)
3. Debt instruments, Mutual Fund and equity instruments at fair value through profit or loss (FVTPL)
4. Equity instruments measured at fair value through other comprehensive income (FVTOCI).

#### Financial instruments at amortised cost

A 'Financial instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

#### Financial Instrument at FVTOCI

A 'Financial Instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

- b) The asset's contractual cash flows represent SPPI.

Financial Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI Financial Instrument is reported as interest income using the EIR method.

## Financial Instrument at FVTPL

FVTPL is a residual category for Financial Instruments. Any Financial Instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a Financial Instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial Instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

## Equity investments and Mutual Funds at FVTPL

All equity investments and Mutual fund in scope of Ind AS 109 are measured at fair value. Equity instruments, Mutual fund which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, Mutual Fund, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised

in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments, Mutual fund included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

## Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) Trade receivables
- e) Loan commitments which are not measured as at FVTPL
- f) Financial guarantee contracts which are not measured as at FVTPL.

For recognition of impairment loss allowance on Trade receivables; and all lease receivables resulting from transactions within the scope of Ind AS 17 the Company follows 'simplified approach'.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

**For recognition of impairment loss on other financial assets and risk exposure**, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If

credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

1. All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
2. Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

## Financial liabilities

### Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, are recognised net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the

original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### (k) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. The Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- in the absence of a principal market in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

## (l) Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## (m) Cash Flow Statement

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## (n) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 3 PROPERTY, PLANT AND EQUIPMENT

₹ in Thousand

Particulars	Funitures & Fixtures	Computers & Printers	Office Equipment	Vehicles	TOTAL
<b>Cost or Valuation</b>					
As at 31 <sup>st</sup> March, 2021	59	1,223	161	1,142	2,586
Additions					
Deletions					
As at 31 <sup>st</sup> March, 2022	59	1,223	161	1,142	2,586
Additions					
Deletions					
As at 31 <sup>st</sup> March, 2023	59	1,223	161	1,142	2,586
<b>Depreciation and impairment</b>					
As at 31 <sup>st</sup> March, 2021	59	1,211	161	1,013	2,445
For the year		12		129	141
Deletions					
As at 31 <sup>st</sup> March, 2022	59	1,223	161	1,142	2,586
For the year					
Deletions					
As at 31 <sup>st</sup> March, 2023	59	1,223	161	1,142	2,586
Net Book Value as at 31 <sup>st</sup> March, 2022					
Net Book Value as at 31 <sup>st</sup> March, 2023					

## INTANGIBLE ASSET

₹ in Thousand

Particulars	Computer Software	TOTAL
<b>Cost or Valuation</b>		
As at 31 <sup>st</sup> March, 2021	298	298
Additions		
Deletions		
As at 31 <sup>st</sup> March, 2022	298	298
Additions		
Deletions		
As at 31 <sup>st</sup> March, 2023	298	298
<b>Amortisation and impairment</b>		
As at 31 <sup>st</sup> March, 2021	298	298
As at 31 <sup>st</sup> March, 2022	298	298
As at 31 <sup>st</sup> March, 2023	298	298
Net Book Value as at 31 <sup>st</sup> March, 2022		
Net Book Value as at 31 <sup>st</sup> March, 2023		

The Company has elected to apply previous GAAP carrying amount of its property, plant and equipments as on 1<sup>st</sup> April 2015 (date of transition to Ind AS) as deemed cost for the purpose of Accounting Standard Ind AS 16.

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 4A NON-CURRENT FINANCIAL ASSETS – LOANS

₹ in Thousand

	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>(Unsecured, Considered Good, except otherwise stated)</b>		
<b>(carried at amortised cost)</b>		
Security Deposits		
Unsecured, Considered Good	5	18
Less: Allowances for Doubtful		
	<b>5</b>	<b>18</b>

## LOANS

### NOTE: 4B CURRENT FINANCIAL ASSETS – LOANS

₹ in Thousand

	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>(Unsecured, Considered Good, except otherwise stated)</b>		
<b>(carried at amortised cost)</b>		
Security Deposit		
Unsecured, Considered Good	167	167
Less: Provision for Doubtful	(167)	(167)
Other Recieveables		
- Receivable from Fund III	21,044	21,044
Less: Provision in respect of receivable from Fund III	(21,044)	(21,044)
<b>Total</b>	<b>-</b>	<b>-</b>

## NOTE: 5 ADVANCE TAX (NET)

₹ in Thousand

	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Advance Tax (net of provision)	377	4,254
	<b>377</b>	<b>4,254</b>

## NOTE: 6A OTHER NON-CURRENT ASSETS

₹ in Thousand

	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>(Unsecured, Considered Good, except otherwise stated)</b>		
Deferred Staff Cost		
Deferred Rent Expenses		

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 6B OTHER CURRENT ASSETS

	₹ in Thousand	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>(Unsecured, Considered Good, except otherwise stated)</b>		
VAT, Other Taxes Recoverable, Statutory Deposits and Dues from Government	2	1
Prepaid Expenses	328	387
Other Current Assets		
	<b>330</b>	<b>388</b>

## NOTE: 7 CURRENT FINANCIAL ASSETS – INVESTMENTS

	₹ in Thousand	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Unquoted</b>		
<b>- Investments at Fair Value Through Profit &amp; Loss</b>		
34954.074 units (Previous year 44517.471) of Aditya Birla Sun Life Floating Rate Fund	10,472	12,623
67084.904 units (Previous year 35421.937) of Aditya Birla Sunlife Money Manager Fund – Growth	21,212	15,774
	<b>31,684</b>	<b>28,397</b>

## NOTE: 8 CASH AND CASH EQUIVALENTS

	₹ in Thousand	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Balances with Banks</b>		
Current Accounts	604	363
Deposit Accounts (with original maturity period of three months or less)	10,006	10,024
Cash on Hand	10	12
	<b>10,620</b>	<b>10,399</b>

## NOTE: 9 EQUITY SHARE CAPITAL

	₹ in Thousand		
	Numbers	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Authorised Share Capital:</b>			
Equity shares of ₹ 10/- each of the Company	5,000,000	50,000	50,000
		<b>50,000</b>	<b>50,000</b>
<b>Issued, Subscribed &amp; paid-up</b>			
Equity Shares of ₹ 10/- each fully paid-up	3,500,000	35,000	35,000
		<b>35,000</b>	<b>35,000</b>

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## 1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Sr. No.	Description	As at	As at
		31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
		Equity Shares	Equity Shares
1	Number of shares outstanding at the beginning of the year of ₹ 10 each	35,00,000	35,00,000
2	Number of shares outstanding at the end of the year of ₹ 10 each	35,00,000	35,00,000

## 2 Shareholding of Promoters:

### Shares held by promoters at the end of the year

Sr. No.	Promoter name	No of Shares	%of total shares	% Change during the year
1	Aditya Birla Capital Limited	35,00,000	100	No change

## 3 Term/right attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution to all preferential holders. The distribution will be in proportion to the number of equity shares held by the share holders.

4 As per records of the Company , including register of shareholder/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

5 The entire share capital is held by Aditya Birla Capital Limited, the holding company and its nominee.

## 6 Shares in the Company held by each shareholder holding more than 5% shares and the number of shares held are as under:-

### Equity Shares

Sr. No.	Name of Share Holder	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
		No. of Shares held	% of total paid-up equity share capital	No of Shares held	% of total paid-up equity share capital
1	Aditya Birla Capital Limited with its nominees	3,500,000	100.00%	3,500,000	100.00%

## 7 For a five year period immediately preceding the date at which Balance Sheet is prepared:

- No Shares were allotted as fully paid up pursuant to contract(s) without payment being received in cash.
- No Shares were allotted as fully paid up by way of bonus shares.

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 10 OTHER EQUITY

	₹ in Thousand	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Reserve and Surplus</b>		
<b>Surplus/(Deficit) in the statement of Profit and Loss</b>		
Opening Balance as per last Financial Statement	6,366	10,208
Surplus in Profit and Loss accounts	907	(4,140)
<b>Other Comprehensive Income/(Loss) for the year</b>		
- Remeasurement gain/(loss) on defined benefit plans		298
	<b>7,273</b>	<b>6,366</b>

## NOTE: 11 CURRENT FINANCIAL LIABILITIES – TRADE PAYABLES

	₹ in Thousand	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>(Carried at amortised cost, except otherwise stated)</b>		
TRADE PAYABLES – TOTAL OUTSTANDING DUES TO		
- Micro enterprises and small enterprises		
- Creditors other than micro enterprises and small enterprises	332	1,196
Trade Payables for employee cost & benefits	75	732
Acceptances		
	<b>407</b>	<b>1,928</b>

## NOTE: 12 OTHER CURRENT LIABILITIES

	₹ in Thousand	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Statutory Dues	39	1
Others	297	161
	<b>336</b>	<b>162</b>

## NOTE: 13 CURRENT PROVISIONS

	₹ in Thousand	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Provision for:</b>		
<b>Employee Benefits</b>		
- Provision for Leave encashment		
- Provision for Gratuity		

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 14 REVENUE FROM OPERATIONS

₹ in Thousand

	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Fees Income recognised over a certain period of time		
Other Operating Income at point in time		

## NOTE: 15 OTHER INCOME

₹ in Thousand

	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Interest Income at Amortised Cost</b>		
- on Fixed Deposit with Banks	1,142	435
- on Income Tax Refund	383	4
Miscellaneous Income (Net)	657	
	<b>2,182</b>	<b>439</b>
<b>Fair Value Changes</b>		
- Realised	3,877	1,271
- Unrealised	(2,850)	27
<b>Total</b>	<b>1,027</b>	<b>1,298</b>

## NOTE: 16 EMPLOYEE BENEFITS EXPENSES

₹ in Thousand

	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Salaries and Wages		2,343
Contribution to Provident and Other Funds		242
Gratuity Expense		489
Expense on Employee Stock Options Scheme	136	117
Staff Welfare Expenses	7	56
	<b>143</b>	<b>3,247</b>

## NOTE: 17 DEPRECIATION AND AMORTISATION EXPENSES

₹ in Thousand

	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Depreciation of Property, plant and equipment		141
		<b>141</b>

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 18 OTHER EXPENSES

	₹ in Thousand	
	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Repairs & Maintenance – Others		27
Insurance	813	933
Rates & Taxes	197	364
Auditors' Remuneration	150	140
Legal & Professional Expenses	722	581
Miscellaneous Expenses	126	444
<b>Total</b>	<b>2,008</b>	<b>2,489</b>

## NOTE: 19 DISCLOSURE AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 33 EARNINGS PER SHARE

		Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Earnings per Share (EPS) is calculated as under:</b>			
Weighted-average Number of Equity Shares for calculation of Basic EPS	(A)	3,500,000	3,500,000
Nominal Value of Shares (₹)		10.00	10.00
Net Profit as per the Statement of Profit and Loss (₹ in Thousand)		907	(4,140)
Net Profit for EPS (₹ in Thousand)	(B)	907	(4,140)
<b>Basic and Diluted EPS – Continuing Operations (₹)</b>	<b>(B/A)</b>	<b>0.26</b>	<b>(1.18)</b>

## NOTE: 20 DURING THE YEAR, THE COMPANY HAS PAID FOLLOWING AMOUNT TO STATUTORY AUDITORS:

	₹ in Thousand	
Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Audit Fees	150	140
Reimbursement of expenses	-	-
<b>Total</b>	<b>150</b>	<b>140</b>

## NOTE: 21 DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER MSMED ACT, 2006

Based on the information available with the Company, no amounts have fallen due for payment to suppliers who have registered under the Micro, Small and Medium Enterprise Development Act, 2006 as at 31<sup>st</sup> March, 2023.

## NOTE: 22 SEGMENT REPORTING

IND AS 108 introduces a 'management approach' to identifying and measuring the financial performance of an entity's operating segments. The Company's operations is to render management services. There is no segment wise internal reporting which is used by the Management for taking key decision.

