

INDEPENDENT AUDITORS' REPORT**ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BIRLA SUN LIFE ASSET
MANAGEMENT COMPANY LIMITED**

To the Board of Directors of Birla Sun Life Asset Management Company Ltd

We have audited the accompanying consolidated financial statements of Birla Sun Life Asset Management Company Ltd ("the Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group") which comprise the consolidated balance sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements on the basis of separate financial statements and other financial information regarding components that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India; this includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standards (AS) 21, "Consolidated financial statements" as notified pursuant to the Companies (Accounting Standards) Rules, 2006 and on the basis of the separate financial statements of Birla Sun Life Asset Management Company Limited, its subsidiaries.

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 auditors on the financial statements of the



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subsidiaries as mentioned in the 'Other Matter' paragraph below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;
- (b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets (net) of Rs. 95,423,752 as at March 31, 2013, total revenues of Rs. 107,422,150 and net cash outflows amounting to Rs. 27,457,083 for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

For Haribhakti & Co.

Chartered Accountants

Firm Registration No.103523W



Rakesh Rathi

Partner

Membership No.45228



Mumbai:

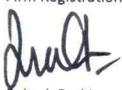
April 26, 2013



Consolidated Balance Sheet as at 31st March 2013

EQUITY AND LIABILITIES	Note No	In Rupees	
		31-Mar-2013	31-Mar-2012
(A) Shareholders' funds			
Share Capital	1	180,000,000	180,000,000
Reserves and Surplus	2	3,387,772,871	2,651,534,707
Sub total -(A)		<u>3,567,772,871</u>	<u>2,831,534,707</u>
(B) Non-current liabilities			
Other Long-term liabilities	3	12,144,861	63,988,571
Long-term provisions	4	4,207,007	43,406,941
Sub total -(B)		<u>16,351,868</u>	<u>107,395,512</u>
(C) Current liabilities			
Trade payables	5	582,909,676	484,576,421
Other Short term liabilities	3	76,089,199	48,483,268
Short-term provisions	4	463,926,174	300,840,339
Sub total -(C)		<u>1,122,925,049</u>	<u>833,900,028</u>
TOTAL	(A)+(B)+(C)	<u>4,707,049,788</u>	<u>3,772,830,247</u>
ASSETS			
(D) Non Current Assets			
Fixed Assets			
Tangible assets	6	81,735,986	107,512,194
Intangible assets	7	138,953,606	193,221,377
		<u>220,689,592</u>	<u>300,733,571</u>
Non-current investments	8	11,664,473	287,874,082
Deferred tax assets (net)	9	28,685,245	29,259,552
Long-term loans and advances	10	401,732,609	1,050,319,270
Sub total -(D)		<u>662,771,919</u>	<u>1,668,186,475</u>
(E) Current Assets			
Current Investments	8	2,128,681,542	1,133,269,161
Trade receivables	11	165,102,513	88,780,699
Cash & Cash Equivalent	12	140,569,528	172,786,759
Short-term loans and advances	10	1,155,865,002	374,582,920
Other Current Assets	13	454,059,284	335,224,233
Sub total -(E)		<u>4,044,277,869</u>	<u>2,104,643,772</u>
TOTAL	(D)+(E)	<u>4,707,049,788</u>	<u>3,772,830,247</u>
Significant Accounting Policies	22		

The accompanying notes are integral part of the financial statements.

As per our report attached
Haribhakti & Co.
 Chartered Accountants
 Firm Registration No.: 103523W

 Rakesh Rathi
 Partner
 Membership No.: 45228

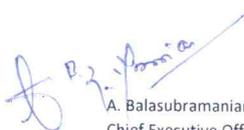


For and on behalf of the Board of Directors of Birla Sun Life Asset Management Company Limited


 Director


 Director

Place: Mumbai
 Date: 26th April 2013


 A. Balasubramanian
 Chief Executive Officer


 Parag Joglekar
 Head Finance


 Rajiv Joshi
 Company Secretary



Consolidated Statement of Profit and Loss for the year ended 31st March 2013

	Note No	In Rupees 31-Mar-2013	In Rupees 31-Mar-2012
Income			
Revenue from operations	14	4,052,367,072	3,152,040,841
Other Income	15	354,770,236	329,568,207
Total Income		4,407,137,308	3,481,609,048
Expenses			
Employee benefits expenses	16	1,078,888,829	886,642,883
Administrative and other expenses	17	696,234,673	690,644,270
Distribution and schemes expenses	18	1,437,617,637	884,970,067
Finance cost	19	6,494,674	1,881,997
Depreciation and amortisation expenses	20	113,717,105	128,423,092
Total Expenses		3,332,952,918	2,592,562,309
Profit before tax		1,074,184,390	889,046,739
Tax expenses			
Current tax		341,640,154	323,978,046
Deferred tax		574,307	(17,450,192)
(Excess)/Short Provision for Tax of earlier years		(465,645)	(5,922,733)
Profit after tax		732,435,574	588,441,618
Basic/Diluted Earning Per Share Rs.(refer to note 29)		40.69	32.69

As per our attached Report of even date

Haribhakti & Co.
Chartered Accountants
Firm Registration No.: 103523W

Rakesh Rathi
Partner
Membership No.: 45228



For and on behalf of the Board of Directors of Birla Sun Life Asset Management Company Limited

Director

Director

Place: Mumbai
Date: 26th April 2013

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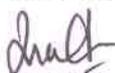


Consolidated Cash Flow Statement for the year ended 31st March 2013

Particulars	2012-2013
	In Rupees
Cash Flow from Operating Activities	
Profit Before Tax	1,074,184,390
Adjustments for:	
Depreciation	113,717,105
Profit on sale of Investments (net)	(90,630,495)
Dividend on Investments	(56,239,001)
Unrealised foreign exchange gain	(6,756,000)
Investment in 0.01% Non-Convert Cumu Redeemable Pref Shares	40,684,939
Interest on Fixed Deposits / ICD's	<u>(113,054,103)</u>
Operating profit before working capital changes	961,906,835
(Increase)/Decrease in Trade receivables	(75,207,900)
(Increase)/ Decrease in Long-term loans and advances	739,221,057
(Increase)/ Decrease in Short-term loans and advances	(782,160,897)
(Increase)/ Decrease in Other Current Assets	(103,712,055)
Increase/ (Decrease) in Non-current liabilities	(92,833,464)
Increase/ (Decrease) in Current liabilities	279,258,734
(Increase)/ Decrease in Non-current Deposits	<u>19,530,255</u>
Cash generated from operations	946,002,565
Taxes paid (Net)	(447,671,029)
Cash flow before extraordinary item	498,331,535
Net cash from operating activities	498,331,535
Cash Flow from Investing Activities	
Purchase of Fixed Assets	(44,137,225)
Sale proceeds from Fixed Assets	6,796,566
Interest on Fixed Deposits / ICD's	113,054,103
Dividend on Other Investments	56,239,023
Purchase of Investments	(8,346,371,680)
Sale of Investments	7,677,114,447
Net cash used in investing activities	(537,304,766)
Cash Flow from Financing Activities	
Dividend Paid (including tax thereon)	-
Inter-corporate deposit	-
Net cash used in financing activities	-
Foreign Exchange difference on Translation of Foreign Currency Cash and Cash Equivalents	6,756,000
Net increase in Cash and Cash Equivalents	(32,217,231)
Cash and Cash Equivalents at beginning of the year	172,786,759
Cash and Cash Equivalents at end of the year	140,569,528

