



Sundaram Alternate Assets Limited

January 24, 2018 to March 31, 2018

Board of Directors

Harsha Viji

Chairman

Arvind Sethi

Lakshminarayanan Duraiswamy

Vijayendiran Rao

Karthik Athreya

Audit Committee

Harsha Viji

Chairman

Lakshminarayanan Duraiswamy

Vijayendiran Rao

Nomination and Remuneration Committee

Arvind Sethi

Chairman

Harsha Viji

Lakshminarayanan Duraiswamy

Auditors

M/s. Brahmayya & Co., Chennai

Chartered Accountants

Registered Office

21, Patullos Road, Chennai - 600 002

Corporate Office

Sundaram Towers,

I and II Floor, 46, Whites Road,

Royapettah, Chennai 600 014

Tel: +91 44 28510040

Website: www.sundaramalternates.com**CIN**

CIN: U65990TN2018PLC120641



Sundaram Alternate Assets Limited

A wholly-owned subsidiary of

Sundaram Asset Management Company Limited

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DIRECTORS' REPORT

To the Members

Your Directors have pleasure in presenting the 1st Annual Report with the audited financial statement of accounts for the period ended March 31, 2018. The summarized financial results of the Company are given hereunder:

Particulars	(Amount in ₹)
	Period ended March 31, 2018
Total Revenue	2,58,077
Total Expenses	2,39,244
Profit Before Tax	18,833
Provision for Tax	4,850
Profit After Tax	13,983

Company Performance

Your Company was incorporated on 24th January 2018 to undertake Portfolio Management Services and to act as Investment Manager for Alternative Investment Funds. Your Company increased its paid-up capital from ₹5 lakhs to ₹3 cr. to meet the capital adequacy requirement of ₹2 cr. prescribed under SEBI (Portfolio Managers) Regulations, 1993.

The Board of Directors in February 2018 approved a Scheme of Arrangement between your Company and Sundaram Asset Management Company Limited (SAMCL), the Holding Company, for transfer of alternative investment fund and portfolio management services divisions of SAMCL. Necessary application has been made to Chennai Bench of the National Company Law Tribunal.

Your Company has also made an application to Securities and Exchange Board of India for undertaking the above activities and awaiting regulatory approvals.

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.

Internal Control System and Adequacy

The Company has an adequate system of internal controls consistent with its nature and size of the operations to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition.

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 period ended March 31, 2018, two Board Meetings were held.

Mr Harsha Viji (holding DIN: 00602484), Mr Lakshminarayanan Duraiswamy (holding DIN: 07988186) and Mr Vijayendiran Rao (holding DIN: 07997232) are the first directors named in the Articles of Association. Mr. Karthik Balachandran Athreya (holding DIN: 01797014) and Mr Arvind Sethi (holding DIN: 00001565) have been co-opted as Additional Directors at the Board Meeting held on 2nd February 2018. They hold office upto the date of the ensuing Annual General Meeting. Necessary resolutions seeking their appointment have been submitted for your approval.

Board Committees

1. Audit Committee

The Audit Committee of the Board was constituted on February 02, 2018. Mr Harsha Viji, Mr Lakshminarayanan Duraiswamy and Mr Vijayendiran Rao are the members of the Committee. The Committee was constituted to review the internal audit plans, financial statements, adequacy of internal control systems. The Committee will review the reports, the observations of the internal / external auditors with the responses of the management.

2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board was constituted on February 02, 2018. Mr Arvind Sethi, Mr Harsha Viji and Mr Lakshminarayanan Duraiswamy are the members of the Committee. The Committee was constituted to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees. The Committee recommended to the Board the appointment of directors.

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

The number and dates of Meetings of the Board held during the financial year indicating the number of Meetings attended by each Director is furnished vide Annexure I. 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.

Particulars of Employee Remuneration

The Company has no employee on its payroll. Accordingly, the provisions of Section 197(12) of the Companies Act, 2013 requiring disclosure of remuneration of employees is not applicable.

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

The Company has no employee in its payroll and hence the Act is not applicable.