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 23 RELATED PARTY DISCLOSURE

Name and relation with parties where control exits:-	
Ultimate Holding Company	: Grasim Industries Limited w.e.f. 1 <sup>st</sup> July, 2017
Holding Company	: Aditya Birla Capital Limited
Fellow Subsidiary	: Aditya Birla Trustee Company Private Limited
	: ABCAP Trustee Company Private Limited
	: Aditya Birla Sun Life Insurance Company Limited
	: Aditya Birla Sun Life AMC Limited
	: Aditya Birla Health Insurance Company Limited
	: Aditya Birla Finance Limited
	: Aditya Birla Financial Shared Services Limited
	: Aditya Birla Housing Finance Limited
	: Aditya Birla ARC Limited
	: Aditya Birla Insurance Brokers Limited
: Aditya Birla Money Mart Limited	
Entity in which KMP's exercise: Control	: Aditya Birla Management Corporation Private Limited
Key Managerial Personnel's	: Mr. Piyush Shah (Company Secretary)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Sr. No.	Particulars	₹ in Thousand	
		Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
<b>A</b>	<b>Holding Company/Ultimate Holding Company</b>		
	<b>Transactions during the year</b>		
	<b>Aditya Birla Capital Limited</b>		
	(c) ESOP Charge	-	217
	Balance outstanding		
	Aditya Birla Capital Ltd. - Equity Share Capital	35,000	35,000
	Aditya Birla Capital Ltd. - Payable/ (Receivable)	-	-
<b>B</b>	<b>Fellow Subsidiaries</b>		
	<b>Brief description Company &amp; item wise:</b>		
	<b>Transactions during the year</b>		
	<b>Aditya Birla Financial Shared Services Limited</b>		
	(a) Reimbursement of expenses	-	4
	(b) Reimbursement of Prepaid	-	1
	(c) Employee/asset transfer	-	-
	<b>Balance outstanding</b>		
	- Aditya Birla Financial Shared Services Limited	-	-
	<b>Aditya Birla Finance Limited</b>		
	Reimbursement of Expenses	-	4
	Outstanding amount Payable	-	-
	<b>Aditya Birla Money Mart Limited</b>		
	Employee/asset transfer	-	3,671
	Outstanding amount payable	-	-
	<b>Grasim Industries Limited Employee Gratuity Fund</b>		
	Amount received/(paid) towards Gratuity (Net)	-	3,914

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 24 CAPITAL COMMITMENT, LONG-TERM CONTRACT & PENDING LITIGATIONS

Estimated amounts of contracts remaining to be executed on capital account not provided for amounts to ₹ NIL (Previous year NIL).

The Company has a process whereby periodically review all long-term contracts, if any, are assessed for material foreseeable losses. During the year, the Company did not have any long-term contracts including derivative contracts.

The Company's pending litigations comprise of claims against the Company primarily by the proceedings pending with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial results at 31<sup>st</sup> March, 2023.

The Company has received a tax recovery notice of ₹ 3.22 Lakhs (Previous year ₹ 89.33 Lakhs) for AY 2012-13 after due rectification. These demands are arising due to certain expenditures disallowed by the tax department. The Company has also filed an appeal against the demand and is awaiting adjudication. Hence, the outstanding demands are not considered as tenable.

Further, in respect of AY 2018-19, the Income tax authorities have disallowed certain expenditure amounting to ₹ 633.59 Lakhs on various grounds *inter alia* ad hoc disallowance of expenses etc. and reduced the carried forward loss and also initiated penalty proceedings. The Company has filed an appeal against such disallowance of expenses and is awaiting adjudication.

## NOTE: 25 CURRENT TAX

Current tax for the year of ₹ 150 thousand (Previous year ₹ NIL).

## NOTE: 26 RETIREMENT BENEFIT

### Disclosure in respect of Employee Benefits pursuant to IND AS 19

The Company has no employees as on 31.03.2023 and the gratuity payable to employees is fully discharged. The balances available with the Gratuity fund are fully utilised/refunded and Assets with the fund as on 31.03.2023 is ₹ nil.

	₹ in Thousand	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Amounts recognised in the Balance Sheet in respect of Gratuity</b>		
Present Value of the funded Defined Benefit Obligations at the end of the year	-	-
Fair Value of Plan Assets	-	-
<b>Net (Asset)/Liability</b>	-	-
<b>Amounts recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity</b>		
Current Service cost	-	489
Interest on net defined benefit liability/(assets)	-	-
<b>Net Gratuity Cost</b>	-	<b>489</b>
<b>Amount recognised in Other Comprehensive Income (OCI) for the year</b>		
<b>Opening amount recognised in OCI outside profit &amp; loss A/c</b>	-	-
Actual return on plan assets less interest on plan assets	-	-
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in experience assumptions	-	-
<b>Closing amount recognised in OCI outside profit and loss account</b>	-	-

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

₹ in Thousand

	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Reconciliation of Present Value of the Obligation and the Fair Value of the Plan Assets:</b>		
<b>Change in net liability/assets</b>		
Opening net defined benefit liability/(assets)	-	(1,053)
Expense charged to profit and loss account	-	489
Amount recognised outside profit and loss account – OCI	-	(298)
Employer Contributions/Benefits paid	-	862
<b>Closing net defined benefit liability/(asset)</b>	<b>-</b>	<b>-</b>
<b>Change in Present Value of the Obligations:</b>		
Opening Defined Benefit Obligations	-	2,563
Current Service Cost	-	489
Interest Cost	-	-
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in experience assumptions	-	-
Benefits Paid	-	(3,052)
<b>Closing Defined Benefit Obligations</b>	<b>-</b>	<b>-</b>
<b>Change in Fair Value of the Plan Assets:</b>		
Opening Fair Value of the Plan Assets	-	3,616
Interest Income on plan assets	-	298
Actual return on plan assets less interest on plan assets	-	-
Contributions by the Employer	-	(862)
Benefits Paid	-	(3,052)
<b>Closing Fair Value of the Plan Assets</b>	<b>-</b>	<b>-</b>

## Funding Arrangement and Policy

The money contributed by the Company to the fund to finance the liabilities of the plan has to be invested. The trustees of the plan are required to invest the funds as per the prescribed pattern of investments laid out in the income tax rules for such approved schemes. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset-liability matching strategy to manage risk actively.

There is no compulsion on the part of the Company to fully pre fund the liability of the Plan. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of underfunding of the plan.

Estimated amount of contribution expected to be paid to the fund during the annual period is ₹ Nil (Previous year ₹ Nil).

The weighted average duration to the payment of these cash flows for is nil years (Previous year Nil years).

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

## Sensitivity Analysis Method

There are no Plan Assets as on 31<sup>st</sup> March, 2023 as well as previous year as on 31<sup>st</sup> March, 2022, hence Sensitivity Analysis is not done.

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## There are no amounts included in Fair Value of Plan Assets for:

- i) Company's own financial instrument
- ii) Property occupied by or other assets used by the Company

	₹ in Thousand	
	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Defined Contribution Plans –</b>		
Contribution To Superannuation Fund	-	134
Contribution to Employee Pension Scheme	-	6
Contribution to Company-Owned Employees' Provident Fund Trust	-	102

## NOTE: 27 FINANCIAL INSTRUMENT – ACCOUNTING CLASSIFICATION & FAIR VALUE MEASUREMENTS

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.

	₹ in Thousand			
	Carrying value		Fair value	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Financial assets</b>				
Investments	31,684	28,397	31,684	28,397

The management assessed that cash and cash equivalents, trade and other payables, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's market borrowing rate and lending rate as at the end of the reporting period.

## Fair value hierarchy

	₹ in Thousand			
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>As at 31<sup>st</sup> March, 2023</b>				
<b>Financial assets</b>				
Investments <sup>1</sup>	31,684	-	31,684	-
<b>As at 31<sup>st</sup> March, 2022</b>				
<b>Financial assets</b>				
Investments <sup>1</sup>	28,397	-	28,397	-

Note 1: Fair value of Investment in Unquoted schemes of Mutual Funds is done based on NAV of respective schemes

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 28 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, comprise trade and other payables and liability to employees dues. The Company principal financial assets include Investments into mutual funds, loans & advances and cash & cash equivalents that are derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company has formulated suitable Risk Control Matrix (RCM) to provide an assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All Investment activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that surplus assets are invested in low risk financial instruments with high liquidity. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk for Mutual Fund investments.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As interest rates increase, the market price of the mutual fund experiences a reduction in value and a reduction in yields of underlying securities result in an increase in value of the Mutual Fund. The Company does not have any debt resulting in any direct impact of interest rates changes on profitability. The Company manages its interest rate risk by having a portfolio in short-term and liquid mutual fund.

### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have any significant foreign currency assets or liabilities and hence there is no need for any foreign currency hedges.

### Credit risk

The Company gets its revenue in advance from the Fund that it manages. Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its investment in Mutual funds. Since these are large entities regulated by SEBI we do not perceive any credit risk on such investments.

### Liquidity risk

Liquidity risk relates to the risk that the entity may not be able to meet its obligations from available resources. The Company does not perceive any liquidity risk as investments are made in highly liquid schemes of a Mutual Fund.

### Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

of credit risks are controlled and managed by investing in scheme of a Mutual fund having a diversified portfolio in a particular asset class rather than a specific investment on its own.

## NOTE: 29 SIGNIFICANT JUDGEMENTS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

### i) Employee Benefit (Refer Note 26 & Note 16):

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates and yields of government bonds and other debt securities.

The mortality rate is based on publicly available mortality tables. Future salary increases and gratuity increases are based on expected future inflation rates.

Provision for Leave encashment are also determined using actuarial valuations. These involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and future availment of leave which is determined on the basis of management estimate. All assumptions are reviewed at each reporting date.

### ii) Fair Value of Certain Financial Instrument (Refer Note 27):

Fair value of Investment in Unquoted Mutual Funds done based on NAV of Units.

### iii) Property, Plant and Equipment (Refer Note 2.2.b):

Property, Plant and Equipment (PPE) has been restated at fair value as on 1<sup>st</sup> April, 2015 and net WDV as on 31<sup>st</sup> March, 2015 has been assumed to be the fair value as on that date.

Depreciation has been provided on PPE based on Original cost and an estimate of the useful life of PPE as explained in Note 2.2.b.

### iv) Taxes

Deferred tax liability are recognised for timing difference in various head of Assets and Liabilities to the extent that this will be set off against future tax expense in subsequent years. In view of recurring losses and no reasonable certainty of recovery, no deferred tax assets are recognised.

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 30 ESOP EXPENSE

Pursuant to Employee Stock Option Plan (ESOP) being established by the Aditya Birla Capital Limited (holding company), stock options were granted to the employees of the Company during the financial year. During the year, net expense towards fair value of ESOP given to employees of the Company is ₹ 136 thousand. (Previous year gain upon resignation/ retirement of ₹ 117 thousand).

## NOTE: 31 LIQUIDITY RISK MATURITY PROFILE

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of undrawn credit facilities to meet obligations when due. The Company's Corporate Finance team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

₹ in Thousand

As at 31 <sup>st</sup> March, 2023	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade and Other Payable	-	39	332	297	-	668
Payable to Employees	-	-	75	-	-	75

₹ in Thousand

As at 31 <sup>st</sup> March, 2022	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade and Other Payable	-	1,196	-	162	-	1,358
Payable to Employees	-	-	732	-	-	732

## NOTE: 32 AGEING OF TRADE PAYABLES (REFER NOTE 11)

Ageing of Trade payables being outstanding for following periods from due date of transactions:

₹ in Thousand

As at 31 <sup>st</sup> March, 2023	Unbilled	Less than 1 year	1-2 years	2-3 years	>3 years	Total
MSME	-	-	-	-	-	-
Others	122	210	-	-	-	332
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-	-

₹ in Thousand

As at 31 <sup>st</sup> March, 2023	Unbilled	Less than 1 year	1-2 years	2-3 years	>3 years	Total
MSME	-	-	-	-	-	-
Others	920	65	-	210	-	1,195
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-	-

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## NOTE: 33 ADDITIONAL DISCLOSURE REQUIREMENTS AS PER AMENDED SCHEDULE III TO THE COMPANIES ACT, 2013:

The following additional disclosure requirements pursuant to Gazette notification dated 24<sup>th</sup> March, 2021 amending Schedule III to the Companies Act, 2013 are not applicable to the Company:

- a) Ageing of Trade Receivables
- b) Disclosure on Revaluation of property, plant and equipment and intangible assets from Registered Valuers
- c) Details of Benami Property held
- d) Wilful Defaulter
- e) Relationship with Struck off Companies (Based on vetting exercise conducted on the available data of Struck off entities)
- f) Compliance with number of layers of companies
- g) Compliance with approved Scheme(s) of Arrangements
- h) Utilisation of Borrowed funds and share premium
- i) Details of Crypto Currency or Virtual Currency

