



# **Sundaram Alternate Assets Limited**

**2021-22**

<b>Board of Directors</b>	Harsha Viji Arvind Sethi Lakshminarayanan D Karthik Athreya R Vijayendiran	Chairman    Chief Executive Officer
<b>Audit Committee</b>	Harsha Viji Lakshminarayanan D R Vijayendiran	Chairman
<b>Nomination and Remuneration Committee</b>	Arvind Sethi Harsha Viji Lakshminarayanan D	Chairman
<b>Auditors</b>	M/s. Brahmayya & Co., Chennai	Chartered Accountants
<b>Registered Office</b>	21, Patullos Road Chennai 600 002	
<b>Corporate Office</b>	Sundaram Towers, I and II Floor, 46, Whites Road, Royapettah, Chennai 600 014 Tel: +91 44 28510040 CIN: U65990TN2018PLC120641 Website: www.sundaramalternates.com	
<b>Management Team</b>	Madanagopal Ramu, Fund Manager & Head – Equity Prashant N Kutty, Asst. Fund Manager – Equity Arjun Sankar, Fund Manager – Credit Manoj Mahadevan, Fund Manager – Credit Chandan Kumar, Fund Manager – Corporate Credit Ajay Bhide, Head – Distribution Sales S Parthasarathy, Chief Financial Officer & Head-Operations K Rajagopal, Secretary & Compliance Officer	
<b>Bankers</b>	Axis Bank Ltd. HDFC Bank Ltd. ICICI Bank Ltd. Standard Chartered Bank State Bank of India	



## Sundaram Alternate Assets Limited

A wholly-owned subsidiary of

## Sundaram Asset Management Company Limited

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## DIRECTORS' REPORT

To the Members

Your Directors take pleasure in presenting the 5th Annual Report with the audited financial statement of accounts for the year ended March 31, 2022. The summarised financial results of the Company are given hereunder

(Amount in ₹ cr.)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Total Revenue	84.01	67.40
Total Expenses	54.07	54.28
Profit Before Tax	29.94	13.12
Provision for Tax	7.53	3.23
Profit After Tax	22.41	9.89

While the Company's revenues grew by 25% over the previous year, the Net profit grew from ₹9.89 cr. to ₹22.41 cr. during the period, recording a gain of 127%.

### Dividend

Your Company paid an interim dividend of ₹2.05 per share in August 2021. Your directors are pleased to recommend a final dividend of ₹4.60 per share, which, together with the interim dividend, would aggregate to a total dividend of ₹6.65 per share (66.50% on the face value of ₹10/-).

### Company Performance

#### PMS

The average assets under discretionary Portfolio Management Services and advisory segments grew by 60.52% from ₹1,793 cr. to ₹2,878 cr. for the financial year 2021-22.

#### AIF

As of March 31, 2022 your Company manages 6 AIF schemes 3 each under Category II and III with average assets under management of ₹1,455 cr. (previous year: ₹1,728 cr. as on March 31, 2021).

Under Category III, your Company had launched ATLAS, a multi cap open-ended Category III AIF in February 2022. The fund is being marketed to prospective investors. Further, during the year, your Company raised additional capital commitments of ₹76 cr. and conducted a final close for ACORN.

Under Category II AIF, your Company manages 3 AIF schemes, with total capital commitments of ₹1,123 cr. as of March 31, 2022.

Your company launched Sundaram Alternative Opportunities Series – High Yield Secured Real Estate Fund III in July 2021 and has raised a commitment of ₹284.35 cr. as of March 31, 2022. The fund remains open to investors for subscription. The fund is in investment phase, having already made one investment and the team is actively evaluating deals and building the pipeline.

Sundaram Alternative Opportunities Series – High Yield Secured Debt Fund – I closed with capital commitments amounting to ₹403 cr. in FY 2018. As of March 31, 2022, the fund has deployed ₹540 cr. (including re-investments). Till date, the fund has returned 126% to its investors in the form of interest distribution and capital repayments.

Your company launched Sundaram Alternative Opportunities Series – High Yield Secured Debt Fund – II, a category II AIF, in April 2019. The fund had its final closure in February 2021 and has raised capital commitments of ₹435 cr. as of March 31, 2022. The fund had invested ₹522 cr. (including re-investments) across 13 investee companies. The fund regularly distributes quarterly interests and till date 18% of the net capital commitments has been paid to its investors.

### Industry

The total AUM of the portfolio management industry under discretionary and advisory services was ₹4.73 trillion as of March 31, 2022.

Under Category III AIF, Investment Managers have aggregate commitments of ₹0.63 trillion of which ₹0.56 trillion had been raised and invested as of December 31, 2021.

Under Category II AIF, as against commitments of ₹4.95 trillion, ₹2.12 trillion have been raised and ₹1.88 trillion was invested as of December 31, 2021.

### Fund Performance

Performance of the key strategies of PMS as of March 31, 2022:

Portfolio	Inception	Return since inception (Aggregate Portfolio)%	Benchmark %	Excess over Benchmark %
Sundaram India Secular Opportunities Portfolio (SISOP)	February 2010	18.9	11.3	7.6
Sundaram Emerging Leadership Fund (SELF)	June 2010	18.8	11.6	7.1
Voyager	October 2011	21.8	13.4	8.4

Performance of the Category III AIF schemes as of March 31, 2022:

Scheme	Benchmark	Inception date	IRR (since inception)	
			Class A Unitholders	NSE Small Cap
Sundaram India Premier Fund	Nifty India Consumption	October 11, 2018	16.8%	12.7%
ACORN	NSE Midcap	February 12, 2020	28.9%	29.4%

### Investors and Distributors

Your Company has 2,550 investors under its PMS business and 888 investors under its AIF business as of March 31, 2022.

Your Company has over 480 empanelled distributors. The company supports its investors and distributors across 64 locations.

### Regulation

During the financial year 2021-22, Securities and Exchange Board of India inter alia made the following critical changes under SEBI PMS and AIF Regulations:

- Introduction of the concept of Accredited Investors:

A significant outcome of this regulatory change is no minimum investment criteria to invest in PMS and AIF. This will result in higher participation from Accredited Investors.

- Publishing of investor charter and disclosure of complaints by AIF and Portfolio Managers:

The investor charter is a brief document in an easy-to-understand language. It details different services provided by the portfolio / investment managers to the investors along with estimated timelines at one single place for ease of reference. This will enhance investor awareness and transparency.

- Introduction of Code of Conduct for AIF, Trustee Company, Investment Manager and members of the Investment Committee under AIF Regulations thereby laying down guiding principles on their accountability towards the various stakeholders including investors, investee companies and regulators.
- Framework for co-investment by investors of AIF.

As per the framework, a Portfolio Manager who is also a Manager of AIF and intends to offer Co-investment services through portfolio management route, may do so with prior intimation to SEBI.

Accordingly, your Company, being a Portfolio Manager, can render co-investment services to any investor under Sundaram Category II Alternative Investment Trust. Necessary intimation was given to SEBI in this regard.

Your directors welcome the steps taken by the Regulator as these measures are taken in the interest of greater transparency, accountability and investor protection.

### Equity

Indian equity markets witnessed appreciable momentum in the first half of the financial year 2021-22. This was also broadly in line with global market momentum. Soon after, the US entered its 3rd and 4th waves of COVID-19, followed by various parts of Europe. Global commodity prices continued to rise to record highs through the year on the back of supply chain bottlenecks, that were exacerbated later in the year, by China's COVID-related restrictions. The year ended with a significant disruption to both commodity and financial markets, due to the Russia-Ukraine war, raising inflationary expectations across the world. Global central banks raised interest rates through the year and the geo-political uncertainties appeared to harden central bank's stance on inflation. As a result, the narrow market (Sensex) recorded an annual return of 18%, with almost all of the returns made in the Apr-Oct'21 period. The broad market (BSE500) delivered 21%. The mid and small cap index returns stood at 20% and 37% respectively.

Credit spreads narrowed with market concerns around the central government's large borrowing program. The 10-year GSec moved within a range of 110bps during the year and point-to-point saw an 80bps increase to 6.85%. With the AAA Corporate bond yields remaining relatively flat, the credit spreads against the 10-year GSec narrowed to 30bps (from 100bps) during the fiscal year ending 31st March 2022.

The fiscal deficit for the year 2021-22 was projected at 6.8% at the start of the year. An appreciable increase in tax collections during the year, particularly in direct taxes has greatly helped the government maintain quality of spending towards capex. Therefore, the fiscal deficit for FY22 is likely to hover around the centre's projected target of 6.8%.

