

**INNOVATIVE AND  
SIMPLIFIED SOLUTIONS FOR  
INDIA'S**





**MR. ADITYA VIKRAM BIRLA**

We live by his values.

Integrity, Commitment, Passion, Seamlessness and Speed.

## Managing Director and CEO's message

# Building on Strength, Delivering Value



### Dear shareholders,

The bygone financial year was characterised by resilient growth, the culmination of the rate-hiking cycle, and moderating inflation. The world economy grew at a pace of 3.2% and IMF projects the same pace of growth to continue for the next 2 years. While the rate-cutting cycle in economies such as the US is yet to start, the world has successfully steered away from a previously anticipated recession. The Indian economy too continued with its robust performance, ending the financial year with 8.2% growth. The Reserve Bank of India has deftly managed inflation while ensuring that the growth momentum is sustained. India's prudent fiscal management, strong forex reserves, and robust tax collections have contributed to the economy's stability. India's strong structural drivers and economic fundamentals remain intact, encouraging investors to continue participating in its growth potential.

### GLOBAL OUTLOOK

Among major economies, the US led with a strong growth rate of 2.5%, allowing the Fed to be patient as it waits for inflation to return to 2%. The Euro Area saw a modest growth of 0.4%, while China's GDP growth rebounded to a still subdued 5.2%. India outperformed with FY24 GDP growth projected at 8.2%. Over the past year, consistent growth upgrades for global GDP, especially for the US and India, have highlighted the global economy's resilience to higher interest rates.

Major central banks, such as the ECB (European Central Bank) and the BoC (Bank of Canada), have started cutting rates to reduce the restrictiveness of monetary policy as inflation has significantly decreased, resulting in higher real rates. The Fed remains on hold after Q1 FY24 inflation exceeded expectations, seeking more confidence that inflation is on a sustainable path toward 2%.

## Managing Director and CEO's message

Looking ahead, the risk of recession appears to have decreased, and the global economy has shown resilience to higher interest rates. Strong labour markets, robust income growth, active industrial policies, stable oil and food prices, and higher fiscal deficits have supported economic activity. Further declines in inflation will allow for more substantial rate cuts globally, although rates are likely to remain above the ultra-low levels seen after the GFC.

### INDIAN ECONOMIC LANDSCAPE

The Indian economy grew by 8.2% in FY24, continuing its strong performance from 7.0% in FY23 and 9.2% in FY22, driven by manufacturing, construction, capital formation, and financial services. The RBI forecasts 7.2% growth for FY25, higher than the pre-Covid 10-year CAGR of 6.6%. However, the recovery has been uneven, with private consumption and services underperforming.

Looking ahead, India is poised for a private capex cycle and a pickup in consumption, supported by good monsoon forecasts and government efforts to boost rural demand. Inflation in FY24 declined to 4.85% from an average of 6.66% in FY23, with the RBI projecting 4.5% for FY25.

India's external account is strong, with a Balance of Payments surplus of \$38.5 Billion in 2023, a current account deficit of 0.9% of GDP, and a capital account surplus of \$71.3 Billion, raising forex reserves to \$645 Billion. The Indian Rupee was stable, depreciating only 1.4% against the US dollar.

Fiscal consolidation continued, reducing the deficit to 5.6% of GDP in FY24 from 6.4% in FY23. The FY25 interim budget targets a deficit of 5.1%, aiming for less than 4.5% in FY26. The IMF expects India to remain the fastest-growing major economy in FY25, with S&P upgrading India's ratings outlook to 'positive'.

### MUTUAL FUND INDUSTRY UPDATE

Coming to the Mutual fund industry, the Quarterly Average Assets Under Management (AUM) managed by domestic mutual funds (MFs) grew by approximately 34% during 2023-24 (FY24), to a new high of ₹54.11 Lakh Crore as of March 2024 compared with ₹40.49 Lakh Crore as of March 2023. The SIP contribution also grew by approximately 35% from ₹14,276 Crore in March, 2023 to ₹19,271 Crore in March, 2024. The number of folios also reached an all-time high of 18 Crore. The investor base expanded to approximately 4.46 Crore, with women constituting approximately 23% and men around 77% of investors.

### TOWARDS A BRIGHTER FUTURE

Looking ahead, we are focused on delivering sustained growth by growing the share of traditional products, including protection, aided by the favourable regulatory environment, coupled with the country's rising disposable income. We will continue to invest in our direct channels while accelerating digitalisation to ensure frictionless delivery. Leveraging artificial intelligence and machine learning, we aim to strengthen our underwriting. Our analytics-based engine would enable us to identify high-propensity customers and further improve upselling opportunities. We will continue to create long-term value for all our shareholders.

### ABSLAMC AT A GLANCE

Aditya Birla Sun Life AMC Limited (ABSLAMC) is one of India's leading Asset Management Companies (AMCs) with an illustrious track record spanning three decades. We are presently managing a total AUM of ₹3,45,837 Crore, with a diverse range of product offerings that include Mutual Funds, Portfolio Management Services, Alternative Investment Funds, as well as Offshore and Real Estate offerings. Our continued focus remains on expanding our customer base while deepening our market penetration, geographical footprint and increasing the overall assets under management.



Our total mutual fund QAAUM grew from ₹2,75,204 Crore as of 31<sup>st</sup> March, 2023 to ₹3,31,709 Crore as of 31<sup>st</sup> March, 2024. We currently cater to 8.6 Million investor folios with our monthly SIP contributions including STP having reached ₹1,252 Crore as of March, 2024.

Our established presence in the Mutual fund industry, diversified product offerings, lean cost model and scale have resulted in our strong financial performance. In FY24, we achieved our highest ever profitability, with a total revenue of ₹1,641 Crore with a profit of ₹780 Crore. Our net worth stands at ₹3,168.88 Crore with a return on equity of 27.45%.

Additionally, we have reinvigorated our focus on our alternative segment by bolstering our team, and increasing our product offerings in Passives, AIF, Real estate and PMS.

Our current passive product offering has yielded good results wherein our assets are at around ₹28,902 Crore as on 31<sup>st</sup> March, 2024. On the real estate side, the Company has successfully completed the deployment of Aditya Birla Real Estate Credit Opportunities Fund (Category II AIF) across five investments and have also successfully executed the first exit.

We continue to remain steadfast in our commitment to creating value for our shareholders. In line with this, we declared, subject to shareholder's approval, a total dividend of ₹13.5 per share for FY24, demonstrating our commitment towards providing strong returns to our shareholders.

**The foundation of our organisation rests firmly on two key pillars: Investments - the bedrock of financial growth & Sales & Distribution - the vital force turning opportunities into real results.**

## **STRENGTHENING THE CORE**

In the last three decades, we have built these pillars tenaciously. Together, we have witnessed many successes, achieved several milestones, and navigated through various market cycles and challenges. We have also been nimble-footed to regroup and realign when needed.

Standing on our strong foundational pillars, in FY24, our focus has been to strengthen our main levers of growth in the organisation by bringing in fresh talent and making strategic changes in certain leadership roles across key business verticals. We have brought depth and expanse to our research capabilities, a sharper focus on our processes and harnessed the power of technology to make better investment decisions. With our unwavering focus, vigour, collaboration, and a formidable team on the ground, we are confident in achieving new milestones and scaling new heights.

## **CUSTOMER FIRST PHILOSOPHY**

At ABSLAMC, we are committed to delivering value to our investors and providing exceptional customer service, which has been crucial in earning their trust over our three decades in the mutual fund industry. We prioritise innovation and continue to introduce new products and value-added services to meet the evolving needs of our diverse customer base.

We continue to proactively connect with our investors across multiple platforms and channels, offering guidance and the necessary support throughout the investment journey, regardless of market fluctuations. This underscored by our multi-channel distribution model that ensures that customers can access us and experience our solutions and services in multiple ways. It exemplifies our dedication to establishing a resilient customer-centric approach, enhancing trust, boosting sustainable market share and fostering revenue growth. We also continuously strive to incorporate the latest cutting-edge technology and infrastructure, enabling us to simplify the investment experience of our new and existing customers. Additionally, our VRM, Sampark and Service to sales RM continue to provide their relentless support to our direct customers and MFD partners.

## Managing Director and CEO's message

On the same lines, we have recently launched 'Think like 30', our multilingual investor education campaign, which aims to sensitise citizens about the importance of investing and making informed investment decisions in achieving their financial goals.

### ENHANCING DIGITAL CAPABILITIES

To make the investment journey for investors more convenient and easier, we continue to focus on bringing innovation to enhance our digital capabilities. Our Investor assets, comprises of the ABSLMF customer portal, Investor app and the Active savings app, with features such as One click SIP Registration via UPI auto pay, Digitisation & Data Structuring, Lead and Drop cart nurturing using Voice BOT, E KYC and AI /ML Assisted Real Time Decisioning & Personalisation, easy transaction via QR code etc.

Additionally, we also have digital tools for our Partners such as the ABSLMF Partner portal, Partner app and API Gateway, to efficiently cater to their varied needs. These tools have differentiated features such as SIP winback and retention tools, One click SIP and Lumpsum journeys, ARN hardcoded links and other white labelled solutions. There is also a KYC stack for Resident Indian & NRI investors.

All these have led to an increase in the total number of digital transactions and the total digital distributor onboarding.

The ongoing expansion of digital enrolment and engagement has not only enabled us to strengthen our client relationships and enhanced operational efficiencies across our businesses. To further enhance our digital services and broaden our market presence, we actively participate in collaborations and partnerships with top fintech and digital platforms. These strategic alliances with external entities complement our customer-centric digital assets and empower us to offer personalised investment solutions tailored to the specific requirements of our investors.

### SCALING OUR ALTERNATIVES BUSINESS

Our dedicated alternative assets team continues to focus on serving the needs of investors in this segment.

On the alternative business front, to meet the growing needs of HNIs and family offices, we have strengthened our team to enhance our PMS and AIF offerings, both in equity and fixed income.

In order to further expand our AIF product offerings, we have brought in a senior investment professional to offer Fixed Income credit related AIF to cater to both Institutional and HNI customers. We believe both Equity and Fixed Income AIF product offerings, will further strengthen our Alternate Business vertical.

Our Gifty city operation has gained momentum with the launch of a few products to invest in the overseas market under the LRS scheme. We have launched the industry-first 'ABSL Global Emerging Equity Fund,' which strategically feeds into the 'ARGA Emerging Market Equity Fund,' enabling our investors to access and benefit from emerging market opportunities.

Our Passives product offerings range 43 products, which have grown threefold since March, 2021. Our customer base has expanded to around 6,85,000 folios, a 7x increase compared to March, 2021. We remain steadfast in our dedication to ceaseless product innovation, propelling us to broaden our reach and solidify our position in the market.

"Looking ahead, we are focused on delivering sustained growth by growing the share of traditional products, including protection, aided by the favourable regulatory environment, coupled with the country's rising disposable income. We will continue to invest in our direct channels while accelerating digitalisation to ensure frictionless delivery."

## BEYOND BUSINESS

ABSLAMC remains focused on Investor education and Distributor development focused on educating the existing and next generation of investors and distributors. As of 31<sup>st</sup> March 2024, we have reached more than 11.42 Lakh people by conducting more than 15,000 training sessions. Other unique initiatives such as –

- **FOR HER**, which conducts customised engagements and workshops to create and empower women investors and MFDs.
- **INVESTORS HANGOUTS PROGRAM**
- **NIPUN LEARNING ACADEMY**, which offers customised training modules and workshops to our channel partners.

- **NIVESH MAHAKUMBH PROGRAM**, our large format investor outreach event that has a viewership of more than 10,73,000.
- **FIRST FINANCIAL LESSONS AND FIRST PAY CHEQUE**, where we have partnered with 23 universities in association with NISM and reached over 45,460 students.
- **SAMRIDDI MAGAZINE**

## WAY FORWARD

As ABSLAMC completes its 30<sup>th</sup> year as a leading asset management company in the industry, I am filled with immense pride and gratitude for the journey we have undertaken together. Over the past three decades, our unwavering commitment to excellence, innovation, and client satisfaction has enabled us to navigate through various market cycles and achieve remarkable growth. This milestone is a testament to the dedication and hard work of our team, the trust of our valued clients, and the support of our stakeholders. This milestone is not just a reflection of our past achievements but a beacon guiding our future endeavors. As we look forward to the future, we remain steadfast in our mission to deliver superior investment solutions and create lasting value for all our partners. As an Asset Management company, providing superior experience and service to all of our investors will remain pivotal in our growth.

Looking ahead at FY25, we look forward to achieving higher milestones as a business while increasing our geographical footprint and presence, delivering robust performance to our investors, improving our servicing capabilities and providing the best possible support to our partners.

### A. Balasubramanian

Managing Director and CEO

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# Innovative and simplified solutions for India's Money needs

At ABSLAMC, our commitment begins with putting customers first. Understanding that each investor is unique, with their own financial goals and aspirations, we offer a diverse range of investment products. From mutual funds, portfolio management services and alternative investment funds to offshore and real estate offerings, we provide comprehensive solutions to help customers achieve their financial goals.

Simultaneously, we believe in delivering a seamless investment experience through our cutting-

edge digital initiatives. We have built a robust ecosystem that makes investing easier and more accessible. From intuitive mobile apps to AI-driven decision-making tools, we are constantly innovating to ensure that our customers have the tools they need to succeed. Whether it is saving for a child's education, planning for retirement, or simply building wealth for the future, we are here to help our customers every step of the way. With our customer-centric approach and strong commitment to excellence, we are proud to be the trusted partner that individuals and families across India turn to for all their financial needs.

## KEY HIGHLIGHTS FOR FY24

**₹ 780 Cr**  
Highest ever Profit

↑ 31%

**₹ 1,641 Cr**  
Total Revenue

↑ 21%

**₹ 3.46 Lakh Cr**  
Overall QAAUM\*

↑ 21%

**₹ 1,252 Cr**  
SIP Book\*\*

↑ 25%

**85.9 Lakh**  
Folios Served  
Added around 11 Lakh folio's in FY24

↑ 31%

↑ y-o-y growth

\* Quarterly Average Assets under Management as of 31<sup>st</sup> March, 2024 of Mutual Fund and Alternate Asset Business

\*\* Include STP

## ABSLAMC at a glance

# Building wealth for investors with expertise and foresight

Over the past two decades, Aditya Birla Sun Life AMC Limited (ABSLAMC) has been at the forefront of the investment industry, providing a wide range of investment products and services. The Company's customer-centric approach, extensive distribution network and digital edge have positioned it as an industry leader and a trusted partner in addressing diverse investment needs of its clients.



### KEY NUMBERS

₹ 3.32 Lakh Cr  
MF QAAUM\*

₹ 1.52 Lakh Cr  
Equity QAAUM

₹ 1.80 Lakh Cr  
Non-equity QAAUM

46%  
MF Equity mix

₹ 1.73 Lakh Cr  
Individual MAAUM\*\*

₹ 57,816 Cr  
B-30 MAAUM

\* QAAUM - Quarterly Average Assets Under Management as of 31<sup>st</sup> March, 2024

\*\*MAAUM - Monthly Average Assets Under Management as of March, 31, 2024

**PASSIVE AND ALTERNATE  
ASSETS****₹ 28,902 Cr**  
Passive AUM\*\***₹ 10,545 Cr**  
Offshore Investments\***₹ 3,072 Cr**  
PMS/Alternate  
Investment Funds\***₹ 511 Cr**  
Real Estate Offerings\*

\*\*Closing AUM for ETFs, FoFs &amp; Index Funds

\*Based on Average AUM for the quarter  
ending 31<sup>st</sup> March, 2024**BACKED BY STRONG PARENTAGE**

Established in 1994, the Company was originally incorporated as 'Birla Capital International AMC Limited' by the Aditya Birla Group and the Capital Group. Currently, Aditya Birla Capital Limited and Sun Life (India) AMC Investments Inc. are the promoters and major shareholders.

**ABOUT ADITYA BIRLA CAPITAL LIMITED**

Aditya Birla Capital Limited (ABCL) is the holding company for the financial services of the esteemed Aditya Birla Group, a Fortune 500 global conglomerate. ABCL, through its subsidiaries, associates and joint ventures, offers a wide range of Protecting, Investing, and Financing solutions to meet the diverse needs of its customers.

As of 31<sup>st</sup> March, 2024, ABCL manages aggregate assets under management of ₹ 4.36 Lakh Crore with a consolidated lending book of ₹ 1.24 Lakh Crore through its subsidiaries/ JVs/Associates. ABCL is a part of the US\$ 65 Billion global conglomerate Aditya Birla Group.

**ABOUT SUN LIFE (INDIA) AMC INVESTMENTS INC**

Sun Life (India) AMC Investments Inc. is a wholly owned subsidiary of Sun Life Assurance Company of Canada, with Sun Life Financial Inc. as its ultimate holding company. As a global financial services company, Sun Life provides a comprehensive range of asset management, wealth, insurance, and health solutions to individual and institutional clients. It has a strong presence in multiple markets worldwide including Canada, the United States, the United Kingdom, Ireland, Hong Kong, the Philippines, Japan, Indonesia, India, China, Australia, Singapore, Vietnam, Malaysia, and Bermuda.

As of 31<sup>st</sup> March, 2024, Sun Life's total assets under management stood at \$ 1.47 Trillion.

## Geographic Presence

# PAN-India distribution network

The Company's extensive distributor base ensures accessibility across diverse regions in India. Partnering with mutual fund distributors, banks and digital platforms, the Company provides multiple channels for investors to access its services conveniently.

**290+**

Locations  
(over 80% are in B-30 cities)

**125+**

Digital partners

**85+**

Emerging market location

**305+**

National distributors

**85**

Banks

**81,000+**

MF distributors



## Offerings

# Diversified product portfolio

The Company is constantly striving to meet the evolving client needs and exploring newer opportunities with a wide selection of products. Its portfolio features some of the industry's most consistent performing equity, debt, liquid funds, and ETFs. In addition, the Company also provides portfolio management services, alternative investment funds, offshore and real estate offerings.

### 35

Equity funds

### 43

Debt funds

### 2

Liquid funds

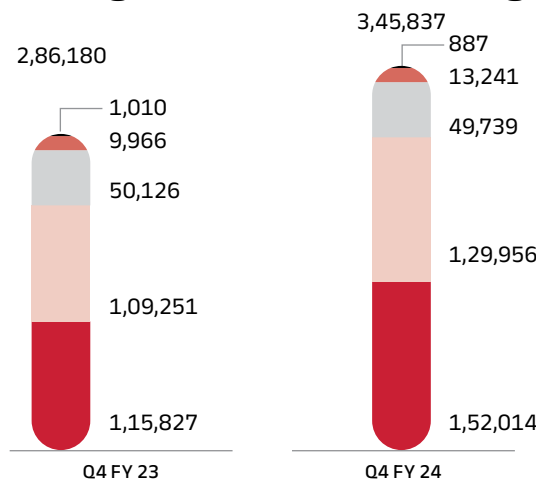
### 11

ETFs

### 8

FOF (Domestic) funds

### Average Assets under Management (All figures in ₹ Crore)



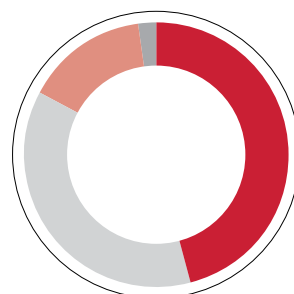
31% ↑ y-o-y  
Mutual Fund Equity

46% ↑ y-o-y  
Equity Mix (PY 42%)

● Mutual Fund - Equity   
 ● Mutual Fund - Debt\*   
 ● Mutual Fund - Liquid  
● Alternate Assets - Others   
 ● Alternate Assets - Equity

\* Mutual Fund - Debt includes ETF

### Total MF AUM Q4 FY24 Breakup (%)



**₹ 3,31,709 cr**  
Total MF AUM



## Building a scalable business

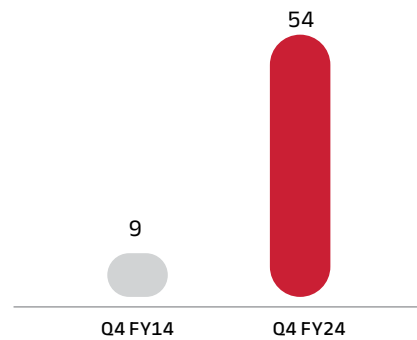
# Capitalising on growing opportunities

With a strong commitment to excellence, a robust distribution network, and a portfolio of unique products, seamless integration of cutting-edge digital solutions, we have built a strong foundation for growth. As one of the largest non-bank affiliated AMC in India, we are well-positioned to leverage the growing opportunities ahead.

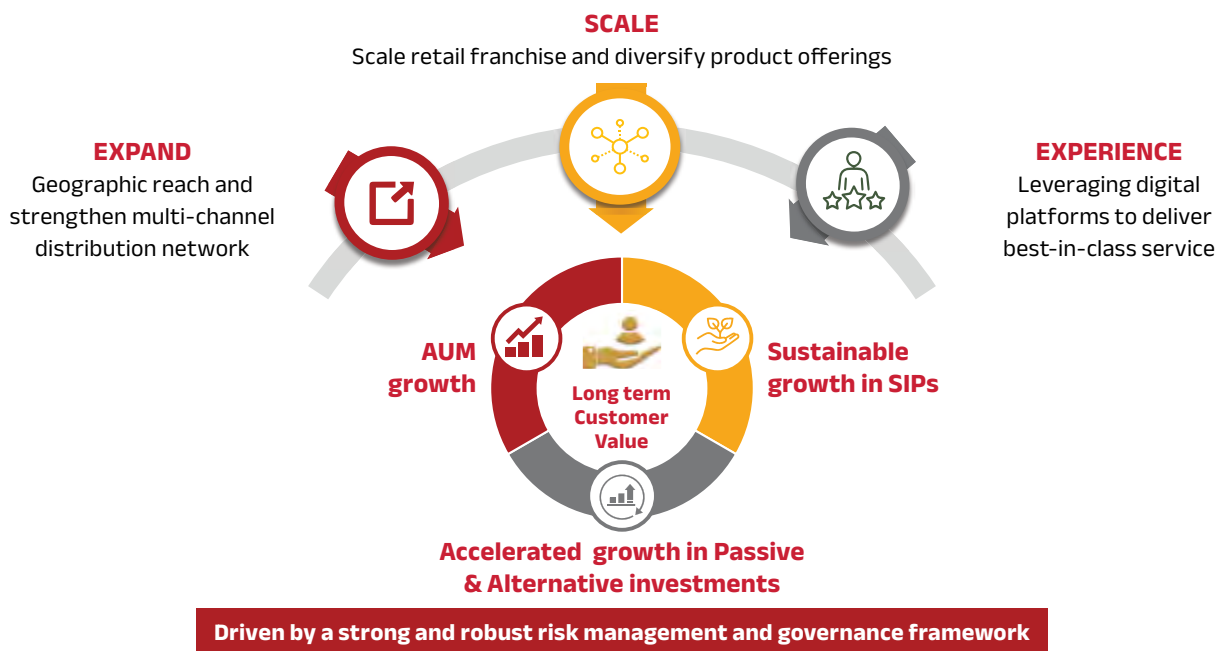
### THE GROWING MF INDUSTRY

Over the past decade, the mutual fund industry has witnessed a six-fold increase in assets under management (AUM), demonstrating substantial opportunities on the horizon. As a prominent player in the mutual fund sector, ABSLAMC is well-positioned to seize these opportunities, leveraging its strong foundation and dedicated efforts to scale its operations.

**MF industry AUM** (₹ in Tn)



### ABSLAMC's approach to leveraging the growing MF industry





## ABSLAMC's competitive edge



### Operating in a fast growing, underpenetrated market

Operating in a fast growing, underpenetrated market India is one of the fastest growing economies in the world, despite that India's AUM to GDP ratio stands at 17% compared to a global average of 75-80%. This shows great potential in a highly underpenetrated market. To back it up, the country has strong demographic drivers.

# 5<sup>th</sup>

Largest economy in the world

# ~36%

Urban population



### Operating with a leading position and scale

The Company is one of the largest AMCs in India and is supported by one of the leading conglomerates in the country.

# #2

Non-bank affiliated AMC in India



### Growing a value accretive product mix

The Company is aiming towards a diversified product mix and already holds a dominant position when it comes to its equity product mix.



### Strong retail franchise

85.9 Lakh folios serviced by the company as of 31<sup>st</sup> March, 2024.



### Multi-channel & technology-enabled distribution network

Largest network distributors exceeding 81,000 in number are instrumental in increasing the Company's reach and furthering its market penetration.



### Building alternative business

The Company's emphasis on building alternative strategies also gained momentum by way of the launch of more products in Passive, Real Estate, PMS/AIF and offshore funds

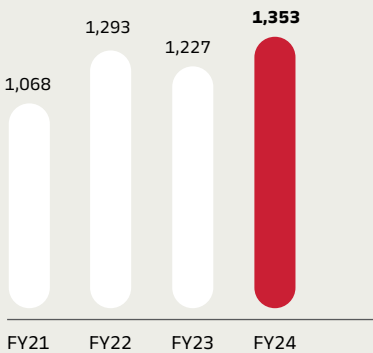
## Key Performance Indicators

# Delivering robust performance

In FY24, ABSLAMC delivered strong performance with remarkable growth in its revenue and achieved highest ever profitability during this period. The Company's strategic focus on expanding its distribution network, advancing digital initiatives, and enhancing investor engagement has enabled it to capitalise on emerging opportunities and strengthen its market position. This multi-faceted approach has ensured sustained growth and reinforced ABSLAMC's commitment to providing exceptional value to its stakeholders.

### Revenue from operations

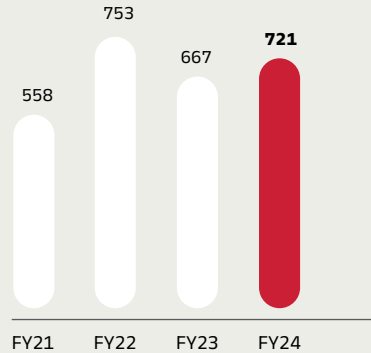
(₹ Cr)



↑ 10%    ↑ 8%

### Operating profit

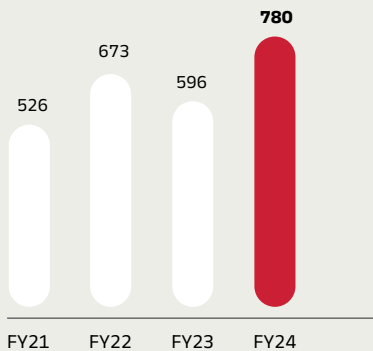
(₹ Cr)



↑ 8%    ↑ 9%

### Profit after tax

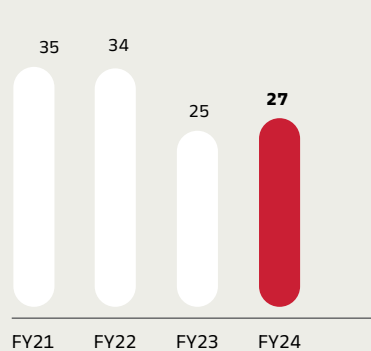
(₹ Cr)



↑ 31%    ↑ 14%

### Return on equity

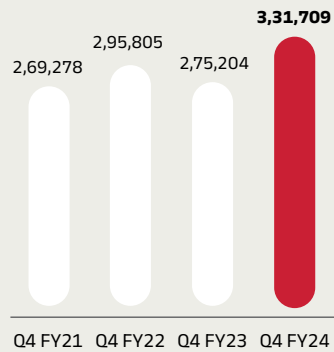
(%)



↑ 3 Year CAGR  
↑ y-o-y Growth

**Total MF QAAUM**

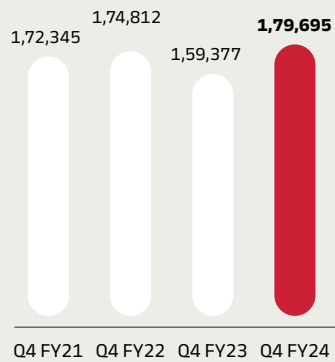
(₹ Cr)



↑ 21%    ↑ 7%

**Fixed Income QAAUM**

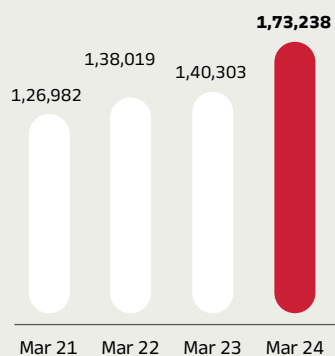
(₹ Cr)



↑ 13%    ↑ 1%

**Individual MAAUM**

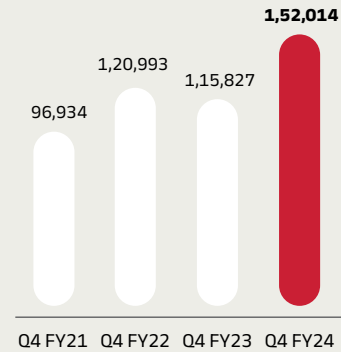
(₹ Cr)



↑ 23%    ↑ 11%

**Equity QAAUM**

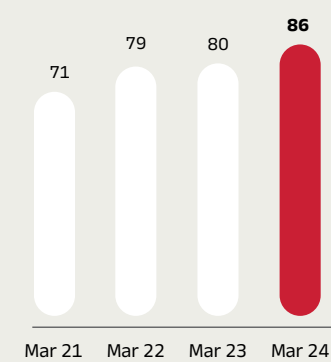
(₹ Cr)



↑ 31%    ↑ 16%

**Folios as on March ending**

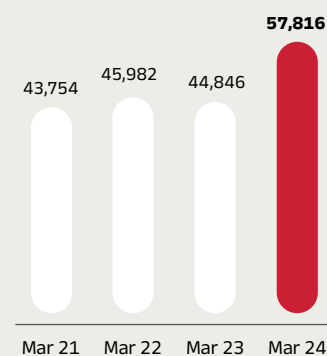
(Lakh)



↑ 7%    ↑ 7%

**B-30 MAAUM**

(₹ Cr)



↑ 29%    ↑ 10%

## Risk Management

# Building resilience for sustainable growth

Uncertainty is an ever-present challenge, and we embrace this reality with a proactive approach to safeguard our business operations from potential disruptions. Our robust risk management process allows us to identify potential risks before they intensify, ensuring resilience and stability.



### RISK MANAGEMENT FRAMEWORK

At ABSLAMC, we have a comprehensive risk management framework designed to identify, assess, manage, and mitigate risks effectively. This framework is integral to the company's operations, ensuring that all potential risks are proactively managed to protect stakeholders' interests and support sustainable growth.





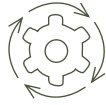


## Risks and Mitigation Measures



### Strategic Risk

Risk to future profits or capital posed by the Company's inability to execute long-term or strategic business goals.



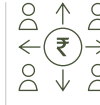
### Investment Risk

Risks pertaining to the investment portfolios across asset classes such as Equity, Debt, Real Estate etc and encompasses various risks such as market risk, credit risk, interest rate risk etc.



### Operational Risk

Uncertainty arising from higher-than-expected losses or reputational harm due to internal procedures, controls, systems, or external events.



### Information Security and Cybersecurity Risk

Risk of financial or reputational loss caused by IT systems, human error, and other factors.

## Mitigation Measures

The Enterprise Risk Management framework uses the risk identification and assessment process to manage strategic risks. The Risk Management Committee keeps track of these threats and the measures in place to address them.

The Investment Committee and well-defined investment rules and procedures are in place to ensure that the risks associated with investments are recognised and acceptable levels are determined. The investment system covers regulatory and internal standards and enforces investment restrictions and exposure levels in real-time.

The Risk Management Policy, Operational Risk Management Policy and Fraud Risk Management Policy govern the operational risk. There is also a Business Continuity & Disaster Recovery Plan which are been tested regularly. Regular reviews and updates of operating and reporting procedures are conducted to manage operational risk.

Information Security risks are regulated by an Information Security Management System that is certified in accordance with ISO 27001, a worldwide standard. The Company's Information Security and Cyber Security policies are designed to comply with ISO 27001, privacy and/or data protection legislations. This also serves as guidance to information security staff, management, and employees regarding their roles and responsibilities towards information security.

## Digital Initiatives

# Empowering stakeholders with digitisation

ABSLAMC's digital initiatives are aimed at building a robust, user-friendly digital ecosystem for both investors and partners. By leveraging cutting-edge technologies like AI, ML, and advanced data structuring, we aim to provide a seamless and efficient investment experience. These efforts ensure we stay ahead in the digital transformation journey, continuously enhancing the value we offer to our clients and partners.

### BUILDING A DIGITAL ECOSYSTEM

#### Investors

ABSLAMC is committed to providing a seamless digital experience for investors. Our digital ecosystem includes a range of tools and services designed to enhance the ease and efficiency of managing investments.

- **ABSL MF Customer Portal:** A comprehensive portal where investors can manage their portfolios, track performance, and access detailed reports.
- **Investor App:** An intuitive mobile app offering easy access to

investment accounts, enabling transactions on-the-go.

- **Active Savings App:** Designed to help investors save actively and efficiently.
- **Digitisation & Data Structuring:** Leveraging advanced technologies to structure data for better decision-making.
- **Lead and Drop Cart Nurturing Using Voice BOT:** Utilising AI-powered voice bots to nurture leads and manage drop carts.

- **E-KYC:** Simplifying the KYC process with electronic verification.
- **AI/ML Assisted Real-Time Decisioning & Personalisation:** Using artificial intelligence and machine learning to offer real-time, personalised investment decisions.
- **One-Click SIP Registration via UPI Auto Pay:** Making systematic investment plan (SIP) registration easier with a one-click option through UPI auto pay.

#### Partners

The Company's commitment to digital excellence extends to its partners, ensuring they have the tools they need to support their clients effectively.

- **ABSL MF Partner Portal:** A dedicated portal for partners to manage their client portfolios, access resources, and track performance.
- **Partner App:** A mobile app that provides partners with the ability to manage client accounts and conduct transactions.

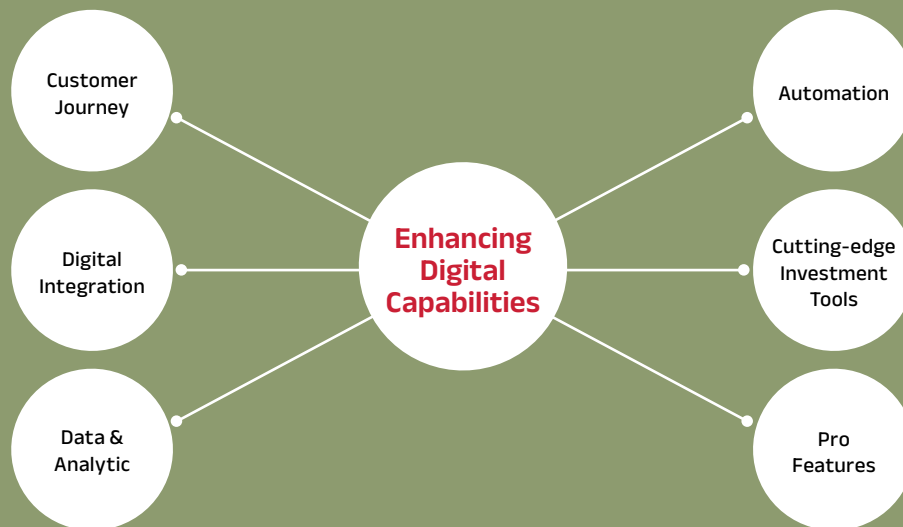
- **API Gateway:** Facilitating seamless integration with partner systems for enhanced efficiency.
- **Partner Easy Link:** Simplifying the process for partners to share investment links with clients.
- **ARN Hardcoded:** Ensuring secure and personalised access for each partner.
- **Active Savings App:** A tool specifically for partners to help their clients save actively.

- **CAMS OTM for SIP/Transaction:** Integrating with CAMS for one-time mandate (OTM) setup, simplifying SIP and transaction processes.
- **KYC Stack for Resident Indian & NRI:** Providing a comprehensive KYC solution for both resident Indians and NRIs.
- **Salary SIP:** A feature allowing partners to offer salary-based SIPs to their clients.



## Enhancing Digital Capabilities to Enhance Investor and Partner Experience

In our commitment to providing better digital experiences for our investors and partners by enhancing our digital capabilities. We undertook various initiatives to streamline processes, improve accessibility, and offer advanced features to cater to the evolving needs of our stakeholders.



### Customer Journey

The Company has introduced instant redemption in the Overnight Fund, allowing investors quick and convenient access to their funds. The launch of Digital NRI KYC enables non-resident Indians to invest seamlessly in mutual funds in India. Additionally, the integration of DigiLocker and Aadhaar OTP in the KYC process enhances security and efficiency.

### Digital Integration

The Company has developed an API platform for seamless collaboration with partners and fintech companies, facilitating smooth data exchange and quick interactions. APIs for KYC and folio creation enable seamless integration of the Company's services into partner platforms.

### Data & Analytics

By adopting predictive and prescriptive analytics, the Company can better understand investor preferences and provide tailored investment recommendations, enhancing the overall investment journey.

### Automation

Automated internal processes using a low-code business platform streamline workflows, reduce manual effort, and enable faster, more accurate processing of investor requests.

### Cutting-Edge Investment Tools

The Company has developed a platform for asset class investment risk and performance attributions, empowering investors to make informed decisions. The new Partner Portal offers a seamless user experience, and the smart switch feature allows investors to pre-book and switch funds conveniently.

### ProFeatures

Pro Investing capabilities for SIP and lump sum purchases on both customer and partner assets enhance the investing experience, providing advanced tools and features for optimised investment strategies. Investors can optimise their investment strategies and achieve their financial goals efficiently.

## Social-People

# HUMAN RESOURCES

The Company has always aspired to be an organisation and a workplace which attracts, retains, and provides a canvas for talent to operate. The Company believes that meaning at work is created when people relate to the purpose of the organisation, feel connected to their leaders and have a sense of belonging. Our focus stays strong on providing our people a work environment that welcomes diversity, nurtures positive relationships and a culture grounded in our core values, provides challenging work assignments and provides opportunities based on meritocracy for people to grow and build and advance their careers with us in line with their aspirations.

As on 31<sup>st</sup> March, 2024, the employee strength of the Company was 1,279.



**1,279**

Permanent employees  
as on 31<sup>st</sup> March, 2024



## Talent Management

Building a strong future ready talent pool and robust leadership succession pipeline continues to be priority areas for us in Talent Management. We continued to give prominence to identifying and developing our high potential employees and have steered towards more holistic, comprehensive, and future oriented development interventions for them.

During the financial year under review, the Company has continuously recognised high talent, strengthened its structures, and provided higher responsibilities to talent. While we infused talent at leadership level, we also provided larger roles to existing leaders which will not only help us build a credible & stable franchise but also develop succession depth within functions.

## Employee Wellness and Engagement

The Company is committed towards fostering a happy, vibrant and engaging work environment. Revitalising a culture of connect and camaraderie has been yet another area of significant attention of the Company.

The Company continues to reinforce the importance of health and wellbeing through comprehensive wellness programs and initiatives. Our offerings include regular health assessments and health management programs aimed at ensuring every employee prioritises their health and wellness. These initiatives not only enhance efficiency and productivity but also contribute to the overall well-being of our employees.

Additionally, we emphasise the health and safety of our employees through regular fire audits and adherence to safety protocols, ensuring a secure and compliant workplace.

## Learning

The Company's learning interventions create an organisation wide impact as these are focused on enabling employees to do better at work. The Company has introduced various initiatives to enhance functional & behavioural capabilities of the employees. The Company's Learning Architecture - 'Birla Way Of Learning' is a blend of functional and behavioural learning including managerial skills like GROW coaching and constructive feedback culture. Our learning interventions are designed to empower employees to excel at work. We employ a blend of people-centric, classroom-based, digital, app-based, and virtual training platforms to maximise impact. Our AI-enabled learning app provides personalised content tailored to meet individual needs, offering the flexibility to learn anytime, anywhere. Our e-learning platform hosts a plethora of relevant courses, videos, and webinars, all leveraged by our employees to enhance their skills and knowledge.

To further support our workforce, we provide access to Coursera for all employees, offering self-learning opportunities across a vast range of topics. Additionally, we offer tuition reimbursement and support for professional courses, enabling our employees to pursue further education and professional development. Regular compliance courses are also mandated to ensure adherence to regulatory requirements.



## Social-Communities

# Driving positive change, impacting lives

As a responsible corporate entity, ABSLAMC is deeply committed to make a positive impact on society through its corporate social responsibility initiatives. Guided by a strong vision, the Company's CSR efforts aim to uplift and empower communities, creating a better and more sustainable future for them.

Under the aegis of 'The Aditya Birla Centre for Community Initiatives and Rural Development', chaired by Mrs. Rajashree Birla, ABSLAMC's CSR work is strategically directed. This Centre, in collaboration with the Aditya Birla Capital Foundation, provides oversight and guidance, ensuring our CSR initiatives align with our core values and contribute meaningfully to societal well-being.



### Key Highlights FY24

**2,61,761**  
Lives impacted across  
7 states in India

**64%**  
Beneficiaries are  
women & the girl child

**16**  
Projects implemented



## Our vision

“To actively contribute to the social and economic development of the communities in which we operate. In doing so, build a better, sustainable way of life for the weaker sections of society and raise the country's human development index”.

### Mrs. Rajashree Birla, Chairperson

Aditya Birla Centre for Community Initiatives and Rural Development

## HEALTHCARE

In our commitment to healthcare, we actively support projects that focus on crucial areas such as cancer care, mental health, mother & child health etc. Here are some notable achievements.

### Cancer Care Diagnostic and Treatment Support

The Company provides comprehensive support and treatment for cancer patients, especially for children, in partnership with various NGOs. This initiative also aims to raise public awareness and strengthen referral pathways, ensuring timely diagnosis and continued treatment for those in need.

**2,883**  
cancer care  
treatments

**3,750**  
HPV Vaccination  
provided

### Mental Health Programme

The Company organises workshops, screenings and counselling sessions through its NGO partners as part of its mental health programmes. This initiative focuses on reducing stigma around mental health and provided counselling and psychiatric services. Additionally, the programme extended mental health services and support to various organisations and individuals in need.



# Social-Communities

## PROMOTING EDUCATION

### Quality Science Education

The Company is committed to enhancing science education in schools through mobile science labs. These labs provide hands-on learning experiences, fostering a deeper understanding of scientific concepts among students.

**90**

Schools Reached

**20,000+**

Students benefitted through this programme



### School Infrastructure Development

To create a conducive learning environment, the Company invests in the development of school infrastructure. This includes the construction and renovation of classrooms, libraries, and sanitation facilities etc., ensuring that students have access to safe and well-equipped educational spaces.

**68**

Schools supported with Better Infrastructure

### Scholarships for Needy and Deserving Students

Recognising the importance of education in transforming lives, the Company offers scholarships to needy and deserving students. During the year under review, 76 students have been provided with financial support to pursue their academic goals and achieve their full potential.







## WOMEN EMPOWERMENT AND SUSTAINABLE LIVELIHOOD

### Formation and Strengthening of Community-Based Organisations

The Company focuses on forming and strengthening community-based organisations to empower women. These organisations play a crucial role in fostering solidarity, providing support, and enhancing collective decision-making.

**3,566**  
Self Help Groups

### Augmenting Farm-Based Livelihoods

To boost farm-based livelihoods, the Company promotes natural resource management. This includes sustainable farming practices that improve crop yields and ensure environmental conservation.

**38,416**  
Women empowered through sustainable farming practices

### Land and Water Conservation

The Company constructed 312 water harvesting structures, enhancing water conservation capacity by 2.22 Billion liters and covering 1,822 hectares of land. These initiatives aimed to enhance water availability, improve soil fertility, and promote sustainable agriculture.



### Livestock Based Livelihood for Ultra Poor Households

The Company supports goat-based livelihood programs for ultra-poor households. This initiative provides a sustainable source of income, helping women to improve their economic status and achieve self-reliance.

**600**  
Women supported through this programme

### Financial Literacy and Inclusion

Through financial literacy, financial inclusion, and entrepreneurship development training, the Company empowers women to manage finances, access banking services, and develop entrepreneurial skills, fostering economic independence.

**10,000+**  
Women benefitted through financial training



## Board of Directors

# Exemplary leadership and governance



**Mrs. Vishakha Mulye**  
Non-Executive Director

Mrs. Vishakha Mulye (DIN: 00203578) is a Non-Executive Director of our Company with over 3 decades of rich experience in banking and financial services and has been on the Board of our Company since 27<sup>th</sup> October 2022. She is the Chief Executive Officer at Aditya Birla Capital Limited (“ABCL”), the holding company of the financial services arm of Aditya Birla Group and is a Director on the Board of Aditya Birla Management Corporation Private Limited (“ABMCPL”), the apex corporate body of Aditya Birla Group that provides strategic direction and vision to group companies.

Taking charge in 2022, Vishakha has been instrumental in scripting the transformational journey of Aditya Birla Capital. By leveraging data, digital and technology, she has reimagined its business model to drive accelerated growth momentum

and improved profitability across businesses, and further strengthening its leadership position in the market.

Prior to joining Aditya Birla Group, Vishakha held a range of leadership positions and led significant strategic transformations, as a part of the ICICI Group. As the Executive Director on the Board of ICICI Bank, she helmed their domestic and international Wholesale Banking, Proprietary Trading, Markets and Transaction Banking services. She was also the MD and CEO at ICICI Venture Funds Management Company Limited and served as the Group CFO at ICICI Bank. Amongst her numerous achievements, Vishakha played a pivotal role in driving the merger of ICICI and ICICI Bank, which led to the formation of the second largest private sector bank in India. During her long career span, Vishakha also led ICICI Bank’s structured finance business, served on the Board of ICICI Lombard General Insurance Company Limited, and chaired the Board of ICICI Bank, Canada.

A chartered accountant and a career banker with a track record of leading large-scale, long-term profitable businesses, Vishakha has been lauded with several prestigious honours for her valuable contribution to the world of business and finance.



**Mr. Sandeep Asthana**  
Non-Executive Director

Mr. Sandeep Asthana (DIN: 00401858) is the Non-Executive Director of the Company since 27<sup>th</sup> April 2011. He brings over 28 years of experience across insurance and asset management. He is the Country-Head, India, for Sun Life Financial since 2011. His experience covers leadership roles

in Reinsurance Group of America (RGA Re), Unit Trust of India (UTI) and Zurich Risk Management Services (India) Private Limited. Mr. Asthana is also a Director on the Board of Aditya Birla Sun Life Insurance Company Limited and Aditya Birla Sun Life Pension Management Limited.

Mr. Asthana holds a Bachelor’s degree in Chemical Engineering from Indian Institute of Technology (IIT), Bombay and a Post-Graduate Diploma in Management from Indian Institute of Management, Lucknow.



**Mr. Amrit Kanwal**  
Non-Executive Director

Mr. Amrit Kanwal (DIN: 09545814) is the Non-Executive Director of the Company since 26<sup>th</sup> April 2022. He is the Executive Vice President and Chief Financial Officer of MFS Investment Management (MFS).

He is in charge of corporate finance, strategy, fund treasury, corporate services, and the firm's transfer agency in this capacity. He is a member of MFS Investment Management's Corporate Board and MFS Meridian Fund's Board of Directors.

Before joining MFS, Mr. Kanwal was Senior Managing Director and Chief Financial Officer of Putnam Investments. He also served as Vice President of Corporate Development and Strategy for Sequa Corporation and held top strategy and corporate development positions at PepsiCo and Miller Brewing Company.

Mr. Kanwal holds a Bachelor of Business Administration degree from the University of Texas and a Master of Business Administration degree from the University of Southern California's Marshall School of Business.



**Mr. A. Balasubramanian**  
Managing Director & CEO

Mr. A. Balasubramanian (DIN: 02928193) is the Managing Director & CEO of the Company. A stalwart of the mutual fund industry, he brings with him over three decades of rich experience.

He has been associated with the organisation since 1995. Prior to assuming the role of the CEO in 2009, Mr. Balasubramanian served as Chief Investment Officer from 2006 to 2009. As Managing Director & CEO, Mr. Balasubramanian oversees over ₹ 3.46 Lakh Crore in Assets Under Management at Aditya Birla Sun Life AMC Limited.

Mr. Balasubramanian is closely associated with key industry bodies. He has been on the Board of AMFI (Association of Mutual Funds in India) since 2009. He has served as the Vice Chairman of AMFI in 2015-2016 and was appointed as

the Chairman of AMFI for the period 2016-18 and 2021-23. He is also a Governor on the Board of Governors of National Institute of Securities Markets (NISM).

Mr. Balasubramanian has been awarded CEO of the Year title by Asia Asset Management in 2018 and 2020. He has been awarded the Chairman's Individual Award by Aditya Birla Group for being an Outstanding Leader in 2015 and for being a Leader of Leaders in 2018.

He has completed Advanced Management Programs from Indian Institute of Management, Bangalore and Harvard Business School. He also holds a Bachelor's degree in science (mathematics) and a Master's degree in Business Administration from GlobalNxt University.



## Board of Directors



**Ms. Alka Marezban Bharucha**  
Independent Director

Ms. Alka Bharucha (DIN: 00114067) is the Independent Director of the Company since 31<sup>st</sup> March, 2015. Ms. Bharucha chairs the transactions practice at Bharucha & Partners, which is a full-service law firm established in 2008. Ms. Bharucha is an Advocate on Record of Supreme Court of India. Her core areas of expertise are mergers and acquisitions, joint

ventures, private equity, banking and finance. Ms. Bharucha's general corporate work includes the establishment of mutual funds and providing regulatory advice to foreign institutional investors, foreign venture capital investors, merchant bankers and other financial intermediaries.

Ms. Bharucha is also a Director on the Board of Hindalco Industries Limited, Ultratech Cement Limited, Orient Electric Limited, Honda India Power Products Limited, ITC Limited and Honda Cars India Limited.

Ms. Bharucha has passed the examination of Articled Clerks held by the Bombay Incorporated Law Society and is a qualified solicitor. She holds a Master of Laws degree from the University of London.



**Mr. Navin Puri**  
Independent Director

Mr. Navin Puri (DIN: 08493643) is the Independent Director of the Company since 4<sup>th</sup> September 2019. He brings with him over three decades of expertise in banking and financial services. He has in-depth knowledge and understanding of

the Indian Financial Retail Market and has been a catalyst in driving digitalisation and improving customer experience.

Mr. Puri has previously worked as part of the Senior Management Team at HDFC Bank Limited. He is also a Director on the Board of Equitas Small Finance Bank, Aditya Birla Health Insurance Company Limited and Bandhan Life Insurance Limited. Mr. Puri is a Chartered Accountant and holds Masters Degree in Business Administration.



**Mr. Sunder Rajan Raman**  
Independent Director

Mr. Sunder Rajan Raman (DIN: 02511138) is the Independent Director of the Company since 1<sup>st</sup> January, 2022. He has

served as a Whole Time Member of SEBI from 2012 to 2017. His significant achievement with SEBI includes transition to a new Foreign Portfolio Regime in 2014, curbing the menace of fraudulent fund raisings and introduction of regulatory framework for several new products viz REITS/INVITS/ Municipal Bonds. Mr. Raman was also the Chairman and Managing Director of Canara Bank and the Executive Director of Union Bank of India.

Mr. Raman holds Master's degree in Economics and is a Law graduate. He also holds diploma in Business Management.



**Mr. Ramesh Abhishek**  
Independent Director

Mr. Ramesh Abhishek (DIN: 07452293) is the Independent Director of the Company since 1<sup>st</sup> January 2022. He is an Indian Administrative Service (IAS) officer, 1982 batch (Retired July 2019). He has served as Secretary to the Government

of India in the Department for Promotion of Industry and Internal Trade (DPIIT), the key department spearheading key government initiatives such as Make in India, Start-up India, Ease of Doing Business and Industrial Corridors in the Country. He has also served as Chairman of the Commodity Derivative Markets Regulator and Forward Markets Commission. Mr. Abhishek is also a Director on the Board of Ravindra Energy Limited, Indus Towers Limited, Nuvama Wealth Finance Limited, Nuvama Custodial Services Limited and Paras HealthCare Private Limited.

Mr. Abhishek holds a Master's degree in Business Administration in Finance, International Politics and Public Administration.



**Mr. Supratim Bandyopadhyay**  
Independent Director

Mr. Supratim Bandyopadhyay (DIN: 03558215) is the Independent Director of the Company since 1<sup>st</sup> June, 2023. He served as Chairman of Pension Fund Regulatory and Development Authority (PFRDA) for a period of three years from January 2020 to January 2023 and prior to this, he was the Whole Time Member (Finance) of PFRDA for two years.

During his tenure with PFRDA, the AUM of PFRDA increased almost 4 folds to ₹ 9 Trillion.

Mr. Bandyopadhyay has vast experience in the field of Insurance, Finance, Investments and Debt operations. Prior to PFRDA, He has served around three and half decades at Life Insurance Corporation of India (LIC), the largest Life Insurance Company in India. During his tenure at LIC, Mr. Bandyopadhyay served in various capacities heading two large divisions as Chief (Investment) and Executive Director (Investment). He also held the position of Managing Director & Chief Executive Officer at LIC Pension Fund managing the entire operations of LIC Pension Fund.

Mr. Bandyopadhyay is a Chartered Accountant, by qualification.

## Leadership team

# Exemplary leadership and governance



**Mr. A. Balasubramanian**  
Managing Director & CEO



**Mr. Mahesh Patil**  
Chief Investment Officer



**Ms. Kamayani Nagar**  
Head - Retail Sales



**Mr. Vikas Mathur**  
Head - Institutional Sales



**Mr. Parag Joglekar**  
Chief Financial Officer



**Ms. Keerti Gupta**  
Chief Operations Officer



**Mr. Sidharth Damani**  
Head - Business Enablement  
& Marketing



**Mr. Hirak Bhattacharjee**  
Head - HR, Admin & Business Excellence



**Mr. Anil Shyam**  
Head - Strategy



**Mr. K S Rao**  
Head - Investor Education &  
Distributor Development



**Mr. Sameer Narayan**  
Head - Alternate Investment Equity



**Mr. Akshat Pandya**  
Head - Real Estate



**Mr. Amit Kansal**  
Head Alternate Investments -  
Fixed Income



**Mr. Deepak Yadav**  
Head - Passive Business



**Mr. Hari Babu**  
Chief Risk Officer



**Mr. Vikas Gautam**  
CEO - International Business



**Mr. Prateek Savla**  
Company Secretary



**Mr. Parth Makwana**  
Chief Compliance Officer



**Mr. Basil Dange**  
Chief Information Security Officer

\* As on 1<sup>st</sup> June, 2024

## Awards and Accolades

# Recognised for excellence

In FY24, the Company received various awards and accolades for its exceptional contributions to investor education, marketing and digital initiatives. These recognitions inspire us to further innovate and expand our efforts, ensuring that investors receive the support and resources they need to navigate the financial landscape with confidence and clarity.



### INVESTOR EDUCATION EXCELLENCE

- Outlook Money Award - Best Innovator in Investor Education
- National Awards for Excellence - ForHER Financial Education - Best Initiative for Women
- Stars of the Industry Awards - Nivesh Mahakumbh
- AWOKE India Foundation - Best Investor Education for best efforts in outreaching various segments of investors
- Nivesh Manthan - Awarded in four categories - content, reach, creativity, and consistency
- Asia Asset Management - Best of Best Award in Investor Education
- Reader's Digest - Reader's Choice - Most Trusted Brands - Investor Awareness Initiatives

### BRANDING MARKETING/DIGITAL ADOPTION

- National Awards for Excellence in Branding and Marketing - Samriddhi - Magazine - Best In-House Magazine Award
- Mobexx Summit Awards 2023 - Mobile Advertising Excellence in Native Advertising
- IAMA award - Best use of Native Advertising
- IAMA award - Best user experience in an app
- Digixx Summit Awards - Programmatic and performance marketing
- Digixx Summit Awards - Best use of Native Advertising



# Corporate Information

## BOARD OF DIRECTORS

**Mrs. Vishakha Mulye**  
Non-Executive Director

**Mr. Sandeep Asthana**  
Non-Executive Director

**Mr. Amrit Kanwal**  
Non-Executive Director

**Mr. A. Balasubramanian**  
Managing Director & CEO

**Ms. Alka Bharucha**  
Independent Director

**Mr. Navin Puri**  
Independent Director

**Mr. Sunder Rajan Raman**  
Independent Director

**Mr. Ramesh Abhishek**  
Independent Director

**Mr. Supratim Bandyopadhyay**  
Independent Director  
(w.e.f. 1<sup>st</sup> June 2023)

## COMMITTEES OF THE BOARD

### Audit Committee

Mr. Sunder Rajan Raman - Chairman  
Mr. Navin Puri  
Mr. Ramesh Abhishek  
Mr. Supratim Bandyopadhyay  
Mrs. Vishakha Mulye  
Mr. Sandeep Asthana

### Risk Management Committee

Mr. Supratim Bandyopadhyay - Chairman  
Mr. Sunder Rajan Raman  
Mrs. Vishakha Mulye  
Mr. Sandeep Asthana

### Stakeholders Relationship Committee

Ms. Alka Bharucha - Chairperson  
Mr. Ramesh Abhishek  
Mr. A. Balasubramanian

### Nomination, Remuneration and Compensation Committee

Ms. Alka Bharucha - Chairperson  
Mr. Navin Puri  
Mr. Ramesh Abhishek  
Mr. Supratim Bandyopadhyay  
Mrs. Vishakha Mulye  
Mr. Sandeep Asthana

### Product Committee

Mr. Navin Puri - Chairman  
Mr. Supratim Bandyopadhyay  
Mrs. Vishakha Mulye  
Mr. Sandeep Asthana

### Corporate Social Responsibility (CSR) Committee

Ms. Alka Bharucha - Chairperson  
Mrs. Vishakha Mulye  
Mr. Sandeep Asthana

### Unit Holder Protection Committee

Mr. Supratim Bandyopadhyay - Chairman  
Ms. Alka Bharucha  
Mr. Navin Puri

## KEY MANAGERIAL PERSONNEL

**Mr. A. Balasubramanian**  
Managing Director & CEO

**Mr. Parag Joglekar**  
Chief Financial Officer

**Mr. Prateek Savla**  
Company Secretary  
(w.e.f. 26<sup>th</sup> April 2024)

## STATUTORY AUDITORS

**S.R. Batliboi & Co. LLP**  
Chartered Accountants

## SECRETARIAL AUDITORS

**M/s. N. L. Bhatia & Associates**  
Practising Company Secretaries

## INTERNAL AUDITORS

**M/s. Aneja Associates**  
Chartered Accountants

## REGISTRAR & SHARE TRANSFER AGENT

**KFin Technologies Limited**  
Unit: Aditya Birla Sun Life AMC Limited  
Selenium Building, Tower B,  
Plot No. 31-32, Financial District,  
Nanakramguda, Serilingampally,  
Hyderabad - 500 032  
Tel: +91 40 6716 2222  
Toll Free no: 1800 309 4001  
E-mail Id: [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com)  
Website: <https://www.kfintech.com/>

## REGISTERED OFFICE

One World Center, Tower-1, 17<sup>th</sup> Floor,  
Jupiter Mills, Senapati Bapat Marg,  
Elphinstone Road, Mumbai - 400 013  
Tel: +91 22 4356 8008  
CIN: L65991MH1994PLC080811  
E-mail Id: [abslamc.cs@adityabirlacapital.com](mailto:abslamc.cs@adityabirlacapital.com)  
Website: <https://mutualfund.adityabirlacapital.com/>



# Management Discussion and Analysis

## ECONOMIC OVERVIEW

### Global Economy

The year 2023 was characterised by resilient growth, the end of rate hikes and slowing but still above-target inflation. The world economy grew at a pace of 3.2% and IMF projects the same pace of growth to continue for the next two years.

Among the major economies, the US led the way, growing at a robust 2.5%, which has allowed the Fed to remain patient and wait for inflation to return to 2%. The Euro Area grew a tepid 0.4%. On the other hand, Chinese GDP growth rebounded to a still subdued pace of 5.2%, while India led the pack with March, 24 GDP growth pegged at 8.2%. The past year has seen consistent growth upgrades for world GDP in general and US and India in particular, as the global economy has proved resilient to the impact of higher interest rates.

Major central banks like the ECB and the BoC have started their rate-cutting cycles as they intend to reduce the degree of restrictiveness of their monetary policies, as inflation has fallen considerably, leading to a rise in the real interest rates. The Fed remains on hold as Q1 FY24 inflation came in above expectations and is looking for greater confidence that inflation is heading sustainably towards 2%.

Looking forward, it appears that the risk of recession has fallen, and that the world economy has been able to withstand higher interest rates. Resilient labour markets and robust income growth, active industrial policy, stable oil and food prices and higher fiscal deficits have cushioned economic activity. A further slowdown in inflation will allow rate cuts to begin in earnest globally, but rates are likely to settle well above the ultra-low levels witnessed in the aftermath of the GFC.

### Indian economy

The Indian economy grew by a strong 8.2% in FY24, marking the third straight year of strong growth, after growing by 7.0% in FY23 and 9.2% in FY22. This growth was boosted by the strong performance of the manufacturing and construction sectors, supported by capital formation and financial services. The RBI has forecasted that the Indian economy will grow by 7.2% in FY25, compared to the pre-Covid 10 year CAGR of 6.6%. However, the post-Covid recovery has not been uniform so far, with private consumption and trade, hospitality, transportation and communication services underperforming.

On a longer-term basis, we believe that India is on the cusp of a private capex cycle. We also see consumption, which has

underperformed recently, to pick up momentum as the post-Covid recovery trickles down. Consumption is also expected to get a boost from monsoon rainfall, which is expected to be good and the new government is likely to channel its energy towards boosting rural demand and focusing more on alleviating distress down the income pyramid.

Inflation declined in FY24, ending the year at 4.85%, with an average inflation rate of 5.36%, compared to an average rate of 6.66% in FY23. This decline was led by the steady decrease in core inflation, which touched a record low of 3.27% by March, even as food inflation remained high due to poor rainfall in 2023. Overall inflation is expected to decline further in FY25, based on the likely decrease in food inflation if monsoon turns out to be good, as forecasted by the Indian Meteorological Department. The RBI's forecast for inflation in FY25 is 4.5%.

India's external account continued to be resilient, boosted by strong performance of the services sector, decline in merchandise imports, healthy inflows in remittances and strong capital inflows. India's Balance of Payments account posted a surplus of US\$ 38.5 Billion in 2023, with a current account deficit at a benign US\$ 32.4 Billion (0.9% of GDP) and a capital account surplus of a strong US\$ 71.3 Billion. RBI utilised the strong BoP surplus to boost its forex reserves which rose to US\$ 645 Billion. INR was very stable throughout the year, depreciating by only 1.4% against the US\$ and exhibiting one of the lowest volatilities among floating currencies. A stable currency and benign external account are expected to give confidence to foreign investors.

The Government of India continued with fiscal consolidation in FY24 and the fiscal deficit for the year ended at 5.6% of GDP, compared to the budgeted 5.8%, and against 6.4% in FY23. The quality of government's fiscal account is also good with high allocation towards capital expenditures, lower subsidy payments and higher tax collection. The government's fiscal roadmap suggests continued commitment towards fiscal consolidation, with budgeted fiscal deficit of 5.1% of GDP in FY25 in the interim budget, and less than 4.5% in FY26. The RBI maintained status quo throughout the year keeping policy rate at 6.5% and a stance of 'withdrawal of accommodation', while keeping its eye on the inflation target of 4%.

India's economic outlook for FY25 remains healthy and according to IMF, India is likely to remain the fastest growing major economy in the world. Given the healthy growth outlook and continued commitment towards fiscal consolidation, S&P has raised India's ratings outlook to 'positive', raising hopes for a rating upgrade within the next 24 months. Overall, we remain positive on the prospects of Indian economy in FY25.