Information under Section 134 (3) (m) of the Companies Act, 2013

Your Company has no activity relating to conservation of energy or technology absorption. The Company had no foreign exchange earnings or outgo during the period ended March 31, 2018.

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 nor invested in securities of any other body corporate during the period ended March 31, 2018.

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 transaction with related parties, under Section 188 of the Companies Act, 2013. 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 II.

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.

Extract of 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 III.

Auditors

M/s. Brahmayya & Co., Chartered Accountants, Chennai, Statutory Auditors of your Company will hold office until the conclusion of the ensuing Annual General Meeting. Your directors recommend the appointment of M/s. Brahmayya & Co., Chartered Accountants, Chennai, as Statutory Auditors of the Company in accordance with the provisions of Sections 139, 141 and other applicable provisions of the Companies Act, 2013 to hold office from the conclusion of 1st Annual General Meeting until the conclusion of 6th Annual General Meeting, subject to the approval of the shareholders at the 1st Annual General Meeting. The Company has received a certificate from them pursuant to Section 139 confirming their eligibility under Section 141 of the Companies Act, 2013 and rules issued thereunder.

Acknowledgement

Your Directors wish to place on record their deep appreciation of the professional support and guidance received from Sundaram Asset Management Company Limited and Sundaram Finance Limited.

For and On behalf of the Board of Directors

Place: Chennai

Harsha Viji

Date: May 10, 2018

Chairman

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

During the year under review, 2 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	Harsha Viji	00602484	2	February 02, 2018 & February 14, 2018
2	Arvind Sethi	00001565	1	
3	Lakshminarayanan Duraiswamy	07988186	2	
4	Vijayendiran Rao	07997232	2	
5	Karthik Balachandran Athreya	01797014	2	

Annexure - II

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
No transactions were entered into with related parties during the period ended March 31, 2018.
2. Details of material contracts or arrangement or transactions at arm's length basis
No transactions were entered into with related parties during the period ended March 31, 2018.

For and on behalf of the Board of Directors

Place: Chennai
Date: May 10, 2018

Harsha Viji
Chairman

Form No.MGT-9

Extract of Annual Return as on 31st March 2018

[Puruant 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	U65990TN2018PLC120641
ii) Registration Date	24-Jan-18
iii) Name of the Company	Sundaram Alternate Assets Limited
iv) Category / Sub-category of the company	Public Company / Company having Share Capital
v) Address of the Registered office and contact details	21 Patullos Road, Chennai 600 002 Tel:+91 44 28521181
vi) Whether listed company	No
vii) Name, address and contact details of Registrar and Transfer agent, if any	Not applicable

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

Name & description of main products / services	NIC Code of the product/ services	% to total turnover of the company*
Investment Management and Advisory Services	66301	Gain on sale of current investments 100%

* Yet to Start Business

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

Name and address of the company	CIN/GLN	Holding/Subsidiary /Associate	% of shares Held	Applicable Section
Sundaram Asset Management Company Limited 21, Patullos Road, Chennai 600002	U93090TN1996PLC034615	Holding Company	100%	Sec. 2 (46)

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

(i) Category-wise Share Holding

	Category of Shareholders	No of Shares held at the beginning of the period (24.01.2018)				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.	-	50,000	50,000	100%	-	30,00,000	30,00,000	100%	Nil
e)	Banks / FI	-	-	-	-	-	-	-	-	-
f)	Any Other	-	-	-	-	-	-	-	-	-
	Sub Total A(1)	-	50,000	50,000	100%	-	30,00,000	30,00,000	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)	-	50,000	50,000	100%	-	30,00,000	30,00,000	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)	FIs	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Others(Specify)	-	-	-	-	-	-	-	-	-
	Sub Total B(1)	-	-	-	-	-	-	-	-	-
2)	Non-Institutions									
a)	Bodies Corp.	-	-	-	-	-	-	-	-	-
i)	Indian	-	-	-	-	-	-	-	-	-
ii)	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto ₹ 1 Lakh	-	-	-	-	-	-	-	-	-
ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	-	-	-	-	-	-	-	-	-
c)	Others Specify	-	-	-	-	-	-	-	-	-
	Sub Total B(2)	-	-	-	-	-	-	-	-	-
	Total Public Shareholding (B) = B(1) + (B)(2)	-	-	-	-	-	-	-	-	-
C.	Shares held by custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	Grand Total (A) + (B) + (C)	-	50,000	50,000	100%	-	30,00,000	30,00,000	100%	Nil