## Debt

In earlier annual reports, we had highlighted issues and uncertainties surrounding the Indian real estate sector due to a variety of reasons. As indicated, the sector has shown remarkable resilience, particularly in the residential vertical over the last 10-12 months. Sales, new launches and inventory absorptions Pan India and especially, in our focus markets of Bengaluru, Hyderabad and Chennai showed a positive trend driven by strong demand. Even as the commercial segment of real estate appears to be reviving, the concept of "work from home" seems to be here to stay, with a hybrid working arrangement being agreed to by most BPOs, KPOs, IT Services firms, all of which continue to fuel residential demand. In addition, your company focuses on lower to mid income inventory, which has remained relatively stable through the market disruptions of the last 5-6 years in terms of demand and pricing. As a result, Sundaram's real estate credit funds have continued to out-perform vis-a-vis competition in terms of cash generation, collections, and investor distributions.

However, the investment team remains cautious and is constantly monitoring overall liquidity, interest rate environment, market sentiments across various micro markets, regulatory developments and the dynamic competitive landscape in this sector and benchmarks these against SA's real estate portfolio performance to ensure high standards of risk management, capital protection for our fund investors and meeting of fund targets. In parallel, the investment team's focus continues to be on rigorous asset monitoring and tighter underwriting standards to preserve asset quality. As mentioned in earlier reports, we expect the impact of Covid to continue over the next 12-18 months aside of potential adverse issues (Eg: cost escalations, fund flows, interest rates, public markets sentiments etc) emerging from increasing geo-political tensions in Asia and East Europe. We will endeavour to stay prepared for these and adapt our asset and fund strategies accordingly.

We reiterate that the choice of South India as our principal investment geography is serving our funds well, with saleable inventory, shorter project timelines, more affordable end-unit prices and relatively conservative counter-parties versus other geographies like MMR and NCR. The funds are also seeing a lot of growth capital demand such as new land and project acquisitions, accelerated project completions, new variants of real estate products etc, which bode well for the company's funds.

The current scenario is creating significant opportunities for new business and your company will endeavour to take advantage of these opportunities through launching new credit funds during the coming financial year. In this context, the company has recently launched a non-real estate corporate credit fund (Emerging Corporate Credit Opportunities Fund Series I, ECCO Fund I) to cater to small and mid-sized companies that find it difficult to access bank credit and which have attractive growth and scale opportunities. ECCO Fund I will focus on ESG, SME and Financial Inclusion as its focus areas and is seeking to emulate the strong track record of the real estate credit funds.

## Impact of Covid-19 on the Company

India started the fiscal year with an improving infections curve that stayed muted for most of the year. The 3rd wave onset, seen much later in the year, was relatively brief and had a more muted impact on both the economy and health metrics than the earlier two waves. The second half of the fiscal witnessed an appreciable drop in EM flows. Indian equities saw net FII outflows to the tune of \$(18)bn almost all of it seen during the Oct-Mar'22 period and barely any net FII inflow into debt (\$0.04bn). Despite net outflows from FII, net FDI inflows remained largely buoyant through the year and total investments are estimated to exceed, \$40bn.

The Dec'21 and Mar'22 quarters witnessed a gradual pickup in most macro variables, with an improvement in consumption, investment, capacity utilisation, among many others. As a result, FY22 is likely to record a growth of 8.4% over the previous year. The centre announced a ₹6.3tr package with measures to support the economy that included credit guarantee schemes, a DISCOM reform package and health sector outlays. The year also saw the government expand its PLI scheme and increase the scope of the Emergency Credit Line Guarantee Scheme (ECLGS) program. The RBI continued to remain supportive of growth and remained in accommodative mode throughout the year. However, Russia's invasion of Ukraine led to a deep shift in the global growth-inflation dynamics. This caused the RBI to shift its priority in early FY23, to taming inflation expectations, with a surprise Repo rate and CRR hike, while still maintaining an accommodative stance. CPI inflation is yet to peak and is expected to average above 6% for most part of FY23. Markets therefore expect more rate hikes from the RBI, taking the Repo to above pre-COVID levels.

COVID-19 infections appear to be on the wane, both in the developed and developing world; with the exception of China. China's zero-COVID policy has been exerting severe strain on both its economy and the global supply chains. The series of rate hikes by central banks across the world is likely to continue into FY23. This would firstly bring down demand led inflation; probably implying cuts to growth forecasts. Lower growth and shifts in spending towards services in a post-COVID world, are expected to exert lesser pressure on global supply chains. Markets foresee supply pressures easing, more towards the second half of this year. Geo-politics continues to remain the current source of uncertainty. Recent market narratives of more targeted Russia sanctions, rising probability of EU oil embargo on Russia and more military aid and support from the West for Ukraine, appear to hint at a prolonging of the war.

**Risk management**

The Company has a well-established Enterprise Risk Management (ERM) framework. The core of the ERM framework consists of internal risk control guidelines and policies, risk monitoring and control tools, risk reporting and exception handling mechanisms.

**Internal Financial Controls**

The Company has well-defined and adequate internal financial controls and procedures, commensurate with the size and nature of its operations.

**Board of Directors / Key Managerial Personnel**

The Board of Directors of the company is vested with general power of superintendence, direction and management of the affairs. During the year ended March 31, 2022, five Board Meetings were held.

Mr. Lakshminarayanan D (holding DIN: 07988186) and Mr. R Vijayendiran (holding DIN: 07997232) retire by rotation and being eligible, offer themselves for re-election. Necessary resolutions are submitted for your approval.

**Annual Evaluation by the Board**

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

**Board Committees****1. Audit Committee**

The Audit Committee reviewed the financial statements and the observations of the internal / external auditors along with the responses of the management.

**2. Nomination and Remuneration Committee**

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

[https://www.sundaramalternates.com/Documents/SAAL\\_RemunerationPolicy.pdf](https://www.sundaramalternates.com/Documents/SAAL_RemunerationPolicy.pdf)

The salient features of the policy are as under:

- Any person who in the opinion of the Board is not disqualified to become a Director, and in the opinion of the Board, possesses the ability, integrity and relevant expertise and experience, can be appointed as Director of the Company.
- The Chief Executive Officer is appointed by the shareholders at a general meeting.
- The Company pays remuneration by way of salary, perquisites and allowances, performance bonus to its Key Managerial Personnel based on the recommendation of Nomination and Remuneration Committee.
- The remuneration of other employees mainly consists of basic remuneration, perquisites, allowances and performance bonus. The components of the total remuneration vary for different employee grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by them, their individual performances, etc.

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

**Corporate Social Responsibility Committee (CSR)**

As per the provisions of Section 135 of the Companies Act, 2013, your Company has a Policy for the implementation of the CSR framework, broadly defining the areas of spending for its promotion/development, of at least two per cent of the average net profits made during the last three immediately preceding Financial Years on the activities mentioned under Schedule VII of the Companies Act, 2013.

The Board monitors the Policy of the Company from time to time and endeavours to ensure that the requisite amount is spent on CSR activities as per the framework. A Report on CSR Activities undertaken by the Company for the Financial Year 2021-22 are set out in the prescribed format vide Annexure I.

The composition of the committees constituted by the Board under Companies Act, 2013 is furnished vide Annexure II.

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

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

**Public Deposits**

Your company has not accepted any deposits from the public.

### Extract of Annual Return

As required under Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in MGT-9 is available in our website under the following link:

<https://www.sundaramalternates.com/Home>

### Personnel

Your Company had 35 employees on its rolls as of March 31, 2022. Your Board of Directors place on record their acknowledgement of the support, dedication and unswerving commitment displayed by the employees towards the Company.

### Particulars of Employee Remuneration

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

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaint was received during the year 2021-22.

### Significant and Material Orders

During the year under review, no significant and material orders were passed by the regulators, courts or tribunals against the Company, impacting its going concern status or its future operations.

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

Your Company has no activity relating to conservation of energy or technology absorption.

During 2021-22, expenditure in foreign currencies amounted to ₹2.21 cr. Foreign currency earnings amounted to ₹1.05 cr.

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

The Company has not given any loans or made investments or provided any guarantee or security as envisaged under Section 186 of the Companies Act, 2013.

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

All transactions entered into by the Company with related parties were in the ordinary course of business and on an arm's length basis. Form AOC-2, as required under Section 134 (3) (h) of the Act, read with Rule 8 (2) of the Companies (Accounts) Rules 2014, is attached as part of this report vide Annexure III.