## Management Discussion and Analysis (Contd.)

### Mutual Fund Industry Overview

In FY24, the mutual fund industry witnessed significant growth in assets under management (AUM) due to the positive impact of mark-to-market adjustments and substantial inflows into various equity schemes. Net equity sales of ₹ 3.3 Lakh Crore were recorded in FY24 through new fund offerings and existing funds. Within the existing equity and hybrid categories, sectoral/thematic, arbitrage funds, small cap funds and multi asset allocation funds schemes saw the highest net inflows.

- The Industry's Average Assets under Management (AAUM) for the quarter ended on 31<sup>st</sup> March, 2024 reached ₹ 54.11 Lakh Crore, recording a growth of 34% over the same period last year. The corresponding AAUM for the quarter ended 31<sup>st</sup> March, 2023 was ₹ 40.49 Lakh Crore.
- The Industry's Equity AAUM stood at ₹ 30.93 Lakh Crore for the quarter ended 31<sup>st</sup> March, 2024, up by 49% from the same period last year. Corresponding Equity AAUM for the quarter ended 31<sup>st</sup> March, 2023 was ₹ 20.75 Lakh Crore.
- The inflows to mutual funds via systematic investment plans (SIPs) have been on an upswing during the fiscal year 2024, rising from ₹ 14,276 Crore in March, 2023 to ₹ 19,271 Crore in March, 2024, reflecting a year-on-year jump of 35% in the financial year.
- As of 31<sup>st</sup> March, 2024, the total number of mutual fund investors stood at around 18.00 Crore compared to around 14.76 Crore on 31<sup>st</sup> March, 2023, reflecting a year-on-year increase of 22%.
- The individual investor's Monthly Average AUM (MAAUM) surged to ₹ 33.31 Lakh Crore, growing by 43% year-on-year and contributing 61% of the total Monthly Average AUM.
- The mutual fund monthly average AUM for March, 2024 from B30 cities was at ₹ 9.83 Lakh Crore, which accounted for 18% of the total AUM.

## COMPANY OVERVIEW

### Company strategy

ABSLAMC is a leading investment manager, steadfastly working towards financial inclusion, deepening of the financial markets, and development of the mutual funds industry. Our strategy remains rooted in our customer-first ethos and a commitment to serve our investors in the long term by providing holistic investment solutions and consistent investment performance. This commitment is supported by a robust risk management and governance framework, research-driven fund management, and

the integration of technology to enhance service delivery. These principles have helped us expand our AUM size over the years and establish a strong customer base. They have enabled us to establish ourselves in the mutual fund space and will continue to guide us towards accelerated growth in the alternative asset space.

To build our scalable business and deliver long-term value to our customers and shareholders, we focus on:

- **Scaling retail franchises and diversifying product offerings**
  - Create an ecosystem to support retail sales growth by leveraging the strength of multiple channels such as Virtual Relationship Manager (VRM), Emerging Market, Service to Sales, Direct Channel and Digital Sales.
  - Grow and diversify our product offering using market research and innovation.
  - Continue to build product portfolio by identifying pockets of product differentiation.
  - Provide financial literacy to the existing and next generation of investors and distributors, contributing to overall financial inclusion in the country.
- **Expanding geographic reach and strengthening multi-channel distribution network**
  - Continue to widen our geographic reach and investor folios by expanding our customer base in high potential and under-penetrated markets.
  - Along with focus on Mutual Fund Distributors (MFDs), build scale in the National distributors and banking channel with a special attention on cooperative and PSU banks to leverage their extensive network.
  - Build deeper engagement and loyalty with distributors and customers, to increase wallet share and ensure long term relationship.
- **Leveraging digital platforms to deliver better service**
  - Leverage digital platforms to increase customer acquisition and enhance customer experience.
  - Execute strategic tie-ups and exclusive partnerships with fintech and new-age tech distributors. Leverage API-based Plug-n-Play onboarding solutions for fintech partners and cooperative banks.
  - Focus on leveraging digital capability to provide seamless accessibility and the right experience to our customers.

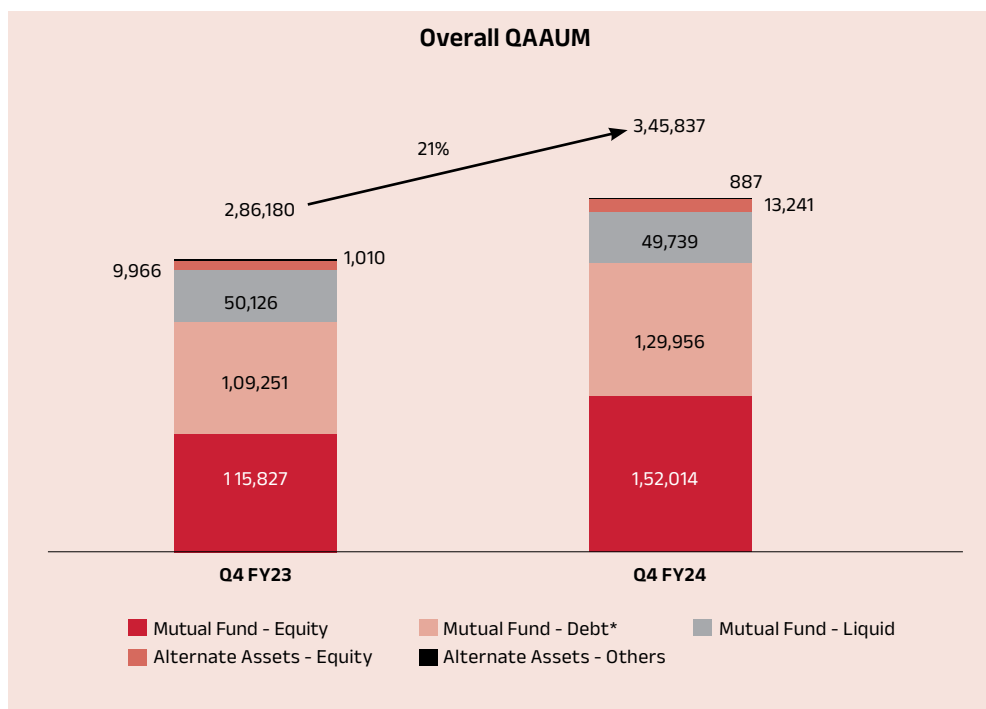
• **Building alternate assets and passive business**

- Focus on scaling our alternate assets business including Alternate Investment Fund (AIF) /Portfolio Management Services (PMS), Real Estate and Offshore offerings.
- Leverage our presence in GIFT City to launch new funds and expand our offerings.
- Focus on growing our passive business through strategic tie-ups with existing and new partners, and digital platforms.
- Emphasise on Smart Beta (alternate weighting) passive strategies through Exchange Traded Funds (ETFs), Fund of Funds (FoFs), and Index Funds.

**PERFORMANCE OVERVIEW**

The company achieved its highest ever profit in FY24, with a profit after tax of ₹ 780 Crore growing 31% year on year. Our Company's overall Quarterly Average Assets under Management (QAAUM) as on 31<sup>st</sup> March, 2024 stood at ₹ 3,45,837 Crore, a growth of 21% year-on-year. Mutual fund QAAUM as on 31<sup>st</sup> March, 2024 stood at ₹ 3,31,709 Crore growing by 21% year on year, with market share (excluding ETF) of 6.9%. Mutual fund Equity QAAUM as on 31<sup>st</sup> March, 2024 was ₹ 1,52,014 Crore growing by 31% year on year, with a market share of 4.9%. The equity mix improved to 46% of the mutual fund QAAUM as compared to 42% in the previous year.

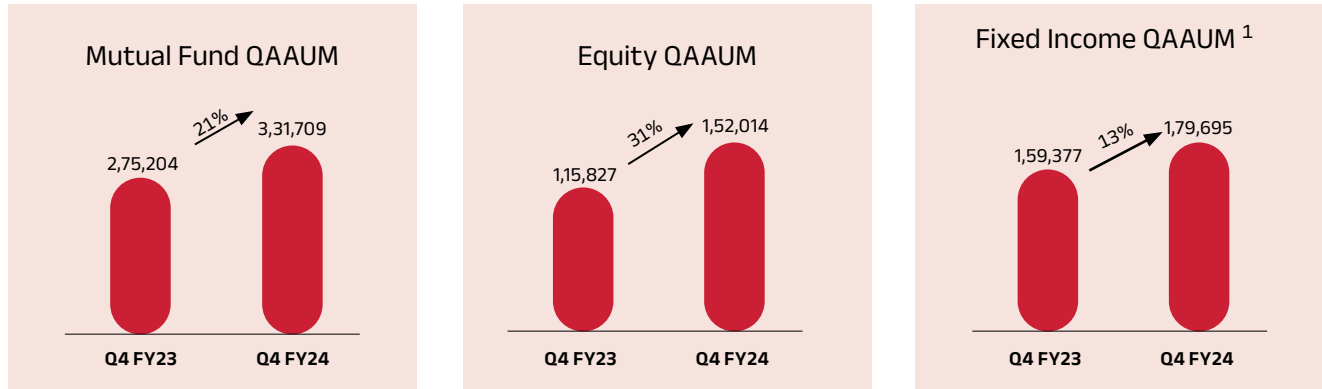
**Average Assets under Management (in ₹ Crore)**



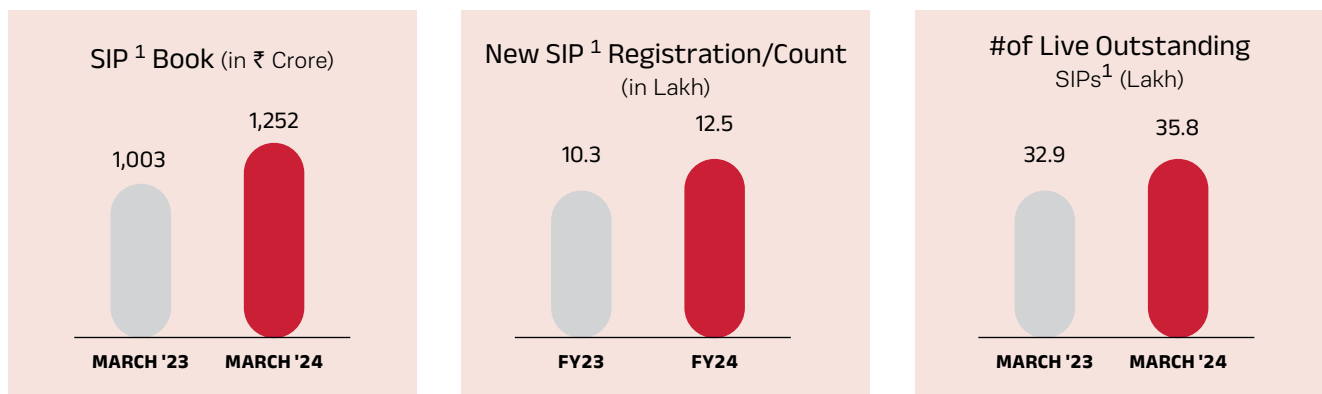
\*Mutual Fund - Debt includes ETF



## Management Discussion and Analysis (Contd.)

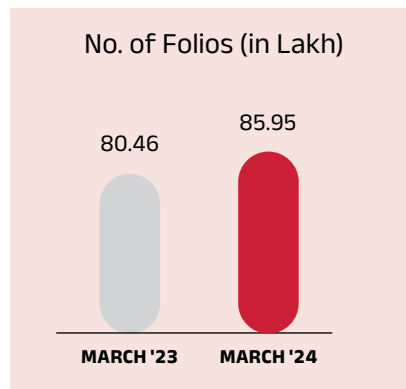
<sup>1</sup> Fixed income include ETF**Growing SIP book**

Systematic Investment Plans (SIPs) have become a preferred investment choice for retail investors. As a key player in the industry, we have undertaken initiatives to enhance traction in SIPs. Our Company's constant endeavour is to build our SIP book size and ensure customer stickiness while creating long-term value for investors. As a result of these efforts, our SIP and STP book reached ₹ 1,252 Crore in March, 2024, marking a 25% increase from ₹ 1,003 Crore in March, 2023.

<sup>1</sup> Includes STP

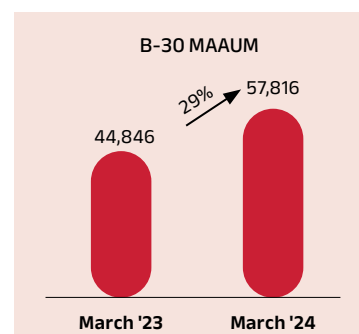
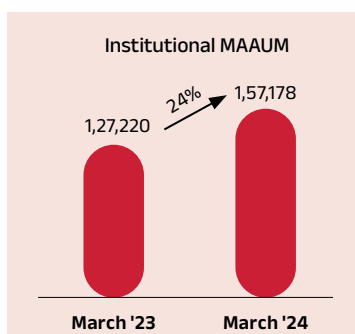
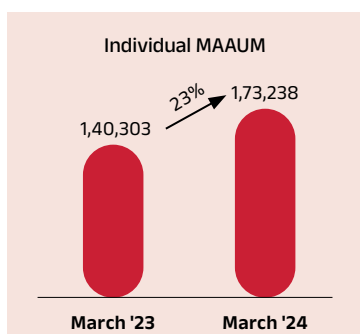
### Customer Acquisition

Customer acquisition continues to be a key focus area for our Company. We added approximately 11 Lakh new folios in FY24, bringing our total folios to 85.95 Lakh, as of 31<sup>st</sup> March, 2024.



### Increasing Retail Franchise with a Focus on B30 Markets

Over the last few years, we have dedicated our efforts to expanding our retail franchise and growing our geographical presence across B30 cities. Our Company has expanded its pan-India presence to over 290 locations, with more than 80% located in B30 cities. Individual MAAUM in March, 2024 was ₹ 1,73,238 Crore, compared to ₹ 1,40,303 Crore in March, 2023 growing by 23% year-on-year. The Institutional MAAUM size was ₹ 1,57,178 Crore in March, 2024, up from ₹ 1,27,220 Crore in March, 2023, showing a growth of 24% year-on-year. The B30 MAAUM reached ₹ 57,816 Crore in March, 2024 compared to ₹ 44,846 Crore in March, 2023 growing by 29% year-on-year.



### Multi-Channel Distribution Network Strategy

As part of our overall strategy, our company is focused on building the retail sales segment across T30 and B30 markets. We have been strengthening our multi-channel sales ecosystem and distribution network by integrating key levers of Direct Channel, Emerging Markets, Virtual Relationship Manager, Service to Sales and Sampark. Our multi-channel market initiatives, aimed at deepening our presence, have yielded positive results.

- Direct Channel aims to provide personalised attention and tailored solutions to meet the unique needs and preferences of high-net-worth clients, targeting increase presence beyond Top 8 locations across India.
- Emerging Markets aim to tap into potential rural and emerging markets at an early stage to build growth. It also aims at deepening product awareness through continuous engagement drives for investors and distributors.



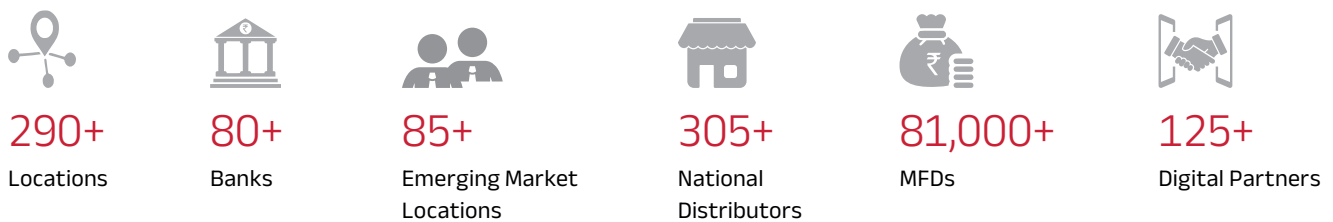
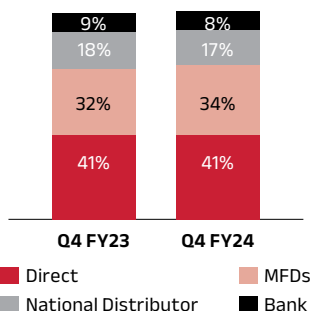
## Management Discussion and Analysis (Contd.)



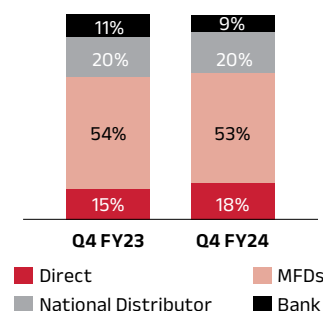
- Virtual Relationship Manager (VRM) enhances the new distributor experience through virtual assistance and guidance, focusing primarily on increasing activations, SIPs, and gross sales. It aims to upgrade Mutual Fund Distributors (MFDs) to high-potential business partners and integrate them into Retail Sales.
- Under Service to Sales, Service RMs effectively engage with investors and facilitate their investment decision. They identify opportunities for win back, retention and upselling.
- 'Sampark', our Company's distribution expansion initiative, empanels and onboards new distributors. It follows a One-click, end-to-end digitally enabled distributor empanelment journey to make the process seamless.

## Distribution Strength

In FY24, our company expanded its pan-India network of empaneled distributors to include 81,000+ KYD-compliant MFDs, 305+ national distributors, and 80+ banks. We continue to expand our distributor base and have empaneled 9,100+ new MFDs during the reporting period.

Overall Asset Sourcing Mix<sup>1</sup><sup>1</sup> Excluding ETF

Broad-based sourcing of Equity Assets



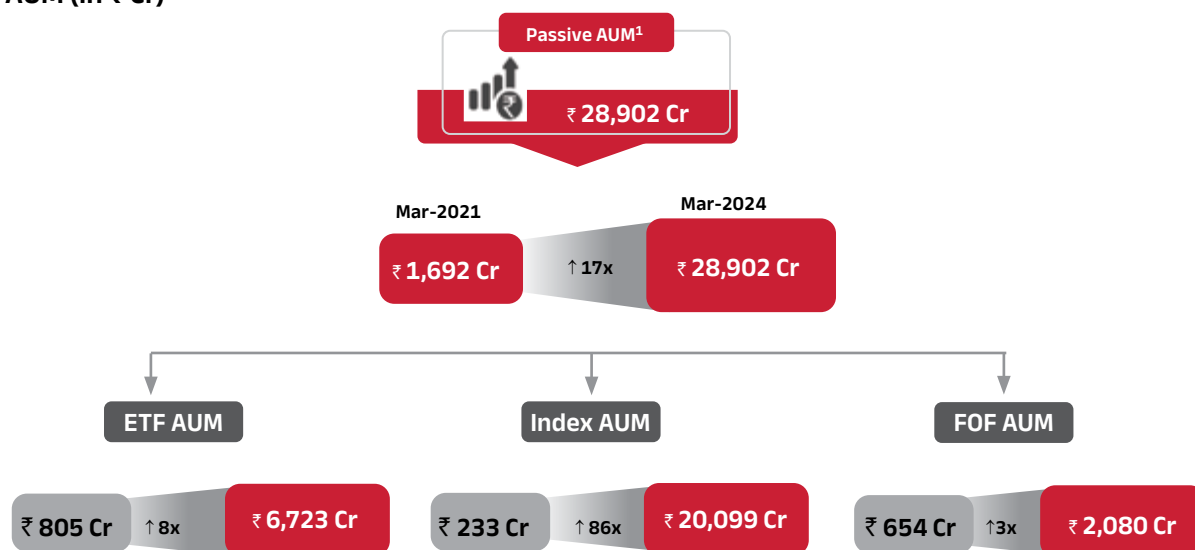


## Scaling up the Passive and Alternate Assets Business

### Passives

The passive product offering yielded positive results, with our Company's assets growing over 17 times from ₹ 1,692 Crore in March, 2021 to ₹ 28,902 Crore in March, 2024. We expanded our existing product suite to include 43 products. The customer base in this category has also grown to around 6,85,000 folios, increasing 7 times since March, 2021. Additionally, the company holds the top rank in the Index Debt category based on Average AUM for the quarter ending 31<sup>st</sup> March, 2024.

### Passive AUM (in ₹ Cr)



<sup>1</sup> Closing AUM for ETFs, Index funds & FoFs

### Alternate Asset Business

On the alternative business front, to meet the growing needs of HNIs and family offices, our Company has strengthened the team to enhance PMS and AIF offerings in both equity and fixed income. Currently we offer over 13 products in PMS and AIF. We believe both equity and fixed income AIF product offerings will further strengthen the Alternate Business vertical.

On the real estate front, the Aditya Birla Real Estate Credit Opportunities Fund (Cat II AIF) has been fully deployed across five investments and has successfully executed its first exit.

The Gift city operation has gained momentum with the launch of a few products to invest in the overseas market under the LRS scheme. Our Company has launched 'ABSL Global Emerging Equity Fund,' which strategically feeds into the 'ARGA Emerging Market Equity Fund,' enabling investors to access and benefit from emerging market opportunities.



**PMS / AIF**

**QAAUM**  
**₹ 3,072 Cr**



**Real Estate**

**QAAUM**  
**₹ 511 Cr**



**Offshore**

**QAAUM**  
**₹ 10,545 Cr**

QAAUM for the quarter ending 31<sup>st</sup> March, 2024



## Management Discussion and Analysis (Contd.)

### Risk Management

Our Company is dedicated to delivering consistent investment performance. This commitment is reinforced by our stable and highly experienced investment team, possessing vast industry knowledge and expertise.

We maintain a robust risk management framework that oversees firm-wide governance, risk and compliance. Our risk management systems and procedures exemplify our commitment to ethical and profitable operations, ensuring compliance with best practices, laws, rules, and regulations. The Risk function operates independently of the investment function. These measures are designed to prevent material misstatements or losses, safeguard assets, maintain accurate accounting records, ensure the reliability of financial information, and identify and manage business risks.

### Compliance

Our compliance function monitors compliance with regulatory requirements laid down by the Securities and Exchange Board of India (SEBI) with respect to mutual fund, portfolio management services and alternative investment funds activities and other business activities permitted under Regulation 24(b) of SEBI (Mutual Funds) Regulations. Various internal policies and procedures ensure compliance with the regulatory requirements in relation to above businesses. To comply with applicable statutory requirements, the compliance team has established robust systems, policies and processes. There are set guidelines for personal dealings for AMC and Trustee Directors as well. The compliance team stays updated on new regulatory requirements and provides relevant functions with necessary guidance for implementation. Additionally, it reviews the status of implementation by coordinating with respective functions.

The compliance team not only monitors compliance status but also drafts and issues product offer documents, releases notices/addendums related to product documents, reviews marketing materials before dissemination, and ensures timely filing of various reports with the Board, regulators, and the concerned agencies.

### IT and Digital

In a highly dynamic and competitive market, we believe that technology plays a central role in providing a seamless experience for our investors. It is integral to our business operations, encompassing client onboarding, online payments, transactions, fund administration, trading, accounting, client

servicing, data analytics, and other functions. Within our IT function, we leverage digital assets to enhance operational efficiency and drive informed decision-making. Our data-driven approach enables us to analyse trends, identify opportunities, and optimise processes. Through advanced analytics, we gain valuable insights that guide strategic initiatives and improve overall performance.

### Marketing

Last year, we intensified efforts to build our brand awareness and consideration by enhancing our brand salience through multiple marketing campaigns such as:

**#AapkeSapnoKeSarathi** – Our series of Digital Films which celebrated the untiring services of the Mutual Fund Distributors since the last 3 decades in fulfilling the aspirations of Investors. The 2 films that we released, not only won us an external jury award, but also won us the hearts and minds of our partners who were overwhelmed by the emotional chord these films touched.

**#3in1 TohInvestmentDone** – Our 360-degree Investor Awareness campaign across TV, Outdoor, Digital, PR and BTL campaigns, endeavoured to create awareness in the public about Multi Asset Allocation Funds as a way to diversify one's portfolio exposure across asset classes like Equity, Debt and Commodities like Gold.

**The Pathway to India's Fast Track Growth** – Our NFO Campaign on TV, Digital, PR and BTL media to launch ABSL Transportation & Logistics Fund was much appreciated by our internal stakeholders and partners. This also marked our industry-first attempt at using an AI-generated Key Visual for the campaign which found acceptance from all.

**#SIPscribe** – Our Marketing communication campaign across push channels and social media aimed at tapping the insight of the now very common practice of 'subscribing' to a variety of services. We juxtaposed this insight with the most essential subscription needed for creating long term wealth – SIP; and crafted the coinage '**SIPscribe**' to build a consumer-friendly term for higher consideration.

**#SavingsKaUpgrade** – While Individual Investors have adopted MFs for Equity Market participation, only a niche segment of some evolved individuals have embraced Money Market & Debt Funds to optimise their Savings potential. In order to build awareness and consideration around this proposition, we curated a communication campaign, '**SavingsKaUpgrade**' and ran a series of Digital & BTL Marketing initiatives to develop the conversation.

## Management Discussion and Analysis (Contd.)

**#Voyage2024** – In the 10<sup>th</sup> edition of our Annual Investment Conclave, Voyage 2024, we raised the bar in terms of Brand Visibility, Engagement and Experience through a phenomenal on-ground show amplified through TV and Digital media. With nearly 2500 guests from pan India including leading MF distributors, advisors, HNIs and influencers converging at Mumbai for this grand event; #Voyage2024 was trending at No. 3 spot on Twitter (X.com) on 28<sup>th</sup> Feb. The conclave was highly appreciated for the enriching thought leadership content by Market experts and the various engagements that made for a memorable experience.

### Training and Investor Education

We have a dedicated team for investor education to increase awareness and understanding of our mutual funds. We believe in creating a community of well-informed, financially literate investors capable of making decisions with a comprehensive understanding of the potential investment risks and rewards. Our training modules appeal to a wide range of investors across various demographics of age, profession, gender, geographic location, and language. They have been designed to be sustainable, scalable, and successful in their objectives to reach, teach and actively engage with common investors. As on 31<sup>st</sup> March, 2024, we reached more than 11,42,000 people through 15,000+ training sessions.

### Operations

The primary focus of our operations team is to execute all stages of the transaction process with minimal errors. The team aims to ensure prompt and efficient delivery of services to our clients. We intend to manage our front-office and back-office operations efficiently to provide a high level of customer satisfaction. We have established process controls to ensure accuracy and speed in transaction processing, such as time stamping and bar-coding transactions, as well as the automated process of credit confirmation. The processes are documented and audited periodically. End-to-end processing of transactions, maintenance of data records and servicing are managed by our registrar and transfer agent, Computer Age Management Services Limited (CAMS).

### Customer Service

Our company's commitment to excellence in customer service has been pivotal in enhancing the customer experience. With a robust customer service framework, we focus on optimising processes, leveraging technology and ensuring the highest standards of quality across all activities, thereby achieving our organisational strategic goals. Our service delivery model

which includes our back office, branches & call centres have been refined to enhance customer experience by improving customer interaction and responsiveness leading to stronger client advocacy. We strive to empower our customers with real-time information and offer them a seamless investing experience through a host of value-added services and digital solutions.

### Human Resources

As of 31<sup>st</sup> March, 2024, we had 1279 permanent employees. We have always aspired to be an organisation that attracts, retains, and provides a canvas for talent to operate, learn, and grow. Our focus remains on creating a work environment that welcomes diversity, nurtures a culture grounded in our core values, and offers opportunities based on meritocracy for individuals to build and advance their careers in alignment with their aspirations.

We are committed to fostering a happy, vibrant, and engaging workplace, continuously reinforcing the importance of health and well-being through comprehensive wellness programs and initiatives. Our offerings include regular health assessments and health management programs aimed at ensuring every employee prioritises their health and wellness. These initiatives not only enhance efficiency and productivity but also contribute to the overall well-being of our employees.

Our learning interventions are designed to empower employees to excel at work. We employ a blend of people-centric, classroom-based, digital, app-based, and virtual training platforms to maximise impact. Our AI-enabled learning app provides personalised content tailored to meet individual needs, offering the flexibility to learn anytime, anywhere. Our e-learning platform hosts a plethora of relevant courses, videos, and webinars, all leveraged by our employees to enhance their skills and knowledge.

To further support our workforce, we provide access to Coursera for all employees, offering self-learning opportunities across a vast range of topics. Additionally, we offer tuition reimbursement and support for professional courses, enabling our employees to pursue further education and professional development. Regular compliance courses are also mandated to ensure adherence to regulatory requirements.

Building a strong, future-ready talent pool and a robust leadership succession pipeline is a top priority. We focus on identifying and developing high-potential employees, steering towards holistic and comprehensive development interventions. Our recognition of talent is reflected in our efforts to strengthen structures and assign higher responsibilities to internal talent.



## Management Discussion and Analysis (Contd.)

Additionally, we emphasise the health and safety of our employees through regular fire audits and adherence to safety protocols, ensuring a secure and compliant workplace. In summary, our comprehensive approach to employee

development, health, and safety ensures that our workforce is equipped, engaged, and well-cared-for, driving both individual and organisational success.

## FINANCIAL PERFORMANCE

### Statement of Profit & Loss Account

Particulars	(₹ in Crore)		
	Financial Year		Change
	FY24	FY23	v-o-y
<b>Revenue from Operations</b>	<b>1,353</b>	<b>1,227</b>	<b>10%</b>
Employee Benefits Expense	321	277	16%
Fees and Commission Expense	35	23	53%
Depreciation and Amortisation	34	34	1%
Other Expenses <sup>1</sup>	242	225	7%
<b>Total Expenses</b>	<b>632</b>	<b>560</b>	<b>13%</b>
<b>Operating Profit</b>	<b>721</b>	<b>667</b>	<b>8%</b>
Other Income	287	127	126%
<b>Profit Before Tax</b>	<b>1,008</b>	<b>794</b>	<b>27%</b>
Tax Expense	228	198	15%
<b>Net Income</b>	<b>780</b>	<b>596</b>	<b>31%</b>

<sup>1</sup> Other expense include finance cost

### Balance Sheet

Particulars	(₹ in Crore)	
	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
<b>Share Capital</b>	144.05	144
Other Equity	3,025	2,373
<b>Total Equity</b>	<b>3,169</b>	<b>2,517</b>
Financial Liabilities	203	147
Non-financial Liabilities	130	124
<b>Total Equity &amp; Liabilities</b>	<b>3,502</b>	<b>2,788</b>
Investments	3,122	2,359
Other Financial Assets	140	211
Non-financial Assets	240	218
<b>Total Assets</b>	<b>3,502</b>	<b>2,788</b>

## CAUTIONARY STATEMENT

The statements in the Board's Report and the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. The Company is not obliged to publicly amend, modify or revise any forward-looking statements, based on any subsequent development information or events or otherwise.

# Board's Report

Dear Member(s),

The Board of Directors of Aditya Birla Sun Life AMC Limited (the "Company" or "ABSLAMC") are pleased to present the 30<sup>th</sup> (Thirtieth) Annual Report and the Audited Financial Statements (Consolidated and Standalone) of the Company for the financial year ended 31<sup>st</sup> March, 2024 ("financial year under review").

## FINANCIAL SUMMARY AND HIGHLIGHTS

The highlights of the Consolidated and Standalone Financial Statements are detailed hereunder.

The Company's financial performance for the financial year ended 31<sup>st</sup> March, 2024 as compared to the previous financial year ended 31<sup>st</sup> March, 2023 is summarised below:

Particulars	(₹ in Crore)			
	Consolidated		Standalone	
	2023-24	2022-23	2023-24	2022-23
<b>Revenue from Operations (Fees and Commission)</b>	<b>1,353.19</b>	<b>1,226.61</b>	<b>1,330.18</b>	<b>1,205.23</b>
Profit Before Share of exceptional items and Tax	1,008.15	793.86	1,002.02	788.41
Exceptional Items	-	-	-	-
Profit/ (Loss) Before Tax	1,008.15	793.86	1,002.02	788.41
Tax Expense	227.79	197.48	227.79	197.48
<b>Profit/ (Loss) after Tax Attributable to:</b>	<b>780.36</b>	<b>596.38</b>	<b>774.23</b>	<b>590.93</b>
Owners of the Company	780.36	596.38	774.23	590.93
Non-Controlling Interest	-	-	-	-
Other Comprehensive Income Attributable	(0.40)	5.48	(0.61)	(1.26)
<b>Total Comprehensive Income Attributable to:</b>	<b>779.96</b>	<b>601.86</b>	<b>773.62</b>	<b>589.67</b>
Owners of the Company	779.96	601.86	773.62	589.67
Non-Controlling Interest	-	-	-	-
<b>Profit/ (Loss) Attributable to Owners of the Company</b>	<b>779.96</b>	<b>601.86</b>	<b>773.62</b>	<b>589.67</b>

The above figures are extracted from the Consolidated and Standalone Financial Statements prepared in accordance with Indian Accounting Standards ("IND AS") as notified under Sections 129 and 133 of the Companies Act, 2013 (the "Act") read with the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended.

## RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

For the financial year ended 31<sup>st</sup> March, 2024, on a Standalone basis, the total revenue of the Company was ₹ 1,330.18 Crore and net profit was ₹ 774.23 Crore.

### Key Highlights of the Company's performance for the financial year ended 31<sup>st</sup> March, 2024 are as under:

- Overall Mutual Fund Quarterly Average Assets Under Management (QAAUM) in Q4 FY24 was ₹ 331,709 Crore with a market share (excluding ETF) of 6.9%.
- Mutual Fund Equity QAAUM in Q4 FY24 was ₹ 152,014 Crore with market share of 4.9%.
- Mutual Fund Fixed Income QAAUM of the Company in Q4 FY24 was ₹ 179,695 Crore with market share of 7.8%.



## Board's Report (Contd.)

- Consolidated Revenue of the Company for FY24 was ₹ 1,353.19 Crore as against ₹ 1,226.61 Crore in FY23.
- Consolidated Profit Before Tax for FY24 was ₹ 1,008.15 Crore as against ₹ 793.86 Crore in FY23.
- Consolidated Profit After Tax for FY24 was ₹ 780.36 Crore as against ₹ 596.38 Crore in FY23 representing a 31% Year on Year (y-o-y) growth.
- Return on Equity for FY24 was 27.45% with a consistent dividend paying track record.

### ACCOUNTING METHOD

The Consolidated and Standalone Financial Statements of the Company have been prepared in accordance with IND AS, as notified under Sections 129 and 133 of the Act read with the Companies (Accounts) Rules, 2014, as amended and other relevant provisions of the Act.

In accordance with the provisions of the Act, applicable Accounting Standards and the SEBI Listing Regulations, the Audited Consolidated and Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2024, together with the Auditors' Report forms part of this Annual Report.

The Audited Financial Statements of the Company as stated above and the Financial Statements of each of the Subsidiaries of the Company, are available on the Company's website at <https://mutualfund.adityabirlacapital.com/shareholders/annual-reports>.

### MATERIAL EVENTS DURING THE YEAR

#### Offer For Sale of Equity Shares of the Company

The Promoters of the Company i.e. Aditya Birla Capital Limited and Sun Life (India) AMC Investments Inc. had sold in aggregate 3,21,46,438 equity shares of ₹ 5 each of the Company on 19<sup>th</sup> March, 2024 and 20<sup>th</sup> March, 2024 representing 11.16% of the total paid-up Equity Share capital of the Company, by way of Offer for Sale (OFS) through Stock Exchange Mechanism to achieve the minimum public shareholding (MPS) of 25% by the Company as prescribed by SEBI. The OFS has resulted in dilution of Promoters/ Promoters Group shareholdings to 75.31% and increase in the Public shareholding to 24.69% as on 31<sup>st</sup> March, 2024.

### HOLDING/ SUBSIDIARIES/ JOINT VENTURES/ ASSOCIATE COMPANIES

#### Holding Company

During the financial year under review, Aditya Birla Capital Limited ("ABCL") ceased to be the Holding Company of the Company and Grasim Industries Limited ceased to be the Ultimate Holding Company w.e.f. 24<sup>th</sup> August, 2023. Pursuant to the exercise of Restricted Stock Units under Aditya Birla Sun Life AMC Limited Employee Stock Option Scheme 2021, the equity shares of the Company were allotted to the eligible employees and consequent to the said allotments, the paid-up share capital of the Company increased resulting in dilution of the shareholding percentage of ABCL to less than 50% of the paid-up share capital of the Company. Subsequently, the Company became an Associate of ABCL.

#### Subsidiaries

The Company has 5 (five) foreign subsidiaries including a step-down subsidiary (subsidiary by virtue of holding management shares) as on 31<sup>st</sup> March, 2024. As required under Regulations 16(1)(c) and 46 of the SEBI Listing Regulations, the Board has approved and adopted the Policy for determining Material Subsidiaries. The Policy is available on the Company's website at <https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/policies-and-codes/policy-on-materiality-of-subsidiary.pdf>. During the financial year under review, the Company did not have any material subsidiaries.

#### Joint Ventures/Associates

The Company does not have any Joint Venture/ Associate Company.

### TRANSFER TO RESERVES

The Company had transferred ₹ 0.81 Crore to the General Reserves for the financial year ended 31<sup>st</sup> March, 2024.

### DIVIDEND

The Board of Directors have recommended payment of dividend of ₹ 13.50 per equity share of face value of ₹ 5 each for the financial year ended 31<sup>st</sup> March, 2024, subject to the approval of the shareholders at the ensuing Annual General Meeting ("AGM") of the Company. Accordingly, the dividend pay-out for the financial year 2023-24 would amount to approx. ₹ 389 Crore.



Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Shareholders w.e.f. 1<sup>st</sup> April, 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to the Shareholders at prescribed rates as per the Income-tax Act, 1961.

The dividend recommended is in line with the Company's Dividend Distribution Policy, which is available on the Company's website at <https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/policies-and-codes/abslamc-dividend-distribution-policy--081021.pdf>.

### SHARE CAPITAL

During the financial year under review, the Company has issued and allotted 91,213 equity shares of ₹ 5 each of the Company to eligible employees pursuant to the exercise of Restricted Stock Units in terms of the Aditya Birla Sun Life AMC Limited Employee Stock Option Scheme 2021.

Consequently, the issued, subscribed and paid-up share capital increased from ₹ 144 Crore comprising of 288,000,000 equity shares of ₹ 5 each as on 1<sup>st</sup> April, 2023 to ₹ 144.05 Crore comprising of 288,091,213 equity shares of ₹ 5 each as on 31<sup>st</sup> March, 2024.

### DEPOSITORY

All the equity shares of the Company are held in dematerialised mode and are compulsorily tradable in electronic form.

### INVESTMENT IN SUBSIDIARIES

During the financial year under review, the Company had not infused capital in its subsidiaries. Further, details of investment in subsidiaries are stated in the Notes to the Financial Statements forming part of this Annual Report.

### PUBLIC DEPOSITS

The Company, being an Asset Management Company, primarily governed by SEBI (Mutual Funds) Regulations, 1996 has not accepted any deposits from the public during the financial year under review, in accordance with Section 73 and 74 read with the Chapter V of the Act.

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

The details of loans and guarantees given, investments made or security provided, if any, during the financial year under review pursuant to the Section 186 of the Act are provided in the Notes to the Financial Statements forming part of this Annual Report.

### CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The Company is in financial services industry and does not consume high levels of energy. However, regular efforts are made to adopt appropriate energy conservation measures and technology absorption methods. The particulars regarding conservation of energy and technology absorption as required to be disclosed pursuant to Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are not relevant to the Company's activities.

However, some of the steps taken by the Company for conservation of energy includes:

- The Company is committed to reducing negative environmental impact.
- The Company has tied up with ViaGreen, an organisation that helps us in waste management and recycling.
- Most of the offices of the Company have installed LED lights making them energy-efficient.
- As a step towards further reducing the environmental impact, the documents for Board and Committee Meetings of the Company are transmitted electronically using a secure web-based application, thereby saving paper.
- The energy saving measures includes selecting and designing offices to facilitate maximum natural light utilisation, video-conferencing facilities/ MS Teams/ Zoom calls across all offices to reduce the need of employee travel, digital learning initiatives for employees, optimised usage of lights and continuous monitoring and control of the operations of the air conditioning equipment as well as elimination of non- recyclable plastic in the offices.

### FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earnings during the financial year under review was ₹ 5.01 Crore as compared to ₹ 4.33 Crore during the previous financial year. The foreign exchange expenditure during the financial year under review was ₹ 19.43 Crore as compared to ₹ 16.51 Crore during the previous financial year.

### PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details, as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed as **Annexure I** to the Board's Report.



## Board's Report (Contd.)

Details as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, with respect to information of employees of the Company will be provided upon request by a Member. In terms of the provisions of Section 136(1) of the Act, the Annual Report is being sent to all the Members of the Company whose email address(es) are registered with the Company/ Depository Participants, excluding the aforesaid details which shall be made available for inspection by the Members. If any Member is interested in obtaining a copy thereof, the Member may write to the Company Secretary at the Registered Office of the Company in this regard or send an email to [abslamc.cs@adityabirlacapital.com](mailto:abslamc.cs@adityabirlacapital.com).

### **BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**

Pursuant to Regulation 34(2) of SEBI Listing Regulations, the Company has published Business Responsibility and Sustainability Report describing the initiatives taken by the Company from environmental, social and governance perspective for the financial year ended 31<sup>st</sup> March, 2024, which forms part of this Annual Report. The said report is also available on the Company's website at <https://mutualfund.adityabirlacapital.com/shareholders/annual-reports>.

### **MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY**

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

### **CHANGE IN NATURE OF BUSINESS**

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

### **EMPLOYEE STOCK OPTION PLAN**

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

In view of above, the Company has adopted "Aditya Birla Sun Life AMC Limited Employee Stock Option Scheme 2021" ("ESOP Scheme 2021") for the benefit of the employees of the

Company and its Subsidiaries. During the financial year under review, the Company has granted 114,388 Stock Options in aggregate comprising of 102,937 Options and 11,451 Restricted Stock Units to the eligible employees under ESOP Scheme 2021.

There were no material changes made to the ESOP Scheme 2021 during the financial year under review. The details/disclosure(s) on the ESOP Scheme 2021 as required to be disclosed under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are available on the Company's website at <https://mutualfund.adityabirlacapital.com/shareholders/annual-reports>. The certificate from the Secretarial Auditor of the Company on the implementation of the ESOP Scheme 2021 will be made available at the ensuing AGM of the Company for inspection by the Shareholders.

Further, Aditya Birla Capital Limited ("ABCL") had adopted "Aditya Birla Capital Limited Employee Stock Option Scheme 2017" ("Scheme 2017") and "Aditya Birla Capital Limited Employee Stock Option and Performance Stock Unit Scheme 2022" ("Scheme 2022") for the benefit of the employees of ABCL/ its Subsidiaries/Group Companies. The benefits of the said Schemes are extended to the permanent employees in the Management cadre of the Company.

### **Employee Stock Appreciation Rights Scheme**

The Company had adopted a long-term incentive plan namely, "Aditya Birla Sun Life AMC Limited Stock Appreciation Rights Scheme 2022" ("SAR 2022") for the welfare of the employees of the Company and its subsidiaries. Under SAR 2022, cash incentive benefits are provided to the eligible employees through grant of Stock Appreciation Rights. The Company has not granted any Stock Appreciation Rights as on 31<sup>st</sup> March, 2024.

### **MANAGEMENT DISCUSSION AND ANALYSIS**

Pursuant to Regulation 34(2) of SEBI Listing Regulations, the Management Discussion and Analysis Report for the financial year under review forms part of this Annual Report.

### **CORPORATE GOVERNANCE REPORT**

The Corporate Governance Report as stipulated under Regulation 34(3) read with Schedule V of the SEBI Listing Regulations forms part of this Annual Report. The certificate from M/s. N L Bhatia & Associates, Practicing Company Secretaries, on compliance with the requirements of Corporate Governance is enclosed as **Annexure II** to the Board's Report.

## STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES

A report on the performance and financial position of the Company's Subsidiaries as per Section 129(3) of the Act read with the rules made thereunder in the prescribed Form AOC-1 is enclosed as **Annexure III** to the Board's Report.

## RISK MANAGEMENT

Risk Management is at the core of the business and ensuring the right risk return trade off in keeping with risk appetite is the essence of Risk Management. Company's robust risk management framework monitors firm-wide Governance, Risk and Compliance. The Risk Management philosophy focusses on the following organisational structure to manage risks through the following three lines of defence:

**First Line** is the Management (Functional Heads/Process Owners) that has the primary responsibility to own and manage risks associated with day-to-day operational activities. The **Second Line** function enables the identification of emerging risks in daily operation of the business. It does this by providing compliance and oversight in the form of framework, policies, tools, and techniques to support risk and compliance management. **Third-Line** function provides objective and independent assurance through audits.

The Board has constituted a Risk Management Committee as required under SEBI Listing Regulations and SEBI (Mutual Funds) Regulations, 1996 to frame, implement and monitor the risk management plan of the Company and the Schemes of the Mutual Fund.

The objectives and scope of the Risk Management Committee broadly include:

- Risk Identification;
- Risk Assessment;
- Risk Response and Risk Management strategy; and
- Risk Monitoring, Communication and Reporting.

Over the years, the Company has built a strong Risk Management Framework supported by well-established policies and procedures and a talented pool of risk professionals.

Further, the Company has adopted the Risk Management Framework prescribed by SEBI through circular dated 27<sup>th</sup> September, 2021. Through this framework, the Company has devised the mechanism for identifying and measuring the

AMC level and Mutual Fund's Scheme level risk appetite and has also setup a robust risk control assessment mechanism to report key emerging risks and control environment at functional level to the Management and the Board of the Company.

The Company has an enterprise risk management framework in place, which includes key risk management activities such as risk identification, risk assessment, risk response and risk management strategy. The identified risks are evaluated and managed by either avoidance, transfer, mitigation or retention. The risks faced can be broadly classified as reputation risk, people risk, regulatory risk, operational risk, investment risk, strategic risk and business risk. Close monitoring and control processes, including the establishment of appropriate key risk indicators and key performance indicators are put in place to ensure that risk profiles are managed within limits.

The Company's Investment function operates under the Investment Governance framework approved by the Investment Committee and the Board. The framework helps in not only ensuring regulatory compliance but also provides the framework for management and mitigation of the risks associated with investments.

The Company has implemented an Operational Risk Management framework to manage specific risks that may arise from inadequate or failed internal processes, people, systems, or external events. To manage and control such risks, the Company uses various tools including self-assessments, operational risk alerts and key risk indicator monitoring. The Company recognises that information is a critical business asset and, accordingly, the Company has an information security and cyber security framework that ensures all information assets are safeguarded by establishing comprehensive management processes throughout the organisation.

The risk management systems and procedures that are in place demonstrate the commitment of the Company towards working ethically and functioning profitably while maintaining compliance with best practices, applicable laws, rules and regulations. They are intended to provide reasonable but not absolute assurance against material misstatements or loss, as well as to ensure the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information and the identification and management of business risks.

The detailed Risk Management framework is enclosed as **Annexure IV** to the Board's Report.



## Board's Report (Contd.)

### CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the financial year under review, all transactions entered into by the Company with related parties were in ordinary course of business and at arm's length basis and were not considered material as per the provisions of Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI Listing Regulations. Hence, disclosure in form AOC-2 under Section 134(3)(h) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, is not applicable.

Prior approval of the Audit Committee is obtained for all Related Party Transactions ("RPTs") which are of a repetitive nature and entered in the ordinary course of business and at arm's length. A statement on RPTs specifying the details of the transactions, pursuant to each omnibus approval granted, is placed on a quarterly basis for review by the Audit Committee.

Pursuant to Regulation 23(9) of SEBI Listing Regulations, disclosures of RPTs are submitted to the stock exchanges on a half-yearly basis and published on the Company's website at <https://mutualfund.adityabirlacapital.com/shareholders/announcements-and-updates>.

There were no material transactions entered into with related parties during the period under review, which may have had any potential conflict with the interests of the Company at large. The details of transactions with related parties of the Company for the financial year under review, are given in Notes to the Financial Statements, which forms part of this Annual Report.

The policy on Related Party Transactions is available on the Company's website <https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/policies-and-codes/policy-on-related-party-transaction-060422.pdf>.

### INTERNAL FINANCIAL CONTROLS

The Company has well-established internal control systems in place which commensurate with the nature of its business and size and scale and complexity of its operations. Standard operating procedures (SOP) and Risk Control Matrices designed to provide a reasonable assurance are in place and are being continuously monitored and updated. Internal audits are undertaken on periodic basis to independently validate the existing controls as per scope assigned to Internal Audit Function. The Internal audit program is approved by the Audit Committee at the beginning of the year to ensure that the

coverage of the areas is adequate. Internal Audit Reports are regularly reviewed by the management and corrective action is initiated to strengthen controls and enhance the effectiveness of existing systems.

Significant audit observations, if any, are presented to the Audit Committee along with the status of management actions and the progress of implementation of recommendations. During the financial year under review, no material or serious observation was identified for inefficacy or inadequacy of such controls.

The Company also periodically engages outside experts to carry out independent review of the effectiveness of various business processes. The observations and best practices suggested are reviewed by the Management and Audit Committee and appropriately implemented with a view to continuously strengthen internal controls.

### INTERNAL AUDIT

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

The internal audit plan is developed based on the risk profile of business activities of the organisation. The audit plan covers process audits at the head office and across various branches of the organisation. The Internal audits are carried out by an independent external firm. The audit plan is approved by the Audit Committee, which regularly reviews the compliance to the plan.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act and to the best of their knowledge and belief and according to the information and explanations obtained from the Management, Directors of the Company state that:

- i. in the preparation of the Annual Accounts for the financial year ended 31<sup>st</sup> March, 2024, the applicable accounting standards have been followed and there were no material departures from the same;

## Board's Report (Contd.)

- ii. the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2024 and of the profit of the Company for financial year ended on that date;
- iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors had prepared the Statement of Accounts for the financial year ended 31<sup>st</sup> March, 2024 on a 'going concern basis';
- v. the Directors had laid down Internal Financial Controls and that such Internal Financial Controls were adequate and were operating effectively; and
- vi. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

As on 31<sup>st</sup> March, 2024, the Board of Directors of the Company comprised of 9 (nine) Directors including 1 (one) Woman Independent Director.

#### **Appointment/Re-appointment**

During the financial year under review, Mr. Supratim Bandyopadhyay was appointed as an Additional Director (Non- Executive Independent) w.e.f. 1<sup>st</sup> June, 2023. The appointment of Mr. Supratim Bandyopadhyay as Non- Executive Independent Director was approved by the Shareholders at the 29<sup>th</sup> AGM of the Company held on 11<sup>th</sup> August, 2023 in accordance with the provisions of the Act and the SEBI Listing Regulations.

The Board of Directors of the Company at its Meeting held on 26<sup>th</sup> April, 2024, based on the recommendation of the Nomination, Remuneration and Compensation Committee, approved the re-appointment of Mr. Navin Puri as an Non-Executive Independent Director for a second term of five consecutive years with effect from 4<sup>th</sup> September, 2024, subject to the approval of the Shareholders of the Company at the ensuing AGM of the Company.

#### **Resignation**

Mr. Kumar Mangalam Birla, Chairman (Non-Executive Director) of the Company resigned w.e.f. close of business hours of 19<sup>th</sup> April, 2023. Mr. Harish Engineer, Non-Executive Independent Director of the Company, resigned w.e.f. 30<sup>th</sup> April, 2023 due to pre-occupation. There was no material reason for his resignation. The Board placed on record its sincere appreciation for the valuable contributions made by Mr. Kumar Mangalam Birla and Mr. Harish Engineer during their association with the Company.

#### **Retirement by Rotation**

Pursuant to Section 152 of the Act read with the Articles of Association of the Company, Mr. Amrit Kanwal, Non-Executive Director retires from the Board by rotation and being eligible, offers himself for re-appointment at the ensuing AGM of the Company. The Nomination, Remuneration and Compensation Committee of the Company, and the Board of Directors have recommended the re-appointment of Mr. Amrit Kanwal as a Non-Executive Director of the Company at the ensuing AGM.

The information as required to be disclosed under Regulation 36(3) of the SEBI Listing Regulations and provisions of Secretarial Standard-2 on the General Meetings issued by the Institute of Company Secretaries of India, in case of aforesaid re-appointments of Directors is provided in the Notice of the ensuing AGM.

#### **Declaration by Independent Directors**

All Independent Directors have submitted the declaration of Independence, pursuant to the provisions of Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations, stating that they meet the criteria of Independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective Independent judgment and without any external influence. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience, expertise and hold the highest standards of integrity.

The Independent Directors have also confirmed their registration with the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in compliance with requirements of the Companies (Appointment and Qualification of Directors) Rules, 2014.





## Board's Report (Contd.)

### Key Managerial Personnel (KMP)

In terms of the provisions of Sections 2(51) and 203 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. A. Balasubramanian, Managing Director & Chief Executive Officer (CEO), Mr. Parag Joglekar, Chief Financial Officer (CFO) and Mr. Prateek Savla, Company Secretary and Compliance Officer are the Key Managerial Personnel of the Company.

Ms. Hemanti Wadhwa ceased as Chief Compliance Officer and Company Secretary (KMP) of the Company w.e.f. 26<sup>th</sup> April, 2024. Further, Mr. Prateek Savla was appointed as a Company Secretary and Compliance Officer (KMP) of the Company as per the SEBI Listing Regulations w.e.f. 26<sup>th</sup> April, 2024.

### FIT AND PROPER CRITERIA

All the Directors meet the fit and proper criteria as stipulated under SEBI (Mutual Funds) Regulations, 1996 and SEBI (Intermediaries) Regulations, 2008 (as amended from time to time).

### ANNUAL PERFORMANCE EVALUATION

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

During the financial year under review, considering the evolving good governance practices in India, the Nomination, Remuneration and Compensation Committee of the Company had approved the revised Board Evaluation Framework.

Pursuant to the provisions of the Act and SEBI Listing Regulations and in terms of the Framework of the Board Performance Evaluation, the Board of Directors have carried out an annual performance evaluation of the Board as-a-whole, performance of various Committees of the Board and Individual Directors. A separate meeting of the Independent Directors was also held during the financial year under review for the evaluation of the performance of Non-Independent Directors and performance of the Board as-a-whole. The manner in which the evaluation has been carried out has been set out in the Corporate Governance Report, which forms part of this Annual Report.

### Outcome of the Evaluation

The Board of the Company was satisfied with the functioning of the Board and its Committees. Non-Executive Directors and Independent Directors demonstrate a strong understanding of the Company and its requirements. They keep themselves current on the areas to be discussed at the Board Meetings. The Committees are functioning well and besides covering the Committees' terms of reference, as mandated by applicable laws, important issues are brought up and discussed in the Committee Meetings. The Board was also satisfied with the contribution of Directors in their individual capacities.

## MEETINGS OF THE BOARD AND ITS COMMITTEES

### Board

The Board meets at regular intervals, inter alia, to discuss and decide on the Company's performance and strategies. During the financial year under review, the Board met 7 (Seven) times on 27<sup>th</sup> April, 2023, 26<sup>th</sup> July, 2023, 26<sup>th</sup> October, 2023, 28<sup>th</sup> November, 2023, 11<sup>th</sup> December, 2023, 29<sup>th</sup> January, 2024 and 18<sup>th</sup> March, 2024.

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

### Audit Committee

The Board of Directors has constituted an Audit Committee with its composition, quorum, powers, role and scope in line with the applicable provisions of the Act, SEBI Listing Regulations and SEBI (Mutual Funds) Regulations, 1996.

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

Further details on the Audit Committee, its Meetings, composition and attendance are provided in the Corporate Governance Report, which forms part of this Annual Report.

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



## Nomination, Remuneration and Compensation Committee

The Board of Directors has constituted a Nomination, Remuneration and Compensation Committee ("NRCC"), with its composition, quorum, powers, role and scope in line with the applicable provisions of the Act and SEBI Listing Regulations.

The NRCC has formulated a policy on remuneration under the provisions of Section 178(3) of the Act, which is enclosed as **Annexure V** to the Board's Report and the same is uploaded on the website of the Company at <https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/policies-and-codes/executive-remuneration-policy-amc.pdf>

Further, details on the NRCC, its Meetings, composition and attendance are provided in the Corporate Governance Report, which forms part of this Annual Report.

## Other Board Committees

The Board of Directors have also constituted the following Committees of the Board under the relevant provisions of the Act read with the applicable SEBI laws:

- Risk Management Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Unit Holder Protection Committee

Details of mandatory Committees of the Board as per the Act SEBI Listing Regulations and SEBI (Mutual Funds) Regulations, 1996 are provided in the Corporate Governance Report, which forms part of this Annual Report.

## ANNUAL RETURN

Pursuant to the provisions of Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return for the financial year 2023-24 is available on the Company's website at <https://mutualfund.adityabirlacapital.com/shareholders>.

## AUDITORS

### Statutory Auditors

Pursuant to the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, S. R. Batliboi & Co. LLP, Chartered

Accountants, (Firm Registration No.: 301003E/E300005) were appointed as Statutory Auditors of the Company for a term of 5 (five) years i.e. from the conclusion of 25<sup>th</sup> AGM till the conclusion of 30<sup>th</sup> AGM of the Company. The term of office of Statutory Auditors shall end at the ensuing AGM.

As per the provisions of Section 139 of the Act, the firm of Statutory Auditors can be re-appointed for a further period of 5 years. Based on the recommendation of the Audit Committee, the Board has recommended the re-appointment of S.R. Batliboi & Co. LLP for a second term of 5 years from the conclusion of ensuing AGM till the conclusion of 35<sup>th</sup> AGM of the Company to be held in the year 2029. S.R. Batliboi & Co. LLP have confirmed their eligibility and qualifications required under the Act for re-appointment as Statutory Auditors of the Company.

Accordingly, the resolution proposing the re-appointment of S.R. Batliboi & Co. LLP, Chartered Accountants as Statutory Auditors for a second term of 5 years pursuant to Section 139 of the Act forms part of the Notice of ensuing AGM.

The observation(s) made in the Auditors' Report are self-explanatory and therefore, do not call for any further comments under Section 134(3)(f) of the Act. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

### Secretarial Auditors

Pursuant to the requirements of Section 204(1) of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. N L Bhatia & Associates, Practicing Company Secretaries, to conduct the Secretarial Audit for the financial year under review. The Secretarial Audit Report in Form MR-3 for the financial year under review, is enclosed as **Annexure VI** to the Board's Report. The Secretarial Audit Report does not contain any qualification, reservation, disclaimer or adverse remarks.

The Annual Secretarial Compliance Report received from M/s. N. L. Bhatia & Associates, Practicing Company Secretaries for the financial year under review, pursuant to the Regulation 24A of the SEBI Listing Regulations is available on the website of the Company and can be accessed at <https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/shareholder-intimation/secretarial-compliance-report-for-the-year-ended-march-31-2024.pdf>.



## Board's Report (Contd.)

### Cost Audit

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

### Reporting of Frauds by Auditors

During the financial year under review, neither the Statutory Auditors nor the Secretarial Auditors have reported to the Audit Committee or the Board of Directors, any instances of fraud committed against the Company by its officers or employees under Section 143(12) of the Act.

## CORPORATE SOCIAL RESPONSIBILITY

In accordance with Section 135 of the Act and Rules made thereunder, the Board of Directors have a Corporate Social Responsibility (CSR) Committee. The CSR Committee has formulated and recommended to the Board a Corporate Social Responsibility Policy ("CSR Policy") indicating the CSR activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy is available on the Company's website at <https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/csr/abslamc-revised-csr-policy.pdf>.

During the financial year 2023-24, the Company spent ₹ 13.52 Crore on various CSR projects including overhead costs and Impact Assessment cost. The annual report on CSR activities for financial year 2023-24 as per the Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended is enclosed as **Annexure VII** to the Board's Report.

## WHISTLE-BLOWER POLICY/ VIGIL MECHANISM

In compliance with the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI Listing Regulations, the Company has formulated a Whistle-Blower Policy/Vigil Mechanism for Directors and Employees to report concerns, details of which are covered in the Corporate Governance Report, which forms part of this Annual Report.

The said policy is available on the Company's website at [https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/policies-and-codes/whistleblower\\_policy\\_amc\\_final\\_030624.pdf](https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/policies-and-codes/whistleblower_policy_amc_final_030624.pdf).

## POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place a policy which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act'). An Internal Committee has been set up to redress and resolve complaints, if any, received regarding sexual harassment of women. The Company has complied with the provisions relating to the constitution of the Internal Committee under the POSH Act. All employees (permanent, contractual, temporary, trainees) are covered under this policy. We further state that during the financial year under review, one complaint was received, which was pending as on 31<sup>st</sup> March, 2024 pursuant to the provisions of the POSH Act.

## HUMAN RESOURCES

The Company has always aspired to be an organisation and a workplace which attracts, retains, and provides a canvas for talent to operate.

The Company believes that meaning at work is created when people relate to the purpose of the organisation, feel connected to their leaders and have a sense of belonging. Our focus stays strong on providing our people a work environment that welcomes diversity, nurtures positive relationships and a culture grounded in our core values, provides challenging work assignments and provides opportunities based on meritocracy for people to grow, build and advance their careers with us in line with their aspirations.

As on 31<sup>st</sup> March, 2024, the employee strength of the Company was 1,279.

### Talent Management

Building a strong future ready talent pool and robust leadership succession pipeline continues to be priority areas for us in Talent Management. We continued to give prominence to identifying and developing our high potential employees and have steered towards more holistic, comprehensive, and future oriented development interventions for them.

During the financial year under review, the Company has continuously recognised high talent, strengthened its structures and provided higher responsibilities to talent. While, we infused talent at leadership level, we also provided larger roles to existing leaders which will not only help us build a credible & stable franchise but also develop succession depth within functions.

## Employee Wellness and Engagement

The Company is committed towards fostering a happy, vibrant and engaging work environment. Revitalising a culture of connect and camaraderie has been yet another area of significant attention of the Company.

The Company continues to reinforce the importance of health and well-being through comprehensive wellness programmes and initiatives. Our offerings include regular health assessments and health management programmes aimed at ensuring every employee prioritises their health and wellness. These initiatives not only enhance efficiency and productivity but also contribute to the overall well-being of our employees.

Additionally, we emphasise the health and safety of our employees through regular fire audits and adherence to safety protocols, ensuring a secure and compliant workplace.

## Learning

The Company's learning interventions create an organisation wide impact as these are focused on enabling employees to do better at work. The Company has introduced various initiatives to enhance functional & behavioural capabilities of the employees. The Company's Learning Architecture - 'Birla Way Of Learning' is a blend of functional and behavioural learning including managerial skills like GROW coaching and constructive feedback culture. Our learning interventions are designed to empower employees to excel at work. We employ a blend of people-centric, classroom-based, digital, app-based and virtual training platforms to maximise impact. Our AI-enabled learning app provides personalised content tailored to meet individual needs, offering the flexibility to learn anytime, anywhere. Our e-learning platform hosts a plethora of relevant courses, videos and webinars, all leveraged by our employees to enhance their skills and knowledge.

To further support our workforce, we provide access to Coursera for all employees, offering self-learning opportunities across a vast range of topics. Additionally, we offer tuition reimbursement and support for professional courses, enabling our employees to pursue further education and professional development. Regular compliance courses are also mandated to ensure adherence to regulatory requirements.

## SECRETARIAL STANDARDS

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

## CODE FOR PROHIBITION OF INSIDER TRADING

Pursuant to SEBI (Prohibition of Insider Trading) Regulations 2015, as amended, the Company has a Code of Conduct on Prohibition of Insider Trading for Securities of Aditya Birla Sun Life AMC Limited and a Code of Practice and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The details of which are covered in the Corporate Governance Report, which forms a part of this Annual Report.