ii) Shareholding of Promotors

Shareholder's Name	Shareholding at the beginning of the period (24.01.2018)			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 Asset Management Company Ltd.*	50,000	100%	Nil	30,00,000	100%	Nil	Nil

* Includes 6 shares held by nominees of Sundaram Asset Management Company Limited

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

Shareholder's Name	Shareholding at the beginning of the period (24.01.2018)		Cummulative shareholding during the year	
	No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
Sundaram Asset Management Company Ltd				
At the beginning of the period	50,000	100%	50,000	100%
Allotment of Rights Shares - 23.02.2018	29,50,000	98.33%	30,00,000	100%
At the End of the year			30,00,000	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 period (24.01.2018)		Cummulative 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	Not Applicable			
Date wise increase / decrease in shareholding				
At the End of the year				

v) Shareholding pattern of Directors and Key Managerial Personnel

Sl. No	Name of the Directors and KMP	Shareholding at the beginning of the period (24.01.2018)		Cummulative shareholding during the year	
		No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
1	Mr Harsha Viji *				
	At the beginning of the period	1	Negligible	1	Negligible
	Increase / decrease in shareholding during the year	-	-		
	At the End of the year			1	Negligible
2	Mr Lakshminarayanan Duraiswamy *				
	At the beginning of the period	1	Negligible	1	Negligible
	Increase / decrease in shareholding during the year	-	-		
	At the End of the year			1	Negligible
3	Mr Vijayendiran Rao *				
	At the beginning of the period	1	Negligible	1	Negligible
	Increase / decrease in shareholding during the year	-	-		
	At the End of the year			1	Negligible
4	Mr Karthik Balachandran Athreya *				
	At the beginning of the period	1	Negligible	1	Negligible
	Increase / decrease in shareholding during the year	-	-		
	At the End of the year			1	Negligible

* held as nominees of Sundaram Asset Management Company Limited jointly with others

V. INDEBTEDNESS

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

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

NIL

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
1	Gross Salary a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961 b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961 c) Profits in Lieu of salary under Section 17(3) of the Income tax Act, 1961.	Not Applicable	
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of Profits		
	- others, specify		
5	Others, Please specify		
	Total (A)		
	Ceiling as per the Act (10% of Net Profits)		

B. Remuneration to Other Directors

Name of Directors	Particulars of Remuneration			Total Amount (₹)
	Fee for attending board/Committee meetings (₹)	Commission (₹)	Others, Please Specify	
Independent Directors:	Not Applicable			
Other Non-Executive Directors:				
Mr Harsha Viji	-	-	-	-
Mr Lakshminarayanan Duraiswamy	-	-	-	-
Mr Vijayendiran Rao	-	-	-	-
Mr Karthik Balachandran Atherya	20,000	-	-	20,000
Mr Arvind Sethi	10,000	-	-	10,000
Total (B)				30,000
Total Managerial Remuneration (A) + (B) excluding sitting fee	Nil			
Overall Ceiling as per the Act (11% of Net Profits)	Not Applicable			

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

Sl. No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross Salary a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 b) Value of Perquisites u/s Section 17(2) of the Income Tax Act, 1961 c) Profits in Lieu of salary under Section 17(3) of the Income tax Act, 1961	Not Applicable			
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of Profits				
	- Others, Please Specify				
5	Others, Please specify				
	Total (A)				
	Ceiling as per the Act				

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 period ended 31st March 2018.