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

Your directors confirm that:

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

### Acknowledgement

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

Place: Chennai

Date: May 09, 2022

For and on behalf of the Board of Directors  
**Harsha Viji**  
 Chairman



## Annual Report on CSR Activities for the Financial Year 2021-22

### 1. Brief outline on CSR Policy of the Company

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

[https://www.sundaramalternates.com/Documents/SA\\_CSR\\_Policy.pdf](https://www.sundaramalternates.com/Documents/SA_CSR_Policy.pdf)

### 2. Composition of CSR Committee

As per Section 135 (9) of the Companies Act, 2013, where the amount to be spent by a company does not exceed ₹50 lakhs, the requirement of constituting the CSR Committee shall not be applicable and the functions of such Committee shall, in such cases, be discharged by the Board itself.

As the CSR spending for the previous financial years of the Company is in the range of ₹10 to ₹20 lakhs, CSR Committee was dissolved with effect from 15th February 2021 and the functions of such Committee are being discharged by the Board itself.

### 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.

The required information is available in our website under the following link:

[https://www.sundaramalternates.com/Documents/SA\\_CSR\\_Policy.pdf](https://www.sundaramalternates.com/Documents/SA_CSR_Policy.pdf)

[https://www.sundaramalternates.com/Documents/Composition\\_of\\_CSR\\_Co\\_and\\_details\\_of\\_approved\\_projects.pdf](https://www.sundaramalternates.com/Documents/Composition_of_CSR_Co_and_details_of_approved_projects.pdf)

### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable

### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Not Applicable

### 6. Average net profit of the company as per Section 135(5)

₹ 889.06 lakhs

7. (a)	Two percent of average net profit of the company as per Section 135(5)	₹ 17.78 lakhs
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	—
(c)	Amount required to be set off for the financial year, if any	—
	Total CSR obligation for the financial year (7a+7b-7c).	₹ 17.78 lakhs

**8. (a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 20 lakhs	Nil				

**(b) Details of CSR amount spent against ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name.	CSR Registration Number
Nil												

**(c) Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Amount allocated for the project (in ₹)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name. Number	CSR Registration
1	Promoting Education by providing financial assistance to deserving and meritorious students, and also educational institutions which work for this cause (2 Institutions)	Education	Yes	Tamil Nadu	Chennai	10.00	No	Laxmi Charities	CSR00005940
		Education	Yes	Karnataka	Bengaluru	10.00	No	Foundation For Excellence India Trust	CSR00002053

**(d) Amount spent in Administrative Overheads**

Nil

**(e) Amount spent on Impact Assessment, if applicable**

Nil

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e)**

₹ 20 lakhs

**(g) Excess amount for set off, if any**

Sl.No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per Section 135(5)	17.78
(ii)	Total amount spent for the Financial Year	20.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2.22
(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)]	2.22

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Nil							

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl.No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing.
Nil								

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).**

Not Applicable

**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5).**

Not Applicable

**R Vijayendiran**  
Chief Executive Officer

**Harsha Viji**  
Chairman

Place: Chennai  
Date: 9th May 2022

**Composition of the committees constituted by the Board under Companies Act, 2013****1. Audit Committee**

S. No.	Name of the Member	DIN
1	Harsha Viji, Chairman	00602484
2	Lakshminarayanan D	07988186
3	R Vijayendiran	07997232

**2. Nomination and Remuneration Committee**

S. No.	Name of the Member	DIN
1	Arvind Sethi, Chairman	00001565
2	Harsha Viji	00602484
3	Lakshminarayanan D	07988186

For and on behalf of the Board of Directors

Place: Chennai

Date: 9th May 2022

**Harsha Viji**

Chairman

**Annexure - III****Form No. AOC-2**

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

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto****1. Details of contracts or arrangements or transactions not at arm's length basis**

All transactions entered into by the Company during the year with related parties were on an arm's length basis.

**2. Details of material contracts or arrangement or transactions at arm's length basis**

The details of transactions entered into by the Company during the year with related parties at arm's length basis are provided under Note 32 to the annual accounts.

For and on behalf of the Board of Directors

Place: Chennai

Date: 9th May 2022

**Harsha Viji**

Chairman

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Sundaram Alternate Assets Limited Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying Ind AS standalone financial statements of Sundaram Alternate Assets Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

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

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

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

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

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors are 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This

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

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

The Board of Directors are 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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

### Report on Other Legal and Regulatory Requirements

- As required by Section 143(3) of the Act, based on our audit we report that:
  - 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.
  - 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.
  - The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:
 

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
  - With respect to the other matters to be included in the Auditor's

Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- The company does not have any legal proceedings against it.
  - The Company did not have any material foreseeable losses on long term contracts and the company did not have any derivative contracts.
  - The company is not required to transfer any amount to the Investor Education and Protection Fund by the Company.
- The management has represented to us that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - The management has represented to us that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, 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
    - Based on such audit procedures that the we have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) as specified above contain any material mis-statements.
  - As stated in Note 35 to the standalone financial statements,
    - The interim dividend declared and paid by the Company during the year is in compliance with Section 123 of the Act.
    - 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 amount of dividend proposed is in accordance with Section 123 of the Act.
- As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

### For Brahmayya & Co.

Chartered Accountants  
Firm Regn. No.000511S

P. Babu  
Partner

Place: Chennai  
Date: 9th May, 2022

Membership No.203358  
UDIN: 22203358AIUVHJ2943

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

We have audited the internal financial controls over financial reporting of Sundaram Alternate Assets Limited (“the Company”) as of 31st March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

opinion on the Company’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

P. Babu  
Partner  
Membership No.203358  
UDIN: 22203358AIUVHJ2943

Place: Chennai  
Date: 9th May, 2022

**“ANNEXURE B” TO THE AUDITORS’ REPORT REFERRED TO IN OUR REPORT OF EVEN DATE**

- i.
  - a) 1. The Company has maintained proper records showing full particulars, details and situation of Property, Plant and Equipment.
  2. The Company has maintained proper records showing full particulars of intangible assets.
  - b) Property, Plant and Equipment were physically verified by the management during the year, in accordance with an annual plan of verification, which in our opinion is reasonable having regard to the size of the Company and the nature of the Property Plant and Equipment. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
  - c) Based on our examination of records and according to the information and explanations given to us, the company does not own any immovable property.
  - d) Based on our examination of records and according to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
  - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable
  - b) The Company has not been sanctioned working capital limits in excess of ₹5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. Based on our examination of records and according to the information and explanations given to us, the company has made investments in Associates of a fellow subsidiary during the year and not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, in respect of which:
  - a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable.
  - b) In our opinion, the investments made during the year are, prima facie, not prejudicial to the Company’s interest.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loan to its Director(s) and has not made any investment, provided any guarantee or security as envisaged in Section 185 and Section 186 of the Companies Act, 2013, respectively.
- v. Based on our examination of records and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the relevant rules made thereunder. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii.
  - a) The Company is regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees’ State Insurance, Income Tax, Cess and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of these statutory dues outstanding as at March 31, 2022 for a period of more than six months from the date they became payable.
  - b) In our opinion and according to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute.
- viii. According to the information and explanation given to us, 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, reporting under clause 3(viii) of the order does not arise.
- ix.
  - a) Based on our examination of the records of the Company and according to the information and explanations give to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to bank.
  - b) According to the information and explanations given to us, the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority. Accordingly, reporting under clause 3(ix)(b) of the order does not arise.
  - c) In our opinion and according to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained;
  - d) Based on our examination of records of the company and according to the information and explanations given to us, the Company did not raise any funds during the year. Accordingly, reporting under clause 3(ix)(d) of the order does not arise.
  - e) Based on our examination of records of the company and according to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate companies. Accordingly, reporting under clause 3(ix)(e) of the order does not arise.