## AWARDS AND CERTIFICATIONS

During the financial year under review, the Company was felicitated with the following awards:

- **Outlook Money Award** – Best Innovator in Investor Education
- **National Awards for Excellence** – For HER Financial Education - Best Initiative for Women
- **National Awards for Excellence in Branding and Marketing** – Samridhhi - Magazine - Best In- House Magazine Award
- **Stars of the Industry Awards** – Nivesh Mahakumbh
- **AWOKE India Foundation** – Best Investor Education for best efforts in outreaching various segment of investors
- **Nivesh Manthan** – Awarded in four categories - content, reach, creativity and consistency
- **Mobexx Summit Awards 2023** – Mobile Advertising Excellence in Native Advertising
- **IAMAI award** – Best use of Native Advertising
- **IAMAI award** – Best user experience in an app
- **Digixx Summit Awards** – Programmatic and performance marketing
- **Digixx Summit Awards** – Best use of Native Advertising
- **Asia Asset Management** – Best of Best Award in Investor Education
- **Reader's Digest - Reader's Choice** – Most Trusted Brands - Investor Awareness Initiatives



## Board's Report (Contd.)

### OTHER DISCLOSURES

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

- i. there was no Scheme for provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- ii. there was no public issue, rights issue, bonus issue or preferential issue, etc.
- iii. there was no issue of shares with differential rights.
- iv. there was no transfer of unpaid or unclaimed dividend amount to Investor Education and Protection Fund (IEPF).
- v. there were no significant or material orders passed by the Regulators or Hon'ble Courts or Tribunals impacting the going concern status of the Company and its operations in future.
- vi. there was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016, as amended.
- vii. there were no failures to implement any Corporate Action.
- viii. there were no borrowings from Banks or Financial Institutions and no instance of one-time settlement with any Bank or financial Institutions.

### ACKNOWLEDGEMENTS

The Directors take this opportunity to express their appreciation for the support and co-operation extended by our various partners and other business associates. The Directors gratefully acknowledge the ongoing co-operation and support provided by all Statutory and Regulatory Authorities.

The Directors place on record their appreciation for the exemplary contribution made by the employees of the Company and its Subsidiaries at all levels. Their dedicated efforts and enthusiasm have been pivotal to the Company's growth.

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

The Board would also like to express sincere appreciation for the continued support, guidance and assistance from the Trustees of Aditya Birla Sun Life Mutual Fund, Securities and Exchange Board of India, Reserve Bank of India, Financial Intelligence Unit (FIU-IND), Association of Mutual Funds in India (AMFI), Stock Exchanges, Depositories, Clearing Corporations, Depository Participants, Custodians, Bankers, Registrars & Transfer Agents, Distributors & Agents, Central and State Governments and other Regulatory Bodies, business associates & other service providers and the Shareholders who have always supported and helped the Company to achieve its objectives.

For and on behalf of the Board of Directors

**Aditya Birla Sun Life AMC Limited**

**Vishakha Mulye**  
Non-Executive Director  
(DIN: 00203578)

**A. Balasubramanian**  
Managing Director & CEO  
(DIN: 02928193)

Place: Mumbai

Date: 26<sup>th</sup> April, 2024

# Annexure I

## DISCLOSURE ON MANAGERIAL REMUNERATION

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**i. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24:**

Name of Director	Designation	Ratio of remuneration
Mr. A. Balasubramanian	Managing Director & CEO	113:1

Note:

- 1) The Independent Directors are paid only sitting fees for attending the Board and its Committee Meetings. This remuneration, by way of fees, is not related to the performance or profit of the Company and hence, the ratio of remuneration of Independent Director to the median employees' remuneration is not computed.
- 2) The Company has considered fixed and variable pay for the computation of ratio.

**ii. Percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company during the financial year 2023-24:**

Sr. No.	Name	Designation	% Increase in remuneration
1	Mr. A. Balasubramanian	Managing Director & CEO	6%
2	Mr. Parag Joglekar	Chief Financial Officer	6%
3	Ms. Hemanti Wadhwa*	Chief Compliance Officer & Company Secretary	6%

\* Ceased to be the Chief Compliance Officer and Company Secretary (KMP) of the Company w.e.f. 26<sup>th</sup> April, 2024.

**iii. Percentage increase in the median remuneration of employees in the financial year 2023-24:**

There was no increase in the median remuneration of employees.

**iv. Number of permanent employees on the rolls of the Company:**

The Company had 1279 permanent employees as on 31<sup>st</sup> March, 2024.

**v. Average percentile increase already made in salaries of employees other than managerial personnel in last financial year and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average percentile increases in the salary of all employees for FY24 was 7.8%.

The average increase in managerial remuneration was 6%. The criteria for remuneration evaluation is based on appraisal process. The increase in remuneration is also dependent on the overall performance of the Company and not only on individual's performance.

**vi. It is hereby affirmed that the remuneration paid is as per the Executive Remuneration Philosophy/ Policy of the Company.**



# Annexure II

## CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members,  
**Aditya Birla Sun Life AMC Limited**  
One world Center, Tower 1, 17<sup>th</sup> Floor,  
Jupiter Mills, Senapati Bapat Marg,  
Elphinstone Road, Mumbai – 400 013

We have examined all the relevant records of Aditya Birla Sun Life AMC Limited ('the Company') for the purpose of certifying compliance of the conditions of Corporate Governance as stipulated in Regulation 17 to 27, clauses (b) to (i) and (t) of Sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period from 1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27, clauses (b) to (i) and (t) of Sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation process adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This certificate is neither an audit nor an expression of opinion on the financial statements of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For N L Bhatia & Associates**  
Practising Company Secretaries  
UIN: P1996MH055800  
P/R No.: 700/2020

**N L Bhatia**  
Partner  
FCS: 1176  
CP. No.: 422

UDIN: F001176F000249041

Place: Mumbai  
Date: 26<sup>th</sup> April, 2024



# Annexure III

## FORM AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)

### Statement containing salient features of the financial statement of Subsidiaries

(in ₹, except % of shareholding)

	Aditya Birla Sun Life AMC (Mauritius) Ltd.	Aditya Birla Sun Life Asset Management Company Ltd., DIFC, Dubai	Aditya Birla Sun Life Asset Management Company Pte. Ltd., Singapore
Date since Subsidiary was acquired	20 <sup>th</sup> May, 1996	9 <sup>th</sup> November, 2010	25 <sup>th</sup> January, 2010
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	US\$ and the exchange rate is ₹ 83.4037/US\$		SGD and the exchange rate is ₹ 61.7400 /SGD
Share Capital	3,753,167	260,636,563	839,664,001
Reserves & Surplus	93,043,333	(169,260,830)	(193,849,746)
Total Assets	99,244,429	115,983,410	702,947,784
Total Liabilities	2,447,899	24,607,682	57,133,588
Investments	-	-	-
Turnover/Total Income	7,741,896	131,934,685	293,216,733
Profit/(loss) before Taxation	(1,492,114)	5,074,352	57,640,316
Provision for Taxation	-	-	-
Tax adjustment for earlier year	-	-	-
Profit/ (loss) after Taxation	(1,492,114)	5,074,352	57,640,316
Proposed Dividend	-	-	-
Extent of Shareholding (%)	100%	100%	100%

Note: The Company holds 100% management shares of India Advantage Fund Limited (IAFL), having no beneficial interest or ownership on IAFL's income or gains as the same belongs to the investors of Collective Investment Schemes offered by IAFL. Similarly, Aditya Birla Sun Life Asset Management Company Pte. +., Singapore holds 100% management shares of International Opportunities Fund – SPC and by virtue of that it is a subsidiary of the Company, hence, these Companies are not included in AOC-1.

**Vishakha Mulye**  
Non-Executive Director  
(DIN: 00203578)

**Parag Joglekar**  
Chief Financial Officer

Place: Mumbai  
Date: 26<sup>th</sup> April, 2024

**A. Balasubramanian**  
Managing Director & CEO  
(DIN: 02928193)

**Prateek Savla**  
Company Secretary



# Annexure IV

## RISK MANAGEMENT FRAMEWORK

### A. RISK MANAGEMENT COMMITTEE:

The Company follows the below levels of Risk Mitigation Structure:



The risk management structure comprises of the Risk Management Team and Functional Heads governed by Board level Risk Management Committee.

Further, the Company has adopted the Risk Management Framework prescribed by SEBI through circular dated 27<sup>th</sup> September, 2021. Through this framework, the Company has devised the mechanism for identifying and measuring the AMC level and Mutual Fund's Scheme level risk appetite and setup a robust risk control assessment mechanism to report key emerging risks and control environment at functional level to the Management and the Board of the Company.

### B. RISK MITIGATION STRATEGIES:

The Company is exposed to several risks in the course of its business. The overall business risks and mitigation strategies are as described below:

<b>Strategic Risk</b>	<p>Risk to future earnings or capital in terms of failure to achieve the Company's strategic or long-term business plans.</p> <p><b>Mitigation Strategy:</b> Strategic risks are managed through the Enterprise Risk Management framework using the risk identification and review process. The Risk Management Committee monitors these risks and the action plans for mitigating these risks.</p>
<b>Investment Risk</b>	<p>Risks pertaining to the investments portfolios across asset classes such as Equity, Debt, Real estate and Commodities and encompasses various risks such as market risk, credit risk, interest rate risk, liquidity risk and concentration risk.</p> <p><b>Mitigation Strategy:</b> A governance structure, in form of the Investment Committee, and well-defined investment policies &amp; processes are in place to ensure that the risks involved in investments are identified and acceptable levels are defined. All Regulatory and Internal norms are built in the Investment system, which enforces the Investment limits and exposure norms on real-time basis.</p>

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<b>Operational Risk</b>	<p>The uncertainty arising from more than expected losses or damage to finances or reputation resulting from inadequate or failed internal processes, controls, people, systems or external events.</p> <p><b>Mitigation Strategy:</b> Operational risks are governed through Risk Management policy and Operational Risk Management Policy. The Company maintains a loss database to track and mitigate risks resulting in operational and financial losses. To control operational risk, operating and reporting processes are reviewed and updated regularly.</p> <p>The Company has a robust Business Continuity Plan and Information Technology Disaster Recovery Plan in place to manage any business/ technology interruption risk. It also has Business Continuity Policy to have a planned response in the event of any contingency ensuring recovery of critical activities at agreed levels within agreed timeframe thereby complying with various regulatory requirements and minimising the potential business impact to the Company.</p> <p>Fraud management is handled through an internal committee and is governed by the Fraud Risk Management Policy.</p>
<b>Information Security and Cyber Security Risk</b>	<p>The risk arising from IT systems (data leakage, application vulnerabilities, lack of segregation of duties and access control), human error, etc. which can cause damage to finances or reputation.</p> <p><b>Mitigation Strategy:</b> Information Security risks are governed through Information Security Management System aligned and certified against ISO 27001 which is a global benchmark. The Company has a comprehensive Information Security and Cyber security policy designed to comply with ISO 27001, privacy and/or data protection legislations as specified by regulations on protection of sensitive personal information, and it provides direction to Information Security staff, Management and Employees regarding their roles and responsibilities towards Information Security.</p>

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### C. RISK POLICIES:

The following key risk policies among others govern and implement effective risk management practices:

Risk Management Policy, Operational Risk Management Policy, Investment Policies, Stewardship Policy, Dealer's Code of Conduct and Best Execution Policy, Broker Empanelment Policy, Valuation Policy, Policy for Proxy Voting, Stress Testing Policy, Information Security Policy, Fraud Risk Management Policy, Outsourcing and Vendor Risk Management Policy, Anti Money Laundering Policy etc.



# Annexure V

## EXECUTIVE REMUNERATION PHILOSOPHY/ POLICY

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

### EXECUTIVE REMUNERATION PHILOSOPHY / POLICY

At the Company, we expect our executive team to foster a culture of growth and entrepreneurial risk-taking. Our Executive Remuneration Philosophy/Policy supports the design of programmes that align executive rewards – including incentive programmes, retirement benefit programmes, promotion and advancement opportunities – with the long-term success of our stakeholders. This is in line with and is guided by our Rewards Philosophy.

### OUR BUSINESS AND ORGANISATIONAL MODEL

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

#### I. Objectives of the executive remuneration programme

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

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

#### II. Covered executives

Our Executive Remuneration Philosophy/Policy applies to the following:

1. Directors of the Company (as per applicable laws).
2. Key Managerial Personnel (KMP): Managing Director & Chief Executive Officer and equivalent, Chief Financial

Officer, Company Secretary and any other person designated as KMP as per Companies Act, 2013 and other applicable laws.

3. Senior Management.

#### III. Appointment criteria and qualifications

The Committee while making appointments to the Board assess the approximate mix of diversity, skills, experience and expertise. The Committee shall consider the benefits of diversity in identifying and recommending persons to Board membership and shall ensure no member is discriminated on the grounds of religion, race, origin, sexual orientation or any other physical or personal attribute.

#### IV. Business and talent competitors

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

#### V. Executive pay positioning

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

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

## VI. Executive pay-mix

Our executive pay-mix aims to strike the appropriate balance between key components: (i) Fixed Cash compensation (Basic Salary + Allowances) (ii) Annual Incentive Plan (iii) Long-Term Incentives (iv) Perks and Benefits (v) ESOP's

### Annual Incentive plan:

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

### Long-term incentive:

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

We use RSU' s, ESOPs, SARS and cash plan as the primary long-term incentive vehicles for our executives as we believe that they best align executive incentives with stockholder interests, value creation and for retention of key talent.

## VII. Performance goal setting

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

Threshold performance (the point at which incentive plans are paid out at their minimum, but non-zero, level) shall reflect a base-line level of performance, reflecting an estimated 75% probability of achievement.

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

Maximum performance (the point at which the maximum plan payout is made) shall be based on an exceptional level of achievement, which is decided and approved on a yearly basis.

## VIII. Executive benefits and perquisites

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

## OTHER REMUNERATION ELEMENTS

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

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

## RISK AND COMPLIANCE

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

## CLAW BACK CLAUSE

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

## IMPLEMENTATION

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



# Annexure VI

## SECRETARIAL AUDIT REPORT

### FORM NO. MR-3

For The Financial Year Ended 31<sup>st</sup> March, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Aditya Birla Sun Life AMC Limited**  
One world Center, Tower 1, 17<sup>th</sup> Floor,  
Jupiter Mills, Senapati Bapat Marg,  
Elphinstone Road, Mumbai – 400 013

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good governance practices by **Aditya Birla Sun Life AMC Limited** (herein after called '**the Company**'). Secretarial Audit was conducted in conformity with the auditing standards issued by the Institute of Company Secretaries of India ("the Auditing Standards") and the processes and practices followed during the conduct of Audit are aligned with the Auditing Standards to provide us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the period covering from the 1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024 ('the Audit period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2024 according to the provisions of:

- a) The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- b) The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;
- c) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- d) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment;

e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 read with the notifications, guidelines and circulars issued by Securities and Exchange Board of India or Stock Exchanges in this regard, to the extent applicable to the Company:

- i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- iii. The Securities and Exchange Board of India (Share-Based Employee Benefits and Sweat Equity) Regulations, 2021;
- iv. Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client;
- v. Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) with respect to Board and General Meetings.
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations").

**We further report that,** having regards to the compliance framework prevailing in the Company and the examination of the pertinent documents and records maintained thereof, it is ascertained, on a test-check basis, that the Company has predominantly adhered to the following regulations that are specifically applicable to its operations:

- Securities and Exchange Board of India (Mutual Fund) Regulations, 1996
- Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012
- Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020.



## Annexure (Contd.)

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

**We 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. The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and Listing Regulations.

Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, 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.

Decisions at the Meetings of the Board of Directors and of the Committees thereof were carried out unanimously as recorded in the minutes of the Meetings of Board of Directors and/or Committee(s) of the Board, as the case may be.

**We further report that,** there are adequate systems and processes in the Company commensurate with the size and

operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines. All the notices and orders received by the Company pursuant to the abovementioned laws have been adequately dealt with/duly replied/complied with.

**We further report that,** during the year under review the company has:

1. Declared a final dividend of ₹ 5.25 per equity share of ₹ 5 each for the financial year ended 31<sup>st</sup> March, 2023.
2. The Company has issued and allotted 91,213 equity shares of the Company pursuant to the exercise of Restricted Stock Units (RSUs) under the Aditya Birla Sun Life AMC Limited Employee Stock Option Scheme 2021 ('ESOP Scheme').
3. The Promoters of the Company i.e. Aditya Birla Capital Limited ('ABCL') and Sun Life (India) AMC Investments Inc. ('Sun Life') sold in aggregate 11.16% shareholding in the Company on 19<sup>th</sup> March, 2024 and 20<sup>th</sup> March, 2024 by way Offer for Sale (OFS) through Stock Exchange Mechanism. Post OFS, the Promoters shareholding in the Company has reduced from 86.47% to 75.31% whereas the public shareholding has increased from 13.53% to 24.69%.

### For N L Bhatia & Associates

Practicing Company Secretaries

UIN: P1996MH055800

P/R No.: 700/2020

**N L Bhatia**

Partner

FCS: 1176

CP. No.: 422

UDIN: F001176F000248984

Place: Mumbai

Date: 26<sup>th</sup> April, 2024



## Annexure (Contd.)

To,  
The Members,  
**Aditya Birla Sun Life AMC Limited**  
One world Center, Tower 1, 17<sup>th</sup> Floor,  
Jupiter Mills, Senapati Bapat Marg,  
Elphinstone Road, Mumbai- 400013

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the auditing standards issued by the Institute of Company Secretaries of India (ICSI) and audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records.
3. We have not verified the correctness and appropriateness of financial records and books of account of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**For N L Bhatia & Associates**  
Practicing Company Secretaries  
UIN: P1996MH055800  
P/R No.: 700/2020

**N L Bhatia**  
Partner  
FCS: 1176  
CP. No.: 422

UDIN: F001176F000248984

Place: Mumbai  
Date: 26<sup>th</sup> April, 2024

# Annexure VII

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR FINANCIAL YEAR 2023-24

(Pursuant to Section 135 of the Companies Act, 2013 and the Companies  
(Corporate Social Responsibility Policy) Rules, 2014, as amended)

### 1. Brief outline on Corporate Social Responsibility (CSR) Policy of the Company.

The CSR Policy of the Company is enunciated in accordance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.

Our CSR Vision is – “To actively contribute to the social and economic development of the communities in which we operate. In doing so build a better, sustainable way of life for the weaker Sections of society and raise the country’s human development index” – Mrs. Rajashree Birla, Chairperson, Aditya Birla Centre for Community Initiatives and Rural Development.

Our CSR Activities are undertaken broadly in the areas of ‘Education’, ‘Healthcare’, Women Empowerment and Sustainable Livelihood’. Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion characterised by a willingness to build a society that works for everyone. This is the cornerstone of our CSR Policy.

### 2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	No. of Meetings	
			Held during tenure	Attended
1	Ms. Alka Bharucha	Chairperson (Non-Executive Independent Director)	2	2
2	Mrs. Vishakha Mulye	Member (Non-Executive Non-Independent Director)	2	2
3	Mr. Sandeep Asthana	Member (Non-Executive Non-Independent Director)	2	1

### 3. Provide the web-link where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company.

Details of CSR Committee composition, CSR Policy and Projects/ programmes undertaken by the Company is available on the Company’s website at <https://mutualfund.adityabirlacapital.com/shareholders/corporate-governance>.

### 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

The Company had engaged Collective Thought Consultancy Services Private Limited (an Independent agency) to carry out assessment for two CSR projects of the Company. These programs were within the sustainable livelihoods and health-sanitation domains, executed by PRADAN and AROH Foundation, respectively till the financial year 2022-23. The detailed report on impact assessment carried out in pursuance to Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is available on the website of the Company at <https://mutualfund.adityabirlacapital.com/shareholders/corporate-governance>.

5. (a) Average net profit of the Company as per sub-section (5) of Section 135: ₹ 6,759,251,205
- (b) Two percent of average net profit of the company as per sub-section (5) of Section 135: ₹ 135,185,024
- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: NIL
- (d) Amount required to be set-off for the financial year, if any: NIL
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 135,185,024
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 132,500,000
- (b) Amount spent in Administrative overheads: ₹ 1,969,944
- (c) Amount spent on Impact Assessment, if applicable: ₹ 715,080
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 135,185,024



## Annexure (Contd.)

**(e) CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of Transfer	Name of Fund	Amount	Date of Transfer
135,185,024*	-	-	-	-	-

\* includes amount spent for administrative overheads and CSR impact assessment

**(f) Excess amount for set-off, if any:**

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per sub-section (5) of Section 135	135,185,024
(ii)	Total amount spent for the Financial Year	135,185,024
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

**7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any (in ₹)	Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
1	FY23	13,900,000	-	13,900,000	-	-	-
2	FY22	-	-	-	-	-	-
3	FY21	-	-	-	-	-	-

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No****9. Specify the reason(s), if the Company has failed to spend 2% of the average net profit as per sub-section (5) of Section 135: Not Applicable**

**Alka Bharucha**  
Chairperson-CSR Committee  
(DIN: 00114067)

**A. Balasubramanian**  
Managing Director and CEO  
(DIN: 02928193)

Place: Mumbai  
Date: 26<sup>th</sup> April, 2024

# Corporate Governance Report

The Aditya Birla Group is one of the pioneers in the field of Corporate Governance. As a part of the Group, the Company is committed to continuously adopt and adhere to the best corporate governance practices, to achieve the goal of making the Company a value-driven organisation.

The Company's governance practices are a product of self-desire, reflecting the culture of trusteeship that is deeply ingrained in its value system and reflected in its strategic thought process. At a macro level, the Company's governance philosophy rests on five basic tenets, viz., Board accountability to the Company and Members, strategic guidance and effective monitoring by the Board, protection of minority interests and rights, equitable treatment of all Members and transparency and timely disclosures.

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

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

## Compliance with Corporate Governance Guidelines

The Company is in compliance with the requirements stipulated under Chapter IV read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations") with respect to Corporate Governance.

The details of compliance with Corporate Governance requirements during the financial year ended 31<sup>st</sup> March, 2024 ("financial year under review") are as follows:

## I. BOARD OF DIRECTORS

### Composition

As on 31<sup>st</sup> March, 2024, the Board of Directors of the Company ("the Board") comprised of 9 (nine) Directors including 1(one) Executive Director, 3 (three) Non-Executive Directors and 5 (five) Independent Directors of whom 1(one) is an Independent Woman Director. The composition of the Board is in conformity with the requirements of the Companies Act, 2013 (the "Act") and Regulation 17 of the SEBI Listing Regulations. In terms of the

provisions of the Act and SEBI Listing Regulations, the Directors submit necessary disclosures regarding the positions held by them on the Board and/ or Committees of other Companies, from time to time.

On the basis of such disclosures, it is confirmed that as on the date of this report, none of the Directors: -

- a) hold Directorships in more than 10 (ten) Public Companies;
- b) hold Directorships in more than 7 (seven) listed entities;
- c) serve as an Independent Director in more than 7 (seven) listed entities;
- d) who are the Executive Directors serves as an Independent Director in more than 3 (three) listed entities; and
- e) is a Member of more than 10 (ten) Committees or Chairperson of more than 5 (five) Committees (i.e. Audit and Stakeholders Relationship Committee) across all the public companies in which he/she is a Director.

All Independent Directors on the Board are Non-Executive Directors as defined under the Act and SEBI Listing Regulations. The maximum tenure of the Independent Directors is in compliance with the Act and SEBI Listing Regulations. All the Independent Directors have confirmed that they meet the criteria of independence as stipulated under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, as amended, and provided the required declaration under section 149(7) of the Act. Based on the disclosures received from the Independent Directors, it is hereby confirmed that in the opinion of the Board, the Independent Directors fulfil the conditions specified in SEBI Listing Regulations and are independent of the management and are also in compliance with the limit on Independent Directorships of listed Companies as prescribed under Regulation 17A of the SEBI Listing Regulations and are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties as prescribed under Regulation 25(8) of the SEBI Listing Regulations. None of the Directors are related to other Directors and the Key Managerial Personnel of the Company.

The brief profile of the present Directors on the Board are available on the Company's website at <https://mutualfund.adityabirlacapital.com/about-us/Board-Of-Directors> and are also mentioned at the beginning of this Annual Report.



## Corporate Governance Report (Contd.)

The details of the Directors of the Company with regard to their other Directorships, Committee positions held, including that in listed entities as on 31<sup>st</sup> March, 2024 are given herein below:

Name of the Director	Category of Directorship held in the Company	No. of other Directorship(s) held <sup>1</sup>	Committee Positions held in other Companies <sup>2</sup>		Names of other listed entities where Director holds Directorship (excluding the Company) and the category of directorship held in such other listed entity <sup>3</sup>
			Member	Chairperson	
Ms. Alka Bharucha	Non-Executive Independent Director	7	6	3	1. Ultratech Cement Limited <sup>#</sup> 2. Orient Electric Limited <sup>#</sup> 3. ITC Limited <sup>#</sup> 4. Hindalco Industries Limited <sup>#</sup> 5. Honda India Power Products Limited <sup>#</sup>
Mr. Navin Puri	Non-Executive Independent Director	3	1	-	Equitas Small Finance Bank Limited <sup>#</sup>
Mr. Sunder Rajan Raman	Non-Executive Independent Director	-	-	-	-
Mr. Supratim Bandyopadhyay <sup>4</sup>	Non-Executive Independent Director	2	3	-	Insecticides (India) Limited <sup>#</sup>
Mr. Ramesh Abhishek	Non-Executive Independent Director	6	6	2	1. Ravindra Energy Limited <sup>#</sup> 2. Cyient Limited <sup>#</sup> 3. Indus Towers Limited <sup>#</sup> 4. Nuvama Wealth Management Limited*
Mr. Sandeep Asthana	Non-Executive Non-Independent Director	2	1	-	-
Mrs. Vishakha Mulye	Non-Executive Non-Independent Director	6	5	-	-
Mr. Amrit Kanwal	Non-Executive Non-Independent Director	-	-	-	-
Mr. A. Balasubramanian	Managing Director & CEO	1	-	-	-

<sup>#</sup> Category of Directorship held is Independent      \* Category of Directorship held is Non-Executive

**Notes:**

1. Excluding Directorship in the Company, Foreign Companies, Private Limited Companies and Companies incorporated under Section 8 of the Act.
  2. Only two Committees viz. Audit Committee and Stakeholders Relationship Committee of all Public Limited Companies are considered.
  3. Only Equity Listed companies are considered.
  4. Appointed as an Independent Director w.e.f. 1<sup>st</sup> June, 2023.
- During the financial year under review, Mr. Kumar Mangalam Birla, Chairman (Non-Executive Director) of the Company resigned w.e.f. close of business hours of 19<sup>th</sup> April, 2023. Mr. Harish Engineer, Non-Executive Independent Director of the Company, resigned w.e.f. 30<sup>th</sup> April, 2023 due to pre-occupation. There was no material reason for his resignation.


















































































### Details of Skills/ Expertise/ Competencies of the Board:

The Directors on Board of the Company are adequately skilled, have relevant expertise as per Industry norms and have rich experience. The Company's Board has identified the following skills/ expertise/ competencies to function and discharge its responsibilities effectively:

Industry Knowledge		Marketing	
Innovation/Technology		Sustainability	
Financial Expertise		Risk Management	
Corporate Governance, Legal & Compliance		General Management	
Strategic Expertise		Human Resource Development	

While all the Board Members possess the skills identified, their area of core expertise is given below:

### Director wise Skills/ Expertise/ Competencies:

Name of the Director	Skills identified and area of core expertise									
Ms. Alka Bharucha										
Mr. Navin Puri										
Mr. Sunder Rajan Raman										
Mr. Ramesh Abhishek										
Mr. Sandeep Asthana										
Mrs. Vishakha Mulye										
Mr. Amrit Kanwal										
Mr. Supratim Bandyopadhyay										
Mr. A. Balasubramanian										

### The Board collectively displays the following qualities:

- **Integrity:** fulfilling a Director's duties and responsibilities;
- **Curiosity and courage:** asking questions and persistence in challenging management and fellow Board Members where necessary;
- **Interpersonal skills:** working well in a group, listening well, tact and ability to communicate their point of view frankly;
- **Interest:** in the organisation, its business and the people;

- **Instinct:** good business instincts and acumen, ability to get to the crux of the issue quickly; belief in diversity;
- **Active participation:** at deliberations in the Meetings.

The Board of Directors of the Company are professionals, possessing wide experience and expertise in their areas of function and with their collective wisdom fuel the Company's growth.



## Corporate Governance Report (Contd.)

**Non-Executive Directors' Compensation and Disclosures**

Sitting fees paid to the Independent Directors for attending Meetings of the Board/Committees have been approved by the Board. No commission was recommended/paid to any of the Directors during the financial year under review. Details of the Sitting fees paid to Directors are given separately in this Report.

**Board's Functioning and Procedure**

The Company's Board plays a pivotal role in ensuring good governance and functioning of the Company. The Board's role, functions, responsibilities and accountabilities are well defined. All relevant information is regularly placed before the Board. The Members of the Board have complete freedom to express their opinion and decisions are taken after detailed discussion.

The Board meets at least once in every quarter to review the quarterly results and other items on the agenda and additional Meetings are held to address specific needs and business requirements of the Company. The information as required under Part A of Schedule II of the SEBI Listing Regulations is made available to the Board.

The Company makes available video conferencing or other audio-visual facility to enable larger participation of Directors in Meetings.

The notice of Board/Committee Meetings is given in advance to all the Directors (other than if held by shorter notice for which consent is obtained). The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Agenda of the Board/ Committee Meetings is prepared by the Company Secretary in consultation with the Managing Director & CEO and the Chief Financial Officer of the Company. Agenda papers are circulated a week prior to the date of the Meeting to enable the Board/ Committee Members take informed decisions at the Meetings. The agenda for the Board and Committee Meetings covers items set out as per the guidelines in the SEBI Listing Regulations to the extent it is relevant and applicable. Prior approval is also obtained from the Board for circulating agenda items with shorter notice for matters that are in the nature of Unpublished Price Sensitive Information ("UPS").

7 (Seven) Board Meetings were held during the financial year under review.

**Meetings and attendance during the financial year under review:**

Date of Board Meeting	Board Strength	No. of Directors Present
27 <sup>th</sup> April, 2023	9	9
26 <sup>th</sup> July, 2023	9	9
26 <sup>th</sup> October, 2023	9	8
28 <sup>th</sup> November, 2023	9	7
11 <sup>th</sup> December, 2023	9	9
29 <sup>th</sup> January, 2024	9	9
18 <sup>th</sup> March, 2024	9	8

The Board has unfettered and complete access to all information within the Company. Members of the Board have complete freedom to express their views on agenda items and can discuss any matter at the Meeting with the permission of the Chairperson. The Board periodically reviews all the relevant information, which is required to be placed before it pursuant to Regulation 17 read with Part A of Schedule II of the SEBI Listing Regulations and in particular reviews and approves business plans, annual budgets and capital expenditure. The Board provides strategic direction and oversight to ensure that the Company is managed in a manner that fulfils stakeholders' aspirations and societal expectations.

The details of attendance of each Director at the Board Meeting(s) held during the financial year under review and at the previous Annual General Meeting ("AGM") of the Members of the Company held on 11<sup>th</sup> August, 2023 via audio visual mode, are as under:

Name of the Director	No. of Board Meetings		Attended last AGM
	Held during the tenure	Attended	
Mr. Harish Engineer <sup>1</sup>	1	1	NA
Ms. Alka Bharucha	7	6	Yes
Mr. Navin Puri	7	7	Yes
Mr. Sunder Rajan Raman	7	7	Yes
Mr. Supratim Bandyopadhyay <sup>2</sup>	6	6	Yes
Mr. Ramesh Abhishek	7	6	No
Mr. Sandeep Asthana	7	7	Yes
Mr. A. Balasubramanian	7	7	Yes
Mrs. Vishakha Mulye	7	7	Yes
Mr. Amrit Kanwal	7	5	No

### Notes:

1. Resigned as an Independent Director w.e.f. 30<sup>th</sup> April, 2023.
2. Appointed as an Independent Director w.e.f. 1<sup>st</sup> June, 2023.
- Mr. Kumar Mangalam Birla resigned as Non-Executive Chairman w.e.f. close of business hours of 19<sup>th</sup> April, 2023.

### Code of Conduct for Board Members and Senior Management

In compliance with Regulations 17(5) and 26(3) of the SEBI Listing Regulations, the Company has adopted a Code of Conduct for the Board Members and Senior Management Personnel of the Company ("the Code"). The Code is applicable to all the Board Members and Senior Management of the Company. The Code is available on the Company's website at <https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/policies-and-codes/code-of-conduct-for-board-of-directors-and-senior-management.pdf>.

All the Board Members and Senior Management Personnel have confirmed compliance with the Code during the financial year under review and a declaration to that effect signed by the Chief Executive Officer of the Company forms a part of this Annual Report.

### Board Induction, Training and Familiarisation

A letter of appointment together with an induction kit is given to the Independent Directors at the time of their appointment setting out their roles, obligations, functions, duties and responsibilities. As per Regulation 46(2) of the SEBI Listing Regulations, the terms and conditions of appointment of Independent Directors are available on the Company's website at <https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/corporate-governance/terms-and-conditions-of-appointment-of-independent-directors-300524.pdf>

As a part of the familiarisation programme, the Directors of the Company are updated on regular basis with changes in the Mutual Fund industry, regulatory developments and different business practices adopted in the industry. An orientation programme is also conducted for the newly inducted Independent Directors to introduce them to the business practices, code and policies, compliance practices of the Company including the mutual fund business and regulatory developments affecting the Company. Directors are also familiarised with the organisational set-up, functioning of various departments, internal control processes and relevant information pertaining to the Company. The details of the familiarisation programmes are available on the Company's

website at <https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/policies-and-codes/familiarisation-programme-for-independent-directors-for-fy-23-24.pdf>.

### Performance Evaluation of the Board

A formal evaluation mechanism has been adopted for evaluating the performance of the Board, the Committees thereof, individual Directors and the Chairman of the Board, if any. During the financial year under review, considering the evolving good governance practices in India, the Nomination, Remuneration and Compensation Committee of the Company had approved the revised Board Evaluation Framework. The evaluation is based on criteria which include, amongst others, providing strategic perspective, time devoted and preparedness for the Meetings, quality, quantity and timeliness of the flow of information between the Board Members and the Management, contribution at the Meetings, effective decision-making ability, role and effectiveness of the Committees, etc. The Directors duly completed and submitted the questionnaires providing feedback on the functioning of Board-as-a-whole, Committees and the individual Directors of the Company.

Further details are mentioned in the Board's Report.

### Performance Evaluation Criteria for Independent Directors

The Directors other than Independent Directors of the Company evaluate the following:

- Performance of Independent Directors
- Fulfilment of the independence criteria as specified in SEBI Listing Regulations and their independence from the management.

The evaluation is based on the following criteria as to how an Independent Director:

- Understands and fulfills the functions as assigned by the Board and the law;
- Invests time in understanding the Company and its unique requirements;
- Brings in external knowledge and perspective to the table for discussions at the Meetings;
- Expresses his/her views on the issues discussed at the Board; and
- Keeps himself/herself current on areas and issues that are likely to be discussed at the Board level.



## Corporate Governance Report (Contd.)

### Separate Meeting of Independent Directors

In accordance with the provisions of Schedule IV of the Act, Regulation 25(3) of the SEBI Listing Regulations and SS 2.3 of the Secretarial Standard on the Meetings of Board of Directors, a Meeting of the Independent Directors of the Company was held on 18<sup>th</sup> March, 2024, without the presence of the Non-Independent Directors and the Members of the Management. They discussed matters including the performance/ functioning of the Company, reviewing the performance of the Non-Independent Directors and the Board-as-a-whole and assessed the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties, etc.

### Prohibition of Insider Trading

In terms of the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct on Prohibition of Insider Trading for Securities of Aditya Birla Sun Life AMC Limited ("the Code of Conduct"). The Code of Conduct aims at preserving and prohibiting misuse of unpublished price sensitive information. All Designated Persons of the Company (as defined under the Code of Conduct) are covered under the Code of Conduct, which provides inter alia for periodical disclosures and obtaining pre-clearances for trading in the securities of the Company.

The Company has in place, a tracking mechanism for monitoring trade in the equity shares of the Company by Designated Persons identified under the Code of Conduct. Further, a structured digital database is maintained, which contains the names and other particulars as prescribed, of the persons covered under the Code of Conduct. The Board has also adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information which also includes details of the Company's Code of Conduct for determination on 'legitimate purposes' as per the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and is available on the website of the Company [https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/policies-and-codes/code\\_for\\_fair\\_disclosure-of-upsi.pdf](https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/policies-and-codes/code_for_fair_disclosure-of-upsi.pdf).

The Chief Compliance Officer of the Company under SEBI (Mutual Funds) Regulations, 1996 is the Compliance Officer in terms of the Code of Conduct.

## II. COMMITTEES OF THE BOARD

The Board has constituted the Committees with specific terms of reference as per the requirements of the Act, SEBI Listing Regulations, SEBI (Mutual Funds) Regulations, 1996 and other applicable provisions. The Board accepted all recommendations of the Committees of the Board which were mandatorily required during the financial year under review.

The Board Committees play a vital role in the effective compliance and governance of the Company in line with their specified and distinct terms of reference and roles and responsibilities. The Chairpersons of the respective Committees report to the Board on the deliberations and decisions taken by the Committees and conduct themselves under the supervision of the Board. The minutes of the Meetings of all Committees are placed before the Board for its perusal on a regular basis.

The Mandatory Committees of the Board as per the Act, SEBI Listing Regulations and SEBI (Mutual Funds) Regulations, 1996 are elaborated hereunder:

### 1. Audit Committee

A qualified and independent Audit Committee has been constituted pursuant to Section 177 of the Act, SEBI Listing Regulations and SEBI (Mutual Funds) Regulations, 1996.

The Audit Committee acts as a link between the Management, the Statutory and Internal Auditors and the Board. All the Members of the Audit Committee are financially literate. Moreover, the Chairman and Members of the Audit Committee have accounting or related financial management expertise.

The representatives of Statutory and Internal Auditors of the Company are invited to attend the Audit Committee Meetings. In addition, other Senior Management Personnel are also invited to the Audit Committee Meetings from time to time, for providing such information as may be necessary. The Committee and the Company also engages outside experts and advisors to the extent it considers appropriate to assist in its functioning. The Company Secretary acts as the Secretary to the Committee.

The Chairman of the Audit Committee, Mr. Sunder Rajan Raman, was present at the last Annual General Meeting of the Company held on 11<sup>th</sup> August, 2023 to answer shareholders queries.

## Corporate Governance Report (Contd.)

The Audit Committee monitors and effectively supervises Company's financial reporting process with a view to provide accurate, timely and proper disclosures and maintain the integrity and quality of financial reporting.

The Audit Committee has all the powers as specified in Section 177 of the Act and Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, as considered necessary.

The terms of reference of the Audit Committee includes:

1. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
2. Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
3. Examination of the financial statement and the Auditors' Report thereon;
4. Approval or any subsequent modification of transactions of the Company with related parties;
5. Scrutiny of inter-corporate loans and investments, if any;
6. Reviewing the utilisation of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹ 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;
7. Valuation of undertakings or assets of the Company, wherever it is necessary;
8. Evaluation of internal financial controls and risk management system;
9. Monitoring the end use of funds raised through public offers and related matters;
10. Oversight of the Company's and Mutual Fund Scheme's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
11. Reviewing, with the Management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;
  - Qualification or modified opinion(s) in the draft audit report, if any;
12. Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval;
13. Reviewing, with the Management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
14. Management Discussion and Analysis of financial condition and results of operations;
15. Reviewing statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;
16. Reviewing Statement of Deviations:
  - a) quarterly statement of deviation(s) including report of Monitoring Agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations;
  - b) annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations.



## Corporate Governance Report (Contd.)

17. The Audit Committee shall review the financial statements, in particular, the investments made by the unlisted subsidiary company;
  18. Evaluation of internal financial controls and risk management systems;
  19. Discussion with Internal Auditors of any significant findings and follow up there on;
  20. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
  21. Reviewing Internal Audit Reports relating to internal control weaknesses;
  22. Management letters/ letters of internal control weaknesses issued by the Statutory Auditors;
  23. Appointment of Statutory Auditor, Internal Auditor & CFO and review of performance of Statutory & Internal Auditor:
    - a) Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company and Mutual Fund;
    - b) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
    - c) Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
    - d) Discussion with Statutory Auditors before the Audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
    - e) Reviewing the adequacy and structure of the internal audit function, including the credentials of a third party firm appointed if any, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
    - f) The Audit Committee of the Company or the Board shall, in consultation with the Internal Auditor, formulate the scope, functioning, periodicity and methodology for conducting the internal audit;
  - g) The appointment, removal and terms of remuneration of the Internal Auditor of the Company and Mutual Fund shall be subject to review by the Audit Committee;
  - h) Reviewing with the Management, performance of Statutory and Internal Auditors, adequacy of the internal control systems; and
  - i) Approval of appointment of Chief Financial Officer (CFO) (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
24. Review the effectiveness of the system for monitoring compliance with laws and regulations;
  25. Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time at least once in a financial year and verify that systems for internal control are adequate and are operating effectively;
  26. Review:
    - a) Any Show cause, demand, prosecution and penalty notices against the Company or its Directors which are materially important including any correspondence with Regulators or Government Agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies;
    - b) Any material default in financial obligations by the Company;
    - c) Any significant or important matters affecting the business of the Company; and
    - d) Regulatory Inspection Reports.
  27. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  28. To review the functioning of the Whistle-Blower Mechanism;



29. To review, consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
30. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

During the financial year under review, the Audit Committee reviewed the internal controls put in place to ensure that the accounts of the Company are properly maintained and that the accounting transactions are in accordance with prevailing laws and regulations. In conducting such reviews, the Committee found no material discrepancy or weakness in the internal control system of the Company. The Committee has also reviewed the procedures laid down by the Company for assessing and managing risks applicable to the Company.

### Meetings, Composition and Attendance during the financial year under review:

During the financial year under review, the Audit Committee met 5 (five) times to deliberate on various matters and the Meetings were held on 27<sup>th</sup> April, 2023, 26<sup>th</sup> July, 2023, 26<sup>th</sup> October, 2023, 29<sup>th</sup> January, 2024 and 18<sup>th</sup> March, 2024.

The composition and attendance of the Members at the Audit Committee Meetings held in FY24 is as under:

Name of the Director	Category/ Designation	No. of Meetings	
		Held during the tenure	Attended
Mr. Sunder Rajan Raman (Chairman)	Non-Executive Independent Director	5	5
Mr. Ramesh Abhishek	Non-Executive Independent Director	5	5
Mr. Harish Engineer <sup>1</sup>	Non-Executive Independent Director	1	1
Mr. Navin Puri	Non-Executive Independent Director	5	5
Mr. Supratim Bandyopadhyay <sup>2</sup>	Non-Executive Independent Director	4	4
Mrs. Vishakha Mulye	Non-Executive Non-Independent Director	5	5
Mr. Sandeep Asthana	Non-Executive Non-Independent Director	5	5

#### Notes:

1. Ceased to be Member w.e.f. 30<sup>th</sup> April, 2023.
2. Appointed as a Member w.e.f. 1<sup>st</sup> June, 2023.

### Nomination, Remuneration and Compensation Committee

The Nomination, Remuneration and Compensation Committee ("NRCC") has been constituted pursuant to the provisions of Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations.

The terms of reference of the NRCC includes:

1. Set the level and composition of remuneration which is reasonable and sufficient to attract, retain and motivate Directors and Senior Managers of the quality required to run the Company successfully;
2. For every appointment of an Independent Director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - use the services of an external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates.
3. Set the relationship of remuneration to performance;
4. Check whether the remuneration provided to Directors, Key Managerial Personnel and Senior Management includes a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
5. Review performance of such other executives as may be prescribed by SEBI;
6. Recommend to the Board, all remuneration, in whatever form, payable to Senior Management;
7. Formulate appropriate policies, institute processes which enable the identification of individuals who are qualified to become Directors and who may be appointed in senior management and recommend to the Board of Directors their appointment and removal from time to time;



## Corporate Governance Report (Contd.)

8. Review and Implement succession and development plans for Managing Director/ Chief Executive Officer, Executive Directors and Senior Managers;
9. Devise a policy on Board Diversity;
10. Formulate, supervise and monitor the process of issuance/ grant/ vesting/ cancellation of Employee Stock Options and such other instruments as may be decided to be granted to the eligible grantees under the respective Employee Stock Options Scheme(s), from time to time, as per the provisions of the applicable laws, more particularly in terms of SEBI (Share-Based Employee Benefits and Sweat Equity) Regulations, 2021;
11. Formulate the criteria for determining qualifications, positive attributes and independence of Directors;
12. Formulate criteria for evaluation of performance of Independent Directors and the Board of Directors;
13. Decide whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
14. Establish evaluation criteria and conduct the process of performance evaluation of each Director in a structured manner;
15. Establish evaluation criteria of Board and Board Committees;
16. Review and make recommendations to the Board with respect to any incentive-based compensation and equity-based plans that are subject to Board or shareholder approval (including broad-based plans);
17. The Committee shall review and discuss with management the disclosures required to be included in the Directors Report, as specified in the Companies Act, 2013 and the Rules thereunder.

### Meetings, Composition and Attendance during the financial year under review:

During the financial year under review, the Committee met 4 (four) times to deliberate on various matters and the Meetings were held on 26<sup>th</sup> July, 2023, 26<sup>th</sup> October, 2023, 29<sup>th</sup> January, 2024 and 18<sup>th</sup> March, 2024.

The composition and attendance of the Members at the Nomination, Remuneration and Compensation Committee Meetings held in FY24 was as under:

Name of the Director	Category/ Designation	No. of Meetings	
		Held during the tenure	Attended
Ms. Alka Bharucha (Chairperson)	Non-Executive Independent Director	4	4
Mr. Ramesh Abhishek	Non-Executive Independent Director	4	4
Mr. Navin Puri	Non-Executive Independent Director	4	4
Mr. Supratim Bandyopadhyay <sup>1</sup>	Non-Executive Independent Director	4	4
Mrs. Vishakha Mulye	Non-Executive Non-Independent Director	4	4
Mr. Sandeep Asthana	Non-Executive Non-Independent Director	4	4

The Company Secretary acts as the Secretary to the Committee.

#### Notes:

1. Appointed as a Member w.e.f. 1<sup>st</sup> June, 2023.
- Mr. Harish Engineer ceased to be a Member of the Committee w.e.f. 30<sup>th</sup> April, 2023.

### Employee Stock Option Plan

The details with respect to Aditya Birla Sun Life AMC Limited Employee Stock Option Scheme 2021 ("ESOP Scheme 2021") and Aditya Birla Sun Life AMC Limited Stock Appreciation Rights Scheme 2022 has been provided in the Board's Report. The details/disclosure(s) on the ESOP Scheme 2021 as required to be disclosed under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are available on the Company's website at <https://mutualfund.adityabirlacapital.com/shareholders/annual-reports>.

### Remuneration Policy

The Company has adopted an Executive Remuneration Philosophy/Policy. The same forms part of this Annual Report and is also available on the website of the Company at <https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/policies-and-codes/executive-remuneration-policy-amc.pdf>.

The Company has in place a Directors and Officers Liability Insurance Policy covering all Directors including Independent Directors of the Company.

### 3. Risk Management Committee

The Risk Management Committee has been constituted pursuant to the SEBI Listing Regulations and SEBI (Mutual Funds) Regulations, 1996 to frame, implement and monitor the risk management plan of the Company.

The terms of reference of the Risk Management Committee includes:

1. To periodically review the risk management policy/framework at least once in two years, including by considering the changing industry dynamics and evolving complexity;
2. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems at AMC and scheme level;
3. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
4. To review the risk appetite, risk matrices of the Company and schemes;
5. To review and approve the roles and responsibilities of the CXOs and CRO and Delegation of Power;
6. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
7. To review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);
8. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors;
9. Require Management to identify and review with the Committee the major areas of risk faced through business activities of the Company i.e. Mutual Funds, Portfolio Management Service, Alternative Investment Funds (Real Estate and Alternate Assets) and strategies to manage those risks;
10. Review of Risk Control & Self-Assessment done by functions as per timelines;
11. Review the status of compliance, regulatory reviews and business practice reviews;
12. Review market conduct practices, fraud risk reports, incidents, and losses and subsequent corrective actions received from respective stakeholders/ CEO/ CRO;
13. Review the results of the stress testing on schemes, Early Warning Signals;
14. Review procedures for dealing with customer complaints, and monitor & review the effectiveness of and compliance with those procedures for the Company and all the business lines managed by the Company;
15. Assist the Board in determining the measures that can be adopted to mitigate the risk;
16. Review the findings and action plan on the annual RMF compliance review prior to submission to SEBI;
17. Approve terms of reference for the Operational Risk Management Committee (ORMC);
18. Delegate matters to CEO, CRO and other CXOs on ORMC, as may be required;
19. Ensure that appropriate measures are being taken to achieve prudent balance between risk and reward in both ongoing and new business activities and continuously aim to add value to the Company's stakeholders by growing business that supports inclusive growth;
20. To attend to such other matters and functions as may be prescribed by the Board from time to time; and
21. Such terms of reference as may be prescribed under the Companies Act, SEBI Listing Regulations, and applicable laws of SEBI for the nature of business conducted by the Company.

#### Meetings, Composition and Attendance during the financial year under review:

During the financial year under review, the Risk Management Committee met 4 (four) times to deliberate on various matters and the Meetings were held on 20<sup>th</sup> April, 2023, 21<sup>st</sup> July, 2023, 20<sup>th</sup> October, 2023 and 22<sup>nd</sup> January, 2024.



## Corporate Governance Report (Contd.)

The composition and attendance of the Members at the Risk Management Committee Meetings held in FY24 was as under:

Name of the Director	Category/ Designation	No. of Meetings	
		Held during the tenure	Attended
Mr. Supratim Bandyopadhyay (Chairman) <sup>1</sup>	Non-Executive Independent Director	3	3
Mr. Harish Engineer (Chairman) <sup>2</sup>	Non-Executive Independent Director	1	1
Mr. Sunder Rajan Raman	Non-Executive Independent Director	4	4
Mrs. Vishakha Mulye	Non-Executive Non-Independent Director	4	2
Mr. Sandeep Asthana	Non-Executive Non-Independent Director	4	4

### Notes:

1. Appointed as a Member and Chairman of the Committee w.e.f. 1<sup>st</sup> June, 2023.
2. Ceased to be Member and Chairman of the Committee w.e.f. 30<sup>th</sup> April, 2023.

## 4. Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been constituted pursuant to the provisions of Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations.

The terms of reference of the Stakeholders Relationship Committee includes:

1. To resolve grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.;
2. To review measures taken for effective exercise of voting rights by shareholders;
3. To monitor the complaints received by the Company from the Shareholders, Debenture holders of the Company, other security holders, Securities and Exchange Board of India (SEBI), Stock Exchanges, Department of Company Affairs, Registrar of

Companies etc. and the action taken by the Company for redressal of the same;

4. To approve allotment of shares, debentures or any other securities as per the authority conferred/ to be conferred to the Committee by the Board of Directors from time to time;
5. To approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialisation, rematerialisation etc. of shares, debentures and other securities;
6. To authorise the officers of the Company to approve the requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialisation, rematerialisation etc. of shares, debentures and other securities;
7. To monitor and expedite the status and process of dematerialisation and rematerialisation of shares, debentures and other securities of the Company;
8. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
9. To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company, as applicable; and
10. To perform such other acts, deeds, and things as may be delegated to the Committee by the Board, from time to time.

### Meetings, Composition and Attendance during the financial year under review:

During the financial year under review, the Stakeholders Relationship Committee met 2 (two) times to deliberate on various matters and the Meetings were held on 18<sup>th</sup> April, 2023 and 17<sup>th</sup> October, 2023.

The composition and attendance of the Members at the Stakeholders Relationship Committee Meetings held in FY24 was as under:

Name of the Director	Category/ Designation	No. of Meetings	
		Held during the tenure	Attended
Ms. Alka Bharucha (Chairperson)	Non-Executive Independent Director	2	2
Mr. A. Balasubramanian	Managing Director & CEO	2	1
Mr. Ramesh Abhishek	Non-Executive Independent Director	2	2

Mr. Prateek Savla, Company Secretary and Compliance Officer acts as the Secretary to the Committee and is also responsible for redressal of investor complaints.

### Shareholders' Complaints

The number of Shareholders' complaints received and resolved as on 31<sup>st</sup> March, 2024 is given under 'Shareholder's Information' section of this Report.

## 5. Corporate Social Responsibility Committee

The Corporate Social Responsibility ("CSR") Committee has been constituted pursuant to the provisions of Section 135 of the Act read with the rules framed under.

The terms of reference of the CSR Committee includes:

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

## Meetings, Composition and Attendance during the financial year under review:

During the financial year under review, the CSR Committee met 2 (two) times to deliberate on various matters and the Meetings were held on 21<sup>st</sup> June, 2023 and 12<sup>th</sup> March, 2024.

The composition and attendance of the Members at the Corporate Social Responsibility Committee Meetings held in FY24 was as under:

Name of the Director	Category/ Designation	No. of Meetings	
		Held during tenure	Attended
Ms. Alka Bharucha (Chairperson)	Non-Executive Independent Director	2	2
Mr. Sandeep Asthana	Non-Executive Non-Independent Director	2	1
Mrs. Vishakha Mulye	Non-Executive Non-Independent Director	2	2

Mrs. Rajashree Birla, Chairperson of Aditya Birla Centre for Community Initiatives and Rural Development, Dr. Pragnya Ram, Group Executive President, CSR and Mr. A. Balasubramanian, Managing Director & CEO of the Company are permanent invitees to the Meetings of CSR Committee. The Company Secretary acts as the Secretary to the Committee.

## 6. Unit Holder Protection Committee

The Unit Holder Protection Committee ("UHPC") was constituted during the financial year under review, pursuant to Regulation 25 of SEBI (Mutual Funds) Regulations, 1996 read with SEBI Circulars inter alia to protect the interest of unit holders of the Schemes of Aditya Birla Sun Life Mutual Fund.

The terms of reference of the UHPC inter alia includes:

- To review unit holder complaints and grievances handling mechanism;
- To review investor education and awareness steps taken by the Company including effective utilisation of investor education and awareness funds on periodic basis; and
- To review unclaimed amounts of dividend and redemptions and measures taken by the Company to reduce the quantum of such unclaimed amounts.



## Corporate Governance Report (Contd.)

**Meetings, Composition and Attendance during the financial year under review:**

During the financial year under review, the UHPC met once to deliberate on various matters and the Meeting was held on 22<sup>nd</sup> January, 2024.

The composition and attendance of the Members at the UHPC Meeting held in FY24 was as under:

Name of the Director	Category/ Designation	No. of Meetings	
		Held during tenure	Attended
Mr. Supratim Bandyopadhyay (Chairman)	Non-Executive Independent Director	1	1
Mr. Navin Puri	Non-Executive Independent Director	1	1
Ms. Alka Bharucha	Non-Executive Independent Director	1	1

The Company Secretary acts as the Secretary to the Committee.

**III. PARTICULARS OF SENIOR MANAGEMENT PERSONNEL OF THE COMPANY:**

Details of Senior Management Personnel as on 31<sup>st</sup> March, 2024, including the changes during the financial year under review:

Sr No	Name of Senior Management Personnel	Designation	Change during FY 2023 - 24	Nature of change and effective date
1	Mr. A. Balasubramanian	Managing Director & CEO	No	-
2	Mr. Mahesh Patil	Chief Investment Officer	No	-
3	Ms. Kamayani Nagar	Head - Retail Sales	Yes	Appointed w.e.f. 30 <sup>th</sup> January, 2024
4	Mr. Bhavdeep Bhatt	Head - Alternate and PMS Sales	Yes	Resigned w.e.f. 6 <sup>th</sup> May, 2024
5	Mr. Vikas Mathur	Head - Institutional Sales	No	-
6	Mr. Parag Joglekar	Chief Financial Officer	No	-
7	Mrs. Keerti Gupta	Chief Operations Officer	No	-
8	Mr. Sidharth Damani	Head - Business Enablement & Marketing	No	-
9	Mr. HIRAK BHATTACHARJEE	Head - HR, Admin & Business Excellence	No	-
10	Mr. Anil Shyam	Head - Strategy	No	-
11	Mr. K S Rao	Head - Investor Education & Distributor Development	No	-
12	Mr. Sameer Narayan	Head - Alternate Investment Equity	Yes	Designated as the Senior Management Personnel w.e.f. 30 <sup>th</sup> January, 2024.
13	Mr. Hari Babu	Chief Risk Officer	No	-
14	Mr. Vikas Gautam	CEO - International Business	No	-
15	Ms. Hemanti Wadhwa	Chief Compliance Officer & Company Secretary	Yes	Resigned w.e.f. 26 <sup>th</sup> April, 2024
16	Mr. Basil Dange	Chief Information Security Officer	No	-



Further, following are the additions to the Senior Management Personnel from the end of the financial year up to the date of this Report:

- Mr. Amit Kansal was appointed as the Head Alternate Investments – Fixed Income of the Company w.e.f. 1<sup>st</sup> April, 2024;
- Mr. Prateek Savla was appointed as the Company Secretary and Compliance Officer (KMP) of the Company as per SEBI Listing Regulations w.e.f. 26<sup>th</sup> April, 2024;
- Mr. Parth Makwana was appointed as Chief Compliance Officer of the Company as per SEBI (Mutual Funds) Regulations, 1996 w.e.f. 26<sup>th</sup> April, 2024; and
- Mr. Deepak Yadav was appointed as Head-Passive Business of the Company w.e.f. 16<sup>th</sup> May, 2024.

The details of Senior Management Personnel of the Company are mentioned at the beginning of this Annual Report and are also available on the website of the Company at <https://mutualfund.adityabirlacapital.com/about-us/leadership-team>.

#### IV. WHISTLE-BLOWER POLICY/ VIGIL MECHANISM

Pursuant to Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations and other applicable provisions, the Company has framed the Whistle-Blower Policy. The Whistle-Blower Policy/Vigil mechanism provides a mechanism for Directors and employees to report instances and concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. Adequate safeguards are provided against victimisation to those who avail the mechanism and direct access to the Chairman of the Audit Committee is provided to them. During the financial year under review, no personnel was denied access to the Audit Committee. Summary of cases as and when reported, along with status is placed before the Audit Committee for their review and discussion. The Policy is in line with the Company's Code of Conduct, Vision and Values and is available on the Company's website at [https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/policies-and-codes/whistleblower\\_policy\\_amc\\_final\\_030624.pdf](https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/policies-and-codes/whistleblower_policy_amc_final_030624.pdf).

#### V. SUBSIDIARY COMPANIES

The Audit Committee reviews the consolidated financial statements/results of the Company and investments made by foreign Subsidiary Companies. The Minutes of the Board Meetings along with a report on significant developments of all the Subsidiary Companies are periodically placed before the Board. The Management of all the Subsidiaries periodically brings to the notice of the Board, a statement of all significant transactions and arrangements entered into by the Subsidiaries, as applicable. As per the definition of "Material Subsidiary" under Regulation 16 of SEBI Listing Regulations, the Company does not have any Material Subsidiary.

The Company has formulated a "Policy for determining Material Subsidiary Companies" of the Company and has complied with all the obligations relating to Material Subsidiaries of the Company under SEBI Listing Regulations. The policy for determining Material Subsidiary Companies of the Company is available on the Company's website at <https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/policies-and-codes/policy-on-materiality-of-subsiadiary.pdf>.

#### VI. OTHER DISCLOSURES

**Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange(s) or SEBI or any other statutory authority, on any matter relating to capital markets, during the last three years**

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no strictures/penalties have been imposed on the Company by the Stock Exchanges or the SEBI or any other Statutory Authority.

#### **Related Party Transactions**

During the financial year under review, the Company had entered into related party transactions which were on an arm's length basis and in the ordinary course of business. There were no material transactions with any related party as per the provisions of Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014



## Corporate Governance Report (Contd.)

and Regulation 23 of the SEBI Listing Regulations which have a potential conflict with the interest of the Company at large. All related party transactions were approved by the Audit Committee of the Company.

Particulars of related party transactions are listed out under the notes to accounts forming part of this Annual Report. The policy on Related Party Transactions is available on the Company's website at <https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/policies-and-codes/policy-on-related-party-transaction-060422.pdf>.

### Disclosure of Accounting Treatment

The Company has followed all the applicable Accounting Standards while preparing the financial statements.

### Management Discussion and Analysis

Pursuant to regulation 34(2) of SEBI Listing Regulations, the Management Discussion and Analysis Report for the financial year under review forms part of this Annual Report.

### Remuneration of Directors

#### A. Non-Executive Directors:

Sitting fees of ₹ 100,000 for each Meeting of the Board, ₹ 75,000 for each Meeting of the Audit Committee and ₹ 50,000 for each Meeting of other Board Committees is paid to the Independent Directors of the Company. The Company does not pay commission to the Directors of the Company. Further, the Company reimburses the out-of-pocket expenses, if any incurred by the Directors for attending the Meetings of the Company.

Details of shareholding and the sitting fees paid to the Directors during the financial year under review:

(Amount in ₹)		
Name of the Director	No. of Shares held	Sitting Fees Paid
Mr. Harish Engineer <sup>1</sup>	-	2,75,000
Ms. Alka Bharucha	-	11,00,000
Mr. Navin Puri	-	14,75,000
Mr. Sunder Rajan Raman	-	13,25,000
Mr. Ramesh Abhishek	-	13,25,000
Mr. Supratim Bandyopadhyay <sup>2</sup>	-	14,00,000
Mr. Sandeep Asthana	-	-
Mrs. Vishakha Mulye	-	-
Mr. Amrit Kanwal	-	-

There were no pecuniary relationships or significant material transactions between the Company and Non-Executive Directors during the financial year under review.

#### Notes:

1. Resigned as an Independent Director w.e.f. 30<sup>th</sup> April, 2023
2. Appointed as an Independent Director w.e.f. 1<sup>st</sup> June, 2023

#### B. Executive Director:

Details of shareholding and remuneration paid to Managing Director & CEO during the financial year under review:

(Amount in ₹)				
Name	No. of shares held	Salary & allowances	Perquisites including stock options/ RSUs	Total <sup>3</sup>
Mr. A. Balasubramanian <sup>1</sup>	18,701 <sup>2</sup>	65,070,536	19,401,216	84,471,752

#### Notes:

1. The appointment is subject to termination by three months' notice in writing on either side.
2. Includes 416 equity shares held as a nominee of Aditya Birla Capital Limited.
3. Includes performance linked variable pay.

### CEO - CFO CERTIFICATION

Mr. A. Balasubramanian, Managing Director & CEO and Mr. Parag Joglekar, Chief Financial Officer of the Company have issued necessary certificate pursuant to the provisions of Regulation 17(8) of the SEBI Listing Regulations, which was placed before the Board at its Meeting held on 26<sup>th</sup> April, 2024, and the same forms part of this Annual Report.

### COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Company has complied with the Corporate Governance requirements specified under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

## ARCHIVAL POLICY FOR WEBSITE CONTENT

In terms of Regulation 30 of the SEBI Listing Regulations, the Company has formulated a policy on maintaining and preserving timely and accurate records. The Policy is available on the website of the Company at <https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/policies-and-codes/policy-for-archival-of-documents.pdf>.

## COMPLIANCE CERTIFICATE

The Compliance Certificate from M/s. N L Bhatia & Associates, Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under Regulation 34 read with Schedule V (E) of the SEBI Listing Regulations forms part of this Annual Report.

## DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT

The Company has provided the details of the Directors seeking re-appointment in the Notice of the 30<sup>th</sup> Annual General Meeting.