As per our attached Report of even date

Haribhakti & Co.
Chartered Accountants
Firm Registration No.: 103523W

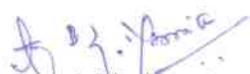

Rakesh Rathi
Partner



For and on behalf of the Board of Directors of Birla Sun Life Asset Management Company Limited


A. Balasubramanian
Director


Parag Joglekar
Director


A. Balasubramanian
Chief Executive Officer


Parag Joglekar
Head Finance


Rajiv Joshi
Company Secretary

Mumbai
Dated : 26th April 2013



	<u>In Rupees</u> <u>31-Mar-2013</u>	<u>In Rupees</u> <u>31-Mar-2012</u>
NOTE: 1		
Share Capital		
Authorised:		
Equity Shares of Rs. 10 each	200,000,000	200,000,000
20,000,000 (31 March 2012 : 20,000,000) Equity Shares fully paid up		
Issued, Subscribed and Paid up		
Equity Shares of Rs. 10 each	180,000,000	180,000,000
18,000,000 (31 March 2012 : 18,000,000) Equity Shares fully paid up		
Total Issued, Subscribed and Paid up	<u>180,000,000</u>	<u>180,000,000</u>

1 Term/right attached to equity shares

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive the remaining assets of the company after distributions of all preferential amounts. However, no such preferential amount exist currently. The distribution will be in the proportion to the number of equity shares held by the shareholders.

2 Reconciliation of the shares outstanding at the beginning and at the end of the period.

S No	Description	31-Mar-2013		31-Mar-2012	
		No. of Equity shares	Amount	No. of Equity shares	Amount
1	No of Shares outstanding at the beginning of the period	18,000,000	180,000,000	18,000,000	180,000,000
2	Issued during the period	-	-	-	-
3	No of Shares outstanding at the end of the period	18,000,000	180,000,000	18,000,000	180,000,000

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

	Name of Share Holder	31-Mar-2013		31-Mar-2012	
		No. of Equity shares held	% of total paid-up equity share capital	No. of Equity shares held	% of total paid-up equity share capital
1	Aditya Birla Financial Services Private Limited and its Nominees	9,179,980	50.9999%	8,999,980	49.9999%
2	Sun Life (India) AMC Investment INC Canada	8,820,000	49.0000%	9,000,000	50.0000%

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

	Name of Share Holder	31-Mar-2013	31-Mar-2012
		1	Aditya Birla Financial Services Private Limited and its Nominees, the holding company (effective from 10th October 2012)



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	<u>In Rupees</u> <u>31-Mar-2013</u>	<u>In Rupees</u> <u>31-Mar-2012</u>
NOTE: 2		
Reserves and Surplus		
1) Securities Premium Account		
Balance as per the last financial statement	26,423,250	26,423,250
Addition during the year	-	-
Closing Balance	<u>26,423,250</u>	<u>26,423,250</u>
2) General Reserve *		
Balance as per the last financial statement	68,666,244	68,666,244
Addition during the year	-	-
Closing Balance	<u>68,666,244</u>	<u>68,666,244</u>
3) Foreign currency translation reserve		
Opening balance as per last audited Financial Statement	17,191,768	-
Addition during the year	3,802,590	17,191,768
Closing Balance	<u>20,994,358</u>	<u>17,191,768</u>
4) Surplus as per Profit & Loss Account		
Balance as per the last financial statement	2,539,253,445	1,950,811,827
Add: Profit for the year	732,435,574	588,441,618
Closing Balance	<u>3,271,689,019</u>	<u>2,539,253,445</u>
Total Reservers and Surplus	<u>3,387,772,871</u>	<u>2,651,534,707</u>

* Under the Companies Act, a general reserve is created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers is to ensure that if a dividend distribution in a given year is more than 10% of the paid up capital of the company for that year, then the total dividend distribution is less than the total distributable results for that year.



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	<u>In Rupees</u> Long-Term		<u>In Rupees</u> Short-Term	
	<u>31-Mar-13</u>	<u>31-Mar-12</u>	<u>31-Mar-13</u>	<u>31-Mar-12</u>
NOTE: 3				
Other Liabilities				
Other Payable	-	-	14,091,073	23,929,698
Future lease rent liability	12,144,861	63,988,571	15,126	-
Payables for Capital Expenditure	-	-	7,756,521	794,642
Investors Education Fund *	-	-	15,589,194	7,541,449
Payable on account of Statutory Dues :				
- Withholding Tax payable	-	-	15,726,674	11,185,981
- Service-Tax payable	-	-	17,644,852	156,720
- Professional Tax payable	-	-	95,026	67,083
- Employee provident fund & Other dues payable	-	-	5,170,733	4,807,695
	<u>12,144,861</u>	<u>63,988,571</u>	<u>76,089,199</u>	<u>48,483,268</u>

* Fund for educating investors about Mutual Fund Investment





Notes to consolidated financial statements for the year ended 31st March 2013

	<u>In Rupees</u> Long-Term		<u>In Rupees</u> Short-Term	
	31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
NOTE: 4				
Provisions				
Provision for Employee Benefits				
Leave Encashment	-	-	24,119,480	17,074,626
Gratuity	-	-	1,969,325	4,148,057
Provision for salaries and allowances	4,207,007	43,406,941	437,147,741	278,564,582
Provision for Taxes				
Income Tax (Net of Advance Tax Nil, Previous year Nil)	-	-	589,551	878,814
Wealth Tax	-	-	100,077	174,260
	<u>4,207,007</u>	<u>43,406,941</u>	<u>463,926,174</u>	<u>300,840,339</u>



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Notes to consolidated financial statements for the year ended 31st March 2013

	<u>In Rupees</u> <u>31-Mar-2013</u>	<u>In Rupees</u> <u>31-Mar-2012</u>
NOTE: 5		
Trade Payables		
Trade Payables	582,909,676	484,576,421
Total Trade Payables	582,909,676	484,576,421

"Micro and Small Scale Business Entities :

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2013. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company."





Notes to consolidated financial statements for the year ended 31st March 2013

In Rupees

NOTE: 6

Tangible Assets

	Computers	Furniture & Fixtures	Vehicles	Office Equipment	Leasehold Improvements	Total
Gross Block						
As at 1 April 2011	82,641,710	22,691,030	34,820,535	75,038,132	151,584,957	366,776,364
Additions	16,661,025	2,162,576	8,148,676	5,923,768	10,794,622	43,690,667
Foreign Exchange Translation Difference	421,607	540,945	-	144,736	1,097,580	2,204,868
Disposals	288,989	921,870	4,280,278	4,204,415	5,781,534	15,477,086
As at 31 March 2012	99,435,353	24,472,681	38,688,933	76,902,221	157,695,625	397,194,813
Additions	7,205,950	823,902	2,800,000	6,924,827	19,970,716	37,725,395
Foreign Exchange Translation Difference	234,426	211,673	-	73,987	529,650	1,049,736
Disposals	1,162,573	1,362,576	7,438,279	5,630,386	32,018,058	47,611,872
As at 31 March 2013	105,713,156	24,145,680	34,050,654	78,270,649	146,177,933	388,358,072
Accumulated Depreciation						
As at 1 April 2011	68,923,099	12,374,595	14,370,354	40,552,486	97,098,559	233,319,093
Charge for the year	14,099,181	4,358,753	7,057,800	13,564,579	31,200,202	70,280,515
Foreign Exchange Translation Difference	132,508	82,702	-	26,459	305,747	547,416
Disposals	242,090	890,091	3,585,778	3,978,273	5,768,173	14,464,405
As at 31 March 2012	82,912,698	15,925,959	17,842,376	50,165,251	122,836,335	289,682,619
Charge for the year	9,836,850	3,660,062	7,270,372	13,468,601	23,124,375	57,360,260
Foreign Exchange Translation Difference	97,469	50,606	-	18,016	221,952	388,043
Disposals	1,162,581	1,113,828	4,171,965	4,526,494	29,833,967	40,808,835
As at 31 March 2013	91,684,436	18,522,799	20,940,783	59,125,374	116,348,695	306,622,086
Net block amount as at 31 March 2012	16,522,655	8,546,722	20,846,557	26,736,970	34,859,290	107,512,194
Net block amount as at 31 March 2013	14,028,720	5,622,881	13,109,871	19,145,275	29,829,238	81,735,986