- f) Based on our examination of records and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiary companies. Accordingly, reporting under clause 3(ix)(f) of the order does not arise.
- x. a) In our opinion and according to the information and explanations given to us, the Company has neither raised during the year any money by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting under clause 3(x)(a) of the order does not arise.
- b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares/fully or partly or optionally convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the order does not arise.
- xi. a) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the course of our audit.
- b) During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) According to the information and explanations given to us, there are no whistle blower complaints received by the company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company as per provisions of the Companies Act, 2013. Accordingly, reporting under clause 3(xii)(a),(b),(c) of the Order does not arise.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- xiv. a) In our opinion and based on our examination, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered the internal audit reports of the company, for the year under audit, issued till the date of this audit report.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company during the year, the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the company. Accordingly, reporting under clause 3(xv) of the order does not arise.
- xvi. a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. Based on our examination of the records and according to the information and explanation given to us, the Company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly reporting under clause 3(xviii) of the order does not arise.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. a) There is no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- b) There is no amount remaining unspent under sub-section (5) of Section 135 of the Companies Act, pursuant to any ongoing project. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

**For Brahmaya & Co.**

Chartered Accountants

Firm Regn. No.000511S

P. Babu

Partner

Membership No.203358

UDIN: 22203358AIUVHJ2943

Place: Chennai

Date: 9th May, 2022

## Balance Sheet

As at 31st March, 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2022
<b>ASSETS</b>			
<b>1 Financial Assets</b>			
a. Cash and cash equivalents	2a.	74.39	84.47
b. Bank balances other than cash and cash equivalents	2b.	–	–
c. Receivables			
(I) Trade Receivables	3	1,166.67	1,222.44
(II) Others		–	–
d. Loans	4	6.06	2.91
e. Investments	8	3,647.49	2,198.86
f. Other Financial assets	5	4.50	8.87
<b>2. Non-Financial Assets</b>			
a. Current Tax Assets (Net)	6	63.27	183.37
b. Property, plant and equipment	9	21.41	13.95
c. Right of Use Assets		–	–
d. Other Intangible assets	11	25.13	3.68
e. Other Non-Financial Assets	7	2,023.38	3,095.67
<b>TOTAL ASSETS</b>		<b>7,032.30</b>	<b>6,814.22</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>(1) Financial Liabilities</b>			
<b>a. Payables</b>			
<b>(I) Trade payables</b>			
i) Total outstanding dues of micro enterprises and small enterprises	12	–	–
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		360.51	202.90
<b>b. Borrowings (Other than Debt Securities)</b>	13	–	1,229.07
<b>c. Lease Liabilities</b>		–	–
<b>d. Other financial liabilities</b>		–	–
<b>(2) Non-Financial Liabilities</b>			
a. Provisions	14	212.55	236.85
b. Deferred Tax Liabilities (Net)	15	16.24	(3.23)
c. Other Non-Financial Liabilities	16	180.93	299.39
<b>Equity</b>			
a. Equity Share capital	18	3,900.00	3,900.00
b. Other equity	17	2,362.07	949.23
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>7,032.30</b>	<b>6,814.22</b>

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

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

**P Babu**  
Partner  
Membership No. 203358

Date: 09-05-2022  
Place: Chennai

**For and on behalf of the Board of Directors**

**Lakshminarayanan D**  
Director

**S Parthasarathy**  
Chief Financial Officer

**R Vijayendiran**  
Chief Executive Officer

**K Rajagopal**  
Secretary & Compliance Officer

## Statement of Profit and Loss

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

Particulars	Note No.	2021-22	2020-21
<b>(I) Revenue from operations</b>			
Asset Management Services	19	8,131.07	6,577.02
<b>(II) Other Income</b>	20	270.03	162.48
<b>(III) Total income (I + II)</b>		<b>8,401.10</b>	<b>6,739.50</b>
<b>(IV) Expenses:</b>			
Finance costs	21	52.33	99.47
Brokerage & Marketing Expenses	22	3,757.61	3,959.83
Employee benefits expense	23	963.72	850.48
Depreciation and amortization expense	9, 10, 11	12.12	18.32
Administrative and other expenses	24	620.79	499.58
<b>Total expenses - (IV)</b>		<b>5,406.57</b>	<b>5,427.68</b>
<b>(V) Profit before Tax ( III - IV )</b>		<b>2,994.53</b>	<b>1,311.82</b>
<b>(VI) Tax expense:</b>			
Current Tax	25	733.49	312.68
Deferred Tax		19.46	10.02
<b>(VII) Profit / (Loss) for the period ( V - VI )</b>		<b>2,241.58</b>	<b>989.12</b>
<b>(VIII) Other Comprehensive Income, Net of Taxes</b>			
<b>a. Items that will not be reclassified to Statement to Profit &amp; Loss</b>			
i) Remeasurement of Defined Benefit Plans		(38.40)	6.85
ii) Income tax impact on the above		9.66	(1.72)
<b>b. Items that will be reclassified to Statement to Profit &amp; Loss</b>		-	-
<b>(VIII) Total Other comprehensive Income</b>		<b>(28.73)</b>	<b>5.12</b>
<b>(IX) Total Comprehensive Income ( VII + VIII )</b>		<b>2,212.84</b>	<b>994.24</b>
Total Profit attributable to Equity Shareholders		2,212.84	994.24
Earnings per equity share of Rs 10 each, fully paid up			
Basic		<b>5.75</b>	<b>2.54</b>
Diluted		<b>5.75</b>	<b>2.54</b>

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

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

**P Babu**  
Partner  
Membership No. 203358

Date: 09-05-2022  
Place: Chennai

**For and on behalf of the Board of Directors**

**Lakshminarayanan D**  
Director

**S Parthasarathy**  
Chief Financial Officer

**R Vijayendiran**  
Chief Executive Officer

**K Rajagopal**  
Secretary & Compliance Officer

## Cash Flow Statement

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

	2021-22	2020-21
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit/(Loss) before tax	2,994.53	1,311.82
Add: Profit on sale of tangible assets	-	-
Financial Cost	52.33	99.47
Profit on sale of Investments	(160.91)	(131.61)
Lease Adjustments	-	(1.05)
Depreciation	12.12	18.72
Interest Income	(31.09)	(20.24)
Liabilities no longer required	(75.24)	-
Remeasurement of defined Benefit Obligation	(38.40)	6.85
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b><u>2,753.34</u></b>	<b><u>1,283.96</u></b>
(Increase) / Decrease in Loans	(3.15)	9.28
(Increase) / Decrease in Other Financial Assets	4.37	0.01
(Increase) / Decrease in Other Non Financial Assets	1,072.30	1,830.86
(Increase) / Decrease in Trade Receivables	61.49	(473.72)
Increase / (Decrease) in Provisions	(24.30)	(4.67)
Increase / (Decrease) in Trade Payable	157.61	37.53
Increase / (Decrease) in Other Non Financial Liabilities	(43.22)	121.02
<b>Cash generated from Operations</b>	<b><u>3,978.44</u></b>	<b><u>2,804.27</u></b>
Direct Taxes Paid	(591.02)	(221.63)
<b>NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES</b>	<b><u>3,387.41</u></b>	<b><u>2,582.64</u></b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale/ (purchase) of Current Investments	(1,287.79)	(1,313.49)
Purchase of Property, plant and equipment and intangible assets	(41.03)	(3.11)
Interest Income Received	12.72	20.24
<b>NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES</b>	<b><u>(1,316.09)</u></b>	<b><u>(1,296.36)</u></b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Lease Liabilities	-	(4.23)
Increase / (Decrease) in Borrowings	(1,229.07)	(40.77)
Finance Cost Paid	(52.33)	(99.47)
Dividend paid (including tax)	(800)	(1,072.50)
<b>NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES</b>	<b><u>(2,081.40)</u></b>	<b><u>(1,216.98)</u></b>
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS - (A) + (B) + (C)</b>	<b><u>(10.08)</u></b>	<b><u>69.30</u></b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b><u>84.47</u></b>	<b><u>15.18</u></b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b><u>74.39</u></b>	<b><u>84.48</u></b>
<b>Note : Cash &amp; Cash Equivalents comprise the following :</b>		
a. Cash on hand	0.06	0.09
b. Balances with Banks in Current accounts	74.33	84.38
<b>Total</b>	<b><u>74.39</u></b>	<b><u>84.47</u></b>

Vide our report of even date attached.

