Sundaram Asset Management Company Limited

24th Annual Report 2019-20

Board of Directors	T T Srinivasaraghavan	Chairman
	Arvind Sethi	
	Harsha Viji	
	K N Sivasubramanian	
	R. Raghuttama Rao	
	Sunil Subramaniam	Managing Director
Audit Committee	Arvind Sethi	Chairman
	Harsha Viji	
	Raghuttama Rao	
Nomination and Remuneration Committee	T T Srinivasaraghavan	Chairman
	Harsha Viji	
	Arvind Sethi	
	K N Sivasubramanian	
Corporate Social Responsibility Committee	T T Srinivasaraghavan	Chairman
	Sunil Subramaniam	
	K N Sivasubramanian	
Registered Office	21, Patullos Road, Chennai - 600 002	
Corporate Office	Sundaram Towers, I & II Floor,	
	46, Whites Road, Royapettah, Chennai - 600 014	
	Tel: 044-28569900/40609900, Fax: 044-28262040	
	Website : www.sundarammutual.com	
CIN	U93090TN1996PLC034615	
Auditors	M/s. Suri & Co., Chennai, Chartered Accountants	
Information Security Assurance Auditors	M/s. C V Ramaswamy and Co., Chennai	

Management Team

Investment Management	**Equity**	**Fixed Income**
	S Krishna Kumar, CIO	Dwijendra Srivastava, CIO
	S Bharath, Head - Research and Senior Fund Manager	Siddharth Chaudhary, Head – Fixed Income, Institutional Business
	Rahul Baijal, Senior Fund Manager	Sandeep Agarwal, Head – Fixed Income, Retail Business
	Rahul Ranjan, Fund Manager	
	Rohit Seksaria, Asst. Fund Manager	
Sales and Marketing	Priya A Kumar	Chief Learning Officer
	Surendra Singh Yadav	National Head - Sales
	Amit Kumar Ray	Head - Sales, Delhi, Uttar Pradesh, Uttaranchal & East Region
	P Nishant	Deputy Head - Sales & Head - Retail Branch & Proprietary Channel
	Rajiv Ashok Chhabria	National Head – Distribution
	Ajit Narasimhan	Chief Marketing Officer
Risk Management, Operations, Customer Service, Compliance and IT	T S Sritharan	Chief Operating Officer
	P Sundararajan	Company Secretary & Head - Compliance
	H Lakshmi	Chief Financial Officer
	Loganathan C M	Head- Products, Credit and Risk Management
	S Murali	Chief Information Officer
	Ramesh Krishnamurthy	Regional Head - Distribution, Middle East and North Africa
Subsidiaries	Sundaram Asset Management Singapore Pte. Ltd. (Incorporated in Singapore)	
	Sundaram Alternate Assets Ltd.	
Bankers	Axis Bank Ltd.	
	HDFC Bank Ltd.	
	ICICI Bank Ltd.	
	Kotak Mahindra Bank Ltd.	
	State Bank of India	

Sponsor

SUNDARAM FINANCE

Sundaram Finance Limited

Registered Office: 21, Patullos Road, Chennai 600 002. India

Sundaram Asset Management Company Limited

A wholly-owned subsidiary of

SUNDARAM FINANCE
Enduring values. New age thinking.

Contents

Financial Highlights

Amount ₹ in crores

Year	Own Funds		Average AUM	PBT	PAT	Dividend %
	Paid-up capital	Free Reserves				
2010-11	15.33	43.94	13,946	20.81	13.36	25
2011-12	15.33	51.38	14,226	15.52	11.00	20
2012-13	15.33	62.86	13,574	24.85	16.86	30
2013-14	15.33	72.75	15,248	22.63	15.27	30
2014-15	20.00	114.05	19,477	31.93	21.69	30
2015-16	20.00	114.12	22,171	12.41	4.42	18
2016-17	20.00	144.85	26,896	47.14	30.73	35
2017-18	Equity 20.00 Preference 15.00	174.74	34,164	44.82	27.46	40
2018-19	Equity 20.00 Preference 15.00	184.70	31,933	31.57	19.86	75
2019-20	Equity 20.00 Preference 15.00	192.44	31,149	34.26	25.37	75

Board's Report

To the Members

Your Directors have pleasure in presenting the 24th Annual Report along with the audited financial statements for the year ended March 31, 2020. The summarised financial results of your Company are given below:

(₹ in cr.)

Particulars	Standalone		Consolidated	
	Year ended		Year ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Average AUM	31,149	31,933	36,920	35,677
Gross Income	223.62	270.43	300.51	330.28
Less: Operating Expenses	189.36	238.86	257.18	287.48
Profit before Tax	**34.26**	**31.57**	**43.33**	**42.80**
Provision for Taxation	8.89	11.71	10.64	13.97
Profit After Tax	**25.37**	**19.86**	**32.69**	**28.83**

Company Performance

Your Company earned a gross income of ₹ 300.51 cr. for the financial year ended 31st March 2020 as against ₹ 330.28 Cr. in the previous financial year and reported a profit after tax of ₹ 32.69 cr. for the financial year 2019-20 as against ₹ 28.83 cr. in the previous financial year on a consolidated basis.

Average assets of mutual funds under management is ₹ 31,149 cr. for the financial year ended 31 March 2020 as against ₹ 31,933 cr., in the previous financial year.

The overall average assets under management under Mutual Fund, AIF, PMS and international operations for the financial year ended 31 March 2020 stood at ₹ 36,920 cr., as against ₹ 35,677 in the previous year.

Mutual Fund Industry

During the year, overall assets under management of the Indian mutual fund industry has grown from ₹ 24.58 Trillion to ₹ 24.71 Trillion, registering a growth of 0.52%. The proportionate share of equity-oriented schemes is now 39.70% of the industry assets in March 2020, down from 42.5% in March 2019. The proportionate share of debt-oriented schemes is 31.70% of industry assets in March 2020, up from 29.1% in March 2019.

The gross mobilization by the industry, excluding liquid schemes, for the year was ₹ 9.16 Trillion as against ₹ 10.08 Trillion in the previous year, registering a fall of 9.9% The industry witnessed a gross redemption of ₹ 10.08 Trillion excluding liquid schemes as against ₹ 9.74 Trillion in the previous year.

In 2019-20, Sundaram Mutual Fund schemes mobilized a sum of ₹ 8,295 cr., excluding liquid schemes, compared to ₹ 10,892 cr. in 2018-19. This represents a decline of 24%, when compared with the previous year's collections. The gross redemption from Sundaram Mutual schemes was ₹ 8,693 cr. (excluding liquid schemes) in 2019-20, as against the previous year's redemption amount of ₹ 10,636 cr., (excluding liquid schemes) representing a decline of 18%.

The decline in sales is reflecting the industry trend on account of lesser equity fund inflow. The financial markets witnessed an unprecedented volatility across the globe, last seen only during the global financial crisis of 2008-09.

For the year ended 31 March 2020, your company's mutual fund business of ₹ 24,224 cr. had a market share of 1.09% of industry assets amounting to ₹ 22,26,203 cr. placing your company in 14th place, and a market share of 2.38% of equity assets placing your company in 13th place.

New Fund Offer

During the year under review, Sundaram Mutual Fund had launched 3 schemes namely Sundaram Equity Fund, Sundaram Arbitrage Fund and Sundaram Balanced Advantage Fund mobilizing ₹ 994 cr. from 71,304 investors

Dividend

Your Directors are pleased to recommend a dividend on equity of ₹ 7.50 per share (75% on the face value of ₹ 10/- per share) for the year ended March 31, 2020.

Your company's net worth stood at ₹ 224 cr. as at 31st March 2020, which is well above the net worth criteria of ₹ 50 cr. prescribed under SEBI (Mutual Funds) Regulations, 1996.

Ratings

The long term bank facilities are rated "AA" (Highest Degree of Safety) with a "Stable outlook" and short term bank facilities are rated "A1+" (very strong degree of safety) by ICRA.

Subsidiaries

Sundaram Asset Management Singapore Pte Ltd. (SAMS)

SAMS. a wholly owned subsidiary of your Company registered income of ₹ 39.95 cr. as against ₹ 19.40 cr., reported in the previous year. SAMS made a profit before tax of ₹ 4.03 cr. for the year ended 31 March 2020 as against ₹ 4.52 cr. reported in the previous year. SAMS has not recommended dividend for the financial year 2019-20

Sundaram Asset Management Singapore Pte Ltd. (SAMS) continues to grow rapidly – Average AUM of Sundaram India Midcap Fund and Sundaram Global Brand Fund, the two schemes of SAMS as at 31 March 2020 was ₹ 3,647 cr. (₹ 1,279 cr. during the previous year).

Sundaram Alternate Assets Limited (SA)

SA , another wholly owned subsidiary of your company acting as Investment Managers of AIF category II and III schemes. As of March 31, 2020, manages 4 Category III and 2 Category II AIF schemes with average assets under management of ₹ 1,501 cr. (up 50% from the previous year: ₹ 998 cr. as on March 31, 2019).

Under Category III, the Investment Manager has raised total capital commitments of ₹ 1,266 cr. The schemes had invested ₹ 1,124 cr. as of March 31, 2020. Sundaram India Premier Fund, a Category III AIF launched in October 2018, completed its final closing in June 2019 with total commitments of ₹ 481 cr. The Investment Manager also launched ACORN, a mid and small cap focused close-ended Category III AIF in January 2020. The fund has raised ₹ 78 cr. worth commitments as of March 31, 2020 and remains open to investors for subscriptions.

Under Category II AIF, the Company manages 2 AIF schemes. With total capital commitments of ₹ 713 cr of which ₹ 510 cr. has been called as subscription. A sum of ₹ 393 cr. was invested as of March 31, 2020.

Sundaram Alternative Opportunities Series – High Yield Secured Debt Fund – I closed with capital commitments amounting to ₹ 403 cr. in FY 2019. As of March 31, 2020, the fund has deployed around ₹ 462 cr. (including re-investments) and has made quarterly distributions to its investors amounting to ₹ 44.70 cr. Translates into 33% of the capital drawn. The Fund also has a Mauritius Feeder fund to pool monies from global investors in USD and feed into the India Fund.

SA earned a gross income of ₹ 60.06 cr. as against ₹ 44.12 cr. during the previous year and reported a profit after tax of ₹ 5.06 cr. for the year 2019-20 as against ₹ 5.24 cr for the financial year 2018-19. To conserve resources for meeting the business operations, SA has not recommended any dividend during the year.

Consolidated Financial Statements

The Consolidated Financial Statements, drawn up in accordance with the applicable Accounting Standards, form part of the Annual Report. A separate statement containing the salient features of the financial statements of Subsidiaries in Form AOC-1 forms part of the Annual Report.

The annual accounts of all the Subsidiary Companies have been posted on your Company's website www.sundarammutual.com. Detailed information, including the annual accounts of the Subsidiary Companies will be available for inspection by the members, at the registered office of the Company and will also be made available to the members upon request.

Fund performance

Most of the schemes registered good performance during the year beating the benchmark. In line with our philosophy, several equity and fixed income schemes distributed sizeable dividends.

Sundaram Midcap returned 21.8% since inception of the fund (30-Jul-2002) and on a ten year annualized return, Sundaram Midcap returned 9.36% as on 31 March 2020.

Your schemes were recognised by rating agencies and the press. Some of the accolades were:

Scheme Name	Category	Value Research	CRISIL	Morningstar
Sundaram Large and Mid-Cap Fund	Equity	4 Stars		
Sundaram Select Focus	Equity	5 Stars		
Sundaram Equity Hybrid	Equity	4 Stars		4 Stars
Sundaram Low Duration Fund	Debt			4 Stars
Sundaram Medium Term Bond Fund	Debt			4 stars
Sundaram Banking & PSU Debt Fund	Debt		Rank 2	5 Stars
Sundaram Corporate Bond Fund	Debt		Rank 2	5 Stars
Sundaram Debt Oriented Hybrid Fund	Debt			4 Stars
Sundaram Money Fund	Liquid	4 Stars	Rank 2	

Brand Recognition

- The Economic Times Best Brands Award (2019)
- The Economic Times Best Brands Award in BSFI (2019)
- YouTube Creator Studio Silver Award from Google for reaching over 100,000 subscribers and sharing original content on YouTube.

Leadership Recognized

In November 2019, Mr. Sunil Subramaniam, Managing Director, was awarded the Economic Times Most Promising Business Leaders of Asia 2019.

Investors and Distributors

During the year, your Company continued its investor awareness initiatives in ten adopted districts in Tamil Nadu. Your Company has been taking active steps including conducting financial literacy campaign in the districts that it has adopted. For the year 2019-20, Investor Awareness Programs (IAP) was conducted in 284 centres. A sum of ₹ 4.29 cr. has been spent towards investor education by your Company directly and through AMFI. The Company had 18.16 lakh investors' folio as at 31 March 2020 as against 17.92 lakh investors' folio during the previous year registering an increase of 1.33%. Sundaram Mutual schemes enrolled 1,21,489 fresh Systematic Investment Plans (SIP) during the year.

Your Company has 43,244 empanelled distributors The company supports its investors and distributors through 91 places including 51 branches across the country. In addition, the company has access to over 600 locations operated by Sundaram Finance Group.

Change of RTA

KFin Technologies Private Limited Hyderabad has been appointed as the Registrar and Transfer Agent for Sundaram Mutual Fund schemes effective 11th November 2019 .Your

Directors are happy to note that the schemes has been successfully migrated.

Regulation

In light of credit events occurred since September 2018, that led to challenges in the corporate bond market, SEBI comprehensively reviewed the regulatory framework for Mutual Funds and take necessary steps to safeguard the interest of investors and maintain the orderliness and robustness of their investments. SEBI also constituted various working groups representing AMCs, industry and academia to review the risk management framework with respect to liquid schemes and to review the existing practices on valuation of money market and debt securities. Further, an internal working group was constituted to, inter-alia, review prudential norms for Mutual Funds for investment in various debt and money market instruments. Based on the recommendations of the working groups and MF Advisory Committee SEBI has made series of changes for Liquid Funds, revising prudential norms for Mutual Fund schemes for investment in debt and money market instruments and valuation of money market and debt securities by Mutual Funds. Some of the critical changes are setout hereunder:

- Liquid scheme should invest at least 20% of its net assets in liquid instruments. Cash, Government Securities, T-bills and Repo on G-Securities may be considered as Liquid instruments.
- Liquid and overnight schemes may not be permitted to invest in Short Term Deposits.
- Liquid and overnight schemes should not be allowed to invest in debt securities having structured obligations and credit enhancements.
- Applicability of NAV for subscription in liquid and overnight schemes may be reduced from the existing 2:00 pm to 1:30 pm
- Sector Concentration: to prevent MFs to take enhanced exposure to the financial sector as compared to the other sectors, the sectoral exposure limit for financial sector and HFC will be reduced in a phased manner
- Valuation of debt and money market instruments based on amortization may be dispensed with and may completely shift to mark to market valuation w.e.f. April 1, 2020. All money market and debt securities which are rated below investment grade shall be valued at the price provided by valuation agencies.
- The residual maturity for amortization-based valuation has been reduced from existing 60 days to 30 days.
- The mutual funds to have flexibility to invest in unlisted non-convertible debentures (NCDs) up to a maximum of 10% of the debt portfolio of the scheme subject to such investments in unlisted NCDs having simple structures as may be specified from time to time, being rated, secured and with monthly coupon payments.
- The exit load in liquid scheme shall be implemented on a graded basis.
- Mutual funds shall be mandated to invest in only listed NCD in a phased manner.
- All fresh investments in Commercial Papers (CPs) shall be made only in listed CPs pursuant to the guidelines by SEBI regarding listing of CPs.
- If the rating of debt security with Credit enhancements / guarantees / covenants / arrangements etc. is above investment grade, but is rated below investment grade without such credit enhancements, then, the mutual fund schemes investments in such securities may not exceed 10% of debt portfolio of the respective scheme.
- The group level limit for investment in such debt securities rated below investment grade but enhanced to investment grade through credit enhancements may be capped at 5% of the debt AUM of the scheme.
- Overnight and liquid schemes may not be permitted to invest in debt securities having structured obligations (SO) or credit enhancements (CE).

In view of Covid 19 related disruptions, SEBI has extended the implementations on some of the provisions.

Your Directors welcome all the steps taken by the Regulator as these measures are taken in the interest of greater transparency and accountability and to protect the investors interest and orderly growth of the industry.

Capital Market Outlook

Indian Equity markets remained fairly volatile through the financial year 2019-20. While there was an appreciable recovery witnessed from Aug'19 into end Jan'20, concerns around the COVID-19 pandemic and its rapid spreads across the world led to a sharp drop thereafter into end March. In FY20, the narrow market (NIFTY-50) witnessed a contraction of (26) %, and the broad market (CNX500) saw (28)%. The mid and small cap indices recorded (32) % and (37)% respectively.

Credit remained in focus, and with acceleration in market correction during end March, this was increasingly in focus. The 10-year GSec, while volatile, directionally witnessed a drop in yields on the back of increasing system liquidity and continued rate cuts. The 10-year yield witnessed a drop of 121bps to 6.14% during the fiscal. Reflecting increasing focus around credit, the spread between AAA and the 10-year GSec increased by 25bps to 116bps during the fiscal year ending 31st March 2020.

The onset of COVID-19 mid-Jan and its spread to the western world in mid-Feb was the trigger that led to sharp equity market corrections. The Rupee witnessed a depreciation of 8.3% against the dollar, ending the fiscal year at 74.85.

The fiscal deficit for the year 2019-20 witnessed a marginal slippage to 3.8% GDP against the projected 3.5%. While FY21 was projected to be 3.5% the economic fallout of COVID-19 has had a disastrous effect on centre's finances. Therefore, the base line fiscal deficit (pre-stimulus) is likely to settle in the range of 5.7-6.0% GDP and post stimulus would stay in the range of 7.2-7.5%.

While growth in FY20 growth is more likely to hover around 4.5% with downside risks, FY21 would see a growth contraction on account of the COVID-19 led sharp disruption in supply. The supply disruption of the pandemic would have a net impact on 55% of GDP, rending the rest 45% to do the heavy lifting on growth during this phase. An initial estimate of growth for FY21 incorporating 47 days of lockdown implies a growth contraction of at least -0.6%. However, if one were to add additional assumptions of the economy running at 50% capacity in Q1 and 75% capacity in Q2 thereafter, the quantum of contraction in growth would see an increase. Having said that, Atma Nirbhar Bharat announcements on both the fiscal and the monetary side are likely to help perk up growth with contained fiscal costs. Inflation is expected to remain contained on the back of lower demand pressures and the RBI is set to continue its rate easing cycle.

With the pandemic getting contained through rigorous social distancing and hygiene protocols, lockdowns would become a local phenomenon and the economy is set to get closer to normalcy. The impact of the fiscal and monetary measures in India and abroad are set to bring about an appreciable phase of recovery during the second half of FY21. National lockdowns would ease gradually and turn more local before they get lifted eventually. A gradual and sustainable pickup in growth would also reflect in a positive market sentiment with valuations currently at attractive levels.

Crude has witnessed a sharp drop in the recent months on both demand and supply concerns. This apart, the nature of the global / domestic recovery, the US elections and the volatile relationship between the US and China post the COVID pandemic are key events to look out for from a market standpoint.

Risk management

The Company has a well-established Enterprise Risk Management (ERM) framework. The core of the ERM framework consists of internal risk control guidelines and policies, risk monitoring and control tools, risk reporting and exception handling mechanisms. The company has framed policies on various areas such as equity and fixed income risks, derivatives, Inter Fund Transfers.

The company has put in place a dedicated Risk Function supported by qualified professionals. The Risk team reviews, the fund portfolio besides risk and operational risk parameters are tracked regularly to ensure adherence to the risk norms and limits.

Risk control and mitigation mechanisms are constantly reviewed for their effectiveness and practicality and suitable changes are introduced to adapt to a changing business environment. The overall functioning of Risk Management team is overseen by the MD and governed by the mandate provided by the audit committee and the Board.

The reports of the internal auditor and independent auditor of the schemes relating to the financials and operations of the Company and schemes were reviewed by the Audit Committee which oversees Risk Controls in the system.

Internal Control System and Adequacy

The Company has an adequate internal control system commensurate with nature and size of its business activity with regard to efficiency of its operations, financial reporting, compliance with applicable laws and regulations. The internal control system is supplemented by audits conducted by the internal auditors.

Board of Directors

The Board of Directors of the company is vested with general power of superintendence, direction and management of the affairs During the year under review, seven Board Meetings were held.

Mr. Rishikesha T Krishnan relinquished from the officer of Directorship effective from November 15, 2019. Mr. Pratip Chaudhuri, Chairman has relinquished from the directorship on completion of the present term of office with effect from 17th February 2020. Your Directors place on record their appreciation to Mr. Rishikesha T Krishnan, and Mr Pratip Chaudhuri for their support and guidance during the tenure as directors and the company immensely benefitted from their contribution. Your Directors are happy to inform that Mr. K N Sivasubramanian and Mr. Raghuttama Rao has been appointed as an independent directors of the company.

Mr. T T.Srinivasaraghavan (holding DIN: 00018247), succeeds Mr Pratip Chaudhuri as Chairman of the company. He retires at the ensuing General Meeting and being eligible, offers himself for re-appointment.

Necessary resolution is submitted for your approval.

Meeting of Independent Directors

During the year, the Independent Directors of the Company met on 23 March 2020 (i) to review the performance of non-independent directors and the Board as a whole, (ii) to review the performance of the Chairperson of the Company and (iii) to access the quality, quantity and timeliness of flow of information between the company management and the Board.

The Company has received necessary declaration from each Independent Director as required to be given under Section 149(7) of the Companies Act, 2013.

Annual Evaluation by the Board

The Board has made a formal evaluation of its own performance and that of its committees and individual directors as required under Section 134(3) (p) of the Companies Act, 2013.

Board Committees

1. **Audit Committee**

   The Audit Committee reviewed the internal audit plans, financial statements, adequacy of internal control systems and the reports, the observations of the internal / external auditors with the responses of the management.

2. **Nomination and Remuneration Committee**

   The Committee in accordance with the mandate, formulated the criteria for determining qualifications, positive attributes and independence of a director and recommended to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees, which is available on the company's website under the following link:

   https://www.sundarammutual.com/pdf2/2018/Docs/Policy_on_Directors_Appointment_and_Remuneration.pdf

   The salient features of the policy are as under:

   - Any person who in the opinion of the Board is not disqualified to become a Director, and in the opinion of the Board, possesses the ability, integrity and relevant expertise and experience, can be appointed as Director of the Company.
   - For appointing any person as an Independent Director he / she should possess qualifications as mentioned under Rule 5 of The Companies (Appointment and Qualification of Directors) Rules, 2014 and he / she should satisfy the independence criteria as laid down in Section 149(6) of the Companies Act, 2013 and SEBI (Mutual Funds) Regulations, 1996.
   - The Managing Director is appointed by the shareholders at a general meeting.
   - The Board decides payment of commission to Non whole-time directors every year within 1% of the net profits of the Company approved by the members.
   - The Company pays remuneration by way of salary, perquisites and allowances, performance bonus to its Key Managerial Personnel based on the recommendation of Nomination and Remuneration Committee.
   - The remuneration of other employees mainly consists of basic remuneration, perquisites, allowances and performance Bonus. The components of the total remuneration vary for different employee grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by them, their individual performances, etc.

   The committee recommended to the Board the appointment and re-appointment of directors and carried out evaluation of director's performance.

   The committee has also evaluated the performance of the key management personnel and approved the proposal of the management on remuneration to key managerial personnel and other employees.

3. **Corporate Social Responsibility Committee (CSR)**

   In terms of Section 135 of the Companies Act, 2013, the particulars such as composition, CSR Policy and report on the CSR activities are set out in the prescribed format vide **Annexure I**.

Disclosure as per Secretarial Standard on meetings of the Board of Directors (SS-1)

The number and dates of Meetings of the Board and Committees held during the financial year indicating the number of Meetings attended by each Director is furnished in **Annexure II**. Your Company has complied with applicable Secretarial Standards issued by Institute of Company Secretaries of India.

Public Deposits

Your company has not accepted any deposits from the public.

Secretarial Audit

In terms of Section 204 of the Companies Act, 2013 and the rules thereunder, the Company has appointed Mr A Kalyana Subramaniam, Practising Company Secretary as the Secretarial Auditor of the Company. Secretarial Audit Report as provided by Mr A Kalyana Subramaniam, Practising Company Secretary is annexed to this Report vide **Annexure III**.

Annual Return

The extract of the annual return pursuant to Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 is attached vide **Annexure IV**.

The annual return referred to in sub-section (3) of Section 92 is available in our website under the following link.

https://sundarammutual.com/AMC/2020/Annual_Return.pdf

Personnel

Your Company had 344 employees on its rolls as on 31 March 2020. During the year, your Company had carried out various employee engagement activities and welfare measures. Your Board of Directors place on record their acknowledgement for the support, dedication and unswerving commitment displayed by the employees of the Company.

Particulars of Employee Remuneration

Particulars of employee remuneration pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in the **Annexure VI** to the Directors' Report. Any shareholder interested in obtaining a copy of the said annexure may write to the Company Secretary at the Registered Office of the Company.

Disclosure under the Prevention of Sexual Harassment of Women at Workplace Act, 2013

The Company has put in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) had been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaint was received during the year 2019-20.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014:

(a) Conservation of Energy and Technology Absorption:

Your Company has taken following measures on the energy saving and technology absorption:

- Substantial savings in energy consumption and heat reduction were achieved by consolidation of servers, network and server virtualization; and
- Implemented video conferencing solution through cloud sharing facility thereby saving energy.

(b) Foreign Exchange Earnings and Outgo:

During the year 2019-20, foreign exchange earnings was ₹ 1.77 Cr (2018-19: ₹ 2.11 cr.) and foreign exchange outgo during the year was ₹ 5.19 Cr. (2018-19: ₹ 9.56 cr.)

Particulars of loans, guarantee and investments pursuant to Section 186 of the Companies Act, 2013

The Company has not given any loan or guarantee to any person or body corporate. The investment in the shares of Sundaram Asset Management Singapore Pte. Ltd., and Sundaram Alternate Assets Limited is disclosed in the report separately.