## GENERAL BODY MEETINGS

i. During the preceding three years, the Company's Annual General Meetings ("AGM") were held as under:

Year	Date	Time	Venue	Particulars of Special Resolutions passed
2020-21	28 <sup>th</sup> June, 2021	11.00 a.m.	Through Video	No Special Resolution was passed
2021-22	21 <sup>st</sup> July, 2022	10.30 a.m.	Conference (VC)/	
2022-23	11 <sup>th</sup> August, 2023	11.30 a.m.	Other Audio-Visual Means (OAVM)	Appointment of Mr. Supratim Bandyopadhyay (DIN:03558215) as an Independent Director of the Company

ii. During the preceding three years, the Company's Extra-Ordinary General Meetings ("EGM") were held as under:

Date	Time	Venue	Particulars of Special Resolutions passed
6 <sup>th</sup> April, 2021	5:15 p.m.		<ol style="list-style-type: none"> <li>Increase in Authorised Capital of the Company</li> <li>Approval for the adoption of the Aditya Birla Sun Life AMC Limited Employee Stock Option (ESOP) Scheme, 2021 (for the benefits of present and future permanent employees and directors of the Company)</li> <li>Approval for the adoption of the Aditya Birla Sun Life AMC Limited Employee Stock Option (ESOP) Scheme, 2021 (for the benefits of present and future permanent employees and Directors of the Holding and/or Subsidiaries of the Company)</li> </ol>
15 <sup>th</sup> April, 2021	4:00 p.m.	Through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)	<ol style="list-style-type: none"> <li>Continuation of Directorship of Mr. Bharat Patel as an Independent Director of the Company till expiry of his existing term notwithstanding he had attained age of 75 years.</li> <li>Adoption of new set of Articles of Association</li> <li>Approval for the adoption of amended Aditya Birla Sun Life AMC Limited Employee Stock Option (ESOP) Scheme, 2021 (for the benefits of present and future permanent employees and Directors of the Company)</li> <li>Approval for the adoption of amended Aditya Birla Sun Life AMC Limited Employee Stock Option (ESOP) Scheme, 2021 (for the benefits of present and future permanent employees and Directors of the Holding and/or Subsidiaries of the Company).</li> </ol>
8 <sup>th</sup> September, 2021	4:45 p.m.		<ol style="list-style-type: none"> <li>Adoption of new set of Articles of Association</li> <li>Approval of amendment to Aditya Birla Sun Life AMC Limited Employee Stock Option Scheme, 2021.</li> </ol>



## Corporate Governance Report (Contd.)

### Postal Ballot

During the financial year under review, no special resolution was passed through Postal Ballot. There is no special business proposed to be conducted/passed through Postal Ballot.

## MEANS OF COMMUNICATION

### Quarterly Results

The Company's quarterly/half yearly/annual financial results are submitted to the Stock Exchanges and published in the Business Standard/Financial Express (English), national daily newspaper with a wide circulation and the Navshakti (Marathi) newspaper. After announcement of results, the Company holds conference calls with investors/analysts. The recording and transcripts of the said conference calls are uploaded with the stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited and are also available on the Company's website at <https://mutualfund.adityabirlacapital.com/shareholders/financials>.

### Press release and presentations:

Press release is first sent to the Stock Exchanges before their release to media for wider dissemination. Presentations made to Investors/Analysts, Media, Institutional Investors, etc. are available on the website of stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited as well as on the Company's website at <https://mutualfund.adityabirlacapital.com/shareholders/financials>.

### Website disclosure

The Company's website contains a separate section namely "Shareholders" at <https://mutualfund.adityabirlacapital.com/> where shareholders' related information is available.

Whether it also displays official news releases	Yes
Presentations made to investors/analysts	Yes
Shareholders' Information	Published as a separate section in this report

### NSE Electronic Application Processing System (NEAPS) and BSE Listing Center for Electronic filing

Apart from the financial results, shareholding pattern and quarterly report on Corporate Governance, other intimations/disclosures required to be made to the Stock Exchanges are electronically filed.

### SEBI Complaints Redressal System (SCORES and Common Online Dispute Resolution Portal)

Shareholders complaints are also processed through a centralised web-based complaint redressal system, SCORES. This system enables the Company to have a centralised database of the complaints and upload online action taken reports. Investors can also view the current status of and actions taken on their complaints.

SEBI has established a Common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Post exhausting the option to resolve the investors grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company's website at <https://mutualfund.adityabirlacapital.com/shareholders/investor-information>.

### Adoption of mandatory and discretionary requirements

During the financial year under review, the Company complied with all the mandatory requirements of Regulation 34 of the SEBI Listing Regulations.

The Company complied with the following discretionary requirements of the SEBI Listing Regulations:

1. For the financial year 2023-24, the Company's financial statements are with unmodified audit opinion.
2. The Internal Auditors directly report to the Audit Committee.

### Other disclosures:

1. Total fees for all services paid by the Company and its Subsidiaries, on a consolidated basis, to the Statutory Auditor of the Company viz. S.R. Batliboi & Co. LLP, and all entities in the network firm/network entity of which the Statutory Auditor was a part during the financial year under review was ₹ 0.86 Crore.
2. During the financial year under review, one complaint was received which was pending as on 31<sup>st</sup> March, 2024 in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

3. During the financial year under review, the Company and its subsidiaries had not given any loan and advance in the nature of loan to firms/companies in which Directors were interested.
4. A certificate from M/s. N L Bhatia & Associates, Practicing Company Secretaries has been received stating/confirming that none of the Directors on the Board has been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI/ Ministry of Corporate Affairs or any such statutory authority and is enclosed as a part of this report.

### Shareholder's Information

#### 1. Annual General Meeting

Date and Time	Thursday, 8 <sup>th</sup> August, 2024 at 11:00 A.M. (IST)
Venue	Through Video Conference (VC)/ Other Audio-Visual Means (OAVM) (Deemed venue for Meeting: Registered Office)
Financial Year	2023-24
Commencement of remote e-voting	9:00 a.m. (IST) on Monday, 5 <sup>th</sup> August, 2024
End of remote e-voting	5:00 p.m. (IST) on Wednesday, 7 <sup>th</sup> August, 2024

The details of process of e-voting is provided in the notice of the 30<sup>th</sup> Annual General Meeting.

#### 2. Financial calendar for reporting (Tentative dates)

Financial Year of the Company	1 <sup>st</sup> April to 31 <sup>st</sup> March
For the quarter ending 30 <sup>th</sup> June, 2024	On or before 14 <sup>th</sup> August, 2024
For the quarter/half year ending 30 <sup>th</sup> September, 2024	On or before 15 <sup>th</sup> November, 2024
For the quarter ending 31 <sup>st</sup> December, 2024	On or before 14 <sup>th</sup> February, 2025
For the quarter/year ending 31 <sup>st</sup> March, 2025	On or before 15 <sup>th</sup> May, 2025
31 <sup>st</sup> Annual General Meeting for the year ending 31 <sup>st</sup> March, 2025	On or before 31 <sup>st</sup> August, 2025

#### 3. Dividend for FY24

Record date	Thursday, 1 <sup>st</sup> August, 2024
Dividend payment date	Within 30 days from the date of AGM, subject to the approval by shareholders.

#### Unclaimed Dividend

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), as amended from time to time, dividend, if not claimed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). During the financial year under review, the Company was not required to transfer any dividend to the IEPF.

The details of unclaimed dividend as on 31<sup>st</sup> March, 2024 and the dates when the dividend will be transferred to the IEPF are as follows:

Particulars of Dividend	Dividend per share (₹)	Due date for transfer to IEPF
Interim Dividend for FY22	₹ 5.60	30 <sup>th</sup> November, 2028
Final Dividend for FY22	₹ 5.85	26 <sup>th</sup> August, 2029
Interim Dividend for FY23	₹ 5.00	22 <sup>nd</sup> April, 2030
Final Dividend for FY23	₹ 5.25	17 <sup>th</sup> September, 2030

The Shareholders who have not so far encashed their dividend demand drafts/warrants are requested to contact KFin Technologies Limited, Registrar and Transfer Agent of the Company.

In accordance with the IEPF Rules, Mr. Prateek Savla, Company Secretary and Compliance Officer, is the Nodal Officer of the Company. The details of Nodal Officer are given under 'Investor Correspondence' section of this Report and is also available on the website of the Company at <https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/contact-us/aditya-birla-sun-life-amc-limited-contact-us-020524.pdf>.



## Corporate Governance Report (Contd.)

**4. Investor Correspondence**

	Company	Registrar and Transfer Agent (RTA)
<b>Contact Person</b>	Mr. Prateek Savla Company Secretary & Compliance Officer	Mr. Rajesh Kumar Patro Manager
<b>Address</b>	Aditya Birla Sun Life AMC Limited One World Center, Tower 1, 17 <sup>th</sup> Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400013	KFin Technologies Limited Unit: Aditya Birla Sun Life AMC Limited Selenium, Tower B, Plot Nos. 31 & 32, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, Telangana, India
<b>Telephone</b>	+91 22 4356 8008	+91 40 6716 2222; Toll Free no: 1800-309-4001
<b>E-mail</b>	<a href="mailto:abslamc.cs@adityabirlacapital.com">abslamc.cs@adityabirlacapital.com</a>	<a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a>
<b>Website</b>	<a href="https://mutualfund.adityabirlacapital.com">https://mutualfund.adityabirlacapital.com</a>	<a href="http://www.kfintech.com">www.kfintech.com</a>

Note: The Annual Listing Fees for the financial year has been paid to NSE & BSE and no amount is outstanding.

**5. Listing Details**

Equity Shares	<b>National Stock Exchange of India Limited (NSE)</b> Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051
	<b>BSE Limited (BSE)</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001

**6. Stock Code**

Particulars	Stock Code/ Symbol
BSE	543374
NSE	ABSLAMC
ISIN of Equity Shares	INE404A01024

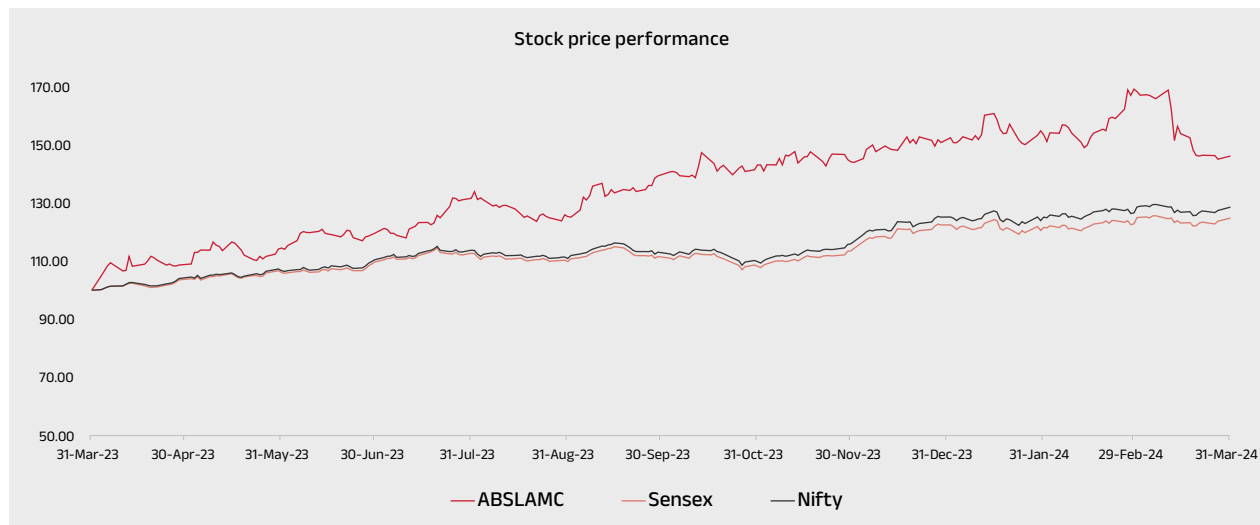
**7. Stock Price Data**

Year/ Month	BSE Limited			National Stock Exchange of India Limited		
	High (In ₹)	Low (In ₹)	Close (In ₹)	High (In ₹)	Low (In ₹)	Close (In ₹)
Apr-23	349.70	311.35	347.60	352.90	312.55	347.65
May-23	366.05	335.10	362.85	366.55	334.15	362.95
Jun-23	401.25	353.95	376.60	402.00	354.00	376.50
Jul-23	415.00	365.05	410.05	414.95	366.00	410.05
Aug-23	419.90	384.00	417.05	419.05	382.05	416.80
Sep-23	446.85	387.50	434.35	447.65	387.75	433.65
Oct-23	460.50	423.95	458.30	460.10	423.00	458.55
Nov-23	462.50	436.20	459.50	469.00	435.10	459.60
Dec-23	495.00	445.65	475.65	494.65	446.10	475.50
Jan-24	510.00	461.95	500.90	511.95	463.75	500.50
Feb-24	534.80	458.00	526.45	536.00	458.45	526.65
Mar-24	530.85	450.00	525.55	530.85	450.25	525.65



## 8. Index Stock Performance

Performance of Price of Equity Shares of the Company in Comparison to the BSE Sensex and Nifty.



## 9. Share Transfer System

The Company's share transfer and related operations is operated through its Registrar and Share Transfer Agent (RTA) – KFin Technologies Limited. The equity shares of the Company are traded in dematerialised form. In compliance with SEBI guidelines, no physical transfer of shares is allowed.

## 10. Investor Grievance Redressal

Complaints received during the year ended 31<sup>st</sup> March, 2024:

Complaints	2023-24	
	Received	Redressed
Relating to refund of IPO application, Change of address, Dividend, etc.	4	4

## 11. Distribution of Shareholding as on 31<sup>st</sup> March, 2024

Category (No. of shares)	No. of shareholders	% of shareholders	No. of Shares	% of Total Equity
1-5000	365,104	99.90	17,196,957	5.97
5001- 10000	160	0.04	1,136,791	0.39
10001- 20000	79	0.02	1,045,287	0.36
20001- 30000	26	0.01	630,514	0.22
30001- 40000	16	0.00	545,257	0.19
40001- 50000	17	0.00	749,430	0.26
50001- 100000	19	0.01	1,286,127	0.45
100001 & Above	35	0.01	265,500,850	92.16
<b>Total</b>	<b>365,456</b>	<b>100.00</b>	<b>288,091,213</b>	<b>100.00</b>



## Corporate Governance Report (Contd.)

**12. Categories of Shareholding as on 31<sup>st</sup> March, 2024**

Category of Shareholders	As on 31 <sup>st</sup> March, 2024			
	No. of shareholders	% of shareholders	No. of Shares	% of Total Equity
Promoters and Promoter Group*	7	0.00	216,973,562	75.31
Resident Individuals	352,944	96.58	18,442,871	6.41
Insurance Companies	9	0.00	12,416,113	4.31
Foreign Portfolio - Corp	30	0.01	12,594,448	4.37
Mutual Funds	8	0.00	20,419,087	7.09
Bodies Corporates	542	0.15	3,494,991	1.21
H U F	9,225	2.53	1,076,189	0.37
Non-Resident Indians	1,536	0.42	324,394	0.11
Non-Resident Indian Non Repatriable	1,138	0.31	344,270	0.12
Directors and Relatives	1	0.00	18,285	0.01
Banks	2	0.00	131,045	0.05
Alternative Investment Fund	4	0.00	1,812,421	0.63
Clearing Members	2	0.00	10,001	0.00
NBFC	4	0.00	31,966	0.01
Trusts	4	0.00	1,570	0.00
<b>Total</b>	<b>365,456</b>	<b>100.00</b>	<b>288,091,213</b>	<b>100.00</b>

\* Includes 3 Nominees of Aditya Birla Capital Limited

**13. Dematerialisation of Shares**

The Equity Shares of the Company are available for trading in the dematerialised form under both the Depositories viz. National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"). All Equity Shares of the Company are held in dematerialised form and therefore trading in the equity shares of the Company is permitted only in dematerialised form.

Particulars of Equity Holding	%
Shares held in Demat mode in NSDL	96.56
Shares held in Demat mode in CDSL	3.44
<b>Total</b>	<b>100.00</b>

As stipulated under Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018, VKMG & Associates LLP, Company Secretaries, has carried out quarterly audit for the purpose of reconciliation of the total issued capital, listed capital and capital held in dematerialised form by NSDL and CDSL, the details of changes in share capital and the in-principle approval obtained from the stock exchanges with respect to the further issued capital. Further, an audit report issued in this regard is submitted to the stock exchanges on a quarterly basis.

**14. Outstanding GDRs/ ADRs/ Warrants or any convertible instruments:**

The Company has not issued any GDRs/ ADRs/ Warrants or any convertible Instruments and hence there are no outstanding GDRs/ ADRs/ Warrants or any convertible Instruments as on 31<sup>st</sup> March, 2024.

**15. Details on use of public funds obtained in the last three years:**

No public funds have been raised in the last three years.

**16. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities**

The Company does not have any exposure to commodity price risks or material foreign exchange risk.

**17. Plant Location**

The Company is engaged in the business of financial services and hence does not have any plant.

**18. Other useful Information for Shareholders**

**Updating Permanent Account Number (PAN), Bank details and e-mail address**

Members are requested to update their details such as PAN, Bank details and any changes in the registered address with the concerned DPs. Further, non-resident members are additionally requested to provide an Indian address and Indian bank account details for sending all communications, if not provided earlier, either to the RTA or DP, as applicable.

**Unclaimed Shares**

As on 31<sup>st</sup> March, 2024, there are no Unclaimed Shares.

**K-PRISM**

Shareholders are requested to take note that KFin Technologies Limited provides a secure mobile interface “K-PRISM” through which investors who utilise the corporate registry services of KFin Technologies Limited will now be able to access their application status, download Annual Reports, standard forms, etc and keep track of upcoming General Meetings all on the go, in a hassle free, paper-less process. The mobile application is available for download on the Android Play Store and a desktop version can be accessed at <https://kprism.kfintech.com>. Shareholders can download the mobile application and register themselves (onetime) for availing a host of services viz. consolidated portfolio view serviced by KFin Technologies Limited, Dividends status etc., and send requests for change of Address, updation of Mobile number, E-mail address and so on.

**Correspondence with the Company**

Shareholders/Beneficial Owners are requested to quote their Folio No./DP ID and Client ID, as the case may be, in all correspondence with the KFin Technologies Limited. All correspondences regarding shares of the Company should be addressed to KFin Technologies Limited e-mail id: [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com). KFin Technologies Limited has also designated toll-free no. i.e. 1800-309-4001 for investor services where they can register their complaints/queries to facilitate speedy and prompt redressal.

**Registration of E-mail Address**

Members who have not yet registered their e-mail address for availing the facility of e-communication, are requested to register the same with the Company/ KFin Technologies Limited or their DPs for easier and faster correspondence. The Company had also published a newspaper advertisement in Business Standard and Navshakti informing Members the process for registration of their e-mail ids.



## Corporate Governance Report (Contd.)

### **Service of Documents in Electronic Form (Green Initiative in Corporate Governance)**

In order to conserve paper and the environment, the Ministry of Corporate Affairs ("MCA"), Government of India and SEBI, has allowed companies to send Notices of General Meetings/other Notices, Audited Financial Statements, Board's Reports, Auditors' Reports, etc., henceforth to their Members electronically as a part of its Green Initiative in Corporate Governance.

Shareholders can avail e-communication facility by registering their e-mail address with the Company by sending the request on e-mail to [abslamc.cs@adityabirlacapital.com](mailto:abslamc.cs@adityabirlacapital.com)/ [inward.ris@kfinotech.com](mailto:inward.ris@kfinotech.com).

Benefits of registering your e-mail address for availing e-communication:

- it will enable you to receive communication promptly;
- it will avoid loss of documents in postal transit; and
- it will help in eliminating wastage of paper, reduce paper consumption and, in turn, save trees.

**Feedback:** Members are requested to give us their valuable suggestions for improvement of the investor services to the Registered Office or via email at [abslamc.cs@adityabirlacapital.com](mailto:abslamc.cs@adityabirlacapital.com).

# Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) and Schedule V Para-C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members,  
**Aditya Birla Sun Life AMC Limited**  
One world Center, Tower 1, 17<sup>th</sup> Floor,  
Jupiter Mills, Senapati Bapat Marg,  
Elphinstone Road, Mumbai- 400013

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Aditya Birla Sun Life AMC Limited** having CIN: L65991MH1994PLC080811 and having registered office at One world Center, Tower 1, 17<sup>th</sup> Floor, Jupiter Mills, Senapati Bapat Marg, (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31<sup>st</sup> March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Kumar Mangalam Birla*	00012813	28/10/1995
2.	Sandeep Asthana	00401858	27/04/2011
3.	Alka Marezban Bharucha	00114067	31/03/2015
4.	Harish Hansubhai Engineer**	01843009	21/06/2019
5.	Balasubramanian Athmanathan	02928193	25/07/2019
6.	Navin Puri	08493643	04/09/2019
7.	Sunder Rajan Raman	02511138	01/01/2022
8.	Ramesh Abhishek	07452293	01/01/2022
9.	Amrit Bir Singh Kanwal	09545814	26/04/2022
10.	Vishakha Vivek Mulye	00203578	27/10/2022
11.	Supratim Bandyopadhyay	03558215	01/06/2023

\*Resigned from Directorship of the Company w.e.f. close of business hours of 19<sup>th</sup> April, 2023.

\*\* Resigned from Directorship of the Company w.e.f. 30<sup>th</sup> April, 2023.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For N L Bhatia & Associates**  
Practicing Company Secretaries  
UIN: P1996MH055800  
P/R No.: 700/2020

**N L Bhatia**  
Partner  
FCS: 1176  
CP. No.: 422

Place: Mumbai  
Date: 26<sup>th</sup> April, 2024

UDIN: F001176F000249138



# Code of Conduct Declaration

As provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Members of the Board and Senior Management personnel of the Company have affirmed Compliance with the Code of Conduct for Board of Directors and Senior Management of the Company during the financial year ended 31<sup>st</sup> March, 2024.

Place: Mumbai  
Date: 26<sup>th</sup> April, 2024

**A. Balasubramanian**  
Managing Director & CEO  
(DIN: 02928193)

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## CEO - CFO Certification

To,  
The Members,  
**Aditya Birla Sun Life AMC Limited**

We certify that:

1. We have reviewed the Audited Financial Statements and the cash flow statement of Aditya Birla Sun Life AMC Limited ("the Company") for the financial year ended 31<sup>st</sup> March, 2024 and to the best of our knowledge and belief:
  - a) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
  - b) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions have been entered into by the Company during the financial year ended 31<sup>st</sup> March, 2024, which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken to rectify the deficiencies.
4. We have indicated to the Auditors and the Audit Committee:-
  - i. significant changes in the Company's internal control over financial reporting, if any, during the financial year ended 31<sup>st</sup> March, 2024;
  - ii. significant changes in accounting policies, if any, during the financial year ended 31<sup>st</sup> March, 2024 have been disclosed in the notes to the Financial Statements; and
  - iii. instances of significant fraud of which we have become aware and involvement therein, if any, of the management or other employees having a significant role in the Company's internal control system over financial reporting.

**A. Balasubramanian**  
Managing Director & CEO  
(DIN: 02928193)

**Parag Joglekar**  
Chief Financial Officer

Place: Mumbai  
Date: 26<sup>th</sup> April, 2024



# Business Responsibility & Sustainability Report

## SECTION A: GENERAL DISCLOSURE

### I. Details of the Listed Entity

1	<b>Corporate Identity Number (CIN) of the Listed Entity</b>	L65991MH1994PLC080811
2	<b>Name of the Listed Entity</b>	Aditya Birla Sun Life AMC Limited ("ABSLAMC" / "the Company")
3	<b>Year of incorporation</b>	1994
4	<b>Registered office address</b>	One World Center, Tower 1, 17 <sup>th</sup> Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400013
5	<b>Corporate address</b>	
6	<b>E-mail</b>	abslamc.cs@adityabirlacapital.com
7	<b>Telephone</b>	+91 22 4356 8008
8	<b>Website</b>	<a href="https://mutualfund.adityabirlacapital.com">https://mutualfund.adityabirlacapital.com</a>
9	<b>Financial year for which reporting is being done</b>	Financial Year 2023–24 (1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March, 2024)
10	<b>Name of the Stock Exchange(s) where shares are listed</b>	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11	<b>Paid-up Capital</b>	₹ 144.05 Crore
12	<b>Name and Contact Details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report</b>	Mr. Prateek Savla, Company Secretary +91 22 43568008 abslamc.cs@adityabirlacapital.com
13	<b>Reporting Boundary</b> Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures under this report are made on standalone basis for ABSLAMC.
14	<b>Name of assurance provider</b>	Not Applicable
15	<b>Type of assurance obtained</b>	

### II. Products/Services

#### 16 Details of business activities (accounting for 90% of the turnover)

S.No.	Description of Main Activity	Description of Business Activity	% of Turnover
1	Financial & Insurance Service	Fund Management Services	100%

#### 17 Products/Services sold by the entity (accounting for 90% of the entity's Turnover)

S.No.	Products/Services	NIC Code	% of total Turnover contributed
1	The Company offers a comprehensive suite of savings and investment products ranging from mutual funds, including both actively managed and passive options, to portfolio management services and alternative investment opportunities catering to the needs of a large and diverse customer base.	66301	100%

### III. Operations

#### 18 Number of locations where plants and/or operations/offices of the entity are situated

Location	No. of Plants	No. of Offices	Total
National		290+ investor service centres	
International	Not applicable*	Through its subsidiaries in Dubai, Mauritius, and Singapore	

\* The Company is into financial services and does not undertake any manufacturing-related activities



## Business Responsibility &amp; Sustainability Report (Contd.)

19	Market served by the entity	Locations	Number
a.	No. of Locations	National (No. of States) International (No. of Countries)	Pan -India Various international markets through its subsidiaries in Dubai, Mauritius and Singapore
b.	What is the contribution of exports as a percentage of the total turnover of the entity?	Not applicable	
c.	A brief on type of customers	ABSLAMC is one of the leading Asset Management Companies (AMCs) in India. Through its services, ABSLAMC currently caters to more than 8.59 Million investor folios. The Company has consistently focused on providing services that cater to customer segments across the spectrum. This includes first-time investors, youth, middle-income groups, NRIs, and global investors. The Company is continuously making efforts to expand its outreach and presence across India through products well suited to its investor (customer) base, with an aim to create long-term customer value.	

## IV. Employees

## 20. Details as at the end of Financial Year (FY24)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
a.	Employees (including differently abled)					
1	Permanent	1279	930	73%	349	27%
2	Other than Permanent	438	374	85%	64	15%
3	Total Employees	1717	1304	76%	413	24%
b.	Differently abled employees					
1	Permanent	-	-	-	-	-
2	Other than Permanent	-	-	-	-	-
3	Total differently abled employees	-	-	-	-	-

## 21. Participation/Inclusion/Representation of women\*\*

S. No.	Category	Total (A)	No. and percentage of Females	
			No. (B)	% (B/A)
1	Board of Directors	9	2	22.20 %
2	Key Management Personnel	3	1*	33 %

\* Ms. Hemanti Wadhwa ceased to be the Chief Compliance Officer & Company Secretary of the Company w.e.f. 26<sup>th</sup> April, 2024

\*\* The details of Board of Directors and Key Management Personnel is as on 31<sup>st</sup> March, 2024

## 22. Turnover rate for permanent employees

Category	FY24			FY23			FY22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	27%	26%	26%	28%	22%	26%	29%	31%	30%

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

### 23. (a) Names of Holding / Subsidiary / Associate Companies / Joint Ventures

S. No	Name of the holding / subsidiary / associate companies / joint ventures (A) <sup>1</sup>	Indicate whether holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Aditya Birla Sun Life AMC (Mauritius) Limited	Subsidiary	100%	
2.	Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai	Subsidiary	100%	
3.	Aditya Birla Sun Life Asset Management Company Pte Ltd, Singapore (ABSLAMC Singapore)	Subsidiary	100%	Yes <sup>2</sup>
4.	India Advantage Fund Limited (IAFL) <sup>3</sup>	Subsidiary	100%	
5.	International Opportunities Fund – SPC <sup>3</sup>	Subsidiary of ABSLAMC Singapore		

<sup>1</sup> During the financial year under review, Aditya Birla Capital Limited ceased to be the Holding Company of the Company and Grasim Industries Limited ceased to be the Ultimate Holding Company.

<sup>2</sup> The subsidiaries of the Company participate in the Business Responsibility initiatives to the extent applicable to them.

<sup>3</sup> The Company holds 100% management shares of IAFL, having no beneficial interest or ownership on IAFL's income or gains as the same belongs to the investors of Collective Investment Schemes offered by IAFL. Similarly, ABSLAMC Singapore holds 100% management shares of International Opportunities Fund – SPC and by virtue of that it is a subsidiary of the Company.

## VI. CSR Details

24. (i)	Whether CSR is applicable as per section 135 of Companies Act, 2013	Yes
(ii)	Turnover (FY24)	₹ 1,330.18 Crore
(iii)	Net worth (FY24)	₹ 3,154.50 Crore

## VII. Transparency and Disclosures Compliances

### 25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	If Yes, then provide web-link for grievance redress policy	FY24 (Current FY)			FY23 (Previous FY)		
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	Note 1	-	-	-	-	-	-
Investors (other than shareholders)	-	-	-	-	-	-	-	-
Shareholders	Yes	Note 2	4	-	-	16	-	-
Employees	Yes	Note 3	-	-	-	-	-	-
Customers	Yes	Note 4	303	2	-	352	13	-
Value Chain Partners	-	-	-	-	-	-	-	-
Others (Please Specify)	-	-	-	-	-	-	-	-

Note 1 - For communities, the grievance redressal mechanism is managed as part of CSR activities. This is led by the Company's implementation partners (NGOs) and involves, as required, consultations with the beneficiary communities. ABSLAMC's CSR Policy is available on the Company's Website at <https://mutualfund.adityabirlacapital.com/shareholders/corporate-governance/>



## Business Responsibility & Sustainability Report (Contd.)

Note 2 - <https://mutualfund.adityabirlacapital.com/shareholders/contact-us> and <https://smartodr.in/login>

Note 3 - Internal Policies for the Employees are placed on the intranet and the policy guiding Company's Code of Conduct for Board of Directors and Senior Management is available on Company's website at <https://mutualfund.adityabirlacapital.com/shareholders/corporate-governance>

Note 4 - <https://mutualfund.adityabirlacapital.com/help-centre/grievance>

### 26. Overview of the entity's material responsible business conduct issues

Various material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to the Company's business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, are indicated below:

Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Corporate Governance	Risk	In corporate governance, key issues for the AMC sector include those related to ethical and responsible business conduct, anti-bribery measures, and compliance with evolving regulatory requirements and disclosures. The dynamic nature of the regulatory landscape, markets, and product offerings poses a risk of insufficient understanding and prompt response to these changes. Moreover, the growing emphasis on governance, compliance, and ESG disclosures necessitates the company's attention to emerging ESG-related risks.	The company has established a comprehensive framework on corporate governance, featuring well-documented policies, including a whistle-blower policy. With an inclusive code of conduct applicable to all employees, ABSLAMC has cultivated an environment aimed at minimising governance and compliance risks. Additionally, the company conducts regular training sessions and monitors ongoing performance to ensure adherence to these policies. This includes specialised training programs for directors, equipping them with the knowledge of regulatory changes, policies affecting the company's business, and emerging regulatory developments.	Negative: In the event of challenges arising in the management of the company's governance practices and adherence to compliance-based or regulatory requirements, there is a potential for a negative impact on the company, affecting: 1. ESG ratings 2. The ability to attract additional investment in the business from responsible or ESG-aware investors (Including global investors).
Digitalisation	Opportunity	For the AMC sector, digitalisation can contribute towards enhancing efficiency, improving client experiences, enabling access to global markets, and fostering innovation, Embracing digital transformation can prove essential to remain competitive and succeed in an increasingly digitised and interconnected world for long-term success.	The company has continuously invested in adapting its systems in line with technological advancements and established a strong digital infrastructure – including to minimise the use of paper for transactions and communications. This includes e-KYC, e-Sign authentication, and employing analytical models to drive data-informed decisions for investments.	Negative: Issues or limitations in managing digitalisation of processes can adversely affect turnaround time (TAT), grievance resolution, and thus customer satisfaction levels, as well as cyber security risks. Each of these factors can potentially negatively affect the, the reputation of the Company, its customer base, and financial performance.

## Business Responsibility & Sustainability Report (Contd.)

Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Risk Management	Opportunity	The company views effective risk management as a crucial element of business management, essential for achieving business goals and objectives. In the course of business, the company encounters various risks, including strategic, investment, operational, and ESG-related risks and opportunities. Over time, the company has continuously enhanced its Risk Management Framework to monitor and mitigate these risks. There is an ongoing opportunity for the company to continue to update its risk management framework and associated practices and policies, to adapt and align them with regulatory requirements and the evolving landscape of the AMC industry.	Supported by well-established protocols and processes, the company has established a resilient enterprise risk management framework. This framework incorporates strategies and protocols for risk identification, risk assessment, risk response, and an overarching risk management strategy. Through the implementation of this robust risk management framework, the company has showcased its dedication to ethical conduct and good governance across its business and operations. In addition to adhering to regulatory requirements, the company has proactively incorporated industry best practices in risk management. Presently, the company also has a Responsible Investment Policy specifically for the 'Aditya Birla Sun Life ESG Fund'.	Positive: The company's robust risk management framework has enabled it to overcome key risks and challenges across the short, medium and long term. The company also believes that its commitment to address and mitigate ESG-related risks is demonstrated through its initiatives in responsible investing. Through such efforts taken on risk management, the company aims to contribute to its overall financial stability and focus on the sustainability. .
Data Privacy and Cyber Security	Risk	In the realm of data privacy and security management, the Company faces a notable challenge in the form of cybersecurity-related risks. These risks predominantly involve the possibility of weakening or failure of the Company's information technology (IT)-based resources and systems. Given the increasing incidence of cybersecurity threats, some of the identified risks include: <ol style="list-style-type: none"> <li>1. Ransomware</li> <li>2. Phishing</li> <li>3. Associated loss or wiping out of proprietary data or critical information.</li> </ol> The Company continues to recognise these risks as having the potential to significantly impact its operations, reputation, and profitability.	The company has given considerable importance to the issue of data privacy and cybersecurity, taking steps to identify, address, and mitigate associated risks. In line with this commitment, data privacy and cybersecurity risks have been explicitly included in the Risk Management Policy. Furthermore, the company has adopted measures to actively reduce these risks and their potential impact. These measures include regular testing of its IT systems, implementation of effective firewalls, and consistent and thorough reviews of its IT systems, processes, and assets.	Negative: The company faces the potential of incurring increased costs to efficiently oversee and ensure timely updates to its IT infrastructure, systems, and processes, which may include expenses associated with system upgrades.



## Business Responsibility &amp; Sustainability Report (Contd.)

Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Talent Management, Well-being, and Diversity and Inclusion	Opportunity	The Company views talent management, employee well-being, and diversity and inclusion as key priority areas improving organisational sustainability. The company understands employees' role and their interconnectivity with the Company's growth, value creation and long-term sustainability.	The Company consistently invests in the holistic overall well-being of its workforce, and aims to create a diverse and inclusive environment. Our focus remains on fostering a work environment that promotes work-life balance, holistic well-being, and a commitment to nurturing the mental and physical health of its workforce. The company continues to offer comprehensive health and wellness programs to its employees.	Positive: The Company's active interest and investment in talent management, employee well-being, and diversity and inclusion can prove to be a value-add, especially in the long term. A diverse and healthy workforce can help the Company further cement its reputation as an employer of choice, in its succession planning and business growth pursuits, and help it to contribute to the professional and personal well-being and growth of its workforce

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

**The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates the following nine principles referred to as P1 to P9.**

P1 - Business should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable

P2 - Businesses should provide goods and services in a manner that is sustainable and safe

P3 - Businesses should respect and promote the well-being of all employees, including those in their value chains

P4 - Businesses should respect the interests of and be responsive towards all its shareholders.

P5 - Businesses should respect and promote human rights

P6 - Businesses should respect and make efforts to protect and restore the environment

P7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

P8 - Businesses should support inclusive growth and equitable development

P9 - Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and Management Processes</b>									
1 a. <b>Whether your entity's policy/ policies cover each principle and its core elements of the NGRBC. (Yes/No)</b>	Yes	N.A.	Yes	Yes	Yes	Yes	No <sup>1</sup>	Yes	Yes
b. <b>Has the policy been approved by the Board? (Yes/No)</b>	Yes (as applicable)								
c. <b>Web Link of the Policies, if available</b>	The Corporate Policies are available on Company's website at <a href="https://mutualfund.adityabirlacapital.com/shareholders/corporate-governance">https://mutualfund.adityabirlacapital.com/shareholders/corporate-governance</a> . Some of the Policies being internal document are available to the employees through the Company's intranet.								
2 <b>Whether the entity has translated the policy into procedures. (Yes / No)</b>	Yes (as applicable)								
3 <b>Do the enlisted policies extend to your value chain partners? (Yes/No)</b>	Yes. The Company expects value chain partners to adhere to the standards of ethics and conduct set by the Company.								



## Business Responsibility & Sustainability Report (Contd.)

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>4 Name of the national and international codes/certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.</b>	The Company's Information Security and Cyber Security policies are as per/ in compliance with the requirements of ISO 27001.								
<b>5 Specific commitments, goals and targets set by the entity with defined timelines, if any.</b>	<ul style="list-style-type: none"> <li>(i) The Company has consistently focused on reducing its carbon footprint and impact on the environment through initiatives such as judicious use of resources like water, of electricity, minimising waste generation (dry and wet waste), and limited use of single-waste plastics in office premises.</li> <li>(ii) The Company is currently exploring expanding its ESG/sustainability-linked offerings in finance.</li> <li>(iii) The Company is committed to contributing to community development through its CSR activities, especially in areas such as financial literacy (investor education), digital and financial inclusion (with a focus on women), health, and women's empowerment.</li> </ul>								
<b>6 Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.</b>	<p>The Company has made progress on these commitments through initiatives such as the following:</p> <ul style="list-style-type: none"> <li>(i) At the Company's head office in Mumbai, wet waste, especially the food waste from the cafeteria, has been composted by the property team, by an Organic Waste Compost Machine (OWC).</li> <li>(ii) The Company is in the process of replacing conventional lighting with LED in its offices, to reduce energy consumption.</li> <li>(iii) The Company launched an ESG fund in 2020 and has plans to launch more such funds.</li> <li>(iv) ABSLAMC continues to conduct investor education programs to further promote financial inclusion, including at college campuses and for private corporations.</li> <li>(v) The Company has a Responsible Investment Policy, for its ESG Fund (Aditya Birla Sun Life ESG Fund), with an objective of integrating ESG factors in investment decision-making.</li> <li>(vi) The Company has ongoing CSR projects focusing on themes including food security and nutrition, support for strengthening of school infrastructure to create a holistic learning environment, and creation of sustainable livelihood opportunities for women.</li> </ul>								

### Governance, Leadership and Oversight

#### 7 Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.

As a responsible, purpose-driven financial institution, we emphasise our dedication to integrate ESG and sustainability factors into our investment decision and business operations. We understand that sustainable development is about creating lasting value for all stakeholders - while safeguarding the interests of future generations.

We recognise the importance of environmental stewardship and are committed to promoting and espousing sustainable practices, resource efficiency, and environmental conservation. This includes a focus on promoting responsible practices in the way we utilise resources, and how we aim to integrate sustainability in our operations. We are dedicated to minimising our carbon footprint and environmental impact through the adoption of sustainable business practices.

As an organisation, we also have a strong focus on contributing to the well-being and holistic growth of our key stakeholders - including employees, customers, investors, and local communities, through investments in employee health and wellness, initiatives to promote diversity and inclusivity, and community development.

Through measures such as offering wide-ranging career development opportunities, ensuring robust workplace safety mechanisms, and fostering a culture that encourages mutual support, we aim to create a vibrant and engaging organisational culture. Our goal is to establish an environment and culture that not only contributes to attracting and retaining top talent but also plays a role in helping us achieve sustained business success and positive social change in the long term.

Our corporate social responsibility (CSR) and community development endeavors are centered around empowering Millions across India through initiatives aimed at promoting women's empowerment, advancing access to quality education, and advancing good health and well-being. With the aim of uplifting and empowering communities, our CSR initiatives have impacted beneficiaries nationwide, including those in aspirational districts.

We are dedicated to delivering high quality services and solutions to our customers and following responsible business practices in doing so. Ensuring high levels of customer satisfaction, and the safety and security of our customers' data and privacy are key priorities for us. Using a broad range of platform-based services, we also aim to address the varied financial needs of customer segments across India, and champion financial inclusion. Our focus remains on continuing to grow our outreach across segments, prioritising customer-centricity, satisfaction, and leveraging digitisation to create value for our stakeholders.



## Business Responsibility &amp; Sustainability Report (Contd.)

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9									
At ABSLAMC, robust corporate governance practices are of utmost importance, and the core of our efforts remain to establish trust, mitigate emerging risks, and generating long-term value. In addition to upholding legal and regulatory obligations, we continue to focus on fostering responsible decision-making and building trust & confidence in our organisation among stakeholders. Through dedicated efforts and active involvement, we continue to embrace best practices in ESG-linked areas, including responsible investment, stakeholder engagement, and operational sustainability, in order to contribute to India's green growth story, and its economic evolution. Echoing the statements of our Group Chairman, Shri Kumar Mangalam Birla, I truly believe that we at ABSLAMC are a purpose-driven entity – an ethos that will help us create a brighter, inclusive and more impactful future.																		
<b>A. Balasubramanian</b> Managing Director & CEO																		
<b>8</b> Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Risk Management Committee of the Company is responsible for implementation and oversight of the Business Responsibility policies. The Chief Risk Officer is the highest authority responsible for implementation of the Business Responsibility policy.																	
<b>9</b> Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. The Risk Management Committee ensures that the Company achieves progress on sustainability and is responsible for decision-making on sustainability-related issues.																	
<b>10</b> Details of Review of NGRBC by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Performance against above policies and follow up action</b>	The relevant Policies have been approved by the Board, it's Committees or the Senior Management of the Company, wherever applicable.									Policies are reviewed periodically, given factors such as regulatory requirements, or recommendations from relevant industry associations.								
<b>Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances</b>	The Company has the required policies and procedures in place to ensure compliance with laws applicable to the Company.																	
<b>11</b> Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9	The process and compliances are subject to scrutiny by the Audits and Inspections, as applicable. The policies are reviewed on periodic basis by the respective department and updated accordingly.								

**Note:**

<sup>1</sup> The Company may share its expertise to help in the formulation of public policy but it does not directly engage in advocacy activities and hence does not have a specific policy for this purpose. The Company actively engages in investor education programmes for mutual funds in line with AMFI guidelines.

**12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	-	Note*	-	-	-	-	Note**	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
The entity does not have the financial or human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	-	-	-	-	-	-	-	-	-

**Note**

\*Given the nature of the primary business in financial services, consumption of inputs, materials, and resources has limited applicability. The use of input is limited mainly to running of the company's operations.

\*\*Currently, the Company does not directly engage in policy advocacy activities and hence does not have a specific policy for this purpose. The Company may share its expertise to help in the formulation of public policy, but it does not directly engage in advocacy activities and hence does not have any specific Policy for this purpose. The Company actively engages in investor education programmes for mutual funds in line with AMFI guidelines.

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

### ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors (BoD)	41 (No. of Hours)	The orientation programmes are conducted for the new Directors wherein the Senior Management of the Company make presentations to familiarise the Directors with the Mutual Fund business/ regulatory changes, industry practice, systems and policies adopted by various departments, especially the governance practices and compliance process adopted by the Company. In addition, at the quarterly Board Meeting, the Directors are updated on the key regulatory changes and performance of the Company's business.	100%
Key Management Personnel (KMP)	3	Modules on Information Security Refreshers, Code of Conduct Guidelines, Prohibition of Insider trading, Prevention of sexual harassment, Whistle blower, etc	100%
Employees other than BODs and KMPs	15	Modules on Information Security Refreshers, Code of Conduct Guidelines, Prohibition of Insider trading, Prevention of sexual harassment, Whistle blower, Prevention of Money Laundering, Organisation Overview, Legal & Compliance do's & don'ts, Risk Management, Wellness, Operations process, Partner portals & Apps, Skill, Behavioural.	96%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format. (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

	NGRBC Principle	Name of the regulatory / enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
<b>Monetary</b>					
Penalty/Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding Fee	-	-	-	-	-
<b>Non-Monetary</b>					
Imprisonment	-	-	-	-	-
Punishment	-	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
-	-



## Business Responsibility &amp; Sustainability Report (Contd.)

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the Company has an Anti-Corruption and Anti-Bribery Policy in place which extends to all the employees of the Company. The Company communicates, creates awareness, and disseminates the Anti-Corruption and Anti Bribery Codes to all its employees, vendors, Suppliers, outlining its zero- tolerance approach to corruption and bribery. The policy is available in the public domain and can be accessed on the Company's website at <https://mutualfund.adityabirlacapital.com/-/media/bsl/files/resources/policies-and-codes/anti-corruption-and-anti-bribery-policy.pdf>.

5. Number of Directors/KMPs/employees against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Category	FY24 (Current FY)	FY23 (Previous FY)
Directors	-	-
KMPs	-	-
Employees	-	-

6. Details of complaints with regard to conflict of interest:

Topic	FY24 (Current FY)		FY23 (Previous FY)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-		-	
Number of complaints received in relation to issues of Conflict of Interest of KMPs	-		-	

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

No corrective actions taken as there were no cases of corruption and conflict of interest.

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:

	FY24 (Current FY)	FY23 (Previous FY)
Number of days of accounts payables	-	-

## Business Responsibility & Sustainability Report (Contd.)

### 9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY24 (Current FY)	FY23 (Previous FY)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	-	-
	b. Number of dealers / distributors to whom sales are made	-	-
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	-	-
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	-	-
	b. Sales (Sales to related parties / Total Sales)	-	-
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	5.58%
	d. Investments ( Investments in related parties / Total Investments made)	-	-

### LEADERSHIP INDICATORS

- Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
	The Company conducts regular product training for its distributors	

- Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company has a Code of Conduct for the Board of Directors and Senior Management ("Code of Conduct") pursuant to the provisions of SEBI (LODR) Regulations, 2015. The Board Members and Senior Management, on an annual basis, provide an affirmation that they have complied with the Code of Conduct for the financial year under review and that there are no instances of conflict of interest during the year. Further, in accordance with the Provisions of the Companies Act, 2013, and the relevant provisions of SEBI (Mutual Funds) Regulations, 1996, directors submit the statutory disclosures periodically which includes all entities in which the Directors have interests or concerns, including shareholdings. The Company has also formulated the Policy on Related Party Transactions for providing guidelines in relation to identification of Related Parties. The Company's Code of Conduct is available on the Company's website at <https://mutualfund.adityabirlacapital.com/shareholders/corporate-governance>;



## Business Responsibility &amp; Sustainability Report (Contd.)

**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe****ESSENTIAL INDICATORS**

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Type	FY24 (Current FY)	FY23 (Previous FY)	Details of improvement in environmental and social impacts
Research & Development (R&D)	The Company is engaged in the service industry hence this disclosure is not applicable.		
Capital Expenditure (CAPEX)	<p>Given the nature of the Company's business, CAPEX investments are largely made in IT hardware and software to enhance the Company's digital ecosystem.</p> <p>The Company intends to continue its commitment to reduce its impact on the environment. To this end, it has consistently invested in technology to enable the creation of a digital environment or ecosystem to best support the Organisation's business needs and priorities.</p> <p>The Company's initiative to shift towards 'green' methods of conducting business, such as shift towards electronic transactions, eliminating paper reports and forms where possible, recycling and reducing waste in all premises, etc., form part of our contribution towards this cause.</p>		

2. a Does the entity have procedures in place for sustainable sourcing? (Yes/No)  
No. Given the nature of the Company's business, the Company sources materials only for running its operations. However, the Company does follow broad-based responsible practices as part of its efforts for sourcing for its operations.
- b. If yes, what percentage of inputs were sourced sustainably? Not applicable
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste. Not applicable
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same. Not Applicable

**LEADERSHIP INDICATORS**

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No) If yes provide web-link
Given that the Company's core focus is in the Financial Services sector, this indicator is not applicable					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
-	-	-

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY24 (Current FY)	FY23 (Previous FY)
-	-	-



## Business Responsibility & Sustainability Report (Contd.)

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY24 (Current FY)			FY23 (Previous FY)		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)						
E-waste	Not applicable, given that the Company's core business of financial services does not involve products and packaging material to be reclaimed at the end-of-life stage					
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate Product Category	Reclaimed products and their packaging materials as % of total products sold in respective category
-	-

### PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains.

#### ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	%(B/A)	No. (C)	%(C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
<b>Permanent Employees</b>											
Male	930	930	100%	930	100%	NA	NA	930	100%	-	-
Female	349	349	100%	349	100%	349	100%	NA	NA	349	100%
<b>Total</b>	<b>1279</b>	<b>1279</b>	<b>100%</b>	<b>1279</b>	<b>100%</b>	<b>349</b>	<b>27%</b>	<b>930</b>	<b>73%</b>	<b>349</b>	<b>27%</b>
<b>Other than Permanent Employees</b>											
Male	374	374	100%	374	100%	NA	NA	NA	NA	NA	NA
Female	64	64	100%	64	100%	64	100%	NA	NA	NA	NA
<b>Total</b>	<b>438</b>	<b>438</b>	<b>100%</b>	<b>438</b>	<b>100%</b>	<b>64</b>	<b>15%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The Company is persistently dedicated to promoting the overall well-being of its employees. To achieve this objective, the Company is implementing various initiatives. Emphasising a healthy work-life balance is a central focus, and the Company provides wellness services through partnerships, encompassing health check-ups and nutrition coaching.

Additionally, a comprehensive leave package, covering earned annual leaves, sick leave, maternity, and paternity leave, along with medical insurance coverage, is extended to all permanent employees.

- b. Details of measures for the wellbeing of workers – Not applicable
- c. Spending on measures towards well-being of employees (including permanent and other than permanent) in the following format:

	FY24 (Current FY)	FY23 (Previous FY)
Cost incurred on wellbeing measures as a % of total revenue of the company	0.52	0.53



## Business Responsibility &amp; Sustainability Report (Contd.)

## 2. Details of retirement benefits, for Current FY and Previous FY:

Benefits	FY24 Current FY		FY23 Previous FY	
	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)
Provident Fund	100%	Yes	100%	Yes
Gratuity	100%	NA	100%	NA
Employees' State Insurance	NA	NA	NA	NA

## 3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes. While the Company does not currently have any differently abled employees, they have ensured that its premises have the facility for elevators, and / or ramps wherever possible. At the Mumbai office (head office), there is availability of ramps as well as elevators, which has enabled us to create an inclusive built environment and ecosystem. Additionally, the restrooms in all our office premises have been designed to be accessible for the differently abled. The Company is committed to ensuring that its office spaces are in alignment with the guidelines provided in the Act.

## 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

As a part of the Aditya Birla Group, we adhere to the principles of equal opportunities and strive to offer fair growth and development prospects to everyone, including individuals with disabilities.

## 5. Return to work and Retention rates of permanent employees that took parental leave.

Gender	Return to work rate	Retention Rate
Male	100%	57%
Female	40%	60%
Total	86%	56%

## 6. Is there a mechanism available to receive and redress grievances for the following categories of employees? If yes, give details of the mechanism in brief.

Category	Yes/No	Details of the mechanism in brief
Permanent Employees	Yes	The Company has always followed an open-door policy, wherein any employee irrespective of their role has access to the Business Heads, HR, Legal & Compliance, Senior Management or other such members. In addition to that, a Whistle-Blower Policy has been formulated for employees and Directors to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Business Conduct and Ethics Policy.
Other than Permanent Employees*	Yes	The Company has zero tolerance for sexual harassment at the workplace and is compliant with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company also has various online training modules and awareness programmes which sensitise its employees on such issues. The Company ensures that it provides various channels of grievance redressal, and safeguards employees against any form of victimisation.

\*Other than Permanent category consists of Fixed term contract employees, interns and outsourced (housekeeping, security, office assistants etc. on the third-party payroll).

## Business Responsibility & Sustainability Report (Contd.)

### 7. Membership of employees in association(s) or Unions recognised by the listed entity:

Employees do not have any representative Union or Association.

### 8. Details of training given to employees:

Category	FY24 (Current FY)			FY23 (Previous FY)			
	Total (A)	No. (C)	% (C/A)	Total employees in respective category (D)	No. (F)	% (F/D)	
a. Details of Skill upgradation	Male	1304	811	62.19%	1126	869	77.18%
	Female	413	393	95.16%	401	324	80.80%
	<b>Total</b>	<b>1717</b>	<b>1204</b>	<b>70.12%</b>	<b>1527</b>	<b>1193</b>	<b>78.13%</b>
b. Details of Health and Safety measures	Male	1304	1221	93.63%	1126	954	84.72%
	Female	413	398	96.37%	401	394	98.25%
	<b>Total</b>	<b>1717</b>	<b>1619</b>	<b>94.29%</b>	<b>1527</b>	<b>1348</b>	<b>88.28%</b>

### 9. Details of performance and career development reviews of employees:

Category	FY24 Current FY			FY23 Previous FY		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Male	1304	893	96%	1126	836	95%
Female	413	331	95%	401	310	95%
<b>Total</b>	<b>1717</b>	<b>1224</b>	<b>96%</b>	<b>1527</b>	<b>1146</b>	<b>95%</b>

### 10. Health and safety management system:

a.	Whether an occupational health and safety management system has been implemented by the entity? (Yes/No)	Yes
	What is the coverage of such system?	As a part of our commitment to health and safety, we provide our employees with opportunities to get routine medical checks, yoga sessions, and webinars focusing on physical, mental, and emotional well-being. In line with safety norms and requirements, we also offer training sessions on fire safety and the use of firefighting equipment. Furthermore, evacuation drills are conducted periodically in our offices.
b.	What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	This is not directly applicable given the nature of business of the Company.
c.	Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)	Given the nature of the business, the Company does not have exposure to work related hazards. Hence, this indicator is not applicable.
d.	Do the employees of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes. The Company has partnered with a health care service provider which offers 24x7 online medical consultations, fitness and well-being programmes. Additionally, the Company offers regular health check-ups and medical consultation services to employees. The Company also provides its employees with group term life and personal accident cover, in addition to medical insurance.

### 11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY24 Current FY	FY23 Previous FY
Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)	Employees		
Total recordable work-related injuries			
No. of fatalities			
High consequence work-related injury or ill-health (excluding fatalities)			



## Business Responsibility &amp; Sustainability Report (Contd.)

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

The Company is committed to providing a secure and healthy work environment that empowers its employees to perform at their best while fostering a supportive ecosystem. Prioritising the safeguarding of employee rights and adherence to health and safety regulations, the Company is dedicated to addressing the concerns of employees and key stakeholders regarding health and safety.

To establish a secure workspace, the Company has implemented various measures across all its office locations throughout India. These measures include regular periodic fire safety training, managing firefighting equipment, fire drills (twice a year) and quality assurance audits to uphold safety standards in office premises across the country followed by regular health check-ups at site for all employees.

The Company provides comprehensive support to employees and their families which includes assessments of health, safety, and environmental performance, involving sanitisation, and installation of thermal scanners.

The Company remains dedicated to prioritising the creation of a safe and healthy workspace, including by conducting thermographic inspection twice a year for all electrical panels to avoid any electrical hazards.

**13. Number of Complaints on the following made by employees:**

Topic	FY24 (Current FY)			FY23 (Previous FY)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

**14. Assessments for the year:**

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	No additional assessment of ABSLAMC offices has been done by statutory authorities or third parties
Working Conditions	

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

Not applicable. Currently, the Company has not encountered or had any safety-related incidents. However, through multiple measures, including as documented above, the Company has ensured that as required, procedures and practices are in place to ensure a safe and healthy workspace.

**LEADERSHIP INDICATORS**

- Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N)  
Yes. The Company provides insurance cover to all its employees in the event of untimely death while employed with the Company.
- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Not Applicable. The Value Chain partners are expected to comply with statutory norms as per the contract entered with the Company.

## Business Responsibility & Sustainability Report (Contd.)

3. Provide the number of employees having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total no. of affected employees		No. of employees that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY24 (Current FY)	FY23 (Previous FY)	FY24 (Current FY)	FY23 (Previous FY)
	Employees	-	-	-

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No).

No. The Company believes in hiring qualified talent & continuously upskills the work force to align with the Changing business environment.

5. Details on assessment of value chain partners:

Topic	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Not Applicable. Value Chain partners are not assessed by the Company
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners: Not applicable.

### PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

#### ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity:

At ABSLAMC, stakeholders are individuals or groups contributing to or creating value for the organisation in alignment with its core vision and mission. These key stakeholder groups include employees at all management levels, shareholders, investors, customers, channel and distribution partners, knowledge management partners, regulators, lenders, and communities of beneficiaries linked to CSR programming.

The Company, in collaboration with thematic experts internally and externally, identifies key stakeholder groups. This process considers factors like the nature of partnership, location, statutory compliance requirements, regulatory actions, and the type of programming involved in the Company's initiatives. For instance, in the context of CSR projects, the Company considers factors such as location classification, designating a district as an aspirational district, when determining programming and selecting key stakeholder groups or communities that stand to benefit from these initiatives.



## Business Responsibility &amp; Sustainability Report (Contd.)

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly /others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	E-mail, Town hall sessions, Internal team meetings	Ongoing/ need based	Performance appraisal, Employee recognition and awards, Training, and career development opportunities
Shareholders	No	Quarterly earnings calls, emails, SMS, notices, website, Annual General Meeting, intimation to stock exchanges, annual/ quarterly financials and investor meetings/ conferences, investor presentation, press release, annual reports, audio recording of earnings call, transcripts, etc.	Quarterly/ need based	To provide updates on financial performance, address grievance or concerns, if any
Investors	No	Investors calls	Quarterly/ need based	To provide updates on financial performance of the Company
Customers	No	Multiple channels, including: - In-person assistance at branches - Update emails - Customer helplines and toll-free numbers	Ongoing	To provide support and handholding, and information, to customers, as required, on for example product features, and emerging risks
Distribution Partners	No	In-person communication, calls and emails	Ongoing	Providing support and training, as required
Regulators	No	E-mails and one-on-one Meetings	Ongoing/ Need based	Approval and consultations, as required, regarding circulars, guidelines, and amendments
Local Communities (CSR-Programming related)	Yes	In-person meetings, CSR Partnership, Community welfare programs	Ongoing/ need based	Monitoring of community development (CSR) activities

**LEADERSHIP INDICATORS**

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company promotes continuous and proactive interaction with its stakeholders to enhance communication regarding its strategies and performance. The Board is regularly updated on the advancements made by different departments, and feedback on these updates is actively sought from the Directors.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. The stakeholder consultations are one of the key inputs to determining the Company's material topics. As part of this process, the Company looked at the aspects each stakeholder highlighted during the engagement and prioritised them using a matrix to arrive at key material topics (different from financial materiality).



3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

Not applicable, as currently, the Company has not received complaints or flagging of concerns from vulnerable/ marginalised stakeholder groups.

## PRINCIPLE 5: Businesses should respect and promote human rights.

### ESSENTIAL INDICATORS

1. Employees who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY24 (Current FY)			FY23 (Previous FY)		
	Total (A)	No. of employees covered (B)	% (B / A)	Total (C)	No. of employees covered (D)	% (D / C)
Permanent	1279	492	38.47%	1205	540	44.81%
Other than permanent	-	-	-	-	-	-
Total Employees	1279	492	38.47%	1205	540	44.81%

2. Details of minimum wages paid to employees, in the following format:

Category	FY24 (Current FY)					FY23 (Previous FY)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Permanent Employees										
Male	930	-	-	930	100%	879	-	-	879	100%
Female	349	-	-	349	100%	326	-	-	326	100%
Other than Permanent										
Male	374	97	26%	277	74%	390	240	62%	150	38%
Female	64	33	52%	31	48%	67	48	72%	19	28%

3. Details of remuneration/salary/wages

- a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration / salary/wages of respective category	Number	Median remuneration / salary/wages of respective category
<b>Board of Directors (BoD) <sup>1</sup></b>	7	-	2	-
<b>Key Managerial Personnel (KMP) <sup>2</sup></b>	2	2,85,84,002	1	83,73,102
<b>Employees other than BoD and KMP</b>	928	7,01,658	348	6,18,788

Note 1: Only sitting fees are paid to the Independent Directors for attending the Board and its Committee Meeting.

2: The remuneration details of Key Managerial Personnel includes remuneration of Managing Director & CEO of the Company.



## Business Responsibility &amp; Sustainability Report (Contd.)

- b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY24 (Current FY)	FY23 (Previous FY)
Gross wages paid to females as % of total wages	19%	19%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, there are various committees responsible for human rights impacts and issues in the Company. For instance, the organisation maintains a zero-tolerance policy for workplace sexual harassment and adheres to the regulations concerning the establishment of Internal Complaints Committees outlined in the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 ("POSH Act").

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has zero tolerance towards and prohibits all forms of exploitative or forced labour, and any type of abuse. The Company has an Internal Committee as per the POSH Act, a Code of Conduct Committee, as well as Whistle-blower Policy to provide redressal on any grievances.

6. Number of Complaints on the following made by employees:

	FY24 (Current FY)			FY23 (Previous FY)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	1	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY24 (Current FY)	FY23 (Previous FY)
Total Complaints reported under POSH Act	1	-
Complaints on POSH as a % of female employees	0.003	-
Complaints on POSH upheld	-	-

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has an Internal Committee, in line with the POSH Act. For POSH concerns, the Internal Committee manages cases and ensures that all complaint made are kept confidential.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, the Company has included Human Rights in business agreements and contracts, where relevant.

## Business Responsibility & Sustainability Report (Contd.)

### 10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others - please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above: No significant risks observed, therefore, not applicable.

### LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

As there were no Human Rights issues recorded, no business process was modified or introduced due to this.

2. Details of the scope and coverage of any Human rights due diligence conducted: NIL

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

The company has ensured that all its facilities, including communal spaces like restrooms, are designed to be accessible for individuals with disabilities. Moreover, the company's offices are equipped with ramps and lifts to facilitate convenient movement for individuals with disabilities.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	
Discrimination at workplace	The Company expects its value chain partners to uphold the same values, principles and ethics as followed by the Company in all its dealings.
Child Labour	
Forced/involuntary Labour	
Wages	Currently, no formal assessment of value chain partners has been conducted.
Others - please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above: Not applicable in view of point no. 4

## PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

### ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameters	FY24 (Current FY)	FY23 (Previous FY)
<b>From renewable sources</b>		
Total electricity consumption (A) (GJ)	1487.68*	1247.70*
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)		
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>1487.68*</b>	<b>1247.70*</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D) (GJ)	-	-



## Business Responsibility &amp; Sustainability Report (Contd.)

Parameters	FY24 (Current FY)	FY23 (Previous FY)
Total fuel consumption (E) (GJ)	-	-
Energy consumption through other sources (F)	3.14	3.49
Total energy consumed from non-renewable sources (D+E+F) (GJ)	3.14	3.49
Total energy consumed (A+B+C+D+E+F) (GJ)	1490.82	1251.19
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.0000001121	0.000000099
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.00000256	0.00000227
Energy intensity in terms of physical output	0.87	0.82
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

\*Details for calculating figures for principles 6 on emissions, electricity consumption, and fuel consumption covers the ABSLAMC Head Office in Mumbai.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency. No

- Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. Not Applicable
- Provide details of the following disclosures related to water, in the following format:

Parameter	FY24 (Current FY)	FY23 (Previous FY)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	-	-
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	-	-
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.

No, given the nature of the Company's business, the usage of water is restricted to human consumption purpose only. Efforts have been made to consume water judiciously in the office premises. The supply of water comes under CAM at India Bull building. The Company has installed sensors and aerator taps in most of the offices. However, there is no water meter installed at any floor of the office. Water conservation, optimal utilisation and management of water are seen by the Company as not only vital for economic development but also for the survival of living beings.