For and on behalf of the Board of Directors

Place: Chennai
Date: 10.05.2018

Harsha Viji
Chairman

INDEPENDENT AUDITOR'S REPORT
To the Members of Sundaram Alternate Assets Limited

1. Report on the Financial Statements

We have audited the accompanying financial statements of Sundaram Alternate Assets Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the period 24th January 2018 (date of incorporation) to 31st March 2018, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

4. Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit and its cash flows for the period 24th January 2018 (date of incorporation) to 31st March 2018.

5. Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order.
- (ii) As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal

financial controls over financial reporting of the Company and the Operating Effectiveness of such controls, refer to our separate report in "Annexure B"

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position;
 - ii. the Company did not have any long term contracts including derivative contracts;
 - iii. there was no amount to be transferred to the Investor Education and Protection Fund by the Company.

For BRAHMAYYA & Co.
Chartered Accountants
Firm Regn. No.000511S

L Ravi Sankar
Partner
Membership No. 25929

Place: Chennai
Date: May 10, 2018

“ANNEXURE A” TO THE AUDITORS’ REPORT REFERRED TO IN PARAGRAPH 5 OF OUR REPORT OF EVEN DATE

1. The Company does not own any fixed assets. Therefore, clauses (i) (a), (b), (c) of paragraph 3 of the Order are not applicable to the Company for the period.
2. In our opinion and according to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, clauses (iii) (a), (b) and (c) of paragraph 3 of the Order are not applicable to the Company for the period.
3. In our opinion and according to the information and explanations given to us, the company has not granted any loans, made any investments or provided any guarantee or security as envisaged under Section 185 and Section 186 of the Companies Act, 2013 respectively.
4. The Company has not accepted any deposits from the public.
5. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act.
6.
 - i) In our opinion and according to the information and explanations given to us, undisputed statutory dues, including Provident Fund, Employees State Insurance, Income tax, Service tax, Goods and Service tax, cess and other material statutory dues have been regularly deposited during the period with the appropriate authorities.
 - ii) In our opinion and 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 on account of any dispute.
7. The Company does not have any borrowings from banks, financial institutions, government or by issue of debentures.
8. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) or by way of term loans.
9. To the best of our knowledge and belief and according to the information and explanations given to us, during the period, no fraud by the Company and no fraud on the Company by its employees or officers were noticed or reported during the course of our audit.
10. The Company has not paid any remuneration to the directors and key managerial personnel during the period. Accordingly, clause (xi) of paragraph 3 of the Order is not applicable to the Company for the period.
11. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Section 177 and Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
12. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period.
13. In our opinion and 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 non-cash transactions with directors or persons connected with them.
14. In our opinion and according to the information and explanations given to us, the nature of the Company’s business/ activities during the period has been such that clause (ii), clause (xii) and clause (xvi) of paragraph 3 of the Companies (Auditor’s Report) Order, 2016 is not applicable to the Company for the period.

For BRAHMAYYA & Co.
Chartered Accountants
Firm Regn. No.000511S

L Ravi Sankar
Partner
Membership No. 25929

Place: Chennai
Date: May 10, 2018

“ANNEXURE B” TO THE AUDITORS’ REPORT REFERRED TO IN PARAGRAPH 5 OF OUR REPORT OF EVEN DATE**Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies, Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Sundaram Alternate Assets Limited (“the Company”) as of 31st March 2018 in conjunction with our audit of the standalone financial statements of the Company for the period ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) 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 was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, 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 BRAHMAYYA & Co.Chartered Accountants
Firm Regn. No.000511S

L Ravi Sankar

Partner

Membership No. 25929

Place: Chennai

Date: May 10, 2018

Balance Sheet

As at 31st March, 2018

(Amount in ₹)