Included in the above is the Company's share of fixed assets jointly owned with other corporates as follows :

	Computers	Furniture & Fixtures	Vehicles	Office Equipment	Leasehold Improvements	Total
Gross Block						
As at 1 April 2011	13,086,037	1,934,793	59,103	3,882,919	2,380,341	21,343,193
Additions/ (Disposals)	-	-	(59,103)	-	-	(59,103)
As at 31 March 2012	13,086,037	1,934,793	-	3,882,919	2,380,341	21,284,090
Additions	-	-	-	-	-	-
Additions/ (Disposals)	-	-	-	-	-	-
As at 31 March 2013	13,086,037	1,934,793	-	3,882,919	2,380,341	21,284,090
Accumulated Depreciation						
As at 1 April 2011	13,086,037	1,586,501	59,103	3,381,807	2,380,341	20,493,789
Charge for the year	-	154,596	-	218,531	-	373,127
Disposals	-	-	59,103	-	-	59,103
As at 31 March 2012	13,086,037	1,741,097	-	3,600,338	2,380,341	20,807,813
Charge for the year	-	154,596	-	211,710	-	366,306
Disposals	-	-	-	-	-	-
As at 31 March 2013	13,086,037	1,895,693	-	3,812,048	2,380,341	21,174,119
Net block amount as at 31 March 2012	-	193,696	-	282,581	-	476,277
Net block amount as at 31 March 2013	-	39,100	-	70,871	-	109,971



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In Rupees

NOTE: 7

Intangible Assets

	Software	Investment Management Right	Total
Gross Block			
As at 1 April 2011	24,529,247	538,432,324	562,961,571
Additions	4,155,312	-	4,155,312
Foreign Exchange Translation Difference	18,657	-	18,657
Disposals	-	-	-
As at 31 March 2012	28,703,216	538,432,324	567,135,540
Additions	2,081,763	-	2,081,763
Foreign Exchange Translation Difference	11,299	-	11,299
Disposals	-	-	-
As at 31 March 2013	30,796,278	538,432,324	569,228,602
Accumulated Amortization			
As at 1 April 2011	19,628,405	296,137,776	315,766,181
Charge for the year	4,299,345	53,843,232	58,142,577
Foreign Exchange Translation Difference	5,405	-	5,405
Disposal	-	-	-
As at 31 March 2012	23,933,155	349,981,008	373,914,163
Charge for the year	2,513,613	53,843,232	56,356,845
Foreign Exchange Translation Difference	3,988	-	3,988
Disposals	-	-	-
As at 31 March 2013	26,450,756	403,824,240	430,274,996
Net block amount as at 31 March 2012	4,770,061	188,451,316	193,221,377
Net block amount as at 31 March 2013	4,345,522	134,608,084	138,953,606

Included in the above is the Company's share of fixed assets jointly owned with other corporates as follows :

	Software	Investment Management Right	Total
Gross Block			
As at 1 April 2011	8,159,012	-	8,159,012
Additions/ (Disposals)	-	-	-
As at 31 March 2012	8,159,012	-	8,159,012
Additions/ (Disposals)	-	-	-
As at 31 March 2013	8,159,012	-	8,159,012
Accumulated Amortization			
As at 1 April 2011	7,734,420	-	7,734,420
Charge for the year	424,592	-	424,592
As at 31 March 2012	8,159,012	-	8,159,012
Charge for the year	-	-	-
As at 31 March 2013	8,159,012	-	8,159,012
Net block amount as at 31 March 2012	-	-	-
Net block amount as at 31 March 2013	-	-	-



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	<u>In Rupees</u> <u>31-Mar-2013</u>	<u>In Rupees</u> <u>31-Mar-2012</u>
NOTE: 8		
Non Current Investments (Non Trade, At cost)		
Investment in Equity Shares Subsidiary Companies (Unquoted)		
90 Shares (31 March 2012 : 90) of USD 10 each in Class A in India Advantage Fund Limited, Mauritius	37,564	37,564
40 Shares (31 March 2012 : 40) of USD 10 each in Class B in India Advantage Fund Limited, Mauritius	909	909
Investment in Fund (Unquoted)		
1 Unit (31 March 2012 : 1) Investment in Class B Units of Aditya Birla Real Estate Fund	500,000	500,000
Investment in Preference Shares (Unquoted)		
Nil Shares (31 March 2012 : 8,136,989) 0.01% Non-Convertible Cumulative Redeemable Preference Shares of Wockhardt Ltd.	-	40,684,939
Investment in Preference Shares (Quoted)		
Nil Shares (31 March 2012 : 8) 0.001% Preference Shares of ICICI Bank Ltd.	-	34,800,000
Investment in Bonds (Quoted)		
11,126 Bonds (31 March 2012 : 11,126) Investment in NHAI Bonds	11,126,000	11,126,000
Investment in Mutual Fund (Unquoted)		
Nil Units (31 March 2012 : 1,002 Units) Birla Floating Rate Fund - Short Term - IP - Growth	-	104,647
Nil Units (31 March 2012 : 2,603 Units) Birla Floating Rate Fund - Short Term - IP - Weekly Div - Reinvestment	-	260,623
Investment in Mutual Fund (Quoted)		
Nil Units (31 March 2012 : 20,035,940) BSL Fixed Term Plan Series -DD	-	200,359,400
Total Non Current Investments	11,664,473	287,874,082

Note :

Aggregate Book Value - Quoted	11,126,000	246,285,400
- Unquoted	538,473	41,588,682
Aggregate Market Value / NAV - Quoted	11,797,120	262,051,117