## NOTE: 34 FINANCIALS RATIOS:

Sr No.	Particulars	Formula	31 <sup>st</sup> March, 2023	Ratio	31 <sup>st</sup> March, 2022	Ratio	Change in %	Remarks for variation of more than 25%
1	Current Ratio	Current Assets	42,634	57.35	39,184	18.75	206%	An increase in current assets and decrease in Liabilities leading to the variance
		Current Liabilities	743		2,090			
2	Return on Equity Ratio	Net Profits after taxes	(120)	0%	(5,438)	-13%	-100%	The decrease in Expenses and increase in Shareholder's Equity during the year has directly lead to the said variance
		Average Shareholder's Equity	41,306		43,287			
3	Net capital turnover Ratio	Revenue from Operations		-		-	-	As the Company has not earned any operating income during the year, the ratios are strictly not comparable.
		Working Capital	41,890		37,094			
4	Net profit Ratio	Net Profit	(120)	-	(5,438)	-	-	As the Company has not earned any operating income during the year, the ratios are strictly not comparable.
		Turnover						
5	Return on capital employed	Earning Before Interest & Tax	30	2%	(5,438)	-13%	-125%	During the year Shareholder's equity have increased due to profits during th year, whereas last year was a loss resulting in the change
		Capital Employed	42,273		41,366			
6	Return on investment	Gain on investment	2,182	7%	439	2%	250%	During the year there is an increase in investment of Rs 32 lakhs in Mutual Fund schemes yields have improved
		Investment	31,693		28,409			

# Notes forming part of the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2023

## Note:

- |      |                                  |   |
|------|----------------------------------|---|
| i.   | Inventory Turnover Ratio         | Company's operation are in service section hence, this ratio does not applicable                                      |
| ii.  | Trade receivables turnover ratio | Company does not have trade receivables as on March 31, 2023 and March 31, 2022 hence, this ratio does not applicable |
| iii. | Trade payable turnover ratio     | As the company does not have expenses relating to the operating business the said ratio is not applicable             |
| iv.  | Debt- Equity Ratio               | As the company does not have any Debt   |
| v.   | Debt Service Coverage Ratio      | As the company does not have any Debt   |

## NOTE: 35 PREVIOUS YEAR'S FIGURES HAVE BEEN REGROUPED / REARRANGED TO CONFIRM TO THE CURRENT YEAR'S PRESENTATION, WHEREVER NECESSARY.

As per our attached Report of even date  
**For P L Kataria & Co.**  
Chartered Accountants  
ICAI Firm Registration No. 104913W

For and on behalf of the Board of Directors  
**Aditya Birla PE Advisors Private Limited**

**Per Nitin Kataria**  
Partner  
Membership No. 102949

**Pinky Mehta**  
Director  
DIN: 00020429

**Vijay Deshwal**  
Director  
DIN: 10004047

**Piyush Shah**  
Company Secretary

Place: Mumbai  
Date: 24<sup>th</sup> April, 2023

Place: Mumbai  
Date: 24<sup>th</sup> April, 2023

Aditya Birla Trustee Company Private Limited



CIN: U74999MH2008PTC186670

Registered Office Address: Aditya Birla Centre,  
S. K. Ahire Marg, Worli Mumbai Mumbai City MH 400030 IN

T: 9702036060

E: Piyush.Shah@adityabirlacapital.com

# Independent Auditor's Report

**To the Members of Aditya Birla Trustee Company Private Limited**

## REPORT ON THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying Ind AS financial statements of Aditya Birla Trustee Company Private Limited ("the Company"), which comprise the Balance sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information ("the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing ("SAs"), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

### Emphasis of Matter

We draw attention to Note 2.1 to the Financial Statements, which indicates that the Company is not considered to be a going

concern and hence, in the financial statements of Company, the assets and liabilities are stated at their realizable values.

Our opinion is not qualified in respect of this matter.

### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view

and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

## Independent Auditor's Report (Contd.)

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) The going concern matter described in Emphasis of Matter - Going Concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- (f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended 31<sup>st</sup> March, 2023 since the company has not paid / provided for managerial remuneration during the year;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 18 to the Ind AS financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The management has represented that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.
  - v. The management has represented that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.

**For P. L. Kataria & Co.**

Chartered Accountants  
ICAI Firm Registration Number: 104913W

**per Nitin Kataria**

Partner  
Membership Number: 102949  
UDIN: 23102949BGYJXC8778

Place: Mumbai  
Date: 24<sup>th</sup> April, 2023

# Annexure 1

Referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report of even date

## Re: Aditya Birla Trustee Company Private Limited ('the Company')

- (i) The Company did not have any property plant and equipment and intangible assets during the year, accordingly, the requirements under paragraph 3(i) (a)(b)(c) (d) and (e) of the Order are not applicable to the Company.
- (ii) (a) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii)(a) of the Order are not applicable to the Company.  
  
(b) In our opinion and according to the information and explanations given to us, the Company has not been sanctioned any working capital limits during the year. Accordingly, paragraph 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not made investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the provisions of clause 3(iii) (a) to (f) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits during the year in terms of directives issued by the Reserve Bank of India or within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Hence the Company is not required to maintain any cost records prescribed under sub-section (1) of the Section 148 of the Act. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services tax, income-tax, service tax, cess and any other statutory dues applicable to it. The provisions relating to provident fund, employees' state insurance, sales-tax, duty of customs, duty of excise and value added tax are not applicable to the Company.  
  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services tax, income-tax, service tax, cess and any other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to provident fund, employees' state insurance, sales-tax, duty of customs, duty of excise and value added tax are not applicable to the Company.  
  
(c) According to the information and explanations given to us, there are no dues of Goods and Services tax, income tax, service tax, and cess which have not been deposited on account of any dispute. The provisions relating to provident fund, employees' state insurance, sales-tax, duty of customs, duty of excise and value added tax are not applicable to the Company.
- (viii) In our opinion and according to the information and explanations given to us there have not been any transactions recorded in the books of account of the company which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.
- (ix) (a) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.  
  
(b) As represented, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority or any other lender.

Annexure 1 to Independent Auditor's Report (Contd.)

- |   |   |
|---|---|
| <p>(c) During the year the Company has not taken any term loan. Accordingly, paragraph 3(ix)(c) of the Order is not applicable to the Company.</p>  | <p>material fraud on the Company has been noticed or reported during the year.</p>  |
| <p>(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.</p>   | <p>(b) No report under Section 143 (12) of the Act has been filed by us, during the year under report, in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.</p>   |
| <p>(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. The Company does not have any associate or joint venture.</p> | <p>(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.</p>  |
| <p>(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary. The Company does not have any associate or joint venture.</p>  | <p>(xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.</p>  |
| <p>(x) (a) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer (including debt instruments) during the year.</p>   | <p>(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.</p> |
| <p>(b) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year.</p>  | <p>(xiv) (a) The Company is not required to have an internal audit system as per provisions of the Act.</p> <p>(b) The Company is not required to appoint an internal auditor as per section 138 of Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rule, 2014.</p>   |
| <p>(xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud /</p>   | <p>(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.</p>  |

(xvi) (a) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company. Accordingly, paragraph 3(xvi)(a) (b) & (c) of the Order is not applicable to the Company.

(b) As per information provided by the management of the Company, in course of our audit, the group to which the Company belongs, has three CIC, namely Aditya Birla Capital Limited, Birla Group holding Private Limited and Umang Commercial Company Private Limited.

(xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly paragraph 3(xviii) of the Order is not applicable. There were no issues, objections or concerns raised by the outgoing auditors of the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period

of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The provisions of Section 135 of the Act are not applicable to the Company. Accordingly, paragraph 3(xx) (a) and (b) of the Order is not applicable to the Company.

(xxi) Reporting under Paragraph 3(xx) of the Order is not applicable at the standalone level of reporting applicable to the Company as it is not a holding Company.

**For P. L. Kataria & Co.**

Chartered Accountants

ICAI Firm Registration Number: 104913W

**per Nitin Kataria**

Partner

Membership Number: 102949

UDIN: 23102949BGYJCX8778

Place: Mumbai

Date: 24<sup>th</sup> April, 2023

# Annexure 2

## To the Independent Auditor's Report of even date on Ind AS Financial Statements of Aditya Birla Trustee Company Private Limited

### REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of Aditya Birla Trustee Company Private Limited ("the Company") as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to

obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these Ind AS financial statements.

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE FINANCIAL STATEMENTS

A company's internal financial control over financial reporting with reference to these Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and

that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE IND AS FINANCIAL STATEMENTS**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **OPINION**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these Ind AS financial statements and such internal financial controls over financial reporting with reference to these Ind AS financial statements were operating effectively as at 31<sup>st</sup> March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **For P. L. Kataria & Co.**

Chartered Accountants

ICAI Firm Registration Number: 104913W

#### **per Nitin Kataria**

Partner

Membership Number: 102949

UDIN: 23102949BGYJCX8778

Place: Mumbai

Date: 24<sup>th</sup> April, 2023



# Balance Sheet

as at 31<sup>st</sup> March, 2023

(₹ in '000)

Particulars	Note	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>I ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Financial Assets			
(i) Others	3	10	10
(b) Advance Tax (net)		-	-
<b>Total non-current assets</b>			
<b>(2) Current assets</b>		10	10
(a) Financial Assets			
(i) Current Investments	4	4,415	4,446
(ii) Cash and cash equivalents	4A	73	30
(b) Other current assets	5	-	-
<b>Total current assets</b>		<b>4,488</b>	<b>4,476</b>
<b>Total assets</b>		<b>4,498</b>	<b>4,486</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share capital	6	500	500
(b) Other Equity	7	3,780	3,745
<b>Equity attributable to equity holders of the Company</b>		<b>4,280</b>	<b>4,245</b>
<b>Total equity</b>		<b>4,280</b>	<b>4,245</b>
<b>LIABILITIES</b>			
<b>(2) Non-current liabilities</b>			
(a) Deferred tax liabilities ((net of MAT Credit Entitlement))	19	172	142
<b>Total non-current liabilities</b>		<b>172</b>	<b>142</b>
<b>(3) Current liabilities</b>			
(a) Financial Liabilities			
(i) Trade Payables	8	10	96
(b) Other Current Liabilities	9	8	-
(c) Current tax liabilities (net)		28	3
<b>Total current liabilities</b>		<b>46</b>	<b>99</b>
<b>Total liabilities</b>		<b>218</b>	<b>241</b>
<b>Total Equity and Liabilities</b>		<b>4,498</b>	<b>4,486</b>
Significant Accounting Policies	2		

The accompanying Notes are an integral part of the Financial Statements

As per our attached Report of even date

**For P L Kataria & Co**

Chartered Accountants

ICAI Firm Registration No. 104913W

**Per Nitin Kataria**

Partner

Membership Nos. 102949

Place: Mumbai

Date: 24<sup>th</sup> April, 2023

For and on behalf of the Board of Directors

**Aditya Birla Trustee Company Private Limited**

**Anil Chirania**

Director

DIN Nos. 01082719

Place: Mumbai

Date: 24<sup>th</sup> April, 2023

**Shriram Jagetiya**

Director

DIN Nos. 01638250

# Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2023

		(₹ in '000)	
	Note	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
<b>Continuing operations</b>			
<b>INCOME</b>			
Revenue from Operations	10	-	-
Net Gain on fair value changes	11	244	176
Other Income			
<b>Total Income</b>		<b>244</b>	<b>176</b>
<b>EXPENSES</b>			
(a) Other expenses	12	154	175
<b>Total Expenses</b>		<b>154</b>	<b>175</b>
<b>Profit before tax from continuing operations</b>		<b>90</b>	<b>1</b>
Tax Expenses			
Current Tax		-	-
Short/(Excess) Provision for Tax Related to Earlier Years (Net)		25	-
MAT Credit		-	-
Deferred Tax		30	23
<b>Total Tax Expenses</b>		<b>55</b>	<b>23</b>
<b>Profit for the period</b>		<b>35</b>	<b>(22)</b>
<b>Total Comprehensive Income for the year, net of tax :</b>		<b>35</b>	<b>(22)</b>
<b>Earnings per equity share :</b>			
Basic and Diluted	13	0.70	(0.45)
Significant Accounting Policies	2		

The accompanying Notes are an integral part of the Financial Statements

As per our attached Report of even date

**For P L Kataria & Co**

Chartered Accountants

ICAI Firm Registration No. 104913W

For and on behalf of the Board of Directors

**Aditya Birla Trustee Company Private Limited**

**Per Nitin Kataria**

Partner

Membership Nos. 102949

**Anil Chirania**

Director

DIN Nos. 01082719

**Shriram Jagetiya**

Director

DIN Nos. 01638250

Place: Mumbai

Date: 24<sup>th</sup> April, 2023

Place: Mumbai

Date: 24<sup>th</sup> April, 2023

# Statement of Cash Flows

for the year ended 31<sup>st</sup> March, 2023

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
<b>A. Cash Flow from Operating Activities</b>		
Net Profit/ (Loss) before tax	90	1
Adjustments for:		
Less: Dividend & Gain/(Loss) from Mutual Fund	244	176
Less: Interest Income/ expenses	-	
<b>Operating (Loss) before working capital changes</b>	<b>(154)</b>	<b>(175)</b>
Adjustment for:		
Increase/(Decrease) in Financial Liabilities	(78)	38
Increase/(Decrease) in Trade payables		
(Increase)/Decrease in current assets	-	-
<b>Cash from operating activities</b>	<b>(232)</b>	<b>(137)</b>
Adjustment for Tax paid / (Refund)	-	(29)
<b>Net cash from operating activities</b>	<b>(232)</b>	<b>(166)</b>
	A	
<b>B. Cash Flow from Investing Activities</b>		
Purchase of investments	-	(3,125)
Sale of investments	275	3,300
<b>Net cash used in investing activities</b>	<b>275</b>	<b>175</b>
	B	
<b>Net increase/(Decrease) in Cash and Cash equivalent (A+B)</b>	<b>43</b>	<b>9</b>
Cash and Cash equivalent at beginning of the year	30	21
Cash and Cash equivalent at end of the year	73	30

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash Flows' prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017.
- Cash and cash equivalents in the balance sheet comprises of Cash in hand, Cash at bank and Fixed deposits.