Particulars of Related Party Transactions pursuant to Section 134(3)(h) of the Companies Act, 2013

During the year, the Company did not enter into any material transaction with related parties, under Section 188 of the Companies Act, 2013. All transactions entered into by the Company with the related parties were in the ordinary course of business and on an arm's length basis. Form AOC-2, as required under Section 134 (3) (h) of the Act, read with Rule 8 (2) of the Companies (Accounts) Rules 2014, is attached as part of this report vide **Annexure V**.

The Directors' responsibility statement pursuant to Section 134 (3) (c) of Companies Act, 2013

Your directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
3. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. The directors had prepared the annual accounts on a going concern basis;
5. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgement

Your Directors wish to place on record their appreciation of the professional support and guidance received from the Trustees of Sundaram Mutual Fund and the Sponsors – Sundaram Finance Limited.

Your Board of Directors also thanks the Securities and Exchange Board of India, Monetary Authority of Singapore, Association of Mutual Funds of India, the Company's bankers and other intermediaries for their unstinting support.

Your Directors place on record their deep appreciation for the dedication and commitment displayed by the employees of your Company.

For and on behalf of the Board of Directors

Date: May 18, 2020 **T T Srinivasraghavan**

Place: Chennai Chairman

Annexure I

Annual Report on CSR Activities for the Financial Year 2019-20

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

CSR Policy of the Company is available in our website under the following link:

https://www.sundarammutual.com/pdf2/2015/AMC_CSR_Policy.pdf

2. **The Composition of CSR Committee**

Mr. T. T. Srinivasaraghavan – Chairman

Mr. K N Sivasubramanian - Member

Mr. Sunil Subramaniam – Member

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

Rs. 4483 lakhs

4. **Prescribed CSR expenditure (two percent of the amount as in item 3 above):**

Rs.89.66 lakhs

5. **Details of CSR spent during the financial year**

(a) Total amount to be spent for the financial year: 89.66 lakhs

(b) Amount unspent, if any: Nil

(c) Manner in which the amount spent during the financial year: Details Enclosed

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

Not Applicable

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:**

We hereby state that implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

T T Srinivasaraghavan	**Sunil Subramaniam**	**K N Sivasubramanian**
Member - CSR Committee	Managing Director	Member - CSR Committee

Place: Chennai
Date: 18th May 2020

Annexure I A

Manner in which the amount spent during the financial year

(₹ in lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. no	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs: (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads; (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct ~~or through implementing agency~~
1	Promoting education by providing financial assistance to deserving and meritorious students and also Educational Institutions which work for this cause (4 Institutions)	Educational	Tamil Nadu – Chennai	25.00	25.00	25.00	25.00
			Tamil Nadu – Thiruvandipuram	1.00	1.00	26.00	1.00
			Tamil Nadu – Nagapattinam	3.00	3.00	29.00	3.00
			Karnataka – Bengaluru	2.00	2.00	31.00	2.00
2	Promoting preventive and general health care (3 Institutions)	Healthcare	Tamil Nadu – Chennai	25.00	25.00	56.00	25.00
			Andhra Pradesh – Madanapalle	2.00	2.00	58.00	2.00
			Tamil Nadu – Chennai	2.00	2.00	60.00	2.00
3	Prime Minister Relief Fund PM CARES	COVID-19	New Delhi	25.00	25.00	85.00	25.00
4	Chief Minister's Public Relief Fund (CMPRF) *	COVID-19	Tamil Nadu	5.00	5.00	90.00	5.00
	Total			**90.00**	**90.00**	**90.00**	**90.00**

** We have contributed Rs.25 lakhs towards Chief Minister's Public Relief Fund. Out of Rs.25 lakhs, we have considered Rs.5 lakhs for the year FY 2019-20 and Rs.20 lakhs for the year FY 2020-21*

Disclosure as per Secretarial Standard on meetings of the Board of Directors (SS-1) **Annexure II**

1. Board

During the year under review, 7 meetings of the Board of Directors were held. The details of directors' attendance at Board Meetings are as follows:

S. No.	Name of the Director	DIN	No. of Meetings Attended	Meeting Dates
1	Pratip Chaudhuri***	00915201	6	30.04.2019
2	T T Srinivasaraghavan	00018247	6	21.06.2019
3	Rishikesha T Krishnan*	00064067	6	19.08.2019
4	Arvind Sethi	00001565	5	25.09.2019
5	Harsha Viji	00602484	7	15.11.2019
6	K N Sivasubramanian**	8569232	3	17.02.2020
7	Raghuttama Rao****	00146230	1	23.03.2020
8	Sunil Subramaniam	07222050	7	

2. Audit Committee

During the year under review, 5 meetings of the Audit Committee were held. Attendance of the members at committee meetings are as follows:

S. No.	Name of the Member	No. of Meetings Attended	Meeting Dates
1	Pratip Chaudhuri***	5	30.04.2019
2	Arvind Sethi	4	21.06.2019
3	Harsha Viji	5	19.08.2019
4	Raghuttama Rao****	0	15.11.2019
			17.02.2020

3. Nomination and Remuneration Committee

During the year under review, 4 meetings of the Nomination and Remuneration Committee was held. Attendance of the members at committee meeting is as follows:

S. No.	Name of the Member	No. of Meetings Attended	Meeting Date
1	Pratip Chaudhuri***	3	30.04.2019
2	Rishikesha T Krishnan*	2	15.11.2019
3	T T Srinivasaraghavan	3	17.02.2020
4	Harsha Viji	4	23.03.2020
5	Arvind Sethi	1	
6	K N Sivasubramanian**	1	

4. Corporate Social Responsibility Committee

During the year under review, 1 meeting of the Corporate Social Responsibility was held. Attendance of the members at committee meeting is as follows:

S. No.	Name of the Member	No. of Meetings Attended	Meeting Date
1	Rishikesha T Krishnan*	1	30.04.2019
2	T T Srinivasaraghavan	0	
3	Sunil Subramaniam	1	
4	K N Sivasubramanian**0	0	

5. Separate Meeting of Independent Directors

A separate meeting of Independent Directors was held on 23.03.2020. All the independent directors, as under, attended the meeting.

S. No.	Name of the Member
1	Arvind Sethi
2	K N Sivasubramanian
3	Raghuttama Rao

* *Relinquished as Director on 15th November 2019*

** *Appointed as Independent Director on 15th November 2019*

*** *Relinquished as Director on 17th February 2020*

**** *Appointed as Independent Director on 17th February 2020*

Annexure III

Form No. MR-3

Secretarial Audit Report

For the Financial Year Ended 31.03.2020

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

To,
The Members,
Sundaram Asset Management Company Limited
CIN-U93090TN1996PLC034615
21, Patullos Road,
Chennai – 600002.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Sundaram Asset Management Company Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of M/s. Sundaram Asset Management Company Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on 31.03.2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Sundaram Asset Management Company Limited for the period ended on 31.03.2020 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-

  a) The Securities and Exchange Board of India (Mutual Fund) Regulations, 1996;

  b) The Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993;

  c) The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012

  d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  e) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and

  f) The Memorandum and Articles of Association.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and there are no other specific observations requiring any qualification on non-compliances.

I further report that:

- the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Due to the completion of their respective terms by two Independent directors leading to vacation of office, two new directors have been inducted to fill the vacancy.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions have been carried unanimously.
- The Company has obtained all necessary approvals under the various provisions of the Act.
- There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
- The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code for Independent Directors.

I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

A Kalyana Subramaniam
(ACS No.11400)
(C.P No. 16345)
UDIN: A011400B000253092

Place: Chennai
Date: 18-May-2020

Annexure IV

Form No. MGT 9

Extract of Annual Return as on the financial year ended on 31st March 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	C I N	U93090TN1996PLC034615
ii)	Registration Date	26th February 1996
iii)	Name of the Company	Sundaram Asset Management Company Limited
iv)	Category / Sub-category of the company	Limited by Shares, Indian Non-Government Company
v)	Address of the Registered office and contact details	21 Patullos Road, Chennai 600 002 Sri P Sundararajan Tel:044-28569864; Email: sundararajan@sundarammutual.com
vi)	Whether listed company	No
vii)	Name, address and contact details of Registrar and Tansfer agent, if any	Cameo Corporate Services Limited, 'Subramanian Building' No.1, Club House Road, Chennai 600 002 Ph: 044 28460390 to 0395 Email: investor@cameoindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No	Name & description of main products / services	NIC Code of the product / services	% to total turnover of the company
1	Investment Management and Advisory Services	66301	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and address of the company	CIN/GLN	Holding/Subsidiary/Associate	% of shares Held	Applicable Section
1	Sundaram Finance Limited, Regd Office: 21, Patullos Road, Chennai 600002	L65191TN1954PLC002429	Holding Company	100%	2 (46)
2	Sundaram Asset Management Singapore Pte Limited Regd Office: 50, Armenian Street, #02-02, Wilmer Place, Singapore 179938	179938	Subsidiary Company	100%	2 (87) (ii)
3	Sundaram Alternate Assets Limited Regd Office: 21, Patullos Road, Chennai 600002	U65990TN2018PLC120641	Subsidiary Company	100%	2 (87) (ii)

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

i) Category-wise Share Holding

	Category of Shareholders	No of Shares held at the beginning of the year				No of shares held at the end of the year				% Change During the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	**Promoter**									
1)	**Indian**									
a)	Individual / HUF	—	—	—	—	—	—	—	—	—
b)	Central Govt	—	—	—	—	—	—	—	—	—
c)	State Govt(s)	—	—	—	—	—	—	—	—	—
d)	Bodies Corp -Sundaram Finance Limited *	1,99,99,994	6	2,00,00,000	100%	1,99,99,994	6	2,00,00,000	100%	Nil
e)	Banks / FI	—	—	—	—	—	—	—	—	—
f)	Any Other	—	—	—	—	—	—	—	—	—
	Sub Total A(1)	**1,99,99,994**	**6**	**2,00,00,000**	**100%**	**1,99,99,994**	**6**	**2,00,00,000**	**100%**	**Nil**
2)	**Foreign**									
a)	NRIs-Individuals	—	—	—	—	—	—	—	—	—
b)	Other Individuals	—	—	—	—	—	—	—	—	—
c)	Bodies Corp.	—	—	—	—	—	—	—	—	—
d)	Banks / FI	—	—	—	—	—	—	—	—	—
e)	Any Other	—	—	—	—	—	—	—	—	—
	Sub Total A(2)	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
	Total Shareholding of promoter (A) = A(1) + (A)(2)	**1,99,99,994**	**6**	**2,00,00,000**	**100%**	**1,99,99,994**	**6**	**2,00,00,000**	**100%**	**Nil**
B.	**Public Shareholding**									
1)	Institutions		—	—	—	—	—	—	—	—
a)	Mutual Funds	—	—	—	—	—	—	—	—	—
b)	Banks / FI	—	—	—	—	—	—	—	—	—
c)	Central Govt	—	—	—	—	—	—	—	—	—
d)	State Govt	—	—	—	—	—	—	—	—	—
e)	Venture Capital Funds	—	—	—	—	—	—	—	—	—
f)	Insurance Companies	—	—	—	—	—	—	—	—	—
g)	FIIs	—	—	—	—	—	—	—	—	—
h)	Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
i)	Others(Specify)	—	—	—	—	—	—	—	—	—
	Sub Total B(1)	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**

Category of Shareholders		No of Shares held at the beginning of the year				No of shares held at the end of the year				% Change During the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2)	**Non-Institutions**									
a)	Bodies Corp.	—	—	—	—	—	—	—	—	—
i)	Indian	—	—	—	—	—	—	—	—	—
ii)	Overseas	—	—	—	—	—	—	—	—	—
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto Rs.1 Lakh	—	—	—	—	—	—	—	—	—
ii)	Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	—	—	—	—	—	—	—	—	—
c)	Others Specify	—	—	—	—	—	—	—	—	—
	Sub Total B(2)	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
	Total Public Shareholding (B) = B(1) + (B)(2)	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
C.	**Shares held by custodian for GDRs & ADRs**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
	Grand Total (A) + (B) + (C)	**1,99,99,994**	**6**	**2,00,00,000**	**100%**	**1,99,99,994**	**6**	**2,00,00,000**	**100%**	**Nil**

** Includes 6 shares held by the nominees of Sundaram Finance Limited* *ii) Shareholding of Promoters*

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
	No of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
Sundaram Finance Limited	2,00,00,000	100%	—	2,00,00,000	100%	—	—
Total	**2,00,00,000**	**100%**	**—**	**2,00,00,000**	**100%**	**—**	**—**

iii) Change in Promoter's Shareholding (Please specify, if there is no change)

Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
Sundaram Finance Limited				
At the beginning of the year	2,00,00,000	100%	2,00,00,000	100%
Date wise increase / decrease	—	—	—	—
At the End of the year	—	—	2,00,00,000	100%

iv) Shareholding pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
At the beginning of the year	—	—	—	—
Date wise increase / decrease	—	—	—	—
At the End of the year	—	—	—	—

v) Shareholding pattern of Directors and Key Managerial Personnel

Sr.No.	Name of the Directors and KMP	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
1	**Mr T T Srinivasaraghavan**				
	At the beginning of the year	—	—	—	—
	Date wise increase / decrease	—	—	—	—
	At the End of the year	—	—	—	—
2	**Mr Harsha Viji**				
	At the beginning of the year	—	—	—	—
	Date wise increase / decrease	—	—		
	At the End of the year	—	—	—	—
3	**Mr Arvind Sethi**				
	At the beginning of the year	—	—	—	—
	Date wise increase / decrease	—	—		
	At the End of the year	—	—	—	—
4	**Mr K N Sivasubramanian**				
	At the beginning of the year	—	—	—	—
	Date wise increase / decrease	—	—		
	At the End of the year	—	—	—	—
5	**Mr R. Raghuttama Rao**				
	At the beginning of the year	—	—	—	—
	Date wise increase / decrease	—	—		
	At the End of the year	—	—	—	—
6	**Mr Sunil Subramaniam, Managing Director**				
	At the beginning of the year	—	—	—	—
	Date wise increase / decrease	—	—		
	At the End of the year	—	—	—	—
7	**Mr P Sundararajan, Secretary & Compliance Officer**				
	At the beginning of the year	—	—	—	—
	Date wise increase / decrease	—	—		
	At the End of the year	—	—	—	—
8	**Mrs H Lakshmi, Chief Financial Officer**				
	At the beginning of the year	—	—	—	—
	Date wise increase / decrease	—	—		
	At the End of the year	—	—	—	—

V) Indebtedness

Indebtedness of the Company including interest outstanding / accrued but not due for payment (in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	10,72,91,663	-	-	10,72,91,663
ii) Interest due but not paid	-	-	-	-
III) Interest accrued but not due	-	-	-	-
Total (i)+(ii)+(iii)	**10,72,91,663**	**-**	**-**	**10,72,91,663**
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	3,75,00,000	-	-	3,75,00,000
Net Change	**6,97,91,663**	**-**	**-**	**6,97,91,663**
Indebtedness at the end of the financial year				
i) Principal Amount	6,97,91,663	-	-	6,97,91,663
ii) Interest due but not paid				
III) Interest accrued but not due	5,09,415	-	-	5,09,415
Total (i)+(ii)+(iii)	**7,03,01,078**	**-**	**-**	**7,03,01,078**

VI) Remuneration of Directors and Key Managerial Personnel

A) Remuneration to Managing Director, Whole-time directors and/or Manager (in ₹)

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Mr. Sunil Subramaniam, Managing Director	
1	Gross Salary		
	a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	83,40,000	83,40,000
	b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	1,25,05,000	1,25,05,000
	c) Profits in Lieu of salary under section 17(3) of the Income tax Act, 1961.		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of Profits	90,00,000	90,00,000
	- others, specify		
5	Others, Please specify		
	Total (A)	**2,98,45,000**	**2,98,45,000**
	Ceiling as per the Act (5% of Net Profits)		1,71,20,350

B) Remuneration to Other Directors (in ₹)

Name of Directors	Particulars of Remuneration			Total
	Fee for attending Board / Committee Meetings	Commission	Others, please specify	
Independent Directors:				
Mr Pratip Chaudhuri till 17.02.2020	1,85,000	4,37,500	-	6,22,500
Mr Rishikesha T Krishnan till 15.11.2019	80,000	3,12,500	-	3,92,500
Mr Arvind Sethi	1,40,000	5,00,000	-	6,40,000
Mr K N Sivasubramanian from 15.11.2019	95,000	1,87,500	-	2,82,500
Mr R. Raghuttama Rao from 17.02.2020	35,000	62,500	-	97,500
Other Non-Executive Director	-			
Mr T T Srinivasaraghavan	-		-	-
Total (B)	**5,35,000**	**15,00,000**	**-**	**20,35,000**
Total Managerial Remuneration (A) + (B)				3,18,80,000
Overall ceiling as per the Act (11% of Net Profits)				3,76,64,770

C) Remuneration to Key Managerial Personnel other than MD/Manager / WTD

Sl. No	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1	Gross Salary a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	20,64,000	12,36,000	33,00,000
	b) Value of Perquisites u/s Section17(2) of the Income Tax Act, 1961	38,33,000	23,91,000	49,24,000
	c) Profits in Lieu of salary under Section 17(3) of the Income tax Act, 1961	-	-	-
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission			
	- as % of Profits	Nil	Nil	Nil
	- Others, Please Specify	Nil	Nil	13,00,000.00
5	Others, Please specify	Nil	Nil	Nil
	Total	**58,97,000**	**36,27,000**	**95,24,000**

VII. Penalties/ Punishment/Compounding of Offences

There were no penalties / punishment / compounding of offences against the Company, Directors and other Officers in Default during the year ended 31st March 2020.

For and On behalf of the Board of Directors

Date: 18th May 2020 **T T Srinivasaraghavan**

Place: Chennai Chairman

Annexure - V

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis
   All transactions entered into by the Company during the year with related parties were on an arm's length basis.
2. Details of material contracts or arrangement or transactions at arm's length basis
   The details of transactions entered into by the Company during the year with related parties at arm's length basis are provided under Note 33 to the annual accounts.

For and On behalf of the Board of Directors

Date: 18th May 2020 **T T Srinivasaraghavan**

Place: Chennai Chairman

INDEPENDENT AUDITOR'S REPORT

To the Members of Sundaram Asset Management Company Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements Sundaram Asset Management Company Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2020, 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 (hereinafter referred to as "the Standalone financial statements") and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2020 and its profit, 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 Companies Act, 2013. 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 standalone financial statements under the provisions of the Companies Act, 2013 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.

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. Based on the audit we have conducted we determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether 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.

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, 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 sec.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 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.

The 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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements of the Company, 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 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 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.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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'sReport) Order,2016 ("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 "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 it appears from our examination of those books.

c) The Balance Sheet and the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts of the Company.

d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 Reportin 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, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has no pending litigations having impact of on its financial position in its financial statements. - [Refer Note 43 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. The requirement of transfer to the Investor Education and Protection Fund by the Company is not applicable at the Company level.

For Suri & Co.
Chartered Accountants
Firm Registration No. 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Place: Chennai
Date: 18-05-2020

Annexure A to the Auditors' Report
(referred to in our report of even date)

The Annexure referred to in Independent Auditors' Report to the members of the company on the financial statements for the year ended 31st March, 2020, we report that:

(i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b. The company conducts physical verification of fixed assets once in every year which in our opinion is reasonable having regard to size of the company; according to the information given to us no material discrepancies were identified on such verification.

c. There is no immovable property held by the company.

(ii) The company is engaged in the business of rendering asset management and as such paragraph (ii) relating to inventory is not applicable to the company.

(iii) The company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) The Company has not granted any loans or given guarantees or provided security to directors or to persons in whom the directors are interested and hence the provisions of section 185 the Companies Act, 2013 are not applicable. In respect of investment made by the company in a body corporate during the year, the company has complied with the provisions of section 186 of the Companies Act, 2013. The company has provided guarantee in connection with a loan taken by its subsidiary and the provisions of section 186 of the Companies Act, 2013 are complied with in this regard. The company has not provided any loan or security to any body corporate and hence the provisions of section 186 the Companies Act, 2013 are not applicable to this extent.

(v) The Company has not accepted any deposits from the public

(vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for any of the services rendered by the company.

(vii) a) According to the information and explanations given to us and based on our examination of the records of the company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employee State Insurance Fund, Income Tax, Goods and Service Tax, cess and other statutory dues with the appropriate authorities and there are no outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no dues of Income tax, Service tax and Goods and Service Tax which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Name of the statute	Nature of dues	Amount Disputed (₹)	Amount Paid (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax dues	12,20,489	Nil	FY 2010-11	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax dues	8,63,385	Nil	FY 2011-12	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax dues	11,71,523	Nil	FY 2012-13	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax dues	70,323	Nil	FY 2013-14	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax dues	1,48,834	Nil	FY 2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax dues	2,19,98,657	2,19,98,657	FY 2014-15	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax dues	5,02,22,670	5,02,22,670	FY 2015-16	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax dues	3,81,69,620	Nil	FY 2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax dues	3,87,64,790	Nil	FY 2013-14	Income Tax Officer
Income Tax Act, 1961	Income Tax dues	10,17,96,140	Nil	FY 2016-17	Commissioner of Income Tax (Appeals)
The Finance Act, 1994	Service Tax dues	18,28,55,516	1,38,26,223	FY 2010-11 to 2014-15	Customs, Excise & Service Tax Appellate Tribunal, Chennai.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers or to any financial institutions.

(ix) The Company did not raise any money by way of Initial Public Offer or further public offer (including debt instruments) during the year. The company has applied the term loans for the purpose for which they were raised.

(x) According to the information and explanations given to us, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197read with Schedule V to the Companies Act.

(xii) The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act,2013 wherever applicable and disclosures as required by the accounting standards have been made. Refer Note 33 of Notes to Financial Statements.

(xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(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. Accordingly, paragraph 3(xv) of the order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Suri & Co.
Chartered Accountants
Firm Registration No. 004283S

Sanjeev Aditya. M
Partner
Membership No.229694

Place: Chennai
Date : 18-05-2020

Annexure B to the Auditors' report

(Referred to in 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 Sundaram Asset Management Company Limited ("the Company") as of March 31, 2020 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 controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 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 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 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 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 unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

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, 2020, 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 Suri & Co.
Chartered Accountants
Firm Registration No. 004283S

Sanjeev Aditya M
Partner
Membership No.229694

Place: Chennai
Date: 18-05-2020

Balance Sheet

As at 31st March, 2020 (Amount in ₹)

Particulars		Note No	31-03-2020	31-03-2019
ASSETS				
1. Non-Current Assets				
a Property, plant and equipment		2	3 40 82 239	4 18 51 036
b Right of Use Assets		3	14 66 86 760	-
c Other Intangible assets		4	75 00 371	5 72 106
d Financial Assets				
(i) Investments		5.1	121 59 22 355	68 26 12 086
(ii) Loans		5.2	19 56 863	29 71 930
(iii) Others		5.3	3 53 68 381	2 90 33 639
e Other Non current assets		6	34 59 56 690	71 21 86 842
2. Current Assets				
a Financial Assets				
(i) Investments		7.1	21 76 35 502	10 90 94 545
(ii) Trade receivables		7.2	6 79 40 624	12 99 04 234
(iii) Cash and cash equivalents		7.3	1 26 73 730	4 93 88 594
(iv) Loans		7.4	59 01 313	20 59 085
(v) Others		7.5	60 01 380	3 84 71 279
b Current Tax Assets (Net)		8	39 48 29 746	34 87 74 571
c Other Current Assets		9	35 28 47 176	65 10 66 500
TOTAL ASSETS			**284 53 03 129**	**279 79 86 448**
EQUITY AND LIABILITIES				
1. Equity				
a Equity Share capital		10	20 00 00 000	20 00 00 000
b Other equity		11	192 44 63 786	185 55 69 911
2. Non-current liabilities				
a Financial liabilities				
(i) Borrowings		12	18 22 91 667	21 97 91 668
(ii) Lease Liabilites		13	10 48 36 566	-
b Provisions		14	2 12 22 484	47 66 345
c Deferred Tax Liabilities (Net)		15	10 83 87 570	19 42 75 996
3. Current liabilities				
a Financial liabilities				
(i) Lease Liabilites		16	5 17 67 137	-
(ii) Trade payables		17.1	10 12 16 352	7 84 00 319
(iii) Other financial liabilities		17.2	3 96 18 318	10 83 28 258
b Other current liabilities		18	2 91 20 900	4 79 73 498
c Provisions		19	8 23 78 349	8 88 80 454
TOTAL EQUITY AND LIABILITIES			**284 53 03 129**	**279 79 86 448**

Refer Note 1 for Significant Accounting Policies. See accompanying Notes to financial statements vide our report of even date attached.

For **Suri & Co.**
Chartered Accountants
Firm Regn No. 004283S

Harsha Viji
Director

P. Sundararajan
Company Secretary

Sanjeev Aditya.M
Partner
Membership No. 229694

Chennai
18th May 2020

Sunil Subramaniam
Managing Director

Lakshmi H
Chief Financial Officer

Statement of Comprehensive Income

For the year ended 31st March 2020 (Amount in ₹)

Particulars	Note No	31-03-2020	31-03-2019
Revenue from operations	20	215 56 29 660	269 06 06 471
Other Income	21	8 06 09 669	1 37 38 560
Total income		**223 62 39 329**	**270 43 45 030**
Expenses:			
Employee benefits expense	22	57 52 25 330	55 85 65 037
Administrative and other expenses	23	40 51 62 309	51 04 69 656
Brokerage & Fund Expenses	24	79 27 56 603	124 53 17 970
Finance costs	25	4 34 79 510	4 82 50 388
Depreciation and amortization expense	2	7 70 12 729	2 60 37 046
Total expenses		**189 36 36 481**	**238 86 40 097**
Profit before Tax		**34 26 02 847**	**31 57 04 933**
Tax expense:			
Current Tax	19a	17 47 65 633	11 39 89 268
Deferred Tax		(8 58 88 425)	31 01 399
Profit / (Loss) for the period		**25 37 25 640**	**19 86 14 267**
Other Comprehensive Income, Net of Taxes			
a. Items that will not be reclassified to Statement to Profit & Loss			
i) Remeasurement of Defined Benefit Plans	26	(63 31 589)	(25 40 941)
Total Other comprehensive Income		**(63 31 589)**	**(25 40 941)**
Total Comprehensive Income		**24 73 94 050**	**19 60 73 325**
Total Profit attritubitable to Equity Shareholders		**24 73 94 050**	**19 60 73 325**
Earnings per equity share of Rs 10 each			
Basic		12.69	9.93
Diluted		12.69	9.93

See accompanying Notes to financial statements vide our report of even date attached.