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	<u>In Rupees</u> <u>31-Mar-2013</u>	<u>In Rupees</u> <u>31-Mar-2012</u>
NOTE: 8		
Current Investments (Non- Trade)		
Investment in schemes of Mutual Fund (Valued at cost or fair value whichever is lower, Unquoted)		
Nil Units (31 March 2012 : 1,177,642 Units) BSL Savings Fund Institutional WK Div Reinvestment	-	117,940,141
8,145,795 Units (31 March 2012 : NIL Units) BSL Cash Plus-Weekly Dividend-Direct-Reinvestment	817,300,158	-
272 Units (31 March 2012 : Nil) BSL Cash Plus-Growth-Direct	50,000	-
Nil Units (31 March 2012 : 1,648,357) BSL Cash Plus Inst Premium WK-DIV Reinvestment	-	165,358,520
17,524,143 Units (31 March 2012 : Nil) BSL Short Term Fund-Monthly Div-Reinvestment	204,301,443	-
481,844 Units (31 March 2012 : Nil) BSL Gilt Plus -Liquid -Qtr-Dividend-Reinvestment	5,166,140	-
2,018,352 Units (31 March 2012 : Nil) BSL Medium Term Plan Qtr Div-Reinvestment	20,677,294	-
19,760,870 Units (31 March 2012 : Nil) BSL Short Term Opp F-GR	361,386,793	-
1,983,200 Units (31 March 2012 : Nil) BSL Short Term Opp. Fund-Q Div-Reinvestment	20,399,854	-
3,795 Units (31 March 2012 : Nil) Birla Floating Rate Fund-STP-IP-Weekly-Direct Div-	380,245	-
1,330 Units (31 March 2012 : Nil) Birla Floating Rate Fund-Short Term-IP-Direct-Growth	203,615	-
54,195 Units (31 March 2012 : Nil) BSL Gilt Plus-Regular-Growth	2,000,000	-
Investment in schemes of Mutual Fund (Valued at cost or fair value whichever is lower, Quoted)		
Nil Units (31 March 2012 : 32,676,300) BSL Fixed Term Plan Series -DX	-	326,763,000
27,320,750 Units (31 March 2012 : 27,320,750) BSL Fixed Term Plan Series - EB	-	273,207,500
10,000,000 Units (31 March 2012 : 10,000,000) BSL Fixed Term Plan Series - EI	-	100,000,000
15,000,000 Units (31 March 2012 : 15,000,000) BSL Fixed Term Plan Series - EV	150,000,000	150,000,000
5,000,000 Units (31 March 2012 : Nil) BSL Fixed Term Plan Series - FH	50,000,000	-
22,020,900 Units (31 March 2012 : Nil) BSL Fixed Term Plan Series - FO	220,209,000	-
6,000,000 Units (31 March 2012 : Nil) BSL Fixed Term Plan Series - GB	60,000,000	-
6,660,700 Units (31 March 2012 : Nil) BSL Fixed Term Plan Series - GF	66,607,000	-
5,000,000 Units (31 March 2012 : Nil) BSL Fixed Term Plan Series - GS	50,000,000	-
5,000,000 Units (31 March 2012 : Nil) BSL Fixed Term Plan Series - HE	50,000,000	-
5,000,000 Units (31 March 2012 : Nil) BSL Fixed Term Plan Series - HF	50,000,000	-
Total Current Investments	2,128,681,542	1,133,269,161
Aggregate Book Value - Quoted	696,816,000	849,970,500
- Unquoted	1,431,865,542	283,298,661
Aggregate Market Value / NAV - Quoted	738,285,597	864,066,662



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	<u>In Rupees</u> <u>31-Mar-13</u>	<u>In Rupees</u> <u>31-Mar-12</u>
NOTE: 9		
DEFERRED TAX ASSETS		
Deferred Tax Asset at the period end comprise timing differences on account of: Expenditure/Provisions allowable :		
Leave Encashment	6,235,114	4,993,304
Rent Equalisation	3,455,668	20,302,845
Depreciation	18,994,463	3,963,403
Gross Deferred	<u>28,685,245</u>	<u>29,259,552</u>
Deferred Tax Liability at the year end	-	-
Gross Deferred	<u>-</u>	<u>-</u>
Net Deferred	<u>28,685,245</u>	<u>29,259,552</u>



3 (8) Jhr



Notes to consolidated financial statements for the year ended 31st March 2013

	In Rupees Long-Term		In Rupees Short-Term	
	31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
NOTE: 10				
Loans & Advances				
(Unsecured, Considered Good except otherwise stated)				
Inter Corporate Deposits (Secured)	-	744,565,678	-	-
Loans & Advances to Related Parties (Unsecured)	2,600,000	-	750,000,000	-
Capital advance for Tangible Assets	4,791	625,763	-	-
Capital advance for Intangible Assets	4,409,093	119,992	-	-
Deposits	48,119,453	69,554,138	22,541,709	-
Staff Loan	-	-	22,607	838,702
Prepaid expenses including brokerage	240,730,623	204,805,675	273,625,384	293,502,096
Advance Tax (Net of Provision Rs 1,381,755,883, Previous Year 1,055,088,142)	105,868,649	29,298,024	59,829,347	30,077,712
Advance for materials & Services	-	1,350,000	31,972,149	8,738,945
Service Tax Input Credit	-	-	12,749,552	36,498,998
Receivable - Others	-	-	1,672,225	1,954,158
Receivable from related party	-	-	3,452,029	2,972,309
Total Loans & Advances	401,732,609	1,050,319,270	1,155,865,002	374,582,920



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Notes to consolidated financial statements for the year ended 31st March 2013

	<u>In Rupees</u> <u>31-Mar-2013</u>	<u>In Rupees</u> <u>31-Mar-2012</u>
NOTE: 11		
Trade Receivables		
Unsecured, considered good, less than 6 months		
Asset Management & Advisory Fees receivable	158,178,693	79,283,819
Portfolio Management Fees receivable	6,923,820	9,496,880
Total Trade Receivables	<u>165,102,513</u>	<u>88,780,699</u>
NOTE: 12		
Cash & Cash Equivalent		
Balances with Bank		
- Current Accounts	129,897,187	143,802,361
- Deposit Accounts (with original maturity less than 3 months)	10,532,287	28,875,572
Cash on Hand	140,054	108,826
Total Cash & Cash Equivalent	<u>140,569,528</u>	<u>172,786,759</u>
NOTE: 13		
Other Current Assets		
(Unsecured, Considered Good except otherwise stated)		
Recoverable From Schemes	453,190,780	334,953,949
Interest accrued on		
- Loans & Advances	402,647	-
- Fixed Deposit	10,941	107,814
- Investments	454,916	162,470
Total Other Current Asset	<u>454,059,284</u>	<u>335,224,233</u>



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	<u>In Rupees</u> <u>31-Mar-13</u>	<u>In Rupees</u> <u>31-Mar-12</u>
NOTE: 14		
Income From Operations		
Management and Advisory Fees	3,811,243,492	2,900,299,370
Portfolio Management Fees	27,218,580	34,212,471
Real Estate Fund Management Fees	213,905,000	217,529,000
	<u>4,052,367,072</u>	<u>3,152,040,841</u>
NOTE: 15		
Other Income		
Interest Income		
- Current Investments	-	-
- Non-Current Investments	95,512,343	75,523,245
- Others	21,489,980	10,871,361
Dividend Income		
- Current Investments	56,239,001	41,850,904
- Non-Current Investments	-	-
Gain on sale of Investments(Net)		
- Current Investments	69,802,075	1,938,998
- Non-Current Investments	20,828,420	58,405,944
Other non-operating income :		
- Profit on sale of Fixed Assets (Net)	179,740	646,483
- Foreign Exchange Gain (Net)	13,348	-
- Excess Provision written back	82,177,106	139,163,533
- Miscellaneous income	8,528,223	1,167,739
	<u>354,770,236</u>	<u>329,568,207</u>