Significant Accounting Policies

Note no.  
2

The accompanying Notes are an integral part of the Financial Statements

As per our attached Report of even date

**For P L Kataria & Co**

Chartered Accountants

ICAI Firm Registration No. 104913W

For and on behalf of the Board of Directors

**Aditya Birla Trustee Company Private Limited**

**Per Nitin Kataria**

Partner

Membership Nos. 102949

**Anil Chirania**

Director

DIN Nos. 01082719

**Shriram Jagetiya**

Director

DIN Nos. 01638250

Place: Mumbai

Date: 24<sup>th</sup> April, 2023

Place: Mumbai

Date: 24<sup>th</sup> April, 2023

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2023

## A. EQUITY SHARE CAPITAL

	Number of shares	Amount in ₹
(₹ in '000)		
<b>As at 1<sup>st</sup> April, 2021</b>	<b>50,000</b>	<b>500</b>
Changes in Equity Share Capital due to prior period errors	-	
Restated balance as at 1 <sup>st</sup> April, 2021	50,000	500
Changes in equity share capital during the year	-	
<b>As at 31<sup>st</sup> March, 2022</b>	<b>50,000</b>	<b>500</b>
Changes in Equity Share Capital due to prior period errors	-	
Restated balance as at 1 <sup>st</sup> April, 2022	50,000	500
Changes in equity share capital during the year	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>50,000</b>	<b>500</b>

	Equity Component of other financial Instrument	Reserves & Surplus		
		General reserve	Retained earnings	Total
(₹ in '000)				
<b>As at 1<sup>st</sup> April, 2021</b>	-	-	<b>3,767</b>	<b>3,767</b>
Profit/(Loss) for the year	-	-	(22)	(22)
Comprehensive gain/(loss) during the period	-	-		
<b>As at 31<sup>st</sup> March, 2022</b>	-	-	<b>3,745</b>	<b>3,745</b>
Profit/(Loss) for the year	-	-	35	35
Comprehensive gain/(loss) during the period	-	-		
<b>Closing balance as on 31<sup>st</sup> March, 2023</b>	-	-	<b>3,780</b>	<b>3,780</b>

Significant Accounting Policies

Note no.  
2

The accompanying Notes are an integral part of the Financial Statements

As per our attached Report of even date

**For P L Kataria & Co**

Chartered Accountants

ICAI Firm Registration No. 104913W

For and on behalf of the Board of Directors

**Aditya Birla Trustee Company Private Limited**

**Per Nitin Kataria**

Partner

Membership Nos. 102949

**Anil Chirania**

Director

DIN Nos. 01082719

**Shriram Jagetiya**

Director

DIN Nos. 01638250

Place: Mumbai

Date: 24<sup>th</sup> April, 2023

Place: Mumbai

Date: 24<sup>th</sup> April, 2023

# Notes forming part of Financial Statement

as on 31<sup>st</sup> March 2023

## 1. CORPORATE INFORMATION

Aditya Birla Trustee Company Private Limited (the 'Company') was incorporated on 11<sup>th</sup> September, 2008. The Company is a Private Limited Company incorporated under the provisions of the Companies Act, 1956 and a wholly owned subsidiary of Aditya Birla Capital Limited (formerly known as Aditya Birla Financial Services Limited) and the ultimate holding is Grasim Industries Limited (Previously ultimate holding was Aditya Birla Nuvo Limited). The registered office of the Company is located at Aditya Birla Centre, S. K. Ahire Marg, Worli, Mumbai, Maharashtra, India. The main object of the Company is to act as trustee and provide trustee related services.

The financial statements are approved for issue by the Company's Board of Directors by resolution passed in the meeting dated 24<sup>th</sup> April, 2023.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation

The Company's ultimate holding Company, Grasim Industries Limited is a listed company with networth of over ₹ 500 crores and required to adopt IND AS in terms of rule of the Companies (Indian Accounting Standards) Rules, 2015. All subsidiaries of such companies are also required to adopt IND AS as prescribed under said Rules. Accordingly, the Company has adopted Ind AS and has prepared financial statement under Ind AS.

Sunrise Fund has closed its operations during the year ended 31<sup>st</sup> March, 2019 and ABPE Fund – I, the Term of which was extended till 13<sup>th</sup> January, 2021 is continuing as a liquidation vehicle pending final realization of some of the assets. The Company has not accrued and received any income from management fees or any other operating income during the year ended 31<sup>st</sup> March, 2023. Further the management of the Company is currently not having any future business plan for the operations of the Company, considering the present macro environment. These conditions indicate significant uncertainty about the Company's ability to continue as going concern and hence financial statements have not been prepared on a going concern basis. Accordingly, the assets and liabilities as at 31<sup>st</sup> March, 2023 are stated at their current realizable

values. The ultimate realization values of these assets and liabilities may be different.

The Company has prepared financial statements in accordance with Indian Accounting Standards ('Ind AS') under the historic cost convention on the accrual basis except financial instrument which are measured at fair value, and the provisions of the Companies Act 2013. The IND AS are prescribed under section 133 of the act read with rule of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the schedule III of the Companies' Act 2013.

### 2.2 Summary of Significant accounting policies

#### (a) Use of estimate

The preparation of financial statements in conformity with Indian Accounting Standards (IND AS) requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### (b) Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at the transaction price excluding the estimates of variable consideration that is allocated to that performance obligation. 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.

# Notes forming part of Financial Statement

as on 31<sup>st</sup> March 2023

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind 115:

**Step 1:** Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

**Step 2:** Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

**Step 3:** Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

**Step 4:** Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

**Step 5:** Recognise revenue when (or as) the Company satisfies a performance obligation.

The Company recognizes revenue on contract with customers based on above model. The contract with each customer is identified and revenue is recognized based on the terms of the contract, period of engagement and quantum of assets under management. Revenue is recognized on satisfaction of the performance obligation of the contract.

## Trusteeship fee income

Revenue recognition for trusteeship fees can be divided into the following two categories:

### i) Trusteeship fees – over time

Fees is recognized on completion of the period and performance of the service.

### ii) Trusteeship fees – point in time

Certain incomes are recognized only upon completion of the performance obligation of the Contract.

## Dividends

Dividend income on investments is accounted for when the right to receive the payment is established.

## Disposal of Investments

On disposal of an investment the difference between carrying amount and net disposal proceeds is charged or credited to the statement of Profit and Loss using weighted average cost.

## (c) Taxation

### Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations

# Notes forming part of Financial Statement

as on 31<sup>st</sup> March 2023

in which applicable tax regulations are subject to interpretation and establishes provisions.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Minimum Alternative Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. MAT credit is recognised as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

## Deferred Taxes

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be 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.

## (d) Contingent liabilities & Provisions:

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

## Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is

# Notes forming part of Financial Statement

as on 31<sup>st</sup> March 2023

virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## (e) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial assets

#### Initial recognition and measurement:

All financial assets excluding trade receivables 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. Financial assets in the form of trade receivables, shall be initially measured at their transaction price (as defined in Ind AS 115) unless those contain a significant financing component determined in accordance with Ind AS 115. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

- 1) Financial instruments at amortised cost
- 2) Financial instruments at fair value through other comprehensive income (FVTOCI)
- 3) Financial instruments, Mutual Fund and equity instruments at fair value through profit or loss (FVTPL)
- 4) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

### Financial instruments at amortised cost

A 'Financial instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

### Financial Instrument at FVTOCI

A 'Financial Instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Financial Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI Financial Instrument is reported as interest income using the EIR method.

# Notes forming part of Financial Statement

as on 31<sup>st</sup> March 2023

## Financial Instrument at FVTPL

FVTPL is a residual category for Financial Instruments. Any Financial Instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a Financial Instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any Financial Instrument as at FVTPL.

Financial Instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

## Equity investments and Mutual Funds at FVTPL

All equity investments and Mutual fund in scope of Ind AS 109 are measured at fair value. Equity instruments, Mutual fund which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, Mutual Fund, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments, Mutual fund included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

## Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

## Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

# Notes forming part of Financial Statement

as on 31<sup>st</sup> March 2023

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b. Financial assets that are debt instruments and are measured as at FVTOCI
- c. Lease receivables under Ind AS 17
- d. Trade receivables
- e. Loan commitments which are not measured as at FVTPL
- f. Financial guarantee contracts which are not measured as at FVTPL

**For recognition of impairment loss allowance on Trade receivables;** and all lease receivables resulting from transactions within the scope of Ind AS 17 the Company follows 'simplified approach'

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

**For recognition of impairment loss on other financial assets and risk exposure,** the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

1. All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
2. Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

*Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:* ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

*Loan commitments and financial guarantee contracts:* ECL is presented as a provision in the balance sheet, i.e. as a liability.

*Debt instruments measured at FVTOCI:* Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the

# Notes forming part of Financial Statement

as on 31<sup>st</sup> March 2023

objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

## Financial liabilities

### Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, are recognised net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability

are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## (f) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. The Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- in the absence of a principal market in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value,

# Notes forming part of Financial Statement

as on 31<sup>st</sup> March 2023

maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

## **(g) Cash and cash equivalent**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## **(h) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## **(i) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## **(j) Contingent Liabilities and Provisions**

The Company's has no pending litigations with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements.

# Notes forming part of Financial Statement

as on 31<sup>st</sup> March 2023

## NOTE: 3 NON-CURRENT FINANCIAL ASSETS - LOANS

(₹ in '000)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(Unsecured, Considered Good, except otherwise stated)		
(carried at amortised cost)		
Security Deposits	10	10
	<b>10</b>	<b>10</b>

## NOTE: 4 CURRENT FINANCIAL ASSETS - INVESTMENTS

(₹ in '000)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
- Unquoted		
- Investments at Fair Value through profit and loss		
4867.584 units (previous year 4867.584 units) of ABSL Saving Fund - Growth Direct	2,289	2,168
3535.064 units (previous year 3535.064 units) of ABSL Money Manager Fund - Growth	1,118	1,057
2172.961 units (previous year 2775.506 units) of Aditya Birla Sunlife Saving Fund - Growth	1,009	1,222
	<b>4,415</b>	<b>4,446</b>

## NOTE: 4A CASH AND CASH EQUIVALENTS

(₹ in '000)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Balances with Banks		
Current Accounts	71	28
Cash on Hand	2	2
	<b>73</b>	<b>30</b>

## NOTE: 5 OTHER CURRENT ASSETS

(₹ in '000)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(Unsecured, Considered Good, except otherwise stated)		
VAT, Other Taxes Recoverable, Statutory Deposits and Dues from Government	-	-
	<b>-</b>	<b>-</b>

# Notes forming part of Financial Statement

as on 31<sup>st</sup> March 2023

## NOTE: 6 EQUITY SHARE CAPITAL

Particulars	Numbers	As at	
		31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Authorised Share Capital:</b>			
Equity shares of ₹ 10/- each of the company	50,000	500	500
		500	500
<b>Issued, Subscribed &amp; paid-up</b>			
Equity Shares of ₹ 10/- each fully paid-up	50,000	500	500
		500	500

### 1 Reconciliation of the number of shares outstanding at the beginning and at the end of the period

S. No.	Description	As at 31 <sup>st</sup> March, 2023 Equity Shares	As at 31 <sup>st</sup> March, 2022 Equity Shares
1	Number of shares outstanding at the beginning of the period of ₹ 10 each	50,000	50,000
2	Number of shares outstanding at the end of the period of ₹ 10 each	50,000	50,000

### 2 Shareholding of Promoters:

Shares held by promoters at the end of the year

S. No.	Promoter Name	No of Shares	%of total shares	% Change during the year
1	Aditya Birla Capital Limited	50,000	100	No change

### 3 Term/right attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution to all preferential holders. The distribution will be in proportion to the number of equity shares held by the share holders.