Particulars	Note	31.03.2018	
I. Equity and Liabilities			
1. Shareholders' Funds			
(a) Share Capital	2	3,00,00,000	
(b) Reserves and Surplus		<u>13,983</u>	3,00,13,983
2. Share Application Money Pending Allotment			—
3. Non-Current Liabilities			—
4. Current Liabilities			—
(a) Trade Payables		—	
(b) Other Current Liabilities	3	38,470	
(c) Short Term Provisions	4	<u>4,850</u>	43,320
Total			<u>3,00,57,303</u>
II. Assets			
1. Non-Current Assets			
2. Current Assets			
(a) Current Investments	5	2,95,00,000	
(b) Cash and Bank Balances		5,57,165	
(c) Other Current Assets		<u>138</u>	3,00,57,303
Total			<u>3,00,57,303</u>

Significant Accounting Policies and Notes to Accounts 1 to 7

For **Brahmayya & Co.**
Chartered Accountants
Firm Registration No: 000511S

L Ravi Sankar
Partner
Membership No. 25929

Chennai
10th May, 2018

Harsha Viji
Director

Arvind Sethi
Director

Vijayendiran Rao
Director

Profit and Loss Statement

for the period 24th January 2018 (Date of incorporation) to 31st March 2018

(Amount in ₹)

Particulars	Note	24.01.2018	31.03.2018
Income			
Other Income	6		2,58,077
Total	(A)		2,58,077
Expenditure			
SEBI Filing Fees			2,00,000
Administrative and other expenses	7		39,244
Total	(B)		2,39,244
Profit before tax	(A-B)		18,833
Less : Tax Expense			
Current Tax		4,850	4,850
Profit after tax			13,983
Earnings per Equity Share			
Number of Equity Shares (Face Value ₹ 10/- Per Share)			30,00,000
Weighted Average Number of Shares (Face Value ₹ 10/- Per Share)			5,50,685
Basic & Diluted Earnings per Equity Share			0.03

For **Brahmayya & Co.**
Chartered Accountants
Firm Registration No: 000511S

L Ravi Sankar
Partner
Membership No. 25929

Chennai
10th May, 2018

Harsha Viji
Director

Arvind Sethi
Director

Vijayendiran Rao
Director

NOTES TO THE ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the relevant provisions of 211 3(C) of the Companies Act, 2013.

The preparation of the financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amounts of revenues and expenses during the year and disclosure of contingent liabilities as at that date. The estimate and assumptions used in the financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of the financial statements.

1.2 Income and expenditure are accounted on accrual basis.

1.3 Valuation of Investment :

Long Term investments are carried at cost and provision for decline in value, other than temporary is considered wherever necessary.

Current Investments are valued at lower of cost and market value/ net asset value.

1.4 Preliminary Expenses :

Preliminary Expenses incurred for the incorporation of the company are written off during the period.

GENERAL:

2.1 Related Party disclosure: In accordance with the Accounting Standard - AS 18 – Related Party Disclosure, the details of related parties and the transactions with related parties are given below

RELATED PARTIES**Holding Company:**

Sundaram Asset Management Company Limited

Fellow Subsidiary:

Sundaram Asset Management Singapore Pte Limited

Transactions with related parties during the year

1. Rent expenses - ₹ 28,230 (Holding Company)
2. Issuance of Share Capital - ₹ 3,00,00,000 (Holding Company)

2.2 Earnings per Share (Basic and diluted)

Sl. No	Particulars	2017-18	
		(A)	(B)
1.	Profit after tax ₹	(A)	13,983
2.	Weighted Average Number of shares (nominal value of ₹ 10/- each)	(B)	5,50,685
3.	Earnings per share (Basic and diluted) – ₹	(A)/(B)	0.03

2.3 The Company does not owe any amount to any Small Scale Industrial undertaking.

2.4 The Company was incorporated on 24th January 2018. The financial statement pertains to the period from the date of incorporation to 31st March 2018. Therefore, there are no comparative figures for the previous period.