## Business Responsibility & Sustainability Report (Contd.)

### 4. Provide the following details related to water discharged:

Parameter	FY24 (Current FY)	FY23 (Previous FY)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	<b>-</b>	<b>-</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

### 5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Considering the nature of business, the Company's usage of water is restricted to human consumption purpose only. However, the building has their own STP for implementing a mechanism for zero liquid discharge to consume water judiciously.

### 6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	FY24 (Current FY)	FY23 (Previous FY)
NOx		
SOx		
Particulate matter (PM)	Not applicable, as the Company is in the service industry and there are no process emissions. The Company is into service-oriented business primarily involved in flow of information and financial transactions and at the same time realises the adverse impact of direct and indirect emissions to the environment.	
Persistent organic pollutants (POP)		
Volatile organic compounds (VOC)		
Hazardous air pollutants (HAP)		
Others – please specify		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No



## Business Responsibility & Sustainability Report (Contd.)

### 7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY24 (Current FY)	FY23 (Previous FY)
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	0.23	0.26
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	-	-
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO <sub>2</sub> e	-	-
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO <sub>2</sub> e/Crore ₹	-	-
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.00000000040	0.0000000005
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

### 8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide detail

No. Currently, the Company does not have any project related to reducing Green House Gas emissions.

### 9. Provide details related to waste management by the entity, in the following format:

Parameter	FY24 (Current FY)	FY23 (Previous FY)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0.16	0.3
E-waste (B)	0.14*	1
Bio-medical waste (C)	0.19	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	0.11
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	Glass - 0.04MT	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Paper – 6.43 MT* Metal – 0.3 MT* Misc. – 0.3 MT* Total – 6.91 MT*	-
Total (A + B + C + D + E + F + G + H)	7.44	1.41
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.0056	
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0000000128	0.0000000027
Waste intensity in terms of physical output	0.00433	0.00092
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	-	-
(i) Recycled	-	-

## Business Responsibility & Sustainability Report (Contd.)

Parameter	FY24 (Current FY)	FY23 (Previous FY)
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
<b>Total</b>	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	-	-
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
<b>Total</b>	-	-

Please note\*: Details for waste generated cover the ABSLAMC Head Office in Mumbai.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency. No, the Company is in a service-oriented business primarily involved in flow of information and financial transactions, and at the same time realises the adverse impact of direct and indirect emissions to the environment.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company works closely and actively with our vendor, ViaGreen and Pad Care to recycle waste. On recycling certain amounts of waste, we earn nature or Swachh Bharat points. These nature points can then be redeemed by the Company to take up eco-friendly activities, such as tree plantation or for the purchase of recycled products such as notebooks.

With respect to strategy adopted to reduce usage of hazardous and toxic chemicals in products and processes – this is not applicable, given that the core operations of the Company’s business do not involve the usage of toxic and hazardous chemicals.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
-	-	-	-
-	-	-	-

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of the project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web Link
-	-	-	-	-	-
-	-	-	-	-	-





## Business Responsibility &amp; Sustainability Report (Contd.)

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format: Yes, the Company is compliant with all applicable environmental laws, regulations, guidelines.

**LEADERSHIP INDICATORS**

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area	Not Applicable	
(ii) Nature of operations		
(iii) Water withdrawal, consumption and discharge in the following format:		
Parameter	FY24 (Current FY)	FY23 (Previous FY)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres)</b>	-	-
<b>Total volume of water consumption (in kilolitres)</b>	-	-
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	-	-
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	-	-
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.: No

## Business Responsibility & Sustainability Report (Contd.)

### 2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY24 (Current FY)	FY23 (Previous FY)
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent		
Total Scope 3 emissions per rupee of turnover		Currently, the Company does not estimate its Scope 3 emissions.	
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

### 3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

The Company does not have any operations in ecologically sensitive areas, and therefore, no impacts to report or remediation required.

### 4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
-	-	-

### 5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes. The Company has a comprehensive Business Continuity Policy or Plan (BCP) which covers people, process and technology requirements to continue the business in the event any unforeseen threats, including but not limited to natural disasters, operational breakdowns, and damage to critical information technology systems.

The BCP DR (Disaster Recovery) plan comprises of various BCP DR strategies (for e.g. WFH model, Operating from Alternate Site etc.), BCP Policy, Crisis Management Plans, Business Impact Analysis, Functional Recovery Plan and BCP Testing & Maintenance. The plans are updated either on an annual basis or on as and when basis. The updated set of documents are accordingly placed to the Risk Management Committees for approval.

### 6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Given the nature of the business, no significant adverse impact to the environment is created. Thus, this indicator is not applicable.

### 7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impact.

During the reporting period, the Company has not conducted any assessment of value chain partners.



## Business Responsibility &amp; Sustainability Report (Contd.)

**PRINCIPLE 7: Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent****ESSENTIAL INDICATORS**

1. a) Number of affiliations with trade and industry chambers/ associations.

The Company is member of 3 (three) trade and industry chambers/ associations.

- b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. no	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Association of Mutual Funds in India - AMFI	National
2	Indian Association of Alternative Investments Funds (IAAIF)	
3	Association of Portfolio Managers in India	

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of Authority	Brief of the case	Corrective action taken
Not applicable, as no issues related to anti-competitive conduct by the entity were raised by regulatory authorities.		

**LEADERSHIP INDICATORS**

1. Details of public policy positions advocated by the entity

S. no	Public policy advocated	Method resort for such advocacy	Whether the information is available in public domain? (Yes/No)	Frequency of review by board (Annually/ Half yearly/ Quarterly/ Other- please specify)	Web Link, if available
1	The Company actively engages in investor education programme for mutual funds, in line with AMFI guidelines.	The Company has advocated, through AMFI, various governance, administration, economic and educational reforms. The Company's membership at industry associations such as AMFI serves as a medium for such advocacy.	Yes	-	-
2	The Company is the Member of APMI which strives to protect and promote the interest of the Portfolio Manager industry and its Investors.	Senior Management Team of the Company takes active part in the various forums.	Yes	-	-

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.**

**ESSENTIAL INDICATORS**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

No Social Impact Assessment has been carried out in the financial year 2023-24.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

Not Applicable. No such projects where Rehabilitation and Resettlement is being undertaken.

3. Describe the mechanisms to receive and redress grievances of the community.

The company implements the CSR project/s in partnership with credible project implementing agency, as mandated by MCA. Implementation is done through participative approach, by engaging all key stakeholders of the project, so making community part of project plan and execution process. This helps to build project ownership within the community and ensure project sustenance. CSR team engages with various stakeholders which facilitates resolution of challenges if any. This builds an institutional mechanism through which the community or any other stakeholder can reach out to the company in case of any grievances.

4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:

	FY24 (Current FY)	FY23 (Previous FY)
Directly sourced from MSMEs/ Small producers		
Directly from within India	Not Applicable	

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY24 (Current FY)	FY23 (Previous FY)
Rural	1%	1%
Semi-urban	-	-
Urban	22%	21%
Metropolitan	77%	78%

(Place to be categorised as per RBI Classification System - rural / semi-urban / urban / metropolitan)

**LEADERSHIP INDICATORS**

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	



## Business Responsibility &amp; Sustainability Report (Contd.)

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount Spent (In ₹)
1	Uttar Pradesh	District Name: Siddharth Nagar Activity: Improving quality of education through Strengthening school infrastructure for conducive learning environment	63,69,971
2	Uttar Pradesh	District Name: Shravasti Activity: Improving quality of education through Strengthening school infrastructure for conducive learning environment	36,81,806
3	Jharkhand	District Name: Latehar Activity: Sustainable livelihood opportunity for women, ensuring food security	36,22,800
4	Jharkhand	District Name: Gumla Activity: Sustainable livelihood opportunity for women, ensuring food security	11,377,200
5	Odisha	District Name: Kalahandi Activity: Support to orphanages towards better facility for WASH and education	3,91,990
6	Odisha	District Name: Karaput Activity: Support to orphanages towards better facility for WASH and education	10,354

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No): No  
 (b) From which marginalised /vulnerable groups do you procure?: Not Applicable  
 (c) What percentage of total procurement (by value) does it constitute?: Not Applicable
4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.

Sl No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
		Not Applicable		

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved. Not Applicable

Name of authority	Brief of the Case	Corrective action taken
	Not Applicable	

6. Details of beneficiaries of CSR Projects.

S.no	CSR Project	No of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalised group
1	Health		
	1. Diagnosis, treatment, nutrition and other support to cancer patients		
	2. Cancer Care Units strengthening	1,46,336	51%
	3. Awareness and Screening for Mental Health		
	4. Counselling and treatment support		
2	Education		
	1. Upgrading school infrastructure	50,560	58%
	2. Improving enrolment		
	3. Mobile Science labs catering to schools for experiential science learning		
3	Women Empowerment and Sustainable Livelihood		
	1. Women Entrepreneurship training and financial literacy		
	2. Goatery based livelihood program for women	64,850	100%
	3. Soil & Water Conservation		
	4. Women SHG strengthening		
	5. Women Farmer training		

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in responsible manner**

**ESSENTIAL INDICATORS**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company has a robust mechanism in place for managing customer complaints and grievances. All complaints and grievances are tracked and managed in the CRM system. The system has a provision to capture all types of complaints raised by a customer. Turnaround time is defined at a sub type level of the complaints. There is a proper escalation matrix as well defined in the system for automatic escalation of grievances to the next level.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

Type	As a percentage to total turnover
Environment and social parameters relevant to the product	
Safe and responsible usage	Not Applicable
Recycling and/or safe disposal	

**3. Number of consumer complaints in respect of the following:**

	FY24 (Current FY)			FY23 (Previous FY)		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other ( Consumer Complaints filed before Consumer Courts)	1	1	-	4	3	-

**4. Details of instances of product recalls on account of safety issues**

	Number	Reasons for recall
Voluntary recalls		
Forced recalls	Not Applicable	Not Applicable

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, the Company has a strong risk management framework wherein risk and its mitigation are monitored by the Risk Management Committee. The Privacy Policy of the Company is available on website of the Company at <https://mutualfund.adityabirlacapital.com/privacy-policy>;



## Business Responsibility & Sustainability Report (Contd.)

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not applicable. Since no such incidents were reported, currently, the Company has not taken corrective action.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches - NIL
- b. Percentage of data breaches involving personally identifiable information of customers - NIL
- c. Impact, if any, of the data breaches - Not applicable, since there were no data breaches.

### LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The information on various products of the Company is available on

- <https://mutualfund.adityabirlacapital.com/>
- All leading Fintech Platforms
- Distributors
- MF Center: [www.mfcenter.com](http://www.mfcenter.com)
- ABSLAMC Branches
- CAMS Service Centers

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Given the nature of the business, there is limited applicability of this indicator.

However, the Company complies with all disclosure requirements relating to its products and services, as per AMFI and SEBI guidelines on product labelling within risk and disclosure categories.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Given the nature of the business, there is limited applicability of this indicator.

However, a Business Continuity Plan (BCP) is in place for the Company's Call Centre & branches to service the customer in case of disruption of services. At the Branch, relevant communication has been passed on the Sales and Distribution teams in the event of services disruption/ discontinuation. For call centres, relevant communication has been placed on IVR & on the website for the customers to refer to- regarding service recovery and alternate arrangements.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)? If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole?

(Yes/No)

Given the nature of the business, there is limited applicability of this indicator. The Company prepares Scheme Information Documents, Key Information Memorandum which provides the information about the Schemes launched by it and complies with disclosure requirements as per SEBI/ AMFI.



# Independent Auditor's Report

To,  
The Members of  
**Aditya Birla Sun Life AMC Limited**

## REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying standalone financial statements of Aditya Birla Sun Life AMC Limited ("the Company"), which comprise the Balance sheet as at 31<sup>st</sup> March, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities

for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements for the financial year ended 31<sup>st</sup> March, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key Audit Matter	How our audit addressed the key audit matter
<b>Revenue from Asset Management and Advisory Fees and Portfolio Management Fees</b> (as described in Note 2(xiv) of the standalone financial statements)	
Revenue from operations is the most significant balance in the Statement of Profit and Loss. It majorly comprises of: <ul style="list-style-type: none"><li>• Asset Management and Advisory Fees amounting to ₹ 1,263.60 Crore.</li><li>• Management Fees from Portfolio Management and Other Services amounting to ₹ 66.58 Crore.</li></ul>	We have performed the following procedures in relation to the revenue recognised during the year: <ul style="list-style-type: none"><li>• Obtained and read the accounting policy for revenue recognition.</li><li>• Obtained an understanding of the significant revenue items and identified where there is a higher risk of error due to manual processes, complex contractual terms, and areas of judgement.</li></ul>



Key Audit Matter	How our audit addressed the key audit matter
<p>There are inherent risks in computing the different revenue streams including manual input of key contractual terms and computation of applicable Assets Under Management (AUM), which could result in errors. Considering the complexity in contractual terms involving multiple schemes, it requires monitoring to ensure all financial terms and conditions are captured accurately and applied appropriately.</p> <p>Any discrepancy in such computation could give rise to a material misstatement in the financial statements.</p> <p>Accordingly, we have considered revenue from asset management and advisory fees and management fees from portfolio management as a key audit matter.</p>	<ul style="list-style-type: none"> <li>• Tested the design and operating effectiveness of key controls in place across the Company relevant to recognition of Management Fees.</li> <li>• On a sample basis, obtained and tested arithmetical accuracy of revenue calculation and the reconciliation with the accounting records.</li> <li>• On sample basis, verified the input of contractual terms with rates approved by the management.</li> <li>• On a sample basis, checked the receipts of such income in bank statements.</li> <li>• Obtained and read the investment management fee certification report, issued by statutory auditors of mutual fund schemes and reconciled the certified amount with the accounting records.</li> <li>• Re-calculated Asset Management and Advisory Fees and Portfolio Management Services Fees in respect of certain sample contracts and compared with the actual fees charged by the Company for such contracts.</li> <li>• Evaluated the disclosure relating to management fee income earned by the Company.</li> </ul>

We have determined that there are no other key audit matters to communicate in our report.

### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

When we read such other information, if we conclude that there is a misstatement therein, we are required to communicate the matter to those charged with governance and to comply with the relevant applicable requirements of the standard on auditing for auditor's responsibility in relation to other information in documents containing audited standalone financial statements. We have nothing to report in this regard.

### Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to

the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists,

we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended 31<sup>st</sup> March, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.



2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (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 except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);
  - (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (h) In our opinion, the managerial remuneration for the year ended 31<sup>st</sup> March, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 23 to the standalone financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
    - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company

- shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement;
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 50 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend;

- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature was not enabled for direct changes to data when using certain access rights, as described in note 48 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

**For S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Rutushtra Patell**

Partner

Membership Number: 123596

UDIN: 24123596BKCIBE2260

Place of Signature: Mumbai

Date: 26<sup>th</sup> April, 2024



# ANNEXURE 1

Referred to in paragraph 1 under the heading "Report On Other Legal and Regulatory Requirements" of our report of even date

**Re: Aditya Birla Sun Life AMC Limited (hereinafter referred to as 'the Company')**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended 31<sup>st</sup> March, 2024.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ five Crore in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company..
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.



- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of the Dues	Amount (₹ in Crore)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	0.71	AY 1995-96	High Court
Income Tax Act, 1961	Income Tax	2.74	AY 2000-01	High Court
Income Tax Act, 1961	Income Tax	0.07	AY 2008-09	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	1.20	AY 2009-10	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	0.25	AY 2010-11	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	0.06	AY 2011-12	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	0.19	AY 2012-13	Commissioner of Income Tax Appeal
Income Tax Act, 1961	Income Tax	0.17	AY 2013-14	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	0.18	AY 2014-15	Commissioner of Income Tax Appeal
Income Tax Act, 1961	Income Tax	0.50	AY 2017-18	Commissioner of Income Tax Appeal
Income Tax Act, 1961	Income Tax	1.20	AY 2018-19	Commissioner of Income Tax Appeal
Income Tax Act, 1961	Income Tax	4.46	AY 2020-21	Commissioner of Income Tax Appeal
Income Tax Act, 1961	Income Tax	2.39	AY 2020-21	Commissioner of Income Tax Appeal
Income Tax Act, 1961	Income Tax	0.14	AY 2021-22	Dispute Resolution Panel
Income Tax Act, 1961	Income Tax	0.14	AY 2022-23	Commissioner of Income Tax Appeal

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.





- (c) We have taken into consideration the whistle-blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) The Group has two Core Investment Company as part of the Group.
- (xvii) The Company has not incurred cash losses in the current financial year or the previous financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 37 to the financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 29 to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 29 to the financial statements.

**For S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Rutushtra Patell**

Partner

Membership Number: 123596

UDIN: 24123596BKCIB2260

Place of Signature: Mumbai

Date: 26<sup>th</sup> April, 2024

# ANNEXURE 2

To The Independent Auditor's Report of even date on The Standalone Financial Statements of Aditya Birla Sun Life AMC Limited

To,  
The Members of  
**Aditya Birla Sun Life AMC Limited**

## **REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")**

We have audited the internal financial controls with reference to standalone financial statements of Aditya Birla Sun Life AMC Limited ("the Company") as of 31<sup>st</sup> March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance

about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements**

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



regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to Standalone Financial Statements**

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

### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting

with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31<sup>st</sup> March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Rutushtra Patell**

Partner

Membership Number: 123596

UDIN: 24123596BKCIBE2260

Place of Signature: Mumbai

Date: 26<sup>th</sup> April, 2024

# Standalone Balance Sheet

as at 31<sup>st</sup> March, 2024

(₹ in Crore)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>I ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and Cash Equivalents	3	10.36	6.49
(b) Bank Balances other than (a) above	4	0.46	49.17
(c) Receivables			
(i) Trade Receivables	5	32.95	19.53
(d) Investments	6	3,191.21	2,428.18
(e) Other Financial Assets	7	13.65	59.42
<b>Total Financial Assets</b>		<b>3,248.63</b>	<b>2,562.79</b>
<b>(2) Non-Financial Assets</b>			
(a) Current tax assets (net)		17.69	41.98
(b) Property, Plant and Equipment	8.1	29.74	18.57
(c) Capital work-in-progress	8.1	0.62	1.05
(d) Intangible assets under development	8.2	1.32	1.03
(e) Other Intangible Assets	8.2	10.88	8.77
(f) Right of use Assets	33	67.99	41.39
(g) Other non-Financial Assets	9	105.92	101.04
<b>Total Non-Financial Assets</b>		<b>234.16</b>	<b>213.83</b>
<b>Total Assets</b>		<b>3,482.79</b>	<b>2,776.62</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) Financial Liabilities</b>			
(a) Payables			
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	10	0.04	0.19
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	10	57.88	48.23
(b) Lease Liabilities	33	76.97	46.72
(c) Other Financial Liabilities	11	64.49	49.05
<b>Total Financial Liabilities</b>		<b>199.38</b>	<b>144.19</b>
<b>(2) Non-Financial Liabilities</b>			
(a) Current tax liabilities (net)		3.46	10.68
(b) Provisions	12	43.73	40.69
(c) Deferred tax liabilities (net)	13	61.37	34.75
(d) Other non-financial liabilities	14	20.35	37.36
<b>Total Non-Financial Liabilities</b>		<b>128.91</b>	<b>123.48</b>
<b>(3) Equity</b>			
(a) Equity Share Capital	15	144.05	144.00
(b) Other Equity	16	3,010.45	2,364.95
<b>Total Equity</b>		<b>3,154.50</b>	<b>2,508.95</b>
<b>Total Liabilities and Equity</b>		<b>3,482.79</b>	<b>2,776.62</b>

Corporate Information and Material Accounting Policies 1 & 2  
The accompanying Notes are an integral part of the Financial Statements. 23-51

As per our report of even date attached

**For S.R. Batliboi & Co. LLP**

Chartered Accountants  
Firm Reg. No. 301003E/E300005

**Rutushtra Patell**  
Partner  
Membership No. 123596

Place: Mumbai  
Date: 26<sup>th</sup> April, 2024

For and on behalf of the Board of Directors of

**Aditya Birla Sun Life AMC Limited**

**Vishakha Mulye**  
Director  
DIN: 00203578

**Parag Joglekar**  
Chief Financial Officer

Place: Mumbai  
Date: 26<sup>th</sup> April, 2024

**A. Balasubramanian**  
Managing Director and CEO  
DIN: 02928193

**Prateek Savla**  
Company Secretary

ACS No. 29500



# Standalone Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2024

(₹ in Crore)

Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Income</b>			
<b>Revenue from Operations</b>			
Fees and Commission income	17	1,330.18	1,205.23
<b>Total Revenue from Operations</b>		<b>1,330.18</b>	<b>1,205.23</b>
Other Income	18	285.94	126.34
<b>Total Income (A)</b>		<b>1,616.12</b>	<b>1,331.57</b>
<b>Expenses</b>			
Finance Cost	19	5.55	3.85
Employee Benefit Expense	20	306.69	262.90
Fees and Commission Expense		35.06	22.87
Depreciation and Amortisation Expense	21	33.55	33.27
Other Expense	22	233.25	220.27
<b>Total Expenses (B)</b>		<b>614.10</b>	<b>543.16</b>
<b>Profit Before Tax (C = A-B)</b>		<b>1,002.02</b>	<b>788.41</b>
<b>Income Tax Expense</b>			
Current tax		201.28	187.61
Short/(Excess) Provision for Current Tax related to Prior Years (Net)		(0.11)	0.31
Deferred tax		26.62	9.56
<b>Income Tax Expense (D)</b>	13	<b>227.79</b>	<b>197.48</b>
<b>Profit for the year (E = C - D)</b>		<b>774.23</b>	<b>590.93</b>
<b>Other Comprehensive Income</b>			
A Items that will not be reclassified to profit or loss			
(i) Re-measurement gains/(losses) on defined benefit plans		(0.82)	(1.68)
(ii) Income tax relating to the items that will not be reclassified to the Profit and Loss		0.21	0.42
<b>Other Comprehensive Income for the Year (F)</b>		<b>(0.61)</b>	<b>(1.26)</b>
<b>Total Comprehensive Income for the Year (G = E+F)</b>		<b>773.62</b>	<b>589.67</b>
<b>Earnings per share of ₹ 5 each</b>	27		
- Basic		<b>26.87</b>	<b>20.52</b>
- Diluted		<b>26.81</b>	<b>20.46</b>
Corporate Information and Material Accounting Policies	1 & 2		
The accompanying Notes are an integral part of the Financial Statements.	23-51		

As per our report of even date attached  
For S.R. Batliboi & Co. LLP

Chartered Accountants  
Firm Reg. No. 301003E/E300005

**Rutushtra Patell**  
Partner  
Membership No. 123596

Place: Mumbai  
Date: 26<sup>th</sup> April, 2024

For and on behalf of the Board of Directors of  
Aditya Birla Sun Life AMC Limited

**Vishakha Mulye**  
Director  
DIN: 00203578

**Parag Joglekar**  
Chief Financial Officer

Place: Mumbai  
Date: 26<sup>th</sup> April, 2024

**A. Balasubramanian**  
Managing Director and CEO  
DIN: 02928193

**Prateek Savla**  
Company Secretary  
ACS No. 29500

# Standalone Statement of Cash Flow

for the year ended 31<sup>st</sup> March, 2024

(₹ in Crore)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Cash Flow from Operating activities</b>		
Profit Before Tax	<b>1,002.02</b>	<b>788.41</b>
<b>Adjustments for:</b>		
Depreciation and Amortisation	33.55	33.27
Finance cost	5.55	3.85
Profit on Sale of Investments (net)	(29.29)	(28.32)
Dividend on Investments	(2.73)	(0.11)
Fair valuation of investments	(229.84)	(78.76)
Loss or (Profit) on Sale of Property, Plant & Equipment (net)	(0.04)	(0.14)
Share-based payments by the Company	23.08	30.73
Interest on Fixed Deposits and Investments	(19.09)	(14.77)
Rent concession	(1.78)	(1.17)
<b>Operating Profit before working capital changes</b>	<b>781.43</b>	<b>732.99</b>
(Increase)/Decrease in Trade Receivables	(13.43)	0.18
(Increase)/Decrease in Other Financial Assets	94.48	(57.96)
(Increase)/Decrease in Other Non-Financial Assets	(5.24)	(46.43)
Increase/(Decrease) in Trade Payables	9.50	18.15
Increase/(Decrease) in Other Financial Liabilities	15.44	(14.17)
Increase/(Decrease) in Provisions	3.05	3.69
Increase/(Decrease) in Other Non-Financial Liabilities	(17.83)	11.10
<b>Cash generated from Operations</b>	<b>867.40</b>	<b>647.55</b>
Income Tax paid (net)	(183.89)	(179.55)
<b>Net cash generated from Operating activities</b>	<b>683.51</b>	<b>468.00</b>
<b>Cash Flow from Investing activities</b>		
Purchase of Property, Plant and Equipment and Intangible Assets	(30.57)	(19.09)
Sale proceeds from Property, Plant and Equipment and Intangible Assets	0.53	0.34
Interest on Fixed Deposits and Investments	12.81	13.41
Dividend on Investments	2.73	0.11
Purchase of Investments	(2,455.37)	(2,227.76)
Sale of Investments	1,957.80	2,098.59
<b>Net cash generated/(used) in investing activities</b>	<b>(512.07)</b>	<b>(134.40)</b>



# Standalone Statement of Cash Flow (Contd.)

for the year ended 31<sup>st</sup> March, 2024

(₹ in Crore)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Cash Flow from Financing activities</b>		
Final/Interim Dividend Paid during the year (including tax thereon)	(151.22)	(312.48)
Lease Liability - Interest Portion (refer note 33)	(5.55)	(3.85)
Lease Liability - Principal Portion (refer note 33)	(10.85)	(17.33)
Proceeds from issuance of Share Capital (Refer note 15)	0.05	-
<b>Net cash used in financing activities</b>	<b>(167.57)</b>	<b>(333.66)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>3.87</b>	<b>(0.06)</b>
Cash and Cash Equivalents at beginning of the year	6.49	6.55
Cash and Cash Equivalents at end of the year ( Refer Note 3 )	<b>10.36</b>	<b>6.49</b>

- a.) Statement of cash flows have been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standard) Rules, 2015.
- b.) Cash and cash equivalents include in the Statement of cash flows comprise the following:
- |   |       |      |
|---|-------|------|
| Cash and cash equivalents disclosed under Financial Assets: | 10.36 | 6.49 |
|---|-------|------|

As per our report of even date attached

**For S.R. Batliboi & Co. LLP**

Chartered Accountants  
Firm Reg. No. 301003E/E300005

**Rutushtra Patell**

Partner

Membership No. 123596

Place: Mumbai

Date: 26<sup>th</sup> April, 2024

For and on behalf of the Board of Directors of

**Aditya Birla Sun Life AMC Limited**

**Vishakha Mulye**

Director

DIN: 00203578

**Parag Joglekar**

Chief Financial Officer

Place: Mumbai

Date: 26<sup>th</sup> April, 2024

**A. Balasubramanian**

Managing Director and CEO

DIN: 02928193

**Prateek Savla**

Company Secretary

ACS No. 29500



# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2024

## A. EQUITY SHARE CAPITAL

(₹ in Crore)

Equity shares issued, subscribed and fully paid	No. of shares	Amount
<b>As 1<sup>st</sup> April, 2022 (Face Value ₹ 5)</b>	288,000,000	144.00
Issued during the year (Refer note 15)	-	-
<b>As 31<sup>st</sup> March, 2023 (Face Value ₹ 5)</b>	<b>288,000,000</b>	<b>144.00</b>
Issued during the year (Refer note 15)	91,213	0.05
<b>At 31<sup>st</sup> March, 2024 (Face Value ₹ 5)</b>	<b>288,091,213</b>	<b>144.05</b>

## B. OTHER EQUITY

For the year ended 31<sup>st</sup> March, 2024

(₹ in Crore)

Particulars	Reserve and Surplus				Share Application Pending Allotment	Total Equity
	Retained Earnings	General Reserve	Securities Premium	Share Option Outstanding Account		
<b>Balance as at 1<sup>st</sup> April, 2023</b>	<b>2,278.66</b>	<b>8.05</b>	-	<b>78.24</b>	-	<b>2,364.95</b>
Profit for the year	774.23	-	-	-	-	774.23
Other Comprehensive Income for the year	(0.61)	-	-	-	-	(0.61)
<b>Total Comprehensive Income for the year</b>	<b>773.62</b>	-	-	-	-	<b>773.62</b>
Transfer from Share Options Outstanding Account to Securities Premium (towards options exercised)	-	-	5.72	(5.72)	-	-
Options exercised but pending allotment	-	-	-	-	0.01	0.01
Options lapsed during the year	-	0.81	-	(0.81)	-	-
Share-based payments by the Company (Refer note 20 and 35)	-	-	-	23.09	-	23.09
Final Dividend paid to Equity shareholders for Fiscal year 2022-23 (Refer note 16)	(151.22)	-	-	-	-	(151.22)
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>2,901.06</b>	<b>8.86</b>	<b>5.72</b>	<b>94.80</b>	<b>0.01</b>	<b>3,010.45</b>



# Statement of Changes in Equity (Contd.)

for the year ended 31<sup>st</sup> March, 2024

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

(₹ in Crore)

Particulars	Reserve and Surplus				Total Equity
	Retained Earnings	General Reserve	Securities Premium	Share Option Outstanding Account	
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>2,001.46</b>	<b>6.87</b>	-	<b>48.28</b>	<b>2,056.61</b>
Profit for the year	590.93	-	-	-	590.93
Other Comprehensive Income for the year	(1.26)	-	-	-	(1.26)
<b>Total Comprehensive Income</b>	<b>589.67</b>	-	-	-	<b>589.67</b>
Options lapsed during the year		1.18		(1.18)	-
Share-based payments by the Company (Refer note 20 and 35)	-			31.14	31.14
Interim Dividend paid to Equity shareholders for Fiscal year 2022-23 (Refer note 16)	(144.00)	-	-	-	(144.00)
Final Dividend paid to Equity shareholders for Fiscal year 2021-22 (Refer note 16)	(168.48)	-	-	-	(168.48)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>2,278.66</b>	<b>8.05</b>	-	<b>78.24</b>	<b>2,364.95</b>

As per our report of even date attached  
For **S.R. Batliboi & Co. LLP**

Chartered Accountants  
Firm Reg. No. 301003E/E300005

**Rutushtra Patell**  
Partner  
Membership No. 123596

Place: Mumbai  
Date: 26<sup>th</sup> April, 2024

For and on behalf of the Board of Directors of  
**Aditya Birla Sun Life AMC Limited**

**Vishakha Mulye**  
Director  
DIN: 00203578  
**Parag Joglekar**  
Chief Financial Officer

Place: Mumbai  
Date: 26<sup>th</sup> April, 2024

**A. Balasubramanian**  
Managing Director and CEO  
DIN: 02928193  
**Prateek Savla**  
Company Secretary  
ACS No. 29500

# Material accounting policies

and other explanatory information (notes) forming part of the Standalone financial statements for the year ended 31<sup>st</sup> March, 2024

## NOTE: 1 CORPORATE INFORMATION

The Company is a public listed entity, and its registered office is situated at One World Centre, Tower 1, 17<sup>th</sup> Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013. The Company was incorporated under the provisions of the Companies Act on 5<sup>th</sup> September, 1994. As at 31<sup>st</sup> March, 2024 Aditya Birla Capital Limited and Sun Life (India) AMC Investments Inc., Promoters and Promoters Group, owns 75.32% of the Company's equity share capital. The equity shares of the Company have been listed on National Stock Exchange of India Limited and Bombay Stock Exchange Limited since 11<sup>th</sup> October, 2021.

The Company is registered with Securities and Exchange Board of India (SEBI) under the SEBI (Mutual Funds) Regulations, 1996 and the principal activity is to act as an investment manager to Aditya Birla Sun Life Mutual Fund. The Company is also registered under the SEBI (Portfolio Managers) Regulations, 1993 and provides Portfolio Management Services ("PMS") and investment advisory services to offshore funds and high net worth investors. The Company also acts as an Investment Manager to Aditya Birla Real Estate Funds (Category II) registered with SEBI. Further, the Company has also received SEBI registration for Alternative Investment Fund (AIFs) Category III namely Aditya Birla Sun Life AIF Trust – I and AIF Category II namely Aditya Birla Sun Life AIF Trust – II. The Company has been operating in GIFT-IFSC (Gujarat International Finance Tec-City- International Financial Services Centre) as a Branch to cater to its international business, to expand its reach and service global clients, including NRIs for investing in India.

## NOTE: 2 MATERIAL ACCOUNTING POLICIES

### i. Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division III Schedule III to the Companies Act, 2013, as applicable to the Standalone Financial Statements.

The Standalone Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial instruments, measured at fair value
- Gratuity plan assets, measured at fair value
- Share-based payments, measured at fair value

The Financial Statements are presented in Indian rupees and all values are rounded to the nearest Crore, except when otherwise indicated. The Company has changed its presentation of financial figures to the nearest Crore from Lakh. Previous year's have been changed to the nearest Crore accordingly.

The standalone financial statements were approved for issue by the Company's Board of Directors on 26<sup>th</sup> April, 2024.

### ii. Presentation of Financial Statements

The Company presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 34.

### iii. Use of estimates

The preparation of the Financial Statements in conformity with the Indian Accounting Standards (Ind AS) requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities as of the date of financial statements and the reported amount of revenue and expenses during the reporting year. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results may differ



# Material accounting policies

and other explanatory information (notes) forming part of the Standalone financial statements for the year ended 31<sup>st</sup> March, 2024

from those estimates and assumptions used in preparing the accompanying financial statements. Any revision to the accounting estimates will be recognised prospectively in the current and future years.

Significant estimates and judgements used for: -

- Estimates of useful lives and residual value of property, plant and equipment, and other intangible assets (Refer Note 8.1 and 8.2)
- Measurement of defined benefit obligations, actuarial assumptions (Refer Note 25)
- Recognition of deferred tax assets/liabilities (Refer Note 13)
- Recognition and measurement of provisions and contingencies (Refer Note 12 and Note 23)
- Financial instruments – Fair values, risk management and impairment of financial assets (Refer Note 6)
- Determination of lease term (Refer Note 33)
- Discount rate for lease liability (Refer Note 33)
- Estimates of Share-based payments (Refer Note 19, 25 and 35).

## iv. Functional and Presentation currency

The Financial Statements of the Company are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

## v. Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and cash in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

## vi. Property, Plant and Equipment

Property, Plant and equipment are stated at their cost of acquisition less accumulated depreciation, and accumulated impairment losses. The cost of acquisition is inclusive of taxes (except those which are refundable), duties, freight and other incidental expenses related

to acquisition and installation of the assets. As on 1<sup>st</sup> April, 2017 i.e. its date of transition to IND AS, the Company has used Indian GAAP carrying value as deemed costs. All other repair and maintenance costs are recognised in profit or loss as incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

## vii. Capital Work-in-Progress

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

## viii. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. As at 1<sup>st</sup> April, 2017 i.e. its date of transition to Ind AS, the Company has used Indian GAAP carrying value as deemed cost. An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

# Material accounting policies

and other explanatory information (notes) forming part of the Standalone financial statements for the year ended 31<sup>st</sup> March, 2024

## ix. Intangible assets under development

The intangible assets under development includes cost of intangible assets that are not ready for their intended use less accumulated impairment losses.

## x. Depreciation on Property, Plant and Equipment

Depreciation on property, plant and equipment is provided on a straight-line basis at the rates and useful life as prescribed in Schedule II of the Companies Act, 2013 or as determined by the management based on technical advice, except assets individually costing less than ₹ 5,000 which are fully depreciated in the year of purchase / acquisition. Depreciation commences when assets are ready for its intended use.

Following is the summary of useful life of the assets as per management estimates and as required by the Companies Act, 2013.

No.	Particulars	Useful life (In Years)	
		Estimated Useful Life	Useful Life as Prescribed by Schedule II of the Companies Act, 2013
<b>A Depreciation on Property, Plant and Equipment</b>			
1	Computers		
	- Server and networking*	3 Years	6 Years
	- Other	3 Years	3 Years
2	Office Equipment	5 Years	5 Years
3	Vehicles - Motor Car *	5 Years	8 Years
4	Furniture and Fixtures*	5 Years	10 Years
5	Mobile Phone (Included in office equipment)	2 Years	Not specified
6	Leasehold Improvements	Over the primary period of the lease term or 3 years, whichever is less	Not specified
<b>B Amortisation of Intangible assets</b>			
1	Investment Management Rights	10 Years	Not specified
2	Software	3 Years	Not specified

\* Based on technical advice, Management believes that the useful life of assets reflect the periods over which they are expected to be used.

Depreciation on assets sold during the year is recognised on a pro-rata basis in the Statement of Profit and Loss from/ till the date of acquisition/ sale.

## xi. Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated impaired when the carrying cost of an asset or cash-generating unit's (CGU) exceeds its recoverable value. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The recoverable amount is the greater

of the assets' or CGU's fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting year and adjusted prospectively, if appropriate. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.



# Material accounting policies

and other explanatory information (notes) forming part of the Standalone financial statements for the year ended 31<sup>st</sup> March, 2024

over its remaining useful life. An impairment loss, if any, is charged to Statement of Profit and Loss Account in the year in which an asset is identified as impaired. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

## xii. Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1:** Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- **Level 2:** Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## xiii. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument to another entity.

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

All financial instruments are recognised initially at fair value, with the exception of trade receivables. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Trade receivables that do not contain a significant financing component for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on trade date while, loans and borrowings are recognised net of directly attributable transactions costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: financial assets comprising amortised cost, debt instruments at fair value through other

# Material accounting policies

and other explanatory information (notes) forming part of the Standalone financial statements for the year ended 31<sup>st</sup> March, 2024

comprehensive income (FVTOCI), equity instruments at FVTOCI, financial assets at fair value through profit and loss account (FVTPL) and financial liabilities at amortised cost or FVTPL. The classification of financial instruments depends on the contractual cash flow characteristics and the objective of the business model for which it is held and whether the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal outstanding.

Management determines the classification of its financial instruments at initial recognition.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

## Classification of Financial assets:

### a) Financial assets at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

The Company determines its business model at the level that best reflects how it manages financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- Reports reviewed by the entity's key management personnel on the performance of financial assets
- The risks that affect the performance of the business model (and the financial assets held

within that business model) and, in particular, the way those risks are managed

- The compensation of the managing teams (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of trades.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the year for which the interest rate is set.

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

Financial assets at amortised cost are represented by investments in interest bearing debt instruments, trade receivables, security deposits, cash and cash equivalents, employee and other advances and other financial assets.





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## b) Debt Instruments at FVTOCI

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
- the asset's contractual cash flows represent SPPI debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs.

Fair value movements are recognised in other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain loss in Profit or Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the expected interest rate (EIR) model. Currently, the Company does not hold any interest-bearing debt instrument that qualifies to be classified under this category.

## c) Equity instruments at FVTOCI

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL, described below. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which are not subsequently recycled to Profit or Loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Currently, the Company has not classified any equity instrument at FVTOCI.

## d) Financial assets at FVTPL

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

categorisation as at amortised cost or as FVTOCI, is classified as FVTPL. In addition, the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss. For all equity instruments at FVTPL, dividend is recognised in Profit or Loss when the right of payment has been established.

## Financial liabilities

### a) Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by trade and other payables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### b) Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to statement of Profit & Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

# Material accounting policies

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## Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## xiv. Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Revenue from contracts with customers is recognised when control of services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

**Step 1:** Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

**Step 2:** Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

**Step 3:** Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties.

**Step 4:** Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

**Step 5:** Recognise revenue when (or as) the Company satisfies a performance obligation.

### I. Rendering of services

The Company principally generates revenue by providing asset management services to Aditya Birla Sun Life Mutual Fund and other clients.

- a) Management fees are recognised on accrual basis at specific rates, applied on the average daily net assets of each scheme. The fees charged are in accordance with the terms of Scheme Information Documents of respective schemes and are in line with the provisions of SEBI (Mutual Funds) Regulations, 1996 as amended from time to time.
- b) Portfolio Management Fees and Advisory Fees are recognised on an accrual basis as per the terms of the contract with the customers.
- c) Management fees from other services are recognised on an accrual basis as per the terms of the contract with the customers at specific rates applied on net assets.

These contracts include a single performance obligation (series of distinct services) that is satisfied over time and the management fees and/or advisory fees earned are considered as variable consideration.

If the consideration promised in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for rendering the promised services to a customer. The amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if an entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

### II. Dividend and Interest Income

- a) Dividend income is recognised when the Company's right to receive dividend is established, it is probable that economic benefits associated with dividend will flow to the entity and the amount of dividend can be measured reliably. This is generally when shareholders approve the dividend.
- b) Interest income from financial assets, is recognised on a time proportion basis, taking into account the amount outstanding and the rate applicable.

## xv. Foreign currency transactions and balances

The Company's Financial Statements are presented in INR, which is also the functional currency. Transactions



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in foreign currency are recorded at the rate of exchange prevailing on the date of transaction.

Foreign currency monetary items are reported using closing rate of exchange at the end of the year. The resulting exchange gain/loss is reflected in the Statement of Profit and Loss. Other non-monetary items, like Property Plant & Equipment and Intangible Assets are carried in terms of historical cost using the exchange rate at the date of transaction.

## xvi. Employee Benefits

**a) Provident Fund:** Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

**b) Gratuity:** The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements are not reclassified to profit or loss in subsequent years.

Past service costs are recognised in profit or loss on the earlier of:

- The date of plan amendment or curtailment
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
  - Net interest expense or income.
- c) Leave Encashment:** Provision for leave encashment is made on the basis of actuarial valuation of the expected liability. Re-measurement gains/losses are recognised as profit or loss in the year in which they arise.
- d) Long-Term Incentive Plan:** The Company has long-term incentive plan for different cadre of employees. The same is actuarially determined and assessed on yearly basis. Re-measurement gains/losses are recognised as profit or loss in the year in which they arise.

## xvii. Leases

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises right-of-use ("ROU") asset and a corresponding

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lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. The Company applies the short-term lease recognition exemption to its short-term leases of its branches/rental offices (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. For these short-term and low value leases, the Company recognises the lease payments as an expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful life of right-of-use assets (primarily buildings) range between 1 year to 9 years. The right-of-use assets are also subject to impairment. Refer Note 2(xi) on impairment of non-financial assets.

The lease liability is initially measured at the present value of the future lease payments. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount

of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment on exercise of an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## Critical accounting judgements and key sources of estimation uncertainty

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

## xviii. Earnings per share ("EPS")

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, profit after tax for the year attributable to the equity shareholders and the weighted-average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.



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## xix. Fund and Commission expenses:

Prior to 21<sup>st</sup> October, 2018 certain scheme related expenses and commission were being borne by the Company in accordance with circulars and guidelines issued by SEBI and the Association of Mutual Funds in India (AMFI). Commission paid for future period for the mutual fund schemes (including for Equity Linked Savings Schemes) until 21<sup>st</sup> October, 2018 is treated as prepaid expenses and is amortised on the contractual period and charged to Statement of Profit and Loss account unless considered recoverable from schemes. Pursuant to circulars issued by SEBI in this regard, after 21<sup>st</sup> October, 2018, these expenses, subject to some exceptions, are being borne by the mutual fund schemes. New Fund Offer (NFO) expenses on the launch of schemes are borne by the Company and recognised in profit or loss as and when incurred.

Commission is paid to the brokers for Portfolio Management and other services as per the terms of agreement entered into with respective brokers. In case of certain portfolio management schemes and other services, the brokerage expenses are amortised over the tenure of the product or commitment period. Unamortised brokerage is treated as Non-financial Assets considering the normal operating cycle of the Company.

## xx. Taxes

### Current tax:

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred Tax:

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- ii. In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- ii. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be

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utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## xxi. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Claims against the Company, where the possibility of any outflow of resources in settlement is remote are not disclosed as contingent liabilities. A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is virtually certain.

## xxii. Share-Based Payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The Company measures the cost of equity-settled transactions with employees using Black-Scholes Model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield, and making assumptions about them.

Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments at the grant date using Black-Scholes Model. The fair value, determined at the grant date of the equity-settled share-based payments, is charged to profit and loss on the straight-line basis over the vesting period of the option, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.





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In case of forfeiture/lapse stock option, which is not vested, amortised portion is reversed by credit to employee compensation expense. In situation where the stock option expires unexercised, the related balance standing to the credit of the Employee Stock Options Outstanding Account is transferred within equity.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share

Also, a separate Employee stock options scheme (ESOP) ("the scheme") has been established by Aditya Birla Capital Limited ("ABCL") (Entity having significant influence). The scheme provides that employees are granted an option to subscribe to equity shares of ABCL that vest in a graded manner. The options may be exercised within a specified period. Measurement and disclosure of Employee share-based payment plan is done in accordance with Ind AS 102 Share Based Payments.

ABCL follows the Black-Scholes Merton Value method to account for its stock-based employee compensation plans. The cost incurred by the ABCL, in respect of options granted to employees of the Company is charged to the Statement of Profit and Loss during the year and recovered by them.

## xxiii. Cash Dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders except in the case of interim dividend. A corresponding amount is recognised directly in equity.

## xxiv. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM's function is to allocate the resources of the Company and assess the performance of the operating segments of the Company.

## xxv. Standards notified but not yet effective:

There are no standards that are notified and not yet effective as on the date.



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 3 CASH AND CASH EQUIVALENTS (AT AMORTISED COST)

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Cash on Hand	-	-
Balances with Banks		
- Current Accounts	9.61	6.04
- Deposit Accounts (with original maturity less than 3 months)	0.75	0.45
<b>Total Cash and Cash equivalents</b>	<b>10.36</b>	<b>6.49</b>

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

## NOTE: 4 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS (AT AMORTISED COST)

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments:		
Earmarked accounts		
- Unclaimed Dividend	0.19	0.11
- Unpaid Dividend <sup>#</sup>	-	19.69
- Unspent CSR (Refer note 29)	-	1.39
Term Deposits with Banks (secured against bank guarantee)	0.27	27.98
<b>Total Bank Balances other than cash and cash equivalents</b>	<b>0.46</b>	<b>49.17</b>

<sup>#</sup>This includes TDS payable on Interim Dividend amounting to ₹ 19.65 Crore

## NOTE: 5 TRADE RECEIVABLES (AT AMORTISED COST)

### Unsecured, considered good

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Asset Management and Advisory Fees receivable	20.78	12.65
Management Fees receivable from Portfolio Management and Other Services	12.17	6.88
<b>Total Trade Receivables*</b>	<b>32.95</b>	<b>19.53</b>

\* There are no dues from directors or other officers of the Company either severally or jointly with any other person, due from firms or private companies respectively in which any director is a partner, a director or a member.



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## Trade Receivables ageing schedule

### Trade receivables as on 31<sup>st</sup> March, 2024

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	31.96	0.42	0.57	-	-	<b>32.95</b>
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>31.96</b>	<b>0.42</b>	<b>0.57</b>	<b>-</b>	<b>-</b>	<b>32.95</b>

## Trade Receivables ageing schedule

### Trade receivables as on 31<sup>st</sup> March, 2023

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	18.34	0.65	0.54	-	-	<b>19.53</b>
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>18.34</b>	<b>0.65</b>	<b>0.54</b>	<b>-</b>	<b>-</b>	<b>19.53</b>

# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 6 INVESTMENTS

(₹ in Crore)

Particulars	31 <sup>st</sup> March, 2024				31 <sup>st</sup> March, 2023			
	Amortised Cost	At Fair Value through Profit or Loss	At cost	Total	Amortised Cost	At Fair Value through Profit or Loss	At cost	Total
Mutual Funds	-	2,865.32	-	2,865.32	-	2,223.12	-	2,223.12
Debt Securities	142.86	19.50	-	162.36	93.53	-	-	93.53
Equity Instruments	-	17.16	-	17.16	-	17.55	-	17.55
Subsidiaries	-	-	74.25	74.25	-	-	74.25	74.25
Alternative Investment funds	-	77.35	-	77.35	-	24.96	-	24.96
<b>Total Gross Investments (A)</b>	<b>142.86</b>	<b>2,979.33</b>	<b>74.25</b>	<b>3,196.44</b>	<b>93.53</b>	<b>2,265.63</b>	<b>74.25</b>	<b>2,433.41</b>
Less: Allowance for Impairment	-	-	5.23	5.23	-	-	5.23	5.23
<b>Total Net Investments</b>	<b>142.86</b>	<b>2,979.33</b>	<b>69.02</b>	<b>3,191.21</b>	<b>93.53</b>	<b>2,265.63</b>	<b>69.02</b>	<b>2,428.18</b>
Investments Outside India	-	0.00	74.25	74.25	-	0.00	74.25	74.25
Investments in India	142.86	2,979.33	-	3,122.19	93.53	2,265.63	-	2,359.16
<b>Total (B)</b>	<b>142.86</b>	<b>2,979.33</b>	<b>74.25</b>	<b>3,196.44</b>	<b>93.53</b>	<b>2,265.63</b>	<b>74.25</b>	<b>2,433.41</b>
Less: Allowance for Impairment	-	-	5.23	5.23	-	-	5.23	5.23
<b>Total Net Investments</b>	<b>142.86</b>	<b>2,979.33</b>	<b>69.02</b>	<b>3,191.21</b>	<b>93.53</b>	<b>2,265.63</b>	<b>69.02</b>	<b>2,428.18</b>

## NOTE: 7 OTHER FINANCIAL ASSETS (AT AMORTISED COST)

(₹ in Crore)

Particulars	As at	As at
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Deposits to Related Party (Refer Note 26)	1.71	1.51
Security Deposits	11.94	12.59
Recoverable From Schemes	-	0.14
Receivable from Related Party (Refer Note 26)	-	0.78
Application money towards Investments	-	44.32
Others	-	0.08
<b>Total Other Financial Assets</b>	<b>13.65</b>	<b>59.42</b>



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 8.1 PROPERTY, PLANT AND EQUIPMENT

(₹ in Crore)

Particulars	Computers	Furniture and Fixtures	Vehicles	Office Equipment	Leasehold Improvements	Total
<b>Gross carrying value</b>						
<b>As at 1<sup>st</sup> April, 2022</b>	<b>16.48</b>	<b>2.91</b>	<b>10.82</b>	<b>9.59</b>	<b>12.92</b>	<b>52.72</b>
Additions	2.73	0.80	4.80	1.65	3.75	13.73
Disposals	2.16	0.20	1.97	0.45	1.28	6.06
<b>As at 31<sup>st</sup> March, 2023</b>	<b>17.05</b>	<b>3.51</b>	<b>13.65</b>	<b>10.79</b>	<b>15.39</b>	<b>60.39</b>
Additions	6.02	1.21	7.23	1.99	6.07	22.52
Disposals	1.83	0.23	2.03	0.79	1.33	6.21
<b>As at 31<sup>st</sup> March, 2024</b>	<b>21.24</b>	<b>4.49</b>	<b>18.85</b>	<b>11.99</b>	<b>20.13</b>	<b>76.70</b>
<b>Accumulated Depreciation and Impairment</b>						
<b>As at 1<sup>st</sup> April, 2022</b>	<b>14.38</b>	<b>2.08</b>	<b>5.96</b>	<b>7.07</b>	<b>9.74</b>	<b>39.23</b>
Depreciation for the year	1.75	0.63	2.06	1.47	2.39	8.30
Disposals	2.16	0.19	1.68	0.44	1.24	5.71
<b>As at 31<sup>st</sup> March, 2023</b>	<b>13.97</b>	<b>2.52</b>	<b>6.34</b>	<b>8.10</b>	<b>10.89</b>	<b>41.82</b>
Depreciation for the year	2.63	0.68	2.98	1.24	3.32	10.85
Disposals	1.83	0.22	1.56	0.78	1.32	5.71
<b>As at 31<sup>st</sup> March, 2024</b>	<b>14.77</b>	<b>2.98</b>	<b>7.76</b>	<b>8.56</b>	<b>12.89</b>	<b>46.96</b>
<b>Net carrying value amount as at 31<sup>st</sup> March, 2023</b>	<b>3.08</b>	<b>0.99</b>	<b>7.31</b>	<b>2.69</b>	<b>4.50</b>	<b>18.57</b>
<b>Net carrying value amount as at 31<sup>st</sup> March, 2024</b>	<b>6.47</b>	<b>1.51</b>	<b>11.09</b>	<b>3.43</b>	<b>7.24</b>	<b>29.74</b>

### Capital work-in-progress

Capital Work-in-Progress (CWIP) as at 31<sup>st</sup> March, 2024 comprises expenditure for leasehold improvements. Total amount of CWIP is ₹ 0.62 Crore (31<sup>st</sup> March, 2023: ₹ 1.05 Crore).

### CWIP ageing schedule as on 31<sup>st</sup> March, 2024

(₹ in Crore)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.58	0.04	-	-	<b>0.62</b>

### CWIP ageing schedule as on 31<sup>st</sup> March, 2023

(₹ in Crore)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.05	-	-	-	<b>1.05</b>

There are no overdue or cost overrun projects compared to its original plan, on the above-mentioned reporting dates.

# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 8.2 OTHER INTANGIBLE ASSETS

Particulars	(₹ in Crore)		
	Software	Investment Management Rights (Refer Note 24)	Total
<b>Gross carrying value</b>			
<b>As at 1<sup>st</sup> April, 2022</b>	<b>32.69</b>	<b>2.85</b>	<b>35.54</b>
Additions	5.93	-	5.93
Disposals	-	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>38.62</b>	<b>2.85</b>	<b>41.47</b>
Additions	8.56	-	8.56
Disposals	0.77	-	0.77
<b>As at 31<sup>st</sup> March, 2024</b>	<b>46.41</b>	<b>2.85</b>	<b>49.26</b>
<b>Accumulated Amortisation and Impairment</b>			
<b>As at 1<sup>st</sup> April, 2022</b>	<b>23.84</b>	<b>1.89</b>	<b>25.73</b>
Amortisation for the year	6.59	0.38	6.97
Disposal	-	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>30.43</b>	<b>2.27</b>	<b>32.70</b>
Amortisation for the year	6.03	0.38	6.41
Disposals	0.73	-	0.72
<b>As at 31<sup>st</sup> March, 2024</b>	<b>35.73</b>	<b>2.65</b>	<b>38.39</b>
<b>Net carrying value amount as at 31<sup>st</sup> March, 2023</b>	<b>8.19</b>	<b>0.58</b>	<b>8.77</b>
<b>Net carrying value amount as at 31<sup>st</sup> March, 2024</b>	<b>10.68</b>	<b>0.20</b>	<b>10.88</b>

## Intangible assets under development (IAUD) ageing schedule as on 31<sup>st</sup> March, 2024

Intangible assets under development	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.20	0.09	-	0.03	<b>1.32</b>

Intangible assets under development	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects temporarily suspended	-	-	-	-	-



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## Intangible assets under development ageing schedule as on 31<sup>st</sup> March, 2023

(₹ in Crore)

Intangible assets under development	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.00	-	0.03	-	<b>1.03</b>

(₹ in Crore)

Intangible assets under development	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects temporarily suspended	-	-	-	-	-

## For Intangible assets under development, whose completion is overdue or has exceeded its costs compared to its original plan as on 31<sup>st</sup> March, 2024:

(₹ in Crore)

Intangible Assets under development	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Overrun Projects	1.24	-	-	-	<b>1.24</b>
Projects on hold	0.08	-	-	-	<b>0.08</b>

## For Intangible assets under development, whose completion is overdue or has exceeded its costs compared to its original plan as on 31<sup>st</sup> March, 2023:

(₹ in Crore)

Intangible Assets under development	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Overrun Projects	-	-	-	-	-
Projects on hold	-	-	-	-	-

## NOTE: 9 OTHER NON-FINANCIAL ASSETS

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Prepaid expenses	59.09	55.09
Capital advance for Property, Plant and Equipment	0.33	0.69
Advance for Services	11.13	13.52
Gratuity - Plan Funded Asset (Refer Note 25)	35.37	31.74
<b>Total Other Non-Financial Assets</b>	<b>105.92</b>	<b>101.04</b>

# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 10 TRADE PAYABLES (AT AMORTISED COST)

(₹ in Crore)

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
<b>Trade Payables</b>		
Others		
- Total outstanding dues to micro enterprises and small enterprises*	0.04	0.19
	<b>0.04</b>	<b>0.19</b>
- Total outstanding dues to creditors other than micro enterprises and small enterprises		
Related Parties (Refer Note 26)	18.25	10.45
Other than Related Parties	39.63	37.78
	<b>57.88</b>	<b>48.23</b>
<b>Total Trade Payables</b>	<b>57.92</b>	<b>48.42</b>

\*This information is required to be disclosed under MSMED Act (2006), has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

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

(₹ in Crore)

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
a) Principal amount and interest thereon remaining unpaid at the end of year	0.04	0.19
b) Interest paid including payment made beyond appointed day during the year	0.07	0.07
c) Interest due and payable for delay during the year	-	-
d) Amount of interest accrued and unpaid as at year end	0.00	0.03
e) The amount of further interest due and payable even in the succeeding year	-	-

## Trade Payables Ageing schedule

### Trade payables as on 31<sup>st</sup> March, 2024

(₹ in Crore)

Intangible Assets under development	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	0.04	-	-	-		0.04
(ii) Others	57.70	0.01	0.11	0.06		57.88
(iii) Disputed dues - MSME	-	-	-	-		-
(iv) Disputed dues - others	-	-	-	-		-
<b>Total</b>	<b>57.74</b>	<b>0.01</b>	<b>0.11</b>	<b>0.06</b>		<b>57.92</b>





# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## Trade payables as on 31<sup>st</sup> March, 2023

(₹ in Crore)

Intangible Assets under development	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.19	-	-	-	0.19
(ii) Others	47.48	0.06	0.11	0.58	48.23
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
<b>Total</b>	<b>47.67</b>	<b>0.06</b>	<b>0.11</b>	<b>0.58</b>	<b>48.42</b>

## NOTE: 11 OTHER FINANCIAL LIABILITIES (AT AMORTISED COST)

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Employee Dues	62.54	47.21
Payables for Capital Expenditure	-	0.03
Deposits from Related parties (Refer Note 26)	1.62	1.66
Security Deposits	0.14	-
Unclaimed Dividend	0.19	0.11
Unpaid Dividend	-	0.04
<b>Total Other Financial Liabilities</b>	<b>64.49</b>	<b>49.05</b>

## NOTE: 12 PROVISIONS

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Provision for Employee Benefits</b>		
Leave Encashment	4.32	4.05
Gratuity (Refer Note 25)	36.27	32.81
Provision for Long-Term Incentive Plan	3.14	3.83
<b>Total Provisions</b>	<b>43.73</b>	<b>40.69</b>

# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 13 DEFERRED TAX LIABILITIES (NET)

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Depreciation on Property, Plant and Equipment and Amortisation on Intangible Assets	(6.91)	(6.78)
Provision for Employee Benefits	(0.07)	(0.06)
Lease Liability	(19.37)	(11.76)
Fair Valuation of Investments	47.18	23.60
Right of use Assets	40.54	29.75
<b>Deferred Tax Liabilities</b>	<b>61.37</b>	<b>34.75</b>
<b>Reconciliation of effective tax rate:</b>		
(a) Income before tax	1,002.02	788.41
(b) Expected tax rate in India (applicable to the Company)	25.168%	25.168%
(c) Expected income tax amount	252.19	198.43
<b>(d) Tax impact on:</b>		
Expenses disallowed/(allowed) as per income tax computation	(25.70)	(18.98)
Items which are taxed at different rates	7.88	0.13
Effect on Deferred tax balances for items taxed at different rates	(5.91)	17.48
Adjustments in respect of current income tax of previous years	(0.11)	0.31
Others	(0.56)	0.11
<b>(e) Tax expenses recognised in Profit and Loss Account(c + d)</b>	<b>227.79</b>	<b>197.48</b>

## Significant components and movement in deferred tax assets and liabilities

Particulars	(₹ in Crore)		
	As on 31 <sup>st</sup> March, 2024	As on 31 <sup>st</sup> March, 2023	YTD March, 2024 Deferred Tax Expense /(Credit)
	Closing Balance	Opening Balance	
<b>Deferred Tax Liabilities</b>			
Fair Valuation of Investments	47.18	23.60	23.58
Right of use assets	40.54	29.75	10.79
<b>Total</b>	<b>87.72</b>	<b>53.35</b>	<b>34.37</b>
<b>Deferred Tax Assets</b>			
Depreciation on Property, Plant and Equipment and Amortisation on Intangible Assets	(6.91)	(6.78)	(0.13)
Provision for employee benefits	(0.07)	(0.06)	(0.01)
Lease Liability	(19.37)	(11.76)	(7.61)
<b>Total</b>	<b>(26.35)</b>	<b>(18.60)</b>	<b>(7.75)</b>
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>61.37</b>	<b>34.75</b>	<b>26.62</b>



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

(₹ in Crore)

Particulars	As on	As on	YTD March, 2023 Deferred Tax Expense /(Credit)
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	
	Closing Balance	Opening Balance	
<b>Deferred Tax Liabilities</b>			
Fair Valuation of Investments	23.60	19.82	3.78
Right of use assets	29.75	26.78	2.97
<b>Total</b>	<b>53.35</b>	<b>46.60</b>	<b>6.75</b>
<b>Deferred Tax Assets</b>			
Depreciation on Property, Plant and Equipment and Amortisation on Intangible Assets	(6.78)	(6.34)	(0.44)
Provision for employee benefits	(0.06)	(1.62)	1.56
Lease Liability	(11.76)	(13.44)	1.68
<b>Total</b>	<b>(18.60)</b>	<b>(21.40)</b>	<b>2.80</b>
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>34.75</b>	<b>25.19</b>	<b>9.56</b>

## NOTE: 14 OTHER NON-FINANCIAL LIABILITIES

(₹ in Crore)

Particulars	As at	As at
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Payable on account of Statutory Dues:		
- Withholding Tax payable	5.79	25.48
- GST payable	13.16	9.12
- Professional Tax payable	0.00	0.02
- Employee provident fund & Other dues payable	1.40	1.35
CSR payable (Refer note 29)	-	1.39
<b>Total</b>	<b>20.35</b>	<b>37.36</b>

## NOTE: 15 EQUITY SHARE CAPITAL

(₹ in Crore)

Particulars	As at	As at
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
<b>Authorised:</b>		
Equity Shares of ₹ 5 each (31 <sup>st</sup> March, 2023: ₹ 5 each )	160.00	160.00
320,000,000 (31 <sup>st</sup> March, 2023: 320,000,000) Equity shares fully paid up <sup>#</sup>		
<b>Issued, Subscribed and Paid up</b>		
Equity Shares of ₹ 5 each (31 <sup>st</sup> March, 2023: ₹ 5 each )	144.05	144.00
288,091,213 (31 <sup>st</sup> March, 2023: 288,000,000) Equity shares fully paid up <sup>#</sup>		
<b>Total Issued, Subscribed and Paid up</b>	<b>144.05</b>	<b>144.00</b>

# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## a) Term/right attached to equity shares

The Company has only one class of equity shares having a par value of ₹5 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

## b) Reconciliation of the shares outstanding at the beginning and at the end of the year

Description	No. of Equity shares	Amount (₹ in Crore)
As at 1 <sup>st</sup> April, 2022	288,000,000	144.00
Issued during year	-	-
As at 31 <sup>st</sup> March, 2023	<b>288,000,000</b>	<b>144.00</b>
Issued during year	91,213	0.05
As at 31 <sup>st</sup> March, 2024	<b>288,091,213</b>	<b>144.05</b>

c) 25,20,00,000 fully paid up equity shares of ₹ 5 each were issued by way of bonus shares during the period of five years immediately preceding the reporting date.

d) The Shares reserved for issue under Employee Stock Option Scheme (ESOP) of the Company (Refer Note No. 35).