- As per records of the Company, including register of shareholder/ members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.
- The entire share capital is held by Aditya Birla Capital Limited, the holding company and its nominee.
- Shares in the Company held by each shareholder holding more than 5% shares and the number of shares held are as under:-

### Equity Shares

S. No.	Name of Share Holder	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
		No of Shares held	% of total paid-up equity share capital	No of Shares held	% of total paid-up equity share capital
1	Aditya Birla Capital Limited with its nominees	50,000	100.00%	50,000	100.00%

# Notes forming part of Financial Statement

as on 31<sup>st</sup> March 2023

## 7 For a five year period immediately preceding the date at which Balance Sheet is prepared:

- a. No Shares were allotted as fully paid up pursuant to contract(s) without payment being received in cash
- b. No Shares were allotted as fully paid up by way of bonus shares.

### NOTE: 7 RETAINED EARNINGS

(₹ in '000)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Opening balance as per last audited financial statement	3,745	3,767
Surplus/(Deficit) in the profit and loss accounts	35	(22)
	<b>3,780</b>	<b>3,745</b>

### NOTE: 8 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

(₹ in '000)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>(Carried at amortised cost, except otherwise stated)</b>		
Trade Payables - Total outstandings due to		
- Micro enterprises and small enterprises		
- Creditors other than micro enterprises and small enterprises	10	96
	<b>10</b>	<b>96</b>

### NOTE: 9 OTHER CURRENT LIABILITIES

(₹ in '000)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Statutory Dues	8	-
	<b>8</b>	

### NOTE: 10 REVENUE FROM OPERATIONS

(₹ in '000)

Particulars	Year Ended	Year Ended
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Sale of Services</b>		
Income from Other Financial Services	-	-
Income from Investing Activity of Financial Services	-	-
	<b>-</b>	<b>-</b>

# Notes forming part of Financial Statement

as on 31<sup>st</sup> March 2023

## NOTE: 11 NET GAIN ON FAIR VALUE CHANGES

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
Net Gain on Investment sold- Held at FVTPL	109	88
MTM Gain on Investment- Held at FVTPL	135	88
	<b>244</b>	<b>176</b>

## NOTE: 12 OTHER EXPENSES

(₹ in '000)

Particulars	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
Rates & Taxes	25	30
Auditors' Remuneration	70	70
Legal & Professional Expenses	54	51
Miscellaneous Expenses	5	24
<b>Total</b>	<b>154</b>	<b>175</b>

## NOTE: 13 DISCLOSURE AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 33 EARNINGS PER SHARE

Particulars		Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
Earnings per Share (EPS) is calculated as under:			
Weighted-average Number of Equity Shares for calculation of Basic & Diluted EPS	(A)	50,000	50,000
Nominal Value of Shares (₹)		10.00	10.00
<b>Profit attributable to equity holders for basic and dilution:</b>			
<b>Continuing Operations (₹ in '000)</b>	(B)	35	(22)
Basic EPS (₹)	(B/A)	0.70	(0.45)
Diluted EPS (₹)	(B/A)	0.70	(0.45)
<b>Continuing and Discontinued Operations (₹ in '000)</b>	(C)	35	(22)
Basic EPS (₹)	(C/A)	0.70	(0.45)
Diluted EPS (₹)	(C/A)	0.70	(0.45)

# Notes forming part of Financial Statement

as on 31<sup>st</sup> March 2023

## NOTE: 14 DURING THE YEAR, THE COMPANY HAS PAID FOLLOWING AMOUNT TO STATUTORY AUDITORS:

Particulars	(₹ in '000)	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Audit Fees	70	70
<b>Total</b>	<b>70</b>	<b>70</b>

## NOTE: 15 DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER MSMED ACT, 2006

Based on the information available with the Company, no amounts have fallen due for payment to suppliers who have registered under the Micro, Small and Medium Enterprise Development Act, 2006 as at 31<sup>st</sup> March, 2023.

## NOTE: 16 SEGMENT REPORTING

The Company operates in single segment (i.e. rendering of trusteeship services), no further disclosure is required to be given as per the notified IND AS-108 'Operating Segments'.

## NOTE: 17 RELATED PARTY DISCLOSURE

### Name and relation with parties where control exists:-

Ultimate Holding Company	: Grasim Industries Limited w.e.f. 1 <sup>st</sup> July, 2017
Holding Company	: Aditya Birla Capital Limited

### Related Parties with whom transactions have taken place during the year:-

Entity being governed by the Company as Trustee	: Aditya Birla Private Equity - Fund I (A scheme floated by the Aditya Birla Private Equity Trust)
	: Aditya Birla Private Equity - Sunrise Fund (A Scheme floated by the Aditya Birla Private Equity Trust)
Fellow Subsidiary	: Aditya Birla PE Advisors Private Limited (Previously it was known as Aditya Birla Capital Advisors Private Limited)

The following table provides the total amount of transactions that have been entered into with related parties and balance outstanding for the relevant financial year:

Particulars	(₹ in '000)	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Transactions	Nil	Nil
<b>Balance Outstanding:</b>		
<b>Aditya Birla Capital Limited including Nominees</b>		
50,000 (Previous year 50,000) equity shares of ₹ 10 each fully paid up	500	500

# Notes forming part of Financial Statement

as on 31<sup>st</sup> March 2023

## NOTE: 18 CAPITAL COMMITMENT, LONG TERM CONTRACT & PENDING LITIGATIONS

Estimated amounts of contracts remaining to be executed on capital account not provided for amounts to ₹ Nil (Previous year Nil).

The Company has a process whereby periodically review of all long term contracts, if any, are assessed for material foreseeable losses. During the year, the company did not have any long term contracts including derivative contracts.

The Company's has no pending litigations with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial results at 31<sup>st</sup> March, 2023.

## NOTE: 19 CURRENT TAX

Current tax for the year of ₹ nil (Previous Year ₹ nil) and tax payable for earlier years estimated at ₹ 25 (₹ in '000) based on tax intimation received.

	(₹ in '000)	
The major components of income tax expense for the years ended 31 <sup>st</sup> March, 2023 and 31 <sup>st</sup> March, 2022 are:	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Statement of profit and loss:</b>		
<b>Current income tax:</b>		
Current income tax charge	-	-
Tax expense relating to earlier years	25	-
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	30	23
<b>Income tax expense reported in the statement of profit or loss</b>	<b>55</b>	<b>23</b>

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31<sup>st</sup> March 2023 and 31<sup>st</sup> March, 2022 as applicable:

	(₹ in '000)	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Accounting Profit before Income tax</b>	<b>90</b>	<b>1</b>
Enacted tax rates in India (MAT)		15.6% (0% as per section 115BAA)
Enacted tax rates in India for Long Term Capital Gains	20.8%	20.8%
Income Tax on Long Term Capital Gains @20.8%	0	0
Amount adjusted from MAT Credit (being difference for Normal Income Tax and MAT Credit, subject to MAT Credit availability)	0	0
<b>Income Tax Expense in Profit &amp; Loss Account</b>		
At India's statutory income tax rate of 15.6% (31 <sup>st</sup> March, 2022: 15.6%)	0	0
Adjustments in respect of current income tax of previous year	0	0
Other non-deductible expenses	0	0
DTA/ (DTL)	30	23
MAT entitlement		0
<b>At the effective income tax rate as applicable (31<sup>st</sup> March, 2022: 15.6%)</b>		
Income tax expense reported in the statement of profit and loss	55	23

# Notes forming part of Financial Statement

as on 31<sup>st</sup> March 2023

## Deferred Tax:

Deferred tax relates to the following:

(₹ in '000)

	Balance Sheet	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Deferred tax Assets</b>		
<b>Deferred tax Liabilities</b>		
Marked to Market Value of Investment @ 26% (Previous Year 26%)	175	145
<b>Deferred tax expense/(income)</b>		
<b>Net deferred tax (assets)/liabilities</b>	<b>175</b>	<b>145</b>

(₹ in '000)

Reflected in the balance sheet as follows:	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
	Deferred tax assets	-	-	-
Deferred tax liabilities	175	145	175	145
MAT Credit Entitlement	(3)	(3)	(3)	(3)
<b>Deferred tax Assets/(liabilities), net</b>	<b>172</b>	<b>142</b>	<b>172</b>	<b>142</b>

## Reflected in the profit & Loss account as follows:

(₹ in '000)

	Profit & Loss Account	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Deferred tax Assets</b>		
<b>Deferred tax Liabilities</b>		
- Marked to Market Value of Investment	175	145
<b>Deferred tax expense/(income)</b>		
Net deferred tax assets/(liabilities)	30	23

(₹ in '000)

Reconciliation of deferred tax Assets/ (liabilities) (net):	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
	Opening balance as of 1 <sup>st</sup> April	(145)	(122)	(145)
Tax (income)/expense during the period recognised in profit or loss	(30)	(23)	(30)	(23)
Tax (income)/expense during the period recognised in OCI				
<b>Closing balance as at 31<sup>st</sup> March</b>	<b>(175)</b>	<b>(145)</b>	<b>(175)</b>	<b>(145)</b>

## NOTE: 20 FINANCIAL INSTRUMENT – ACCOUNTING CLASSIFICATION & FAIR VALUE MEASUREMENTS

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.

	Carrying value		Fair value	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Financial assets</b>				
Investments	4,415	4,446	4,415	4,446

# Notes forming part of Financial Statement

as on 31<sup>st</sup> March 2023

The management assessed that cash and cash equivalents, trade and other payables, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than

in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's market borrowing rate and lending rate as at the end of the reporting period.

	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>As at 31<sup>st</sup> March, 2023</b>					
<b>Financial assets</b>					
Investments*	31 <sup>st</sup> March, 2023	4,415		4,415	
<b>As at 31<sup>st</sup> March, 2022</b>					
<b>Financial assets</b>					
Investments*	31 <sup>st</sup> March, 2022	4,446	-	4,446	-

(\*) Fair value of investment in unquoted Mutual Funds is done based on NAV of Units.

## NOTE: 21 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise trade and other payables and liability to employees dues. The Company principal financial assets include Investments into mutual funds and cash and cash equivalents that are derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company has formulated suitable Risk Control Matrix (RCM) to provide an assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All Investment activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that surplus assets are invested in low risk financial instruments with high liquidity. The Board of Directors

reviews and agrees policies for managing each of these risks, which are summarized below.

### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk for Mutual Fund investments.

### Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As interest rates increase, the market price of the mutual fund experiences a reduction in value and a reduction in yields of underlying securities result in an increase in value of the Mutual Fund. The Company does not have any debt resulting in any direct impact of interest rates changes on profitability. The Company manages its interest rate risk by having a portfolio in short term and liquid mutual fund derivative instruments.

# Notes forming part of Financial Statement

as on 31<sup>st</sup> March 2023

## Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have any foreign currency assets or liabilities and hence there is no need for any foreign currency hedges.

## Credit risk

The Company gets its revenue in advance from the Fund that it manages. Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its investment in Mutual funds. Since these are large entities regulated by SEBI we do not perceive any credit risk on such investments.

## Liquidity risk

Liquidity risk relates to the risk that the entity may not be able to meet its obligations from available resources. The Company does not perceive any liquidity risk as investments are made in highly liquid schemes of a Mutual Fund.

## Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific

guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed by investing in scheme of a Mutual fund having a diversified portfolio in a particular asset class rather than a specific investment on its own.