For **Suri & Co.**
Chartered Accountants
Firm Regn No. 004283S

Sanjeev Aditya.M
Partner
Membership No. 229694

Chennai
18th May 2020

Harsha Viji
Director

Sunil Subramaniam
Managing Director

P. Sundararajan
Company Secretary

Lakshmi H
Chief Financial Officer

Cash Flow Statement

For the Year ended 31st March 2020 (Amount in ₹)

Particulars	2019-20		2018-19	
A Cash Flow from Operating Activities :				
Profit/(Loss) after tax	24 73 94 050		19 60 73 325	
Add: Profit on sale of Tangible asset	(3 106)		(96 985)	
Finance Cost	4 34 79 510		4 61 69 164	
(Profit) / Loss on sale of Non Current Investments	(9 52 098)		39 42 689	
Loss on Sale of tangible Assets (Net)	21 508		-	
Depreciation	2 52 16 830		2 60 37 046	
Income Tax	17 26 36 150		11 46 57 745	
Deferred Tax	(8 58 88 425)		31 01 399	
Interest Income	(4 66 45 559)		(3 82 550)	
Employee Compensation Expense	23 32 663		37 90 000	
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**35 75 91 524**		**39 32 91 833**
(Increase) / Decrease in Loan (Current)	(38 42 228)		(2 56 603)	
(Increase) / Decrease in Loan (Non-Current)	10 15 067		(4 39 912)	
(Increase) / Decrease in Financial Assets Others (Current)	3 24 69 899		(50 53 527)	
(Increase) / Decrease in Financial Assets Others (Non-current)	(63 34 742)		51 38 138	
(Increase) / Decrease in Non-Current Assets	36 54 01 800		29 63 07 390	
(Increase) / Decrease in Trade Receivables	6 19 63 610		4 39 53 191	
(Increase) / Decrease in Current Tax (Net)	(13 19 43 600)		13 85 87 370	
(Increase) / Decrease in Other Current Assets	29 90 47 676		33 05 39 922	
Increase / (Decrease) in Borrowings	(3 75 00 001)		(6 67 37 587)	
Increase / (Decrease) in Lease liability	8 92 59 075		-	
Increase / (Decrease) in Provisions (Current)	(65 02 105)		(4 92 73 088)	
Increase / (Decrease) in Trade Payable	2 28 16 033		(25 93 09 967)	
Increase / (Decrease) in Other Financial Liabilities	(6 87 09 940)		(19 25 72 864)	
Increase / (Decrease) in Current Liabilities	(1 88 52 598)		4 12 99 241	
Increase / (Decrease) in Provisions (Non-current)	1 64 56 140	61 47 44 085	(72 16 146)	27 49 65 557
Short term lease payments				
Cash generated from Operations		**97 23 35 608**		**66 82 57 390**
Finance Cost	4 34 79 510		4 61 69 164	
Direct Taxes Paid	8 67 47 725		11 77 59 143	
NET CASH FROM OPERATING ACTIVITIES		**84 21 08 373**		**50 43 29 083**

Cash Flow Statement (Contd.)

For the Year ended 31st March 2020 (Amount in ₹)

Particulars	2019-20		2018-19	
B CASH FLOW FROM INVESTING ACTIVITIES				
Sale of Current Investments	192 74 29 242		55 61 23 978	
Purchase of Current Investments	(204 35 55 450)		(54 40 00 316)	
Purchase of Non-Current Investments	(53 28 46 749)		(1 33 22 400)	
Purchase of Fixed Assets - Tangible	(16 38 30 437)		(1 93 85 627)	
Purchase of Fixed Assets - In-Tangible	(74 57 525)		(6 00 000)	
Sale of Fixed Assets - Tangible	2 06 485		68 18 041	
Profit on Sale of Current Investments	80 73 847		-	
Interest Income	4 66 45 559		3 82 550	
NET CASH FROM INVESTING ACTIVITIES		**(76 53 35 027)**		**(1 39 83 774)**
C CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of Lease Liabilities	6 73 44 628		-	
Proceeds through Scheme of Arrangement			(36 00 00 000)	
Dividend paid (including corporate dividend tax)	(18 08 32 838)		(9 64 44 180)	
NET CASH FROM FINANCING ACTIVITIES		**(11 34 88 210)**		**(45 64 44 180)**
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS - (A) + (B) + (C)		**(3 67 14 864)**		**3 39 01 129**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**4 93 88 594**		**1 54 87 465**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**1 26 73 730**		**4 93 88 594**
Note : Cash & Cash Equivalents comprise the following :				
a. Cash on hand		**1 17 72 636**		**1 20 805**
b. Balances with Banks in Current accounts		**6 88 150**		**2 16 54 976**
c. Due to foreign currency translation		**2 12 944**		**1 12 813**
d. Fixed Deposits		**-**		**2 75 00 000**
Total		**1 26 73 730**		**4 93 88 594**

For **Suri & Co.**
Chartered Accountants
Firm Regn No. 004283S

Sanjeev Aditya.M
Partner
Membership No. 229694

Chennai
18th May 2020

Harsha Viji
Director

Sunil Subramaniam
Managing Director

P. Sundararajan
Company Secretary

Lakshmi H
Chief Financial Officer

Statement of changes in equity

as at 31 March 2020

(Amount in ₹)

(a) Equity Share Capital

Balance as at 1st April 2018	20 00 00 000
Add: Shares issued	NIL
Balance as at 31st March 2019	20 00 00 000
Balance as at 1st April 2019	20 00 00 000
Add: Shares issued	NIL
Balance as at 31st March 2020	20 00 00 000

(b) Other Equity

Particulars	Share application money pending allotment	Reserves and Surplus					Items of Other Comprehensive Income		Total Other Equity
		General Reserve	Securities Premium Reserve	Capital Reserve	Employees Stock Options Reserve	Retained Earnings	Impairment of investment in subsidiary	Remeasurement of Defined benefit plans through Other Comprehensive Income	
Balance as at 1st April 2018		**12 62 68 158**	**31 20 29 769**	**-**	**45 26 000**	**131 01 69 380**	**(10 67 13 308)**	**(10 55 059)**	**164 52 24 940**
Profit for the year		-	-	2 12 517		19 86 14 267	-	-	19 88 26 784
Other Comprehensive Income (Net of taxes)		-	-	-		-	-	(25 40 941)	(25 40 941)
Dividends and Tax thereon		-	-	-		(9 64 44 180)	-	-	(9 64 44 180)
Employee Compensation Expense recognised		-	-	-	37 90 000		-	-	37 90 000
Changes in fair value of equity instruments		-	-	-		-	10 67 13 308	-	10 67 13 308
Balance as at 31st March 2019	**-**	**12 62 68 158**	**31 20 29 769**	**2 12 517**	**83 16 000**	**141 23 39 467**	**-**	**(35 96 000)**	**185 55 69 911**
Balance as at 1st April 2019	**-**	**12 62 68 158**	**31 20 29 769**	**2 12 517**	**83 16 000**	**141 23 39 467**	**-**	**(35 96 000)**	**185 55 69 911**
Profit for the year		-	-	-		25 37 25 640	-	-	25 37 25 640
Other Comprehensive Income (Net of taxes)		-	-	-		-	-	(63 31 589)	(63 31 589)
Dividends and Tax thereon		-	-	-		(18 08 32 838)	-	-	(18 08 32 838)
Employee Compensation Expense recognised					23 32 663				23 32 663
Balance as at 31st March 2020	**-**	**12 62 68 158**	**31 20 29 769**	**2 12 517**	**1 06 48 663**	**148 52 32 269**	**-**	**(99 27 590)**	**192 44 63 786**

See accompanying Notes to financial statements vide our report of even date attached.

For **Suri & Co.**
Chartered Accountants
Firm Regn No. 004283S

Sanjeev Aditya.M
Partner
Membership No. 229694

Chennai
18th May 2020

Harsha Viji
Director

Sunil Subramaniam
Managing Director

P. Sundararajan
Company Secretary

Lakshmi H
Chief Financial Officer

Note to the Financial Statements for the year ended 31st March 2020

1. Reporting Entity

Sundaram Asset Management Company Limited (the 'Company') is a public company domiciled in India, with its registered office situated at 21 Patullos Road, Chennai - 600002. The Company has been incorporated under the provisions of Indian Companies Act and is currently unlisted. The Company is a wholly owned subsidiary of Sundaram Finance Limited. The Company is engaged in rendering investment management services.

2. Basis of preparation

A. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the 'Act') and the relevant provisions of the Act.

The financial statements were authorized for issue by the Company's Board of Directors on 18th May 2020.

B. Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency.

C. Basis of measurement

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

Items	Measurement basis
Financial assets and liabilities	Fair value at initial recognition
Net defined benefit (asset) / liability	Present value of defined benefit obligation less fair value of plan assets

D. Current and non-current classification

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Ind AS 1 Presentation of Financial Statements.

Operating cycle:

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company's normal operating cycle is considered as 12 months for the purpose of current and non-current classification of assets and liabilities.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is expected to be realized within 12 months after the reporting date; and

d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the Company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is due to be settled within 12 months after the reporting date; and

d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months from the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

E. Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period, reported balances of assets and liabilities, and disclosure of contingent liabilities as at the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

F. Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

G. Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is required, the Company assesses the evidence obtained by the third parties to support the conclusions that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

In respect of financial guarantee obligations the company measures the fair value as the present value of the probability weighted cash flows that may arise under the guarantee (i.e the expected value of the liability)

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes.

3. Significant accounting policies

The note below provides a list of the significant accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a Property, plant and equipment

i Recognition and measurement

Items of property, plant and equipment are measured at cost of acquisition less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price including non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Items of property, plant and equipment are eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Losses arising from retirement or gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognized in the statement of profit and loss.

ii Subsequent expenditure

Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

iii Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using written down value method and is generally recognized in the statement of profit and loss. Expenditure incurred towards renovation, decoration, etc. in respect of leased office premises is capitalized under “Improvements to Rented Premises” and are depreciated over the shorter of the lease term and their useful lives.

Depreciation on property, plant and equipment is provided at rates prescribed in Schedule II to the Companies Act, 2013. Assets costing Rs.5000 or less acquired during the year are written down to Re.1.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate, prospectively.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

b Other intangible assets

i Recognition and measurement

Intangible assets acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortization and accumulated impairment losses, if any.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss.

ii Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

iii Amortization

Amortization is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortization in statement of profit and loss.

The estimated useful lives are as follows:

Asset	Estimate of useful life
Software	3 years

Amortization method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.

Intangible Assets under development

Development expenditure on new products is capitalized as intangible asset if all the following are demonstrated.

- Technical feasibility of completing the asset
- Intention to complete the asset
- The ability to use or sell the asset
- Probability that the intangible asset will generate future economic benefits

- Availability of the adequate technical, financial and other resources to complete the intangible asset
- The ability to measure reliably the expenditure attributable during the development stage

c. Employee benefits

i 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 recognized 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 amount of obligation can be estimated reliably.

ii Defined contribution plan – Provident Fund

Eligible employees receive benefits from the provident fund, which is a defined contribution plan. Both the employee and the Company make monthly contributions to the government administered provident fund plan equal to specified percentage of the covered employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions. Contributions to provident fund are charged to the statement of profit and loss on accrual basis.

iii Defined benefit plan - Gratuity

The Company provides gratuity, a defined benefit plan covering eligible employees. Contributions are made to a Gratuity Fund administered by trustees and managed by Life Insurance Corporation of India, The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that 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 costs and the fair value of any plan assets are deducted.

The calculation of defined benefit obligation is performed annually by an independent actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to 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 asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv Other long-term employee benefits – Compensated absences

The Company makes an annual contribution to a fund managed by Life Insurance Corporation of India. The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. Provision for long- term compensated absences is made on the basis of actuarial valuation as at the balance sheet date by an independent actuary using projected unit credit method. Actuarial gain or loss is recognized immediately in the statement of profit and loss.

v Share Based Payments

Employee Stock Options

The employees of the company are entitled to participate in the Employees Stock Option Scheme formulated by the Holding Company in accordance with SEBI Guidelines 1999. As per Ind AS 102, Share Based Payments, a parent that grants rights to its equity instruments directly to the employees of its subsidiary has the obligation to provide the employees of the subsidiary with the equity instruments. The subsidiary does not have an obligation to provide its parent's equity instruments to the subsidiary's employees. The subsidiary shall measure the services received from its employees in accordance with the requirements applicable to equity-settled share-based payment transactions, and recognise a corresponding increase in equity as a contribution from the parent. Accordingly, the company has recognized the employee compensation expense in its financial statements, with a corresponding increase to a separate reserve created for this purpose.

d. Revenue

Revenue from rendering of services is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services, is probable that the economic benefits associated with the transaction will flow to the company, and the amount of cost incurred, and the revenue can be measured reliably. An entity shall account for a contract with a customer that is within the scope of this Standard only when all the following criteria are met:

(a) the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations;

(b) the entity can identify each party's rights regarding the goods or services to be transferred;

(c) the entity can identify the payment terms for the goods or services to be transferred;

(d) the contract has commercial substance (ie the risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract); and

(e) it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer's ability and intention to pay that amount of consideration when it is due. The amount of consideration to which the entity will be entitled may be less than the price stated in the contract if the consideration is variable because the entity may offer the customer a price concession.

e. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are, measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in profit or loss account.

f. Provisions (other than for employee benefits)

A provision is recognized 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 (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

g. Income tax

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

i Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

iii Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, 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 they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously. MAT Credit Entitlement are in the form of unused tax credits and are accordingly grouped under Deferred Tax Assets.

iii Direct tax contingencies

In respect of the ongoing disputes if any the Company depending on probability of the uncertainty that the company will loose the subsequent appeals provides for the same by debiting the profit and loss account or discloses the same as a direct tax contingency

h. Financial instruments

i Recognition and initial measurement

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. Trade receivables are initially recognized when they are originated.

A financial asset or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- FVOCI - debt investment;
- FVOCI - equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets 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.
- A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Any gain or loss on derecognition is also recognized in profit or loss.

iii Derecognition

Financial assets

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

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

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

iv Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

i. Impairment

i Impairment of financial instruments

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost.

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 365 days or more;
- is probable that the borrower will enter bankruptcy or other financial reorganization;

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

j. Scheme expenses

New fund offer expenses are recognized in the profit or loss account in the year they are incurred. Brokerage expenses incurred are amortised as under:

Incurred towards	Amortized over a period of
Equity Linked Savings Scheme	36 Months
Open Ended Equity Schemes – SIP	36 Months
Open Ended Equity Schemes – Lumpsum	12 Months
Closed Ended Schemes	Over the Tenor of the Scheme

k. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of fund. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

l. Recognition of interest expense

Interest expense is recognized using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

m. Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held (if any). Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held and for the effects of all dilutive potential ordinary shares.

n. Cash flow statements

Cash flow statements are prepared under Indirect Method whereby profit or loss 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 items of income or expense associated with investing or financing cash flows.

o. Cash and cash equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks.

p. Events occurring after the balance sheet date

Assets and liabilities are adjusted for events occurring after the reporting period that provide additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

q. Leases

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.

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 judgement 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.

Company as a lessee

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course and vehicles taken on lease from holding company for its employees. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense. On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognized for amount equal to the lease liabilities. Hence, there is no adjustment to the Retained Earnings.

Company as a lessor

The Company accounted for its leases in accordance with Ind AS 116 from the date of initial application. The Company does not have any significant impact on account of sub-lease on the application of this standard.

Transition to Ind AS 116

Ministry of Corporate Affairs (“MCA”) through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases.

Company as a lessee

Operating leases

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right of use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Finance leases

The company did not have any leases that were classified as finance leases applying Ind AS 17.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

Notes forming part of the financial statements

for the period ended 31st March 2020

(Amount in ₹)

Note 2

Property, Plant and Equipment

Reconciliation of the gross carrying amounts and net carrying amounts at the beginning and at the end of the year

Particulars	Computers	Office equipments	Furniture and fixtures	Vehicles	Electrical Equipment	Improvements to rented premises	Total
Gross carrying value							
At April 1, 2018	**9 16 13 635**	**2 21 32 421**	**1 89 33 834**	**49 01 610**	**2 52 37 253**	**5 01 95 344**	**21 30 14 097**
Additions	75 35 993	16 33 010	4 79 255	48 843	20 06 134	76 82 392	1 93 85 627
Disposals	-	3 14 475	1 76 198	23 06 149	6 56 759	-	34 53 581
Other Adjustments	5 55 136	-	-	55 385	4 10 176	11 89 233	22 09 930
At March 31, 2019	**9 85 94 492**	**2 34 50 956**	**1 92 36 891**	**25 88 919**	**2 61 76 452**	**5 66 88 503**	**22 67 36 213**
At April 1, 2019	**9 85 94 492**	**2 34 50 956**	**1 92 36 891**	**25 88 919**	**2 61 76 452**	**5 66 88 503**	**22 67 36 213**
Additions	92 88 503	23 28 012	6 52 242	-	5 63 019	43 11 883	1 71 43 659
Disposals	9 44 982	71 459	2 91 100	-	9 14 961	-	22 22 502
Other Adjustments							-
At March 31, 2020	**10 69 38 013**	**2 57 07 509**	**1 95 98 033**	**25 88 919**	**2 58 24 510**	**6 10 00 386**	**24 16 57 370**
Accumulated depreciation							
At April 1, 2018	**7 79 90 099**	**1 98 18 575**	**1 63 49 505**	**26 17 108**	**1 85 35 192**	**2 78 22 136**	**16 31 32 615**
Depreciation expense	87 36 217	13 05 602	20 08 899	5 97 451	28 83 222	1 01 04 131	2 56 35 522
Disposals	-	2 88 462	1 74 451	19 02 281	5 39 798	-	29 04 992
Other Adjustments	3 48 816	-	-	43 550	1 23 121	4 62 480	9 77 967
At March 31, 2019	**8 63 77 500**	**2 08 35 715**	**1 81 83 953**	**12 68 727**	**2 07 55 495**	**3 74 63 788**	**18 48 85 178**
At April 1, 2019	**8 63 77 500**	**2 08 35 715**	**1 81 83 953**	**12 68 727**	**2 07 55 495**	**3 74 63 788**	**18 48 85 178**
Depreciation expense	82 77 552	15 94 231	8 77 543	4 03 095	18 23 906	1 17 11 243	2 46 87 570
Disposals	8 84 945	68 586	2 55 791	-	7 88 294	-	19 97 616
Other Adjustments							
At March 31, 2020	**9 37 70 107**	**2 23 61 360**	**1 88 05 705**	**16 71 822**	**2 17 91 107**	**4 91 75 031**	**20 75 75 131**
Net carrying value March 31, 2020	**1 31 67 906**	**33 46 149**	**7 92 328**	**9 17 097**	**40 33 403**	**1 18 25 355**	**3 40 82 239**
Net carrying value March 31, 2019	**1 22 16 992**	**26 15 241**	**10 52 938**	**13 20 192**	**54 20 957**	**1 92 24 715**	**4 18 51 036**

Note 3

Right-Of-Use Assets

Reconciliation of the gross carrying amounts and net carrying amounts at the beginning and at the end of the year (Amount in ₹)

Particulars	Buildings	Vehicles	Total
Gross carrying value			
At April 1, 2018	-	-	
Additions	-	-	-
Disposals	-	-	-
Other Adjustments	-	-	-
At March 31, 2019	**-**	**-**	**-**
At April 1, 2019	**-**	**-**	**-**
Additions	19 41 67 544	43 15 115	19 84 82 659
Disposals	-	-	-
Other Adjustments	-	-	-
At March 31, 2020	**19 41 67 544**	**43 15 115**	**19 84 82 659**
Accumulated depreciation			
At April 1, 2018	**-**	**-**	**-**
Depreciation expense	-	-	-
Disposals	-	-	-
Other Adjustments	-	-	-
At March 31, 2019	**-**	**-**	**-**
At April 1, 2019	**-**	**-**	**-**
Depreciation expense	4 97 77 673	20 18 226	5 17 95 899
Disposals	-	-	-
Other Adjustments	-	-	
At March 31, 2020	**4 97 77 673**	**20 18 226**	**5 17 95 899**
Net carrying value March 31, 2020	**14 43 89 871**	**22 96 889**	**14 66 86 760**
Net carrying value March 31, 2019	**-**	**-**	**-**

Note 4

Other Intangible Assets

Particulars	Computer Software	Total
Gross carrying value		
At April 1, 2018	**4 07 41 568**	**4 07 41 568**
Additions	6 00 000	
Disposals	-	-
Other Adjustments	96 81 975	
At March 31, 2019	**3 16 59 593**	**3 16 59 593**
At April 1, 2019	**3 16 59 593**	**3 16 59 593**
Additions	74 57 525	74 57 525
Disposals		
Other Adjustments		
At March 31, 2020	**3 91 17 118**	**3 91 17 118**
Accumulated depreciation		
At April 1, 2018	**3 54 27 434**	**3 54 27 434**
Depreciation expense	4 01 525	
Disposals	-	-
Other Adjustments	47 41 472	
At March 31, 2019	**3 10 87 487**	**3 10 87 487**
At April 1, 2019	**3 10 87 487**	**3 10 87 487**
Depreciation expense	5 29 260	5 29 260
Disposals	-	
Other Adjustments		
At March 31, 2020	**3 16 16 747**	**3 16 16 747**
Net carrying value March 31, 2020	**75 00 371**	**75 00 371**
Net carrying value March 31, 2019	**5 72 106**	**5 72 106**

Non-current assets

Note 5.Financial assets

5.1. Investments (Amount in ₹)

Particulars	Face value (fully paid up)	31-03-2020		31-03-2019	
		No. of shares / units	Cost	No. of shares / units	Cost
In Equity Instruments					
In Subisdiaries					
Unquoted					
Sundaram AMC Singapore Pte Ltd	1 SGD	58 55 001	27 81 03 020	58 55 001	27 81 03 020
Sundaram Alternate Assets Limited	Rs.10	3 90 00 000	39 00 00 000	3 90 00 000	39 00 00 000
			66 81 03 020		**66 81 03 020**
Others					
MF Utilities					
50000 equity shares	Rs.10	5 00 000	18 90 000	50 000	14 30 000
In Preference Shares					
In Subisdiary					
Unquoted					
Sundaram AMC Singapore Pte Ltd	1 SGD	2 60 000	1 30 82 586		1 30 79 066
			1 30 82 586		**1 30 79 066**
In Non-Convertible Debentures					
Unquoted					
Royal Sundaram Limited	Rs.500	10 00 000	53 28 46 749		-
			53 28 46 749		**-**
Total			**121 59 22 355**		**68 26 12 086**
Aggregate Value of Unquoted Investments			**121 59 22 355**		**68 26 12 086**
Aggregate amount of Impairment in Investments			**NIL**		**NIL**

Particulars	31-03-2020	31-03-2019
5.2. Loans		
Unsecured,considered good		
Staff Loans	19 56 863	29 71 930
	19 56 863	**29 71 930**
5.3. Other financial assets		
Security Deposits	2 04 84 061	1 42 63 926
Balance with Government Authorities	1 38 26 223	1 38 26 223
Fixed deposit with Bank	10 58 097	9 43 490
	3 53 68 381	**2 90 33 639**
Note 6. Other non current assets		
Advances other than Capital Advances		
Prepaid Expenses	34 59 56 690	71 21 86 842
	34 59 56 690	**71 21 86 842**

Current assets

Note 7. Financial assets

Note 7. 1. Investments

(Amount in ₹)

Particulars	31-03-2020		31-03-2019	
	No. of shares / units	Cost	No. of shares / units	Cost
In Mutual Funds				
Quoted				
Sundaram Money Fund - Growth Plan - Direct	5 29 404.92	2 21 66 131	4 51 984.26	8 79 85 625
Sundaram Income Plus-Growth	-	( )	-	-
Sundaram MIP(A)-Diect-Monthly Dividend	413.00	5 216	390.32	5 656
HDFC Liquid Fund - Growth - Direct	-	-	4.30	15 831
Invesco Liquid Fund - Growth - Direct	-	-	6.17	15 867
ICICI Liquid Fund - Growth - Direct	-	-	57.38	15 861
DHFL Pramerica Insta Cash Plus Fund	-	-	65.25	15 855
Canara Rebecco Liquid Fund - Growth - Direct	-	-	6.97	15 752
DSP Blackrock Liquidity Fund - Growth - Direct	-	-	5.93	15 859
Birlasunlife Cash Plus - Growth - Direct	-	-	52.99	15 920
IDFC Cash Fund - Growth - Direct	-	-	6.98	15 825
L&T Liquid Fund - Growth - Direct	-	-	6.19	15 860
Axis Liquid Fund - Growth - Direct	-	-	7.65	15 867
JM High Liquidity Fund - Growth - Direct	-	-	311.02	15 921
SBI Magnum Insta Cash Fund - Growth - Direct	-	-	3.84	16 013
Tata Liquid Fund - Growth - Direct	-	-	4.49	14 468
Edelweiss Liquid Fund - Growth - Direct	-	-	654.62	15 733
Reliance Liquid Fund - Growth - Direct	-	-	5.64	16 000
Kotak Liquid Scheme - Growth - Direct	-	-	4.18	15 830
LIC Nomura Liquid Scheme - Growth - Direct	-	-	4.68	15 843
IDBI Liquid Fund - Growth - Direct	-	-	7.91	15 846
Sundaram Global Advantage Fund - Growth Option	81 827.63	13 74 827	1 93 762.00	33 65 512
JM Core 11 Fund - Direct Plan	510.44	3 701	-	-
HDFC Top 100 Fund - Direct Plan	10.09	3 648	-	-
Quant Active Fund - Direct Plan	5.78	808	-	-
Axis Bluechip Fund - Direct Plan	153.56	4 346	-	-
Union Largecap Fund - Direct Plan	462.96	3 907	-	-
UTI Mastershare unit scheme Fund - Direct Plan	8.19	819	-	-
Baroda Multi Cap Fund - Direct Plan	49.23	4 051	-	-
Nippon India Large Cap Fund - Direct Plan	29.49	760	-	-
Edelweiss Large Cap Fund - Direct Plan	134.59	3 965	-	-
IDFC Focused Equity Fund - Direct Plan	129.60	4 099	-	-
Indiabulls Bluechip Fund - Direct Plan	44.78	808	-	-
DSP Equity Fund - Direct Plan	24.99	852	-	-
PGIM India Large Cap Fund - Direct Plan	27.75	3 970	-	-
BNP Paribas Large Cap Fund - Direct Plan	50.88	4 173	-	-
Kotak Emerging Equity Fund - Direct Plan	122.03	3 919	-	-
L&T Emerging Business Fund - Direct Plan	213.93	3 397	-	-
LIC MF Large & MidCap Fund - Direct Plan	315.38	4 056	-	-
Mirae Asset Large Cap Fund - Direct Plan	93.41	3 872	-	-
Essel Large Cap Equity Fund - Direct Plan	41.72	784	-	-
Invesco India Largecap Fund - Direct Plan	32.80	808	-	-
IDBI Diversified Equity Fund - Direct Plan	222.22	4 082	-	-
Taurus Discovery Midcap Fund - Direct Plan	118.34	4 292	-	-
ICICI Prudential Bluechip Fund - Direct Plan	23.28	787	-	-
Motilal Oswal Multicap 35 Fund - Direct Plan	37.99	783	-	-
Principal Emerging Blue Chip Fund - Direct Plan	46.97	4 102	-	-