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

**P Babu**  
Partner  
Membership No. 203358

Date: 09-05-2022  
Place: Chennai

**For and on behalf of the Board of Directors**

**Lakshminarayanan D**  
Director

**S Parthasarathy**  
Chief Financial Officer

**R Vijayendiran**  
Chief Executive Officer

**K Rajagopal**  
Secretary & Compliance Officer

## Statement of changes in equity as at 31 March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

### A. Equity Share Capital

#### (1) Current reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
3,900.00	—	3,900.00	—	3,900.00

#### (2) Previous reporting period

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
3,900.00	—	3,900.00	—	3,900.00

## Statement of changes in equity as at 31 March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

### B. Other Equity

#### (1) Current reporting period

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Securities Premium	Retained Earnings	ESOP Reserves	Other Comprehensive Income (Remeasurement of Defined benefit plans through Other Comprehensive Income)	General Reserve	Capital Reserve	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Money received against share warrants	Total
Balance at the beginning of the current reporting period	-	-	-	947.50	-	3.85	-	(2.13)	-	-	-	-	-	-	949.23
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	947.50	-	3.85	-	(2.13)	-	-	-	-	-	-	949.23
Total Comprehensive Income for the current year	-	-	-	-	-	(28.73)	-	-	-	-	-	-	-	-	(28.73)
Dividends	-	-	-	(800.00)	-	-	-	-	-	-	-	-	-	-	(800.00)
Transfer to retained earnings	-	-	-	2,241.58	-	-	-	-	-	-	-	-	-	-	2,241.58
<b>Balance at the end of the current reporting period</b>	-	-	-	<b>2,389.08</b>	-	<b>(24.88)</b>	-	<b>(2.13)</b>	-	-	-	-	-	-	<b>2,362.07</b>

#### (2) Previous reporting period

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Securities Premium	Retained Earnings	ESOP Reserves	Other Comprehensive Income (Remeasurement of Defined benefit plans through Other Comprehensive Income)	General Reserve	Capital Reserve	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Money received against share warrants	Total
Balance at the beginning of the previous reporting period	-	-	-	1,031.12	-	(1.50)	-	(2.13)	-	-	-	-	-	-	1,027.49
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting period	-	-	-	1,031.12	-	(1.50)	-	(2.13)	-	-	-	-	-	-	1,027.49
Total Comprehensive Income for the previous year	-	-	-	-	-	5.35	-	-	-	-	-	-	-	-	5.35
Dividends	-	-	-	(1,072.50)	-	-	-	-	-	-	-	-	-	-	(1,072.50)
Transfer to retained earnings	-	-	-	989.11	-	-	-	-	-	-	-	-	-	-	989.11
Any other change (to be specified)	-	-	-	(0.23)	-	-	-	-	-	-	-	-	-	-	(0.23)
<b>Balance at the end of the previous reporting period</b>	-	-	-	<b>947.50</b>	-	<b>3.85</b>	-	<b>(2.13)</b>	-	-	-	-	-	-	<b>949.23</b>

## Notes to the Accounts

## Note 1: Significant Accounting Policies:

**1. Corporate information** Sundaram Alternate Assets Limited ("SA" or "the Company") is a public limited company incorporated in India having its registered office at No.21, Patullos Road, Chennai 600002 and is a wholly owned subsidiary of Sundaram Asset Management Company Limited (SAMC) that caters the Investment need of High Net-worth Individuals (HNIs), Sundaram Portfolio Managers (SPM) and Alternate Investment Funds (AIF) are the divisions under the SA umbrella.

**1.1 Overall considerations**

The financial statements have been prepared applying the significant accounting policies and measurement basis explained below.

**1.2 Basis of Preparation of Financial statements**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed by Ministry of Corporate Affairs under Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amended Rules 2016.

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

The financial statements has been prepared under historical cost convention on accrual basis, except for certain financial assets and liabilities (as per the accounting policy stated below), which have been measured at fair value.

**1.3 Property, plant and equipment  
Recognition and measurement**

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the Statement of Profit or Loss.

**Subsequent expenditure**

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

**Depreciation**

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method and is recognized in the Statement of Profit and Loss. Freehold land is not depreciated.

**Estimated useful lives of Tangible Assets**

Sl.No	Nature of Asset	Useful Life
1.	Office Equipment	5 Years
2.	Electrical Equipment	10 Years
3.	Computers	3 to 6 Years
4.	Vehicle	5 Years
5.	Improvements to Rented Premises	3 Years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

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

**Intangible assets****Initial recognition and measurement**

Intangible assets acquired separately are stated at cost less accumulated amortization and any accumulated impairment losses.

**Subsequent expenditure**

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in the Statement of Profit or Loss as incurred.

**Amortization**

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

The estimated useful lives of items of intangible assets for the current and comparative periods are as follows:

Asset Block	Management estimate of useful life
Software	3 years

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

**1.4 Impairment**

At each reporting date, the Company reviews the carrying amounts of its assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates the cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units ('CGU').

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the CGU (or the asset).

Where it is not possible to estimate the recoverable amount of the individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment loss in respect of assets is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized in prior years. A reversal of impairment loss is recognized immediately in the Statement of Profit or Loss.

**1.5 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

At initial recognition, the Company measures a financial asset at its fair value (in the case of a financial asset not recorded at fair value through profit or loss) plus transaction cost that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

Subsequent measurement depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

Based on the above criteria, the Company classifies its financial assets in the following categories:

- Financial assets measured at amortized cost
- Financial assets measured at fair value through OCI (FVTOCI)
- Financial assets measured at fair value through profit or loss (FVTPL)

i. Financial assets measured at amortized cost

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) 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.

ii. Financial assets measured at FVTOCI

A financial asset is measured at FVTOCI if both of the following conditions are met:

- a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) 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.

iii. Financial assets measured at FVTPL

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above.

De-recognition of financial assets

A financial asset is derecognized when the Company has transferred the rights to receive cash flows from the financial asset.

Impairment of financial assets

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

For trade receivables, the Company applies the approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognized from initial recognition of the receivables.

Expected Credit Loss

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Based on the past experience, the company has not considered ECL impairment loss, as the receivables are from related parties and the company does not foresee any credit loss in future as well.

Financial Liabilities

Initial Recognition, subsequent measurement and de-recognition of financial liabilities

i) Initial Recognition

At initial recognition, the Company measures a financial liability at its fair value (in the case of a financial liability not recorded at fair value through profit or loss) plus transaction cost that are directly attributable to the acquisition of the financial liability. Transaction costs of financial liability carried at fair value through profit or loss are expensed in profit or loss.

ii) Subsequent measurement

Financial liabilities are measured subsequently at amortized cost

iii) De-recognition

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or has expired.

**1.6 Cash and cash equivalents**

Cash and cash equivalents are short-term highly liquid investments that are readily convertible into cash with original maturities of three months or less. Cash and cash equivalents consist primarily of cash and deposits with banks.

**1.7 Revenue**

Revenue is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company is entitled in exchange for those goods or services, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

Revenue from Services:

Portfolio Management, Alternate Investment Fund and Advisory Services:

The Company provides portfolio management services, Alternate investment fund and advisory services to its clients wherein a separate agreement is entered into with each client. The Company earns management fees which is generally charged as a percent of the Assets Under Management (AUM) and is recognized on accrual basis.

The Company, in certain instances also has a right to charge performance fee to the clients if the portfolio achieves a particular level of performance as mentioned in the agreement with the client.

Other income:

Income from interest on deposits and interest-bearing securities is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rates.

Dividends are recognized in the Statement of Profit or Loss only when the right to receive the payment is established.

**1.8 Employee benefits****Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

**Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to



defined contribution plans are recognized as an employee benefit expense in the Statement of Profit or Loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

#### Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The contributions made to the fund are recognized as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognized on the Balance Sheet.

When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in OCI.

The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in the Statement of Profit or Loss.

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

#### Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders related service are recognized as a liability at the present value of the obligation as at the Balance Sheet date less fair value of the plan assets out of which the obligations are expected to be settled. The cost of providing benefits is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in the Statement of Profit or Loss in the period in which they arise.

### 1.9 Income Taxes

Income tax comprises current and deferred tax. It is recognised in the Statement of Profit or Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

#### Current tax

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

substantively enacted by the reporting date.

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

#### Deferred tax

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

Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Current and deferred taxes are recognized in the Statement of Profit or Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity respectively.

### 1.10 Provisions, Contingent liabilities and Contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and risks specific to the liability. When discounted, the increase in provision due to the passage of time is recognized as finance cost.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the entity. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent assets are disclosed where an inflow of economic benefit is probable.

### 1.11 Segment reporting

The Company has identified Portfolio Management Services and Investment Manager to the schemes of Alternate Investments Funds as one segment.

### 1.12 Earnings per share

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

### 1.13 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts and payments. The cash flows from operating, investing and financing activities of the Company are segregated.

### 1.14 Leases

The Company has applied Ind AS 116 Leases using the modified retrospective approach. At inception of a contract, the company assesses whether a contract is, or contains, a lease. 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 uses the definition of a lease in Ind AS 116.