3 (B) 9h



Notes to consolidated financial statements for the year ended 31st March 2013

	<u>In Rupees</u> <u>31-Mar-13</u>	<u>In Rupees</u> <u>31-Mar-12</u>
NOTE: 16		
Employee Benefit Expenses		
Salaries and allowances	973,945,205	812,534,244
Contribution to provident & other funds	42,933,279	40,364,796
Staff welfare expenses	62,010,345	33,743,843
	<u>1,078,888,829</u>	<u>886,642,883</u>
NOTE: 17		
Administrative and Other Expenses		
Rent	158,779,464	180,861,383
Repairs and maintenance (Others)	52,689,611	53,336,550
Insurance	13,775,555	10,691,734
Rates and Taxes	2,412,960	7,527,415
Electricity	18,748,784	17,229,639
Software and Technology Expenses	60,777,715	35,602,577
Database Research Expenses	24,777,248	17,509,274
Travelling and Conveyance	66,881,824	63,720,763
Communication Expenses	35,737,673	34,685,902
Outsourced Fund Accounting Expenses	53,670,428	42,962,086
Legal and Professional Charges	86,670,673	76,751,543
Auditors Remuneration :		
- Audit Fees	3,765,368	3,169,978
- Tax Audit Fees	300,000	200,000
- Other Services	1,438,398	375,000
- Reimbursement of expenses	91,506	91,084
Outsourcing Charges	54,197,054	62,861,661
Registration fees	14,278,854	18,555,168
Directors Sitting Fees	3,659,919	3,284,184
Regulatory and Licence fees	1,768,606	24,245,054
Printing and Stationery	12,573,555	13,897,763
Loss on sale /discard of fixed assets (Net)	6,470	-
Asset Utilisation Charges	4,480,274	2,963,497
Bank Charges	560,933	1,488,022
Brokerage and Commission	644,235	386,852
Hire Charges	640,959	933,883
Miscellaneous Expenses	22,906,607	17,295,094
(Misc Exps includes Newspaper & Periodicals, Membership & Subscription, Office Exps, Recruitment Exp)		
Foreign Exchange Loss (Net)	-	18,164
	<u>696,234,673</u>	<u>690,644,270</u>





	<u>In Rupees</u> <u>31-Mar-13</u>	<u>In Rupees</u> <u>31-Mar-12</u>
NOTE: 18		
Distribution And Schemes Expenses		
Brokerage & Scheme Expenses	1,224,617,954	762,561,179
Business Promotion Expenses	212,999,683	122,408,888
	<u>1,437,617,637</u>	<u>884,970,067</u>
NOTE: 19		
Finance Cost		
Interest Expenses	6,494,674	1,881,997
	<u>6,494,674</u>	<u>1,881,997</u>
NOTE: 20		
Depreciation and Amortisation Expenses		
Depreciation on Tangible Assets	57,360,260	70,280,515
Amortisation of Intangible Assets	56,356,845	58,142,577
	<u>113,717,105</u>	<u>128,423,092</u>



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21. Company Overview

Birla Sun Life Asset Management Company Limited ("the Company") was incorporated on September 5, 1994. The Company is a joint venture between the Aditya Birla Group and Sun Life Financial, Inc. The share capital of the Company is owned by Aditya Birla Financial Services Pvt Ltd (Wholly owned Subsidiary of Aditya Birla Nuvo Limited) - and Sun Life (India) AMC Investments Inc., (wholly owned subsidiary of Sun Life Financial, Inc.)

The Company is registered with Securities and Exchange Board of India (SEBI) under the SEBI (Mutual Funds) Regulations, 1996 and the principal activity is to act as an investment manager to Birla Sun Life Mutual Fund. The Company manages the investment portfolios of Birla Sun Life Mutual Fund, India Advantage Fund Ltd, Mauritius, India Excel (Mauritius) Fund. The Company is also registered under the SEBI (Portfolio Managers) Regulations, 1993 and provides portfolio management services and investment advisory services to offshore funds and high net worth investors.

22. Significant Accounting Policies

(i) Basis of Preparation of Financial Statement

The Consolidated Financial Statements (CFS) comprises of the financial statements of Birla Sun Life Asset Management Company Limited (" Company ") and its Wholly owned subsidiaries (herein after referred to as "Group Companies" and together as " Group"). The CFS of the Group has been prepared under the historical cost convention on an accrual basis in compliance with all material aspect of the Accounting Standards notified by Companies Accounting Standard Rules, 2006 (as amended).

(ii) Use of estimate

The preparation of the financial statements in conformity with the generally accepted accounting principles 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.

(iii) Principles of Consolidation

The financial statements of the Company and its subsidiaries companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and transactions as per Accounting standard (AS) 21 " Consolidated Financial Statements "

The excess / deficit of cost to the Company to its investment over its portion of net worth in the consolidated entities at the respective dates on which the investment in such entities was made is recognised in the CFS as Foreign Currency Translation Reserve

The Financial statements of the Wholly owned Subsidiaries used in the consolidation are drawn up to the same reporting date as of the Company.

The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

List of Subsidiary companies included in consolidation are as below :

Name of Subsidiaries	Country of Incorporation	Proportion of ownership Interest as on 31st March, 2013	Proportion of ownership Interest as on 31st March, 2012
Birla Sun Life AMC (Mauritius) Limited	Mauritius	100%	100%
Aditya Birla Sun Life AMC Pte. Limited, Singapore	Singapore	100%	100%
Aditya Birla Sun Life AMC Limited, Dubai	Dubai	100%	100%

"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. Birla Sun Life Asset Management Company Limited (BSAMC) 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 Statement."

(iv) 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.

(v) Tangible Fixed Assets

Tangible Fixed Assets are stated at their cost of acquisition less accumulated depreciation, and impairment losses. The cost of acquisition is inclusive of taxes, duties, freight and other incidental expenses related to acquisition and installation of the assets.

(vi) Intangible Fixed Assets

Intangible assets are recognized at cost less accumulated amortization and impairment losses, if any. Intangible assets are amortised on straight line basis over the estimated useful economic life.



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**(vii) Depreciation on Tangible & amortisation of Intangible Fixed Assets**

Depreciation on fixed assets is calculated on a straight line method basis using the rates arrived at based on the useful lives estimates by the management or those prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher. The company has used the following rates to provide depreciation on its fixed assets.

No	Particulars	Rate
A Depreciation on tangible assets		
1	Computers	33.33%
2	Office Equipment	20%
3	Vehicles – Motor Car/Two Wheelers	20%
4	Furniture & Fixtures	20%
5	Mobile Phone (Included in office equipments)	50%
6	Lease Hold Improvements	Lease period
B Amortisation of Intangible assets		
1	Investment Management Rights	10%
2	Software	33.33%

All fixed assets individually costing less than Rs. 5,000 are fully depreciated in the year of purchase / acquisition.

(viii) 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 impaired when the carrying cost of an asset exceeds its recoverable value. An impairment loss if any is charged to Statement of Profit & Loss Account in the year in which an asset is identified as impaired. Reversal of impairment loss recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exists or have decreased.

(ix) Investments

- Long term investments are stated at cost. In case of diminution, other than temporary, in the value thereof, a provision is made for the same.
- Current investments are valued at lower of cost and fair market value.