## NOTE: 22 SIGNIFICANT JUDGEMENTS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements

- i) **Fair Value of Certain Financial Instrument (Refer Note 20):** Fair value of Investment in Unquoted Mutual Funds done based on NAV of Units..
- ii) **Taxes:** Deferred tax liability are recognised for timing difference in various head of Assets and Liabilities to the extent that this will be set off against future tax expense in subsequent years.

# Notes forming part of Financial Statement

as on 31<sup>st</sup> March 2023

## NOTE: 23 AGEING OF TRADE PAYABLES (REFER NOTE 8):

Ageing of Trade payables being outstanding for following periods from due date of transactions:

							(₹ in '000)
As at 31 <sup>st</sup> March, 2023	Unbilled	Less than 1 year	1-2 years	2-3 years	>3 years	Total	
MSME	-	-	-	-	-	-	
Others	-	10	-	-	-	10	
Disputed dues – MSME	-	-	-	-	-	-	
Disputed dues – Others	-	-	-	-	-	-	

							(₹ in '000)
As at 31 <sup>st</sup> March, 2022	Unbilled	Less than 1 year	1-2 years	2-3 years	>3 years	Total	
MSME	-	-	-	-	-	-	
Others	83	13	-	-	-	96	
Disputed dues – MSME	-	-	-	-	-	-	
Disputed dues – Others	-	-	-	-	-	-	

## NOTE: 24. ADDITIONAL DISCLOSURE REQUIREMENTS AS PER AMENDED SCHEDULE III TO THE COMPANIES ACT, 2013:

The following additional disclosure requirements pursuant to Gazette notification dated 24<sup>th</sup> March, 2021 amending Schedule III to the Companies Act, 2013 are not applicable to the Company:

- Ageing of Trade Receivables
- Disclosure on Revaluation of property, plant and equipment and intangible assets from Registered Valuers
- Details of Benami Property held
- Wilful Defaulter
- Relationship with Struck off Companies  
(Based on vetting exercise conducted on the available data of Struck off entities)
- Compliance with number of layers of companies
- Compliance with approved Scheme(s) of Arrangements
- Utilisation of Borrowed funds and share premium
- Details of Crypto Currency or Virtual Currency

# Notes forming part of Financial Statement

as on 31<sup>st</sup> March 2023

## NOTE: 25 FINANCIAL RATIOS:

Financial ratios are computed as under:

Sr no.	Particulars	Formula	31 <sup>st</sup> March, 2023	Ratio	31 <sup>st</sup> March, 2022	Ratio	Change in %	Remarks for variation of more than 25%
1	Current Ratio	Current Assets Current Liabilities	4,488 46	97.03	4,476 99	45.19	115%	The decrease in Liabilities is greater than decrease in Assets leading to a variance of more than 25%.
2	Return on Equity Ratio	Net Profits after taxes Average Shareholder's Equity	35 4,262	1%	(22) 4,256	-1%	-200%	Profit during the year vs. Loss during the previous year has directly lead to the said variance
3	Net profit Ratio	Net Profit Turnover	35	-	(22)	-	-	As the Company has not earned any operating income during the year, the ratios are strictly not comparable.
4	Return on capital employed	Earning Before Interest & Tax Capital Employed	90 4,280	2%	1 4,245	0%	2%	Not applicable
5	Return on investment	Gain on investment Investment	244 4,415	6%	176 4,446	4%	50%	During the year Income from investment in Mutual Funds increased by ₹0.68 lakhs due to better yields resulting in overall increase of 50%

Note: The Following ratios are not applicable for reasons given below:

1	Inventory Turnover Ratio	Company's operation are in service sector hence, this ratio does not applicable
2	Net capital turnover Ratio	Company does not have revenue from operations in the current and previous financial year.
3	Trade receivables turnover ratio	Company does not have trade receivables at the end of the current and previous financial year.
4	Trade payable turnover ratio	Company does not have expenses relating to the operating business.
5	Debt Equity Ratio	The Company does not have any debt.
6	Debt Service coverage Ratio	The Company does not have any debt.

## NOTE: 26

Previous year's figures have been regrouped / rearranged to confirm to the current year's presentation, wherever necessary.

As per our attached Report of even date

**For P L Kataria & Co**

Chartered Accountants

ICAI Firm Registration No. 104913W

For and on behalf of the Board of Directors

**Aditya Birla Trustee Company Private Limited**

**Per Nitin Kataria**

Partner

Membership Nos. 102949

**Anil Chirania**

Director

DIN Nos. 01082719

**Shriram Jagetiya**

Director

DIN Nos. 01638250

Place: Mumbai

Date: 24<sup>th</sup> April, 2023

Place: Mumbai

Date: 24<sup>th</sup> April, 2023

Aditya Birla Capital Digital Limited



**ADITYA BIRLA  
CAPITAL**

CIN: U64990MH2023PLC399485  
Registered Office Address: 18<sup>th</sup> Floor,  
One World Center Tower 1, Jupiter Mills Compound,  
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Elphinstone Road, Mumbai, Maharashtra, 400013  
T: +91 22 4356 7000  
E: [abc.secretarial@adityabirlacapital.com](mailto:abc.secretarial@adityabirlacapital.com)

# Independent Auditor's Report

To The Members of **Aditya Birla Capital Digital Limited.**

## REPORT ON THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

### Opinion

1. We have audited the accompanying Ind AS Financial Statements of Aditya Birla Capital Digital Limited ('the Company'), which comprise the balance sheet as at 31<sup>st</sup> March, 2023, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the period from 23<sup>rd</sup> March, 2023 (date of incorporation of the Company to 31<sup>st</sup> March, 2023 ('the Period') and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information ('the Ind AS Financial Statements').
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the period then ended.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS Financial Statements.

### Other Information

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Ind AS Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.
5. Our opinion on the Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
6. In connection with our audit of the Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

### Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards ('Ind AS') specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial

## Independent Auditor's Report (Contd.)

Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the Ind AS Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the Ind AS Financial Statements**

10. Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS Financial Statements.
11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - 11.1. Identify and assess the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as

fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- 11.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Ind AS Financial Statements in place and the operating effectiveness of such controls.
- 11.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- 11.4. Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 11.5. Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. 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.

13. 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.
- 15.6. With respect to the adequacy of the internal financial controls with reference to Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

### Report on Other Legal and Regulatory Requirements

14. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. As required by Section 143(3) of the Act, we report that:
- 15.1. 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.
- 15.2. 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.
- 15.3. The balance sheet, the statement of profit and loss including other comprehensive income, the statement of changes in equity and the cash flow statement dealt with by this Report are in agreement with the books of account.
- 15.4. In our opinion, the aforesaid Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- 15.5. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- 15.7. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the period is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.
16. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- 16.1. The Company does not have any pending litigations which would impact its financial position;
- 16.2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- 16.3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 16.4. The Management has represented, to best of their knowledge and belief, that no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company

## Independent Auditor's Report (Contd.)

('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

16.5. The Management has also represented, to best of their knowledge and belief, that no funds (which are material either individually or in aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

16.6. Based on such audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representation under para 16.4 and 16.5 contain any material misstatement.

16.7. No dividend is declared and / or paid during the year by the Company.

16.8. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for the feature of recording of audit trail (edit log) facility in the accounting software used by the Company for maintenance of books of account, which is applicable to the Company from financial year beginning 1<sup>st</sup> April, 2023. The reporting by us under clause (g) of Rule 11 would be done from the financial year 2023-24 onwards.

For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firm Registration Number: 105146W/W100621

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**Hasmukh B Dedhia**  
Partner  
ICAI Membership No: 033494  
UDIN: XXXXXXXXXX

Place: Mumbai  
Date: 4<sup>th</sup> May, 2023

## Annexure 'A'

To the Independent Auditor's Report on the Financial Statements of Aditya Birla Capital Digital Ltd for the period from 23<sup>rd</sup> March, 2023 (date of incorporation of the Company to 31<sup>st</sup> March, 2023 ('the period'))

(Referred to in paragraph 14 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ('PPE').

The Company does not have intangible assets.

- (b) The Company is in process of fixing a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. All PPE were physically verified by the Management during the period. In our opinion, and 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 under PPE. Accordingly, Paragraph 3(i)(c) of the order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE during the period.
- (e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The Company is in the business of providing services and does not have any physical inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to it.
- (b) The Company has not been sanctioned any working capital limits at any point of time during the period, from banks or financial institutions.
- iii. The Company has not made investments in, or provided any guarantee or security or granted any loans or advances

in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the period. Accordingly, paragraph 3(iii) (a) to (f) of the Order is not applicable to the Company.

- iv. According to the information and explanations given to us, the Company has not granted any loans, made investments, given guarantees or provided security. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the period in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of the clause (vi) of the Order is not applicable.
- vii. (a) In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues have been regularly deposited by the Company with the appropriate authorities. Since the Company is in existence only for 8(eight) days during the period, the question of any undisputed statutory dues remaining unpaid for more than six months does not arise.
- (b) We confirm that there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, which have not been deposited to/with the appropriate authority on account of any dispute.

## Annexure 'A' (Contd.)

- viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not borrowed any loans from any lender. Hence, reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) The Company has not taken any term loan during the period and hence, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) The Company has not raised any loans on short term basis and hence, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) The Company does not have any subsidiaries, associates, or joint ventures. Accordingly, the provisions of the clauses (ix)(e) & (f) of the Order are not applicable.
- x. (a) The Company did not raise money by way of an initial public offer or further public offer (including debt instruments) during the period.
- (b) The Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the period.
- xi. (a) In our opinion and according to the information and explanations given to us, there has been no fraud by the Company or any fraud on the Company that has been noticed or reported during the period.
- (b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the Management, there are no whistleblower complaints received by the Company during the period.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards (Ind AS).
- xiv. (a) This being the first year of incorporation of the Company (period of only eight days), no report of internal audit during the period. As informed to us the Company is in process to have an internal audit system commensurate with the size and nature of its business/
- xv. According to the information and explanations given to us, in our opinion during the period the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration from the

Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company ('CIC') as defined under the Regulations by the Reserve Bank of India ('RBI').

(d) According to the information and explanations provided to us, the Group to which Company belongs (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has one CIC which is registered with RBI and two CICs which are in process of being registered with RBI.

xvii. The Company has incurred any cash losses during the period of ₹ 1909.00 lakh

xviii. There has been no resignation of the statutory auditors during the period and accordingly paragraph 3(xviii) of the Order is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists

as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The provisions of Section 135 of the Act are not applicable to the company. Accordingly, paragraph 3(xx) (a) & (b) of the Order is not applicable to the Company.

For **KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

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**Hasmukh B Dedhia**

Partner

ICAI Membership No: 033494

UDIN: XXXXXXXXXX

Place: Mumbai

Date: 4<sup>th</sup> May, 2023

# Annexure 'B'

to the Independent Auditors' report on the Ind AS Financial Statements of Aditya Birla Capital Digital Limited for the period from 23<sup>rd</sup> March, 2023 (date of incorporation of the Company) to 31<sup>st</sup> March, 2023 ('the period')

(Referred to in paragraph '15.6' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

## **REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID IND AS FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ('THE ACT').**

### **Opinion**

1. We have audited the internal financial controls with reference to the Ind AS Financial Statements of Aditya Birla Capital Digital Limited ("the Company") as at 31<sup>st</sup> March, 2023 in conjunction with our audit of the Ind AS Financial Statements of the Company for the period ended on that date.
2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Ind AS Financial Statements and such internal financial controls were operating effectively as at 31<sup>st</sup> March, 2023, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

### **Management's responsibility for Internal Financial Controls**

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's responsibility**

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Ind AS Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Ind AS Financial Statements were established and maintained and whether such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to the Ind AS Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Ind AS Financial Statements.

### **Meaning of Internal Financial Controls with reference to the Ind AS Financial Statements**

7. A company's internal financial controls with reference to the Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial controls with reference to the Ind AS Financial Statements include 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 Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company ; and (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 Ind AS Financial Statements.