Particulars	31-03-2020		31-03-2019	
	No. of shares / units	Cost	No. of shares / units	Cost
Aditya Birla Sun Life Frontline Equity Fund - Direct Plan	4.42	777	-	-
Mahindra Mutual Fund Badhat Yojana - Direct Plan	91.38	852	-	-
Parag Parikh Long Term Equity Fund - Direct Plan	38.64	845	-	-
Franklin India Focussed Equity Fund - Direct Plan	117.39	3 702	-	-
Canara Robeco Emerging Equities Fund - Direct Plan	52.14	4 218	-	-
Tata Banking & Financial Services Fund - Direct Plan	243.24	3 729	-	-
Sundaram Overnight Fund	53.84	57 194	-	-
Sundaram Arbitrage Fund - Direct Growth	2 19 600.00	2 02 19 600	-	-
Sundaram Ultra Short Term Fund	1 56 86 589.08	16 54 80 966	-	-
Sundaram Alternative Investment Opp Fund - Nano Cap Sr 1	90.42	44 48 564	90.42	88 92 721
Sundaram Alternative Investment Opp Fund - Nano Cap Sr 2	93.87	37 33 675	93.87	84 18 723
Sundaram Alternative Investment Opp Fund - Nano Cap Sr 3	1.56	64 417	1.56	1 42 159
		21 76 35 502		**10 90 94 545**
Aggregate Value of Quoted Investments		**21 76 35 502**		**10 90 94 545**
Market Value of Quoted Investments		**21 76 35 502**		**10 90 94 545**

Current assets

Note 7.2. Trade Receivables (Amount in ₹)

Particulars	31-03-2020	31-03-2019
Unsecured, Considered good		
- Outstanding for a period exceeding six months from the date they were due for payment		
- **Others**	**6 79 40 624**	**12 99 04 234**
Less: Allowance for doubtful debts	-	-
	6 79 40 624	12 99 04 234
Note 7.3. Cash and cash equivalents		
a. Balances with banks:		
- In current accounts	1 17 72 636	2 17 67 789
- In fixed deposit accounts	-	2 75 00 000
b. Cash on hand	9 01 094	1 20 805
	1 26 73 730	**4 93 88 594**
Note 7.4. Loans		
Unsecured,considered good		
Staff Loans	59 01 313	20 59 085
	59 01 313	**20 59 085**
Note 7.5. Others Financial Assets		
Security Deposits	21 28 710	58 84 273
Amount receivable from subsidiary company	19 90 064	1 19 37 346
Others	18 82 607	2 06 49 661
	60 01 380	3 84 71 279
Note 8. Current Tax Assets		
Tax Payment Pending Adjustments (Net)	39 48 29 746	34 87 74 571
	39 48 29 746	34 87 74 571
Note 9. Others Current Assets		
Advances other than Capital Advances		
Prepaid expenses	34 93 15 884	65 08 81 293
Advance for Expenses	35 31 293	64 095
Employee Advance	( )	1 20 209
Others		
Balance with Gratuity Fund	-	903
	35 28 47 176	**65 10 66 500**

Note 10 - Share Capital

(Amount in ₹)

Particulars	31-03-2020	31-03-2019
Authorised, Issued, Subscribed and Paid up Share capital		
Authorised:		
4,00,00,000 Equity Shares of ₹ 10/- each	40 00 00 000	40 00 00 000
Issued & Subscribed & Paid-up:		
2,00,00,000 Equity Shares of ₹ 10/- each	20 00 00 000	20 00 00 000
Total	**20 00 00 000**	**20 00 00 000**

Name of the shareholder	31-03-2020		31-03-2019	
	Number of shares held in the company	Percentage of shares held	Number of shares held in the company	Percentage of shares held
Sundaram Finance Limited - Holding Company	**2 00 00 000**	**100.00%**	**2 00 00 000**	**100.00%**

Rights, preferences and restrictions in respect of equity shares

The Equity share holders are entitled to receive dividends as and when declared; a right to vote in proportion to holding etc. and their rights, preferences and restrictions are governed by / in terms of their issue under the provisions of the Companies Act, 2013.

Note 11 - Other equity

(Amount in ₹)

Particulars	31-03-2020	31-03-2019
I. Reserves and Surplus		
A) Securities Premium		
Amounts received (on issue of shares) in excess of the par value has been classified as securities premium.		
Opening balance	31 20 29 769	31 20 29 769
Add: Securities premium received during the year		
Closing balance	**31 20 29 769**	**31 20 29 769**
B) General Reserve		
Opening balance	12 62 68 158	12 62 68 158
Adjustments	-	-
Closing Balance	**12 62 68 158**	**12 62 68 158**
C) Capital Reserve		
Opening balance	2 12 517	-
Add: On account of demerger of PMS and AIF undertakings during the year	-	2 12 517
Closing Balance	**2 12 517**	**2 12 517**
D) Employee Stock Options Reserve		
Opening balance	83 16 000	45 26 000
Adjustments	23 32 663	37 90 000
Closing Balance	**1 06 48 663**	**83 16 000**
E) Retained Earnings		
Opening balance	141 23 39 467	131 01 69 380
Appropriations:		
Dividend paid	(15 00 00 000)	(8 00 00 000)
Dividend Distribution Tax paid	(3 08 32 838)	(1 64 44 180)
	(18 08 32 838)	**(9 64 44 180)**
Total Profit for the period	25 37 25 640	19 86 14 267
Closing Balance	**148 52 32 269**	**141 23 39 467**
II. Other items of other comprehensive income		
Opening balance	(35 96 000)	(10 55 059)
Other items of other comprehensive income consist of re-measurement of net defined liability/asset.	(63 31 589)	(25 40 941)
Closing Balance	**(99 27 590)**	**(35 96 000)**
TOTAL	**192 44 63 786**	**185 55 69 911**

Note 12. Financial liabilities

Non-current liabilities

(Amount in ₹)

Particulars	31-03-2020	31-03-2019
Borrowings-Secured		
Term Loans		
From Banks		
Unsecured		
Axis Bank Limited	3 22 91 668	6 97 91 668
Repayment Terms		
Payable in 25 monthly instalments commencing from April 2020; 12 monthly instalments commencing from April 2020 under Current Maturities of Long Term Loans		
Rate of Interest - 8.20%		
Period and amount of continuing default - NIL		
Redeemable Cumulative Non-convertible Preference Shares		
Unsecured		
From Related Parties		
Sundaram Finance Holdings Limited	15 00 00 000	15 00 00 000
(Face Value - Rs.100/- each)		
Redeemable in 4 years		
Rate of Dividend : 6.75%		
Period and amount of continuing default - NIL		
	18 22 91 667	**21 97 91 668**

(Amount in ₹)

Particulars	31-03-2020	31-03-2019
Note 13. Lease Liabilities		
Buildings	10 42 93 662	-
Vehicles	5 42 904	-
	10 48 36 566	**-**
Note 14. Provisions		
Provision for Employee Benefits		
Gratuity Payable (Net)*	1 31 97 744	-
Compensated Absences	80 24 740	47 66 345
	2 12 22 484	**47 66 345**
Note 15. Deferred Tax Liabilities (Net)		
Deferred Tax Liabilities	10 83 87 570	19 42 75 996
	10 83 87 570	**19 42 75 996**
Note 16. Lease Liabilities		
Buildings	5 01 29 248	-
Vehicles	16 37 889	-
	5 17 67 137	**-**
Note 17.1. 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	10 12 16 352	7 84 00 319
	10 12 16 352	**7 84 00 319**
Note 17.2. Other financial liabilities		
Current maturities of long term loans	3 75 00 000	10 52 79 250
Interest accrued and not due on borrowings	5 09 414	14 40 104
Preference Dividend Payable	16 08 904	16 08 904
	3 96 18 318	**10 83 28 258**
Note 18. Other current liabilities		
Statutory dues	2 91 20 900	4 79 73 498
	2 91 20 900	**4 79 73 498**
Note 19. Provisions		
Provision for employee benefits	8 23 78 349	8 88 80 454
	8 23 78 349	**8 88 80 454**

Note 19a. Income tax

(Amount in ₹)

Income tax expense in the statement of profit and loss consists of:

Particulars	31-03-2020	31-03-2019
Current income tax:		
In respect of the current year	17 26 36 150	11 39 89 268
In respect of the previous years		
Deferred tax:		
In respect of the current year	(8 58 88 425)	31 01 399
Income tax expense recognised in the statement of profit or loss:	**8 67 47 725**	**11 70 90 667**
Income tax recognised in other comprehensive income		
Current tax arising on income and expense recognised in other comprehensive income	(21 29 483)	6 68 476
Deferred tax arising on income and expense recognised in other comprehensive income	NIL	NIL
Total	**(21 29 483)**	**6 68 476**

The reconciliation between the provision for income tax of the Company and amounts computed by applying the Indian statutory income tax rates to profit before taxes is as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Profit before tax	34 26 02 847	31 57 04 933
Enacted income tax rate in India	25.168%	34.944%
Computed expected tax expenses	**8 62 26 285**	**11 03 19 932**

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount	Tax impact	Amount	Tax impact
Effect of:				
Expenses that are not deductible in determining taxable profit	1 87 90 989	47 29 316	1 41 75 000	49 53 312
Income considered under other heads	(25 91 419)	(6 52 208)	20 54 610	7 17 963
Due to change in tax rates	-		1 18 77 053	41 50 317
Due to other disallowance/(allowance) under Income Tax Act	(1 41 27 731)	(35 55 667)	(68 17 712)	(23 82 381)
Income tax expenses recognized in the Statement of Profit and Loss		**8 67 47 725**		**11 77 59 143**

Calculation of Applicable Tax Rate:

Particulars	As at March 31,2020	As at March 31,2019
Basic tax rate	22.000	30.000
Surcharge @ 14%	2.200	3.600
Aggregate of tax and surcharge	24.200	33.600
Cess @ 4% on tax and Surcharge	0.968	1.344
Tax Rate applicable	**25.168**	**34.944**

(Amount in ₹)

Deferred tax assets / (liabilities) as at March 31,2020			
Particulars	**As at April 1, 2019**	**Income recognized in Statement of Profit and Loss**	**As at March 31, 2020**
Property, Plant and Equipment	2 30 132	18 75 994	21 06 127
Fair Valuation of Investments	9 49 097	16 25 608	25 74 705
Rent Deposit	51 850	24 355	76 204
Upfront Brokerage	(19 55 07 075)	7 99 31 596	(11 55 75 478)
Leases	-	24 30 871	24 30 871
Total	**(19 42 75 996)**	**8 58 88 425**	**(10 83 87 571)**

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Note 20. Revenue From Operations		
Sale of Services		
Investment Management Fees - Mutual Fund	213 22 29 660	266 72 06 470
Income from Support Services	2 34 00 000	2 34 00 000
	215 56 29 660	**269 06 06 471**
Note 21. Other Income		
(A) Income from investments		
Profit on Sale of Investments	74 11 127	-
Dividends from Mutual Funds	218	316
Dividends from Equity Shares	1 77 16 062	1 02 21 661
Dividends from Preference Shares	2 47 707	1 86 254
	2 53 75 114	**1 04 08 231**
(B) Others		
Interest income	5 08 999	3 82 550
Interest on Non Convertible Debentures	2 72 88 434	-
Interest on Income Tax Refund	1 88 48 126	
Interest on security deposits	19 97 464	16 40 244
Modification Gain on Rent Deposits	29 687	
Profit on Sale of Assets	-	96 985
Provision no longer required written back	-	33 346
Gain on exchange fluctuation	-	6 96 527
Miscellaneous Receipts	65 61 845	4 80 677
	5 52 34 555	**33 30 329**
	8 06 09 669	**1 37 38 560**
Note 22. Employee Benefits Expense		
Salaries, allowances and bonus	51 76 87 677	49 42 69 935
Company's contribution to Provident Fund, NPS, ESI Scheme	2 68 92 689	2 54 08 755
Provision for Gratuity & Leave Encashment	1 44 75 020	1 99 34 938
Expense on Employee Stock Option Scheme	23 32 663	37 90 000
Staff Welfare Expenses	1 38 37 281	1 51 61 409
	57 52 25 330	**55 85 65 037**

(Amount in ₹)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Note 23. Administrative & Other Expenses		
Rent	90 92 986	6 52 33 921
Loss on Fair Valuation of Investments	64 59 029	27 16 051
Loss on Sale of Investments	-	12 26 638
Outsourcing Cost	7 28 17 853	6 90 10 204
Subscription	3 99 59 723	3 80 32 624
Fund Accounting Charges	3 19 63 667	3 18 08 551
Electricity Charges	91 77 287	90 02 115
Communication Expenses	3 61 37 896	4 26 59 724
Professional and Consultancy Fees	1 90 45 709	5 03 03 601
Travelling and Conveyance	2 82 08 148	3 01 29 060
Database and Networking Expenses	2 29 61 623	3 01 58 131
Business Development Expenses	4 51 00 951	4 53 06 806
Repairs and Maintenance		
- Building	40 04 838	36 57 015
- Others	1 31 70 505	1 56 26 156
Printing & Stationery	69 60 408	83 03 084
Insurance	58 33 991	49 67 703
Rates and Taxes	22 97 665	13 05 223
Director's Sitting Fees and Commission	20 00 000	18 20 000
Corporate Social Responsibility	60 00 000	81 00 000
Loss on Sale of Asset	18 402	-
Loss on exchange fluctuation	6 32 182	-
Investment Advisory Fees	2 95 163	85 15 807
Miscellaneous expenses*	4 30 24 284	4 25 87 241
	40 51 62 309	**51 04 69 656**
***Miscellaneous Expenses includes remuneration to auditors:**		
Statutory Audit	10 62 500	8 50 000
Tax Audit	4 40 000	3 40 000
Other Services	8 22 500	2 41 000
Total	**23 25 000**	**14 31 000**
Note 24. Brokerage & Fund Expenses		
Registrar and Transfer Agent Fees	45 28 474	13 67 16 421
Brokerage Expenses - Mutual Fund	59 67 87 431	86 30 73 864
Marketing & Other Expenses	19 14 40 698	24 55 27 685
	79 27 56 603	**124 53 17 970**
Note 25. Finance Costs		
Interest Expense	1 14 25 706	3 60 44 164
Interest Expense on Lease Liabilities	1 98 47 580	-
Dividend on Redeemable Preference Shares	1 22 06 224	1 22 06 224
	4 34 79 510	**4 82 50 388**
Note 26. Other Comprehensive Income		
A. Items that will not be reclassified to profit or loss		
Remeasurements of Defined Benefit plan		
Acturial gain/(loss) on obligations	(84 61 072)	(18 72 465)
Less: Tax on above	21 29 483	(6 68 476)
	(63 31 589)	**(25 40 941)**

Note 27: Capital Management

(Amount in ₹)

The Company manages its capital to ensure that it will be able to continue as going concerns while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The Company's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence to sustain future development of the business.

The capital structure of the Company consists of debt and total equity of the Company as tabled below:

Particulars	As at	
	March 31, 2020	March 31, 2019
Total equity attributable to equity share holders of the Company	212 44 63 786	205 55 69 911
Current borrowings	3 96 18 318	10 83 28 258
Non-current borrowings	18 22 91 667	21 97 91 668
Total debt held by the Company	**22 19 09 985**	**32 81 19 926**
Total capital (Equity and Debt)	**234 63 73 771**	**238 36 89 837**
Equity as a percentage of total capital	91%	86%
Debt as a percentage of total capital	9%	14%

The Company is predominantly equity financed which is evident from the capital structure table above. The Company's risk management committee reviews the capital structure of the Company on an ongoing basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital.

Note No 28: Financial Risk Management

The Company is exposed to a variety of financial risks; credit risk, liquidity risk and market risk,viz; foreign currency risk and interest rate risk. The Company has a risk management policy to manage & mitigate these risks.

The Company's risk management policy aims to reduce volatility in financial statements and aims to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Board of Directors reviews and agrees policies for managing each of these risks as summarized below:

Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to the financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investment securities.

Financial instruments that potentially subject the Company to concentration of credit risk consists of trade receivables, investments, loans, cash and cash equivalents and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. By their nature, all such financial assets involve risks, including the credit risk of non-performance by counterparties.

The Company periodically assesses the credit quality of the counterparties by taking into account their financial position, past experience, ageing of accounts receivables and any other factor determined by individual characteristic of the counterparty.

The maximum amount of exposure to credit was as follows:

Particulars	Balance as at March 31, 2020	Balance as at March 31, 2019
Investments	143 35 57 857	79 17 06 631
Trade receivables	6 79 40 624	12 99 04 234
Cash and cash equivalents	1 26 73 730	4 93 88 594
Loans	78 58 176	50 31 015
Other financial assets	4 13 69 761	6 75 04 919
TOTAL	**156 34 00 148**	**104 35 35 393**

Liquidity Risk:

Liquidity risk is the risk that the Company will not be able to encounter its financial obligations associated with financial liabilities as they become due. The Company manages its liquidity risk by ensuring, as far as possible, to maintain sufficient liquid funds to meet its liabilities on the due date. The Company consistently generates sufficient cash flows from operations (with adequate reserves) and has access to multiple sources of funding (banking facilities and loans from promoter company) to meet the financial obligations and maintain adequate liquidity for use.

The processes and policies related to such risks are overseen by Senior Management.

(Amount in ₹)

Maturity profile of the Company’s non-derivative financial liabilities based on contractual payments is as below:

Particulars	Year 1 (Current)	1 - 2 years	2 years and above	Total
As at March 31, 2020				
Borrowings	3 75 00 000	3 22 91 667	15 00 00 000	21 97 91 667
Trade Payables	10 12 16 352			10 12 16 352
Lease Liabilities	5 17 67 137	9 29 81 713	6 10 87 214	20 58 36 064
Other financial liabilities	21 18 318			21 18 318
As at March 31, 2019				
Borrowings	10 52 79 250	6 97 91 667	15 00 00 000	32 50 70 917
Trade Payables	7 84 00 319			7 84 00 319
Other financial liabilities	30 49 008			30 49 008

Market risk:

(Amount in ₹)

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. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company’s exposure to market risk is primarily on account of foreign currency exchange rate risk.

Foreign Currency Risk:

The fluctuation in foreign currency exchange rates may have potential impact on the Statement of Profit or 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 of the Company.

The Company's exchange risk arises its exposure to foreign currency assets and liabilities (primarily in SGD and AED). The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future.

The Company periodically determines its strategy to mitigate foreign currency risk. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The maximum amount of exposure to foreign currency risk is as follows:

Particulars	Balance as at March 31, 2020	Balance as at March 31, 2019
Investments		
In Singapore Dollars	29 11 85 606	29 11 82 086
Rent Deposits		
In Emirati Dirham	83 408	50 651
Trade Receivables		
In Unites States Dollars	-	5 53 045
Non-Current Fixed Deposits		
In Emirati Dirham		
Cash and Cash Equivalents	10 58 097	9 43 490
In Emirati Dirham	4 18 811	2 48 971
	29 27 45 922	29 29 78 243
Lease Liabilities		
In Emirati Dirham	36 68 396	-
	36 68 396	**-**

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 arises on Company's debt obligations. The Company's borrowings are primarily at fixed rate of interest, which do not expose it to significant interest rate risk

Note 29: Financial Instruments

(Amount in ₹)

The carrying value and fair value of financial instruments by categories as at March 31, 2020 and March 31, 2019 is as follows:

Particulars	Balance as at March 31, 2020	Balance as at March 31, 2019
Financial Assets		
Amortized Cost		
Trade and other receivables	6 79 40 624	12 99 04 234
Cash and cash equivalents	1 26 73 730	4 93 88 594
Loans	78 58 176	50 31 015
Others financial assets	4 13 69 761	6 75 04 919
Investments in Preference Shares of Sundaram Singapore Pte Limited	1 30 82 586	1 30 79 066
Investments in Non-Convertible Debentures of Royal Sundaram General Insurance Company Limited	53 28 46 749	
Fair Value through profit and loss		
Investments in Mutual Funds	21 76 35 502	10 90 94 545
Investments in MF Utilities India Private Limited	18 90 000	14 30 000
At Cost		
Investments in subsidiaries, associates and joint ventures	66 81 03 020	66 81 03 020
TOTAL ASSETS	**156 34 00 148**	**104 35 35 393**
Financial Liabilities		
Amortized Cost		
Borrowings	18 22 91 667	21 97 91 668
Lease Liabilities	15 66 03 703	-
Trade Payables	10 12 16 352	7 84 00 319
Other financial liabilities	3 96 18 318	10 83 28 258
TOTAL LIABILITIES	**47 97 30 040**	**40 65 20 245**

Notes:

The Management assessed the fair value of cash and short-term deposits, trade receivables and trade payables, book overdrafts, and other current financial assets and liabilities as approximately equal to the carrying amounts largely due to the short-term maturities of these instruments

Investments in Mutual Funds has been valued using the Net Asset Value (NAV) of the investee which falls under Level I hierarchy of inputs used in valuation techniques.Investments in MF Utilities Private Limited has been valued using the financial statements of the investee which falls under Level II hierarchy of inputs used in valuation techniques.

Security Deposits receivable have been valued using the unobservable inputs which falls under Level III hierarchy of valuation techniques

Investments in Preference Shares of Sundaram Asset Management Singapore Pte Limited has been valued using indicative corporate borrowing interest rate which falls under Level II hierarchy of inputs used in valuation techniques. Investments in Non-Convertible Debentures of Royal Sundaram General Insurance Company Limited has been valued using Internal Rate of Return which falls under Level III hierarchy of inputs used in valuation techniques. Lease Liabilities have been valued using incremental borrowing rate which falls under Level II hierarchy of valuation techniques.

Note No 30: Corporate Social Responsibility (CSR) Expenditure

(a) Gross amount required to be spent by the company during the year: ₹ 89,48,967

(b) Amount spent during the year on:

Particulars	Amount spent during the year	Amount to be spent	Total
(i) Construction/acquisition of any Asset	NIL	NIL	NIL
(ii) On purposes other than (i) above	60 00 000	30 00 000	90 00 000

The Company has spent a sum of Rs.5,00,000 by way of contribution to the Prime Minister CARES Fund on 3rd April 2020 and Rs.25,00,000 by way of contribution to the Chief Minister's Relief Fund on 2nd April 2020.

Note 31: Disclosure of provisions and contingencies as per Ind AS - 37

PARTICULARS	Provision for leave encashment	Provision for Gratuity
Opening Balance as at 1st April 2018	**97 47 884**	**22 34 606**
Additional provision created during the year	1 06 43 750	1 03 00 605
Reversal / Payments during the year	1 56 25 289	1 25 36 114
Closing Balance as at 31st March 2019	**47 66 345**	**(903)**
Opening Balance as at 1st April 2019	**47 66 345**	**(903)**
Additional provision created during the year	80 58 395	1 31 98 647
Reversal / Payments during the year	48 00 000	NIL
Closing Balance as at 31st March 2020	**80 24 740**	**1 31 97 744**

Note 32: Employee Benefits

(Amount in ₹)

Defined Contribution Plans:

During the year, the company has recognized the following amounts in the Profit and Loss Statement, which are included in Employee benefits expenses.