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

Name of the Shareholder	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	No. of Equity shares held	% of Shareholding	No. of Equity shares held	% of Shareholding
Aditya Birla Capital Limited and its Nominees#	130,034,601	45.14%*	144,028,800	50.01%*
Sun Life (India) AMC Investment Inc. Canada	86,938,641	30.18%	105,090,880	36.49%

#512 Equity shares (31<sup>st</sup> March, 2023: 512 Equity Shares), 416 Equity shares (31<sup>st</sup> March, 2023: 416 Equity Shares) and 192 Equity shares (31<sup>st</sup> March, 2023: 192 Equity Shares) each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, in their capacity as nominee shareholders of ABCL.

\* Approximate percentages

## Shareholding of promoters as on 31<sup>st</sup> March, 2024

Shares held by promoters at the end of the year				% Change during the year##
Sr. No.	Promoter Name	No. of Shares	% of total shares	
1	Aditya Birla Capital Limited(ABCL)#	130,034,601	45.14%*	-4.87%
2	Sun Life (India) AMC Investments Inc.	86,938,641	30.18%	-6.31%
<b>Total</b>		<b>216,973,242</b>	<b>75.32%</b>	

#512 Equity shares, 416 Equity shares and 192 Equity shares each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, in their capacity as nominee shareholders of ABCL.

\* Approximate percentages.



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

#In order to achieve Minimum Public Shareholding (MPS) of 25% post IPO, in compliance with the SEBI MPS guidelines, the Promoters of the Company i.e. Aditya Birla Capital Limited and Sun Life (India) AMC Investments Inc had sold in aggregate 11.16% shareholding in the Company on 19<sup>th</sup> March, 2024 and 20<sup>th</sup> March, 2024 by way Offer for Sale (OFS) through Stock Exchange Mechanism. Post OFS and as on 31<sup>st</sup> March, 2024, the Promoters and the Public shareholding in the Company is 75.32% and 24.68%, respectively.

## Shareholding of promoters as on 31<sup>st</sup> March, 2023

Shares held by promoters at the end of the year				% Change during the year
Sr. No.	Promoter Name	No. of Shares	% of total shares	
1	Aditya Birla Capital Limited(ABCL)#	144,028,800	50.01%*	-
2	Sun Life (India) AMC Investments Inc.	105,090,880	36.49%	-
<b>Total</b>		<b>249,119,680</b>	<b>86.50%</b>	

#512 Equity shares, 416 Equity shares and 192 Equity shares each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, in their capacity as nominee shareholders of ABCL.

\* Approximate percentages.

## NOTE: 16 OTHER EQUITY

		(₹ in Crore)
<b>1</b>	<b>Securities Premium Account</b>	
	<b>At 1<sup>st</sup> April, 2022</b>	-
	Arising during the year	-
	Utilised during the year	-
	<b>At 31<sup>st</sup> March, 2023</b>	-
	Arising during the year	5.72
	Utilised during the year	-
	<b>At 31<sup>st</sup> March, 2024</b>	<b>5.72</b>
<b>2</b>	<b>General Reserve</b>	
	<b>At 1<sup>st</sup> April, 2022</b>	6.87
	Arising during the year	-
	Transfer from Share Option Outstanding Account on account of Exits	1.18
	<b>At 31<sup>st</sup> March, 2023</b>	<b>8.05</b>
	Arising during the year	-
	Transfer from Share Option Outstanding Account on account of Exits	0.81
	<b>At 31<sup>st</sup> March, 2024</b>	<b>8.86</b>
<b>3</b>	<b>Retained Earnings</b>	
	<b>At 1<sup>st</sup> April, 2022</b>	2,001.46
	Profit for the year	590.93
	Other Comprehensive Income for the year	(1.26)
	Dividend for the year*	(312.48)
	<b>At 31<sup>st</sup> March, 2023</b>	<b>2,278.66</b>
	Profit for the year	774.23
	Other Comprehensive Income for the year	(0.61)
	Dividend for the year*	(151.22)
	<b>At 31<sup>st</sup> March, 2024</b>	<b>2,901.06</b>

# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

(₹ in Crore)

4 Share Option Outstanding Account	
At 1 <sup>st</sup> April, 2022	48.28
Charges during the year	31.14
Transfer to General Reserve on account of Exits	(1.18)
<b>At 31<sup>st</sup> March, 2023</b>	<b>78.24</b>
Transfer to Securities Premium towards options exercised	(5.72)
Charges during the year	23.09
Transfer to General Reserve on account of Exits	(0.81)
<b>At 31<sup>st</sup> March, 2024</b>	<b>94.80</b>
5 Share application pending allotment	
At 1 <sup>st</sup> April, 2022	-
Arising during the year	-
Utilised during the year	-
<b>At 31<sup>st</sup> March, 2023</b>	<b>-</b>
Arising during the year	0.01
Utilised during the year	-
<b>At 31<sup>st</sup> March, 2024</b>	<b>0.01</b>
<b>As at 31<sup>st</sup> March, 2024</b>	<b>3,010.45</b>
<b>As at 31<sup>st</sup> March, 2023</b>	<b>2,364.95</b>

## \* Cash dividends on equity shares declared and paid:

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Final dividend for the fiscal year ended 31 <sup>st</sup> March, 2023: ₹ 5.25 per share for 28,80,42,164 equity shares (for the year ended 31 <sup>st</sup> March, 2022: ₹ 5.85 per share for 28,80,00,000 equity shares) and Interim dividend for the year ended 31 <sup>st</sup> March, 2023: ₹ 5 per share for 28,80,00,000 equity shares (Refer Note 15)	151.22	312.48
	<b>151.22</b>	<b>312.48</b>

## Proposed dividends on equity shares:

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Final dividend for the year ended on 31 <sup>st</sup> March, 2024: ₹ 13.50 per share for 28,80,91,213 equity shares (Final dividend for the year ended 31 <sup>st</sup> March, 2023: ₹ 5.25 per share for 28,80,00,000 equity shares) (Refer Note 50)	388.92	151.20
	<b>388.92</b>	<b>151.20</b>



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## Nature and Purpose of the reserves

### Securities premium:

Securities Premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of Section 52 of Companies Act, 2013. The securities premium also includes amount transferred from Share options outstanding account upon exercise of options by employees and subsequent allotment of shares to them.

### General reserve:

Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid up share capital of the Company for that year, then the total dividend distribution is less than total distributable reserve for that year.

Consequent to introduction of the Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn. However the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of the Companies Act, 2013.

### Retained earnings:

Retained earnings are the profits that a company has earned to date, less any dividends or other distributions paid to the Shareholders, net of utilisation as permitted under applicable regulations.

### Share option outstanding account:

The grant date fair value of equity-settled share-based payment transactions with employees and directors are recognised in the Statement of Profit and Loss with the corresponding credit to this account over the vesting period.

### Share application pending allotment:

Until the shares are allotted, the amount received is shown under the Share Application Money Pending Allotment.

## NOTE: 17 FEES AND COMMISSION INCOME

Particulars	(₹ in Crore)	
	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Revenue from contracts with customers</b>		
Asset Management and Advisory Fees	1,263.60	1,160.63
Management Fees from Portfolio Management and Other Services	66.58	44.60
<b>Total Fees and Commission income</b>	<b>1,330.18</b>	<b>1,205.23</b>



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 18 OTHER INCOME

(₹ in Crore)		
Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Gain on Investments		
- Realised gain	29.29	28.32
- Unrealised gain	229.84	78.76
Interest Income	19.09	14.77
Dividend Income on investments	2.73	0.11
Profit on sale of Fixed Assets (net)	0.04	0.14
Rent concession	1.78	1.17
Rent income	2.53	2.71
Miscellaneous income	0.64	0.36
<b>Total Other Income</b>	<b>285.94</b>	<b>126.34</b>

## NOTE: 19 FINANCE COST

(₹ in Crore)		
Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Finance Cost on Lease Liability (measured at amortised cost) (Refer Note 33)	5.55	3.85
<b>Total Finance Cost</b>	<b>5.55</b>	<b>3.85</b>

## NOTE: 20 EMPLOYEE BENEFIT EXPENSE

(₹ in Crore)		
Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Salaries and allowances	253.41	204.14
Contribution to provident and other funds (Refer Note 25)	8.97	8.09
Gratuity expenses (Refer Note 25)	3.32	3.10
Staff welfare expenses	17.43	16.28
Share-based payments to ABCL (Entity having significant influence) (Refer Note 25)	0.48	0.56
Share-based payments by the Company (Refer Note 35)	23.08	30.73
<b>Total Employee Benefit Expense</b>	<b>306.69</b>	<b>262.90</b>

## NOTE: 21 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Crore)		
Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Depreciation on Right-of-use Assets (Refer Note 33)	16.29	18.00
Depreciation on Property, Plant & Equipment (Refer Note 8.1)	10.85	8.30
Amortisation of Intangible Assets (Refer Note 8.2)	6.41	6.97
<b>Total Depreciation and Amortisation Expense</b>	<b>33.55</b>	<b>33.27</b>



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 22 OTHER EXPENSE

(₹ in Crore)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Rent	6.55	3.34
Repairs and Maintenance	13.80	12.42
Insurance	1.27	1.03
Rates and Taxes	1.77	1.78
Electricity	3.43	2.66
Software and Technology Expenses	32.09	26.36
Database Research Expenses	12.15	11.12
Travelling and Conveyance	13.78	13.26
Communication Expenses	2.09	2.15
Outsourced Fund Accounting Expenses	1.96	1.82
Legal and Professional Charges	15.18	14.42
Auditor's Remuneration:		
- Audit Fees	0.24	0.23
- Tax Audit Fees	0.07	0.07
- Other Services	0.15	0.14
- Reimbursement of expenses	0.01	0.00
Services Charges	18.75	18.99
Directors Sitting Fees	0.69	0.64
Printing and Stationery	2.57	2.77
Asset Utilisation Charges	4.23	4.43
Bank Charges	0.04	0.03
Miscellaneous Expenses	6.61	5.86
Foreign Exchange Loss (net)	0.12	0.14
Donation	0.01	0.11
Corporate Social Responsibility Expenses (Refer Note 29)	13.52	12.87
Business Promotion Expenses	62.48	63.84
Fund expense	19.69	19.79
<b>Total Other Expense</b>	<b>233.25</b>	<b>220.27</b>

# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

Other Notes to Accounts:

## NOTE: 23 CONTINGENT LIABILITIES AND COMMITMENTS

### (i) Contingent Liabilities:

		(₹ in Crore)	
No.	Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	Claims against the Company not acknowledged as debts in respect of;		
i)	Income tax matters	14.40	189.92
ii)	Other matters	1.59	1.59

### (ii) Commitments - Unexecuted Contracts:

		(₹ in Crore)	
Particulars		As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Commitments for the acquisition of property, plant and equipment		9.85	7.47
Commitments for investment activities		5.00	9.25

## NOTE: 24 MANAGEMENT RIGHTS

During financial year ended 31<sup>st</sup> March, 2015 Aditya Birla Sun Life Trustee Company Private Limited took over the mutual fund schemes from ING Trust Company Private Limited and simultaneously the Company acquired the right to manage the said schemes from ING Asset Management (India) Private Limited.

The consideration paid to acquire the right to manage the said schemes along with the incidental expenditure incurred thereon aggregating to ₹ 3.79 Crore has been treated as Investment Management Right. The Investment Management Right will be amortised over a period of 120 months. For the year ended 31<sup>st</sup> March, 2024, an amount of ₹ 0.38 Crore (Previous year ₹ 0.38 Crore) has been amortised. Balance life of Investment Management Right is 6 months.

## NOTE: 25 EMPLOYEE BENEFITS

In accordance with the Indian Accounting Standard (Ind AS) 19 "Employee Benefits", the Company has classified the various benefits provided to the employees as under:

### a) Defined Contribution Plan

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

		(₹ in Crore)	
No.	Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
i)	Employers Contribution to Provident Fund (PF)	6.24	5.56
ii)	Employers Contribution to Employees Pension Fund	1.62	1.48
iii)	Employers Contribution to Labour Welfare Fund	0.01	0.01
iv)	Contribution to Employees Deposit Linked Insurance	0.10	0.10
	<b>Total</b>	<b>7.97</b>	<b>7.15</b>

Above figures are excluding contribution to PF and Other Funds of ₹ 1.00 Crore (Previous year ₹ 0.94 Crore) reimbursed to related parties - Aditya Birla Financial Shared Services Limited & Aditya Birla Capital Limited.



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## b) Share-based payments

Pursuant to ESOP Plan by ABCL, stock options were granted to the employees of the Company during the year. Total cost incurred by ABCL till date is being recovered from the Company over the period of vesting of the ESOP grants. A sum of ₹ 0.48 Crore (Previous year ₹ 0.56 Crore) has been charged to the Statement of Profit and Loss. The balance sum of ₹ 2.74 Crore will be recovered in future years as at 31<sup>st</sup> March, 2024.

## c) Gratuity (Defined Benefit Plan)

The following table sets out the status of the gratuity plan as required under IND AS 19 as certified by actuary. Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

Particulars	₹ in Crore)	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Amounts recognised in the Balance Sheet in respect of Gratuity</b>		
Present Value of the funded Defined Benefit Obligations at the end of the year	36.27	32.81
Fair Value of Plan Assets	35.37	31.74
<b>Net (Asset) / Liability</b>	<b>0.90</b>	<b>1.07</b>
<b>Amounts recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity</b>		
<b>Amounts recognised during the period:</b>		
In P&L	3.32	3.10
In Other Comprehensive Income	0.53	1.28
<b>Total Expenses Recognised during the period</b>	<b>3.85</b>	<b>4.38</b>
<b>Actual Return on Plan Assets:</b>		
Expected Return on Plan Assets	2.35	2.14
Actuarial Gain/(Loss) on Plan Assets	0.40	(1.24)
<b>Actual Return on Plan Assets:</b>	<b>2.75</b>	<b>0.90</b>
<b>Reconciliation of Present Value of Obligation and the Fair Value of the Plan Assets:</b>		
<b>Change in Present Value of the Obligations:</b>		
Opening Defined Benefit Obligations	32.81	30.93
Current Service Cost	3.24	3.11
Interest Cost	2.44	2.13
Actuarial (Gain)/Loss arising from:		
- changes in demographic assumptions	-	-
- changes in financial assumptions	1.19	(0.96)
- experience variance (i.e. actual experience vs assumption)	(0.25)	1.00
Liabilities Settled on Divestment	-	-
Benefits Paid	(3.16)	(3.40)
<b>Closing Defined Benefit Obligations</b>	<b>36.27</b>	<b>32.81</b>

# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Change in Fair Value of the Plan Assets:</b>		
Opening Fair Value of the Plan Assets	31.74	31.07
Expected Return on the Plan Assets	2.35	2.14
Actuarial Gain/(Loss)	0.40	(1.24)
Contributions by the Employer	4.04	3.17
Asset Distributed on Divestment	-	-
Benefits Paid	(3.16)	(3.40)
<b>Closing Fair Value of the Plan Assets</b>	<b>35.37</b>	<b>31.74</b>
<b>Expense Recognised in Income Statement</b>		
Current Service Cost	3.25	3.10
Net Interest cost / (income) on the defined Benefit Liability / (Asset)	0.07	(0.00)
<b>Expense Recognised in Income Statement</b>	<b>3.32</b>	<b>3.10</b>
<b>Other Comprehensive Income</b>		
Actuarial (Gain)/Loss arising from:		
- changes in demographic assumptions	-	-
- changes in financial assumptions	1.19	(0.97)
- experience variance (i.e. actual experience vs assumption)	(0.25)	1.01
Return on plan asset, excluding amount recognised in net interest expense	(0.40)	1.24
<b>Remeasurement gain/loss in other comprehensive income</b>	<b>0.53</b>	<b>1.28</b>
<b>Investment details of Plan Assets</b>		
<b>Plan assets are invested with:</b>		
Aditya Birla Sun Life Insurance Company Limited	35.37	31.74
<b>Composition of the plan assets are as follows:</b>	<b>Allocation %</b>	<b>Allocation %</b>
Government Bonds	22.28%	24.81%
Corporate Bonds	71.10%	64.57%
Others	6.62%	10.62%
<b>Assumptions</b>		
Discount rate	7.15%	7.40%
Compensation Escalation rate	8.5% for first five years, 7.5% for next five years, 6.5% for next five years and 5% thereafter	8.5% for first five years, 7.5% for next five years, 6.5% for next five years and 5% thereafter
Average Age	33.70	33.79
Mortality Basis	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## A. Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis are given below:

		(₹ in Crore)	
No.	Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
1	Defined Benefit Obligation (Base)	36.27	32.81

		(₹ in Crore)			
No.	Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
		Decrease	Increase	Decrease	Increase
1	Discount Rate (- / + 0.50 %) (% change compared to base due to sensitivity)	37.81 4.3%	34.82 -4.0%	34.25 4.4%	31.47 -4.1%
2	Compensation Escalation Rate (- / + 0.50 %) (% change compared to base due to sensitivity)	34.81 -4.0%	37.80 4.2%	31.47 -4.1%	34.24 4.3%
3	Attrition Rate (- / + 50% of attrition rates) (% change compared to base due to sensitivity)	39.72 9.5%	33.86 -6.6%	35.82 9.2%	30.74 -6.3%
4	Mortality Rate (- / + 10%) (% change compared to base due to sensitivity)	36.23 -0.1%	36.29 0.1%	32.78 -0.1%	32.85 0.1%

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

## B. Effect of Plan on Company's Future Cash Flows

### i) Funding arrangements and Funding Policy

The scheme is managed on funded basis.

### ii) Expected Contribution during the next annual reporting period

		(₹ in Crore)	
Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023	
The Company's best estimate of Contribution during the next year	4.48	4.33	

### iii) Maturity Profile of Defined Benefit Obligation

		(₹ in Crore)	
Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	
Weighted average duration	8 years	9 years	

# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## Expected cash flows over the next (valued on undiscounted basis)

Particulars	(₹ in Crore)	
	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
1 year	2.69	1.95
2 to 5 years	15.16	13.27
6 to 10 years	14.81	14.39
More than 10 years	40.73	39.77

The estimate of future salary increases, considered in the actuarial valuation, takes into account inflation, seniority, promotion, and other relevant factors. The above information is certified by the actuary based on assumptions provided by the Company.

## NOTE: 26 DISCLOSURE IN RESPECT OF RELATED PARTY PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 24:

### a) List of Related Parties:

#### A Parent of the Entity having significant influence

Grasim Industries Limited

#### B Entity having significant influence

Aditya Birla Capital Limited (ABCL) (Ceased to be holding company w.e.f. 24<sup>th</sup> August, 2023)

Sun Life (India) AMC Investments Inc, Canada

#### C Other Related Party

Aditya Birla Management Corporation Private Limited

Green Oak India Investment Advisors Private Limited

Umang Commercial Company Private Limited

#### D Subsidiaries of Entity having significant influence

Aditya Birla Sun Life Insurance Company Limited

Aditya Birla Sun Life Trustee Private Limited

Aditya Birla Finance Limited

Aditya Birla Money Limited

Aditya Birla Financial Shared Services Limited

Aditya Birla Insurance Brokers Limited

Aditya Birla ARC Limited

Aditya Birla Housing Finance Limited

Aditya Birla Wellness Private Limited

Aditya Birla Capital Technology Services Limited

Aditya Birla Capital Digital Limited

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

India Advantage Fund Limited

International Opportunities Fund SPC

#### F Subsidiaries

Aditya Birla Sun Life AMC (Mauritius) Limited

Aditya Birla Sun Life AMC Pte. Limited, Singapore

Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai





# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

<b>G Directors and Key Management Personnel</b>	
Kumar Mangalam Birla (Non-Executive Director up to 19 <sup>th</sup> April, 2023)	
Ajay Srinivasan (Non-Executive Director up to 04 <sup>th</sup> October, 2022)	
Vishakha Mulye (Non-Executive Director from 27 <sup>th</sup> October, 2022)	
A. Balasubramanian (Managing Director and Chief Executive Officer)	
Sandeep Asthana (Non-Executive Director)	
Colm Freyne (Non-Executive Director up to 25 <sup>th</sup> April, 2022)	
Amrit Kanwal (Non-Executive Director from 26 <sup>th</sup> April, 2022)	
Bharat Patel (Non-Executive Director up to 26 <sup>th</sup> June, 2022)	
Alka Bharucha (Independent Director)	
Harish Engineer (Independent Director up to 30 <sup>th</sup> April, 2023)	
Navin Puri (Independent Director)	
Sunder Rajan Raman (Independent Director)	
Ramesh Abhishek (Independent Director)	
Supratim Bandyopadhyay (Independent Director from 1 <sup>st</sup> June, 2023)	

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

		(₹ in Crore)	
Sr. No.	Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>1</b>	<b>Income</b>		
	Advisory Fee		
	Aditya Birla Sun Life AMC Pte. Ltd., Singapore	F	5.01
	Interest Income - ICD		
	Aditya Birla ARC Ltd.	D	-
			0.81
<b>2</b>	<b>Expenses</b>		
	<b>Commission</b>		
	Aditya Birla Finance Ltd. (Note 1)	D	3.13
	<b>Brokerage (Investment in Securities)</b>		
	Aditya Birla Money Ltd.	D	0.02
	<b>Professional Charges - Marketing</b>		
	Aditya Birla Sun Life AMC Ltd., Dubai	F	13.11
	Aditya Birla Sun Life AMC Pte Ltd., Singapore	F	0.72
	<b>Contribution to Gratuity/Insurance Premium</b>		
	Aditya Birla Sun Life Insurance Co. Ltd.	D	4.57
	<b>Business Promotion Expenses</b>		
	Aditya Birla Sun Life Insurance Co. Ltd. (Insurance Premium)	D	3.78
	<b>Rent</b>		
	Grasim Industries Limited - CFD	A	0.02
	Umang Commercial Company Pvt. Ltd.	C	1.13
	<b>Advisory Services</b>		
	Greenoak India Investment Advisors Pvt. Ltd.	C	1.14
			2.11

# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

(₹ in Crore)

Sr. No.	Particulars		For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
	<b>Software &amp; Technology Expenses</b>			
	Aditya Birla Capital Technology Services Limited	D	2.83	2.59
	<b>Employee Benefit Expenses</b>			
	Aditya Birla Wellness Private Limited	D	0.08	0.11
<b>3</b>	<b>Reimbursements of Costs Paid</b>			
	Aditya Birla Financial Shared Services Ltd. (Employee benefit exp)	D	13.00	5.91
	Aditya Birla Financial Shared Services Ltd. (Administrative & other exp)	D	20.16	19.68
	Aditya Birla Sun Life Insurance Co Ltd. (Employee benefit exp)	D	0.00	0.13
	Aditya Birla Sun Life Insurance Co Ltd. (Rent)	D	7.73	6.00
	Aditya Birla Sun Life Insurance Co Ltd. (Other Admin exp)	D	0.01	-
	Aditya Birla Sun Life Insurance Co Ltd. (Other Marketing exp)	D	-	0.28
	Aditya Birla Finance Ltd. (Employee benefit exp)	D	0.10	0.18
	Aditya Birla Finance Ltd. (Rent)	D	1.42	0.72
	Aditya Birla Finance Ltd. (Administrative & other exp)	D	0.01	0.03
	Aditya Birla Capital Ltd. (Employee benefit exp)	B	31.24	24.40
	Aditya Birla Capital Ltd. (Administrative & other exp)	B	8.39	7.91
	Aditya Birla Housing Finance Ltd. (Rent)	D	0.65	0.12
	Aditya Birla Money Ltd. (Employee benefit exp)	D	0.05	0.08
	Aditya Birla Money Ltd. (Rent)	D	0.10	-
	Aditya Birla Money Ltd. (Other Marketing exp)	D	-	0.01
	Aditya Birla Capital Digital Ltd. (Employee benefit exp)	D	0.06	-
	Aditya Birla Sun Life AMC Ltd. , Dubai (Employee benefit exp)	F	0.06	-
	Aditya Birla Management Corporation Pvt. Ltd. (Employee benefit exp)	C	-	0.61
	Aditya Birla Management Corporation Pvt. Ltd. (Administrative & other exp)	C	-	0.10
	Grasim Industries Limited - Paints Division	A	0.08	-
<b>4</b>	<b>Reimbursements of Costs Received</b>			
	Aditya Birla Sun Life Insurance Co. Ltd. (Employee benefit exp)	D	0.01	0.26
	Aditya Birla Sun Life Insurance Co. Ltd. (Rent)	D	1.19	1.17
	Aditya Birla Sun Life Insurance Co. Ltd. (Administrative & other exp)	D	-	0.05
	Aditya Birla Sun Life Insurance Co. Ltd. (Other Marketing exp)	D	0.65	0.19
	Aditya Birla Finance Ltd. (Employee benefit exp)	D	0.01	0.01
	Aditya Birla Finance Ltd. (Rent)	D	2.22	2.50
	Aditya Birla Finance Ltd. (Administrative & other exp)	D	-	0.04
	Aditya Birla Finance Ltd. (Other Marketing exp)	D	0.00	0.00
	Aditya Birla Insurance Brokers Ltd. (Rent)	D	-	0.00
	Aditya Birla Housing Finance Ltd. (Rent)	D	0.11	0.16
	Aditya Birla Housing Finance Ltd. (Administrative & other exp)	D	-	0.04
	Aditya Birla Housing Finance Ltd. (Other Marketing exp)	D	0.01	-
	Aditya Birla Money Ltd. (Rent)	D	0.10	0.13
	Aditya Birla Money Ltd. (Other Marketing exp)	D	0.00	0.00
	Aditya Birla Financial Shared Services Ltd. (Employee benefit exp)	D	0.01	0.27



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

(₹ in Crore)

Sr. No.	Particulars		For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
	Aditya Birla Capital Ltd. (Administrative & other exp)	B	0.01	0.04
	Aditya Birla Capital Technology Services Limited (Employee benefit exp)	D	0.02	0.02
	Aditya Birla Sun Life AMC Ltd. , Dubai (Employee benefit exp)	F	-	0.30
	Aditya Birla Sun Life AMC Pte Ltd., Singapore (Employee benefit exp)	F	0.07	0.09
	Aditya Birla Sun Life AMC (Mauritius) Ltd. (Employee Benefit Exp)	F	-	0.02
	Aditya Birla Sun Life Trustee Pvt. Ltd. (Employee benefit exp)	D	0.01	0.01
	Aditya Birla Management Corporation Pvt. Ltd. (Employee benefit exp)	C	-	0.05
	Sun Life (India) AMC Investments Inc (Administrative & other exp)	B	-	0.55
<b>5</b>	<b>Managerial Remuneration</b>			
	Chief Executive Officer (Note 2)	G	12.52	11.38
<b>6</b>	<b>Dividend Paid</b>			
	Aditya Birla Capital Ltd.	B	75.62	156.27
	Sun Life (India) AMC Investments Inc.	B	55.17	114.02
	Key Managerial Personnel/Director's	G	0.01	0.03
<b>7</b>	<b>Intercorporate Deposit (ICD) given</b>			
	Aditya Birla ARC Ltd.	D	-	25.00
<b>8</b>	<b>Inter Corporate Deposit (ICD) Repayment Received</b>			
	Aditya Birla ARC Ltd.	D	-	25.00
<b>9</b>	<b>Director's Sitting Fees</b>			
	Director's Sitting Fees Paid	G	0.69	0.64
<b>10</b>	<b>Purchase of Fixed Assets</b>			
	Aditya Birla Sun Life Insurance Co. Ltd.	D	-	0.00
	Aditya Birla Management Corporation Pvt. Ltd.	C	-	0.03
	Aditya Birla Capital Technology Services Limited	D	-	0.04
<b>11</b>	<b>Prepaid Expenses balances</b>			
	Aditya Birla Financial Shared Services Ltd. (Loans & Advances)	D	0.91	0.69
	Aditya Birla Capital Technology Services Limited (Loans & Advances)	D	0.15	0.10
<b>12</b>	<b>Security Deposit - Received and Refundable</b>			
	Aditya Birla Finance Ltd.	D	0.06	1.20
	Aditya Birla Housing Finance Ltd.	D	-	0.03
	Aditya Birla Sun Life Insurance Co Ltd.	D	-	0.31
	Aditya Birla Money Ltd.	D	-	0.02
<b>13</b>	<b>Security Deposit - Paid and Refundable</b>			
	Aditya Birla Sun Life Insurance Co Ltd.	D	0.42	0.34
	Aditya Birla Finance Ltd.	D	0.15	-
	Aditya Birla Money Ltd.	D	0.03	-
<b>14</b>	<b>Security Deposit - Refund Received</b>			
	Grasim Industries Limited	A	-	0.71
<b>15</b>	<b>Security Deposit - Recovery Payable</b>			
	Aditya Birla Sun Life Insurance Co Ltd.	D	-	0.22
	Aditya Birla Finance Ltd.	D	-	0.15

# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## c) Outstanding Balances:

			(₹ in Crore)	
Sr No	Particulars		For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>16</b>	<b>Payable</b>			
	Aditya Birla Sun Life Insurance Co Ltd. (Trade Payable)	D	(3.84)	(0.96)
	Aditya Birla Sun Life Insurance Co Ltd. (Security Deposit Received)	D	(0.31)	(0.31)
	Aditya Birla Financial Shared Services Ltd. (Trade Payable)	D	(5.57)	(3.22)
	Aditya Birla Capital Ltd. (Trade Payable)	B	(5.59)	(3.43)
	Aditya Birla Finance Ltd. (Trade Payable)	D	(0.10)	-
	Aditya Birla Finance Ltd. (Security Deposit Received)	D	(1.26)	(1.20)
	Aditya Birla Housing Finance Ltd. (Trade Payable)	D	(0.15)	-
	Aditya Birla Housing Finance Ltd. (Security Deposit Received)	D	(0.03)	(0.03)
	Aditya Birla Capital Technology Services Limited (Trade Payable)	D	(0.21)	(0.09)
	Aditya Birla Money Ltd. (Trade Payable)	D	(0.05)	-
	Aditya Birla Money Ltd. (Security Deposit Received)	D	(0.02)	(0.02)
	Aditya Birla Sun Life Insurance Co Ltd. (Security Deposit Recovery Payable)	D	-	(0.22)
	Aditya Birla Finance Ltd. (Security Deposit Recovery Payable)	D	-	(0.15)
	Greenoak India Investment Advisors Pvt. Ltd. (Trade Payable)	C	-	(0.07)
	Aditya Birla Management Corporation Pvt. Ltd. (Trade Payable)	C	-	(0.04)
	Aditya Birla Sun Life AMC Ltd. , Dubai (Trade Payable)	F	(2.74)	(2.35)
	Umang Commercial Company Pvt. Ltd. (Trade Payable)	C	-	(0.06)
	<b>Receivable</b>			
	Aditya Birla Sun Life Insurance Co Ltd. (Security Deposit Paid)	D	1.54	1.12
	Aditya Birla Finance Ltd. (Security Deposit Paid)	D	0.15	-
	Aditya Birla Money Ltd. (Security Deposit Paid)	D	0.03	-
	Aditya Birla Wellness Private Limited (Receivables)	D	-	0.00
	Sun Life (India) AMC Investments Inc (Receivables)	B	-	0.55
	Aditya Birla Sun Life AMC Pte Ltd., Singapore (Receivables)	F	0.99	1.17
	Aditya Birla Sun Life AMC (Mauritius) Ltd. (Receivables)	F	-	0.01
	Aditya Birla Finance Ltd. (Receivables)	D	-	0.01
	Aditya Birla Housing Finance Ltd. (Receivables)	D	-	0.07
	Aditya Birla Money Ltd. (Receivables)	D	-	0.03

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

All the above figures are inclusive of GST wherever applicable.

Note 1 - Total Amount paid ₹ 3.13 Crore (Previous Year 7.58 Crore), out of which ₹ 1.35 Crore (Previous Year ₹ 0.35 Crore) debited to statement of profit and loss during the year and balance amortised.



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## Note 2 – Managerial Remuneration:

(₹ in Crore)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
1) Short-term employment benefits		
a) Gross Salary	6.33	6.18
b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.18	0.15
2) Share-based payments by ABCL (Entity having significant influence) Exercised option	1.94	-
3) Share-based payments accrued by the Company	4.07	5.04
<b>Total Remuneration</b>	<b>12.52</b>	<b>11.38</b>

Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall basis at the end of each year and accordingly have not been considered in the above information.

## NOTE: 27 EARNINGS PER SHARE

Earnings Per Share (EPS) is calculated as under:		For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Net Profit before Other Comprehensive Income as per Statement of Profit and Loss (₹ in Crore)	A	774.23	590.93
Opening Weighted average number of basic equity shares (refer note 15)	B	288,000,000	288,000,000
Issued during the year (refer note 15)	C	91,213	-
Number of equity shares considered for computation of Basic EPS (B+C)	D	288,091,213	288,000,000
Add: Dilutive impact of Employee stock options	E	689,629	768,858
Number of equity shares considered for computation of Diluted EPS (D+E)	F	288,780,842	288,768,858
Basic Earnings Per Share (₹)	A/D	26.87	20.52
Diluted Earnings Per Share (₹)	A/F	26.81	20.46
Nominal Value of Shares (₹)		5	5

## NOTE: 28 SEGMENT INFORMATION

The CEO of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 - "Operating Segments". The CODM evaluates the Company's performance and allocates resources. The Company's operations predominantly relate to providing asset management services, portfolio management and other advisory services. In the opinion of the CODM and Management, the risks and rewards attached to the business are similar in nature. Hence the separate Segment under Ind AS 108 on "Operating Segments" is not required to be reported as the Company's business is restricted to single Operating Segment i.e., Asset Management Services.

There is only one customer contributing in excess of 10% of the Company's total revenue in the following years:

(₹ in Crore)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Revenue from Aditya Birla Sun Life Mutual Fund	1,258.60	1,156.30

All assets of the Company are domiciled in India.

# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 29 CORPORATE SOCIAL RESPONSIBILITY

(₹ in Crore)

No.	Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
1	Amount required to be spent by the Company during the year	<b>13.52</b>	<b>12.87</b>
2	Amount of expenditure incurred	14.91	16.25
3	Excess/(Shortfall) at the end of the period	Nil	(1.39)
4	Total of previous years excess/(shortfall)	(1.39)	(4.77)
5	Reason for shortfall*	Not Applicable	Ongoing Projects
6	Nature of CSR activities	Healthcare, Education and Women Empowerment & Sustainable Livelihood	Healthcare, Education and Women Empowerment & Sustainable Livelihood
7	Details of Related party transactions	Not Applicable	Not Applicable

## NOTE: 30 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31<sup>st</sup> March, 2024.

## NOTE: 31 FAIR VALUES OF FINANCIAL INSTRUMENTS

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

(₹ in Crore)

Particulars	Carrying Amount			Fair Value			
	FVTPL	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	Total Fair Value
As at 31 <sup>st</sup> March, 2024							
<b>Financial Assets</b>							
Investments in:							
Mutual Funds	2,865.32	-	2,865.32	2,865.32	-	-	2,865.32
Alternative Investment Funds	77.35	-	77.35	61.37	-	15.98	77.35
Debt Securities	19.50	142.86	162.36	135.35	-	19.50	154.85
Equity Instruments	17.16	-	17.16	-	-	17.16	17.16
Subsidiaries*	-	69.02	69.02	-	-	-	-
Cash and cash equivalents *	-	10.36	10.36	-	-	-	-
Bank balances other than those mentioned above*	-	0.46	0.46	-	-	-	-
Trade receivables *	-	32.95	32.95	-	-	-	-
Other financial assets *	-	13.65	13.65	-	-	-	-
<b>Total Financial Assets</b>	<b>2,979.33</b>	<b>269.30</b>	<b>3,248.63</b>	<b>3,062.04</b>	<b>-</b>	<b>52.64</b>	<b>3,114.68</b>



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

(₹ in Crore)

Particulars	Carrying Amount			Fair Value			
	FVTPL	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	Total Fair Value
As at 31 <sup>st</sup> March, 2024							
<b>Financial Liabilities</b>							
Trade Payables *	-	57.92	57.92	-	-	-	-
Lease Liabilities *	-	76.97	76.97	-	-	-	-
Others Financial Liabilities *	-	64.49	64.49	-	-	-	-
<b>Total Financial Liabilities</b>	<b>-</b>	<b>199.38</b>	<b>199.38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(₹ in Crore)

Particulars	Carrying Amount			Fair Value			
	FVTPL	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	Total Fair Value
As at 31 <sup>st</sup> March, 2023							
<b>Financial Assets</b>							
Investments in:							
Mutual Funds	2,223.12	-	2,223.12	2,223.12	-	-	2,223.12
Alternative Investment Funds	24.96	-	24.96	13.27	-	11.69	24.96
Debt Securities	-	93.53	93.53	92.64	-	-	92.64
Equity Instruments	17.55	-	17.55	-	-	17.55	17.55
Subsidiaries *	-	69.02	69.02	-	-	-	-
Cash and cash equivalents *	-	6.49	6.49	-	-	-	-
Bank balances other than those mentioned above *	-	49.17	49.17	-	-	-	-
Trade receivables *	-	19.53	19.53	-	-	-	-
Other financial assets *	-	59.42	59.42	-	-	-	-
<b>Total Financial Assets</b>	<b>2,265.63</b>	<b>297.16</b>	<b>2,562.79</b>	<b>2,329.04</b>	<b>-</b>	<b>29.24</b>	<b>2,358.28</b>
<b>Financial Liabilities</b>							
Trade Payables *	-	48.42	48.42	-	-	-	-
Lease Liabilities *	-	46.72	46.72	-	-	-	-
Others Financial Liabilities *	-	49.05	49.05	-	-	-	-
<b>Total Financial Liabilities</b>	<b>-</b>	<b>144.19</b>	<b>144.19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*The management assessed that investments in subsidiaries, cash and cash equivalents, trade receivables, other financial assets, trade payables, lease liabilities and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Accordingly, fair value hierarchy for these financial instruments have not been presented above.

Valuation techniques used to determine fair value:-

- **Mutual Funds:-** Net Asset Value (NAV) declared by the mutual fund at which units are issued or redeemed
- **Alternative Investment Funds:-** Net Asset Value (NAV) provided by issuer fund which is arrived at based on valuation from independent valuer for unlisted portfolio companies, quoted price of listed portfolio companies and price of recent investments
- **Debt Securities:-** Fair value of debt securities which are actively traded bonds, is derived on the basis of quoted price available on the National Stock Exchange
- **Equity Instruments:-** On the basis of Net worth of the Company.

In order to assess Level 3 valuations as per Company's investment policy, the management reviews the performance of the investee companies (including unlisted portfolio companies of venture capital funds and alternative investment funds) on a regular basis by tracking their latest available financial statements / financial information, valuation report of independent valuers, recent transaction results etc. which are considered in valuation process.



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## Fair value reconciliation for Level 3 instruments:

The following table shows reconciliation from opening to closing balances for Level 3 assets:

<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>29.84</b>
Net gain/ (loss) recognised in Profit & Loss	(0.28)
Purchases of financial instrument	-
Sale of financial instruments	(0.32)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>29.24</b>
Net gain/ (loss) recognised in Profit & Loss	(0.44)
Purchases of financial instrument	35.75
Sale of financial instruments	(11.91)
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>52.64</b>

## NOTE: 32 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise trade and other payables. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds investments in mutual fund units, debt and equity instruments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by Risk Management Committee and the auditors have relied on the same. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

### A. Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as foreign exchange rates, interest rates, other prices). The Company is exposed to market risk primarily related to interest rate risk and price risk.

#### (i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The sensitivity of the portfolio towards the interest rate is mentioned in the table below:

##### Sensitivity

The following table demonstrates the sensitivity to:

- Interest Rate Risk is basis impact on debt portfolios for 1% change in interest rates.
- Hybrid funds considered at 100% as a conservative basis for assessing interest rate impact on portfolio. (which form approximately 1% of the entire portfolio of schemes).



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## Impact on profit and loss:

Risk	(₹ in Crore)	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Interest Rate Risk – (Impact of 1% increase in interest rate)	2.39%	2.01%
Effect on Profit and Loss	(54.14)	(37.03)
Interest Rate Risk – (Impact of 1% decrease in interest rate)	2.39%	2.01%
Effect on Profit and Loss	54.14	37.03

## (ii) Foreign Currency Risk

The Company has insignificant amount of foreign currency denominated assets and liabilities. Accordingly, there is no significant exposure to currency risk.

## (iii) Price Risk

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, caused by factors specific to an individual investment, its issuer and market.

The Company's exposure to price risk arises from investments in Units of mutual funds, alternative investment funds, etc which are classified as financial asset at Fair Value through Profit and Loss and is as follows:

Particulars	(₹ in Crore)	
	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Investment exposure to price risk	2,942.67	2,248.08

The table below sets out the effect on profit or loss and equity due to reasonable possible weakening / strengthening in prices/ market value by 5%:

Particulars	(₹ in Crore)	
	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Effect on Profit and Loss		
5% increase in prices	147.13	112.41
5% decrease in prices	(147.13)	(112.41)

## B. Credit Risk

Credit Risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's has clearly defined policies to mitigate counterparty risks. Cash and liquid investments are held primarily in mutual funds and banks with good credit ratings. Defined limits are in place for exposure to individual counterparties in case of mutual fund houses and banks.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Company has major receivable from mutual fund schemes.

# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

Trade Receivables ageing:

Trade Receivables	Neither past due nor impaired	Past dues but not impaired					Total
		<30days	30 to 60 days	61 to 90 days	91 to 120 days	> 120 days	
31 <sup>st</sup> March, 2024	32.95	32.11	-	-	-	0.84	32.95
31 <sup>st</sup> March, 2023	19.53	18.34	-	-	-	1.19	19.53

(₹ in Crore)

The carrying amounts of following financial assets represent the maximum credit risk exposure:

Particulars	(₹ in Crore)	
	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Trade Receivables	32.95	19.53
Cash and cash equivalents	10.36	6.49
Bank balances other than those mentioned above	0.46	49.17
Other financial assets measured at amortised cost	156.51	152.95

## Expected Credit Loss on Financial Assets

The Company continuously monitors all financial assets subject to ECLs. In order to determine whether an instrument is subject to 12 month ECL or life time ECL, the Company assesses whether there has been a significant increase in credit risk or the asset has become credit impaired since initial recognition. For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has determined based on historical experience and expectations that the ECL on its trade receivables is insignificant and was not recorded. The Company applies following quantitative and qualitative criteria to assess whether there is significant increase in credit risk or the asset has been credit impaired:

- Historical trend of collection from counterparty
- Company's contractual rights with respect to recovery of dues from counterparty
- Credit rating of counterparty and any relevant information available in public domain.

ECL is a probability weighted estimate of credit losses. It is measured as the present value of cash shortfalls (i.e., the difference between the cash flows due to the Company in accordance with contract and the cash flows that the Company expects to receive).

The Company has three types of financial assets that are subject to the expected credit loss:

- Cash and cash equivalent
- Trade and other receivables
- Investment in debt securities measured at amortised cost.

## Trade and Other Receivables:-

Exposures to customers' outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of collection from counterparties on timely basis reflects low level of credit risk. As the Company has a contractual right to such receivables as well as the control over such funds due from customers, the Company does not estimate any credit risk in relation to such receivables.



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## Cash and Cash Equivalents:-

The Company holds cash and cash equivalents and other bank balances as per note 3 and 4. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be high.

## Investment in Debt Securities measured at amortised cost:-

Funds are invested after taking into account parameters like safety, liquidity and post tax returns etc. The Company avoids concentration of credit risk by spreading them over several counterparties with good credit rating profile and sound financial position. The Company's exposure and credit ratings of its counterparties are monitored on an ongoing basis.

## C. Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations or at a reasonable price. The Company's Finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

### Maturity profile of Financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ in Crore)			
As at 31 <sup>st</sup> March, 2024	Within 12 Months	After 12 Months	Total
Trade Payables	57.92	-	57.92
Employee Dues	62.54	-	62.54
Deposits from Related Parties	1.62	-	1.62
Security Deposits	0.14	-	0.14
Lease Liabilities	18.98	71.00	89.98
Unclaimed Dividend	0.19	-	0.19
	<b>141.39</b>	<b>71.00</b>	<b>212.39</b>

(₹ in Crore)			
As at 31 <sup>st</sup> March, 2023	Within 12 Months	After 12 Months	Total
Trade Payables	48.42	-	48.42
Employee Dues	47.21	-	47.21
Payable for Capital Expenditure	0.03	-	0.03
Deposits from Related parties	-	1.66	1.66
Lease Liabilities	12.32	42.79	55.11
Unclaimed Dividend	0.11	-	0.11
Unpaid Dividend	0.04	-	0.04
	<b>108.13</b>	<b>44.45</b>	<b>152.58</b>

# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 33 LEASES

Following are the changes in the carrying value of right of use assets for the year ended 31<sup>st</sup> March, 2024:

(₹ in Crore)	
Particulars	Category of ROU Asset Leasehold premises
Balance as at 1 <sup>st</sup> April, 2023	41.39
Add: New Lease Agreements	51.99
Less: Deletion	(9.10)
Less: Depreciation	(16.29)
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>67.99</b>

Following are the changes in the carrying value of right of use assets for the year ended 31<sup>st</sup> March, 2023:

(₹ in Crore)	
Particulars	Category of ROU Asset Leasehold premises
Balance as at 1 <sup>st</sup> April, 2022	47.59
Add: New Lease Agreements	15.75
Less: Deletion	(3.95)
Less: Depreciation	(18.00)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>41.39</b>

## Amounts recognised in statement of profit and loss

(₹ in Crore)		
Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Depreciation and Amortisation Expenses</b>		
Depreciation expense on right-of-use assets	16.29	18.00
<b>Finance Cost</b>		
Interest expense on lease liabilities	5.55	3.85
<b>Other Income</b>		
Rent concession	(1.78)	(1.17)
<b>Other Expense</b>		
Expense relating to short-term leases	6.51	3.19



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

The following is the break-up of current and non-current lease liabilities:-

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Current Lease Liabilities	18.32	11.93
Non-Current Lease Liabilities	58.65	34.79
<b>Total</b>	<b>76.97</b>	<b>46.72</b>

The following is the movement in lease liabilities during the year ended 31<sup>st</sup> March, 2024:

Particulars	(₹ in Crore)
	Amount
Balance as at 1 <sup>st</sup> April, 2023	46.72
Additions	51.99
Deletions	(10.89)
Finance Cost accrued during the year	5.55
Payment of Lease Liabilities (including finance cost)	(16.40)
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>76.97</b>

The following is the movement in lease liabilities during the year ended 31<sup>st</sup> March, 2023:

Particulars	(₹ in Crore)
	Amount
Balance as at 1 <sup>st</sup> April, 2022	53.42
Additions	15.75
Deletions	(5.09)
Finance Cost accrued during the year	3.85
Payment of Lease Liabilities (including finance cost)	(21.18)
Rent concession	(0.03)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>46.72</b>

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	(₹ in Crore)	
	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Less than one year	18.98	12.32
One to Five years	63.42	32.87
More than Five years	7.58	9.92
<b>Total</b>	<b>89.98</b>	<b>55.11</b>

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

All the future cash flows to which the lease is potentially exposed are reflected in the measurement of lease liabilities.

# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 34 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(₹ in Crore)

Assets/Liabilities	31 <sup>st</sup> March, 2024			31 <sup>st</sup> March, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Financial Assets</b>						
Cash and cash equivalents	10.36	-	10.36	6.49	-	6.49
Other bank balances	0.46	-	0.46	49.17	-	49.17
Trade receivables	32.95	-	32.95	19.53	-	19.53
Investments	1,897.43	1,293.78	3,191.21	1,526.85	901.33	2,428.18
Other Financial Assets	13.65	-	13.65	45.31	14.11	59.42
<b>Non-Financial Assets</b>						
Current tax assets (net)	-	17.69	17.69	-	41.98	41.98
Property, Plant and Equipment	-	29.74	29.74	-	18.57	18.57
Right of use Assets	-	67.99	67.99	-	41.39	41.39
Capital work-in-progress	-	0.62	0.62	-	1.05	1.05
Intangible assets under development	-	1.32	1.32	-	1.03	1.03
Other Intangible Assets	-	10.88	10.88	-	8.77	8.77
Other Non-Financial Assets	68.50	37.42	105.92	64.71	36.33	101.04
<b>Total Assets</b>	<b>2,023.35</b>	<b>1,459.44</b>	<b>3,482.79</b>	<b>1,712.06</b>	<b>1,064.56</b>	<b>2,776.62</b>
<b>Financial Liabilities</b>						
Trade Payables	57.92	-	57.92	48.42	-	48.42
Lease Liabilities	18.32	58.65	76.97	11.93	34.79	46.72
Other Financial Liabilities	64.49	-	64.49	49.05	-	49.05
<b>Non-Financial Liabilities</b>						
Current tax liabilities (net)	-	3.46	3.46	10.68	-	10.68
Provisions	43.33	0.40	43.73	38.24	2.45	40.69
Deferred tax liabilities (net)	-	61.37	61.37	-	34.75	34.75
Other non-financial liabilities	20.35	-	20.35	37.36	-	37.36
<b>Total Liabilities</b>	<b>204.41</b>	<b>123.88</b>	<b>328.29</b>	<b>195.68</b>	<b>71.99</b>	<b>267.67</b>





# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 35 EMPLOYEE STOCK OPTIONS SCHEME

At the Board Meeting held on 14<sup>th</sup> April, 2021 the Company approved the grant of not more than 46,08,000 Equity Shares by way of grant of Stock Options and restricted Stock Units ("RSUs"). Out of these, the Nomination, Remuneration and Compensation Committee has granted 32,32,899 ESOPs, 5,08,117 PRSU , 1,96,374 Long-Term RSU & 2,46,863 RSU Founder under the Scheme titled "Aditya Birla Sun Life AMC Limited Employee Stock Option Scheme 2021 " in 4 categories of Long-Term Incentive Plans ("LTIP") identified as LTIP 1, LTIP 2, LTIP 3 & LTIP 4 respectively. The Scheme allows the Grant of Stock options to employees of the Company (whether in India or abroad) that meet the eligibility criteria. Each option comprises one underlying Equity Share. There are no cash settlement alternatives. The Group accounts for the employees stock option scheme as an equity-settled plan

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3	LTIP 4
Type of ESOP	ESOP	RSU	RSU	RSU
Plan Period	2021-2025	2021-2025	2021-2024	2021-2023
Quantum of Grant	3,232,899	508,117	196,374	246,863
Method of Accounting	Fair Value of options at Grant date	Fair Value of options at Grant date	Fair Value of options at Grant date	Fair Value of options at Grant date
Vesting Period	End of Year 1: 20% of options granted End of Year 2: 20% of options granted End of Year 3: 30% of options granted End of Year 4: 30% of options granted	End of Year 3: 50% of options granted End of Year 4: 50% of options granted	End of Year 3: 100% of options granted	End of Year 2: 100% of options granted
Vesting Conditions	Employees of the Group: Achievement of 75% of Annual Planning & Budgeting Profit Before Tax	Employees of the Group: Achievement of 80% of Annual Planning & Budgeting Profit Before Tax	Continued employment	Continued employment
Exercise Period	5 years from the date of vesting	5 years from the date of vesting	5 years from the date of vesting	5 years from the date of vesting
Grant Date	12/04/2021	12/04/2021	12/04/2021	12/04/2021
Exercise Price as on Grant date ( per share )	694.00	5.00	5.00	5.00
Value of Equity Shares as at the Date of Grant of Original Option (₹ Per Share)	671.50	671.50	671.50	671.50

There were no cancellations or modifications to the Employee Stock Options Scheme in year ending 31<sup>st</sup> March, 2024.

# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## Movements during the year ended 31<sup>st</sup> March, 2024

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3	LTIP 4
Type of ESOP	ESOP	RSU	RSU	RSU
Options/ RSUs Outstanding at the beginning of the period	2,702,516	424,756	174,337	173,151
Granted during the period	Nil	Nil	Nil	Nil
Exercised during the period	Nil	Nil	Nil	91,213
Forfeited during the period	96,425	13,915	5,173	7,691
Options/ RSUs Outstanding at the end of the period	2,606,091	410,841	169,164	74,247
Options/ RSUs Vested/ Exercisable at the end of the period	1,042,436	Nil	Nil	74,247
The weighted average remaining contractual life for the share options outstanding as at 31 <sup>st</sup> March,, 2024	0.53 years	0.53 years	0.03 years	Nil

Since all the options were granted/lapsed, at the same exercise price per option under the respective category of ESOPs, the weighted average exercise price per option for all these line items under the respective category of ESOPs is the same.

## Movements during the year ended 31<sup>st</sup> March, 2023

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3	LTIP 4
Type of ESOP	ESOP	RSU	RSU	RSU
Options/ RSUs Outstanding at the beginning of the period	3,053,631	479,942	191,557	200,432
Granted during the period	Nil	Nil	Nil	Nil
Exercised during the period	Nil	Nil	Nil	Nil
Forfeited during the period	351,115	55,186	17,220	27,281
Options/ RSUs Outstanding at the end of the period	2,702,516	424,756	174,337	173,151
Options/ RSUs Vested/ Exercisable at the end of the period	Nil	Nil	Nil	Nil
The weighted average remaining contractual life for the share options outstanding as at 31 <sup>st</sup> March, 2023	1.16 years	1.53 years	1.03 years	0.03 years

Since all the options were granted/lapsed, at the same exercise price per option under the respective category of ESOPs, the weighted average exercise price per option for all these line items under the respective category of ESOPs is the same.



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## Fair Valuation

The fair value at grant date is independently determined by valuer using Black-Scholes Merton Model which takes into account the exercise price, the term of the option, the share price at grant date and historical volatility of the Peer companies and Index, the expected dividend yield and the risk-free interest rate for the term of the option.

The key inputs and the Fair Value for options granted during the year ended 31<sup>st</sup> March, 2024 are as follow:

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3	LTIP 4
Type of ESOP	ESOP	RSU	RSU	RSU
Risk-Free Interest Rate (%)	5.4 to 6.4%	6.3 to 6.4%	6.3%	5.7%
Option Life (Years)	3.5 to 6.5 Yrs	5.5 to 6.5 Yrs	5.5 Yrs	4.5 Yrs
Historical Volatility	32.0% to 34.0%	32.0% to 34.0%	32.4%	32.7%
Expected Dividend Yield (%)	1.4%	1.4%	1.4%	1.4%
Weighted-Average Fair Value per Option as on 12 <sup>th</sup> April, 2021 (₹)	186 to 258.40	610.60 to 618.90	618.90	627.20

Apart from stock options granted as above, the Nomination, Remuneration and Compensation Committee has granted 6,45,337 ESOPs & 13,192 PRSU under the Scheme titled "Aditya Birla Sun Life AMC Limited Employee Stock Option Scheme 2021 " in 2 categories of Long-Term Incentive Plans ("LTIP") identified as LTIP 1 & LTIP 2 respectively. The Scheme allows the Grant of Stock options to employees of the Company (whether in India or abroad) that meet the eligibility criteria. Each option comprises one underlying Equity Share. There are no cash settlement alternatives. The Group accounts for the employees stock option scheme as an equity-settled plan.

Category of ESOPs	LTIP 1	LTIP 2
Type of ESOP	ESOP	RSU
Plan Period	2023- 2026	2025-2026
Quantum of Grant	645,337	13,192
Method of Accounting	Fair Value of options at Grant date	Fair Value of options at Grant date
Vesting Period	*End of Year 1: 20% of options granted End of Year 2: 20% of options granted End of Year 3: 30% of options granted End of Year 4: 30% of options granted	End of Year 3: 50% of options granted End of Year 4: 50% of options granted
Vesting Conditions	Employees of the Group: Achievement of 75% of Annual Planning & Budgeting Profit Before Tax  75% of AUM managed by the individual to be in Q1 for any two periods (i.e. 1 yr, 2 yr, 3 yr ) and in Q2 in the remaining period  AUM is not negatively impacted by more than 20% viz a viz previous financial year  Individual Performance rating of Delivered Full Performance or above for the year	Employees of the Group: Achievement of 80% of Annual Planning & Budgeting Profit Before Tax and relative performance as decided by Board (66%: 33%)
Exercise Period	5 years from the date of vesting	5 years from the date of vesting
Grant Date	20/10/2022	20/10/2022
Exercise Price as on Grant date ( per share )	435.10	5.00
Value of Equity Shares as at the Date of Grant of Original Option (₹Per Share)	435.10	435.10

# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## Movements during the year ended 31<sup>st</sup> March, 2024

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

Category of ESOPs	LTIP 1	LTIP 2
Type of ESOP	ESOP	RSU
Options/RSUs Outstanding at the beginning of the period	5,22,530	13,192
Granted during the period	Nil	Nil
Exercised during the period	Nil	Nil
Forfeited during the period	173,246	3,102
Options/RSUs Outstanding at the end of the period	349,284	10,090
Options/RSUs Vested/Exercisable at the end of the period	69,857	Nil
The weighted average remaining contractual life for the share options outstanding as at 31 <sup>st</sup> March, 2024	1.68 Years	2.05 Years

## Movements during the year ended 31<sup>st</sup> March, 2023

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

Category of ESOPs	LTIP 1	LTIP 2
Type of ESOP	ESOP	RSU
Options/RSUs Outstanding at the beginning of the period	Nil	Nil
Granted during the period	645,337	13,192
Exercised during the period	Nil	Nil
Forfeited during the period	122,807	Nil
Options/RSUs Outstanding at the end of the period	522,530	13,192
Options/RSUs Vested/Exercisable at the end of the period	Nil	Nil
The weighted average remaining contractual life for the share options outstanding as at 31 <sup>st</sup> March, 2023	2.26	3.06

## Fair Valuation

The fair value at grant date is independently determined by valuer using Black-Scholes Merton Model which takes into account the exercise price, the term of the option, the share price at grant date and historical volatility of the Peer companies and Index, the expected dividend yield and the risk-free interest rate for the term of the option.

The key inputs and the Fair Value for options granted during the year ended 31<sup>st</sup> March, 2024 are as follow:

Category of ESOPs	LTIP 1	LTIP 2
Type of ESOP	ESOP	RSU
Risk-Free Interest Rate (%)	7.4 to 7.5%	7.6%
Option Life (Years)	3.5 to 4.5 Yrs	5.5 to 6.5 Yrs
Historical Volatility	29.1% to 31.8%	29.1% to 31.8%
Expected Dividend Yield (%)	2.0%	2.0%
Weighted-Average Fair Value per Option as on 20 <sup>th</sup> October, 2022 (₹)	125.70 to 161.500	385.40 to 377.80



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

Apart from stock options granted as above, the Nomination, Remuneration and Compensation Committee has granted 72,862 ESOPs & 11,451 RSU & 30,075 ESOPs under the Scheme titled "Aditya Birla Sun Life AMC Limited Employee Stock Option Scheme 2021" in 2 categories of Long-Term Incentive Plans ("LTIP") identified as LTIP 1, LTIP 2 & LTIP 3 respectively. The Scheme allows the Grant of Stock options to employees of the Company (whether in India or abroad) that meet the eligibility criteria. Each option comprises one underlying Equity Share. There are no cash settlement alternatives. The Group accounts for the employees stock option scheme as an equity-settled plan.

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3
Type of ESOP	ESOP	RSU	ESOP
Plan Period	2023-2027	2023-2027	2023-2027
Quantum of Grant	72,862	11,451	30,075
Method of Accounting	Fair Value of options at Grant date	Fair Value of options at Grant date	Fair Value of options at Grant date
Vesting Period	*End of Year 1: 20% of options granted End of Year 2: 20% of options granted End of Year 3: 30% of options granted End of Year 4: 30% of options granted	End of Year 3: 50% of options granted End of Year 4: 50% of options granted	End of Year 4: 100% of options granted
Vesting Conditions	Employees of the Group: Achievement of 75% of Annual Planning & Budgeting Profit Before Tax and continued employment	Employees of the Group: Achievement of 80% of Annual Planning & Budgeting Profit Before Tax and relative performance as decided by Board ( 66%: 33%) and continued employment	Employees of the Group: Achievement of 75% of Annual Planning & Budgeting Profit Before Tax and continued employment. Individual performance Rating DFP or above for the year. 75% of AUM Managed to be in Q1 for any two periods ( i.e. 1 yr, 2 yr , 3 yr ) and in Q2 in the remaining period on 31 <sup>st</sup> March, 2027. AUM Managed is not negatively impacted by more than 20% viz a viz previous financial year
Exercise Period	5 years from the date of vesting	5 years from the date of vesting	5 years from the date of vesting
Grant Date	26/10/2023	26/10/2023	26/10/2023
Exercise Price as on Grant date ( per share )	441.75	5.00	441.75
Value of Equity Shares as at the Date of Grant of Original Option (₹Per Share)	441.75	441.75	441.75

# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## Movements during the year ended 31<sup>st</sup> March, 2024

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3
Type of ESOP	ESOP	RSU	ESOP
Options/ RSUs Outstanding at the beginning of the period	Nil	Nil	Nil
Granted during the period	72,862	11,451	30,075
Exercised during the period	Nil	Nil	Nil
Forfeited during the period	Nil	Nil	Nil
Options/ RSUs Outstanding at the end of the period	72,862	11,451	30,075
Options/ RSUs Vested/ Exercisable at the end of the period	Nil	Nil	Nil
The weighted average remaining contractual life for the share options outstanding as at 31 <sup>st</sup> March, 2024	2.27 Years	3.07 Years	3.24 Years

## Fair Valuation

The fair value at grant date is independently determined by valuer using Black-Scholes Merton Model which takes into account the exercise price, the term of the option, the share price at grant date and historical volatility of the Peer companies and Index, the expected dividend yield and the risk-free interest rate for the term of the option.

The key inputs and the Fair Value for options granted during the year ended 31<sup>st</sup> March, 2024 are as follow:

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3
Type of ESOP	ESOP	RSU	ESOP
Risk-Free Interest Rate (%)	7.5%	7.5%	7.5%
Option Life (Years)	3.5 to 6.5 Yrs	3.5 to 6.5 Yrs	6.2 Yrs
Historical Volatility	25.5% to 29.5%	25.5% to 29.5%	28.3%
Expected Dividend Yield (%)	2.3%	2.3%	2.3%
Weighted-Average Fair Value per Option as on 20 <sup>th</sup> October, 2023 (₹)	108.90 to 154.40	376.20 to 385.00	151.90

## NOTE: 36 STRUCK-OFF COMPANIES:

The details of transactions with struck off companies are as follows:

### For Year ended 31<sup>st</sup> March, 2024

The Company does not have any transactions with struck off Companies.

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

The Company does not have any transactions with struck off Companies.



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 37 RATIOS

(₹ in Crore)

Particulars	Numerator	Denominator	31 <sup>st</sup> March, 2024	Numerator	Denominator	31 <sup>st</sup> March, 2023
(a) Capital to risk-weighted assets ratio (CRAR)*	-	-	-	-	-	-
(b) Tier I CRAR*	-	-	-	-	-	-
(c) Tier II CRAR *	-	-	-	-	-	-
(d) Liquidity Coverage Ratio (no.of times) [Total Financial Assets (within 12 months)/Total Liabilities (within 12 months)]	1,954.85	204.41	9.56	1,647.35	195.68	8.42

\*Since the Company is not in lending business, it does not have any credit exposure. Hence, these ratios are not applicable to the Company.

## NOTE: 38

The Company has not borrowed any fund from bank or financial Institution or other lender hence disclosure is not applicable.

## NOTE: 39

The Company does not have any transactions which were not recoded in the books of account but offered as income during the year in the income tax assessment.

## NOTE: 40

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

## NOTE: 41

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

## NOTE: 42

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

## NOTE: 43

The Company has complied with the number of layers prescribed under section 186(1) and clause 87 of section 2 of the Companies Act, 2013.

## NOTE: 44

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 45

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## NOTE: 46

The Code on Social Security 2020, relating to employee benefits during employment and post-employment, has been notified in the Official Gazette on 29<sup>th</sup> September, 2020, which could impact the contributions made by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified, and the rules are yet to be framed. Impact, if any, of the change will be assessed and accounted in period of notification of the relevant provisions.