#### As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The Company uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the Statement of Profit or Loss if the carrying amount of the right-of-use asset has been reduced to zero.

### Lease modifications

A lease modification is accounted as a separate lease if the modification increases the scope of the lease by adding the right-of-use one or more underlying assets and the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not a separate lease, at the effective date of the modification, the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at that date. For lease modifications that decrease the scope of the lease, the carrying amount of the right-of-use asset is decreased to reflect the partial or full termination of the lease, and a gain or loss is recognised that reflects the proportionate decrease in scope. For all other lease modifications, a corresponding adjustment is made to the right-of-use asset.

### 1.15 Distribution Cost

#### Portfolio Management Services

Distribution cost for Portfolio Management Services are charged to Statement of Profit and Loss on accrual basis. Distribution cost paid in advance is amortised over the contractual period. In respect of Portfolio Management Services, the Company has paid/accrued commission to the distributors and has the right of recovery of such commission under pre-defined circumstances (which includes investor exit up-to the "commitment period" as per the respective agreement entered with investor). On this account, an asset (prepaid expenses) is recognised at the time of actual payment or becoming due for payment and charged evenly to the Statement of Profit and Loss over the commitment period of the respective investor.

#### Alternate Investment Fund Services

Distribution cost for Alternate Investment Fund Management Services are charged to Statement of Profit and Loss on accrual basis. In respect of Alternate Investment Fund Services, the Company has paid/accrued commission to the distributors and has the right of recovery of such commission under pre-defined circumstance. On this account, an asset (prepaid expenses) is recognised at the time of actual payment or becoming due for payment and charged evenly to the Statement of Profit and Loss over the period of the scheme.

### 1.16 Foreign currency transactions

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

### 1.17 Borrowing cost

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

## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

Particulars	March 31, 2022	March 31, 2021
<b>Financial assets</b>		
<b>Note 2a. Cash and cash equivalents</b>	8,694	9,865
<b>a. Balances with banks:</b>		
- In current accounts	74.33	84.38
<b>b. Cash on hand</b>	0.06	0.09
	<b>74.39</b>	<b>84.47</b>
<b>Note 2b. Bank balances other than cash and cash equivalents</b>		
Fixed deposit with Bank	-	-
	-	-
<b>Note 3 Trade Receivables</b>		
Unsecured, Considered good	1,166.67	1,222.44
Less: Allowance for doubtful debts	-	-
<b>Total*</b>	<b>1,166.67</b>	<b>1,222.44</b>

\*The company does not have any relationship with struck off companies for the current year ended 31st March 2022 and Previous year ended 31st March 2021

### Trade Receivables ageing schedule

#### i) Current period

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	1166.67	-	-	-	-	1166.67
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

#### ii) Previous period

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	1222.44	-	-	-	-	1222.44
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

Particulars	March 31, 2022		March 31, 2021	
<b>Note 4 Loans</b>				
<b>Unsecured, considered good</b>				
<b>At Amortised Cost</b>				
Staff Loans		6.06		2.91
Less: Impairment allowance		–		–
<b>Sub-Total (A)</b>		<b>6.06</b>		<b>2.91</b>
<b>Note 5 Other Financial Assets</b>				
Security Deposits		–		4.20
Others		4.50		4.67
		<b>4.50</b>		<b>8.87</b>
<b>Non-Financial assets</b>				
<b>Note 6. Current Tax Assets</b>				
Advance Tax, TDS Recievable and net of provision for taxation (Net)		63.27		183.37
		<b>63.27</b>		<b>183.37</b>
<b>Note 7 Other non-current Non-Financial assets</b>				
<b>Advances other than Capital Advances</b>				
Prepaid Expenses		2,023.38		3,090.00
Advance for expenses		–		5.67
		<b>2,023.38</b>		<b>3,095.67</b>
<b>Financial assets</b>				
<b>Note 8 Current Investments</b>				
Particulars	March 31, 2022		March 31, 2021	
	No. of shares / units	Value	No. of shares / units	Value
<b>In Mutual Funds</b>				
<b>Unquoted</b>				
Sundaram Money Fund - Growth Plan - Direct	–	–	34,95,134.55	1,516.81
Sundaram Ultra Short Duration Fund	1,37,233.67	3,216.36	26,58,367.70	294.23
<b>In Alternate Investments Funds</b>				
<b>Unquoted</b>				
Sundaram India Premier Fund	10,000.00	173.05	10,000.00	140.69
Sundaram High Yield Secured Debt Fund Series 1	100.00	9.45	100.00	77.98
Sundaram High Yield Secured Debt Fund Series 2	100.00	100.00	75.00	75.00
Sundaram ACORN Fund	100.00	148.48	67.01	93.99
<b>In Equity Instruments</b>				
<b>Unquoted</b>				
Sundaram Alternative Opportunities Fund Mauritius Ltd*	100	0.08	100	0.08
Sundaram Alternative Opportunities Fund II Mauritius Ltd*	100	0.08	100	0.08
<b>Total</b>		<b>3,647.49</b>		<b>2,198.86</b>
<b>Aggregate Value of Quoted Investments</b>		<b>3,647.49</b>		<b>2,198.86</b>
<b>Market Value of Quoted Investments</b>		<b>3,647.49</b>		<b>2,198.86</b>

\*Due to non- availability of fair market value, the above investments are stated at cost

## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

### Note 9 Property, Plant and Equipment

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

Particulars	Computers	Office equipments	Furniture and fixtures	Vehicles	Electrical Equipment	Improvements to rented premises	Total
<b>Gross carrying value</b>							
At April 1, 2020	12.77	0.77	–	14.98	4.10	11.89	44.52
Additions	2.59	0.04	–	–	0.48	–	3.11
Disposals	–	–	–	–	–	–	–
At March 31, 2021	15.36	0.81	–	14.98	4.58	11.89	47.62
At April 1, 2021	15.36	0.81	–	14.98	4.58	11.89	47.62
Additions	14.28	–	–	–	–	–	14.28
Disposals	–	–	–	–	–	–	–
At March 31, 2022	29.64	0.81	–	14.98	4.58	11.89	61.90
<b>Accumulated depreciation</b>							
At April 1, 2020	9.19	0.45	–	1.27	2.53	11.89	25.33
Depreciation expense	2.98	0.18	–	4.30	0.89	–	8.35
Disposals	–	–	–	–	–	–	–
Other Adjustments	–	–	–	–	–	–	–
Translation Adjustments	–	–	–	–	–	–	–
At March 31, 2021	12.16	0.63	–	5.57	3.41	11.89	33.67
At April 1, 2021	12.16	0.63	–	5.57	3.41	11.89	33.67
Depreciation expense	4.01	0.08	–	2.43	0.30	–	6.82
Disposals	–	–	–	–	–	–	–
At March 31, 2022	16.17	0.71	–	8.00	3.72	11.89	40.49
Net carrying value March 31, 2022	13.46	0.10	–	6.98	0.87	–	21.41
Net carrying value March 31, 2021	3.19	0.18	–	9.41	1.17	–	13.95

NOTE: The company follows cost model as per Ind AS 16 and the company has not revalued its PPE. The company does not hold any immovable properties.

### Note 10. Right-Of-Use Assets

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

Particulars	Buildings	Vehicles	Total
<b>Gross carrying value</b>			
At April 1, 2020	14.78	–	14.78
Additions	–	–	–
Disposals	5.49	–	5.49
Other Adjustments	–	–	–
At March 31, 2021	9.30	–	9.30
At April 1, 2021	9.30	–	9.30
Additions	–	–	–
Disposals	–	–	–
Other Adjustments	–	–	–

## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

Particulars	Buildings	Vehicles	Total
<b>At March 31, 2022</b>	<b>9.30</b>	–	<b>9.30</b>
<b>Accumulated depreciation</b>			
<b>At April 1, 2020</b>	5.49	–	5.49
Depreciation expense	3.81	–	3.81
Disposals	–	–	–
Other Adjustments	–	–	–
<b>At March 31, 2021</b>	<b>9.30</b>	–	<b>9.30</b>
<b>At April 1, 2021</b>	<b>9.30</b>	–	<b>9.30</b>
Depreciation expense	–	–	–
Disposals	–	–	–
Other Adjustments	–	–	–
<b>At March 31, 2022</b>	<b>9.30</b>	–	<b>9.30</b>
<b>Net carrying value March 31, 2022</b>	–	–	–
<b>Net carrying value March 31, 2021</b>	–	–	–