Particulars		2019-20	2018-19
Contribution to Superannuation Fund	₹		-
Contribution to Pension Fund	₹	48 89 630	48 56 394
Contribution to Employees State Insurance - ESI	₹	2 01 337	1 48 933
Contribution to Provident Fund	₹	1 65 91 160	1 64 33 195
		2 16 82 127	**2 14 38 523**

Defined Benefit Plans:

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
1) Amount Recognised in Balance Sheet:		
The Total Amount of net liability/asset to be recorded in the balance sheet of the Company, along with the comparative figures for pervious period, is shown in the below table:		
Present Value of the funded defined benefit obligation	8 03 66 972	6 58 38 803
Fair Value of plan assets	6 71 69 228	6 58 39 706
Net funded obligation	1 31 97 744	(903)
Present value of unfunded defined benefit obligation	-	-
Amount not recogonised due to asset limit	-	-
Net defined benefit liability/ (asset) recogonised in balance sheet	1 31 97 744	(903)
Net defined benefit liability/ (asset) bifurcated as follows: Current	-	
Non-Current	1 31 97 744	(903)
2) Profit & Loss Account Expense:	**Year ended 31.03.2020**	**Year ended 31.03.2019**
The expenses charged to the profit & loss account for period along with the corresponding charge of the previsous period is presented in th table below:		
Current Service cost	71 85 164	71 94 058
Past service cost	-	-
Administration expenses	-	-
Interest on net defined benefit liability / (asset) (Gains) / Losses on settlement	(1 54 539)	(5 65 723)
Total expense charged to profit and loss account	**70 30 625**	**66 28 335**
Amount recorded in other Comprehensive Income: The total amount of reimbursement items and impact of liabilities assumed or settled if any, which is recorded immediately in Other Comprehensive Income during the period is shown in the table below:		
Opening amount recogonized in OCI outside profit and loss account	29 68 189	10 95 724
Remeasurements during the period due to Changes in financial assumptions	37 55 516	2 83 042
Changes on demogarphic assumptions	-	(6 489)
Experience adjustments	52 73 216	19 47 335
Actual return on plan assets less interest on plan assets	(5 67 660)	(3 51 423)
Adjustment to recogonize the effect os asset ceiling	-	-
Closing amount recognized in OCI outside profit and loss account	**1 14 29 261**	**29 68 189**

(Amount in ₹)

3) Reconciliation of Net Liability / Asset:	Year ended 31.03.2020	Year ended 31.03.2019
The movement of net liability / asset from the beginning to the end of the accounting period as recognized in the balance sheet of the company is shown below:		
Opening net defined benefit liability / (asset)	(20 60 518)	20 34 491
Expenses charged to profit & loss account	70 30 625	66 28 335
Amount recogonized outside profit & loss account	84 61 072	18 72 465
Employer contributions	(2 33 435)	(1 25 36 114)
Impact of liabilityassumed or (settled)*	-	(59 695)
Closing net defined benefit liability / (asset)	**1 31 97 744**	**(20 60 518)**
Movement in Benefit Obligations: A reconciliation of the benefit obligation during the inter-valuation period is given below:		
Opening of defined benefit obligation	6 37 79 188	6 17 69 707
Current service cost	71 85 164	71 94 058
Past service cost	-	-
Interest on defined benefit obligation	43 65 219	41 29 683
Remeasurements due to:		
Acturial loss / (gain) arising from change in financial assumptions	37 55 516	2 83 042
Acturial loss / (gain) arising from change in demographic assumptions	-	(6 489)
Acturial loss / (gain) arising on account of experience changes	52 73 218	19 47 335
Benefits paid	(15 51 923)	(32 22 115)
Liabilities assumed/ (settled)	(24 39 408)	(83 16 033)
Liabilities extinguished on settlements	-	-
Closing of defined benefit obligation	**8 03 66 974**	**6 37 79 188**
4) Movement in Plan Assets:	**Year ended 31.03.2020**	**Year ended 31.03.2019**
The fair value of the assets as at the balance sheet date has been estimated by us based on the latest date for which a certified value of assets is readily available and the cash flow information to and form the fund between this date and the balance sheet date allowing for estimated interest for the period:		
A reconciliation of the plan assets during the inter-valuation period is given below:		
Opening fair value of plan assets	6 58 39 706	5 97 35 216
Employer contributions	2 33 435	1 25 36 114
Interest on plan assets	45 19 758	46 95 406
Administration expenses	-	-
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	5 67 660	3 51 423
Benefits paid	(15 51 923)	(32 22 115)
Assets acquired / (settled)*	(24 39 408)	(82 56 338)
Assets distributed on settlements	-	-
Closing fair value of plan assets	**6 71 69 228**	**6 58 39 706**
Movement in Asset Ceiling:		
A reconciliation of the asset ceiling during the inter-valuation perios is given below:		
Opening value of asset ceiling	-	-
Interest on opening balance of asset ceiling	-	-
Remeasurements due to:	-	
Change in surplus/deficit	-	-
Closing value of asset ceiling	**-**	**-**

(Amount in ₹)

5) Disaggregation of Plan Assets:	Year ended 31.03.2020	Year ended 31.03.2020	Year ended 31.03.2020	Year ended 31.03.2019	Year ended 31.03.2019	Year ended 31.03.2019
	Quoted Value	Unquoted value	Total	Quoted Value	Unquoted value	Total
A split of plans asset between various asset classes as well as segregation between quoted and unquoted values is presented below:						
Property	-	-	-	-	-	-
Government debt instruments	-	-	-	-	-	-
Other debt instruments	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-
Insurer managed funds	-	6 71 69 228	6 71 69 228	-	6 58 39 706	6 58 39 706
Others	-	-	-	-	-	-
Grand Total	**-**	**6 71 69 228**	**6 71 69 228**	**-**	**6 58 39 706**	**6 58 39 706**

6) Key Actuarial Assumptions:	Year ended 31.03.2020	Year ended 31.03.2019
The Key acturial assumptions adopted for the purposs of this valuation are given below:		
a) Discount rate (p.a.)		
b) Salary escalation rate (p.a.)	6.95%	7.50%
	7.00%	7.00%
c) Retirement Age: The employees of the company are assumed to retire at the age of 58 years.		
d) Mortality: Published rates under the Indian Assured Lives Mortality (2012-14) Ut table.		
Rates of Indian Assured Lives Mortality table at specimen ages are as shown below:	**Age (years)**	**Rates (p.a.)**
	18	0.000874
	23	0.000936
	28	0.000942
	33	0.001086
	38	0.001453
	43	0.002144
	48	0.003536
	53	0.006174
	58	0.009651
e) Leaving Service:		
Rates of leaving service at specimen ages are as shown below:	**Age (years)**	**Rates (p.a.)**
	21-30	10%
	31-40	5%
	41-50	3%
	51-57	2%
f) Disability: Leaving service due to disability is included in the provision made for all caused of leaving serivce (paragraph (e) above).		

7) Sensitivity Analysis	Year ended 31.03.2020		Year ended 31.03.2019	
	Discount Rate	Salary Escalation Rate	Discount Rate	Salary Escalation Rate
Gratuity is a lump sum plan and the cost of providing these benefits is typicallyless sensitive to small changes in demographic assumptions. The Key acturial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the change in defined benefit obligation and impact in percentage terms compared with the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.				
Defined benefit Obligation on increase in 50bps	7,69,40,372	8,40,40,156	6,10,41,844	6,67,30,431
Impact of increase in 50bps on DBO	-4.26%	4.57%	-4.29%	4.63%
Defined benefit obligation on decrease in 50bps	8,40,59,768	7,69,26,425	6,67,30,431	6,10,17,095
Impact of decrease in 50bps on DBO	4.59%	-4.28%	4.63%	-4.33%
The sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no 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.				

Disclosures in accordance with Ind AS 102 - Share based Payments

As per Ind AS 102, Share Based Payments, a parent that grants rights to its equity instruments directly to the employees of its subsidiary has the obligation to provide the employees of the subsidiary with the equity instruments. The subsidiary does not have an obligation to provide its parent's equity instruments to the subsidiary's employees. The subsidiary shall measure the services received from its employees in accordance with the requirements applicable to equity-settled share-based payment transactions, and recognise a corresponding increase in equity as a contribution from the parent. Accordingly, the company has recognized the employee compensation expense in its financial statements, with a corresponding increase to a separate reserve created for this purpose. The company has recognised employee compensation expense of Rs.23,32,663 during the year with corresponding increase to Employee Stock Options Reserve.

Note No.33 - Disclosures in accordance with Ind AS 24 - Related Parties

Details of Related Parties Transactions for the year ended 31.03.2020

Holding Company	Sundaram Finance Limited
Subsidiary Companies	Sundaram Asset Management Singapore Pte Limited
	Sundaram Alternate Assets Limited
Associates	Sundaram Mutual Fund
Fellow Subsidiaries/Associates	Sundaram Home Finance Limited. (formerly known as - Sundaram BNP Paribas Home Finance Limited)
	Sundaram Trustee Company Limited.
	LGF Services Limited.
	Sundaram Fund Services Limited. (formerly known as - Sundaram BNP Paribas Fund Services Limited)
	Sundaram BPO India Limited
	Royal Sundaram General Insurance Company Limited
	Sundaram Finance Holdings Ltd. (formerly known as - Sundaram Finance Investment Limited)
Associates of Fellow Subsidiaries	Flometallic India Private Ltd.
	The Dunes Oman LLC (FZC)
	Sundaram Hydraulics Ltd.
	Axles India Ltd.
	Turbo Energy Private Ltd.
	Transenergy Ltd.
	Sundaram Dynacast Private Ltd.
Key Management Personnel	Mr. Sunil Subramaniam – Managing Director
	Mr. P. Sundararajan – Company Secretary
	Mrs. H.Lakshmi – Chief Financial Officer
Directors	Mr. Pratip Chaudhuri (relinquished directorship on 17th February 2020)
	Mr. T T Srinivasaraghavan
	Mr. Arvind Sethi
	Mr. Harsha Viji
	Mr. K N Sivasubramaniam
	Mr. Rishikesha T Krishnan (relinquished directorship on 15th November 2019)
	Mr. Rahguttama Rao
Post Employment Benefit Plans	Sundaram Asset Management Company Limited Employees Group Gratuity Fund

Transactions with related parties were made on terms equivalent to those that prevail in an arm's length transactions..

(Amt in ₹)

Particulars	Holding Company		Fellow/Subsidiaries/Associates		Key Management Personnel	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
INCOME						
Investment Management and Advisory Fees						
Sundaram Mutual Fund			207 91 11 706	255 39 44 747		
(Grouped under Note 20 – Revenue from Operations)						
Service Income						
Sundaram Trustee Company Limited Sundaram Alternate Assets Limited **(Grouped under Note 20 – Revenue from Operations)**			18 00 000 2 16 00 000	18 00 000 2 16 00 000		
Total	**-**	**-**	**210 25 11 706**	**257 73 44 747**	**-**	**-**
Other Income						
Rental Income						
Sundaram Alternate Assets Limited **(Grouped under Note 21 – Other Income)**			12 00 000	12 00 000		
Interest from NCD - Royal Sundaram						
Royal Sundaram Insurance Company **(Grouped under Note 21 – Other Income)**			2 72 88 434	-		
Dividend Income From Preference Shares						
Sundarm Singapore Pte. Ltd.			2 47 707	1 86 254		
Dividend Income From Equity Shares						
Sundarm Singapore Pte. Ltd. **(Grouped under Note 21 – Other Income)**			1 77 16 280	1 02 21 661		
Total	**-**	**-**	**4 64 52 420**	**1 16 07 915**	**-**	**-**
Expense						
Rent And Office Maintenance						
Sundaram Finance Limited	2 33 20 332	2 19 38 861				
Mutual Fund Brokerage						
Sundaram Finance Limited	-	8 37 43 584				
Vehicle Lease Rental						
Sundaram Finance Limited	25 65 833	28 37 060				
Insurance						
Royal Sundaram General Insurance Co. Ltd **(Grouped under Note 23 - Administrative Expenses – Insurance)**			4 93 567	3 66 753		
Remuneration						
Key Personnel of the Company						
Mr. Sunil Subramaniam – Managing Director					2 98 45 000	3 25 57 000
Payroll processing and AMC Accounting Charges, Call Centre Charges						
Sundaram Finance Holdings Limited **(Grouped under Note 23 - Administrative Expenses – Miscellaneous Expenses)**			2 34 75 502	3 07 65 629		
Fund Accounting, Registrar and Transfer fees and Call Centre Charges						
Sundaram Fund Services Ltd **(Grouped under Note 23 - Administrative Expenses)**			7 99 67 247	19 24 31 853		
System Services Cost						
Sundaram Finance Limited **(Grouped under Note 23 - Administrative Expenses – Repairs and Maintenance Cost)**	21 81 408	13 38 000				
Internal Audit Fees						
Sundaram Finance Limited **(Grouped under Note 23 - Administrative Expenses – Miscellaneous Expenses)**	12 00 000	12 00 000				
Investment Advisory Fees						
Sundaram Asset Management Singapore Pte. Ltd **(Grouped under Note 23 - Administrative Expenses)**			-	82 15 200		
Interest paid on Loan Received from SAAL						
Sundaram Alternate Assets Limited			-	1 00 685		

(Amount in ₹)

Particulars	Holding Company		Fellow/Subsidiaries/Associates		Key Management Personnel	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Dividend on Preference Shares						
Sundaram Finance Holdings Limited			1 01 25 000	1 01 25 000		
(Grouped under Note 25 - Finance Costs)						
Final Dividend						
Sundaram Finance Limited	15 00 00 000	15 00 00 000				
Total	**17 92 67 573**	**26 10 57 505**	**11 40 61 316**	**24 20 05 120**	**4 12 19 000**	**4 38 17 000**
Assets						
Equity Shares						
Sundaram Asset Management Singapore Pte. Ltd			27 81 03 020	27 81 03 020		
Sundaram Alternate Assets Limited			39 00 00 000	39 00 00 000		
(Grouped under Note 5.1 – Non Current Investment)						
Investment In Subsidiary Company						
Preference Shares						
Sundaram Asset Management Singapore Pte. Ltd			1 30 82 586	1 30 79 066		
(Grouped under Note 5.1 – Non Current Investment)						
Investment In Securities At The End Of The Year						
Sundaram Mutual Fund			20 93 03 933	9 13 56 794		
Sundaram Alternative Investment Fund - Cat III			82 46 655	1 74 53 603		
Royal Sundaram General Insurance Co Ltd			53 28 46 749	-		
(Grouped under Note 5.1-Non Current Investment and Note 7.1-Current Investments)						
Admin Charges Receivable						
Sundaram Trustee Co. Ltd			1 74 000	1 74 000		
(Grouped under Note 7.2 – Trade Receivables)						
Reimbursement Of Expenses						
Sundaram Alternate Assets Limited			19 90 064	3 52 65 346		
Sundaram Trustee Co. Ltd			23 626	-		
Sundaram Mutual Fund			13 07 516	7 84 58 646		
(Grouped under Note Note 7.2 - Trade Receivables)						
Rent Deposit						
Sundaram Finance Limited			26 95 000	26 95 000		
(Grouped under Note 5.3 – Other Financial Asset)						
Insurance Deposits						
Royal Sundaram General Insurance Company Limited	51 573	9 051				
(Grouped under Note 7.5 - Other Financial Assets)						
Total	**51 573**	**9 051**	**143 77 73 149**	**90 65 85 475**	**-**	**-**
Liabilities						
Share Capital						
Sundaram Finance Limited	20 00 00 000	20 00 00 000				
Lease Liabilities						
Sundaram Finance Limited	4 27 69 725	-				
(Grouped under Note 16 – Lease Liabilities)						
Other Liabilities						
Sundaram Alternate Assets Limited			33 20 000	75 39 384		
Sundaram Finance Limited	16 37 544	1 03 42 192				
Sundaram Mutual Fund			10 63 114	-		
(Grouped under Note 17.1 – Trade Payables)						
Sundaram Finance Holdings Limited			6 38 905	29 90 543		
Sundaram Fund Services Ltd			5 70 395	89 95 452		
(Grouped under Note 17.1 – Trade Payables)						
Redeemable Cumulative Non-Convertible Preference Shares Alloted						
Sundaram Finance Holdings Limited			15 00 00 000	15 00 00 000		
Loan Received From SAAL and paid during the year						
Sundaram Alternate Assets Limited			-	7 50 00 000		
Total	**24 44 07 269**	**21 03 42 192**	**15 55 92 414**	**24 45 25 379**	**-**	**-**

Note No. 34 - Disclosures in accordance with Ind AS 116 - Leases

On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. Accordingly, a right-of-use asset of Rs. 9,82,47,928 and a corresponding lease liability of Rs. 9,82,47,928 has been recognized on 1.4.2019. The cumulative effect on transition in retained earnings net off taxes is Rs. NIL. The principal portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 - Leases, were earlier reported under cash flow from operating activities. The weighted average incremental borrowing rate of 10% has been applied to lease liabilities recognised in the balance sheet at the date of initial application. To the extent of impact of adoption of Ind AS 116, figures of previous year are not comparable with the current year.

The Company incurred Rs. 69,98,954 for the year ended March 31, 2020 towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is Rs. 6,73,44,628 for the year ended March 31, 2020, including cash outflow for short term and low value leases. The Company has considered lease term extension options that are reflected in the measurement of lease liabilities.

Note No.35 - Disclosures in accordance with Ind AS 108 - Operating Segments

The MD of the Company has been identified as the Chief Operating Decision Maker. The CODM has considered only Investment Management Business as the operating segment as defined under Ind AS 108. The Company's operations primarily relate to providing Investment Management services.

Geographical location of customers	31.03.2020	31.03.2019
Revenue		
India	215 56 29 660	269 06 06 471
Total	**215 56 29 660**	**269 06 06 471**

Non-Current Assets used in the Company's business, assets or liabilities contracted, other than those specifically identifiable are located in the company's country of domicile.

During the years ended 31 March 2020 and 31 March 2019, Sundaram Mutual Fund contributed more than 10% of the revenue of the Company.

Note No.36 -Disclosures in accordance with Ind AS 115 - Revenue from contracts with customers

Movement of Trade Receivables

	Particulars	31.03.2020	31.03.2019
Add:	Opening Net Trade Receivables (A)	12 99 04 234	17 38 57 425
	Revenue recognised during the year	210 25 11 706	269 06 06 471
	Exchange fluctuation gain	-	35 394
	Set up cost of Sundaram AIF -Mauritius incurred and receivable	-	-
	GST Collected	37 84 52 107	46 43 08 972
	Brokerage and Marketing Expenses incurred and receivable	13 07 516	1 28 55 315
	Total (B)	**248 22 71 329**	**316 78 06 152**
Less:	Collections	233 41 27 768	299 90 76 436
	Changes due to business combinations	-	5 56 20 489
	Tax Deducted at Source	21 01 07 171	15 14 15 933
	Compensation to investors payable by the company but incurred by Mutual Fund	-	56 46 484
	Total (C)	**254 42 34 938**	**321 17 59 342**
	Closing Balance (A+B-C)	**6 79 40 625**	**12 99 04 234**

Performance Obligations

The performance obligations in the entity's contract with customers are satisfied upon completion of service. The contracts with customers have no significant financing components. Revenue from Investment Management is recognised on time proportion basis using agreed rates. Other revenues are recognised when the customer obtains control of services rendered by the company.

Note No.37 - Adoption of new Income Tax rates

The Company has elected to exercise the option of a lower tax rate provided under Section115BAA of the Income tax Act,1961, as introduced by the Taxation Laws (Amendment Ordinance,2019 dated September 20,2019. Accordingly,the Company recognised provision for income tax and remeasured its deferred tax assets/liabilities on the basis of the rate provided in the said section.

Note No.38 - Impact of Covid-19

In early 2020,the existence of a new coronavirus named SARS CoV-2 responsible for the disease COVID-19,was confirmed and since then the virus has spread across the globe necessitating the World Health Organization (WHO) to declare it a global pandemic. The pandemic has caused disruption to businesses and economic activity which has been reflected in recent fluctuations in markets across the globe. Various governments have introduced a variety of measures to contain the spread of the virus. The Government of India announced a country wide lockdown which still continues across large swathes of the country with some variations. In this nation-wide lockdown, though most services across the nation have been suspended, some establishments like securities market intermediaries including our Company are exempt from the lockdown and therefore functional. There has been no material change in the controls or processes followed in the closing of the financial statements of the Company. The Company has assessed the impact of the pandemic on its operations and its assets including the value of its investments and trade receivables as at March 31,2020.The management does not, at this juncture, believe that the impact on the value of the Company's assets is likely to be material. However, since the revenue of the Company is ultimately dependent on the value of the assets it manages, changes in market conditions and the trend of flows into mutual funds may have an impact on the operations of the Company. Since the situation is rapidly evolving, its effect on the operations of the Company may be different from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor material changes in markets and future economic conditions.

Note No.39 - Proposed Dividend

Board of Directors of the Company at their meeting held on 18th May 2020 have recommended a dividend of Rs. 7.50 per share to the shareholders of the company subject to the approval of Members at the ensuing Annual General Meeting.

Note No.40 - Disclosures in accordance with Ind AS 33 - Earnings Per Share

Sl. No	Particulars		31.03.2020	31.03.2019
1	Total Comprehensive Income	(A)	24 73 94 050	19 60 73 325
2	Other Comprehensive Income	(B)	(63 31 589)	(25 40 941)
3	Profit / (Loss) for the period	(C)=(A)-(B)	25 37 25 640	19 86 14 267
4	Number of shares (nominal value of Rs.10/- each)	(D)	2 00 00 000	2 00 00 000
5	Earnings per share (Basic) – Rs.	(C)/(D)	12.69	9.93
6	Earnings per share (Diluted) – Rs.		12.69	9.93
7	Dividend proposed to be distributed – Rs.		15 00 00 000	15 00 00 000
8	Dividend per share – Rs.		7.50	7.50

Note No.41 - Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

The Company has initiated the process of obtaining confirmation from suppliers who have registered under the Micro, Small and Medium Enterprises Development Act, 2006. Based on the information available with the company there is no amount outstanding as on 31st March 2020. There are no overdue principle amounts and therefore no interest is paid or payable.

The information required to be disclosed under the Micro, Small And Medium Enterprises Development Act,2006('the MSMED Act') has been determined to the extent such parties have been identified on the basis of information received from such parties and available with the Company. There are no overdue to parties on account of principal amount and / or interest as disclosed below:

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
The Principal amount and interest thereon, remaining unpaid to any supplier at the end of each accounting year.	NIL	
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006		
The amount of payment made to suppliers beyond the appointed day during each accounting year		
The amount of interest due and payable for the period of delay in making payment(which have been paid beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006		
The amount of interest accrued and remaining unpaid at the end of each accounting year		
The amount of further interest remaining due and payable even in the succeeding years until such dates when the interest due above are actually paid to all the small enterprises, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006		

Note No.42 - Dues to Investor Education and Protection Fund:

There are no amounts due for payment to the Investor Education & Protection Fund under Section 125 of the Companies Act, 2013 as at March 31, 2020.

Note No.43 - Contingent liabilities and capital commitments:

A. Claims against the Company not acknowledged as debts

Direct tax contingencies

The Company has ongoing disputes with income tax authorities relating to tax treatment of certain items. The disputes relate to tax treatment of certain expenses claimed as deductions. The company concludes it is probable that the taxation authority will accept uncertain tax treatments and hence no effect is recognized in the financial statements.

Particulars	31.03.2020	31.03.2019
Income tax Matters	25 42 77 597	38 61 601
Service Tax matters	18 46 47 963	18 46 47 963

A. Others

Particulars	31.03.2020	31.03.2019
Corporate Guarantee provided to subsidiary company	25 00 00 000	-

In respect of the corporate guarantee provided, the company is required under Ind AS 109, read with Ind AS 113 to recognise the financial guarantee commitment on the basis of either the market rate, estimated reduction in interest cost of the subsidiary or estimated present value of probability weighted cash flows. The company, considering the probability weighted cash flows as Rs.NIL, has arrived at the fair value of financial guarantee as Rs.NIL and has accounted accordingly.

Note No.44 - Contractual liabilities:

All contractual liabilities connected with business operations of the Company have been appropriately provided for on behalf of Board of Directors.

FORM AOC - 1

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014]

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

PART "A" : Subsidiaries

Amount in ₹

1.	Sl. No	1	2
2.	Name of the Subsidiary	M/s Sundaram Asset Management Singapore Pte Ltd.	M/s Sundaram Alternate Assets Ltd.
3.	The date since when subsidiary was acquired	N/a	N/a
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	N/a	N/a
5.	Reporting Currency and Exchange Rate as of the last date of the relevant Financial Year in the case of foreign subsidiaries	SGD	INR
6.	Share Capital	58 55 001	39 00 00 000
7.	Reserves & Surplus	-25 40 514	10 27 49 088
8.	Total Assets	44 82 914	67 72 26 999
9.	Total Liabilities	44 82 914	67 72 26 999
10.	Investments	2 57 252	7 53 18 312
11.	Turnover	39 95 567	60 06 20 430
12.	Profit before Taxation	7 80 793	6 79 62 497
13.	Provision for Taxation	-	1 73 15 581
14.	Profit after Taxation	7 80 793	5 06 46 916
15.	Proposed Dividend	-	-
16.	% of Shareholding	100%	100%

PART "B" : Associates & Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates / Joint Ventures	M/s Sundaram Asset Management Singapore Pte Ltd.	M/s Sundaram Alternate Assets Ltd.
1. Latest Audited Balance Sheet Date		
2. Date on which the Associate or Joint Venture was associated or acquired		
3. Share of Associate / Joint Ventures held by the company on the year end		
Number		
Amount of Investment in Associates / Joint Ventures		Not Applicable
Extend of Holding %	Not Applicable	
4. Description of how there is significant influence		
5. Reason why the associate/joint venture is not consolidated		
6. Networth attributable to share holding as per latest audited balance sheet		
7. Profit / Loss for the year		
i. Considered in Consolidation.		7 36 78 993
ii. Not Considered in Consolidation		

Harsha Viji
Director

P. Sundararajan
Company Secretary

Chennai
18th May 2020

Sunil Subramaniam
Managing Director

Lakshmi H
Chief Financial Officer

Consolidated Financial Statements 2019-20

Balance Sheet

As at 31st March, 2020 (Amount in ₹)

Particulars		Note No	31-03-2020	31-03-2019
ASSETS				
1. Non-Current Assets				
a Property, plant and equipment		2	3 64 49 169	4 37 65 860
b Right of Use Assets		3	15 10 31 039	-
c Other Intangible assets		4	84 84 079	26 47 784
d Financial Assets				
(i) Investments		5.1	53 47 36 749	14 30 000
(ii) Loans		5.2	23 79 106	31 71 182
(iii)Others		5.3	3 66 57 491	3 59 09 631
e Other Non current assets		6	67 76 78 521	118 48 32 108
2. Current Assets				
a Financial Assets				
(i) Investments		7.1	29 29 53 814	11 60 99 629
(ii) Trade receivables		7.2	17 01 40 340	18 25 32 701
(iii)Cash and cash equivalents		7.3	13 54 36 149	15 52 58 729
(iv)Loans		7.4	66 98 619	20 59 085
(v) Others		7.5	53 84 262	2 45 18 864
b Current Tax Assets (Net)		8	42 23 31 310	36 19 25 667
c Other Current Assets		9	58 97 56 565	63 61 91 053
TOTAL ASSETS			**307 01 17 212**	**275 03 42 293**
EQUITY AND LIABILITIES				
1. Equity				
a Equity Share capital		10	20 00 00 000	20 00 00 000
b Other equity		11	192 55 19 097	177 93 94 501
2. Non-current liabilities				
a Financial liabilities				
(i) Borrowings		12	23 90 24 301	21 97 91 668
(ii) Lease Liabilites		13	10 48 36 566	-
b Provisions		14	2 57 82 366	81 95 892
c Deferred Tax Liabilities (Net)		15	10 70 62 822	19 32 85 667
3. Current liabilities				
a Financial liabilities				
(i) Lease Liabilites		16	5 59 04 406	-
(ii) Trade payables		17.1	14 89 44 505	9 81 37 784
(iii)Other financial liabilities		17.2	10 82 60 918	10 83 28 258
b Other current liabilities		18	4 82 51 306	4 30 68 211
c Provisions		19	10 65 30 925	10 01 40 314
TOTAL EQUITY AND LIABILITIES			**307 01 17 212**	**275 03 42 293**

Refer Note 1 for Significant Accounting Policies. See accompanying Notes to financial statements vide our report of even date attached.