2.5 Figures have been rounded off to the nearest rupee.

Notes to the Accounts

forming part of the Balance Sheet as at March 31, 2018

(Amount in ₹)

Note 2

SHARE CAPITAL :

Particulars	31.03.18
Share Capital	
Authorised	
6,00,00,000 Equity Shares of ₹ 10/- each	60,00,00,000
	60,00,00,000
Issued, Subscribed and fully paid up	
30,00,00,000 Equity Shares of ₹ 10/- each	3,00,00,000
	3,00,00,000

Details of number of Shares held by shareholders holding more than 5% shares are set out below:

Name of the Shareholder	No. of Shares #	% held as at 31.03.18
Sundaram Asset Management Company Limited - Holding Company	30,00,000	100%

Includes six equity shares held by nominees of Sundaram Asset Management Limited.

Reconciliation of the number of equity shares outstanding at the beginning and at the end of financial year are as follows:

Particulars	31.03.18
Opening number of Shares outstanding	—
Add : Shares issued	30,00,000
Less: Shares bought back	—
Closing number of shares outstanding	30,00,000

Note 3

OTHER CURRENT LIABILITIES:

(Amt in ₹)

Particulars	31.03.18
Outstanding Expenses	38,470
	38,470

Notes to the Accounts

forming part of the Balance Sheet as at March 31, 2018

(Amount in ₹)

Note 4

SHORT TERM PROVISIONS

(Amt in ₹)

Particulars	31.03.18
Provision for Taxation	4,850
	<u>4,850</u>

Note 5

CURRENT INVESTMENTS

(Amt in ₹)

Particulars	31.03.18
Un-Quoted Non Trade: Investments in Mutual Funds	2,95,00,000
	<u>2,95,00,000</u>

Particulars	Face Value	Holding (Number)	As at 31.03.18	Cost (₹)
Investments in Mutual Funds Sundaram Income Plus-Growth	10	11,25,911.23		2,95,00,000
		Total		<u>2,95,00,000</u>

Particulars	Cost (₹)	31.03.18	Net Asset Value (₹)
Aggregate of Quoted Investments	-		-
Aggregate of Unquoted Investments	2,95,00,000		2,95,00,000

Notes to the Accounts

forming part of the Profit and Loss Statement
for the period 24th January 2018 to 31st March 2018

Note 6

OTHER INCOME

(Amt in ₹)

Particulars	24.01.2018 - 31.03.2018
Gain on Sale of Current Investments	2,58,077
	<u>2,58,077</u>

Note 7

ADMINISTRATIVE AND OTHER EXPENSES

(Amt in ₹)

Particulars	2017-18
Rent	28,230
Audit Fees	10,000
Communication Expenses	1,014
	<u>39,244</u>

For **Brahmayya & Co.**
Chartered Accountants
Firm Registration No: 000511S

Harsha Viji
Director

L Ravi Sankar
Partner
Membership No. 25929

Arvind Sethi
Director

Chennai
10th May, 2018

Vijayendiran Rao
Director

Cash Flow Statement

For the period ended 31.03.2018

(Amount in ₹)

Particulars		2017-18
A CASH FLOW FROM OPERATING ACTIVITIES:		
Profit/(Loss) before tax	18,833	
Add: Profit on sale of Current Investment	(2,58,077)	
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		(2,39,244)
(Increase) / Decrease in Current Assets	(138)	
Increase / (Decrease) in Other Current Liabilities	38,470	38,332
Cash Generated from Operations		(2,00,912)
Direct Taxes Paid		—
NET CASH FROM OPERATING ACTIVITIES		(2,00,912)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Current Investments	(5,90,00,000)	
Sale of Current Investment	2,97,58,077	
NET CASH FROM INVESTING ACTIVITIES		(2,92,41,923)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of Share Capital	3,00,00,000	
NET CASH FROM FINANCING ACTIVITIES		3,00,00,000
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS - (A) + (B) + (C)		5,57,165
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		—
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		5,57,165

Note : Cash & Cash Equivalents comprise the following :

a. Cash on hand		—
b. Balances with Banks in Current accounts		5,57,165
c. Fixed Deposits		—
Total		5,57,165

For **Brahmayya & Co.**
Chartered Accountants
Firm Registration No: 000511S

L Ravi Sankar
Partner
Membership No. 25929

Chennai
10th May, 2018

Harsha Viji
Director

Arvind Sethi
Director

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Director