(x) Revenue Recognition

- Management fees are recognized on accrual basis at specific rates, applied on the average daily net assets of each scheme. The fees charged are in accordance with the terms of Scheme Information Documents of respective schemes and are in line with the provisions of SEBI (Mutual Funds) Regulations, 1996 as amended from time to time.
- Portfolio Management Fees are recognized on an accrual basis as per the terms of the contract with the customers.
- Advisory fees are recognized on an accrual basis.
- Dividend income is recognised when the right to receive dividend is established.
- Interest income is recognised on a time proportion basis, taking into account the amount outstanding and the rate applicable.
- Commission income is recognised on an accrual basis

(xi) Foreign currency transactions & balances

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 & Loss. Other non-monetary items, like Tangible Assets/ Intangible Assets, investments in equity shares are carried in terms of historical cost using the exchange rate at the date of transaction.

Translation of Foreign subsidiaries is done in accordance with AS 11 (Revised) " The Effects of Changes in Foreign Exchange Rates ". In case of Subsidiaries, the operation of which are considered Non Integral, all assets and liabilities are converted at the closing rate at the end of the year and items of income and expenditure have been translated at the average rate for the year. Exchange gain/ (loss) arising on conversion are recognised under Foreign Currency Translation Reserve.

(xii) Employee Benefits

- Provident Fund: All eligible employees are covered under statutory provident fund and contributions are accounted on an accrual basis.
- Superannuation: Superannuation benefit for the eligible employees is covered by the Superannuation Scheme with Life Insurance Corporation of India (LIC) and Birla Sun Life Insurance Company Ltd. the contribution is accounted on an accrual basis.
- Gratuity: Gratuity for employees is covered by Gratuity Scheme with LIC and and Birla Sun Life Insurance Company Ltd. and the contribution is accounted for on an accrual basis as per the actuarial valuation done at the year end.
- Leave Encashment: Provision for leave encashment is made on the basis of actuarial valuation of the expected liability.
- Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

(xiii) Operating Lease

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

Lease rental payments for operating leases are recognized as an expense on a straight-line basis over the lease term and paid/provided for as per the terms of the agreement on an accrual basis.



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**(xiv) Earning Per Share**

Company reports the basic and diluted earnings per share in accordance with AS-20, Earnings per Share notified Accounting Standard by Institute of Chartered Accountants of India. Basic earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earning per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at year end.

(xv) Distribution and Scheme Expenses**a. New Fund Offer expenses**

Expenses relating to New Fund Offer are charged to the Profit and Loss Account in the year in which they are incurred.

b. Scheme expenses

Expenses of schemes of Birla Sun Life Mutual Fund in excess of the stipulated limits as per SEBI (Mutual Fund) Regulations, 1996 and Expenses incurred directly (inclusive of advertisement/brokerage expenses) on behalf of schemes of Birla Sun Life Mutual Fund are charged to the Profit and Loss Account.

c. Brokerage/Commission

Trail Commission paid for future period for Equity Link Saving Schemes, Fixed Tenure Schemes, Close ended schemes and Systematic Investment Plans (SIPs) in the different schemes during the year are treated as prepaid expenses and such brokerage and commission are expensed out over three years in case of ELSS or duration of closed schemes or over the duration of the SIP. Any other brokerage/commission is expensed in the year in which they are incurred. Brokerage paid in advance in respect of Portfolio Management Business is amortized over the contractual period.

(xvi) Accounting for Taxes on Income

Tax expense comprises of current and deferred tax.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future.

The carrying amount of deferred tax assets are 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.

(xvii) Provision, Contingent Asset & Contingent Liability

Contingent Liabilities are possible but not probable obligations as on Balance Sheet date, based on the available evidence.

Provisions are recognized when there is 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 its present value and are determined based on best estimate required to settle the obligation at the balance sheet date.

Other Notes to Accounts :**23. Contingent Liability****(i) Contingent Liabilities not provided for in respect of:****a. Disputed taxation matters :**

Department has issued order for AY 2007-08 for imposing Penalty of Rs 1,712,092 (Previous Year 1,712,092) on certain disallowance, The matter is under appeal with CIT(A).

Department has issued Assessment order for AY 2010-11 of Rs 1,634,200 (Previous Year Nil) on certain disallowance, The Company have filed appeal with CIT(A).

Show Cause cum Demand Notice from Service Tax Authorities issued for the AY 2007-08 to AY 2012-13 disputing Cenvat Credit claim of the Company to the tune of Rs. 1,040,431,280 (Previous Year 848,386,482). The matter was heard before the Commissioner for adjudication & the order is being awaited.

Disallowing initial issue Expenses, Repairs and Renovation Expenses and Fund Migration Exps on the alleged contention that the same were capital in nature. The tax impact of Rs. 40,196,901. The matter is pending before High Court.

b. Disputed legal claims :

Investor claims pending in Consumer Redressal Forums of Rs. 271,194 (Previous Year Rs. 296,194)

Investor claims pending in other courts/authorities of Rs.106,000 (Previous Year Rs. 106,000)

Disputed other legal matters Rs. 228,888 (Previous year Rs. 228,888)

The management has taken a legal opinion on the above matters. The chances of losing the above legal matters is unlikely and so no provision for the liability is been made in the books.

c. Unexecuted Contracts :

Estimated amount of contracts (net of advances) remaining to be executed on capital account is Rs.2,671,718 (Previous year Rs 600,000)



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Notes to consolidated financial statements for the year ended 31st March 2013

24. Management Rights

During financial year ended March 31, 2006 Birla Sun Life Trustee Company Private Limited took over the mutual fund schemes from ACAM Trust Company Private Limited and simultaneously the company acquired the right to manage the said schemes from Alliance Capital Asset Management (India) Private Limited.

The consideration paid to acquire the right to manage the said schemes along with the incidental expenditure incurred thereon aggregating to Rs.538,432,324/- has been treated as Investment Management Right. The Investment Management Right will be amortized over a period of 120 months. For the year ended March 31, 2013, an amount of Rs. 53,843,232/- has been amortised. Balance life of Investment Management Right is 3 years.

25. Defined Contribution Plan

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

Particulars	As at March 31, 2013	As at March 31, 2012
Employers Contribution to Provident Fund	25,569,757	23,920,940
Employers Contribution to Employees Pension Fund	3,800,653	3,936,363
Employers Contribution to Superannuation Fund	3,717,235	3,725,409
Employers Contribution to ESIC	-	127,303
Employers Contribution to Labour Welfare Fund	24,366	21,734

26. Gratuity

The following table sets out the status of the gratuity plan as required under AS 15(Revised) as certified by actuary. Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

Particulars	As at March 31, 20113	As at March 31, 20112
Obligations at Year beginning	36,437,710	27,442,138
Service cost	8,524,328	7,627,364
Interest Cost	3,188,300	2,332,582
Actuarial (Gain)/ Loss	853,261	1,117,449
Benefits Paid	(2,630,653)	(2,081,823)
Obligations at Year end	46,372,946	36,437,710
Defined Benefits obligation liability as at B/S is wholly funded by the company		
Change in Plan Assets		
Plans Assets at year beginning, at fair values	32,289,653	28,757,027
Expected Return on Plan Assets	2,744,621	2,444,347
Actuarial Gain / (Loss)	-	-
Contributions	12,000,000	3,170,102
Benefits paid	(2,630,653)	(2,081,823)
Plan Assets at Year end, at fair value	44,403,621	32,289,653
Reconciliation of present value of the obligation and the fair value of the plan assets		
Fair Value of Plan Assets at the end of the Year	(44,403,621)	(32,289,653)
Present Value of the defined benefits obligations at the end of the Year	46,372,946	36,437,710
(Asset)/Liability recognized in the balance sheet	1,969,325	4,148,057
Gratuity Cost for the Year		
Service Cost	8,524,328	7,627,364
Interest Cost	3,188,300	2,332,582
Expected Return on Plan Assets	(2,744,621)	(2,444,347)
Actuarial (Gain)/ Loss	853,261	1,117,449
Net Gratuity Cost	9,821,268	8,633,048
Investments details of Plan Assets		
Plan assets are invested with :		
Life Insurance Corporation of India	2,663,546	3,603,654
Birla Sun Life Insurance Co. Ltd	41,740,075	28,685,999
Actual return on Plan Assets	9%	9%
Assumptions		
Interest rate	8.75%	8.75%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotions and other relevant factors such as supply and demand factors in the employment market.