For **Suri & Co.**
Chartered Accountants
Firm Regn No. 004283S

Harsha Viji
Director

P. Sundararajan
Company Secretary

Sanjeev Aditya.M
Partner
Membership No. 229694

Chennai
18th May 2020

Sunil Subramaniam
Managing Director

Lakshmi H
Chief Financial Officer

Statement of Comprehensive Income

For the year ended 31st March 2020 (Amount in ₹)

Particulars	Note No	31-03-2020	31-03-2019
Revenue from operations	20	293 91 47 670	329 77 20 613
Other Income	21	6 59 36 148	51 26 195
Total income		**300 50 83 818**	**330 28 46 808**
Expenses:			
Employee benefits expense	22	71 60 39 201	66 68 98 345
Administrative and other expenses	23	46 08 50 377	54 08 07 461
Brokerage & Marketing Expenses	24	125 32 11 375	158 79 43 852
Finance costs	25	5 69 13 599	4 81 63 084
Depreciation and amortization expense	2	8 48 10 956	3 09 87 614
Total expenses		**257 18 25 508**	**287 48 00 355**
Profit before Tax		**43 32 58 310**	**42 80 46 453**
Tax expense:			
Current Tax	19a	19 25 56 247	13 75 72 399
Deferred Tax		(8 62 22 844)	21 11 070
Profit / (Loss) for the period		**32 69 24 907**	**28 83 62 984**
Other Comprehensive Income, Net of Taxes			
a. Items that will not be reclassified to Statement to Profit & Loss			
i) Remeasurement of Defined Benefit Plans	26	(64 31 192)	(25 00 725)
b. Items that will be reclassified to Statement to Profit & Loss			
i) Foreign Currency Translation Reserve		41 31 057	1 36 52 027
Total Other comprehensive Income		**(23 00 136)**	**1 11 51 302**
Total Comprehensive Income		**32 46 24 771**	**29 95 14 286**
Total Profit attritubitable to Equity Shareholders		**32 46 24 771**	**29 95 14 286**
Earnings per equity share of Rs 10 each			
Basic		**16.35**	**14.42**
Diluted		**16.35**	**14.42**

See accompanying Notes to financial statements vide our report of even date attached.

For **Suri & Co.**
Chartered Accountants
Firm Regn No. 004283S

Sanjeev Aditya.M
Partner
Membership No. 229694

Chennai
18th May 2020

Harsha Viji
Director

Sunil Subramaniam
Managing Director

P. Sundararajan
Company Secretary

Lakshmi H
Chief Financial Officer

Cash Flow Statement

For the Year ended 31st March 2020 (Amount in ₹)

Particulars	2019-20		2018-19	
A Cash Flow from Operating Activities :				
Profit/(Loss) after tax	32 46 24 771		29 95 14 286	
Add: Profit on sale of tangible assets	(9 590)		(96 985)	
Financial Cost	5 69 13 599		4 60 81 860	
Profit on sale of Non Current Investments	(23 56 804)		9 40 181	
Loss on Sale of tangible Assets (Net)	21 508		-	
Depreciation	2 88 17 298		3 09 87 614	
Income Tax	19 03 25 814		13 75 72 399	
Deferred Tax	(8 62 22 844)		21 11 070	
Interest on NCDs	(4 91 00 510)		(22 95 067)	
Emoloyee Compensation Expense (NET)	23 32 663		37 90 000	
Effect of foregin exchange rates on cash and cash equivalents	38 31 314		1 35 53 384	
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**46 91 77 220**		**53 21 58 742**
(Increase) / Decrease in Loan (Current)	(38 42 228)		(2 56 603)	
(Increase) / Decrease in Loan (Non-Current)	(5 230)		(6 39 164)	
(Increase) / Decrease in Financial Assets Others (Current)	2 00 77 314		42 09 111	
(Increase) / Decrease in Financial Assets Others (Non-current)	(70 74 764)		46 90 259	
(Increase) / Decrease in Non-Current Assets	(7 34 38 794)		(16 67 40 918)	
(Increase) / Decrease in Trade Receivables	1 23 92 361		81 53 742	
(Increase) / Decrease in Current Tax (Net)	(14 66 28 487)		13 18 56 099	
(Increase) / Decrease in Other Current Assets	63 26 58 769		39 65 82 443	
Increase / (Decrease) in Borrowings	12 69 84 137		(6 67 37 587)	
Increase / (Decrease) in Provisions (Current)	35 16 069		(1 25 58 908)	
Increase / (Decrease) in Trade Payable	5 08 06 722		(27 37 62 502)	
Increase / (Decrease) in Other Financial Liabilities	5 29 22 128		(19 25 72 864)	
Increase / (Decrease) in Other Current Liabilities	51 83 095		3 63 91 131	
Increase / (Decrease) in Provisions (Non-current)	2 04 61 018	**69 40 12 109**	(4 59 97 020)	**(17 73 82 782)**
Cash generated from Operations		**1 16 31 89 328**		**35 47 75 960**
Financial Cost	5 69 13 599		4 60 81 860	
Direct Taxes Paid	10 41 02 970		13 96 83 468	
NET CASH FROM OPERATING ACTIVITIES		**1 00 21 72 760**		**16 90 10 632**

Cash Flow Statement (Contd.)

For the Year ended 31st March 2020 (Amount in ₹)

Particulars	2019-20		2018-19	
B CASH FLOW FROM INVESTING ACTIVITIES				
Sale of Current Investments	2,26,40,21,821		3,50,37,916	
Purchase of Current Investments	(2,42,30,51,936)			
Purchase of Non Current Investments	(55,92,20,816)		-	
Purchase of Fixed Assets - Tangible	(17,02,99,344)		(1,98,95,932)	
Purchase of Fixed Assets - In-Tangible	(83,02,525)		(10,50,000)	
Sale of Fixed Assets - Tangible	2,33,217		6,45,576	
Profit on Sale of Non-Current Investments	1,04,87,627		8,10,557	
Interest Income	4,91,00,510		22,95,067	
NET CASH FROM INVESTING ACTIVITIES		**(83,70,31,445)**		**1,78,43,184**
C CASH FLOW FROM FINANCING ACTIVITIES				
Preferrence Capital			-	
Investment into SAAL - Bank Guarantee	-		-	
Dividend paid (including corporate dividend tax)	(18,08,32,838)		(9,64,44,180)	
NET CASH FROM FINANCING ACTIVITIES		**(18,08,32,838)**		**(9,64,44,180)**
EFFECT OF FOREIGN CURRENCY TRANSLATION		**(41,31,057)**		**(1,36,52,027)**
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS - (A) + (B) + (C)		**(1,98,22,579)**		**7,67,57,608**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**15,52,58,729**		**7,85,01,120**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**13,54,36,149**		**15,52,58,729**
Note : Cash & Cash Equivalents comprise the following :				
a. Cash on hand		**9,10,959**		**1,24,718**
b. Balances with Banks in Current accounts		**12,09,02,789**		**11,45,13,758**
c. Fixed Deposits		**1,36,22,402**		**4,06,20,253**
Total		**13,54,36,149**		**15,52,58,729**

For **Suri & Co.**
Chartered Accountants
Firm Regn No. 004283S

Sanjeev Aditya.M
Partner
Membership No. 229694

Chennai
18th May 2020

Harsha Viji
Director

Sunil Subramaniam
Managing Director

P. Sundararajan
Company Secretary

Lakshmi H
Chief Financial Officer

Statement of changes in equity

as at 31 March 2020

(Amount in ₹)

(a) Equity Share Capital

Balance as at 1st April 2017	20 00 00 000
Add: Shares issued	NIL
Balance as at 31st March 2018	20 00 00 000
Balance as at 1st April 2018	20 00 00 000
Add: Shares issued	NIL
Balance as at 31st March 2020	20 00 00 000

(b) Other Equity

Particulars	Share application money pending allotment	Reserves and Surplus					Items of Other Comprehensive Income		Total Other Equity
		General Reserve	Securities Premium Reserve	Capital Reserve	Employees Stock Options Reserve	Retained Earnings	Impairment of investment in subsidiary	Remeasurement of Defined benefit plans through Other Comprehensive Income	
Balance as at 1st April 2018		**12 62 68 158**	**31 20 29 769**	**-**	**45 26 000**	**113 28 07 760**	**(10 67 13 308)**	**(30 97 293)**	**146 58 21 087**
Profit for the year		-	-			28 83 62 984	-	-	28 83 62 984
Other Comprehensive Income (Net of taxes)		-	-	-		-	-	(25 00 725)	(25 00 725)
Dividends and Tax thereon		-	-	-		(9 64 44 180)	-	-	(9 64 44 180)
Employee Compensation Expense recognised		-	-	-	37 90 000		-	-	37 90 000
Changes in fair value of equity instruments		-	-	-		-	10 67 13 308	-	10 67 13 308
Balance as at 31st March 2019	**-**	**12 62 68 158**	**31 20 29 769**	**-**	**83 16 000**	**132 47 26 565**	**-**	**(55 98 018)**	**176 57 42 473**
Balance as at 1st April 2019	**-**	**12 62 68 158**	**31 20 29 769**	**-**	**83 16 000**	**132 47 26 565**	**-**	**(55 98 018)**	**176 57 42 473**
Profit for the year		-	-	-		32 69 24 907	-	-	32 69 24 907
Other Comprehensive Income (Net of taxes)		-	-	-		-	-	(23 00 136)	(23 00 136)
Dividends and Tax thereon		-	-	-		(18 08 32 838)	-	-	(18 08 32 838)
Employee Compensation Expense recognised					23 32 663				23 32 663
Balance as at 31st March 2020	**-**	**12 62 68 158**	**31 20 29 769**	**-**	**1 06 48 663**	**147 08 18 634**	**-**	**(78 98 154)**	**191 18 67 070**

See accompanying Notes to financial statements vide our report of even date attached

For **Suri & Co.**
Chartered Accountants
Firm Regn No. 004283S

Sanjeev Aditya.M
Partner
Membership No. 229694

Chennai
18th May 2020

Harsha Viji
Director

Sunil Subramaniam
Managing Director

P. Sundararajan
Company Secretary

Lakshmi H
Chief Financial Officer

Note to the Financial Statements for the year ended 31st March 2020

1. Reporting Entity

Sundaram Asset Management Company Limited (the 'Company') is a public company domiciled in India, with its registered office situated at 21 Patullos Road, Chennai - 600002. The Company has been incorporated under the provisions of Indian Companies Act and is currently unlisted. The Company is a wholly owned subsidiary of Sundaram Finance Limited. The Company is engaged in rendering investment management services.

2. Basis of preparation

A. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the 'Act') and the relevant provisions of the Act.

The financial statements were authorized for issue by the Company's Board of Directors on 18th May 2020.

B. Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency.

C. Basis of measurement

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

Items	Measurement basis
Financial assets and liabilities	Fair value at initial recognition
Net defined benefit (asset) / liability	Present value of defined benefit obligation less fair value of plan assets

D. Current and non-current classification

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Ind AS 1 Presentation of Financial Statements.

Operating cycle:

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company's normal operating cycle is considered as 12 months for the purpose of current and non-current classification of assets and liabilities.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is expected to be realized within 12 months after the reporting date; and

d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the Company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is due to be settled within 12 months after the reporting date; and

d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months from the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

E. Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period, reported balances of assets and liabilities, and disclosure of contingent liabilities as at the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

F. Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

G. Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is required, the Company assesses the evidence obtained by the third parties to support the conclusions that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

In respect of financial guarantee obligations the company measures the fair value as the present value of the probability weighted cash flows that may arise under the guarantee (i.e the expected value of the liability)

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes.

3. Significant accounting policies

The note below provides a list of the significant accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a Property, plant and equipment

i Recognition and measurement

Items of property, plant and equipment are measured at cost of acquisition less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price including non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Items of property, plant and equipment are eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Losses arising from retirement or gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognized in the statement of profit and loss.

ii Subsequent expenditure

Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

iii Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using written down value method and is generally recognized in the statement of profit and loss. Expenditure incurred towards renovation, decoration, etc. in respect of leased office premises is capitalized under “Improvements to Rented Premises” and are depreciated over the shorter of the lease term and their useful lives.

Depreciation on property, plant and equipment is provided at rates prescribed in Schedule II to the Companies Act, 2013. Assets costing Rs.5000 or less acquired during the year are written down to Re.1.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate, prospectively.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

b Other intangible assets

i Recognition and measurement

Intangible assets acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortization and accumulated impairment losses, if any.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss.

ii Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

iii Amortization

Amortization is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortization in statement of profit and loss.

The estimated useful lives are as follows:

Asset	Estimate of useful life
Software	3 years

Amortization method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.

Intangible Assets under development

Development expenditure on new products is capitalized as intangible asset if all the following are demonstrated.

- Technical feasibility of completing the asset
- Intention to complete the asset
- The ability to use or sell the asset
- Probability that the intangible asset will generate future economic benefits

- Availability of the adequate technical, financial and other resources to complete the intangible asset
- The ability to measure reliably the expenditure attributable during the development stage

c. Employee benefits

i 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 recognized 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 amount of obligation can be estimated reliably.

ii Defined contribution plan – Provident Fund

Eligible employees receive benefits from the provident fund, which is a defined contribution plan. Both the employee and the Company make monthly contributions to the government administered provident fund plan equal to specified percentage of the covered employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions. Contributions to provident fund are charged to the statement of profit and loss on accrual basis.

iii Defined benefit plan - Gratuity

The Company provides gratuity, a defined benefit plan covering eligible employees. Contributions are made to a Gratuity Fund administered by trustees and managed by Life Insurance Corporation of India, The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that 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 costs and the fair value of any plan assets are deducted.

The calculation of defined benefit obligation is performed annually by an independent actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to 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 asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv Other long-term employee benefits – Compensated absences

The Company makes an annual contribution to a fund managed by Life Insurance Corporation of India. The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. Provision for long- term compensated absences is made on the basis of actuarial valuation as at the balance sheet date by an independent actuary using projected unit credit method. Actuarial gain or loss is recognized immediately in the statement of profit and loss.

v Share Based Payments

Employee Stock Options

The employees of the company are entitled to participate in the Employees Stock Option Scheme formulated by the Holding Company in accordance with SEBI Guidelines 1999. As per Ind AS 102, Share Based Payments, a parent that grants rights to its equity instruments directly to the employees of its subsidiary has the obligation to provide the employees of the subsidiary with the equity instruments. The subsidiary does not have an obligation to provide its parent's equity instruments to the subsidiary's employees. The subsidiary shall measure the services received from its employees in accordance with the requirements applicable to equity-settled share-based payment transactions, and recognise a corresponding increase in equity as a contribution from the parent. Accordingly, the company has recognized the employee compensation expense in its financial statements, with a corresponding increase to a separate reserve created for this purpose.

d. Revenue

Revenue from rendering of services is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services, is probable that the economic benefits associated with the transaction will flow to the company, and the amount of cost incurred, and the revenue can be measured reliably. An entity shall account for a contract with a customer that is within the scope of this Standard only when all the following criteria are met:

(a) the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations;

(b) the entity can identify each party's rights regarding the goods or services to be transferred;

(c) the entity can identify the payment terms for the goods or services to be transferred;

(d) the contract has commercial substance (ie the risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract); and

(e) it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer's ability and intention to pay that amount of consideration when it is due. The amount of consideration to which the entity will be entitled may be less than the price stated in the contract if the consideration is variable because the entity may offer the customer a price concession.

e. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are, measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in profit or loss account.

f. Provisions (other than for employee benefits)

A provision is recognized 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 (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

g. Income tax

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

i Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

iii Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, 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 they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously. MAT Credit Entitlement are in the form of unused tax credits and are accordingly grouped under Deferred Tax Assets.

iii Direct tax contingencies

In respect of the ongoing disputes if any the Company depending on probability of the uncertainty that the company will loose the subsequent appeals provides for the same by debiting the profit and loss account or discloses the same as a direct tax contingency

h. Financial instruments

i Recognition and initial measurement

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. Trade receivables are initially recognized when they are originated.

A financial asset or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- FVOCI - debt investment;
- FVOCI - equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets 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.
- A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Any gain or loss on derecognition is also recognized in profit or loss.

iii Derecognition

Financial assets

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

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

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

iv Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

i. Impairment

i Impairment of financial instruments

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost.

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 365 days or more;
- is probable that the borrower will enter bankruptcy or other financial reorganization;

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

j. Scheme expenses

New fund offer expenses are recognized in the profit or loss account in the year they are incurred. Brokerage expenses incurred are amortised as under:

Incurred towards	Amortized over a period of
Equity Linked Savings Scheme	36 Months
Open Ended Equity Schemes – SIP	36 Months
Open Ended Equity Schemes – Lumpsum	12 Months
Closed Ended Schemes	Over the Tenor of the Scheme

k. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of fund. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

l. Recognition of interest expense

Interest expense is recognized using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

m. Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held (if any). Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held and for the effects of all dilutive potential ordinary shares.

n. Cash flow statements

Cash flow statements are prepared under Indirect Method whereby profit or loss 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 items of income or expense associated with investing or financing cash flows.

o. Cash and cash equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks.

p. Events occurring after the balance sheet date

Assets and liabilities are adjusted for events occurring after the reporting period that provide additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

q. Leases

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.

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 judgement 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.

Company as a lessee

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course and vehicles taken on lease from holding company for its employees. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense. On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognized for amount equal to the lease liabilities. Hence, there is no adjustment to the Retained Earnings.

Company as a lessor

The Company accounted for its leases in accordance with Ind AS 116 from the date of initial application. The Company does not have any significant impact on account of sub-lease on the application of this standard.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases,

Company as a lessee

Operating leases

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right of use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Finance leases

The company did not have any leases that were classified as finance leases applying Ind AS 17.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

Notes forming part of the financial statements

for the period ended 31st March 2020 (Amount in ₹)

Note 2

Property, Plant and Equipment

Reconciliation of the gross carrying amounts and net carrying amounts at the beginning and at the end of the year

Particulars	Computers	Office equipments	Furniture and fixtures	Vehicles	Electrical Equipment	Improvements to rented premises	Total
Gross carrying value							
At April 1, 2018	**9 22 91 609**	**2 41 29 219**	**1 96 02 311**	**49 01 610**	**2 36 97 545**	**5 46 47 892**	**21 92 70 186**
Additions	85 14 002	17 20 584	4 79 255	1 04 228	24 16 310	88 71 625	2 21 06 004
Disposals	-	3 14 475	1 76 198	23 06 149	6 56 759	-	34 53 581
Other Adjustments	5 55 136	-	-	55 385	4 10 176	11 89 233	22 09 930
Translation Adjustments	23 829	(15 87 024)	23 494	-	16 02 947	1 56 478	-
At March 31, 2019	**10 02 74 304**	**2 39 48 304**	**1 99 28 862**	**26 44 304**	**2 66 49 867**	**6 24 86 762**	**23 57 12 679**
At April 1, 2019	**10 02 74 304**	**2 39 48 304**	**1 99 28 862**	**26 44 304**	**2 66 49 867**	**6 24 86 762**	**23 59 32 403**
Additions	99 44 699	23 53 440	6 52 237	14 43 028	5 63 018	43 11 883	1 92 68 305
Disposals	9 85 236	71 459	2 91 100	-	9 14 961	-	22 62 756
Other Adjustments	-	-	-	-	-	-	-
Translation Adjustments	7 76 710	23 741	22 892	-	(6 896)	1 52 559	-
At March 31, 2020	**11 00 10 477**	**2 62 54 026**	**2 03 12 891**	**40 87 332**	**2 62 91 028**	**6 69 51 204**	**25 39 06 957**
Accumulated depreciation							
At April 1, 2018	**7 86 19 269**	**2 01 38 512**	**1 65 94 338**	**26 17 106**	**1 85 85 243**	**3 10 90 680**	**16 76 45 148**
Depreciation expense	93 92 406	13 59 397	21 59 846	6 43 935	30 83 399	1 15 92 281	2 82 31 264
Disposals	-	2 88 462	1 74 451	19 02 281	5 39 798	-	29 04 992
Other Adjustments	3 48 816	-	-	43 550	1 23 121	4 62 480	9 77 967
Translation Adjustments	33 831	17 166	8 007	-	1 749	1 12 337	-
At March 31, 2019	**8 76 96 690**	**2 12 26 613**	**1 85 87 740**	**13 15 209**	**2 10 07 472**	**4 23 32 819**	**19 21 66 543**
	-	**-**	**-**	**-**	**-**	**-**	**-**
At April 1, 2019	**8 76 96 690**	**2 12 26 613**	**1 85 87 740**	**13 15 209**	**2 10 07 472**	**4 23 32 819**	**19 21 66 543**
Depreciation expense	86 40 545	16 65 431	10 32 871	4 84 105	18 78 983	1 26 59 890	2 63 61 825
Disposals	9 04 950	68 586	2 55 791	-	7 88 294	-	20 17 621
Other Adjustments	-	-	-	-	-	-	-
Translation Adjustments	7 86 390	12 336	13 366	2	1 805	1 33 142	-
At March 31, 2020	**9 62 18 675**	**2 28 35 794**	**1 93 78 186**	**17 99 316**	**2 20 99 966**	**5 51 25 851**	**21 74 57 788**
Net carrying value March 31, 2020	**1 37 91 800**	**34 18 232**	**9 34 705**	**22 88 016**	**41 91 061**	**1 18 25 353**	**3 64 49 169**
Net carrying value March 31, 2019	**1 25 77 614**	**27 21 691**	**13 41 122**	**13 29 095**	**56 42 395**	**2 01 53 944**	**4 37 65 860**

Note 3 Right-Of-Use Assets

Reconciliation of the gross carrying amounts and net carrying amounts at the beginning and at the end of the year (Amount in ₹)

Particulars	Buildings	Vehicles	Total
Gross carrying value			
At April 1, 2018	**-**	**-**	**-**
Additions	-	-	-
Disposals	-	-	-
Other Adjustments	-	-	-
At March 31, 2019	**-**	**-**	**-**
At April 1, 2019	**-**	**-**	**-**
Additions	20 26 98 826	43 15 115	20 70 13 941
Disposals	-	-	-
Other Adjustments	-	-	-
At March 31, 2020	**20 26 98 826**	**43 15 115**	**20 70 13 941**
Accumulated depreciation			
At April 1, 2018	**-**	**-**	**-**
Depreciation expense	-	-	-
Disposals	-	-	-
Other Adjustments	-	-	-
At March 31, 2019	**-**	**-**	**-**
At April 1, 2019	**-**	**-**	**-**
Depreciation expense	5 39 64 676	20 18 226	5 59 82 902
Disposals	-	-	-
Other Adjustments	-	-	
At March 31, 2020	**5 39 64 676**	**20 18 226**	**5 59 82 902**
Net carrying value March 31, 2020	**14 87 34 150**	**22 96 889**	**15 10 31 039**
Net carrying value March 31, 2019	**-**	**-**	**-**

Note 4. Other Intangible Assets

Particulars	Computer Software	Total
Gross carrying value		
At April 1, 2018	**4 07 41 568**	**4 07 41 568**
Additions	1 07 31 975	1 07 31 975
Disposals	-	-
Other Adjustments	96 81 975	96 81 975
At March 31, 2019	**4 17 91 568**	**4 17 91 568**
At April 1, 2019	**4 17 91 568**	**4 17 91 568**
Additions	83 02 525	83 02 525
Disposals	-	
Other Adjustments		
At March 31, 2020	**5 00 94 093**	**5 00 94 093**
Accumulated depreciation		
At April 1, 2018	**3 54 27 434**	**3 54 27 434**
Depreciation expense	84 57 822	84 57 822
Disposals	-	-
Other Adjustments	47 41 472	47 41 472
At March 31, 2019	**3 91 43 784**	**3 91 43 784**
At April 1, 2019	**3 91 43 785**	**3 91 43 785**
Depreciation expense	24 66 229	24 66 229
Disposals	-	
Other Adjustments		
At March 31, 2020	**4 16 10 014**	**4 16 10 014**
Net carrying value March 31, 2020	**84 84 079**	**84 84 079**
Net carrying value March 31, 2019	**26 47 784**	**26 47 784**

Non-current assets (Amount in ₹)

Note 5.Financial assets

5.1. Investments

(Amount in ₹)

Particulars	Face value (fully paid up)	31-03-2020		31-03-2019	
		No. of shares / units	Cost	No. of shares / units	Cost
Others					
MF Utilities					
50000 equity shares	Rs.10	5 00 000	18 90 000	50 000	14 30 000
			18 90 000		**14 30 000**
In Non-Convertible Debentures					
Unquoted					
Royal Sundaram Limited	Rs.500	10 00 000	53 28 46 749		-
			53 28 46 749		**-**
Total			**53 47 36 749**		**14 30 000**
Aggregate Value of Unquoted Investments			**53 47 36 749**		**14 30 000**

Particulars	31-03-2020	31-03-2019
5.2. Loans		
Unsecured,considered good		
Staff Loans	23 79 106	31 71 182
	23 79 106	**31 71 182**
5.3. Other financial assets		
Security Deposits	2 17 73 171	2 11 39 918
Balance with Government Authorities	1 38 26 223	1 38 26 223
Fixed deposit with Bank	10 58 097	9 43 490
	3 66 57 491	**3 59 09 631**
Note 6. Other non current assets		
Advances other than Capital Advances		
Prepaid Expenses	67 76 78 521	118 48 32 108
	67 76 78 521	**118 48 32 108**

Current assets

Note 7. Financial assets

Note 7. 1. Investments

(Amount in ₹)