## NOTE: 47

Daily back up of books of account and accounting records is taken on servers physically located in India.

## NOTE: 48

The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. The Company did not enable audit trail on database feature due to application performance consideration which has been recorded through PAM system (Privilege Access Management) in the form of video logs which are maintained for rolling 6 months. Further no instance of audit trail feature being tampered with was noted in respect of the software.

## NOTE: 49

In order to achieve Minimum Public Shareholding (MPS) of 25% post IPO, in compliance with the SEBI MPS guidelines, the Promoters of the Company i.e. Aditya Birla Capital Limited and Sun Life (India) AMC Investments Inc had sold in aggregate 11.16% shareholding in the Company on 19<sup>th</sup> March, 2024 and 20<sup>th</sup> March, 2024 by way Offer for Sale (OFS) through Stock Exchange Mechanism. Post OFS and as on 31<sup>st</sup> March, 2024, the Promoters and the Public shareholding in the Company is 75.32% and 24.68%, respectively.

## NOTE: 50 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors have proposed a final dividend of ₹ 13.50 per equity share (face value of ₹ 5 each) for the year ended 31<sup>st</sup> March, 2024, subject to the approval of the shareholders at the ensuing Annual General Meeting.



# Notes to Standalone financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 51 PRIOR PERIOD COMPARATIVES

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date attached  
**For S.R. Batliboi & Co. LLP**

Chartered Accountants  
Firm Reg. No. 301003E/E300005

**Rutushtra Patell**  
Partner

Membership No. 123596

Place: Mumbai  
Date: 26<sup>th</sup> April, 2024

For and on behalf of the Board of Directors of  
**Aditya Birla Sun Life AMC Limited**

**Vishakha Mulye**  
Director

DIN: 00203578

**Parag Joglekar**  
Chief Financial Officer

Place: Mumbai  
Date: 26<sup>th</sup> April, 2024

**A. Balasubramanian**  
Managing Director and CEO

DIN: 02928193

**Prateek Savla**  
Company Secretary

ACS No. 29500

# Independent Auditor's Report

To,  
The Members of  
**Aditya Birla Sun Life AMC Limited**

## REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying consolidated financial statements of Aditya Birla Sun Life AMC Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at 31<sup>st</sup> March, 2024, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March, 2024, their consolidated profit/loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified

under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year ended 31<sup>st</sup> March, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.



Key Audit Matter	How our audit addressed the key audit matter
<p><b>Revenue from Asset Management and Advisory Fees and Management Fees from Portfolio Management and Other Services</b> (as described in Note 2(xv) of the consolidated financial statements)</p> <p>Revenue from operations is the most significant balance in the Statement of Profit and Loss. It majorly comprises of:</p> <ul style="list-style-type: none"> <li>Asset Management and Advisory Fees amounting to ₹1,286.61 Crore.</li> <li>Management Fees from Portfolio Management and Other Services amounting to ₹ 66.58 Crore.</li> </ul> <p>There are inherent risks in computing the different revenue streams including manual input of key contractual terms and computation of applicable Assets Under Management (AUM), which could result in errors. Considering the complexity in contractual terms involving multiple schemes, it requires monitoring to ensure all financial terms and conditions are captured accurately and applied appropriately.</p> <p>Any discrepancy in such computation could give rise to a material misstatement in the financial statements.</p> <p>Accordingly, we have considered revenue from asset management and advisory fees and management fees from portfolio management as a key audit matter.</p>	<p>We have performed the following procedures in relation to the revenue recognised during the year:</p> <ul style="list-style-type: none"> <li>Obtained and read the accounting policy for revenue recognition.</li> <li>Obtained an understanding of the significant revenue items and identified where there is a higher risk of error due to manual processes, complex contractual terms, and areas of judgement.</li> <li>Test checked the design and operating effectiveness of key controls in place across the Holding Company over recognition of Management Fees.</li> <li>On a sample basis, obtained and tested arithmetical accuracy of revenue calculation and the reconciliation with the accounting records.</li> <li>On sample basis, verified the input of contractual terms with rates approved by the management.</li> <li>On a sample basis, checked the receipts of such income in bank statements.</li> <li>Obtained and read the investment management fee report, issued by statutory auditors of mutual fund schemes and reconciled the certified amounts with the accounting records of the Holding Company.</li> <li>Re-calculated Asset Management and Advisory Fees and Portfolio Management Services Fees in respect of certain sample contracts and compared with the actual fees charged by the Holding Company for such contracts.</li> <li>Evaluated the disclosure relating to management fee income earned by the Holding Company.</li> </ul>

## Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our 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 identified above when it becomes available, and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read such information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and to comply with the relevant applicable requirements of the standard on auditing for auditor's responsibility in relation to other

information in documents containing audited consolidated financial statements. We have nothing to report in this regard.

## Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective company(ies) and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent;

and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended 31<sup>st</sup> March, 2024 and are therefore the key audit matters. We describe these matters in our auditor's



report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

We did not audit the financial statements and other financial information, in respect of three subsidiaries, whose financial statements include total assets of ₹ 92.18 Crore as at 31<sup>st</sup> March, 2024, and total revenues of ₹ 43.29 Crore and net cash inflows of ₹ 2.62 Crore for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management.

Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report(s) of such other auditors.

All of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxii) of the Order.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company are disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);
- (g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report. This report does not include Report on the internal financial controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Report on internal financial controls') for the subsidiary companies, since in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the subsidiary companies, basis



the exemption available to the Holding Company under MCA notification no. G.S.R. 583(E) dated 13<sup>th</sup> June, 2017, read with corrigendum dated 13<sup>th</sup> July, 2017 on reporting on internal financial controls with reference to consolidated financial statements;

- (h) In our opinion, the managerial remuneration for the year ended 31<sup>st</sup> March, 2024 has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements – Refer Note 23 to the consolidated financial statements;
  - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended 31<sup>st</sup> March, 2024;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended 31<sup>st</sup> March, 2024.
  - iv. a) The management of the Holding Company have represented to us that to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The management of the Holding Company has represented to us that to the best of its knowledge and belief, no funds have been received by the Holding Company

from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement;

- v. The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 51 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members of the Holding at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend;

- vi. Based on our examination which included test checks, the Holding Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature was not enabled for direct changes to data when using certain access rights, as described in note 49 to the consolidated financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

**per Rutushtra Patell**  
Partner

Membership Number: 123596  
UDIN: 24123596BKCIBF1080

Place of Signature: Mumbai  
Date: 26<sup>th</sup> April, 2024



# ANNEXURE 1

Referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

**Re: Aditya Birla Sun Life AMC Limited (hereinafter referred to as ‘the Holding Company’)**

Based on the audit reports of the subsidiary companies, which are incorporated outside India, we noted that reporting Companies (Auditor’s Report) Order, 2020 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act is not applicable to the subsidiary companies. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Rutushtra Patell**

Partner

Membership Number: 123596

UDIN: 24123596BKCIBF1080

Place of Signature: Mumbai

Date: 26<sup>th</sup> April, 2024



# ANNEXURE 2

To The Independent Auditor's Report of even date on The Consolidated Financial Statements of Aditya Birla Sun Life AMC Limited

## **REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")**

In conjunction with our audit of the consolidated financial statements of Aditya Birla Sun Life AMC Limited as of and for the year ended 31<sup>st</sup> March, 2024, we have audited the internal financial controls over financial reporting of Aditya Birla Sun Life AMC Limited (hereinafter referred to as the "Holding Company").

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about

whether adequate internal financial controls over financial reporting with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls Over Financial Reporting With Reference to Consolidated Financial Statements**

A company's internal financial controls over financial reporting with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made



only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to Consolidated Financial Statements**

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

### **Opinion**

In our opinion, the Holding Company, has maintained in all material respects, adequate internal financial controls over financial reporting with reference to consolidated financial statements and such internal financial controls over financial reporting with reference to consolidated financial statements were operating effectively as at 31<sup>st</sup> March, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Rutushtra Patell**

Partner

Membership Number: 123596

UDIN: 24123596BKCIBF1080

Place of Signature: Mumbai

Date: 26<sup>th</sup> April, 2024

# Consolidated Balance Sheet

as at 31<sup>st</sup> March, 2024

(₹ in Crore)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>I ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and Cash Equivalents	3	39.10	33.61
(b) Bank Balances other than (a) above	4	45.72	93.02
(c) Receivables			
(i) Trade Receivables	5	40.73	24.53
(d) Investments	6	3,122.17	2,359.17
(e) Other Financial Assets	7	14.02	59.77
<b>Total Financial Assets</b>		<b>3,261.74</b>	<b>2,570.10</b>
<b>(2) Non-Financial Assets</b>			
(a) Current tax assets (net)		17.69	41.98
(b) Property, Plant and Equipment	8.1	29.86	18.74
(c) Capital work-in-progress	8.1	0.62	1.05
(d) Intangible assets under development	8.2	1.32	1.03
(e) Other Intangible Assets	8.2	10.88	8.77
(f) Right of use Assets	34	70.08	42.70
(g) Other non-Financial Assets	9	109.66	103.75
<b>Total Non-Financial Assets</b>		<b>240.11</b>	<b>218.02</b>
<b>Total Assets</b>		<b>3,501.85</b>	<b>2,788.12</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) Financial Liabilities</b>			
(a) Payables			
Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	10	0.04	0.19
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	10	57.58	48.01
(b) Lease Liabilities	34	79.09	48.03
(c) Other Financial Liabilities	11	66.70	50.73
<b>Total Financial Liabilities</b>		<b>203.41</b>	<b>146.96</b>
<b>(2) Non-Financial Liabilities</b>			
(a) Current tax liabilities (net)		3.46	10.68
(b) Provisions	12	44.18	41.20
(c) Deferred tax liabilities (net)	13	61.37	34.75
(d) Other non-financial liabilities	14	20.55	37.54
<b>Total Non-Financial Liabilities</b>		<b>129.56</b>	<b>124.17</b>
<b>(3) Equity</b>			
(a) Equity Share Capital	15	144.05	144.00
(b) Other Equity	16	3,024.83	2,372.99
<b>Equity attributable to equity holders of the parent</b>		<b>3,168.88</b>	<b>2,516.99</b>
Non-Controlling Interests		-	-
<b>Total Equity</b>		<b>3,168.88</b>	<b>2,516.99</b>
<b>Total Liabilities and Equity</b>		<b>3,501.85</b>	<b>2,788.12</b>

Corporate Information and Material Accounting Policies

1 & 2

The accompanying Notes are an integral part of the Financial Statements.

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As per our report of even date attached

**For S.R. Batliboi & Co. LLP**

Chartered Accountants  
Firm Reg. No. 301003E/E300005

**Rutushtra Patell**

Partner

Membership No. 123596

For and on behalf of the Board of Directors of

**Aditya Birla Sun Life AMC Limited**

**Vishakha Mulye**

Director

DIN: 00203578

**Parag Joglekar**

Chief Financial Officer

**A. Balasubramanian**

Managing Director and CEO

DIN: 02928193

**Prateek Savla**

Company Secretary

ACS No. 29500

Place: Mumbai

Date: 26<sup>th</sup> April, 2024

Place: Mumbai

Date: 26<sup>th</sup> April, 2024



# Consolidated Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2024

(₹ in Crore)

Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Income</b>			
<b>Revenue from Operations</b>			
Fees and Commission income	17	1,353.19	1,226.61
<b>Total Revenue from Operations</b>		<b>1,353.19</b>	<b>1,226.61</b>
Other Income	18	287.39	127.09
<b>Total Income (A)</b>		<b>1,640.58</b>	<b>1,353.70</b>
<b>Expenses</b>			
Finance Cost	19	5.63	3.90
Employee Benefit Expense	20	320.76	277.21
Fees and Commission Expense		35.06	22.87
Depreciation and Amortisation Expense	21	34.60	34.32
Other Expense	22	236.38	221.54
<b>Total Expenses (B)</b>		<b>632.43</b>	<b>559.84</b>
<b>Profit Before Tax (C = A-B)</b>		<b>1,008.15</b>	<b>793.86</b>
<b>Income Tax Expense</b>			
Current tax		201.28	187.61
Short/(Excess) Provision for Current Tax related to Prior Years (Net)		(0.11)	0.31
Deferred tax		26.62	9.56
<b>Income Tax Expense (D)</b>	13	<b>227.79</b>	<b>197.48</b>
<b>Profit for the year (E = C - D)</b>		<b>780.36</b>	<b>596.38</b>
<b>Other Comprehensive Income</b>			
A Items that will not be reclassified to profit or loss			
(i) Re-measurement gains/(losses) on defined benefit plans		(0.82)	(1.68)
(ii) Income tax relating to the items that will not be reclassified to the Profit and Loss		0.21	0.42
B Items that will be reclassified to profit or loss			
i) Exchange difference on translation of foreign operations		0.21	6.74
<b>Other Comprehensive Income for the Year (F)</b>		<b>(0.40)</b>	<b>5.48</b>
<b>Total Comprehensive Income for the Year (G = E+F)</b>		<b>779.96</b>	<b>601.86</b>
<b>Profit for the year</b>			
Attributable to:			
Owners of the Company		780.36	596.38
Non-controlling interests		-	-
		<b>780.36</b>	<b>596.38</b>
<b>Total comprehensive income for the year</b>			
Attributable to:			
Owners of the Company		779.96	601.86
Non-controlling interests		-	-
		<b>779.96</b>	<b>601.86</b>
<b>Earnings per share of ₹ 5 each</b>			
	27		
- Basic		27.09	20.71
- Diluted		27.02	20.65
Corporate Information and Material Accounting Policies	1 & 2		
The accompanying Notes are an integral part of the Financial Statements.	23-52		

As per our report of even date attached

**For S.R. Batliboi & Co. LLP**

Chartered Accountants

Firm Reg. No. 301003E/E300005

**Rutushtra Patell**

Partner

Membership No. 123596

Place: Mumbai

Date: 26<sup>th</sup> April, 2024

For and on behalf of the Board of Directors of

**Aditya Birla Sun Life AMC Limited****Vishakha Mulye**

Director

DIN: 00203578

**Parag Joglekar**

Chief Financial Officer

Place: Mumbai

Date: 26<sup>th</sup> April, 2024**A. Balasubramanian**

Managing Director and CEO

DIN: 02928193

**Prateek Savla**

Company Secretary

ACS No. 29500

# Consolidated Statement of Cash Flow

for the year ended 31<sup>st</sup> March, 2024

(₹ in Crore)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Cash Flow from Operating activities</b>		
Profit Before Tax	<b>1,008.15</b>	<b>793.86</b>
<b>Adjustments for:</b>		
Depreciation and Amortisation	34.60	34.32
Finance cost	5.63	3.90
Profit on Sale of Investments (net)	(29.29)	(28.32)
Dividend on Investments	(2.73)	(0.11)
Fair valuation of investments	(229.84)	(78.76)
Exchange differences on translating the financial statements of a foreign operation	0.21	6.74
Loss or (Profit) on Sale of Property, Plant and Equipment (net)	(0.04)	(0.14)
Share-based payments by the Company	23.21	31.16
Interest on Tax Refund	(1.49)	-
Interest on Fixed Deposits and Investments	(19.05)	(15.33)
Rent concession	(1.78)	(1.17)
<b>Operating Profit before working capital changes</b>	<b>787.58</b>	<b>746.15</b>
(Increase)/Decrease in Trade Receivables	(16.20)	1.63
(Increase)/Decrease in Loans	-	0.01
(Increase)/Decrease in Other Financial Assets	93.05	(101.84)
(Increase)/Decrease in Other Non-Financial Assets	(6.27)	(46.34)
Increase/(Decrease) in Trade Payables	9.43	17.79
Increase/(Decrease) in Other Financial Liabilities	15.97	(15.37)
Increase/(Decrease) in Provisions	2.98	3.76
Increase/(Decrease) in Other Non-Financial Liabilities	(17.81)	11.12
<b>Cash generated from Operations</b>	<b>868.73</b>	<b>616.91</b>
Income Tax paid (net)	(183.89)	(179.55)
<b>Net cash generated from Operating activities</b>	<b>684.84</b>	<b>437.36</b>
<b>Cash Flow from Investing activities</b>		
Purchase of Property, Plant and Equipment and Intangible Assets	(30.61)	(18.99)
Sale proceeds from Property, Plant and Equipment and Intangible Assets	0.53	0.34
Interest on Fixed Deposits and Investments	14.18	13.39
Dividend on Investments	2.73	0.11
Purchase of Investments	(2,455.37)	(2,227.76)
Sale of Investments	1,957.80	2,098.59
<b>Net cash generated/(used) in investing activities</b>	<b>(510.74)</b>	<b>(134.32)</b>



# Consolidated Statement of Cash Flow (Contd.)

for the year ended 31<sup>st</sup> March, 2024

(₹ in Crore)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Cash Flow from Financing activities</b>		
Final/Interim Dividend Paid during the year (including tax thereon)	(151.22)	(312.48)
Lease Liability - Interest Portion (refer note 34)	(5.63)	(3.90)
Lease Liability - Principal Portion (refer note 34)	(11.81)	(18.29)
Proceeds from issuance of Share Capital (Refer note 15)	0.05	-
<b>Net cash used in financing activities</b>	<b>(168.61)</b>	<b>(334.67)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>5.49</b>	<b>(31.63)</b>
Cash and Cash Equivalents at beginning of the year	33.61	65.24
Cash and Cash Equivalents at end of the year ( Refer Note 3 )	<b>39.10</b>	<b>33.61</b>

- a.) Statement of cash flows have been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standard) Rules, 2015.
- b.) Cash and cash equivalents include in the Statement of cash flows comprise the following:
- |   |       |       |
|---|-------|-------|
| Cash and cash equivalents disclosed under Financial Assets: | 39.10 | 33.61 |
|---|-------|-------|

As per our report of even date attached

**For S.R. Batliboi & Co. LLP**

Chartered Accountants  
Firm Reg. No. 301003E/E300005

**Rutushtra Patell**

Partner  
Membership No. 123596

Place: Mumbai  
Date: 26<sup>th</sup> April, 2024

For and on behalf of the Board of Directors of

**Aditya Birla Sun Life AMC Limited**

**Vishakha Mulye**

Director  
DIN: 00203578

**Parag Joglekar**

Chief Financial Officer

Place: Mumbai  
Date: 26<sup>th</sup> April, 2024

**A. Balasubramanian**

Managing Director and CEO  
DIN: 02928193

**Prateek Savla**

Company Secretary  
ACS No. 29500

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2024

## A. EQUITY SHARE CAPITAL

(₹ in Crore)

Equity shares issued, subscribed and fully paid	No. of shares	Amount
<b>As 1<sup>st</sup> April, 2022 (Face Value ₹ 5)</b>	288,000,000	144.00
Issued during the year (Refer note 15)	-	-
<b>As 31<sup>st</sup> March, 2023 (Face Value ₹ 5)</b>	<b>288,000,000</b>	<b>144.00</b>
Issued during the year (Refer note 15)	91,213	0.05
<b>At 31<sup>st</sup> March, 2024 (Face Value ₹ 5)</b>	<b>288,091,213</b>	<b>144.05</b>

## B. OTHER EQUITY

For the year ended 31<sup>st</sup> March, 2024

(₹ in Crore)

Particulars	Attributable to equity holders of the Company						Total Equity
	Reserve and Surplus				Foreign Currency Translation Reserve	Share Application Pending Allotment	
	Retained Earnings	General Reserve	Securities premium	Share Option Outstanding Account			
<b>Balance as at 1<sup>st</sup> April, 2023</b>	<b>2,269.65</b>	<b>8.05</b>	-	<b>78.24</b>	<b>17.05</b>	-	<b>2,372.99</b>
Profit for the year	780.36	-	-	-	-	-	780.36
Other Comprehensive Income for the year	(0.61)	-	-	-	0.21	-	(0.40)
<b>Total Comprehensive Income for the year</b>	<b>779.75</b>	-	-	-	<b>0.21</b>	-	<b>779.96</b>
Transfer from Share Options Outstanding Account to Securities Premium (towards options exercised)	-	-	5.72	(5.72)	-	-	-
Options exercised but pending allotment	-	-	-	-	-	0.01	0.01
Options lapsed during the year	-	0.81	-	(0.81)	-	-	-
Share-based payments by the Company (Refer note 20 and 36)	-	-	-	23.09	-	-	23.09
Final Dividend paid to Equity shareholders for Fiscal year 2022-23 (refer note 16)	(151.22)	-	-	-	-	-	(151.22)
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>2,898.18</b>	<b>8.86</b>	<b>5.72</b>	<b>94.80</b>	<b>17.26</b>	<b>0.01</b>	<b>3,024.83</b>





# Statement of Changes in Equity (Contd.)

for the year ended 31<sup>st</sup> March, 2024

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

(₹ in Crore)

Particulars	Attributable to equity holders of the Company				Foreign Currency Translation Reserve	Total Equity
	Reserve and Surplus					
	Retained Earnings	General Reserve	Securities premium	Share Option Outstanding Account		
<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>1,987.00</b>	6.87	-	48.28	10.31	2,052.46
Profit for the year	596.38	-	-	-	-	596.38
Other Comprehensive Income for the year	(1.26)	-	-	-	6.74	5.48
<b>Total Comprehensive Income for the year</b>	<b>595.12</b>	-	-	-	<b>6.74</b>	<b>601.86</b>
Options lapsed during the year	-	1.18	-	(1.18)	-	-
Share-based payments by the Company (Refer note 20 and 36)	-	-	-	31.14	-	31.14
Interim Dividend paid to Equity shareholders for Fiscal year 2022-23 (refer note 16)	(144.00)	-	-	-	-	(144.00)
Final Dividend paid to Equity shareholders for Fiscal year 2021-22 (refer note 16)	(168.48)	-	-	-	-	(168.48)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>2,269.65</b>	<b>8.05</b>	-	<b>78.24</b>	<b>17.05</b>	<b>2,372.99</b>

As per our report of even date attached  
**For S.R. Batliboi & Co. LLP**

Chartered Accountants  
Firm Reg. No. 301003E/E300005

**Rutushtra Patell**  
Partner  
Membership No. 123596

Place: Mumbai  
Date: 26<sup>th</sup> April, 2024

For and on behalf of the Board of Directors of  
**Aditya Birla Sun Life AMC Limited**

**Vishakha Mulye**  
Director  
DIN: 00203578  
**Parag Joglekar**  
Chief Financial Officer

Place: Mumbai  
Date: 26<sup>th</sup> April, 2024

**A. Balasubramanian**  
Managing Director and CEO  
DIN: 02928193  
**Prateek Savla**  
Company Secretary  
ACS No. 29500

# Material accounting policies

and other explanatory information (notes) forming part of the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2024

## NOTE: 1 CORPORATE INFORMATION

The Company is a public listed entity and its registered office is situated at One World Centre, Tower 1, 17<sup>th</sup> Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013. The Company was incorporated under the provisions of the Companies Act on September 5, 1994. As at 31<sup>st</sup> March, 2024, Aditya Birla Capital Limited and Sun Life (India) AMC Investments Inc., Promoters and Promoters Group, owns 75.32% of the Company's equity share capital.

The equity shares of the Company have been listed on National Stock Exchange of India Limited and BSE Limited since 11<sup>th</sup> October, 2021.

The Company is registered with Securities and Exchange Board of India (SEBI) under the SEBI (Mutual Funds) Regulations, 1996 and the principal activity is to act as an investment manager to Aditya Birla Sun Life Mutual Fund. The Company is also registered under the SEBI (Portfolio Managers) Regulations, 1993 and provides Portfolio Management Services ("PMS") and investment advisory services to offshore funds and high net worth investors. The Company also acts as an Investment Manager to Aditya Birla Real Estate Funds (Category II) registered with SEBI. Further, the Company has also received SEBI registration for Alternative Investment Fund (AIFs) Category III namely Aditya Birla Sun Life AIF Trust – I and AIF Category II namely Aditya Birla Sun Life AIF Trust – II.

The Company has set up a new branch at the GIFT-IFSC (Gujarat International Finance Tec-City- International Financial Services Centre) to cater to its international business, to expand its reach and service global clients, including NRIs for investing in India.

## NOTE: 2 MATERIAL ACCOUNTING POLICIES

### i. Basis of Preparation of Financial Statements

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division III Schedule III to the Companies Act, 2013, as applicable to the Consolidated Financial Statements.

The Consolidated Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial instruments, measured at fair value
- Gratuity plan assets, measured at fair value
- Share-based payments, measured at fair value

The consolidated financial statements are presented in Indian rupees and all values are rounded to the nearest Crore, except when otherwise indicated. The Group has changed its presentation of financial figures to the nearest Crore from Lakh. Previous years have been changed to the nearest Crore accordingly.

The consolidated financial statements were approved for issue by the Company's Board of Directors on 26<sup>th</sup> April, 2024.

### ii. Presentation of Financial Statements

The Group presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Group and/or its counterparties

An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 35

### iii. Use of estimates

The preparation of the financial statements in conformity with the Indian Accounting Standards (IND AS) requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities as of the date of financial statements and the reported amount of revenue and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results may differ from those estimates and assumptions used in preparing



# Material accounting policies

and other explanatory information (notes) forming part of the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2024

the accompanying financial statements. Any revision to the accounting estimates will be recognised prospectively in the current and future periods.

Significant estimates and judgements used for:-

- Estimates of useful lives and residual value of Property, Plant and Equipment, and other intangible assets (Refer Note 8.1 and 8.2)
- Measurement of defined benefit obligations, actuarial assumptions (Refer Note 25)
- Recognition of deferred tax assets/liabilities (Refer Note 13)
- Recognition and measurement of provisions and contingencies (Refer Note 12 and Note 23)
- Financial instruments – Fair values, risk management and impairment of financial asset (Refer Note 6)
- Determination of lease term (Refer Note 34)
- Discount rate for lease liability (Refer Note 34)
- Estimates of Share-based payments (Refer Note 20, 25 and 36).

## iv. Functional and Presentation currency

The consolidated financial statements of the Group are presented in Indian rupees, the national currency of India, which is the functional currency of the Company. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using the functional currency.

## v. Principles of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31<sup>st</sup> March, 2024. The Group consolidates a subsidiary when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and

- The ability to use its power over the investee to affect its returns.

The Group also considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies of the subsidiaries have been harmonised to ensure the consistencies with the policies that have been adopted by the Company. The financial statements of the Company and its subsidiaries combined have been consolidated on a line-by-line basis by adding together the values of like items of assets, liabilities, income and expenses, after eliminating intra-Group balances and transactions and offsetting the carrying amount of the Company's investment in each subsidiary and the Company's portion of equity in each subsidiary as per Ind AS 110 "Consolidated Financial Statements".

The Financial statements of the wholly-owned Subsidiaries used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended on 31<sup>st</sup> March. When the end of the reporting period of the Company is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Company to enable the Company to consolidate the financial information of the subsidiary.

# Material accounting policies

and other explanatory information (notes) forming part of the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2024

List of Subsidiary companies included in consolidation are as below:

Name of Subsidiaries	Country of Incorporation	Proportion of ownership Interest as on 31 <sup>st</sup> March, 2024	Proportion of ownership Interest as on 31 <sup>st</sup> March, 2023	Principle Activities
Aditya Birla Sun Life AMC (Mauritius) Limited	Mauritius	100%	100%	To act as Investment Manager to India Advantage Fund Limited.
Aditya Birla Sun Life Asset Management Company Pte. Limited, Singapore	Singapore	100%	100%	To act as a Fund Manager and Investment advisory.
Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai	Dubai	100%	100%	Arranging deals in investment and advisory on financial products.

The Company acts as the fund manager for Aditya Birla Sun Life Mutual Fund and therefore has a significant involvement with the funds. However, fund managers are subject to substantial investment restrictions and guidelines. In all cases, the Company could be removed without cause, by the majority of the unit holders. The Company does not have significant investments in the units of mutual funds. Therefore, the funds managed by the Company are not consolidated.

India Advantage Fund Limited (IAFL) is a collective investment scheme set up as a fund in Mauritius with the status of a limited company under the Mauritius Companies Act. In terms of constitution and private placement memorandum, IAFL has classes of redeemable participating shares. Each class of participating shares has its own Balance Sheet and Profit and Loss account. The Profit / Loss of each such class belongs to the participating shareholders of that class. Aditya Birla Sun Life Asset Management Company Limited (ABSLAMC) owns 100% of the management share and management shareholder is not entitled to any beneficial interest in the profit / loss of various classes nor is required to make good any shortfall. In substance there are no direct or indirect economic benefits received by the management shareholders. The substance over form must prevail. Accordingly, the Group has not consolidated IAFL in the Consolidated Financial Statements.

Aditya Birla Sun Life AMC Pte. Limited, Singapore has made investment in International Opportunities Fund. This fund is segregated portfolio company set up as a fund in Cayman Islands under the Cayman Islands Monetary Act. In terms

of constitution and private placement memorandum, all these funds has various segregated portfolio which issue redeemable participating shares. Each Segregated Portfolio of participating shares has its own Balance Sheet and Profit and Loss account. The Profit / Loss of each such Portfolio belongs to the participating shareholders of that segregated portfolio. Aditya Birla Sun Life Asset Management Company Pte. Limited (ABSLAMC) owns 100% of the management share and management shareholder is not entitled to any beneficial interest in the profit / loss of various segregated portfolios nor is required to make good any shortfall. In substance there are no direct or indirect economic benefits received by the management shareholders. The substance over form must prevail. Accordingly, the Group has not consolidated these funds in the Consolidated Financial Statements.

## vi. Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and cash in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Group's cash management.

## vii. Property, Plant and Equipment

Property, Plant and equipment are stated at their cost of acquisition less accumulated depreciation, and impairment losses. The cost of acquisition is inclusive of taxes (except



# Material accounting policies

and other explanatory information (notes) forming part of the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2024

those which are refundable), duties, freight and other incidental expenses related to acquisition and installation of the assets. As on 1<sup>st</sup> April, 2017, i.e. its date of transition to IND AS, the Group has used Indian GAAP carrying value as deemed costs. All other repair and maintenance costs are recognised in profit or loss as incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

## viii. Capital Work-in-Progress

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

## ix. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. As on 1<sup>st</sup> April, 2017, i.e. its date of transition to IND AS, the Group has used

Indian GAAP carrying value as deemed costs. An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

## x. Intangible assets under development

The intangible assets under development includes cost of intangible assets that are not ready for their intended use less accumulated impairment losses.

## xi. Depreciation on Property, Plant and Equipment

Depreciation on property, plant and equipment is provided on a straight-line basis at the rates and useful life as prescribed in Schedule II of the Companies Act, 2013 or as determined by the management based on technical advice, except assets individually costing less than ₹ 5,000 which are fully depreciated in the year of purchase/ acquisition. Depreciation commences when assets are ready for its intended use.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

# Material accounting policies

and other explanatory information (notes) forming part of the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2024

Following is the summary of useful life of the assets as per management estimates and as required by the Companies Act, 2013.

No.	Particulars	Useful life (In Years)	
		Estimated Useful Life	Useful Life as Prescribed by Schedule II of the Companies Act, 2013
<b>A</b>	<b>Depreciation on property, plant and equipment</b>		
1	Computers		
	- Servers and networks*	3 Years	6 Years
	- Other	3 Years	3 Years
2	Office Equipment	5 Years	5 Years
3	Vehicles – Motor Car *	5 Years	8 Years
4	Furniture and Fixtures*	5 Years	10 Years
5	Mobile Phone (Included in office equipment)	2 Years	Not specified
6	Leasehold Improvements	Over the primary period of the lease term or 3 years, whichever is less	Not specified
<b>B</b>	<b>Amortisation of Intangible assets</b>		
1	Investment Management Rights	10 Years	Not specified
2	Software	3 Years	Not specified

\* Based on technical advice, Management believes that the useful life of assets reflect the periods over which they are expected to be used.

Depreciation on assets sold during the year is recognised on a pro-rata basis in the Statement of Profit and Loss from/till the date of acquisition/sale.

## xii. Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated impaired when the carrying cost of an asset or cash-generating unit's (CGU) exceeds its recoverable value. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The recoverable amount is the greater of the assets' or CGU's fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. An impairment loss, if any, is charged to Statement of Profit and Loss Account in the year in which an asset is identified as impaired. A previously recognised impairment loss is reversed only if there has

been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

## xiii. Fair Value Measurement

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability





# Material accounting policies

and other explanatory information (notes) forming part of the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2024

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1:** Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- **Level 2:** Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## xiv. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument to another entity.

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

All financial instruments are recognised initially at fair value, with the exception of trade receivables. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Trade receivables that do not contain a significant financing component for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on trade date while, loans and borrowings are recognised net of directly attributable transactions costs.

For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories: financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI, financial assets at fair value through profit and loss account (FVTPL) and financial liabilities at amortised cost or FVTPL. The classification of financial instruments depends on the contractual cash flow characteristics and the objective of the business model for which it is held and whether the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal outstanding.

Management determines the classification of its financial instruments at initial recognition.

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

### Classification of Financial assets:

#### a) Financial assets at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

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- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- Reports reviewed by the entity's key management personnel on the performance of financial assets
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- The compensation of the managing teams (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of trades.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

As a second step of its classification process the Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make

the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

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

Financial assets at amortised cost are represented by investments in interest bearing debt instruments, trade receivables, security deposits, cash and cash equivalents, employee and other advances and other financial assets.

## b) Debt Instruments at FVTOCI

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
- the asset's contractual cash flows represent SPPI debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs.

Fair value movements are recognised in other comprehensive income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain loss in Profit or Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the expected interest rate (EIR) model. Currently, the Group does not hold any interest-bearing debt instrument that qualifies to be classified under this category.

## c) Equity instruments at FVTOCI

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL, described below. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis. If the Group decides





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to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which are not subsequently recycled to Profit or Loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Currently, the Group has not classified any equity instrument at FVTOCI.

## d) Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as FVTPL. In addition, the Group may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss. For all equity instruments at FVTPL, dividend is recognised in Profit or Loss when the right of payment has been established.

## Financial liabilities

### a) Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by trade and other payables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### b) Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose

of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to Statement of Profit & Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

## Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## xv. Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Revenue from contracts with customers is recognised when control of services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services.

The Group recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group

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expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

## I. Rendering of services

The Group principally generates revenue by providing asset management services to Aditya Birla Sun Life Mutual Fund and other clients.

- a) Management fees are recognised on accrual basis at specific rates, applied on the average daily net assets of each scheme. The fees charged are in accordance with the terms of Scheme Information Documents of respective schemes and are in line with the provisions of SEBI (Mutual Funds) Regulations, 1996 as amended from time to time.
- b) Portfolio Management Fees and Advisory Fees are recognised on an accrual basis as per the terms of the contract with the customers.
- c) Management fees from other services are recognised on an accrual basis as per the terms of the contract with the customers at specific rates applied on net assets.

These contracts include a single performance obligation (series of distinct services) that is satisfied over time and the management fees and/or advisory fees earned are considered as variable consideration.

If the consideration promised in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for rendering the promised services to a customer. The amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses,

or other similar items. The promised consideration can also vary if an entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

## II. Dividend and Interest Income

- a) Dividend income is recognised when the Group's right to receive dividend is established, it is probable that economic benefits associated with dividend will flow to the entity and the amount of dividend can be measured reliably. This is generally when shareholders approve the dividend.
- b) Interest income from financial assets, is recognised on a time proportion basis, taking into account the amount outstanding and the rate applicable.

## xvi. Foreign currency transactions and balances

The Group's consolidated financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company. For each entity, the Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currency are recorded by the Group's entities at their respective functional currency spot rates at the date of transaction. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Foreign currency monetary items are reported using functional currency spot rates of exchange at the reporting date. The resulting exchange gain/loss is reflected in the Statement of Profit and Loss with the exception of exchange differences arising on monetary items that form part of a Company's net investment in the subsidiaries which are recognised in profit or loss in the separate financial statements of the Company or the individual financial statements of the subsidiaries, as appropriate. In the consolidated financial statements, such exchange differences are recognised initially OCI. Other non-monetary items, like Property Plant & Equipment and Intangible Assets are carried in terms of historical cost using the exchange rate at the date of transaction.



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Translation of foreign subsidiaries is done in accordance with Indian Accounting Standard (Ind AS) 21 "The Effects of Changes in Foreign Exchange Rates". On consolidation, the assets and liabilities of foreign subsidiaries are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI.

## xvii. Employee Benefits

- a) **Provident Fund:** Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.
- b) **Gratuity:** The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements are not reclassified to profit or loss in subsequent years.

Past service costs are recognised in profit or loss on the earlier of:

- The date of plan amendment or curtailment
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
  - Net interest expense or income
- c) **Leave Encashment:** Provision for leave encashment is made on the basis of actuarial valuation of the expected liability. Re-measurement gains/losses are recognised as profit or loss in the year in which they arise.
- d) **Long-Term Incentive Plan:** The Group has long-term incentive plan for different cadre of employees. The same is actuarially determined and assessed on yearly basis. Re-measurement gains/losses are recognised as profit or loss in the year in which they arise.

## xviii. Leases

The Group's lease asset classes primarily consist of leases for buildings. The group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (1) the contract involves the use of an identified asset (2) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises right-of-use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or

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less (short-term leases) and low value leases. The Group applies the short-term lease recognition exemption to its short-term leases of its branches/rental offices (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. For these short-term and low value leases, the Group recognises the lease payments as an expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful life of right-of-use assets (primarily buildings) range between 1 year to 9 years. The right-of-use assets are also subject to impairment. Refer Note 2(xii) on impairment of non-financial assets.

The lease liability is initially measured at the present value of the future lease payments. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

Lease liabilities are remeasured with a corresponding adjustment to the related right of-use asset if the group changes its assessment on exercise of an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## Critical accounting judgements and key sources of estimation uncertainty

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

## xix. Earnings per share ("EPS")

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, profit after tax for the year attributable to the equity shareholders and the weighted-average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.



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## xx. Fund and Commission expenses:

Prior to 21<sup>st</sup> October, 2018, certain scheme related expenses and commission were being borne by the Company in accordance with circulars and guidelines issued by SEBI and the Association of Mutual Funds in India (AMFI). Commission paid for future period for the mutual fund schemes (including for Equity Linked Savings Schemes) until 21<sup>st</sup> October, 2018 is treated as prepaid expenses and is amortised on the contractual period and charged to Statement of Profit and Loss account unless considered recoverable from schemes. Pursuant to circulars issued by SEBI in this regard, after 21<sup>st</sup> October, 2018, these expenses, subject to some exceptions, are being borne by the mutual fund schemes. New Fund Offer (NFO) expenses on the launch of schemes are borne by the Company and recognised in profit or loss as and when incurred.

Commission is paid to the brokers for Portfolio Management and other services as per the terms of agreement entered into with respective brokers. In case of certain portfolio management schemes and other services, the brokerage expenses are amortised over the tenure of the product or commitment period. Unamortised brokerage is treated as Non-financial Assets considering the normal operating cycle of the Company.

## xxi. Taxes

### Current tax:

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred Tax:

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- ii. In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- ii. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be

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available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## xxii. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence

of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Claims against the Group, where the possibility of any outflow of resources in settlement is remote are not disclosed as contingent liabilities. A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is virtually certain.

## xxiii. Share-Based Payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The Group measures the cost of equity-settled transactions with employees using Black-Scholes Model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield, and making assumptions about them.

Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments at the grant date using Black-Scholes Model. The fair value, determined at the grant date of the equity-settled share-based payments, is charged to profit and loss on the straight-line basis over the vesting period of the option, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

In case of forfeiture/lapse stock option, which is not vested, amortised portion is reversed by credit to employee compensation expense. In situation where the stock option expires unexercised, the related balance standing to the credit of the Employee Stock Options Outstanding Account is transferred within equity.





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The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Also, a separate Employee stock options scheme (ESOP) ("the scheme") has been established by Aditya Birla Capital Limited ("ABCL") (Entity having significant influence). The scheme provides that employees are granted an option to subscribe to equity shares of ABCL that vest in a graded manner. The options may be exercised within a specified period. Measurement and disclosure of Employee share-based payment plan is done in accordance with Ind AS 102 Share-Based Payments.

ABCL follows the Black-Scholes Merton Value method to account for its stock-based employee compensation plans. The cost incurred by the ABCL, in respect of options granted to employees of the Company is charged to the Statement of Profit and Loss during the year and recovered by them.

## xxiv. Cash Dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders except in the case of interim dividend. A corresponding amount is recognised directly in equity.

## xxv. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief decision maker (CODM). The CODM's function is to allocate the resources of the Company and assess the performance of the operating segments of the Company.

## xxvi. Standards notified but not yet effective:

There are no standards that are notified and not yet effective as on the date.



# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 3 CASH AND CASH EQUIVALENTS (AT AMORTISED COST)

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Cash on Hand	0.03	0.03
Balances with Banks		
- Current Accounts	38.32	33.13
- Deposit Accounts (with original maturity less than 3 months)	0.75	0.45
<b>Total Cash and Cash equivalents</b>	<b>39.10</b>	<b>33.61</b>

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

## NOTE: 4 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS (AT AMORTISED COST)

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments:		
Earmarked accounts		
- Unclaimed Dividend	0.19	0.11
- Unpaid Dividend <sup>#</sup>	-	19.69
- Unspent CSR (Refer note 30)	-	1.39
Term Deposits with banks (secured against the bank guarantee)	0.27	27.98
Other Term Deposits	45.26	43.85
<b>Total Bank Balances other than cash and cash equivalents</b>	<b>45.72</b>	<b>93.02</b>

<sup>#</sup>This includes TDS payable on Interim Dividend amounting to ₹ 19.64 Crore

## NOTE: 5 TRADE RECEIVABLES (AT AMORTISED COST)

### Unsecured, considered good

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Asset Management & Advisory Fees receivable	28.56	17.65
Management Fees from Portfolio Management and Other services	12.17	6.88
<b>Total Trade Receivables*</b>	<b>40.73</b>	<b>24.53</b>

\*There are no dues from directors or other officers of the Group either severally or jointly with any other person, due from firms or private companies respectively in which any director is a partner, a director or a member.



# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## Trade Receivables ageing schedule

### Trade receivables as on 31<sup>st</sup> March, 2024

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	39.74	0.42	0.57	-	-	<b>40.73</b>
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>39.74</b>	<b>0.42</b>	<b>0.57</b>	<b>-</b>	<b>-</b>	<b>40.73</b>

### Trade receivables as on 31<sup>st</sup> March, 2023

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	23.34	0.65	0.54	-	-	<b>24.53</b>
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>23.34</b>	<b>0.65</b>	<b>0.54</b>	<b>-</b>	<b>-</b>	<b>24.53</b>

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 6 INVESTMENTS

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	Amortised Cost	At Fair Value through Profit or Loss	Total	Amortised Cost	At Fair Value through Profit or Loss	Total
Mutual Funds	-	2,865.30	2,865.30	-	2,223.13	2,223.13
Debt Securities	142.86	19.50	162.36	93.53	-	93.53
Equity Instruments	-	17.16	17.16	-	17.55	17.55
Alternative Investment funds	-	77.35	77.35	-	24.96	24.96
<b>Total Gross Investments (A)</b>	<b>142.86</b>	<b>2,979.31</b>	<b>3,122.17</b>	<b>93.53</b>	<b>2,265.64</b>	<b>2,359.17</b>
Less: Allowance for Impairment	-	-	-	-	-	-
<b>Total Net Investments</b>	<b>142.86</b>	<b>2,979.31</b>	<b>3,122.17</b>	<b>93.53</b>	<b>2,265.64</b>	<b>2,359.17</b>
Investments Outside India	-	0.00	0.00	-	0.00	0.00
Investments in India	142.86	2,979.31	3,122.17	93.53	2,265.64	2,359.17
<b>Total (B)</b>	<b>142.86</b>	<b>2,979.31</b>	<b>3,122.17</b>	<b>93.53</b>	<b>2,265.64</b>	<b>2,359.17</b>
Less: Allowance for Impairment (C)	-	-	-	-	-	-
<b>Total Net Investments</b>	<b>142.86</b>	<b>2,979.31</b>	<b>3,122.17</b>	<b>93.53</b>	<b>2,265.64</b>	<b>2,359.17</b>

## NOTE: 7 OTHER FINANCIAL ASSETS (AT AMORTISED COST)

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Application money towards Investments	-	44.32
Recoverable From Schemes	-	0.14
Receivable from Related Party (Refer Note 26)	-	0.78
Security Deposits	12.31	12.93
Deposits to Related Parties (Refer Note 26)	1.71	1.51
Others	-	0.09
<b>Total Other Financial Assets</b>	<b>14.02</b>	<b>59.77</b>



# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 8.1 PROPERTY, PLANT AND EQUIPMENT

(₹ in Crore)

Particulars	Computers	Furniture and Fixtures	Vehicles	Office Equipment	Leasehold Improvements	Total
<b>Gross carrying value</b>						
<b>As at 1<sup>st</sup> April, 2022</b>	<b>16.82</b>	<b>3.07</b>	<b>10.82</b>	<b>9.77</b>	<b>13.03</b>	<b>53.51</b>
Additions	2.77	0.80	4.80	1.66	3.75	13.78
Foreign Exchange Translation Difference	0.03	0.02	-	0.02	0.01	0.08
Disposals	2.20	0.20	1.97	0.45	1.28	6.10
<b>As at 31<sup>st</sup> March, 2023</b>	<b>17.42</b>	<b>3.69</b>	<b>13.65</b>	<b>11.00</b>	<b>15.51</b>	<b>61.27</b>
Additions	6.04	1.22	7.23	1.99	6.07	22.55
Foreign Exchange Translation Difference	0.00	0.00	-	0.00	(0.00)	0.00
Disposals	1.83	0.23	2.03	0.79	1.33	6.21
<b>As at 31<sup>st</sup> March, 2024</b>	<b>21.63</b>	<b>4.68</b>	<b>18.85</b>	<b>12.20</b>	<b>20.25</b>	<b>77.61</b>
<b>Accumulated Depreciation and Impairment</b>						
<b>As at 1<sup>st</sup> April, 2022</b>	<b>14.64</b>	<b>2.23</b>	<b>5.96</b>	<b>7.13</b>	<b>9.85</b>	<b>39.81</b>
Depreciation for the year	1.81	0.64	2.06	1.51	2.39	8.41
Foreign Exchange Translation Difference	0.03	0.02	-	(0.00)	0.01	0.06
Disposals	2.20	0.19	1.68	0.44	1.24	5.75
<b>As at 31<sup>st</sup> March, 2023</b>	<b>14.28</b>	<b>2.70</b>	<b>6.34</b>	<b>8.20</b>	<b>11.01</b>	<b>42.53</b>
Depreciation for the year	2.68	0.69	2.98	1.27	3.31	10.93
Foreign Exchange Translation Difference	0.00	0.00	-	0.00	(0.00)	0.00
Disposals	1.83	0.22	1.56	0.78	1.32	5.71
<b>As at 31<sup>st</sup> March, 2024</b>	<b>15.13</b>	<b>3.17</b>	<b>7.76</b>	<b>8.69</b>	<b>13.00</b>	<b>47.75</b>
<b>Net carrying value amount as at 31<sup>st</sup> March, 2023</b>	<b>3.14</b>	<b>0.99</b>	<b>7.31</b>	<b>2.80</b>	<b>4.50</b>	<b>18.74</b>
<b>Net carrying value amount as at 31<sup>st</sup> March, 2024</b>	<b>6.50</b>	<b>1.51</b>	<b>11.09</b>	<b>3.51</b>	<b>7.25</b>	<b>29.86</b>

### Capital work-in-progress

Capital Work-in-Progress (CWIP) as at 31<sup>st</sup> March, 2024 comprises expenditure for the leasehold improvements. Total amount of CWIP is ₹0.62 Crore (31<sup>st</sup> March, 2023: 1.05 Crore)

### CWIP ageing schedule as on 31<sup>st</sup> March, 2024

(₹ in Crore)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.58	0.04	-	-	<b>0.62</b>

### CWIP ageing schedule as on 31<sup>st</sup> March, 2023

(₹ in Crore)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.05	-	-	-	<b>1.05</b>

There are no overdue or cost overrun projects compared to its original plan, on the above mentioned reporting dates

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 8.2 OTHER INTANGIBLE ASSETS

(₹ in Crore)			
Particulars	Software	Investment Management Rights (Refer Note 24)	Total
<b>Gross carrying value</b>			
<b>As at 1<sup>st</sup> April, 2022</b>	<b>32.74</b>	<b>2.85</b>	<b>35.59</b>
Additions	5.93	-	5.93
Foreign Exchange Translation Difference	0.00	-	0.00
Disposals	-	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>38.67</b>	<b>2.85</b>	<b>41.52</b>
Additions	8.56	-	8.56
Foreign Exchange Translation Difference	0.00	-	0.00
Disposals	0.77	-	0.77
<b>As at 31<sup>st</sup> March, 2024</b>	<b>46.46</b>	<b>2.85</b>	<b>49.31</b>
<b>Accumulated Amortisation and Impairment</b>			
<b>As at 1<sup>st</sup> April, 2022</b>	<b>23.88</b>	<b>1.89</b>	<b>25.77</b>
Amortisation for the year	6.60	0.38	6.98
Foreign Exchange Translation Difference	0.00	-	0.00
Disposal	-	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>30.48</b>	<b>2.27</b>	<b>32.75</b>
Amortisation for the year	6.03	0.38	6.41
Foreign Exchange Translation Difference	0.00	-	0.00
Disposals	0.73	-	0.73
<b>As at 31<sup>st</sup> March, 2024</b>	<b>35.78</b>	<b>2.65</b>	<b>38.43</b>
<b>Net carrying value amount as at 31<sup>st</sup> March, 2023</b>	<b>8.19</b>	<b>0.58</b>	<b>8.77</b>
<b>Net carrying value amount as at 31<sup>st</sup> March, 2024</b>	<b>10.68</b>	<b>0.20</b>	<b>10.88</b>

## Intangible assets under development (IAUD) ageing schedule as on 31<sup>st</sup> March, 2024

(₹ in Crore)					
Intangible assets under development	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.20	0.09	-	0.03	<b>1.32</b>

(₹ in Crore)					
Intangible assets under development	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects temporarily suspended	-	-	-	-	-



# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## Intangible assets under development (IAUD) ageing schedule as on 31<sup>st</sup> March, 2023

(₹ in Crore)

Intangible assets under development	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.00	0.03	-	-	<b>1.03</b>

(₹ in Crore)

Intangible assets under development	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects temporarily suspended	-	-	-	-	-

## For Intangible assets under development, whose completion is overdue or has exceeded its costs compared to its original plan as on 31<sup>st</sup> March, 2024:

(₹ in Crore)

Intangible Assets under development	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Overrun Projects	1.24	-	-	-	<b>1.24</b>
Projects on hold	0.08	-	-	-	<b>0.08</b>

## For Intangible assets under development, whose completion is overdue or has exceeded its costs compared to its original plan as on 31<sup>st</sup> March, 2023:

(₹ in Crore)

Intangible Assets under development	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Overrun Projects	-	-	-	-	-
Projects on hold	-	-	-	-	-

## NOTE: 9 OTHER NON-FINANCIAL ASSETS

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Prepaid expenses	62.61	57.68
Input Tax Credit	0.20	0.12
Capital advance for Property Plant and Equipment	0.33	0.69
Advance for Services	11.15	13.52
Gratuity - Plan Funded Asset (Refer Note 25)	35.37	31.74
<b>Total Other Non-Financial Assets</b>	<b>109.66</b>	<b>103.75</b>

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 10 TRADE PAYABLES (AT AMORTISED COST)

(₹ in Crore)

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
<b>Trade Payables</b>		
Others		
- Total outstanding dues to micro enterprises and small enterprises*	0.04	0.19
	<b>0.04</b>	<b>0.19</b>
- Total outstanding dues to creditors other than micro enterprises and small enterprises		
Related Parties (Refer Note 26)	14.52	6.93
Other than Related Parties	43.06	41.08
	<b>57.58</b>	<b>48.01</b>
<b>Total Trade Payables</b>	<b>57.62</b>	<b>48.20</b>

\* This information is required to be disclosed under MSMED Act (2006), has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by the auditors.

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

(₹ in Crore)

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
a) Principal amount and interest thereon remaining unpaid at the end of year	0.04	0.19
b) Interest paid including payment made beyond appointed day during the year	0.07	0.07
c) Interest due and payable for delay during the year	-	-
d) Amount of interest accrued and unpaid as at year end	0.00	0.03
e) The amount of further interest due and payable even in the succeeding year	-	-

## Trade Payables Ageing schedule

### Trade payables as on 31<sup>st</sup> March, 2024

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.04	-	-	-	0.04
(ii) Others	57.40	0.01	0.11	0.06	57.58
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
<b>Total</b>	<b>57.44</b>	<b>0.01</b>	<b>0.11</b>	<b>0.06</b>	<b>57.62</b>





# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## Trade payables as on 31<sup>st</sup> March, 2023

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.19	-	-	-	0.19
(ii) Others	47.26	0.06	0.11	0.58	48.01
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
<b>Total</b>	<b>47.45</b>	<b>0.06</b>	<b>0.11</b>	<b>0.58</b>	<b>48.20</b>

## NOTE: 11 OTHER FINANCIAL LIABILITIES (AT AMORTISED COST)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Employee dues	64.75	48.89
Payables for Capital Expenditure	-	0.03
Deposits from Related parties (Refer Note No. 26)	1.62	1.66
Security Deposits	0.14	-
Unclaimed Dividend	0.19	0.11
Unpaid Dividend	-	0.04
<b>Total Other Financial Liabilities</b>	<b>66.70</b>	<b>50.73</b>

## NOTE: 12 PROVISIONS

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Provision for Employee Benefits</b>		
Leave Encashment	4.77	4.55
Gratuity (Refer Note No. 25)	36.27	32.81
Provision for Long-Term Incentive Plan	3.14	3.84
<b>Total Provisions</b>	<b>44.18</b>	<b>41.20</b>

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 13 DEFERRED TAX LIABILITIES (NET)

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Depreciation on Property, Plant and Equipment and Amortisation on Intangible Assets	(6.91)	(6.78)
Provision for Employee Benefits	(0.07)	(0.06)
Lease Liability	(19.37)	(11.76)
Fair Valuation of Investments	47.18	23.60
Right of use Assets	40.54	29.75
<b>Total Deferred Tax Liabilities</b>	<b>61.37</b>	<b>34.75</b>
<b>Reconciliation of effective tax rate:</b>		
(a) Income before tax	1,008.15	793.86
(b) Expected tax rate in India (applicable to the Company)	25.168%	25.168%
(c) Expected income tax amount	253.73	199.80
<b>(d) Tax impact on:</b>		
Expenses disallowed/(allowed) as per income tax computation	(25.70)	(18.98)
Items which are taxed at different rates	7.88	0.13
Effect on Deferred tax balances for items taxed at different rates	(5.91)	17.48
Effect of lower tax rate in Offshore units	(1.54)	(1.37)
Adjustments in respect of current income tax of previous years	(0.11)	0.31
Others	(0.56)	0.11
<b>(e) Tax expenses recognised in Profit &amp; Loss Account(c + d)</b>	<b>227.79</b>	<b>197.48</b>

## Significant components and movement in deferred tax assets and liabilities

Particulars	(₹ in Crore)		
	As on 31 <sup>st</sup> March, 2024	As on 31 <sup>st</sup> March, 2023	YTD March, 2024 Deferred Tax Expense /(Credit)
	Closing Balance	Opening Balance	
<b>Deferred Tax Liabilities</b>			
Fair Valuation of Investments	47.18	23.60	23.58
Right of use assets	40.54	29.75	10.79
<b>Total</b>	<b>87.72</b>	<b>53.35</b>	<b>34.37</b>
<b>Deferred Tax Assets</b>			
Depreciation on Property, Plant and Equipment and Amortisation on Intangible Assets	(6.91)	(6.78)	(0.13)
Provision for employee benefits	(0.07)	(0.06)	(0.01)
Lease Liability	(19.37)	(11.76)	(7.61)
<b>Total</b>	<b>(26.35)</b>	<b>(18.60)</b>	<b>(7.75)</b>
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>61.37</b>	<b>34.75</b>	<b>26.62</b>



# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

Particulars	(₹ in Crore)		
	As on 31 <sup>st</sup> March, 2023	As on 31 <sup>st</sup> March, 2022	YTD March, 2023 Deferred Tax Expense /(Credit)
	Closing Balance	Opening Balance	
<b>Deferred Tax Liabilities</b>			
Fair Valuation of Investments	23.60	19.82	3.78
Right of use assets	29.75	26.78	2.97
<b>Total</b>	<b>53.35</b>	<b>46.60</b>	<b>6.75</b>
<b>Deferred Tax Assets</b>			
Depreciation on Property, Plant and Equipment and Amortisation on Intangible Assets	(6.78)	(6.34)	(0.44)
Provision for employee benefits	(0.06)	(1.62)	1.57
Lease liability	(11.76)	(13.44)	1.68
<b>Total</b>	<b>(18.60)</b>	<b>(21.40)</b>	<b>2.81</b>
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>34.75</b>	<b>25.19</b>	<b>9.56</b>

## NOTE: 14 OTHER NON FINANCIAL LIABILITIES

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Provision for Reinstatement	0.18	0.18
<b>Payable on account of Statutory Dues:</b>		
- Withholding Tax payable	5.79	25.48
- GST payable	13.16	9.12
- Professional Tax payable	0.00	0.02
- Employee provident fund & Other dues payable	1.42	1.35
CSR payable (Refer note 30)	-	1.39
<b>Total Other Non-Financial Liabilities</b>	<b>20.55</b>	<b>37.54</b>

## NOTE: 15 EQUITY SHARE CAPITAL

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Authorised:</b>		
Equity Shares of ₹ 5 each (31 <sup>st</sup> March, 2023: ₹ 5 each )	160.00	160.00
320,000,000 (31 <sup>st</sup> March, 2023: 320,000,000) Equity shares fully paid up <sup>#</sup>		
<b>Issued, Subscribed and Paid up</b>		
Equity Shares of ₹ 5 each (31 <sup>st</sup> March, 2023: ₹ 5 each )	144.05	144.00
288,091,213 (31 <sup>st</sup> March, 2023: 288,000,000 ) Equity shares fully paid up <sup>#</sup>		
<b>Total Issued, Subscribed and Paid up</b>	<b>144.05</b>	<b>144.00</b>

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## a) Term/right attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

## b) Reconciliation of the shares outstanding at the beginning and at the end of the year

Description	No. of Equity shares	Amount (₹ in Crore)
As at 1 <sup>st</sup> April, 2022	288,000,000	144.00
Issued during year	-	-
As at 31 <sup>st</sup> March, 2023	<b>288,000,000</b>	<b>144.00</b>
Issued during year	91,213	0.05
As at 31 <sup>st</sup> March, 2024	<b>288,091,213</b>	<b>144.05</b>

c) 25,20,00,000 fully paid up equity shares of ₹ 5 each were issued by way of bonus shares during the period of five years immediately preceding the reporting date.

d) The Shares reserved for issue under Employee Stock Option Scheme (ESOP) of the Company (Refer Note No. 36)

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

Name of the Shareholder	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	No. of Equity shares held	% of Shareholding	No. of Equity shares held	% of Shareholding
Aditya Birla Capital Limited and its Nominees <sup>#</sup>	130,034,601	45.14%*	144,028,800	50.01%*
Sun Life (India) AMC Investment Inc. Canada	86,938,641	30.18%	105,090,880	36.49%

<sup>#</sup>512 Equity shares (31<sup>st</sup> March, 2023: 512 Equity Shares), 416 Equity shares (31<sup>st</sup> March, 2023: 416 Equity Shares) and 192 Equity shares (31<sup>st</sup> March, 2023 : 192 Equity Shares) each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, in their capacity as nominee shareholders of ABCL.

\*Approximate percentages.



# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## Shareholding of promoters as on 31<sup>st</sup> March, 2024

Shares held by promoters at the end of the year				% Change during the year##
Sr. No	Promoter Name	No. of Shares	% of total shares	
1	Aditya Birla Capital Limited(ABCL)#	130,034,601	45.14%*	-4.87%
2	Sun Life (India) AMC Investments Inc.	86,938,641	30.18%	-6.31%
<b>Total</b>		<b>216,973,242</b>	<b>75.32%</b>	

#512 Equity shares, 416 Equity shares and 192 Equity shares each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, in their capacity as nominee shareholders of ABCL.

\*Approximate percentages

##In order to achieve Minimum Public Shareholding (MPS) of 25% post IPO, in compliance with the SEBI MPS guidelines, the Promoters of the Company i.e. Aditya Birla Capital Limited and Sun Life (India) AMC Investments Inc had sold in aggregate 11.16% shareholding in the Company on 19<sup>th</sup> March, 2024 and 20<sup>th</sup> March, 2024 by way Offer for Sale (OFS) through Stock Exchange Mechanism. Post OFS and as on 31<sup>st</sup> March, 2024, the Promoters and the Public shareholding in the Company is 75.32% and 24.68%, respectively.

## Shareholding of promoters as on 31<sup>st</sup> March, 2023

Shares held by promoters at the end of the year				% Change during the year
Sr. No	Promoter Name	No. of Shares	% of total shares	
1	Aditya Birla Capital Limited(ABCL)#	144,028,800	50.01%*	-
2	Sun Life (India) AMC Investments Inc.	105,090,880	36.49%	-
<b>Total</b>		<b>249,119,680</b>	<b>86.50%</b>	

#512 Equity shares, 416 Equity shares and 192 Equity shares each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, in their capacity as nominee shareholders of ABCL.

\*Approximate percentages.

## NOTE: 16 OTHER EQUITY

(₹ in Crore)

<b>1</b>	<b>Securities Premium Account</b>	
	<b>At 1<sup>st</sup> April, 2022</b>	-
	Arising during the year	-
	<b>At 31<sup>st</sup> March, 2023</b>	-
	Arising during the year	5.72
	Utilised during the year	-
	<b>At 31<sup>st</sup> March, 2024</b>	<b>5.72</b>
<b>2</b>	<b>General Reserve</b>	
	<b>At 1<sup>st</sup> April, 2022</b>	6.87
	Arising during the year	-
	Transfer from Share Options Outstanding Account on account of exits	1.18
	<b>At 31<sup>st</sup> March, 2023</b>	<b>8.05</b>
	Arising during the year	-
	Transfer from Share Options Outstanding Account on account of exits	0.81
	<b>At 31<sup>st</sup> March, 2024</b>	<b>8.86</b>

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

(₹ in Crore)

<b>3</b>	<b>Retained Earnings</b>	
	<b>At 1<sup>st</sup> April, 2022</b>	1,987.00
	Profit for the year	596.38
	Other Comprehensive Income for the year	(1.26)
	Dividend for the year*	(312.48)
	<b>At 1<sup>st</sup> April, 2023</b>	<b>2,269.65</b>
	Profit for the year	780.36
	Other Comprehensive Income for the year	(0.61)
	ESOP Charges	-
	Dividend for the year*	(151.22)
	<b>At 31<sup>st</sup> March, 2024</b>	<b>2,898.18</b>
<b>4</b>	<b>Foreign Currency Translation Reserve</b>	
	<b>At 1<sup>st</sup> April, 2022</b>	10.31
	Arising during the year	6.74
	Utilised during the year	-
	<b>At 31<sup>st</sup> March, 2023</b>	<b>17.05</b>
	Arising during the year	0.21
	Utilised during the year	-
	<b>At 31<sup>st</sup> March, 2024</b>	<b>17.26</b>
<b>5</b>	<b>Share Option Outstanding Account</b>	
	<b>At 1<sup>st</sup> April, 2022</b>	48.28
	Charges during the year	31.14
	Exercise of share options during the year	(1.18)
	<b>At 31<sup>st</sup> March, 2023</b>	<b>78.24</b>
	Transfer to Securities Premium towards options exercised	(5.72)
	Charges during the year	23.09
	Transfer to General Reserve on account of exits	(0.81)
	<b>At 31<sup>st</sup> March, 2024</b>	<b>94.80</b>
<b>6</b>	<b>Share application pending allotment</b>	
	<b>At 1<sup>st</sup> April, 2022</b>	-
	Arising during the year	-
	Utilised during the year	-
	<b>At 31<sup>st</sup> March, 2023</b>	-
	Arising during the year	0.01
	Utilised during the year	-
	<b>At 31<sup>st</sup> March, 2024</b>	<b>0.01</b>
	<b>Total Other Equity</b>	
	<b>As at 31<sup>st</sup> March, 2024</b>	<b>3,024.83</b>
	<b>As at 31<sup>st</sup> March, 2023</b>	<b>2,372.99</b>



# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## \* Cash dividends on equity shares declared and paid:

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Final dividend for the fiscal year ended 31 <sup>st</sup> March, 2023: ₹ 5.25 per share for 28,80,42,164 equity shares (for the year ended 31 <sup>st</sup> March, 2022: ₹ 5.85 per share for 28,80,00,000 equity shares) and Interim dividend for the year ended 31 <sup>st</sup> March, 2023: ₹ 5 per share for 28,80,00,000 equity shares.	151.22	312.48
	<b>151.22</b>	<b>312.48</b>

## Proposed dividends on equity shares:

(₹ in Crore)

	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Final dividend for the year ended on 31 <sup>st</sup> March, 2024: ₹ 13.50 per share for 28,80,91,213 equity shares (Final dividend for the year ended 31 <sup>st</sup> March, 2023: ₹ 5.25 per share for 28,80,00,000 equity shares) (Refer Note 51)	388.92	151.20
	<b>388.92</b>	<b>151.20</b>

## Nature and Purpose of the reserves

### Securities premium:

Share Premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of Section 52 of Companies Act, 2013.