Estimated amount of Contribution expected to be paid to the fund during the annual period being after the Balance Sheet date is Rs. 12,000,000 (Previous year 12,000,000)



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Notes to consolidated financial statements for the year ended 31st March 2013

Experience Adjustment	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
Defined Benefit Obligation	46,372,946	36,437,710	27,442,138	19,521,606	13,603,512
Plan Assets	44,403,621	32,289,653	28,757,027	18,563,069	4,179,329
Surplus/(Deficit)	(1,969,325)	(4,148,057)	1,314,889	958,537	9,424,183
Experience Adjustment on Plan Liabilities	3,528,337	60,231	1,590,346	619,810	-

27. Disclosure in respect of Related Party pursuant to Accounting Standard 18:

a. List of Related Parties:

A Parties where Control exists (Subsidiaries)
India Advantage Fund Limited
B Ultimate Holding Company
Aditya Birla Nuvo Limited
C Holding Company
Aditya Birla Financial Services Private Limited
D Other Related Party
Sun Life (India) AMC Investments Inc., Canada
E Related Parties with whom the Company has entered into transactions during the Year:
i Fellow Subsidiaries of Ultimate Holding Company
Birla Sun Life Insurance Company Limited
Birla Sun Life Trustee Company Private Limited
Aditya Birla Money Mart Limited
ABNL Investment Limited
Aditya Birla Finance Limited
Aditya Birla Money Limited
Aditya Birla Financial Shared Services Limited
Aditya Birla Minacs Worldwide Limited
Aditya Birla Insurance Brokers Limited
Aditya Birla Money Insurance Advisory Services Limited
Aditya Birla Customer Services Private Limited
IDEA Cellular Limited
ii Directors and Key Management Personnel

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

b. Transactions with Related Parties:

Sr. No.	Particulars	Category	For the year	
			2013	2012
1	Expenses			
	Rent			
	Birla Sun Life Insurance Company Limited	E(i)	1,793,330	2,044,788
	Aditya Birla Money Mart Limited	E(i)	3,899,334	-
	Aditya Birla Finance Limited	E(i)	-	409,351
	Brokerage			
	Aditya Birla Money Mart Limited	E(i)	2,825,427	1,628,634
	Contribution to Super Annuation Fund			
	Birla Sun Life Insurance Company Limited	E(i)	15,415,302	6,322,229
	Business Promotion Expenses			
	Birla Sun Life Insurance Company Limited *	E(i)	26,880,363	23,155,283
	Software & Technology Charges			
	Aditya Birla Minacs Worldwide Limited	E(i)	1,437,532	6,064,464
	Outsourcing Charges			
	Aditya Birla Minacs Worldwide Limited	E(i)	20,720,718	23,940,208
2	Reimbursements of Costs Paid			
	Aditya Birla Finance Limited	E(i)	154,231	96,606
	Aditya Birla Money Mart Limited	E(i)	1,499,768	54,214
	Birla Sun Life Insurance Company Limited	E(i)	875,732	38,305
	Aditya Birla Financial Shared Services Limited	E(i)	33,056,552	23,932,101
	Aditya Birla Customer Services Private Limited	E(i)	221,008	-
	Aditya Birla Insurance Brokers Limited	E(i)	6,246	-
3	Reimbursements of Costs Received			
	Aditya Birla Finance Limited	E(i)	1,451,930	287,471
	Aditya Birla Money Mart Limited	E(i)	5,129,111	5,065,003



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Notes to consolidated financial statements for the year ended 31st March 2013

Birla Sun Life Insurance Company Limited	E(i)	1,454,678	108,244
Aditya Birla Insurance Brokers Limited	E(i)	-	10,931
Aditya Birla Financial Services Private Limited	E(i)	-	22,642
Aditya Birla Insurance Brokers Limited	E(i)	40,935	-
Sun Life Assurance Company	A	254,907	-
4 Managerial Remuneration**	E(ii)		
Salaries and Allowances		27,185,142	23,103,943
Contribution to Provident and Other Funds		236,979	217,176
5 Deposit Paid			
Aditya Birla Money Mart Limited	E(i)	2,600,000	-
6 Intercorporate Deposit (ICD) Given			
Aditya Birla Minacs Worldwide Limited	E(i)	325,000,000	-
Aditya Birla Customer Services Private Limited	E(i)	424,100,000	-
ABNL Investment Limited	E(i)	37,100,000	-
Aditya Birla Money Insurance Advisory Services Limited	E(i)	32,400,000	-
7 Intercorporate Deposit (ICD) repaid out of above			
Aditya Birla Minacs Worldwide Limited	E(i)	31,500,000	-
ABNL Investment Limited	E(i)	37,100,000	-
8 Intercorporate Deposit (ICD) pending receivable			
Aditya Birla Minacs Worldwide Limited	E(i)	293,500,000	-
Aditya Birla Customer Services Private Limited	E(i)	424,100,000	-
Aditya Birla Money Insurance Advisory Services Limited	E(i)	32,400,000	-
9 Interest Income on Intercorporate Deposit (ICD)			
Aditya Birla Minacs Worldwide Limited	E(i)	4,424,240	-
Aditya Birla Customer Services Private Limited	E(i)	5,221,866	-
ABNL Investment Limited	E(i)	262,673	-
Aditya Birla Money Insurance Advisory Services Limited	E(i)	447,386	-

* Total Amount paid Rs. 26,880,363/-, out of which Rs. 20,328,341/- debited to profit and loss during the year and balance amortised.

** 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.

c. Outstanding Balances

Sr. No.	Particulars	Category	As at March 31, 2013	As at March 31, 2012
1 Payable				
	Aditya Birla Money Mart Limited	E(i)	880,902	-
	Aditya Birla Financial Shared Services Limited	E(i)	-	3,173,019
	Aditya Birla Minacs Worldwide Limited	E(i)	1,577,548	1,609,414
2 Receivable				
	India Advantage Fund Limited	A	1,300,150	931,801
	Aditya Birla Money Mart Limited (Deposit Receivable)	E(i)	2,600,000	-
	Aditya Birla Money Mart Limited	E(i)	-	2,972,309
	Birla Sun Life Insurance Company Limited	E(i)	1,105,052	-
	Aditya Birla Financial Shared Services Limited	E(i)	1,771,620	-
	Aditya Birla Minacs Worldwide Limited (ICD)	E(i)	293,500,000	-
	Aditya Birla Finance Limited	E(i)	1,306,737	-
	Aditya Birla Insurance Brokers Limited	E(i)	37,292	-
	Aditya Birla Customer Services Private Limited (ICD)	E(i)	424,100,000	-
	Aditya Birla Money Insurance Advisory Services Limited (ICD)	E(i)	32,400,000	-
	Aditya Birla Money Insurance Advisory Services Limited	E(i)	402,648	-

Closing balances are inclusive of service tax if any.