Particulars	31-03-2020		31-03-2019	
	No. of shares / units	Cost	No. of shares / units	Cost
In Mutual Funds				
Quoted				
Sundaram Money Fund - Growth Plan - Direct	5,29,404.92	2 37 77 653	4,51,984.26	9 49 90 709
Sundaram Income Plus-Growth	-	( )	-	-
Sundaram MIP(A)-Diect-Monthly Dividend	413.00	5 216	390.32	5 656
HDFC Liquid Fund - Growth - Direct	-	-	4.30	15 831
Invesco Liquid Fund - Growth - Direct	-	-	6.17	15 867
ICICI Liquid Fund - Growth - Direct	-	-	57.38	15 861
DHFL Pramerica Insta Cash Plus Fund	-	-	65.25	15 855
Canara Rebecco Liquid Fund - Growth - Direct	-	-	6.97	15 752
DSP Blackrock Liquidity Fund - Growth - Direct	-	-	5.93	15 859
Birlasunlife Cash Plus - Growth - Direct	-	-	52.99	15 920
IDFC Cash Fund - Growth - Direct	-	-	6.98	15 825
L&T Liquid Fund - Growth - Direct	-	-	6.19	15 860
Axis Liquid Fund - Growth - Direct	-	-	7.65	15 867
JM High Liquidity Fund - Growth - Direct	-	-	311.02	15 921
SBI Magnum Insta Cash Fund - Growth - Direct	-	-	3.84	16 013
Tata Liquid Fund - Growth - Direct	-	-	4.49	14 468
Edelweiss Liquid Fund - Growth - Direct	-	-	654.62	15 733
Reliance Liquid Fund - Growth - Direct	-	-	5.64	16 000
Kotak Liquid Scheme - Growth - Direct	-	-	4.18	15 830
LIC Nomura Liquid Scheme - Growth - Direct	-	-	4.68	15 843
IDBI Liquid Fund - Growth - Direct	-	-	7.91	15 846
Sundaram Global Advantage Fund - Growth Option	81,827.63	13 74 827	1,93,762.00	33 65 512
JM Core 11 Fund - Direct Plan	510.44	3 701	-	-
HDFC Top 100 Fund - Direct Plan	10.09	3 648	-	-
Quant Active Fund - Direct Plan	5.78	808	-	-
Axis Bluechip Fund - Direct Plan	153.56	4 346	-	-
Union Largecap Fund - Direct Plan	462.96	3 907	-	-
UTI Mastershare unit scheme Fund - Direct Plan	8.19	819	-	-
Baroda Multi Cap Fund - Direct Plan	49.23	4 051	-	-
Nippon India Large Cap Fund - Direct Plan	29.49	760	-	-
Edelweiss Large Cap Fund - Direct Plan	134.59	3 965	-	-
IDFC Focused Equity Fund - Direct Plan	129.60	4 099	-	-
Indiabulls Bluechip Fund - Direct Plan	44.78	808	-	-
DSP Equity Fund - Direct Plan	24.99	852	-	-
PGIM India Large Cap Fund - Direct Plan	27.75	3 970	-	-
BNP Paribas Large Cap Fund - Direct Plan	50.88	4 173	-	-
Kotak Emerging Equity Fund - Direct Plan	122.03	3 919	-	-
L&T Emerging Business Fund - Direct Plan	213.93	3 397	-	-
LIC MF Large & MidCap Fund - Direct Plan	315.38	4 056	-	-
Mirae Asset Large Cap Fund - Direct Plan	93.41	3 872	-	-
Essel Large Cap Equity Fund - Direct Plan	41.72	784	-	-
Invesco India Largecap Fund - Direct Plan	32.80	808	-	-
IDBI Diversified Equity Fund - Direct Plan	222.22	4 082	-	-
Taurus Discovery Midcap Fund - Direct Plan	118.34	4 292	-	-
ICICI Prudential Bluechip Fund - Direct Plan	23.28	787	-	-
Motilal Oswal Multicap 35 Fund - Direct Plan	37.99	783	-	-
Principal Emerging Blue Chip Fund - Direct Plan	46.97	4 102	-	-
Aditya Birla Sun Life Frontline Equity Fund - Direct Plan	4.42	777	-	-
Mahindra Mutual Fund Badhat Yojana - Direct Plan	91.38	852	-	-
Parag Parikh Long Term Equity Fund - Direct Plan	38.64	845	-	-
Franklin India Focussed Equity Fund - Direct Plan	117.39	3 702	-	-
Canara Robeco Emerging Equities Fund - Direct Plan	52.14	4 218	-	-
Tata Banking & Financial Services Fund - Direct Plan	243.24	3 729	-	-
Sundaram Overnight Fund	53.84	57 194	-	-

Particulars	31-03-2020		31-03-2019	
	No. of shares / units	Cost	No. of shares / units	Cost
Sundaram Arbitrage Fund - Direct Growth	2,19,600.00	2 02 19 600	-	-
Sundaram Ultra Short Term Fund	1,56,86,589.08	21 40 43 397	-	-
Sundaram Alternative Opportunities Fund - ACORN	25.00	19 71 315		-
Sundaram Alternative Investment Opp Fund - High Yield Secured Debt Fund II	100.00	50 00 035		-
Sundaram Alternative Investment Opp Fund - High Yield Secured Debt Fund	100.00	88 74 067		-
Sundaram Alternative Investment Opp Fund - India Premier Fund	10,000.00	92 98 941		-
Sundaram Alternative Investment Opp Fund - Nano Cap Sr 1	90.42	44 48 564	90.42	88 92 721
Sundaram Alternative Investment Opp Fund - Nano Cap Sr 2	93.87	37 33 675	93.87	85 60 882
Sundaram Alternative Investment Opp Fund - Nano Cap Sr 2	1.56	64 417	1.56	-
		29 29 53 814		**11 60 99 629**
Aggregate Value of Quoted Investments		**29 29 53 814**		**11 60 99 629**
Market Value of Quoted Investments		**29 29 53 814**		**11 60 99 629**

Current assets

Note 7.2. Trade Receivables (Amount in ₹)

Particulars	31-03-2020	31-03-2019
Unsecured, Considered good		
- Outstanding for a period exceeding six months from the date they were due for payment	-	-
- Others	17 01 40 340	18 25 32 701
Less: Allowance for doubtful debts	-	-
	17 01 40 340	**18 25 32 701**
Note 7.3. Cash and cash equivalents		
a. Balances with banks:		
- In current accounts	12 09 02 789	11 45 13 758
- In fixed deposit accounts	1 36 22 402	4 06 20 253
b. Cash on hand	9 10 959	1 24 718
	13 54 36 149	**15 52 58 729**
Note 7.4. Loans		
Unsecured,considered good		
Staff Loans	66 98 619	20 59 085
	66 98 619	**20 59 085**
Note 7.5. Others Financial Assets		
Security Deposits	21 28 710	58 84 273
Amount receivable from subsidiary company	-	-
Others	32 55 552	1 86 34 591
	53 84 262	**2 45 18 864**
Note 8. Current Tax Assets		
Tax Payment Pending Adjustments (Net)	42 23 31 310	36 19 25 667
	42 23 31 310	**36 19 25 667**
Note 9. Others Current Assets		
Advances other than Capital Advances		
Prepaid expenses	58 62 24 281	63 57 03 976
Advance for Expenses	35 32 285	78 237
Employee Advance	-	1 20 209
Others		
Balance with Gratuity Fund	-	2 88 631
	58 97 56 565	**63 61 91 053**

Note 10 - Share Capital

(Amount in ₹)

Particulars	31-03-2020	31-03-2019
Authorised, Issued, Subscribed and Paid up Share capital		
Authorised:		
4,00,00,000 Equity Shares of ₹ 10/- each	40 00 00 000	40 00 00 000
Issued & Subscribed & Paid-up:		
2,00,00,000 Equity Shares of ₹ 10/- each	20 00 00 000	20 00 00 000
Total	**20 00 00 000**	**20 00 00 000**

Name of the shareholder	31-03-2020		31-03-2019	
	Number of shares held in the company	Percentage of shares held	Number of shares held in the company	Percentage of shares held
Sundaram Finance Limited - Holding Company	**2 00 00 000**	**100.00%**	**2 00 00 000**	**100.00%**

Rights, preferences and restrictions in respect of equity shares

The Equity share holders are entitled to receive dividends as and when declared; a right to vote in proportion to holding etc. and their rights, preferences and restrictions are governed by / in terms of their issue under the provisions of the Companies Act, 2013.

Note 11 - Other equity

(Amount in ₹)

Particulars	31-03-2020	31-03-2019
I. Reserves and Surplus		
A) Securities Premium		
Amounts received (on issue of shares) in excess of the par value has been classified as securities premium.		
Opening balance	31 20 29 769	31 20 29 769
Add: Securities premium received during the year		
Closing balance	**31 20 29 769**	**31 20 29 769**
B) General Reserve		
Opening balance	12 62 68 158	12 62 68 158
Adjustments	-	-
Closing Balance	**12 62 68 158**	**12 62 68 158**
C) Capital Reserve		
Opening balance	-	-
Add: On account of demerger of PMS and AIF undertakings during the year	-	
Closing Balance	**-**	**-**
D) Employee Stock Options Reserve		
Opening balance	83 16 000	45 26 000
Adjustments	23 32 663	37 90 000
Closing Balance	**1 06 48 663**	**83 16 000**
E) Retained Earnings		
Opening balance	132 47 26 565	113 28 07 760
Appropriations:		
Dividend paid	(15 00 00 000)	(8 00 00 000)
Dividend Distribution Tax paid	(3 08 32 838)	(1 64 44 180)
	(18 08 32 838)	**(9 64 44 180)**
Total Profit for the period	32 69 24 907	28 83 62 984
Closing Balance	147 08 18 634	132 47 26 565
Foreign Currency Translation Reserve		
II. Other items of other comprehensive income		
Opening balance	80 54 009	(30 97 293)
Other items of other comprehensive income consist of re-measurement of net defined liability/asset and gains and losses arising from translating the financial statements of a foreign operation	(23 00 136)	1 11 51 302
Closing Balance	57 53 873	80 54 009
TOTAL	**192 55 19 097**	**177 93 94 501**

Note 12. Financial liabilities

Non-current liabilities

(Amount in ₹)

Particulars	31-03-2020	31-03-2019
Borrowings-Secured		
Term Loans		
From Banks		
Unsecured		
Axis Bank Limited	3 22 91 668	6 97 91 668
Repayment Terms		
Payable in 25 monthly instalments commencing from April 2020; 12 monthly instalments commencing from April 2020 under Current Maturities of Long Term Loans		
Rate of Interest - 8.15%		
Period and amount of continuing default - NIL		
From Banks		
Secured		
HDFC Bank Limited	5 67 32 633	
Repayable in 36 installments commencing from 01-May-2019, Rate of Interest 9.50% - Period and amount of default - NIL, Guarantee given by the Holding Company- Sundaram Asset Management Company Limited		
Redeemable Cumulative Non-convertible Preference Shares		
Unsecured		
From Related Parties		
Sundaram Finance Holdings Limited	15 00 00 000	15 00 00 000
(Face Value - Rs.100/- each)		
Redeemable in 4 years		
Rate of Dividend : 6.75%		
Period and amount of continuing default - NIL		
	29 90 24 301	**21 97 91 668**

(Amount in ₹)

Particulars	31-03-2020	31-03-2019
Note 13. Lease Liabilities		
Buildings	10 42 93 662	-
Vehicles	5 42 904	-
	10 48 36 566	**-**
Note 14. Provisions		
Provision for Employee Benefits		
Gratuity Payable (Net)*	1 31 97 744	-
Compensated Absences	1 25 84 622	81 95 892
	2 57 82 366	**81 95 892**
Note 15. Deferred Tax Liabilities (Net)		
Deferred Tax Liabilities	10 70 62 822	19 32 85 667
	10 70 62 822	**19 32 85 667**
Note 16. Lease Liabilities		
Buildings	5 42 66 517	-
Vehicles	16 37 889	-
	5 59 04 406	**-**
Note 17.1. Trade payables		
i) Total outstanding dues of micro enterprises and small enterprises	-	-
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	14 89 44 505	9 81 37 785
	14 89 44 505	**9 81 37 785**
Note 17.2. Other financial liabilities		
Current maturities of long term loans	10 77 51 504	10 52 79 250
Interest accrued and not due on borrowings	5 09 414	14 40 104
Preference Dividend Payable	-	16 08 904
	10 82 60 918	**10 83 28 258**
Note 18. Other current liabilities		
Statutory dues	4 82 51 306	4 30 68 211
	4 82 51 306	**4 30 68 211**
Note 19. Provisions		
Provision for employee benefits	10 36 56 382	10 01 40 314
Gratuity Payable (Net)	8 75 803	
Compensated Absences	19 98 740	
	10 65 30 925	**10 01 40 314**

Note 19a. Income tax

(Amount in ₹)

Income tax expense in the statement of profit and loss consists of:		
Particulars	**31-03-2020**	**31-03-2019**
Current income tax:		
In respect of the current year	19 03 25 814	13 75 72 399
In respect of the previous years		
Deferred tax:		
In respect of the current year	(8 62 22 844)	21 11 070
Income tax expense recognised in the statement of profit or loss:	**10 41 02 970**	**13 96 83 468**
Income tax recognised in other comprehensive income		
Current tax arising on income and expense recognised in other comprehensive income	(22 30 433)	6 59 723
Deferred tax arising on income and expense recognised in other comprehensive income	NIL	NIL
Total	**(22 30 433)**	**6 59 723**

The reconciliation between the provison for income tax of the Company and amounts computed by applying the Indian statutory income tax rates to profit before taxes is as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Profit before tax	43 32 58 310	42 80 46 453
Enacted income tax rate in India	25.168%	34.944%
Computed expected tax expenses	**10 90 42 451**	**14 95 76 552**

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount	Tax impact	Amount	Tax impact
Effect of:				
Expenses that are not deductible in determining taxable profit	1 89 20 376	47 61 880	1 41 75 000	49 53 312
Income considered under other heads	(25 91 419)	(6 52 208)	20 54 610	7 17 963
Due to change in tax rates	-		1 18 77 053	41 50 317
Due to other disallowance/(allowance) under Income Tax Act	(1 43 28 284)	(36 06 142)	(68 17 712)	(23 82 381)
Income tax expenses recognized in the Statement of Profit and Loss		**10 95 45 981**		**15 70 15 764**

Calculation of Applicable Tax Rate:		
Particulars	**As at March 31,2020**	**As at March 31,2019**
Basic tax rate	22.000	30.000
Surcharge @ 14%	2.200	3.600
Aggregate of tax and surcharge	24.200	33.600
Cess @ 4% on tax and Surcharge	0.968	1.344
Tax Rate applicable	**25.168**	**34.944**

(Amount in ₹)

Deferred tax assets / (liabilities) as at March 31,2020			
Particulars	**As at April 1, 2019**	**Income recognized in Statement of Profit and Loss**	**As at March 31, 2020**
Property, Plant and Equipment	2 30 132	10 32 706	12 62 838
Fair Valuation of Investments	9 49 097	20 46 366	29 95 462
Rent Deposit	51 850	34 538	86 387
Upfront Brokerage	(19 55 07 075)	7 99 31 596	(11 55 75 478)
Leases	-	35 36 911	35 36 911
Total	**(19 42 75 996)**	**8 65 82 117**	**(10 76 93 879)**

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Note 20. Revenue From Operations		
Note 20. Revenue From Operations		
Sale of Services		
Investment Management Fees - Mutual Fund	233 04 13 401	283 56 55 494
Income from Support Services	40 00 000	18 00 000
Investment Management Fees - AIF	29 93 19 675	19 36 41 096
Portfolio Management Service Fees	28 13 20 788	24 83 62 881
Advisory Fees	2 40 93 806	1 82 61 143
	293 91 47 670	**329 77 20 613**
Note 21. Other Income		
(A) Income from investments		
Profit on Sale of Investments	1 06 10 671	8 10 557
Dividends from Mutual Funds	-	316
	1 06 10 671	8 10 872
(B) Others		
Interest income	30 04 233	6 54 823
Interest on Non Convertible Debentures	2 72 88 434	-
Interest on Income Tax Refund	1 88 48 126	-
Interest on security deposits	19 97 464	16 40 244
Modification Gain on Rent Deposits	29 687	-
Profit on Sale of Assets	-	96 985
Provision no longer required written back	3 86 438	33 346
Miscellaneous Receipts	37 71 095	18 89 925
	5 53 25 477	**43 15 323**
	6 59 36 148	**51 26 195**
Note 22. Employee Benefits Expense		
Salaries, allowances and bonus	64 67 59 522	59 37 62 216
Company's contribution to Provident Fund, NPS, ESI Scheme	3 38 94 302	3 07 99 185
Provision for Gratuity & Leave Encashment	1 84 46 368	2 24 84 760
Expense on Employee Stock Option Scheme	23 32 663	37 90 000
Staff Welfare Expenses	1 46 06 346	1 60 62 185
	71 60 39 201	**66 68 98 345**

(Amount in ₹)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Note 23. Administrative & Other Expenses		
Rent	91 33 209	7 04 15 223
Loss on Fair Valuation of Investments	81 30 823	17 50 738
Loss on Sale of Investments	-	-
Outsourcing Cost	7 34 95 056	6 95 28 879
Subscription	4 96 98 639	4 51 60 366
Fund Accounting Charges	3 19 63 667	3 18 08 551
Electricity Charges	95 70 403	93 95 299
Communication Expenses	3 79 59 499	4 35 00 862
Professional and Consultancy Fees	2 85 09 983	5 66 68 075
Travelling and Conveyance	3 37 58 284	3 70 48 980
Database and Networking Expenses	2 29 63 023	3 01 73 631
Business Development Expenses	4 92 66 554	4 66 76 731
Repairs and Maintenance		
- Building	40 81 868	36 86 235
- Others	1 45 39 884	1 69 08 981
Printing & Stationery	1 07 79 191	1 04 64 747
Insurance	75 13 555	58 92 960
Rates and Taxes	49 51 932	27 32 522
Director's Sitting Fees and Commission	23 70 000	20 00 000
Corporate Social Responsibility	70 00 000	81 00 000
Loss on Sale of Asset	11 918	-
Loss on exchange fluctuation	22 72 673	6 80 001
Investment Advisory Fees	2 95 163	3 00 607
Miscellaneous expenses*	5 25 85 051	4 79 14 074
	46 08 50 377	**54 08 07 461**

**Miscellaneous Expenses includes remuneration to auditors:*

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Note 24. Brokerage & Fund Expenses		
Registrar and Transfer Agent Fees	45 28 474	13 67 38 366
Brokerage Expenses - Mutual Fund	105 16 40 982	117 33 73 510
Marketing & Other Expenses	19 70 41 919	24 72 61 773
	125 32 11 375	**158 79 43 852**
Note 25. Finance Costs		
Interest Expense	2 46 52 169	3 59 56 860
Interest Expense on Lease Liabilities	2 00 55 206	-
Dividend on Redeemable Preference Shares	1 22 06 224	1 22 06 224
	5 69 13 599	**4 81 63 084**
Note 26. Other Comprehensive Income		
A. Items that will not be reclassified to profit or loss		
Remeasurements of Defined Benefit plan		
Acturial gain/(loss) on obligations	(86 61 625)	(18 41 002)
Less: Tax on above	22 30 433	(6 59 723)
	(64 31 192)	**(25 00 725)**
B. Items that will not be reclassified to profit or loss		
Gains and Losses arising from translating the financial statements of a foreign operation	41 31 057	1 36 52 027
	41 31 057	**1 36 52 027**

Note 27: Capital Management

(Amount in ₹)

The Company manages its capital to ensure that it will be able to continue as going concerns while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The Company's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence to sustain future development of the business.

The capital structure of the Company consists of debt and total equity of the Company as tabled below:

Particulars	As at	
	March 31, 2020	March 31, 2019
Total equity attributable to equity share holders of the Company	212 55 19 097	197 93 94 501
Current borrowings	10 82 60 918	10 83 28 258
Non-current borrowings	23 90 24 301	21 97 91 668
Total debt held by the Company	**34 72 85 219**	**32 81 19 926**
Total capital (Equity and Debt)	**247 28 04 316**	**230 75 14 427**
Equity as a percentage of total capital	86%	86%
Debt as a percentage of total capital	14%	14%

The Company is predominantly equity financed which is evident from the capital structure table above. The Company's risk management committee reviews the capital structure of the Company on an ongoing basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital.

Note No 28: Financial Risk Management

"The Company is exposed to a variety of financial risks; credit risk, liquidity risk and market risk,viz; foreign currency risk and interest rate risk. The Company has a risk management policy to manage & mitigate these risks.

The Company's risk management policy aims to reduce volatility in financial statements and aims to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Board of Directors reviews and agrees policies for managing each of these risks as summarized below

Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to the financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investment securities.

Financial instruments that potentially subject the Company to concentration of credit risk consists of trade receivables, investments, loans, cash and cash equivalents and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. By their nature, all such financial assets involve risks, including the credit risk of non-performance by counterparties.

The Company periodically assesses the credit quality of the counterparties by taking into account their financial position, past experience, ageing of accounts receivables and any other factor determined by individual characteristic of the counterparty.

The maximum amount of exposure to credit was as follows:

Particulars	Balance as at March 31, 2020	Balance as at March 31, 2019
Investments	82 76 90 563	11 75 29 629
Trade receivables	17 01 40 340	18 25 32 701
Cash and cash equivalents	13 54 36 149	15 52 58 729
Loans	90 77 725	52 30 267
Other financial assets	4 20 41 753	6 04 28 495
TOTAL	**118 43 86 530**	**52 09 79 821**

Liquidity Risk:

Liquidity risk is the risk that the Company will not be able to encounter its financial obligations associated with financial liabilities as they become due. The Company manages its liquidity risk by ensuring, as far as possible, to maintain sufficient liquid funds to meet its liabilities on the due date. The Company consistently generates sufficient cash flows from operations (with adequate reserves) and has access to multiple sources of funding (banking facilities and loans from promoter company) to meet the financial obligations and maintain adequate liquidity for use.

The processes and policies related to such risks are overseen by Senior Management.

(Amount in ₹)

Maturity profile of the Company's non-derivative financial liabilities based on contractual payments is as below:

Particulars	Year 1 (Current)	1 - 2 years	2 years and above	Total
As at March 31, 2020				
Borrowings	10 77 51 504	8 84 24 301	15 00 00 000	34 61 75 805
Trade Payables	14 89 44 505			14 89 44 505
Lease Liabilities	5 59 04 406	9 61 62 372	6 10 87 214	21 31 53 992
Other financial liabilities	5 09 414			5 09 414
As at March 31, 2019				
Borrowings	10 52 79 250	6 97 91 667	15 00 00 000	32 50 70 917
Trade Payables	9 81 37 784			9 81 37 784
Other financial liabilities	30 49 008			30 49 008

Market risk:

(Amount in ₹)

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. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

Foreign Currency Risk:

The fluctuation in foreign currency exchange rates may have potential impact on the Statement of Profit or 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 of the Company.

The Company's exchange risk arises its exposure to foreign currency assets and liabilities (primarily in SGD and AED). The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future.

The Company periodically determines its strategy to mitigate foreign currency risk. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks."

The maximum amount of exposure to foreign currency risk is as follows:

Particulars	Balance as at March 31, 2020	Balance as at March 31, 2019
Rent Deposits		
In Emirati Dirham	83 408	50 651
Trade Receivables		
In Unites States Dollars	-	5 53 045
Non-Current Fixed Deposits		
In Emirati Dirham		
Cash and Cash Equivalents	**10 58 097**	**9 43 490**
In Emirati Dirham	4 18 811	2 48 971
	15 60 316	17 96 157
Lease Liabilities		
In Emirati Dirham	36 68 396	-
	36 68 396	**-**

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 arises on Company's debt obligations. The Company's borrowings are primarily at fixed rate of interest, which do not expose it to significant interest rate risk.

Note 29: Financial Instruments

(Amount in ₹)

The carrying value and fair value of financial instruments by categories as at March 31, 2020 and March 31, 2019 is as follows:

Particulars	Balance as at March 31, 2020	Balance as at March 31, 2019
Financial Assets		
Amortized Cost		
Trade and other receivables	17 01 40 340	18 25 32 701
Cash and cash equivalents	13 54 36 149	15 52 58 729
Loans	90 77 725	52 30 267
Others financial assets	4 20 41 753	6 04 28 495
Investments in Non-Convertible Debentures of Royal Sundaram General Insurance Company Limited	53 28 46 749	
Fair Value through profit and loss		
Investments in Mutual Funds	29 29 53 814	11 60 99 629
Investments in MF Utilities India Private Limited	18 90 000	14 30 000
TOTAL ASSETS	**118 43 86 530**	**52 09 79 821**
Financial Liabilities		
Amortized Cost		
Borrowings	23 90 24 301	21 97 91 668
Lease Liabilities	16 07 40 972	-
Trade Payables	14 89 44 505	9 81 37 784
Other financial liabilities	10 82 60 918	10 83 28 258
TOTAL LIABILITIES	**65 69 70 696**	**42 62 57 710**

Notes:

The Management assessed the fair value of cash and short-term deposits, trade receivables and trade payables, book overdrafts, and other current financial assets and liabilities as approximately equal to the carrying amounts largely due to the short-term maturities of these instrumentsInvestments in Mutual Funds has been valued using the Net Asset Value (NAV) of the investee which falls under Level I hierarchy of inputs used in valuation techniques.

Investments in MF Utilities Private Limited has been valued using the financial statements of the investee which falls under Level II hierarchy of inputs used in valuation techniques.

Security Deposits receivable have been valued using the unobservable inputs which falls under Level III hierarchy of valuation techniques

Investments in Non-Convertible Debentures of Royal Sundaram General Insurance Company Limited has been valued using Internal Rate of Return which falls under Level III hierarchy of inputs used in valuation techniques. Lease Liabilities have been valued using incremental borrowing rate which falls under Level II hierarchy of valuation techniques

Note No 30: Corporate Social Responsibility (CSR) Expenditure

(a) Gross amount required to be spent by the company during the year: ₹ 1,04,48,967

(b) Amount spent during the year on:

Particulars	Amount spent during the year	Amount to be spent	Total
(i) Construction/acquisition of any Asset	NIL	NIL	NIL
(ii) On purposes other than (i) above	75 00 000	30 00 000	1 05 00 000

The Company has spent a sum of Rs.5,00,000 by way of contribution to the Prime Minister CARES Fund on 3rd April 2020 and Rs.25,00,000 by way of contribution to the Chief Minister's Relief Fund on 2nd April 2020.

Note 31: Disclosure of provisions and contingencies as per Ind AS - 37

PARTICULARS	Provision for leave encashment	Provision for Gratuity
Opening Balance as at 1st April 2018	**1 24 60 700**	**22 34 606**
Additional provision created during the year	1 28 77 679	1 06 77 462
Reversal / Payments during the year	1 71 42 487	1 32 00 699
Closing Balance as at 31st March 2019	**81 95 892**	**(2 88 631)**
Opening Balance as at 1st April 2019	**81 95 892**	**(2 88 631)**
Additional provision created during the year	1 00 57 135	1 44 02 125
Reversal / Payments during the year	48 00 000	NIL
Closing Balance as at 31st March 2020	**1 34 53 027**	**1 41 13 494**

Note 32: Employee Benefits

(Amount in ₹)

Defined Contribution Plans:

During the year, the company has recognized the following amounts in the Profit and Loss Statement, which are included in Employee benefits expense in Note No.......