### **Inherent Limitations of Internal Financial Controls with reference to the Ind AS Financial Statements**

8. Because of the inherent limitations of internal financial controls with reference to the Ind AS Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements

due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Ind AS Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Ind AS Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **For KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

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#### **Hasmukh B Dedhia**

Partner

ICAI Membership No: 033494

UDIN: XXXXXXXXXX

Place: Mumbai

Date: 4<sup>th</sup> May, 2023

# Balance Sheet

as at 31<sup>st</sup> March, 2023

(Currency : Rupees in Lakh)

Particulars	Note No.	As at 31st March, 2023 (Audited)
<b>ASSETS</b>		
<b>(1) Non Current Assets</b>		
Property, Plant & Equipment	2	63.45
<b>Total Non Current Assets</b>		<b>63.45</b>
<b>(2) Current Assets</b>		
(a) Financial Assets		
Trade Receivables	3	5.01
Cash and cash equivalents	4	2,500.00
(b) Current Tax Assets (Net)		
		0.26
<b>Total Current Assets</b>		<b>2,505.27</b>
<b>Total Assets</b>		<b>2,568.72</b>
<b>EQUITY AND LIABILITIES</b>		
<b>(1) Equity</b>		
Equity Share Capital	5	2,500.00
Other Equity	5A	(1,909.35)
<b>Total Equity</b>		<b>590.65</b>
<b>(2) Liabilities</b>		
(a) Current Liabilities		
Financial Liabilities		
Trade Payables	6	
(i) total outstanding dues of micro enterprises and small enterprises		
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		
		1,063.03
Other Financial Liabilities	7	84.78
Provisions		830.26
<b>Total Liabilities</b>		<b>1,978.07</b>
<b>Total Equity and Liabilities</b>		<b>2,568.72</b>
Summary of Significant Accounting Policies	1	

Summary of Significant Accounting Policies (Note 1)

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

**For KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

ICAI Firm Registration No: : 105146W/W100621

**Hasmukh B Dedhia**

Partner

Membership No: 033494

Place: Mumbai

Date: 4<sup>th</sup> May, 2023

For and on behalf of the Board of Directors of

**Aditya Birla Capital Digital Limited**

**Pinky Mehta**

Director

DIN: 00020429

Place: Mumbai

Date: 4<sup>th</sup> May, 2023

**Pankaj Gadgil**

Director

DIN:08521239

# Statement of Profit and Loss

for the period ended 31<sup>st</sup> March, 2023

(Currency : Rupees in Lakh)

Particulars	Note No.	For the period ended 31st March, 2023 (Audited)
<b>INCOME</b>		
Revenue from operations	8	5.28
Other Income		-
<b>I Total income</b>		<b>5.28</b>
<b>EXPENSES</b>		
Legal and professional expenses	9	638.95
Marketing expenses	10	319.09
Other expenses	11	956.24
Depreciation and amortisation	12	0.35
<b>II Total Expenses</b>		<b>1,914.63</b>
<b>III Profit/(loss) before tax</b>		<b>(1,909.35)</b>
<b>Tax expense</b>		
Current Tax		-
<b>IV Total Tax expense</b>		<b>-</b>
<b>Profit/(loss) for the year</b>		<b>(1,909.35)</b>
Other Comprehensive income		-
<b>Total Comprehensive Income/(Loss) for the year</b>		<b>(1,909.35)</b>
Earnings per equity share of ₹ 10 each	13	
(1) Basic		(7.64)
(2) Diluted		(7.64)
Summary of Significant Accounting Policies	1	

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

**For KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

ICAI Firm Registration No: : 105146W/W100621

For and on behalf of the Board of Directors of

**Aditya Birla Capital Digital Limited**

**Hasmukh B Dedhia**

Partner

Membership No: 033494

**Pinky Mehta**

Director

DIN: 00020429

**Pankaj Gadgil**

Director

DIN:08521239

Place: Mumbai

Date: 4<sup>th</sup> May, 2023

Place: Mumbai

Date: 4<sup>th</sup> May, 2023

# Statement of Cash Flows

for the period ended 31<sup>st</sup> March, 2023

(Currency : Rupees in Lakh)

Particulars	For the period ended 31st March, 2023 (Audited)
<b>A. Cash flows from operating activities</b>	
Profit/(loss) before tax/Operating profit /(loss) before working capital changes	(1,909.35)
<b>Adjustment for :</b>	
Depreciation and amortisation expenses	0.35
<b>Working Capital Adjustments</b>	
(Increase) in trade receivables	(5.01)
Increase in trade payables	1,063.03
Increase in provisions	830.26
Increase/(Decrease) in other financial liabilities	84.78
<b>Cash generated from operations</b>	<b>64.06</b>
Income taxes Refund/(paid)	(0.26)
<b>Net cash generated from operations</b>	<b>63.80</b>
<b>B. Cash flows from investing activities</b>	
Purchases of property, plant and equipment and intangibles assets	(63.80)
<b>Net cash (used in)/from investing activities</b>	<b>(63.80)</b>
<b>C. Cash flows from financing activities</b>	
Proceeds from Issue of Equity Shares	2,500.00
<b>Net cash (used in) financing activities</b>	<b>2,500.00</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,500.00</b>
<b>Opening cash and cash equivalents</b>	<b>-</b>
<b>Closing cash and cash equivalents</b>	<b>2,500.00</b>

## Cash and cash equivalents:

Particulars	Amount
Cash and cash equivalents:	
Balance with banks - current account	2,500.00
<b>Total</b>	<b>2,500.00</b>

Notes :-

- The above Cash Flow Statement has been prepared under the "Indirect Method " as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash Flows' prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017.
- Cash and cash equivalents in the balance sheet comprises of Cash at bank.

Summary of Significant Accounting Policies (Note No. 1)

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

**For KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

ICAI Firm Registration No: : 105146W/W100621

For and on behalf of the Board of Directors of

**Aditya Birla Capital Digital Limited**

**Hasmukh B Dedhia**

Partner

Membership No: 033494

**Pinky Mehta**

Director

DIN: 00020429

**Pankaj Gadgil**

Director

DIN:08521239

Place: Mumbai

Date: 4<sup>th</sup> May, 2023

Place: Mumbai

Date: 4<sup>th</sup> May, 2023

# Statement of Changes in Equity

for the period ended 31<sup>st</sup> March, 2023

(Currency : Rupees in Lakh)

## (A) EQUITY SHARE CAPITAL

Particulars	Number of Shares (in lakh)	Amount
<b>As at 23<sup>rd</sup> March, 2023</b>	-	-
Changes in equity share capital due to prior period errors	-	-
<b>Reinstated Balances as at 23<sup>rd</sup> March, 2023</b>	-	-
Changes in equity share capital	250.00	2,500.00
<b>As at 31<sup>st</sup> March, 2023</b>	<b>250.00</b>	<b>2,500.00</b>

## (B) OTHER EQUITY

Particulars	Reserves & Surplus
	Retained earnings
Balance at the beginning of the reporting period	-
Restated balance at the beginning of the reporting period	-
Total Comprehensive Income for the year	-
Dividends	-
Transfer to retained earnings	(1,909.35)
Any other change	-
<b>Balance at the end of the reporting period</b>	<b>(1,909.35)</b>

Summary of Significant Accounting Policies (Note No. 1)

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

**For KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

ICAI Firm Registration No: : 105146W/W100621

For and on behalf of the Board of Directors of

**Aditya Birla Capital Digital Limited**

**Hasmukh B Dedhia**

Partner

Membership No: 033494

Place: Mumbai

Date: 4<sup>th</sup> May, 2023

**Pinky Mehta**

Director

DIN: 00020429

Place: Mumbai

Date: 4<sup>th</sup> May, 2023

**Pankaj Gadgil**

Director

DIN:08521239

# Notes forming part of Financial Statement

for the period ended 31<sup>st</sup> March, 2023

## NOTE '1' SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS

### (A) SIGNIFICANT ACCOUNTING POLICIES

#### 1 Corporate information

Aditya Birla Capital Digital Limited is a limited Company incorporated and domiciled in India and incorporated on 23<sup>rd</sup> March, 2023. Company is in the business of distributing financial and allied solutions and handling customer queries service requests in this regard- across insurance, lending, investment, deposits, payments and other financial products. The registered office of the Company is located at 18<sup>th</sup> floor, One World Centre, Tower 1, Senapati Bapat Marg, Jupiter Mill, Eliphistone Road, Mumbai 400013, Maharashtra.

#### 2 Basis of preparation

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as per the said road map, the Company is required to apply Ind AS starting from financial year beginning on or after 1<sup>st</sup> April, 2016. Accordingly, the financial statements of the Company have been prepared in accordance with the Ind-AS.

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time. The presentation of the Financial Statements is based on Ind AS Schedule III of the Companies Act, 2013.

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016

These financial statements have been prepared as per Division II of Schedule III to the Companies Act, 2013, as prescribed under section 133 of the Companies Act

2013, as notified under the Companies (Indian Accounting Standards) Rules, 2015 the Companies (Indian Accounting Standards) Amendment Rules, 2016, the Companies (Indian Accounting Standards) Amendment Rules, 2017 and other accounting principles generally accepted in India. The standalone financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities.

The financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency.

#### 2.1 Presentation of financial statements

The Company presents its balance sheet in order of liquidity in compliance with requirements of Schedule III of the Companies Act 2013.

The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting standards.

2.2 The Company's operation has started before the Company got incorporation certificate to carry out relevant market research and understand customer preference to build competitive digital products and journey.

### 3 Summary of significant accounting policies

#### 3.1 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is recognised on accrual basis

#### 3.2 Property, plant and equipment

All items of property, plant and equipment are stated at historical cost, net of accumulated depreciation and impairment loss if any. The cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

# Notes forming part of Financial Statement

for the period ended 31<sup>st</sup> March, 2023

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

### 3.2.1 Depreciation methods, estimated useful lives and residual value

Depreciation is provided on straight line basis using the rates arrived at based on the useful lives estimated by the Management. The Company has used the following useful life to provide depreciation on its property, plant and equipments.

Asset	Useful life as prescribed by Schedule II of the Co's Act, 2013	Estimated useful life
Office computers and electronic equipments	3 years	4 Years
Vehicles	8 years	5 Years
Furniture, fixtures and other office equipments	10 years	7 Years
Leasehold improvements	Over the primary period of the lease	Over the primary period of the lease

### 3.3 Taxes

#### 3.3.1 Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the Indian Income Tax Act, 1961.

#### 3.3.2 Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

As at the year ended on 31<sup>st</sup> March, 2023, the company is having net deferred tax assets comprising of deductible temporary differences under tax laws. However in the absence of reasonable certainty as to its realization of Deferred Tax Assets (DTA), DTA has not been created.

### 3.4 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

### 3.5 Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date.

### 3.6 Current Assets & Liabilities

#### 3.6.1 Current Assets

All current assets are at recognised transaction costs that are attributable to the acquisition of the current asset. The Company's current assets includes Trade Receivables

# Notes forming part of Financial Statement

for the period ended 31<sup>st</sup> March, 2023

## 3.6.2 Current Liabilities

All current liabilities are recognised at transaction costs. The Company's current liabilities includes Trade and other payables.

## 3.7 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## 3.8 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying

disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

## Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

# Notes forming part of Financial Statement

for the period ended 31<sup>st</sup> March, 2023

(Currency : Rupees in Lakh)

## NOTE 2: PROPERTY, PLANT AND EQUIPMENT

Particulars	Location	Gross block			Depreciation			Net block		
		As on 23/3/23	Addition for the period	Deduction for the period	As on 31/3/23	As on 23/3/23	Depreciation for the period	As on 31/3/23	As on 23/3/23	As on 31/3/23
Computers	Mumbai	-	63.80	-	63.80	-	0.35	0.35	-	63.45
<b>Total</b>		-	63.80	-	63.80	-	0.35	0.35	-	63.45

### Foot note:

No revaluation of any class of assets is carried out during the period.