28. The Birla Sun Life Mutual fund has invested in the "Pass Through Certificates" (PTC) issued by various securitisation trusts. The Income Tax Department treated the interest income from the PTC as taxable in the hands of such Securitisation Trusts. The Department has also issued the demand notices to the various Mutual Funds who are the beneficiaries in such trusts. The Birla Sun Life Mutual Fund has also received the demand notice for AY 2009-10 and AY 2010-11. The Fund had filed Writ Petitions for both the years before the Honourable High Court and the Honourable High Court has stayed all action by Income Tax Department (including recovery of demand) till the disposal of the appeal by the CIT(A) and for six weeks thereafter.



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29. Earning Per Share

Earnings per Share (EPS) is calculated as under:		As at March 31, 2013	As at March 31, 2012
Net Profit as per Profit and Loss account		732,435,574	588,441,618
Less: Preference Dividend and tax thereon			
Net Profit for EPS -	A	732,435,574	588,441,618
Weighted average number of Equity Shares for calculation of Basic EPS	B	18,000,000	18,000,000
Basic and Diluted Earning Per Share (Rs)	A/B	40.69	32.69
Nominal Value of Shares (Rs.)		10	10

30. The details of Subsidiaries in terms of General Circular No. 2/2011 dated 8th February, 2011, issued by Government of India, under section 212(8) of the Companies Act, 1956 are as under :

Particulars	Birla Sun Life AMC (Mauritius) Limited			
	As at March 31, 2013		As at March 31, 2012	
	In Rupees	In US Dollar	In Rupees	In US Dollar
Equity Share Capital	2,447,519	45,000	2,333,345	45,000
Reserves & Surplus (net of debit balance of profit & loss account)	10,603,674	194,962	6,130,714	118,233
Total assets (Fixed Assets + Investments + Deferred Tax Assets +	14,253,401	262,063	25,433,564	493,445
Total Liabilities (Current Liabilities & provisions)	1,202,209	22,103	16,969,506	330,212
Revenue from Operations	43,563,439	800,046	70,971,615	1,474,474
Profits /(losses) before Taxation	37,988,788	697,668	65,929,763	1,369,726
Tax Expenses	1,140,154	20,939	1,978,046	41,095
Profits /(losses) after Taxation	36,848,634	676,729	63,951,717	1,328,631
Proposed/ Interim dividend (Including Dividend Tax)	32,262,000	600,000	96,648,500	2,050,000
Exchange Rate	USD 54.38		USD 51.85	

Particulars	Aditya Birla Sun Life AMC Pte. Limited, Singapore			
	As at March 31, 2013		As at March 31, 2012	
	In Rupees	In Singapore Dollar	In Rupees	In Singapore Dollar
Equity Share Capital	295,733,700	6,750,000	189,697,100	4,600,000
Reserves & Surplus (net of debit balance of profit & loss account)	(274,190,267)	(6,258,280)	(157,019,235)	(3,807,588)
Total assets (Fixed Assets + Investments + Deferred Tax Assets +	60,000,176	1,369,479	62,448,273	1,514,320
Total Liabilities (Current Liabilities & provisions)	38,456,742	877,759	29,770,375	721,907
Revenue from Operations	43,162,614	987,741	16,683,268	275,487
Profits /(losses) before Taxation	(107,091,110)	(2,450,693)	(95,110,148)	(2,480,179)
Tax Expenses	-	-	-	-
Profits /(losses) after Taxation	(107,091,110)	(2,450,693)	(95,110,148)	(2,480,179)
Proposed/ Interim dividend (Including Dividend Tax)	-	-	-	-
Exchange Rate	SGD 43.81		SGD 41.23	



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Particulars	Aditya Birla Sun Life AMC Limited, Dubai			
	As at March 31, 2013		As at March 31, 2012	
	In Rupees	In US Dollar	In Rupees	In US Dollar
Equity Share Capital	169,966,563	3,125,000	129,630,250	2,500,000
Reserves & Surplus (net of debit balance of profit & loss account)	(109,137,437)	(2,006,598)	(67,864,189)	(1,308,805)
Total assets (Fixed Assets + Investments + Deferred Tax Assets +	77,705,968	1,428,700	75,613,451	1,458,251
Total Liabilities (Current Liabilities & provisions)	16,876,842	310,298	13,847,390	267,056
Revenue from Operations	20,696,096	380,085	2,337,944	48,572
Profits/(losses) before Taxation	(37,995,674)	(697,793)	(46,850,260)	(973,341)
Tax Expenses	-	-	-	-
Profits/(losses) after Taxation	(37,995,674)	(697,793)	(46,850,260)	(973,341)
Proposed/ Interim dividend (Including Dividend Tax)	-	-	-	-
Exchange Rate	USD 54.38		USD 51.85	

Particulars	India Advantage Fund Limited, Mauritius			
	As at December 31, 2012		As at December 31, 2011	
	In Rupees	In US Dollar	In Rupees	In US Dollar
Equity Share Capital	71,214	1,300	69,251	1,300
Reserves & Surplus (net of debit balance of profit & loss account)	-	-	-	-
Total assets (Fixed Assets + Investments + Deferred Tax Assets +	71,214	1,300	69,251	1,300
Total Liabilities (Current Liabilities & provisions)	-	-	-	-
Details of Investments (excluding investments in subsidiary companies)				
Revenue from Operations	-	-	-	-
Profits/(losses) before Taxation	-	-	-	-
Tax Expenses	-	-	-	-
Profits/(losses) after Taxation	-	-	-	-
Proposed/ Interim dividend (Including Dividend Tax)	-	-	-	-
Exchange Rate	USD 54.78		USD 53.27	



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Notes to consolidated financial statements for the year ended 31st March 2013

31. Segment information for the year ended 31st March 2013

Segments have been identified in line with the Accounting Standard on Segment Reporting (AS-17). The Company considers primary segment based on revenues within India as Domestic Revenues and outside India as Export Revenues

Information about Primary Business Segment - Geographical

Particulars	In India		Outside India		Total	
	As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012
Revenue by Geographical market	4,307,882,402	3,393,400,556	99,254,906	88,208,492	4,407,137,308	3,481,609,048
Carrying amount of segment assets	4,559,882,030	3,611,837,926	147,167,758	160,992,321	4,707,049,788	3,772,830,247
Cost Incurred to acquire Segment fixed Assets	39,738,196	45,812,883	68,962	2,033,097	39,807,158	47,845,980

32. Assets taken under Operating Lease

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

Particulars	As at March 31, 2013	As at March 31, 2012
Not later than one year	14,926,663	6,288,902
Later than one year and not later than five	17,830,909	1,646,045
Later than five years	-	-

b) Lease payment recognised in the Profit and Loss Statement for the period is 158,779,464 (Previous Year 180,861,383)

33. Previous year figures are not disclosed as this is the first year of consolidation of accounts.

For and on behalf of the Board of Directors of
Birla Sun Life Asset Management Company Limited


Director


Director


A. Balasubramanian
Chief Executive Officer


Parag Joglekar
Head Finance


Rajiv Joshi
Company Secretary

Place : Mumbai

Date : 26th April, 2013