		2019-20	2018-19
Contribution to Superannuation Fund	₹	-	-
Contribution to Pension Fund	₹	53 70 577	49 61 105
Contribution to Employees State Insurance - ESI	₹	2 01 337	1 48 933
Contribution to Provident Fund	₹	1 91 93 501	1 69 99 990
		2 47 65 415	**2 21 10 029**

Defined Benefit Plans:

	Year ended 31.03.2020	Year ended 31.03.2019
1) Amount Recognised in Balance Sheet:		
The Total Amount of net liability/asset to be recorded in the balance sheet of the Company, along with the comparative figures for pervious period, is shown in the below table:		
Present Value of the funded defined benefit obligation	9 12 60 861	7 45 27 157
Fair Value of plan assets	7 71 87 314	7 48 15 788
Net funded obligation	1 40 73 547	(2 88 631)
Present value of unfunded defined benefit obligation	-	-
Amount not recogonised due to asset limit	-	-
Net defined benefit liability/ (asset) recogonised in balance sheet	1 40 73 547	(2 88 631)
Net defined benefit liability/ (asset) bifurcated as follows:		
Current	8 75 803	-
Non-Current	1 31 97 744	(2 88 631)
2) Profit & Loss Account Expense:	**Year ended 31.03.2020**	**Year ended 31.03.2019**
The expenses charged to the profit & loss account for period along with the corresponding charge of the previsous period is presented in th table below:		
Current Service cost	82 09 668	95 08 916
Past service cost		-
Administration expenses		-
Interest on net defined benefit liability / (asset)	(1 76 118)	(4 12 646)
(Gains) / Losses on settlement		-
Total expense charged to profit and loss account	**80 33 550**	**90 96 270**
Amount recorded in other Comprehensive Income: The total amount of reimbursement items and impact of liabilities assumed or settled if any, which is recorded immediately in Other Comprehensive Income during the period is shown in the table below:		
Opening amount recogonized in OCI outside profit and loss account	29 36 726	10 95 724
Remeasurements during the period due to		
Changes in financial assumptions	41 55 829	3 13 205
Changes on demogarphic assumptions	-	(7 088)
Experience adjustments	54 13 451	18 81 772
Actual return on plan assets less interest on plan assets	(9 07 655)	(3 46 887)
Adjustment to recogonize the effect os asset ceiling		-
Closing amount recognized in OCI outside profit and loss account	**1 15 98 351**	**29 36 726**

(Amount in ₹)

3) Reconciliation of Net Liability / Asset:	Year ended 31.03.2020	Year ended 31.03.2019
The movement of net liability / asset from the beginning to the end of the accounting period as recognized in the balance sheet of the company is shown below:		
Opening net defined benefit liability / (asset)	(2 88 631)	20 34 491
Expenses charged to profit & loss account	80 33 550	90 96 270
Amount recogonized outside profit & loss account	86 61 625	18 41 002
Employer contributions	(2 73 382)	(1 32 00 699)
Impact of liabilityassumed or (settled)	-	(59 695)
Closing net defined benefit liability / (asset)	**1 61 33 162**	**(2 88 631)**
Movement in Benefit Obligations:		
A reconciliation of the benefit obligation during the inter-valuation period is given below:		
Opening of defined benefit obligation	7 45 27 157	6 17 69 707
Current service cost	82 09 668	95 08 916
Past service cost	-	-
Interest on defined benefit obligation	50 05 702	42 82 760
Remeasurements due to:		
Acturial loss / (gain) arising from change in financial assumptions	41 55 829	3 13 205
Acturial loss / (gain) arising from change in demographic assumptions	-	(7 088)
Acturial loss / (gain) arising on account of experience changes	54 13 453	18 81 772
Benefits paid	(15 51 923)	(32 22 115)
Liabilities assumed/ (settled)	(24 39 408)	-
Liabilities extinguished on settlements		-
Closing of defined benefit obligation	**9 33 20 478**	**7 45 27 157**

4) Movement in Plan Assets:	Year ended 31.03.2020	Year ended 31.03.2019
The fair value of the assets as at the balance sheet date has been estimated by us based on the latest date for which a certified value of assets is readily available and the cash flow information to and form the fund between this date and the balance sheet date allowing for estimated interest for the period:		
A reconciliation of the plan assets during the inter-valuation period is given below:		
Opening fair value of plan assets	7 48 15 788	5 97 35 216
Employer contributions	2 73 382	1 32 00 699
Interest on plan assets	51 81 820	46 95 406
Administration expenses	-	-
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	9 07 655	3 46 887
Benefits paid	(15 51 923)	(32 22 115)
Assets acquired / (settled)	(24 39 408)	59 695
Assets distributed on settlements	-	-
Closing fair value of plan assets	**7 71 87 314**	**7 48 15 788**
Movement in Asset Ceiling:		
A reconciliation of the asset ceiling during the inter-valuation perios is given below:		
Opening value of asset ceiling	-	-
Interest on opening balance of asset ceiling	-	-
Remeasurements due to:	-	
Change in surplus/deficit	-	-
Closing value of asset ceiling	**-**	**-**

(Amount in ₹)

5) Disaggregation of Plan Assets:	Year ended 31.03.2020	Year ended 31.03.2020	Year ended 31.03.2020	Year ended 31.03.2019	Year ended 31.03.2019	Year ended 31.03.2019
	Quoted Value	Unquoted value	Total	Quoted Value	Unquoted value	Total
A split of plans asset between various asset classes as well as segregation between quoted and unquoted values is presented below:						
Property	-	-	-	-	-	-
Government debt instruments	-	-	-	-	-	-
Other debt instruments	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-
Insurer managed funds	-	7 71 87 314	7 71 87 314	-	7 48 15 788	7 48 15 788
Others	-	-	-	-	-	-
Grand Total	**-**	**7 71 87 314**	**7 71 87 314**	**-**	**7 48 15 788**	**7 48 15 788**

6) Key Actuarial Assumptions:	Year ended 31.03.2020	Year ended 31.03.2019
The Key acturial assumptions adopted for the purposs of this valuation are given below:		
a) Discount rate (p.a.)		
b) Salary escalation rate (p.a.)	6.95%	7.50%
	7.00%	7.00%
c) Retirement Age: The employees of the company are assumed to retire at the age of 58 years.		
d) Mortality: Published rates under the Indian Assured Lives Mortality (2012-14) Ut table.		
Rates of Indian Assured Lives Mortality table at specimen ages are as shown below:	**Age (years)**	**Rates (p.a.)**
	18	0.000874
	23	0.000936
	28	0.000942
	33	0.001086
	38	0.001453
	43	0.002144
	48	0.003536
	53	0.006174
	58	0.009651
e) Leaving Service:		
Rates of leaving service at specimen ages are as shown below:	**Age (years)**	**Rates (p.a.)**
	21-30	10%
	31-40	5%
	41-50	3%
	51-57	2%
f) Disability: Leaving service due to disability is included in the provision made for all caused of leaving serivce (paragraph (e) above).		

(Amount in ₹)

7) Sensitivity Analysis	Year ended 31.03.2020		Year ended 31.03.2019
	Discount Rate	Salary Escalation Rate	Discount Rate
Gratuity is a lump sum plan and the cost of providing these benefits is typicallyless sensitive to small changes in demographic assumptions. The Key acturial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the change in defined benefit obligation and impact in percentage terms compared with the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.			
Defined benefit Obligation on increase in 50bps	8,74,69,057	9,53,24,540	6,94,37,600
Impact of increase in 50bps on DBO	-7.61%	8.15%	-7.66%
Defined benefit obligation on decrease in 50bps	9,53,46,229	8,74,53,622	7,57,32,152
Impact of decrease in 50bps on DBO	8.19%	-7.65%	8.24%
The sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no changes in market conditions at the accounting date. There have been no changes from the previsous periods in the methods and assumptions used in preparing the sensitivity analysis.			

Disclosures in accordance with Ind AS 102 - Share based Payments

As per Ind AS 102, Share Based Payments, a parent that grants rights to its equity instruments directly to the employees of its subsidiary has the obligation to provide the employees of the subsidiary with the equity instruments. The subsidiary does not have an obligation to provide its parent's equity instruments to the subsidiary's employees. The subsidiary shall measure the services received from its employees in accordance with the requirements applicable to equity-settled share-based payment transactions, and recognise a corresponding increase in equity as a contribution from the parent. Accordingly, the company has recognized the employee compensation expense in its financial statements, with a corresponding increase to a separate reserve created for this purpose. The company has recognised employee compensation expense of Rs.23,32,663 during the year with corresponding increase to Employee Stock Options Reserve.

Note No.33 - Disclosures in accordance with Ind AS 24 - Related Parties

Details of Related Parties Transactions for the year ended 31.03.2020

Holding Company	Sundaram Finance Limited
Associates	Sundaram Mutual Fund
	Sundaram Alternate Investment Trust Cat III
	Sundaram Alternate Investment Trust Cat II
Fellow Subsidiaries/Associates	Sundaram Home Finance Limited. (formerly known as - Sundaram BNP Paribas Home Finance Limited)
	Sundaram Trustee Company Limited.
	LGF Services Limited.
	Sundaram Fund Services Limited. (formerly known as - Sundaram BNP Paribas Fund Services Limited)
	Sundaram BPO India Limited
	Royal Sundaram General Insurance Company Limited
	Sundaram Finance Holdings Ltd. (formerly known as - Sundaram Finance Investment Limited)
Associates of Fellow Subsidiaries	Flometallic India Private Ltd.
	The Dunes Oman LLC (FZC)
	Sundaram Hydraulics Ltd.
	Axles India Ltd.
	Turbo Energy Private Ltd.
	Transenergy Ltd.
	Sundaram Dynacast Private Ltd.
Key Management Personnel	Mr. Sunil Subramaniam – Managing Director
Directors	Mr. Pratip Chaudhuri (relinquished directorship on 17th February 2020)
	Mr. T T Srinivasa Raghavan
	Mr. Arvind Sethi
	Mr. Harsha Viji
	Mr. K N Sivasubramaniam
	Mr. Rishikesha T Krishnan (relinquished directorship on 15th November 2019)
	Mr. Rahguttama Rao
Post Employment Benefit Plans	Sundaram Asset Management Company Limited Employees Group Gratuity Fund

Transactions with related parties were made on terms equivalent to those that prevail in an arm's length transactions.

(Amt in ₹)

Particulars	Holding Company		Fellow/Subsidiaries/Associates		Key Management Personnel	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Income						
Investment Management And Advisory Fees						
Sundaram Mutual Fund			207 91 11 706	255 39 44 747		
Sundaram Alternative Investment Funds - Cat II			21 90 71 932	4 24 16 657		
Sundaram Alternative Investment Funds - Cat III			8 02 47 744	13 67 17 181		
Sundaram Trustee Company Limited			18 00 000	18 00 000		
Interest from NCD - Royal Sundaram						
Royal Sundaram Insurance Company **(Grouped under Note 21 – Other Income)**			2 72 88 434	-		
Total	**-**	**-**	**240 75 19 816**	**273 48 78 585**	**-**	**-**
Expense						
Rent And Office Maintenance						
Sundaram Finance Ltd	2 33 20 332	2 48 06 075				
PMS Brokerage						
Sundaram Finance Ltd **(Grouped under Note 24 - Brokerage and Fund Expenses)**	1 30 83 016	87 65 977				
AIF Brokerage						
Sundaram Finance Ltd **(Grouped under Note 24 - Brokerage and Fund Expenses)**	1 00 31 100	66 00 000				
Mutual Fund Brokerage						
Sundaram Finance Limited	-	8 37 43 584				
Vehicle Lease Rental						
Sundaram Finance Ltd	32 43 962	28 37 060				
INSURANCE						
Royal Sundaram General Insurance Co. Ltd **(Grouped under Note 23 - Administrative Expenses – Insurance)**			5 55 904	3 66 753		
Remuneration to Key Managerial Personnel of the Company						
Remuneration						
Key Personnel of the Company						
Mr Sunil Subramaniam – Managing Director					2 98 45 000	3 25 57 000
Payroll Processing And Amc Accounting Charges						
Sundaram Finance Holdings Ltd **(Grouped under Note 23 - Administrative Expenses – Miscellaneous Expenses)**			2 37 63 502	3 07 65 629		
Fund Accounting, Registrar And Transfer Fees And Call Centre Charges						
Sundaram Fund Services Ltd **(Grouped under Note 23 - Administrative Expenses)**			8 15 15 523	19 24 31 853		

(Amount in ₹)

Particulars	Holding Company		Fellow/Subsidiaries/Associates		Key Management Personnel	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
System Services Cost						
Sundaram Finance Ltd	21 81 408	13 38 000				
(Grouped under Note 23 - Administrative Expenses – Repairs and Maintenance Cost)						
Internal Audit Fee						
Sundaram Finance Ltd	17 00 000	12 00 000				
(Grouped under Note 23 - Administrative Expenses – Miscellaneous Expenses)						
Dividend On Preference Shares						
Sundaram Finance Holdings Limited			1 01 25 000	1 01 25 000		
(Grouped under Note 25 - Finance Costs)						
Total	**5 35 59 818**	**12 92 90 696**	**11 59 59 929**	**23 36 89 235**	**6 03 87 000**	**5 57 10 162**
Assets						
Investment In Securities At The End Of The Year						
Sundaram Mutual Fund			25 94 77 887	9 13 56 794		
Sundaram Alternative Investment Funds - Cat III			82 46 655	1 74 53 603		
Royal Sundaram General Insurance Company Ltd			53 28 46 749	-		
(Grouped under Note 5.1-Non Current Investment and Note 7.1-Current Investments)						
Trade Receivables						
Receivable from Sundaram Trustee Co. Ltd			1 97 626	1 74 000		
Receivable from Sundaram Mutual Funds			10 01 50 012	7 84 58 646		
Receivable from Sundaram Alternative Investment Fund Cat III			2 51 74 824	1 55 77 647		
Receivable from Sundaram Alternative Investment Fund Cat II			1 55 83 219	1 54 22 479		
(Grouped under Note Note 7.2 - Trade Receivables)						
Rent Deposit						
Sundaram Finance Limited	26 95 000	26 95 000				
(Grouped under Note 5.3 – Other Financial Asset)						
Insurance Deposits						
Royal Sundaram General Insurance Company Limited			51 573	9 051		
(Grouped under Note 7.5 - Other Financial Assets)						
Total	**26 95 000**	**26 95 000**	**94 17 28 545**	**21 84 52 220**	**-**	**-**
Liabilities						
Trade Payables						
Sundaram Finance Ltd	22 20 153	1 03 42 192				
Sundaram Finance Holdings Limited			6 64 825	29 90 543		
Sundaram Fund Services Ltd			5 70 395	89 95 452		
(Grouped under Note 17.1 – Trade Payables)						
Final Dividend	15 00 00 000	15 00 00 000				
Redeemable Cumulative Non-Convertible Preference Shares Alloted						
Sundaram Finance Holdings Limited			15 00 00 000	15 00 00 000		
Total	**15 22 20 153**	**9 03 42 192**	**15 12 35 220**	**16 19 85 995**	**-**	**-**

Note No. 34 - Disclosures in accordance with Ind AS 116 - Leases

On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. Accordingly, a right-of-use asset of RsRs.9,96,45,692 and a corresponding lease liability of Rs.9,96,45,692 has been recognized on 1.4.2019. The cumulative effect on transition in retained earnings net off taxes is Rs.NIL. The principal portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 - Leases, were earlier reported under cash flow from operating activities. The weighted average incremental borrowing rate of 10% has been applied to lease liabilities recognised in the balance sheet at the date of initial application. To the extent of impact of adoption of Ind AS 116, figures of previous year are not comparable with the current year.

The Company incurred Rs.81,98,716 for the year ended March 31, 2020 towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is Rs.6,79,05,958 for the year ended March 31, 2020, including cash outflow for short term and low value leases. The Company has considered lease term extension options that are reflected in the measurement of lease liabilities.

Note No.35 - Disclosures in accordance with Ind AS 108 - Operating Segments

The MD of the Company has been identified as the Chief Operating Decision Maker. The CODM has considered only Investment Management Business as the operating segment as defined under Ind AS 108. The Company's operations primarily relate to providing Investment Management services.

Geographical location of customers	**31.03.2020**	**31.03.2019**
Revenue		
India	293 04 64 098	328 80 23 051
Singapore	10 39 500	10 28 750
Australia	76 44 072	86 68 812
Total	**293 91 47 670**	**329 77 20 613**

Non-Current Assets used in the Company's business, assets or liabilities contracted, other than those specifically identifiable are located in the company's country of domicile.

During the years ended 31 March 2020 and 31 March 2019, Sundaram Mutual Fund contributed more than 10% of the revenue of the Company.

Note No.36 -Disclosures in accordance with Ind AS 115 - Revenue from contracts with customers

Movement of Trade Receivables

	Particulars	**31.03.2020**	**31.03.2019**
	Opening Net Trade Receivables (A)	18 25 32 701	19 06 86 443
Add:	Revenue recognised during the year	288 60 29 716	329 77 20 613
	Exchange fluctuation gain	-	35 394
	Set up cost of Sundaram AIF -Mauritius incurred and receivable	-	-
	GST Collected	48 43 51 746	55 55 02 893
	Brokerage and Marketing Expenses incurred and receivable	13 07 516	1 28 55 315
	Total (B)	**337 16 88 978**	**386 61 14 215**
Less:	Collections	314 32 73 115	364 15 51 578
	Changes due to business combinations	-	5 56 20 489
	Tax Deducted at Source	24 08 08 225	17 14 49 407
	Compensation to investors payable by the company but incurred by Mutual Fund	-	56 46 484
	Total (C)	**338 40 81 339**	**387 42 67 958**
	Closing Balance (A+B-C)	**17 01 40 340**	**18 25 32 701**

Performance Obligations

The performance obligations in the entity's contract with customers are satisfied upon completion of service. The contracts with customers have no significant financing components. Revenue is recognised on time proportion basis using agreed rates. Other revenues are recognised when the customer obtains control of services rendered by the company.

Note No.37 - Adoption of new Income Tax rates

The Company has elected to exercise the option of a lower tax rate provided under Section115BAA of the Income tax Act,1961, as introduced by the TaxationLaws (Amendment Ordinance,2019 dated September 20,2019. Accordingly,the Company recognised provision for income tax and remeasured its deferred tax assets/liabilities on the basis of the rate provided in the said section.

Note No.38 - Impact of Covid-19

In early 2020,the existence of a new coronavirus named SARS CoV-2 responsible for the disease COVID-19,was confirmed and since then the virus has spread across the globe necessitating the World Health Organization (WHO) to declare it a global pandemic. The pandemic has caused disruption to businesses and economic activity which has been reflected in recent fluctuations in markets across the globe. Various governments have introduced a variety of measures to contain the spread of the virus. The Government of India announced a country wide lockdown which still continues across large swathes of the country with some variations. In this nation-wide lockdown, though most services across the nation have been suspended, some establishments like securities market intermediaries including our Company are exempt from the lockdown and therefore functional. There has been no material change in the controls or processes followed in the closing of the financial statements of the Company. The Company has assessed the impact of the pandemic on its operations and its assets including the value of its investments and trade receivables as at March 31,2020.The management does not, at this juncture, believe that the impact on the value of the Company's assets is likely to be material. However, since the revenue of the Company is ultimately dependent on the value of the assets it manages, changes in market conditions and the trend of flows into mutual funds may have an impact on the operations of the Company. Since the situation is rapidly evolving, its effect on the operations of the Company may be different from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor material changes in markets and future economic conditions.

Note No.39 - Proposed Dividend

Board of Directors of the Company at their meeting held on 18th May 2020 have recommended a dividend of Rs. per share to the shareholders of the company subject to the approval of Members at the ensuing Annual General Meeting.

Note No.40 - Disclosures in accordance with Ind AS 33 - Earnings Per Share

Sl. No	Particulars		31.03.2020	31.03.2019
1	Total Comprehensive Income	(A)	32 46 24 771	29 95 14 286
2	Other Comprehensive Income	(B)	(23 00 136)	1 11 51 302
3	Profit / (Loss) for the period	(C)=(A)-(B)	32 69 24 907	28 83 62 984
4	Number of shares (nominal value of Rs.10/- each)	(D)	2 00 00 000	2 00 00 000
5	Earnings per share (Basic) – Rs.	(C)/(D)	16.35	14.42
6	Earnings per share (Diluted) – Rs.		16.35	14.42
7	Dividend proposed to be distributed – Rs.		15 00 00 000	15 00 00 000
8	Dividend per share – Rs.		7.50	7.50

Note No.41 - Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

The Company has initiated the process of obtaining confirmation from suppliers who have registered under the Micro, Small and Medium Enterprises Development Act, 2006. Based on the information available with the company there is no amount outstanding as on 31st March 2020. There are no overdue principle amounts and therefore no interest is paid or payable.

The information required to be disclosed under the Micro, Small And Medium Enterprises Development Act,2006('the MSMED Act") has been determined to the extent such parties have been identified on the basis of information received from such parties and available with the Company. There are no overdue to parties on account of principal amount and / or interest as disclosed below:

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
The Principal amount and interest thereon, remaining unpaid to any supplier at the end of each accounting year.	NIL	
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006		
The amount of payment made to suppliers beyond the appointed day during each accounting year		
The amount of interest due and payable for the period of delay in making payment(which have been paid beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006		
The amount of interest accrued and remaining unpaid at the end of each accounting year		
The amount of further interest remaining due and payable even in the succeeding years until such dates when the interest due above are actually paid to all the small enterprises, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006		

Note No.42 - Dues to Investor Education and Protection Fund:

There are no amounts due for payment to the Investor Education & Protection Fund under Section 125 of the Companies Act, 2013 as at March 31, 2020.

Note No.43 - Contingent liabilities and capital commitments:

A. Claims against the Company not acknowledged as debts

Direct tax contingencies

Particulars	31.03.2020	31.03.2019
Income tax Matters	25 42 77 597	38 61 601
Service Tax matters	18 46 47 963	18 46 47 963

(Amount in ₹)

B.Others

Particulars	31.03.2020	31.03.2019
Corporate Guarantee provided to subsidiary company	25 00 00 000	-

In respect of the corporate guarantee provided, the company is required under Ind AS 109, read with Ind AS 113 to recognise the financial guarantee commitment on the basis of either the market rate, estimated reduction in interest cost of the subsidiary or estimated present value of probability weighted cash flows. The company, considering the probability weighted cash flows as Rs.NIL, has arrived at the fair value of financial guarantee as Rs.NIL and has accounted accordingly.

Note No.44 - Contractual liabilities:

All contractual liabilities connected with business operations of the Company have been appropriately provided for on behalf of Board of Directors.

For **Suri & Co.** Chartered Accountants Firm Regn No. 004283S	**Harsha Viji** Director	**P. Sundararajan** Company Secretary
Sanjeev Aditya.M Partner Membership No. 229694		
Chennai 18th May 2020	**Sunil Subramaniam** Managing Director	**Lakshmi H** Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Members Sundaram Asset Management Company Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements Sundaram Asset Management Company Limited ("the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31st March 2020, and the consolidated Statement of Profit and Loss, consolidated Statement of Changes in Equity and the consolidated Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the 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 ("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 company as at March 31, 2020, of consolidated profit, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 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.

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. Based on the audit we have conducted we determined that there are no key audit matters to communicate in our report.

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement 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 matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the 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, 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 Board of Directors of the companies included in the Group 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 Board of Directors either intends to liquidate the Company 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 responsible for overseeing the financial reporting process of the Holding Company and its Subsidiaries.

Auditor's Responsibility 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 of the Company, 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 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 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 Holding Company and Subsidiaries 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 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.

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

Other Matters

We did not audit the financial statements / financial information of Sundaram Alternate Assets Limited, whose financial statements / financial information reflect total assets of Rs. 67,72,26,999 as at 31st March, 2020, total revenues of Rs. 60,06,20,430 and net cash outflows amounting to Rs. 21,78,271 and of Sundaram Asset Management Singapore Pte Limited whose financial statements / financial information reflect total assets of Rs. 23,63,85,029 as at 31st March, 2020, total revenues of Rs. 20,61,62,852 and net cash inflows amounting to Rs. 1,70,67,030 for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Holding Company's share of net profit of Rs. 24,73,94,050 for the year ended 31st March, 2020, as considered in the consolidated financial statements, in respect of Subsidiaries, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and 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) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid Subsidiaries, is based solely on the reports of the other auditors.

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 reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. 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 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 reports of the other auditors.

    c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts maintained for the purpose of preparation of the consolidated financial statements..

    d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

    e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors is disqualified as on 31st March, 2020 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 Group and the operating effectiveness of such controls, refer to our separate Report in the annexure.

    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 Group to its directors during the year is in accordance with the provisions of section 197 of the Act. On the basis of the reports of the statutory auditors of the Subsidiary incorporated in India, the remuneration paid by the Subsidiary to its directors during the current year is in accordance with the section 197 of the Act and the remuneration paid to any director is not in excess of the limit laid down under sec 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, in our opinion and to the best of our information and according to the explanations given to us:

       i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements - [Refer Note 43 to the consolidated financial statements]

       ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

       iii. The requirement of transfer to the Investor Education and Protection Fund by the Company is not applicable at the Group level.

For Suri & Co.
Chartered Accountants
Firm Registration No. 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Place: Chennai
Date: 18th May 2020

Annexure to the Auditors' Report
(Referred to in 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 Sundaram Asset Management Holding Company Limited ("the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") as of March 31, 2020 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its Subsidiary which is a company incorporated in India responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 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 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 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 Ind AS 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 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 unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the 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.

Other Matters

Our aforesaid reports under section 143(3)(i) of the act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to Subsidiary which is incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

For Suri & Co.
Chartered Accountants
Firm Registration No. 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Place: Chennai
Date: 18th May 2020

Branches

Agra
Ahmedabad
Allahabad
Aurangabad
Bangalore
Baroda
Bhilai
Bhopal
Bhubaneshwar
Calicut
Chandigarh
Chennai
Cochin
Coimbatore
Dehradun
Delhi - 2
Durgapur
Goa
Gurgaon
Guwahati
Hubli
Hyderabad
Indore
Jaipur
Jalandhar
Jamshedpur
Jodhpur
Kanpur
Kolkatta - 2
Kottayam
Lucknow
Ludhiana
Madurai
Mangalore
Mumbai - 4
Mysore
Nagpur
Nasik
Patna
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Pune
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Surat
Thrissur
Trichy
Trivandrum
Varanasi
Vijayawada
Vizag