### General reserve:

Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid up share capital of the Company for that year, then the total dividend distribution is less than total distributable reserve for that year.

Consequent to introduction of the Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn. However the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of the Companies Act, 2013.

### Retained earnings:

Retained earnings are the profits that a company has earned to date, less any dividends or other distributions paid to the Shareholders, net of utilisation as permitted under applicable regulations.

### Foreign currency translation reserve:

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

### Share option outstanding account:

The grant date fair value of equity-settled share-based payment transactions with employees and directors are recognised in the Statement of Profit and Loss with the corresponding credit to this account over the vesting period.

### Share application pending allotment:

Until the shares are allotted, the amount received is shown under the Share Application Money Pending Allotment.

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 17 FEES AND COMMISSION INCOME

(₹ in Crore)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Revenue from contracts with customers</b>		
Asset Management and Advisory Fees	1,286.61	1,182.01
Management Fees from Portfolio Management and Other services	66.58	44.60
<b>Total Fees and Commission income</b>	<b>1,353.19</b>	<b>1,226.61</b>

## NOTE: 18 OTHER INCOME

(₹ in Crore)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Gain on Investments		
- Realised gain	29.29	28.32
- Unrealised gain	229.84	78.76
Interest Income	20.54	15.33
Dividend Income on investments	2.73	0.11
Profit on sale of Fixed Assets (net)	0.04	0.14
Rent concession	1.78	1.17
Rent income	2.53	2.71
Miscellaneous income	0.64	0.55
<b>Total Other Income</b>	<b>287.39</b>	<b>127.09</b>

## NOTE: 19 FINANCE COST

(₹ in Crore)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Finance Cost on Lease liability (measured at amortised cost) (refer note 34)	5.63	3.90
<b>Total Finance Cost</b>	<b>5.63</b>	<b>3.90</b>

## NOTE: 20 EMPLOYEE BENEFIT EXPENSE

(₹ in Crore)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Salaries and allowances	265.73	215.78
Contribution to provident and other funds ( Refer Note 25)	9.64	8.67
Gratuity expenses ( Refer Note 25)	3.32	3.10
Staff welfare expenses	18.38	17.94
Share-based payments to ABCL (Entity having significant influence)( Refer Note 26)	0.48	0.56
Share-based payments by the Company( Refer Note 36)	23.21	31.16
<b>Total Employee Benefit Expense</b>	<b>320.76</b>	<b>277.21</b>





# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 21 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Crore)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Depreciation on Right-of-use Assets (refer note 34)	17.26	18.93
Depreciation on Property, Plant & Equipment (Refer Note 8.1)	10.93	8.41
Amortisation of Intangible Assets (Refer Note 8.2)	6.41	6.98
<b>Total Depreciation and Amortisation Expense</b>	<b>34.60</b>	<b>34.32</b>

## NOTE: 22 OTHER EXPENSE

(₹ in Crore)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Rent	6.55	3.37
Repairs and Maintenance	14.04	12.65
Insurance	1.83	1.19
Rates and Taxes	2.11	2.11
Electricity	3.52	2.72
Software and Technology Expenses	32.09	26.36
Database Research Expenses	13.68	12.55
Travelling and Conveyance	15.36	14.07
Communication Expenses	2.60	2.64
Outsourced Fund Accounting Expenses	1.96	1.82
Legal and Professional Charges	20.06	20.37
Auditor's Remuneration:		
- Audit Fees	1.05	0.93
- Tax Audit Fees	0.07	0.07
- Other Services	0.15	0.14
- Reimbursement of expenses	0.01	0.00
Services Charges	19.01	19.20
Directors Sitting Fees	1.39	1.32
Printing and Stationery	2.62	2.85
Asset Utilisation Charges	4.23	4.43
Bank Charges	0.22	0.20
Miscellaneous Expenses	6.90	6.09
Foreign Exchange Loss (net)	1.27	0.49
Donation	0.01	0.11
Corporate Social Responsibility Expenses (Refer Note 30)	13.52	12.87
Business Promotion Expenses	52.44	53.20
Fund Expense	19.69	19.79
<b>Total Other Expense</b>	<b>236.38</b>	<b>221.54</b>

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

Other Notes to Accounts:

## NOTE: 23 CONTINGENT LIABILITIES AND COMMITMENTS

### (i) Contingent Liabilities:

		(₹ in Crore)	
No	Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	Claims against the Group not acknowledged as debts in respect of;		
i)	Income tax matters	14.40	189.92
ii)	Other matters	1.59	1.59

### (ii) Commitments - Unexecuted Contracts:

		(₹ in Crore)	
Particulars		As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	Commitments for the acquisition of property, plant and equipment	9.85	7.47
	Commitments for investment activities	5.00	9.25

## NOTE: 24 MANAGEMENT RIGHTS

During financial year ended 31<sup>st</sup> March, 2015 Aditya Birla Sun Life Trustee Company Private Limited took over the mutual fund schemes from ING Trust Company Private Limited and simultaneously the Group acquired the right to manage the said schemes from ING Asset Management (India) Private Limited.

The consideration paid to acquire the right to manage the said schemes along with the incidental expenditure incurred thereon aggregating to ₹ 3.79 Crore has been treated as Investment Management Right. The Investment Management Right will be amortised over a period of 120 months. For the year ended 31<sup>st</sup> March, 2024, an amount of ₹ 0.38 Crore (Previous year ₹ 0.38 Crore) has been amortised. Balance life of Investment Management Right is 6 months.

## NOTE: 25 EMPLOYEE BENEFITS

In accordance with the Indian Accounting Standard (Ind AS) 19 "Employee Benefits", the Group has classified the various benefits provided to the employees as under:

### a) Defined Contribution Plan

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

		(₹ in Crore)	
No	Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
i)	Employers Contribution to Provident Fund (PF)	6.24	5.56
ii)	Employers Contribution to Employees Pension Fund	1.62	1.48
iii)	Employers Contribution to Labour Welfare Fund	0.01	0.01
iv)	Contribution to Employees Deposit Linked Insurance	0.10	0.10
v)	Employers Contribution to other Funds related to Foreign Subsidiaries	0.67	0.58
	<b>Total</b>	<b>8.64</b>	<b>7.73</b>

Above figures are excluding contribution to PF and Other Funds of ₹ 1.00 Crore (Previous year ₹ 0.94 Crore) reimbursed to related parties - Aditya Birla Financial Shared Services Limited & Aditya Birla Capital Limited.



# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## b) Share-based payments

Pursuant to ESOP Plan by ABCL, stock options were granted to the employees of the Company during the year. Total cost incurred by ABCL till date is being recovered from the Company over the period of vesting of the ESOP grants. A sum of ₹ 0.48 Crore (Previous year ₹ 0.56 Crore) has been charged to the Statement of Profit and Loss. The balance sum of ₹ 2.74 Crore will be recovered in future years as at 31<sup>st</sup> March, 2024.

## c) Gratuity (Defined Benefit Plan)

The following table sets out the status of the gratuity plan as required under IND AS 19 as certified by actuary. Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Amounts recognised in the Balance Sheet in respect of Gratuity</b>		
Present Value of the funded Defined Benefit Obligations at the end of the year	36.27	32.81
Fair Value of Plan Assets	35.37	31.74
<b>Net (Asset) / Liability</b>	<b>0.90</b>	<b>1.07</b>
<b>Amounts recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity</b>		
<b>Amounts recognised during the period:</b>		
In P&L	3.32	3.10
In Other Comprehensive Income	0.53	1.28
<b>Total Expenses Recognised during the period</b>	<b>3.85</b>	<b>4.38</b>
<b>Actual Return on Plan Assets:</b>		
Expected Return on Plan Assets	2.35	2.14
Actuarial Gain/(Loss) on Plan Assets	0.40	(1.24)
<b>Actual Return on Plan Assets:</b>	<b>2.75</b>	<b>0.90</b>
<b>Reconciliation of Present Value of Obligation and the Fair Value of the Plan Assets:</b>		
<b>Change in Present Value of the Obligations:</b>		
Opening Defined Benefit Obligations	32.81	30.93
Current Service Cost	3.24	3.11
Interest Cost	2.44	2.13
Actuarial (Gain)/Loss arising from:		
- changes in demographic assumptions	-	-
- changes in financial assumptions	1.19	(0.96)
- experience variance (i.e. actual experience vs assumption)	(0.25)	1.00
Liabilities Settled on Divestment	-	-
Benefits Paid	(3.16)	(3.40)
<b>Closing Defined Benefit Obligations</b>	<b>36.27</b>	<b>32.81</b>

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Change in Fair Value of the Plan Assets:</b>		
Opening Fair Value of the Plan Assets	31.74	31.07
Expected Return on the Plan Assets	2.35	2.14
Actuarial Gain/(Loss)	0.40	(1.24)
Contributions by the Employer	4.04	3.17
Asset Distributed on Divestment	-	-
Benefits Paid	(3.16)	(3.40)
<b>Closing Fair Value of the Plan Assets</b>	<b>35.37</b>	<b>31.74</b>
<b>Expense Recognised in Income Statement</b>		
Current Service Cost	3.25	3.10
Net Interest cost/ (income) on the defined Benefit Liability/ (Asset)	0.07	(0.00)
<b>Expense Recognised in Income Statement</b>	<b>3.32</b>	<b>3.10</b>
<b>Other Comprehensive Income</b>		
Actuarial (Gain)/Loss arising from:		
- changes in demographic assumptions	-	-
- changes in financial assumptions	1.19	(0.97)
- experience variance (i.e. actual experience vs assumption)	(0.25)	1.01
Return on plan asset, excluding amount recognised in net interest expense	(0.40)	1.24
<b>Remeasurement gain/loss in other comprehensive income</b>	<b>0.53</b>	<b>1.28</b>
<b>Investment details of Plan Assets</b>		
<b>Plan assets are invested with:</b>		
Aditya Birla Sun Life Insurance Company Limited	35.37	31.74
<b>Composition of the plan assets are as follows:</b>	<b>Allocation %</b>	<b>Allocation %</b>
Government Bonds	22.28%	24.81%
Corporate Bonds	71.10%	64.57%
Others	6.62%	10.62%
<b>Assumptions</b>		
Discount rate	7.15%	7.40%
Compensation Escalation rate	8.5% for first five years, 7.5% for next five years, 6.5% for next five years and 5% thereafter	8.5% for first five years, 7.5% for next five years, 6.5% for next five years and 5% thereafter
Average Age	33.70	33.79
Mortality Basis	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)



# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## A. Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis are given below:

		(₹ in Crore)	
No.	Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
1	Defined Benefit Obligation (Base)	36.27	32.81

		(₹ in Crore)			
		As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
No.	Particulars	Decrease	Increase	Decrease	Increase
1	Discount Rate (- / + 0.50 %) (% change compared to base due to sensitivity)	37.81 4.3%	34.82 -4.0%	34.25 4.4%	31.47 -4.1%
2	Compensation Escalation Rate (- / + 0.50 %) (% change compared to base due to sensitivity)	34.81 -4.0%	37.80 4.2%	31.47 -4.1%	34.24 4.3%
3	Attrition Rate (- / + 50% of attrition rates) (% change compared to base due to sensitivity)	39.72 9.5%	33.86 -6.6%	35.82 9.2%	30.74 -6.3%
4	Mortality Rate (- / + 10%) (% change compared to base due to sensitivity)	36.23 -0.1%	36.29 0.1%	32.78 -0.1%	32.85 0.1%

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

## B. Effect of Plan on Group's Future Cash Flows

### i) Funding arrangements and Funding Policy

The scheme is managed on funded basis.

### ii) Expected Contribution during the next annual reporting period:

		(₹ in Crore)	
Particulars		For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
The Group's best estimate of Contribution during the next year		4.48	4.32

### iii) Maturity Profile of Defined Benefit Obligation

		(₹ in Crore)	
Particulars		31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Weighted average duration		8 years	9 years

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## Expected cash flows over the next (valued on undiscounted basis)

Particulars	(₹ in Crore)	
	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
1 year	2.69	1.95
2 to 5 years	15.16	13.27
6 to 10 years	14.81	14.38
More than 10 years	40.73	39.76

The estimate of future salary increases, considered in the actuarial valuation, takes into account inflation, seniority, promotion, and other relevant factors. The above information is certified by the actuary based on assumptions provided by the Group.

## NOTE: 26 DISCLOSURE IN RESPECT OF RELATED PARTY PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 24:

### a) List of Related Parties:

#### A Parent of Entity having significant influence

Grasim Industries Limited

#### B Entity having significant influence

Aditya Birla Capital Limited (ABCL) (Ceased to be holding company w.e.f 24<sup>th</sup> August, 2023)

Sun Life (India) AMC Investments Inc., Canada

#### C Other Related Party

Aditya Birla Management Corporation Private Limited

Green Oak India Investment Advisors Private Limited

Umang Commercial Company Private Limited

#### D Subsidiaries of Entity having significant influence

Aditya Birla Sun Life Insurance Company Limited

Aditya Birla Sun Life Trustee Private Limited

Aditya Birla Finance Limited

Aditya Birla Money Limited

Aditya Birla Financial Shared Services Limited

Aditya Birla Insurance Brokers Limited

Aditya Birla ARC Limited

Aditya Birla Housing Finance Limited

Aditya Birla Wellness Private Limited

Aditya Birla Capital Technology Services Limited

Aditya Birla Capital Digital Limited

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

India Advantage Fund Limited

International Opportunities Fund SPC



# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

<b>F Directors and Key Management Personnel</b>	
	Kumar Mangalam Birla (Non-Executive Director) (up to 19 <sup>th</sup> April, 2023)
	Ajay Srinivasan (Non-Executive Director up to 04 <sup>th</sup> October, 2022)
	Vishakha Mulye (Non-Executive Director from 27 <sup>th</sup> October, 2022)
	A. Balasubramanian (Managing Director and Chief Executive Officer)
	Sandeep Asthana (Non-Executive Director)
	Colm Freyne (Non-Executive Director up to 25 <sup>th</sup> April, 2022)
	Amrit Kanwal (Non-Executive Director from 26 <sup>th</sup> April, 2022)
	Bharat Patel (Non-Executive Director up to 26 <sup>th</sup> June, 2022)
	Alka Bharucha (Independent Director)
	Harish Engineer (Independent Director) (up to 30 <sup>th</sup> April, 2023)
	Navin Puri (Independent Director)
	Sunder Rajan Raman (Independent Director)
	Ramesh Abhishek (Independent Director)
	Supratim Bandyopadhyay (Independent Director from 1 <sup>st</sup> June, 2023)

## b) Related Parties with whom the Group has entered into transactions during the Year

		(₹ in Crore)	
Sr. No.	Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>1</b>	<b>Income</b>		
	Interest Income - ICD		
	Aditya Birla ARC Ltd. D	-	0.81
<b>2</b>	<b>Expenses</b>		
	<b>Commission</b>		
	Aditya Birla Finance Ltd. (Note 1) D	3.13	7.58
	<b>Brokerage (Investment in Securities)</b>		
	Aditya Birla Money Ltd. D	0.02	-
	<b>Contribution to Gratuity/Insurance Premium</b>		
	Aditya Birla Sun Life Insurance Co. Ltd. D	4.57	3.69
	<b>Business Promotion Expenses</b>		
	Aditya Birla Sun Life Insurance Co Ltd. (Insurance Premium) D	3.78	12.39
	<b>Rent</b>		
	Grasim Industries Limited - CFD A	0.02	0.02
	Umang Commercial Company Pvt. Ltd. C	1.13	1.06
	<b>Advisory Services</b>		
	Greenoak India Investment Advisors Pvt. Ltd. C	1.14	2.11
	<b>Software &amp; Technology Expenses</b>		
	Aditya Birla Capital Technology Services Limited D	2.83	2.59
	<b>Employee Benefit Expenses</b>		
	Aditya Birla Wellness Private Limited D	0.08	0.11

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

(₹ in Crore)

Sr. No. Particulars		For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>3 Reimbursements of Costs Paid</b>			
Aditya Birla Financial Shared Services Ltd. (Employee benefit exp)	D	13.00	5.91
Aditya Birla Financial Shared Services Ltd. (Administrative & other exp)	D	20.16	19.68
Aditya Birla Sun Life Insurance Co. Ltd. (Employee benefit exp)	D	0.00	0.13
Aditya Birla Sun Life Insurance Co. Ltd. (Rent)	D	7.73	6.00
Aditya Birla Sun Life Insurance Co. Ltd. (Other Admin exp)	D	0.01	-
Aditya Birla Sun Life Insurance Co. Ltd. (Other Marketing exp)	D	-	0.28
Aditya Birla Finance Ltd. (Employee benefit exp)	D	0.10	0.18
Aditya Birla Finance Ltd. (Rent)	D	1.42	0.72
Aditya Birla Finance Ltd. (Administrative & other exp)	D	0.01	0.03
Aditya Birla Capital Ltd. (Employee benefit exp)	B	31.24	24.40
Aditya Birla Capital Ltd. (Administrative & other exp)	B	8.39	7.91
Aditya Birla Housing Finance Ltd. (Rent)	D	0.65	0.12
Aditya Birla Money Ltd. (Employee benefit exp)	D	0.05	0.08
Aditya Birla Money Ltd. (Rent)	D	0.10	-
Aditya Birla Money Ltd. (Other Marketing exp)	D	-	0.01
Aditya Birla Capital Digital Ltd. (Employee benefit exp)	D	0.06	-
Aditya Birla Management Corporation Pvt. Ltd. (Employee benefit exp)	C	-	0.61
Aditya Birla Management Corporation Pvt. Ltd. (Administrative & other exp)	C	-	0.10
Grasim Industries Limited - Paints Division	A	0.08	-
<b>4 Reimbursements of Costs Received</b>			
Aditya Birla Sun Life Insurance Co. Ltd. (Employee benefit exp)	D	0.01	0.26
Aditya Birla Sun Life Insurance Co. Ltd. (Rent)	D	1.19	1.17
Aditya Birla Sun Life Insurance Co. Ltd. (Administrative & other exp)	D	-	0.05
Aditya Birla Sun Life Insurance Co. Ltd. (Other Marketing exp)	D	0.65	0.19
Aditya Birla Finance Ltd. (Employee benefit exp)	D	0.01	0.01
Aditya Birla Finance Ltd. (Rent)	D	2.22	2.50
Aditya Birla Finance Ltd. (Administrative & other exp)	D	-	0.04
Aditya Birla Finance Ltd. (Other Marketing exp)	D	0.00	0.00
Aditya Birla Insurance Brokers Ltd. (Rent)	D	-	0.00
Aditya Birla Housing Finance Ltd. (Rent)	D	0.11	0.16
Aditya Birla Housing Finance Ltd. (Administrative & other exp)	D	-	0.04
Aditya Birla Housing Finance Ltd. (Other Marketing exp)	D	0.01	-
Aditya Birla Money Ltd. (Rent)	D	0.10	0.13
Aditya Birla Money Ltd. (Other Marketing exp)	D	0.00	0.00
Aditya Birla Financial Shared Services Ltd. (Employee benefit exp)	D	0.01	0.27
Aditya Birla Capital Ltd. (Administrative & other exp)	B	0.01	0.04
Aditya Birla Capital Technology Services Limited (Employee benefit exp)	D	0.02	0.02
Aditya Birla Sun Life Trustee Pvt. Ltd (Employee benefit exp)	D	0.01	0.01
Aditya Birla Management Corporation Pvt. Ltd. (Employee benefit exp)	C	-	0.05
Sun Life (India) AMC Investments Inc (Administrative & other exp)	B	-	0.55





# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

(₹ in Crore)

Sr. No. Particulars		For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>5 Managerial Remuneration</b>			
Chief Executive Officer (Note 2)	F	12.52	11.38
<b>6 Dividend Paid</b>			
Aditya Birla Capital Ltd.	B	75.62	156.27
Sun Life (India) AMC Investments Inc.	B	55.17	114.02
Key Managerial Personnel/Director's	F	0.01	0.03
<b>7 Intercorporate Deposit (ICD) given</b>			
Aditya Birla ARC Ltd.	D	-	25.00
<b>8 Inter Corporate Deposit (ICD) Repayment Received</b>			
Aditya Birla ARC Ltd.	D	-	25.00
<b>9 Director's Sitting Fees</b>			
Director's Sitting Fees Paid	F	0.69	0.64
<b>10 Purchase of Fixed Assets</b>			
Aditya Birla Sun Life Insurance Co. Ltd.	D	-	0.00
Aditya Birla Management Corporation Pvt. Ltd.	C	-	0.03
Aditya Birla Capital Technology Services Limited.	D	-	0.04
<b>11 Prepaid Expenses balances</b>			
Aditya Birla Financial Shared Services Ltd. (Loans & Advances)	D	0.91	0.69
Aditya Birla Capital Technology Services Limited (Loans & Advances)	D	0.15	0.10
<b>12 Security Deposit - Received and Refundable</b>			
Aditya Birla Finance Ltd.	D	0.06	1.20
Aditya Birla Housing Finance Ltd.	D	-	0.03
Aditya Birla Sun Life Insurance Co Ltd.	D	-	0.31
Aditya Birla Money Ltd.	D	-	0.02
<b>13 Security Deposit - Paid and Refundable</b>			
Aditya Birla Sun Life Insurance Co. Ltd.	D	0.42	0.34
Aditya Birla Finance Ltd.	D	0.15	-
Aditya Birla Money Ltd.	D	0.03	-
<b>14 Security Deposit - Refund Received</b>			
Grasim Industries Limited	A	-	0.71
<b>15 Security Deposit - Recovery Payable</b>			
Aditya Birla Sun Life Insurance Co. Ltd.	D	-	0.22
Aditya Birla Finance Ltd.	D	-	0.15

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## c. Outstanding Balances:

			(₹ in Crore)	
Sr No	Particulars		As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>16</b>	<b>Payable</b>			
	Aditya Birla Sun Life Insurance Co Ltd. (Trade Payable)	D	(3.84)	(0.96)
	Aditya Birla Sun Life Insurance Co Ltd. (Security Deposit Received)	D	(0.31)	(0.31)
	Aditya Birla Financial Shared Services Ltd. (Trade Payable)	D	(5.57)	(3.22)
	Aditya Birla Capital Ltd. (Trade Payable)	B	(5.59)	(3.43)
	Aditya Birla Finance Ltd. (Trade Payable)	D	(0.10)	-
	Aditya Birla Finance Ltd. (Security Deposit Received)	D	(1.26)	(1.20)
	Aditya Birla Housing Finance Ltd. (Trade Payable)	D	(0.15)	-
	Aditya Birla Housing Finance Ltd. (Security Deposit Received)	D	(0.03)	(0.03)
	Aditya Birla Capital Technology Services Limited (Trade Payable)	D	(0.21)	(0.09)
	Aditya Birla Money Ltd. (Trade Payable)	D	(0.05)	-
	Aditya Birla Money Ltd. (Security Deposit Received)	D	(0.02)	(0.02)
	Aditya Birla Sun Life Insurance Co Ltd. (Security Deposit Recovery Payable)	D	-	(0.22)
	Aditya Birla Finance Ltd. (Security Deposit Recovery Payable)	D	-	(0.15)
	Greenoak India Investment Advisors Pvt. Ltd. (Trade Payable)	C	-	(0.07)
	Aditya Birla Management Corporation Pvt. Ltd. (Payable)	C	-	(0.04)
	Umang Commercial Company Pvt. Ltd. (Trade Payable)	C	-	(0.06)
	<b>Receivable</b>			
	Aditya Birla Sun Life Insurance Co Ltd. (Security Deposit Paid)	D	1.54	1.12
	Aditya Birla Finance Ltd. (Security Deposit Paid)	D	0.15	-
	Aditya Birla Money Ltd. (Security Deposit Paid)	D	0.03	-
	Aditya Birla Wellness Private Limited (Receivables)	D	-	0.00
	Sun Life (India) AMC Investments Inc (Receivables)	B	-	0.55
	Aditya Birla Finance Ltd. (Trade Receivable)	D	-	0.01
	Aditya Birla Housing Finance Ltd. (Trade Receivable)	D	-	0.07
	Aditya Birla Money Ltd. (Trade Receivable)	D	-	0.03

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

All the above figures are inclusive of GST wherever applicable.

Note 1 - Total Amount paid ₹ 3.13 Crore (Previous Year 7.58 Crore), out of which ₹ 1.35 Crore (Previous Year ₹ 0.35 Crore) debited to statement of profit and loss during the year and balance amortised.

Note 2 – Managerial Remuneration:

			(₹ in Crore)	
Particulars			For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
1)	Short term employment benefits			
	a) Gross Salary		6.33	6.18
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0.18	0.15
2)	Share-based payments by ABCL (Entity having significant influence)		1.94	-
3)	Share-based payments accrued by the Company		4.07	5.04
	<b>Total Remuneration</b>		<b>12.52</b>	<b>11.38</b>

Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall basis at the end of each year and accordingly have not been considered in the above information.



# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 27 EARNINGS PER SHARE

Earnings Per Share (EPS) is calculated as under:		For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Net Profit After Tax before Other Comprehensive Income as per Consolidated Statement of Profit and Loss (₹ in Crore)	A	780.36	596.38
Opening Weighted average number of basic equity shares (refer note 16)	B	288,000,000	288,000,000
Shares issued during the year (refer note 16)	C	91,213	-
Number of equity shares considered for computation of Basic EPS (B+C)	D	288,091,213	288,000,000
Add: Dilutive impact of Employee stock options	E	689,629	768,858
Number of equity shares considered for computation of Diluted EPS (D+E)	F	288,780,842	288,768,858
Basic Earnings Per Share (₹)	A/D	27.09	20.71
Diluted Earnings Per Share (₹)	A/F	27.02	20.65
Nominal Value of Shares (₹)		5	5

## NOTE: 28 DISCLOSURE PURSUANT TO SCHEDULE III FOR CONSOLIDATED FINANCIAL STATEMENTS:

For the year ended 31<sup>st</sup> March, 2024

(₹ in Crore)

Particulars	Net Assets		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	% of Consolidated Net Assets	Amount	% of Consolidated Profit and Loss	Amount	% of Consolidated OCI	Amount	% of Consolidated Total Comprehensive Income	Amount
<b>Parent</b>								
Aditya Birla Sun Life AMC Limited	99.55%	3,154.50	99.21%	774.24	100.00%	(0.40)	99.21%	773.84
<b>Subsidiaries</b>								
<b>Indian</b>								
NA								
<b>Foreign</b>								
Aditya Birla Sun Life AMC (Mauritius) Limited, Mauritius	0.30%	9.68	(0.02)%	(0.15)	-	-	(0.02)%	(0.15)
Aditya Birla Sun Life Asset Management Company Pte. Limited, Singapore	2.04%	64.58	0.74%	5.76	-	-	0.74%	5.76
Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai	0.29%	9.14	0.07%	0.50	-	-	0.07%	0.50
<b>Non-Controlling Interest</b>								
<b>Eliminations/Consolidation Adjustments</b>	-2.18%	(69.02)	0.00%	0.01	-	-	0.00%	0.01
<b>Total</b>	<b>100.00</b>	<b>3,168.88</b>	<b>100.00</b>	<b>780.36</b>	<b>100.00</b>	<b>(0.40)</b>	<b>100.00</b>	<b>779.96</b>

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

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

(₹ in Crore)

Particulars	Net Assets		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	% of Consolidated Net Assets	Amount	% of Consolidated Profit and Loss	Amount	% of Consolidated OCI	Amount	% of Consolidated Total Comprehensive Income	Amount
<b>Parent</b>								
Aditya Birla Sun Life AMC Limited	99.68%	2,508.95	99.09%	590.93	100.00%	5.48	99.09%	596.41
<b>Subsidiaries</b>								
<b>Indian</b>								
NA								
<b>Foreign</b>								
Aditya Birla Sun Life AMC (Mauritius) Limited, Mauritius	0.38%	9.69	-0.08%	(0.49)	-	-	-0.08%	(0.49)
Aditya Birla Sun Life Asset Management Company Pte. Limited, Singapore	2.34%	58.87	0.89%	5.33	-	-	0.89%	5.33
Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai	0.34%	8.50	0.09%	0.52	-	-	0.09%	0.52
<b>Non-Controlling Interest</b>								
<b>Eliminations/Consolidation Adjustments</b>	-2.74%	(69.02)	0.01%	0.09	-	-	0.01%	0.09
<b>Total</b>	<b>100.00%</b>	<b>2,516.99</b>	<b>100.00%</b>	<b>596.38</b>	<b>100.00%</b>	<b>5.48</b>	<b>100.00%</b>	<b>601.86</b>

## NOTE: 29 SEGMENT INFORMATION

The CEO of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 - "Operating Segments". The CODM evaluates the Group's performance and allocates resources. The Group's operations predominantly relate to providing asset management services and portfolio management services. In the opinion of the CODM and Management, the risks and rewards attached to the business are similar in nature. Hence the separate Segment under Ind AS 108 on "Operating Segments" is not required to be reported as the Group's business is restricted to single Operating Segment i.e. Asset Management Services.

There is only one customer contributing in excess of 10% of the total revenue of the Company.

(₹ in Crore)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Revenue from Aditya Birla Sun Life Mutual Fund	1,258.60	1,156.30



# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## Geographic Information:

Particulars	In India		Outside India		Total	
	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Revenue by location of customers	1,330.19	1,205.23	41.84	39.78	1,372.03	1,245.01
Less: Eliminations	-	-	18.84	18.40	18.84	18.40
<b>Net Revenue</b>	<b>1,330.19</b>	<b>1,205.23</b>	<b>23.00</b>	<b>21.38</b>	<b>1,353.19</b>	<b>1,226.61</b>

All assets of the Company are domiciled in India.

## NOTE: 30 CORPORATE SOCIAL RESPONSIBILITY

(₹ in Crore)

No.	Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
1	Amount required to be spent by the Company during the year	<b>13.52</b>	<b>12.87</b>
2	Amount of expenditure incurred	14.91	16.25
3	Excess/(Shortfall) at the end of the period	Nil	(1.39)
4	Total of previous years excess/(shortfall)	(1.39)	(4.77)
5	Reason for shortfall*	Not Applicable	Ongoing Projects
6	Nature of CSR activities	Healthcare, Education and Women Empowerment & Sustainable Livelihood	Healthcare, Education and Women Empowerment & Sustainable Livelihood
7	Details of Related party transactions	Not Applicable	Not Applicable

## NOTE: 31 CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31<sup>st</sup> March, 2024.

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 32 FAIR VALUES OF FINANCIAL INSTRUMENTS

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

(₹ in Crore)

Particulars	Carrying Amount			Fair Value			
	FVTPL	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	Total Fair Value
As at 31 <sup>st</sup> March, 2024							
<b>Financial Assets</b>							
Investments in:							
Mutual Funds	2,865.30	-	2,865.30	2,865.30	-	-	2,865.30
Alternative Investment Funds	77.35	-	77.35	61.37	-	15.98	77.35
Debt Securities	19.50	142.86	162.36	135.35	-	19.50	154.85
Equity Instruments	17.16	-	17.16	-	-	17.16	17.16
Cash and cash equivalents *	-	39.10	39.10	-	-	-	-
Bank balances other than those mentioned above *	-	45.72	45.72	-	-	-	-
Trade receivables *	-	40.73	40.73	-	-	-	-
Other financial assets *	-	14.02	14.02	-	-	-	-
<b>Total Financial Assets</b>	<b>2,979.31</b>	<b>282.43</b>	<b>3,261.74</b>	<b>3,062.02</b>	<b>-</b>	<b>52.64</b>	<b>3,114.66</b>
<b>Financial Liabilities</b>							
Trade Payables *	-	57.62	57.62	-	-	-	-
Lease Liabilities *	-	79.09	79.09	-	-	-	-
Others Financial Liabilities *	-	66.70	66.70	-	-	-	-
<b>Total Financial Liabilities</b>	<b>-</b>	<b>203.41</b>	<b>203.41</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(₹ in Crore)

Particulars	Carrying Amount			Fair Value			
	FVTPL	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	Total Fair Value
As at 31 <sup>st</sup> March, 2023							
<b>Financial Assets</b>							
Investments in:							
Mutual Funds	2,223.13	-	2,223.13	2,223.13	-	-	2,223.13
Alternative Investment Funds	24.96	-	24.96	13.27	-	11.69	24.96
Debt Securities	-	93.53	93.53	92.64	-	-	92.64
Equity Instruments	17.55	-	17.55	-	-	17.55	17.55
Cash and cash equivalents *	-	33.61	33.61	-	-	-	-
Bank balances other than those mentioned above *	-	93.02	93.02	-	-	-	-
Trade receivables *	-	24.53	24.53	-	-	-	-
Loans *	-	-	-	-	-	-	-
Other financial assets *	-	59.77	59.77	-	-	-	-
<b>Total Financial Assets</b>	<b>2,265.64</b>	<b>304.46</b>	<b>2,570.10</b>	<b>2,329.04</b>	<b>-</b>	<b>29.24</b>	<b>2,358.28</b>
<b>Financial Liabilities</b>							
Trade Payables *	-	48.20	48.20	-	-	-	-
Lease Liabilities *	-	48.03	48.03	-	-	-	-
Others Financial Liabilities *	-	50.73	50.73	-	-	-	-
<b>Total Financial Liabilities</b>	<b>-</b>	<b>146.96</b>	<b>146.96</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*The management assessed that cash and cash equivalents, trade receivables, other financial assets, trade payables, lease liabilities and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Accordingly, fair value hierarchy for these financial instruments have not been presented above.



# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

Valuation techniques used to determine fair value:-

- **Mutual Funds:-** Net Asset Value (NAV) declared by the mutual fund at which units are issued or redeemed
- **Alternative Investment Funds:-** Net Asset Value (NAV) provided by issuer fund which is arrived at based on valuation from independent valuer for unlisted portfolio companies, quoted price of listed portfolio companies and price of recent investments
- **Debt Securities:-** Fair value of debt securities which are actively traded bonds, is derived on the basis of quoted price available on the National Stock Exchange
- **Equity Instruments:-** On the basis of Networth of the Company

In order to assess Level 3 valuations as per Group's investment policy, the management reviews the performance of the investee companies (including unlisted portfolio companies of venture capital funds and alternative investment funds) on a regular basis by tracking their latest available financial statements / financial information, valuation report of independent valuers, recent transaction results etc. which are considered in valuation process.

## Fair value reconciliation for Level 3 instruments:

The following table shows reconciliation from opening to closing balances for Level 3 assets:

<b>Balance as at 1<sup>st</sup> April, 2022</b>	<b>29.84</b>
Net gain/(loss) recognised in Profit & Loss	(0.28)
Purchases of financial instrument	-
Sales of financial instruments	(0.32)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>29.24</b>
Net gain/(loss) recognised in Profit & Loss	(0.44)
Purchases of financial instrument	35.75
Sales of financial instruments	(11.91)
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>52.64</b>

## NOTE: 33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise trade and other payables. The Group's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group also holds investments in mutual fund units, debt and equity instruments.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by Risk Management Committee and the auditors have relied on the same. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

### A. Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as foreign exchange rates, interest rates, other prices). The Company is exposed to market risk primarily related to interest rate risk and price risk.

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## (i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The sensitivity of the portfolio towards the interest rate is mentioned in the table below:

### Sensitivity

The following table demonstrates the sensitivity to:

- Interest Rate Risk is basis impact on debt portfolios for 1% change in interest rates.
- Hybrid funds considered at 100% as a conservative basis for assessing interest rate impact on portfolio. (which form approximately 1% of the entire portfolio of schemes).

### Impact on profit and loss:

Risk	(₹ in Crore)	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Interest Rate Risk – (Impact of 1% increase in interest rate)	2.39%	2.01%
Effect on Profit and Loss	(54.14)	(37.03)
Interest Rate Risk – (Impact of 1% decrease in interest rate)	2.39%	2.01%
Effect on Profit and Loss	54.14	37.03

## (ii) Foreign Currency Risk

The Group has insignificant amount of foreign currency denominated assets and liabilities. Accordingly, there is no significant exposure to currency risk.

## (iii) Price Risk

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, caused by factors specific to an individual investment, its issuer and market.

The Group's exposure to price risk arises from investments in Units of mutual funds, alternative investment funds, etc which are classified as financial asset at Fair Value through Profit and Loss and is as follows:

Particulars	(₹ in Crore)	
	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Investment exposure to price risk	2,942.65	2,248.09

The table below sets out the effect on profit or loss and equity due to reasonable possible weakening / strengthening in prices/market value by 5%:

Particulars	(₹ in Crore)	
	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Effect on Profit and Loss		
5% increase in prices	147.13	112.41
5% decrease in prices	(147.13)	(112.41)





# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## B. Credit Risk

Credit Risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group's has clearly defined policies to mitigate counterparty risks. Cash and liquid investments are held primarily in mutual funds and banks with good credit ratings. Defined limits are in place for exposure to individual counterparties in case of mutual fund houses and banks.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Group has major receivable from mutual fund schemes.

Trade Receivables ageing:

Trade Receivables	Neither past due nor impaired	Past dues but not impaired					Total
		<30days	30 to 60 days	61 to 90 days	91 to 120 days	> 120 days	
31 <sup>st</sup> March, 2024	40.73	39.89	-	-	-	0.84	40.73
31 <sup>st</sup> March, 2023	24.53	23.34	-	-	-	1.19	24.53

(₹ in Crore)

The carrying amounts of following financial assets represent the maximum credit risk exposure:

Particulars	(₹ in Crore)	
	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Trade Receivables	40.73	24.53
Cash and cash equivalents	39.10	33.61
Bank balances other than those mentioned above	45.72	93.02
Other financial assets measured at amortised cost	156.88	153.30

## Expected Credit Loss on Financial Assets

The Group continuously monitors all financial assets subject to ECLs. In order to determine whether an instrument is subject to 12 month ECL or life time ECL, the Group assesses whether there has been a significant increase in credit risk or the asset has become credit impaired since initial recognition. For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has determined based on historical experience and expectations that the ECL on its trade receivables is insignificant and was not recorded. The Group applies following quantitative and qualitative criteria to assess whether there is significant increase in credit risk or the asset has been credit impaired:

- Historical trend of collection from counterparty
- Group's contractual rights with respect to recovery of dues from counterparty
- Credit rating of counterparty and any relevant information available in public domain.

ECL is a probability weighted estimate of credit losses. It is measured as the present value of cash shortfalls (i.e., the difference between the cash flows due to the Group in accordance with contract and the cash flows that the Company expects to receive).

The Group has following types of financial assets that are subject to the expected credit loss:

- Cash and cash equivalent
- Trade and other receivables
- Investment in debt securities measured at amortised cost.

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## Trade and Other Receivables:-

Exposures to customers' outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. Historical trends of collection from counterparties on timely basis reflects low level of credit risk. As the Group has a contractual right to such receivables as well as the control over such funds due from customers, the Group does not estimate any credit risk in relation to such receivables.

## Cash and Cash Equivalents:-

The Group holds cash and cash equivalents and other bank balances as per note 3 and 4. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be high.

## Investment in Debt Securities measured at amortised cost:-

Funds are invested after taking into account parameters like safety, liquidity and post-tax returns etc. The Group avoids concentration of credit risk by spreading them over several counterparties with good credit rating profile and sound financial position. The Group's exposure and credit ratings of its counterparties are monitored on an ongoing basis.

## C. Liquidity Risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations or at a reasonable price. The Group's Finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

## Maturity profile of Financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ in Crore)			
As at 31 <sup>st</sup> March, 2024	Within 12 Months	After 12 Months	Total
Trade Payables	57.62	-	57.62
Employee Dues	64.75	-	64.75
Deposits from Related Parties	1.62	-	1.62
Security Deposits	0.14	-	0.14
Lease Liabilities	20.05	72.60	92.65
Unclaimed Dividend	0.19	-	0.19
<b>Total</b>	<b>144.37</b>	<b>72.60</b>	<b>216.97</b>

(₹ in Crore)			
As at 31 <sup>st</sup> March, 2023	Within 12 Months	After 12 Months	Total
Trade Payables	48.20	-	48.20
Employee Dues	48.89	-	48.89
Payable for Capital Expenditure	0.03	-	0.03
Deposits from Related Parties	-	1.66	1.66
Lease Liabilities	13.03	43.44	56.47
Unclaimed Dividend	0.11	-	0.11
Unpaid Dividend	0.04	-	0.04
<b>Total</b>	<b>110.30</b>	<b>45.10</b>	<b>155.40</b>



# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 34 LEASES

Following are the changes in the carrying value of right of use assets for the year ended 31<sup>st</sup> March, 2024:

(₹ in Crore)	
Particulars	Category of ROU Asset Leasehold premises
Balance as at 1 <sup>st</sup> April, 2023	42.70
Add: New Lease Agreements	53.73
Less: Deletion	(9.10)
Less: Depreciation	(17.26)
Exchange difference on translating the financial statements of foreign subsidiaries	0.01
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>70.08</b>

Following are the changes in the carrying value of right of use assets for the year ended 31<sup>st</sup> March, 2023:

(₹ in Crore)	
Particulars	Category of ROU Asset Leasehold premises
Balance as at 1 <sup>st</sup> April, 2022	48.54
Add: New Lease Agreements	16.95
Less: Deletion	(3.95)
Less: Depreciation	(18.93)
Exchange difference on translating the financial statements of foreign subsidiaries	0.09
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>42.70</b>

## Amounts recognised in statement of profit and loss

(₹ in Crore)		
Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Depreciation and Amortisation Expenses</b>		
Depreciation expense on right-of-use assets	17.26	18.93
<b>Finance Cost</b>		
Interest expense on lease liabilities	5.63	3.90
<b>Other Income</b>		
Rent concession	(1.78)	(1.17)
<b>Other Expense</b>		
Expense relating to short-term leases	6.51	3.22

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

The following is the break-up of current and non-current lease liabilities:-

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Current Lease Liabilities	19.33	12.61
Non-Current Lease Liabilities	59.76	35.42
<b>Total</b>	<b>79.09</b>	<b>48.03</b>

The following is the movement in lease liabilities during the year ended 31<sup>st</sup> March, 2024:

Particulars	(₹ in Crore)
	Amount
Balance as at 1 <sup>st</sup> April, 2023	48.03
Additions	53.73
Deletions	(10.88)
Finance Cost accrued during the year	5.63
Payment of Lease Liabilities (including finance cost)	(17.44)
Exchange difference on translating the financial statements of foreign subsidiaries	0.02
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>79.09</b>

The following is the movement in lease liabilities during the year ended 31<sup>st</sup> March, 2023:

Particulars	(₹ in Crore)
	Amount
Balance as at 1 <sup>st</sup> April, 2022	54.37
Additions	16.95
Deletions	(5.09)
Finance Cost accrued during the year	3.90
Payment of Lease Liabilities (including finance cost)	(22.19)
Rent concession	(0.04)
Exchange difference on translating the financial statements of foreign subsidiaries	0.13
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>48.03</b>

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	(₹ in Crore)	
	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Less than one year	20.05	13.03
One to Five years	65.02	33.52
More than Five years	7.58	9.92
<b>Total</b>	<b>92.65</b>	<b>56.47</b>

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

All the future cash flows to which the lease is potentially exposed are reflected in the measurement of lease liabilities.



# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 35 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(₹ in Crore)

Assets/Liabilities	31 <sup>st</sup> March, 2024			31 <sup>st</sup> March, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Financial Assets</b>						
Cash and cash equivalents	39.10	-	39.10	33.61	-	33.61
Other bank balances	45.72	-	45.72	93.02	-	93.02
Trade receivables	40.73	-	40.73	24.53	-	24.53
Investments	1,897.43	1,224.74	3,122.17	1,526.85	832.32	2,359.17
Other Financial Assets	-	14.02	14.02	45.32	14.45	59.77
<b>Non-Financial Assets</b>						
Current tax assets (net)	-	17.69	17.69	-	41.98	41.98
Property, Plant and Equipment	-	29.86	29.86	-	18.74	18.74
Right of use Assets	-	70.08	70.08	-	42.70	42.70
Capital work-in-progress	-	0.62	0.62	-	1.05	1.05
Intangible assets under development	-	1.32	1.32	-	1.03	1.03
Other Intangible Assets	-	10.88	10.88	-	8.77	8.77
Other Non-Financial Assets	72.21	37.45	109.66	67.43	36.32	103.75
<b>Total Assets</b>	<b>2,095.19</b>	<b>1,406.66</b>	<b>3,501.85</b>	<b>1,790.76</b>	<b>997.36</b>	<b>2,788.12</b>
<b>Financial Liabilities</b>						
Trade Payables	57.62	-	57.62	48.20	-	48.20
Lease Liabilities	19.33	59.76	79.09	12.61	35.42	48.03
Other Financial Liabilities	66.70	-	66.70	50.73	-	50.73
<b>Non-Financial Liabilities</b>						
Current tax liabilities (net)	3.46	-	3.46	10.68	-	10.68
Provisions	43.78	0.40	44.18	38.75	2.45	41.20
Deferred tax liabilities (net)	-	61.37	61.37	-	34.75	34.75
Other non-financial liabilities	20.37	0.18	20.55	37.36	0.18	37.54
<b>Total Liabilities</b>	<b>211.25</b>	<b>121.72</b>	<b>332.97</b>	<b>198.33</b>	<b>72.80</b>	<b>271.13</b>

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 36 EMPLOYEE STOCK OPTIONS SCHEME

At the Board Meeting held on 14<sup>th</sup> April, 2021 the Company approved the grant of not more than 46,08,000 Equity Shares by way of grant of Stock Options and restricted Stock Units ("RSUs"). Out of these, the Nomination, Remuneration and Compensation Committee has granted 32,32,899 ESOPs, 5,08,117 PRSU , 1,96,374 Long-Term RSU & 2,46,863 RSU Founder under the Scheme titled "Aditya Birla Sun Life AMC Limited Employee Stock Option Scheme 2021 " in 4 categories of Long-Term Incentive Plans ("LTIP") identified as LTIP 1, LTIP 2, LTIP 3 & LTIP 4 respectively. The Scheme allows the Grant of Stock options to employees of the Company (whether in India or abroad) that meet the eligibility criteria. Each option comprises one underlying Equity Share. There are no cash settlement alternatives. The Group accounts for the employees stock option scheme as an equity-settled plan

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3	LTIP 4
Type of ESOP	ESOP	RSU	RSU	RSU
Plan Period	2021- 2025	2021-2025	2021-2024	2021-2023
Quantum of Grant	3,232,899	508,117	196,374	246,863
Method of Accounting	Fair Value of options at Grant date	Fair Value of options at Grant date	Fair Value of options at Grant date	Fair Value of options at Grant date
Vesting Period	End of Year 1: 20% of options granted End of Year 2: 20% of options granted End of Year 3: 30% of options granted End of Year 4: 30% of options granted	End of Year 3: 50% of options granted End of Year 4: 50% of options granted	End of Year 3: 100% of options granted	End of Year 2: 100% of options granted
Vesting Conditions	Employees of the Group: Achievement of 75% of Annual Planning & Budgeting Profit Before Tax	Employees of the Group: Achievement of 80% of Annual Planning & Budgeting Profit Before Tax	Continued employment	Continued employment
Exercise Period	5 years from the date of vesting	5 years from the date of vesting	5 years from the date of vesting	5 years from the date of vesting
Grant Date	12/04/2021	12/04/2021	12/04/2021	12/04/2021
Exercise Price as on Grant date (per share )	694.00	5.00	5.00	5.00
Value of Equity Shares as at the Date of Grant of Original Option (₹ Per Share)	671.50	671.50	671.50	671.50

There were no cancellations or modifications to the Employee Stock Options Scheme in year ending 31<sup>st</sup> March, 2024.



# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## Movements during the year ended 31<sup>st</sup> March, 2024

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3	LTIP 4
Type of ESOP	ESOP	RSU	RSU	RSU
Options/RSUs Outstanding at the beginning of the period	2,702,516	424,756	174,337	173,151
Granted during the period	Nil	Nil	Nil	Nil
Exercised during the period	Nil	Nil	Nil	91,213
Forfeited during the period	96,425	13,915	5,173	7,691
Options/RSUs Outstanding at the end of the period	2,606,091	410,841	169,164	74,247
Options/RSUs Vested/Exercisable at the end of the period	1,042,436	Nil	Nil	74,247
The weighted average remaining contractual life for the share options outstanding as at 31 <sup>st</sup> March, 2024	0.53 years	0.53 years	0.03 years	Nil

Since all the options were granted/lapsed, at the same exercise price per option under the respective category of ESOPs, the weighted average exercise price per option for all these line items under the respective category of ESOPs is the same.

## Movements during the year ended 31<sup>st</sup> March, 2023

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3	LTIP 4
Type of ESOP	ESOP	RSU	RSU	RSU
Options/RSUs Outstanding at the beginning of the period	3,053,631	479,942	191,557	200,432
Granted during the period	Nil	Nil	Nil	Nil
Exercised during the period	Nil	Nil	Nil	Nil
Forfeited during the period	351,115	55,186	17,220	27,281
Options/RSUs Outstanding at the end of the period	2,702,516	424,756	174,337	173,151
Options/RSUs Vested/Exercisable at the end of the period	Nil	Nil	Nil	Nil
The weighted average remaining contractual life for the share options outstanding as at 31 <sup>st</sup> March, 2023	1.16 years	1.53 years	1.03 years	0.03 years

Since all the options were granted/lapsed, at the same exercise price per option under the respective category of ESOPs, the weighted average exercise price per option for all these line items under the respective category of ESOPs is the same.

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## Fair Valuation

The fair value at grant date is independently determined by valuer using Black-Scholes Merton Model which takes into account the exercise price, the term of the option, the share price at grant date and historical volatility of the Peer companies and Index, the expected dividend yield and the risk-free interest rate for the term of the option.

The key inputs and the Fair Value for options granted during the year ended 31<sup>st</sup> March, 2024 are as follow:

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3	LTIP 4
Type of ESOP	ESOP	RSU	RSU	RSU
Risk-Free Interest Rate (%)	5.4 to 6.4%	6.3 to 6.4%	6.3%	5.7%
Option Life (Years)	3.5 to 6.5 Yrs	5.5 to 6.5 Yrs	5.5 Yrs	4.5 Yrs
Historical Volatility	32.0% to 34.0%	32.0% to 34.0%	32.4%	32.7%
Expected Dividend Yield (%)	1.4%	1.4%	1.4%	1.4%
Weighted-Average Fair Value per Option as on 12 <sup>th</sup> April, 2021 (₹)	186 to 258.40	610.60 to 618.90	618.90	627.20

Apart from stock options granted as above, the Nomination, Remuneration and Compensation Committee has granted 6,45,337 ESOPs & 13,192 PRSU under the Scheme titled "Aditya Birla Sun Life AMC Limited Employee Stock Option Scheme 2021 " in 2 categories of Long-Term Incentive Plans ("LTIP") identified as LTIP 1 & LTIP 2 respectively. The Scheme allows the Grant of Stock options to employees of the Company (whether in India or abroad) that meet the eligibility criteria. Each option comprises one underlying Equity Share. There are no cash settlement alternatives. The Group accounts for the employees stock option scheme as an equity-settled plan.

Category of ESOPs	LTIP 1	LTIP 2
Type of ESOP	ESOP	RSU
Plan Period	2023- 2026	2025-2026
Quantum of Grant	645,337	13,192
Method of Accounting	Fair Value of options at Grant date	Fair Value of options at Grant date
Vesting Period	*End of Year 1: 20% of options granted End of Year 2: 20% of options granted End of Year 3: 30% of options granted End of Year 4: 30% of options granted	End of Year 3: 50% of options granted End of Year 4: 50% of options granted
Vesting Conditions	Employees of the Group: Achievement of 75% of Annual Planning & Budgeting Profit Before Tax  75% of AUM managed by the individual to be in Q1 for any two periods ( i.e. 1 yr, 2 yr, 3 yr) and in Q2 in the remaining period  AUM is not negatively impacted by more than 20% viz a viz previous financial year  Individual Performance rating of Delivered Full Performance or above for the year	Employees of the Group: Achievement of 80% of Annual Planning & Budgeting Profit Before Tax and relative performance as decided by Board (66%: 33%)
Exercise Period	5 years from the date of vesting	5 years from the date of vesting
Grant Date	20/10/2022	20/10/2022
Exercise Price as on Grant date ( per share )	435.10	5.00
Value of Equity Shares as at the Date of Grant of Original Option (₹Per Share)	435.10	435.10





# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## Movements during the year ended 31<sup>st</sup> March, 2024

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

Category of ESOPs	LTIP 1	LTIP 2
Type of ESOP	ESOP	RSU
Options/RSUs Outstanding at the beginning of the period	522,530	13,192
Granted during the period	Nil	Nil
Exercised during the period	Nil	Nil
Forfeited during the period	173,246	3,102
Options/RSUs Outstanding at the end of the period	349,284	10,090
Options/RSUs Vested/Exercisable at the end of the period	69,857	Nil
The weighted average remaining contractual life for the share options outstanding as at 31 <sup>st</sup> March, 2024	1.68 Years	2.05 Years

## Movements during the year ended 31<sup>st</sup> March, 2023

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

Category of ESOPs	LTIP 1	LTIP 2
Type of ESOP	ESOP	RSU
Options/RSUs Outstanding at the beginning of the period	Nil	Nil
Granted during the period	645,337	13,192
Exercised during the period	Nil	Nil
Forfeited during the period	122,807	Nil
Options/RSUs Outstanding at the end of the period	522,530	13,192
Options/RSUs Vested/Exercisable at the end of the period	Nil	Nil
The weighted average remaining contractual life for the share options outstanding as at 31 <sup>st</sup> March, 2023	2.26	3.06

## Fair Valuation

The fair value at grant date is independently determined by valuer using Black-Scholes Merton Model which takes into account the exercise price, the term of the option, the share price at grant date and historical volatility of the Peer companies and Index, the expected dividend yield and the risk-free interest rate for the term of the option.

The key inputs and the Fair Value for options granted during the year ended 31<sup>st</sup> March, 2024 are as follow:

Category of ESOPs	LTIP 1	LTIP 2
Type of ESOP	ESOP	RSU
Risk-Free Interest Rate (%)	7.4 to 7.5%	7.6%
Option Life (Years)	3.5 to 4.5 Yrs	5.5 to 6.5 Yrs
Historical Volatility	29.1% to 31.8%	29.1% to 31.8%
Expected Dividend Yield (%)	2.0%	2.0%
Weighted-Average Fair Value per Option as on 20 <sup>th</sup> October, 2022 (₹)	125.70 to 161.50	385.40 to 377.80

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

Apart from stock options granted as above, the Nomination, Remuneration and Compensation Committee has granted 72,862 ESOPs & 11,451 RSU & 30,075 ESOPs under the Scheme titled "Aditya Birla Sun Life AMC Limited Employee Stock Option Scheme 2021" in 2 categories of Long-Term Incentive Plans ("LTIP") identified as LTIP 1, LTIP 2 & LTIP 3 respectively. The Scheme allows the Grant of Stock options to employees of the Company (whether in India or abroad) that meet the eligibility criteria. Each option comprises one underlying Equity Share. There are no cash settlement alternatives. The Group accounts for the employees stock option scheme as an equity-settled plan.

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3
Type of ESOP	ESOP	RSU	ESOP
Plan Period	2023-2027	2023-2027	2023-2027
Quantum of Grant	72,862	11,451	30,075
Method of Accounting	Fair Value of options at Grant date	Fair Value of options at Grant date	Fair Value of options at Grant date
Vesting Period	*End of Year 1: 20% of options granted End of Year 2: 20% of options granted End of Year 3: 30% of options granted End of Year 4: 30% of options granted	End of Year 3: 50% of options granted End of Year 4: 50% of options granted	End of Year 4: 100% of options granted
Vesting Conditions	Employees of the Group: Achievement of 75% of Annual Planning & Budgeting Profit Before Tax and continued employment	Employees of the Group: Achievement of 80% of Annual Planning & Budgeting Profit Before Tax and relative performance as decided by Board ( 66%: 33%) and continued employment	Employees of the Group: Achievement of 75% of Annual Planning & Budgeting Profit Before Tax and continued employment. Individual performance Rating DFP or above for the year. 75% of AUM Managed to be in Q1 for any two periods ( i.e. 1 yr, 2 yr , 3 yr ) and in Q2 in the remaining period on 31 <sup>st</sup> March, 2027. AUM Managed is not negatively impacted by more than 20% viz a viz previous financial year
Exercise Period	5 years from the date of vesting	5 years from the date of vesting	5 years from the date of vesting
Grant Date	26/10/2023	26/10/2023	26/10/2023
Exercise Price as on Grant date (per share )	441.75	5.00	441.75
Value of Equity Shares as at the Date of Grant of Original Option (₹Per Share)	441.75	441.75	441.75



# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## Movements during the year ended 31<sup>st</sup> March, 2024

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3
Type of ESOP	ESOP	RSU	ESOP
Options/RSUs Outstanding at the beginning of the period	Nil	Nil	Nil
Granted during the period	72,862	11,451	30,075
Exercised during the period	Nil	Nil	Nil
Forfeited during the period	Nil	Nil	Nil
Options/RSUs Outstanding at the end of the period	72,862	11,451	30,075
Options/RSUs Vested/Exercisable at the end of the period	Nil	Nil	Nil
The weighted average remaining contractual life for the share options outstanding as at 31 <sup>st</sup> March, 2024	2.27 Years	3.07 Years	3.24 Years

## Fair Valuation

The fair value at grant date is independently determined by valuer using Black-Scholes Merton Model which takes into account the exercise price, the term of the option, the share price at grant date and historical volatility of the Peer companies and Index, the expected dividend yield and the risk-free interest rate for the term of the option.

The key inputs and the Fair Value for options granted during the year ended 31<sup>st</sup> March, 2024 are as follow:

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3
Type of ESOP	ESOP	RSU	ESOP
Risk-Free Interest Rate (%)	7.5%	7.5%	7.5%
Option Life (Years)	3.5 to 6.5 Yrs	3.5 to 6.5 Yrs	6.2 Yrs
Historical Volatility	25.5% to 29.5%	25.5% to 29.5%	28.3%
Expected Dividend Yield (%)	2.3%	2.3%	2.3%
Weighted-Average Fair Value per Option as on 20 <sup>th</sup> October, 2023 (₹)	108.90 to 154.40	376.20 to 385.00	151.90

## NOTE: 37 STRUCK-OFF COMPANIES:

The details of transactions with struck off companies are as follows:

### For Year ended 31<sup>st</sup> March, 2024

The Company does not have any transactions with struck off Companies.

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

The Company does not have any transactions with struck off Companies.

# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 38 RATIOS

							(₹ in Crore)
Particulars	Numerator	Denominator	31 <sup>st</sup> March, 2024	Numerator	Denominator	31 <sup>st</sup> March, 2023	
(a) Capital to risk-weighted assets ratio (CRAR)*	-	-	-	-	-	-	
(b) Tier I CRAR*	-	-	-	-	-	-	
(c) Tier II CRAR *	-	-	-	-	-	-	
(d) Liquidity Coverage Ratio (no.of times) [Total Financial Assets (within 12 months)/Total Liabilities (within 12 months)]	2,022.98	211.25	9.58	1,723.33	198.33	8.69	

\*Since the Company is not in lending business, it does not have any credit exposure. Hence, these ratios are not applicable to the Group.

## NOTE: 39

The Company has not borrowed any fund from bank or financial Institution or other lender hence disclosure is not applicable.

## NOTE: 40

The Company does not have any transactions which were not recorded in the books of account but offered as income during the year in the income tax assessment.

## NOTE: 41

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

## NOTE: 42

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

## NOTE: 43

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

## NOTE: 44

The Company has complied with the number of layers prescribed under section 186(1) and clause 87 of section 2 of the Companies Act, 2013.

## NOTE: 45

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

## NOTE: 46

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



# Notes to Consolidated financial statements

for the year ended 31<sup>st</sup> March, 2024

## NOTE: 47

The Code on Social Security 2020, relating to employee benefits during employment and post-employment, has been notified in the Official Gazette on September 29, 2020, which could impact the contributions made by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified, and the rules are yet to be framed. Impact, if any, of the change will be assessed and accounted in period of notification of the relevant provisions.

## NOTE: 48

Daily back up of books of account and accounting records is taken on servers physically located in India.

## NOTE: 49

The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. The Company did not enable audit trail on database feature due to application performance consideration which has been recorded through PAM system (Privilege Access Management) in the form of video logs which are maintained for rolling 6 months. Further no instance of audit trail feature being tampered with was noted in respect of the software.

## NOTE: 50

In order to achieve Minimum Public Shareholding (MPS) of 25% post IPO, in compliance with the SEBI MPS guidelines, the Promoters of the Company i.e. Aditya Birla Capital Limited and Sun Life (India) AMC Investments Inc had sold in aggregate 11.16% shareholding in the Company on 19<sup>th</sup> March, 2024 and 20<sup>th</sup> March, 2024 by way Offer for Sale (OFS) through Stock Exchange Mechanism. Post OFS and as on 31<sup>st</sup> March, 2024, the Promoters and the Public shareholding in the Company is 75.32% and 24.68%, respectively.

## NOTE: 51 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors have proposed a final dividend of ₹ 13.50 per equity share (face value of ₹ 5 each) for the year ended 31<sup>st</sup> March, 2024, subject to the approval of the shareholders at the ensuing Annual General Meeting.

## NOTE: 52 PRIOR PERIOD COMPARATIVES

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date attached

**For S.R. Batliboi & Co. LLP**

Chartered Accountants  
Firm Reg. No. 301003E/E300005

**Rutushtra Patell**

Partner

Membership No. 123596

Place: Mumbai

Date: 26<sup>th</sup> April, 2024

For and on behalf of the Board of Directors of

**Aditya Birla Sun Life AMC Limited**

**Vishakha Mulye**

Director

DIN: 00203578

**Parag Joglekar**

Chief Financial Officer

Place: Mumbai

Date: 26<sup>th</sup> April, 2024

**A. Balasubramanian**

Managing Director and CEO

DIN: 02928193

**Prateek Savla**

Company Secretary

ACS No. 29500

**Aditya Birla Sun Life AMC Ltd.**

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**ADITYA BIRLA  
CAPITAL**