## NOTE 3: TRADE RECEIVABLES

Particulars	As at 31st March, 2023
Receivables from related parties (refer note no. 14)	5.01
Others	-
Less : Allowance for trade receivables which have significant increase in credit risk/credit impaired	-
<b>Total</b>	<b>5.01</b>

### Foot note:-

#### Trade Receivables Ageing -

Particulars	Unbilled Trade Receivables	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31<sup>st</sup> March, 2023</b>							
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
- Unbilled Trade Receivables	5.01	-	-	-	-	-	-
<b>Total</b>	<b>5.01</b>	-	-	-	-	-	-

# Notes forming part of Financial Statement

for the period ended 31<sup>st</sup> March, 2023

(Currency : Rupees in Lakh)

## NOTE 4: CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2023
Balance with banks	
In current account	2,500.00
<b>Total</b>	<b>2,500.00</b>

## NOTE 5 : EQUITY- SHARE CAPITAL

Particulars	As at 31st March, 2023
<b>Authorized share capital:</b>	
5000 Lakhs equity shares of ₹ 10/- each	50,000.00
	<b>50,000.00</b>
<b>Issued, subscribed and fully paid up equity capital:</b>	
250 lakh equity shares of ₹ 10/- each fully paid up	2,500.00
	<b>2,500.00</b>

Reconciliation of number of Equity Shares Outstanding	As at 31st March, 2023	
	Numbers of Shares (In Lakh)	Amount
Number of shares outstanding as at 23 <sup>rd</sup> March, 2023	-	-
Add: Issue of shares during the period	250.00	2,500.00
<b>Number of shares outstanding as at 31<sup>st</sup> March, 2023</b>	<b>250.00</b>	<b>2,500.00</b>

### 1. Details of shareholders holding more than 5% equity share capital in the Company

Name of shareholder	As at 31st March, 2023	
	Numbers of Shares (In Lakh)	% of holding
Aditya Birla Capital Limited and it's nominees	250.00	100.00
<b>Total</b>	<b>250.00</b>	<b>100.00</b>

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares

### 2. Details of Promoters shareholding of the Company

Name of shareholder	As at 31st March, 2023	
	Numbers of Shares (In Lakh)	% of holding
Aditya Birla Capital Limited	250.00	100.00
<b>Total</b>	<b>250.00</b>	<b>100.00</b>

# Notes forming part of Financial Statement

for the period ended 31<sup>st</sup> March, 2023

(Currency : Rupees in Lakh)

### 3. Terms / Rights attached to Equity Shares :

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any is proposed by the Board of Directors and is subject to the approval of the shareholders in the ensuing Annual General Meeting.

### 4. Shares held by the Holding Company :

All the Equity Shares are held by the holding company - Aditya Birla Capital Limited.

## NOTE 5A : OTHER RESERVES

Particulars	As at 31st March, 2023
Surplus in the statement of profit and loss	
Opening balance	-
Loss for the year	(1,909.35)
<b>Closing balance</b>	<b>(1,909.35)</b>

## NOTE 6: TRADE AND OTHER PAYABLES

Particulars	As at 31st March, 2023
Total outstanding dues of micro and small enterprises	-
Total outstanding dues of creditors other than micro and small enterprises (including related party dues {note 14})	1,063.03
<b>Total</b>	<b>1,063.03</b>

### Foot note:-

#### Trade Payables ageing schedule -

Particulars	Unbilled Dues	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31<sup>st</sup> March, 2023</b>						
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	1,063.03	-	-	-	1,063.03
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Unbilled Trade Payables	-	-	-	-	-	-
<b>Total</b>	-	<b>1,063.03</b>	-	-	-	<b>1,063.03</b>

## NOTE 7 :OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2023
Payable to Government Authorities	84.78
<b>Total</b>	<b>84.78</b>

# Notes forming part of Financial Statement

for the period ended 31<sup>st</sup> March, 2023

(Currency : Rupees in Lakh)

## NOTE 8: REVENUE FROM OPERATIONS

Particulars	For the period ended 31st March, 2023
Commission Income	5.28
<b>Total</b>	<b>5.28</b>

## NOTE 9: LEGAL AND PROFESSIONAL EXPENSE

Particulars	For the period ended 31st March, 2023
Legal and professional charges	630.85
IT Professional Fees	8.10
<b>Total</b>	<b>638.95</b>

## NOTE 10: MARKETING EXPENSE

Particulars	For the period ended 31st March, 2023
Advertisement expense	313.66
Sales promotion	5.43
<b>Total</b>	<b>319.09</b>

## NOTE 11: OTHER EXPENSES

Particulars	For the period ended 31st March, 2023
Deputation Charges	584.25
Staff welfare expense	17.36
Transportation charges	0.07
Incorporation expenses	300.02
Travelling expenses	12.27
Audit fees	1.00
Rent	33.04
Miscellaneous exp	7.70
Referral Incentives	0.53
<b>Total</b>	<b>956.24</b>

### Note (a):

Payment to statutory auditors	For the period ended 31st March, 2023
<b>As auditor</b>	
Statutory audit fees	1.00
<b>Total</b>	<b>1.00</b>

# Notes forming part of Financial Statement

for the period ended 31<sup>st</sup> March, 2023

(Currency : Rupees in Lakh)

## NOTE 12: DEPRECIATION AND AMORTISATION

Particulars	For the period ended 31st March, 2023
Depreciation on computers	0.35
<b>Total</b>	<b>0.35</b>

## NOTE 13: EARNINGS PER SHARE (EPS)

Particulars	For the period ended 31st March, 2023
Net profit/ (loss) after tax	(1,909.35)
Weighted average number of equity shares outstanding (in numbers)	250.00
<b>Basic and diluted earnings per share (₹)</b>	<b>(7.64)</b>

## NOTE 14: RELATED PARTY TRANSACTIONS

**Name of related parties and description of relationship with whom transactions have taken place for the period ended 31<sup>st</sup> March, 2023**

### (A) Related parties where control exists

- Ultimate Holding Company & Holding Company**  
Aditya Birla Capital Limited (ABCL) (Holding Company)  
Grasim Industries Limited (Ultimate Holding Company)

### (B) Related parties where there is a significant influence

- Idea Cellular Limited (ICL)
- Birla Sun Life AMC Limited (BSLAMCL)
- Aditya Birla Nuvo Employees Gratuity Trust

### (C) Other related parties

- Fellow subsidiaries**  
Aditya Birla Finance Limited (ABFL)  
Aditya Birla Capital Technology Services Limited (ABCTSL)  
Aditya Birla Sun Life Insurance Company Limited (ABSLICL)  
Aditya Birla Sun Life AMC Limited (ABSLAMCL)  
Aditya Birla Money Limited (ABML)  
Aditya Birla Health Insurance Limited (ABHI)  
Aditya Birla Financial Shared Services Limited (ABFSSL)  
Aditya Birla Insurance Brokers Limited (ABIBL)  
Aditya Birla PE Advisors Private Limited (ABPEL)  
Aditya Birla Wellness Private Limited (ABWPL)  
Ultratech Cement Limited (UCL)  
Aditya Birla Insulators (ABI)
- Key management personnel**  
Mr. Pankaj Gadgil, Non-Executive Director

# Notes forming part of Financial Statement

for the period ended 31<sup>st</sup> March, 2023

(Currency : Rupees in Lakh)

The following inter Company transactions/balances have taken place during the period under audit and are included in the above figures under respective heads:

Sr. No.	Particulars	For the period ended 31st March, 2023
<b>1</b>	<b>Income - exclusive of GST</b>	
	Aditya Birla Housing Finance Limited ( Commission Income)	5.28
<b>2</b>	<b>Recovery of expenses - exclusive of GST</b>	
	Aditya Birla Financial Shared Services Limited (Recovery of Rent)	814.75
	Aditya Birla Capital Ltd (Recovery of Rent)	300.02
	Aditya Birla Housing Finance Limited(Rent Recovery)	33.04
<b>3</b>	<b>Capital Outstanding</b>	
	Aditya Birla Capital Limited (Equity share Capital)	2,500.00
<b>4</b>	<b>Outstanding Balances</b>	
	<b>- Receivables</b>	
	Aditya Birla Housing Finance Limited (Trade receivable)	5.01
	<b>- Payables</b>	
	Aditya Birla Capital Limited (Trade payables)	300.02
	Aditya Birla Financial Shared Services Limited (Trade payables)	733.27
	Aditya Birla Housing Finance Limited (Trade payables)	29.74

Note: Related party relationships as per Ind AS 24 have been identified by the management had relied upon by the auditors. All the transactions are carried at arm's length price

## Terms and conditions of transactions with related parties

The transactions with related parties are in the ordinary course of business and are on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. For the year ended 31<sup>st</sup> March, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which the related parties operate.

## NOTE 15: OTHER NOTES FORMING PART OF FINANCIAL STATEMENTS

### 1 Segment Information

The Company has single reportable segment viz- advisory & broking services for the purpose of IND AS 108 on 'Segment Reporting'. The Company does not have any reportable geographical segment

### 2 Earnings per share (basic and diluted):

Particulars	As at 31st March, 2023
Profit/ (Loss) attributable to Equity shareholders (₹ in Lakhs)	(1,909.35)
Number of shares at the beginning (in lakh)	250.00
Basic and diluted earnings per share (in ₹)	(7.64)
Number of shares at the end (in lakh)	250.00
Face value of share (₹)	10

# Notes forming part of Financial Statement

for the period ended 31<sup>st</sup> March, 2023

(Currency : Rupees in Lakh)

### 3 To the best of information of management of the Company, the disclosure requirements as per Gazette notification for Amendments pertaining to following matters are not applicable in the case of the Company :-

- (a) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) The Company do not have any transactions with companies struck off.
- (d) The company does not have any Intangible Assets, thus, disclosures relating to revaluation of Intangible Assets is not applicable.
- (e) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with the companies (Restriction on number of layer) Rules, 2017.
- (f) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (g) The Company has not entered in any scheme of arrangement under section 230 to 237 of Companies Act 2013.
- (h) The company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the intermediary shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or
  - (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (i) The company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding Party (ultimate beneficiaries) or
  - (ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- (j) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (k) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

# Notes forming part of Financial Statement

for the period ended 31<sup>st</sup> March, 2023

(Currency : Rupees in Lakh)

**4 The company has been incorporated on 23<sup>rd</sup> March, 2023. Hence, prior period comparatives are not available.**

## 5 Financial Ratios

Particulars	Numerator	Denominator	Unit	As at 31st March, 2023
Current Ratio	Current Assets	Current Liabilities	Times	1.27
Debt-Equity Ratio	Total Debt	Shareholder's Equity	Times	NA
Debt Service Coverage Ratio	Profit After Tax+Depreciation+Finance Cost- Unrealised Gain on Investment+Deferred Tax+ loss on sale of fixed assets	Total actual Interest + Principle Repayment of Long Term Borrowing + Principle Lease Payment	Times	NA
Return on Equity Ratio	Profit After Tax	Shareholder's Equity Average	Times	NA
Inventory Turnover Ratio	Cost of Good Sold	Inventories Average	Times	NA
Trade Receivables Turnover Ratio	Revenue from Operations	Trade Receivables (Average)	Times	2.11
Trade Payables Turnover Ratio	Direct expenses	Trade Payables (Average)	Times	3.60
Net Capital Turnover Ratio	Revenue from Operations	Working Capital	Times	NA
Net Profit Ratio	Profit After Tax	Revenue from Operations	%	(36,161.93)
Return on Capital employed	Earning Before Interest and Taxes	Tangible Net Worth + Total Debt + Deferred Tax Liability	%	(323.26)
Return on Investment	Interest Income	Investment	%	NA

## 6 Other disclosures

The Ministry of Corporate Affairs (MCA) on 31<sup>st</sup> March, 2023 through Companies (Indian Accounting Standards) Amendment Rules, 2023 has notified the following amendments to IND AS which are applicable for the annual periods beginning on or after 1<sup>st</sup> April, 2023.

- (a) IND AS 1 - Presentation of Financial Statements - This amendment requires the Company to disclose its material accounting policies rather than their significant accounting.

The Company will carry out a detailed review of accounting policies to determine material accounting policy information to be disclosed going forward policies. The Company does not expect this amendment to have any material impact in its financial statements.

- (b) IND AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has changed the definition of a "change in accounting estimates" to a definition of "accounting estimates". The amendment

clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates.

The Company does not expect this amendment to have any material impact in its financial statements.

- (c) IND AS 12 - Income Taxes - This amendment has done away with the recognition exemption on initial recognition of assets and liabilities that give rise to equal and offsetting temporary differences.

The Company does not expect this amendment to have any material impact in its financial statements

- (d) Report on Other Legal and Regulatory Requirements -Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1<sup>st</sup> April, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules. 2014 is not applicable for the financial year ended 31<sup>st</sup> March, 2023.

# Notes forming part of Financial Statement

for the period ended 31<sup>st</sup> March, 2023

(Currency : Rupees in Lakh)

## 7 Micro, small and medium enterprises

Particulars	For the period ended 31st March, 2023
i. the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-
ii. the amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-
iii. the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-
iv. the amount of interest accrued and remaining unpaid at the end of each accounting year;	-
v. the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-

For and on behalf of the Board of Directors of

**Aditya Birla Capital Digital Limited**

**Pinky Mehta**

Director

DIN: 00020429

**Pankaj Gadgil**

Director

DIN:08521239

Place: Mumbai

Date: 4<sup>th</sup> May, 2023





## **Aditya Birla Capital Limited**

CIN: L67120GJ2007PLC058890

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**ADITYA BIRLA  
CAPITAL**