**NOTE: The company follows cost model as per Ind AS 116 and the company has not revalued its Property, Plant and Equipment.**

### Note 11 - Other Intangible Assets

Particulars	Computer Software	Total
<b>Gross carrying value</b>		
<b>At April 1, 2020</b>	<b>109.77</b>	<b>109.77</b>
Additions	–	–
Disposals	–	–
Other Adjustments	–	–
<b>At March 31, 2021</b>	<b>109.77</b>	<b>109.77</b>
<b>At April 1, 2021</b>	<b>109.77</b>	<b>109.77</b>
Additions	26.75	26.75
Disposals	–	–
Other Adjustments	–	–
<b>At March 31, 2022</b>	<b>136.52</b>	<b>136.52</b>
<b>Accumulated depreciation</b>		
<b>At April 1, 2020</b>	<b>99.93</b>	<b>99.93</b>
Depreciation expense	6.16	6.16
Disposals	–	–
Other Adjustments	–	–
<b>At March 31, 2021</b>	<b>106.09</b>	<b>106.09</b>
<b>At April 1, 2021</b>	<b>106.09</b>	<b>106.09</b>
Depreciation expense	5.30	5.30
Disposals	–	–
Other Adjustments	–	–
<b>At March 31, 2022</b>	<b>111.39</b>	<b>111.39</b>
<b>Net carrying value March 31, 2022</b>	<b>25.13</b>	<b>25.13</b>
<b>Net carrying value March 31, 2021</b>	<b>3.68</b>	<b>3.68</b>

**NOTE: The company has not revalued its Intangible Assets.**

## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

Particulars	March 31, 2022	March 31, 2021
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### Financial Liabilities

#### Note 12. Trade payables @

i) Total outstanding dues of micro enterprises and small enterprises	–	–
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	360.51	202.90
<b>Total*</b>	<b>360.51</b>	<b>202.90</b>

\*The company does not have any relationship with struck off companies for the current year ended 31st March 2022 and Previous year ended 31st March 2021

#### Trade Payables aging schedule

##### i) Current period

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	–	–	–	–	–
(ii) Others	360.51	–	–	–	360.51
(iii) Disputed dues – MSME	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–

##### ii) Previous period

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	–	–	–	–	–
(ii) Others	202.90	–	–	–	202.90
(iii) Disputed dues – MSME	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–

#### Note 13 Borrowings (other than Debt Securities)

##### Unsecured

##### Term Loans (At Amortised Cost)

##### From Banks

HDFC Bank Limited	–	1,229.07
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##### Repayment Terms

Repayable in 36 installments commencing from 01-May-2019,

Rate of Interest 9.50% - Period and amount of default - NIL

<b>Total</b>	<b>–</b>	<b>1,229.07</b>
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NOTE: The company has used the entire borrowings from banks and financial institutions above for the specific purpose for which it was taken.

Borrowings in India	–	1,229.07
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Borrowings outside India	–	–
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<b>Total</b>	<b>–</b>	<b>1,229.07</b>
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##### Non Financial Liabilities

#### Note 14 Provisions

Provision for Employee Benefits*		
Gratuity Payable (Net)	(17.60)	5.31
Compensated Absences	16.63	17.87
Provision for employee benefits	213.51	213.67
<b>Total</b>	<b>212.55</b>	<b>236.85</b>

#### Note 15. Deferred Tax Liabilities (Net)

Deferred Tax Liabilities	16.24	(3.23)
<b>Total</b>	<b>16.24</b>	<b>(3.23)</b>

#### Note 16. Other non financial liabilities

Statutory dues	180.93	299.39
<b>Total</b>	<b>180.93</b>	<b>299.39</b>

## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

### Note 17: Other Equity

Particulars	March 31, 2022	March 31, 2021
Capital reserve		
Opening balance	(2.13)	(2.13)
Closing balance	(2.13)	(2.13)
Other Comprehensive Income		
Opening balance	3.85	(1.50)
OCI recognised during the year	(28.73)	5.12
Add: Other Adjustments	–	0.23
Less: Utilisations / transfers during the year	–	–
Closing balance	(24.88)	3.85
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	947.50	1,031.12
Add: Profit / (Loss) for the year	2,241.58	989.11
Less: Dividend	(800.00)	(1,072.50)
Closing balance	2,389.08	947.50
<b>Total</b>	<b>2,362.07</b>	<b>949.23</b>

### Note 18 : Share Capital

Particulars	March 31, 2022		March 31, 2021	
	Number of shares	Value (Rs in Lakhs)	Number of shares	Value (Rs in Lakhs)
Authorised				
Equity shares of ₹ 10 each with voting rights	6,00,00,000	6,000.00	6,00,00,000	6,000.00
Issued:				
Equity shares of ₹ 10 each with voting rights	3,90,00,000	3,900.00	3,90,00,000	3,900.00
Subscribed and fully paid up:				
Equity shares of ₹ 10 each with voting rights	3,90,00,000	3,900.00	3,90,00,000	3,900.00
<b>Total issued, subscribed and paid up share capital</b>	<b>3,90,00,000</b>	<b>3,900.00</b>	<b>3,90,00,000</b>	<b>3,900.00</b>

Notes:

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	Opening Balance	ESOP exercised	Others	Closing Balance
<b>Equity shares with voting rights</b>				
<b>Year Ended 31 March 2022</b>				
- Number of shares	3,90,00,000	–	–	3,90,00,000
- Amount (In ₹ Lakhs)	3,900.00	–	–	3,900.00
<b>Year Ended 31 March 2021</b>				
- Number of shares	3,90,00,000	–	–	3,90,00,000
- Amount (In ₹ Lakhs)	3,900.00	–	–	3,900.00



## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

### Promoter Holdings

Shares held by promoters at the end of the year			% Change during the year
Promoter name	No. of Shares	% of total shares	
Sundaram Asset Management Company Limited - Holding Company	3,90,00,000	100.00%	0.00%

Shares held by promoters at the beginning of the reporting period		
Promoter name	No. of Shares	% of total shares
Sundaram Asset Management Company Limited - Holding Company	3,90,00,000	100.00%

### Details of shares held by each shareholder holding more than 5% shares:

Equity Shares with Voting Rights	March 31, 2022		March 31, 2021	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Sundaram Asset Management Company Limited-Holding Company	3,90,00,000	100.00%	3,90,00,000	100.00%

Particulars	2021-22	2020-21
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### Note 19. Revenue From Operations

Asset Management Services		
Investment Management Fees - AIF	3,332.56	3,180.06
Portfolio Management Service Fees	4,659.49	3,243.63
Advisory Fees and Others	139.02	153.33
	<b>8,131.07</b>	<b>6,577.02</b>

### Note 20. Other Income

#### (A) Income from investments

##### Profit on Sale of Investments

- On Financial Assets measured at Fair Value Through Profit and Loss *	75.00	60.15
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##### Profit on Fair Valuation of Investments

- On Financial Assets measured at Fair Value Through Profit and Loss *	85.91	71.46
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##### Interest income:

- on Income Tax refund	13.01	9.76
- on AIF Investments	18.07	19.55
- On Financial Assets measured at amortised cost	-	0.45

Gain on closure of Lease liability	-	1.05
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Liabilities no longer required	75.24	-
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Miscellaneous Income	2.79	0.06
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	<b>270.03</b>	<b>162.48</b>
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## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

Particulars	2021-22	2020-21
<b>Note 21. Finance Costs</b>		
<b>On Financial Liabilities measured at amortised cost</b>		
Interest on borrowings	52.33	98.88
Interest Expense on Lease Liabilities	–	0.59
	<u>52.33</u>	<u>99.47</u>
<b>Note 22. Brokerage &amp; Marketing Expenses</b>		
Brokerage Expenses - AIF	1,466.07	1,919.99
Brokerage Expenses - PMS	2,260.78	2,009.42
Marketing & Other Expenses	30.76	30.43
	<u>3,757.61</u>	<u>3,959.83</u>
<b>Note 23. Employee Benefits Expense</b>		
Salaries, allowances and bonus	879.95	775.09
Company's contribution to Provident Fund, NPS, ESI Scheme	52.25	39.58
Gratuity & Leave Encashment	27.52	26.64
Staff Welfare Expenses	4.00	9.17
	<u>963.72</u>	<u>850.48</u>
<b>Note 24. Administrative &amp; Other Expenses</b>		
Rent	13.08	12.40
Rates and Taxes	19.95	13.85
Repairs and Maintenance	15.78	18.63
Communication Expenses	8.37	7.12
Printing & Stationery	15.16	7.23
Business Development Expenses	16.07	19.92
Director's Sitting Fees and Commission	8.20	5.90
Professional and Consultancy Fees	171.63	113.14
Insurance	6.43	6.20
Outsourcing Cost	231.92	214.62
Subscription	66.25	45.76
Travelling and Conveyance	7.01	2.37
Audit Fees **	12.45	6.95
Corporate Social Responsibility	20.00	10.00
Miscellaneous expenses	8.48	15.49
	<u>620.79</u>	<u>499.58</u>
The Company has NIL transactions not recorded in the books of accounts that has been surrendered/disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. There are no previously unrecorded income and related assets.		
<b>**Audit Fees:</b>		
Statutory Audit	5.50	3.50
Tax Audit	2.00	1.00
PPM Audit	3.00	1.50
Other Services	1.95	0.95
<b>Total</b>	<u>12.45</u>	<u>6.95</u>

## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

Particulars	2021-22	2020-21
<b>Note 25. Income tax</b>		
Income tax expense in the statement of profit and loss consists of:		
<b>Current income tax:</b>		
In respect of the current year	733.49	312.68
In respect of the previous years	–	–
<b>Deferred tax:</b>		
In respect of the current year	19.46	10.02
<b>Income tax expense recognised in the statement of profit or loss:</b>	<b>752.95</b>	<b>322.70</b>
<b>Income tax recognised in other comprehensive income</b>		
Current tax arising on income and expense recognised in other comprehensive income	(9.66)	1.72
Deferred tax arising on income and expense recognised in other comprehensive income	–	–
<b>Total</b>	<b>(9.66)</b>	<b>1.72</b>

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

### Deferred tax assets / (liabilities) as at March 31, 2022

Particulars	As at April 1, 2021	Income recognized in Statement of Profit and Loss	As at March 31, 2022
Property, Plant and Equipment	3,06,663.68	(1,17,051.00)	1,89,612.68
Fair Valuation of Investments	(5,52,328.86)	(14,95,671.14)	(20,48,000.00)
Rent Deposit	–	–	–
On preliminary expenses	5,68,275.45	(3,33,595.00)	2,34,680.45
<b>Total</b>	<b>3,22,610.27</b>	<b>(19,46,317.14)</b>	<b>(16,23,706.87)</b>

### Note 26 : Capital Management

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

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

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Total equity attributable to equity share holders of the Company</b>	<b>6,262.07</b>	<b>4,849.23</b>
Borrowings (Other than Debt Securities)	–	1,229.07
Subordinated Liabilities	–	–
<b>Total debt held by the Company</b>	<b>–</b>	<b>1,229.07</b>
<b>Total capital (Equity and Debt)</b>	<b>6,262.07</b>	<b>6,078.30</b>
<b>Equity as a percentage of total capital</b>	100%	80%
<b>Debt as a percentage of total capital</b>	0%	20%

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

## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

### Note 27 : Financial Instruments and Risk Management (Ind AS 32 and 109)

#### A. Categories of Financial Instruments

##### I. Financial Assets

Particulars	March 31, 2022	March 31, 2021
<b>Measured at fair value through profit or loss (FVTPL)</b>		
- Investments in mutual funds	3,216.36	1,811.04
- Investments in Alternative Investment funds	430.98	387.66
<b>Total</b>	<b>3,647.34</b>	<b>2,198.70</b>
<b>Measured at amortised cost</b>		
- Trade receivables	1,166.67	1,222.44
- Cash and Cash Equivalents	74.39	84.47
- Bank balances other than cash and cash equivalents	–	–
- Investment in subsidiaries at cost	0.15	0.15
- Loans	6.06	2.91
- Others	4.50	8.87
<b>Total</b>	<b>1,251.77</b>	<b>1,318.84</b>

##### II. Financial Liabilities

Particulars	March 31, 2022	March 31, 2021
<b>Measured at amortised cost</b>		
- Trade payables	360.51	202.90
<b>Total</b>	<b>360.51</b>	<b>202.90</b>

#### B. Fair Value Measurement:

The following table shows the carrying amounts and the fair values of financial assets and liabilities, including their levels in the fair value hierarchy.

Particulars	Carrying Amount (In ₹ Lakhs)	Fair Value (In ₹ Lakhs)				
		Financial assets - At FVTPL	Level 1	Level 2	Level 3	Total
<b>31 March 2022</b>						
<b>Financial assets measured at fair value:</b>						
- Investments in mutual funds	3,216.36	3,216.36	–	–	–	3,216.36
- Investments in Alternative Investment funds	430.98	430.98	–	–	–	430.98
- Investment in Government Securities	–	–	–	–	–	–
<b>Total</b>	<b>3,647.34</b>	<b>3,647.34</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3,647.34</b>
<b>31 March 2021</b>						
<b>Financial assets measured at fair value:</b>						
- Investments in mutual funds	1,811.04	1,811.04	–	–	–	1,811.04
- Investments in Alternative Investment funds	387.66	387.66	–	–	–	387.66
- Investment in Government Securities	–	–	–	–	–	–
<b>Total</b>	<b>2,198.70</b>	<b>2,198.70</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2,198.70</b>

## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

- Note A) Fair value hierarchy used for Investments in Mutual Funds and Government securities - Level 1. Valuation technique and key inputs - Quoted Net Asset Value/ Prices in active market.
- Note B) The Company has not disclosed the fair values for financial assets such as trade receivables, cash and cash equivalents, other bank balances, loans etc., because their carrying amounts are a reasonable approximation of fair value.
- Note C) The Company has not disclosed the fair values for financial liabilities such as trade payables and lease liabilities because their carrying amounts are a reasonable approximation of fair value.

There are no transfers between Level 2 and Level 3 during the period.

### C. Financial risk management

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, credit risk. Risk management policies have been established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review and reflect the changes in the policy accordingly.

The Company's Audit Committee oversees how management monitors compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes review of risk management controls and procedures and the results of the same are reported to the Audit Committee.

#### I. Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instruments fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and cash and cash equivalents. The carrying amounts of financial assets represent the maximum credit risk exposure. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risk.

#### a) Loans and Advances

This consists of security deposits and advances given to employees. Security deposits are rental deposits given to lessors and the company assesses deposit balance on a periodical interval and estimated losses are provided for. The Company also does not expect any losses on the employee advances since they are given only to permanent employees of the Company.

#### b) Trade Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry.

The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit losses for trade receivables and an impairment analysis is performed at each reporting date.

The management has established a credit policy under which each new customer is analysed individually for credit worthiness before the standard payment and delivery terms and conditions are offered. Credit period varies from customers to customers and it starts from 10 days. The Company review includes external ratings, customer's credit worthiness, if they are available, and in some cases, bank references.

The Company's customer base comprises of various mutual fund houses and corporates having sound financial condition. An impairment analysis is performed at each reporting date for invoice wise receivables balances.

#### c) Cash and cash equivalents and deposits with banks

Cash and cash equivalents of the Company are held with banks which have high credit rating. The Company considers that the cash and cash equivalents have low credit risk based on the external credit rating of the counterparties.

#### d) Investments in mutual funds

The credit risk for investments in mutual funds is considered as negligible as the counterparties are reputable mutual fund agencies with high external credit ratings.

## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

### Financial assets for which loss allowance is measured using lifetime expected credit losses:

Particulars	March 31 ,2022	March 31 ,2021
Trade receivables	–	–
Security deposits	–	–

The movement in the allowance for impairment is as follows:

Particulars	Trade Receivables		Security Deposits	
	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021
Opening Balance	–	–	–	–
Net remeasurement of loss allowance	–	–	–	–
Closing balance	–	–	–	–

### II. Liquidity Risk:

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities. In doing this, management considers both normal and stressed conditions. The Company also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

#### Exposure to liquidity risk:

The following are the remaining contractual cash flows for financial assets at the reporting date. All amounts are gross and undiscounted.

Particulars	Carrying Amount	Contractual cash flows		
		Total	Less than 1 year	More than 1 year
<b>31 March 2022</b> <b>Financial liabilities:</b>				
- Trade Payables	360.51	360.51	360.51	–
	<b>360.51</b>	<b>360.51</b>	<b>360.51</b>	–
<b>31 March 2021</b> <b>Financial liabilities:</b>				
- Trade Payables	202.90	202.90	202.90	–
	<b>202.90</b>	<b>202.90</b>	<b>202.90</b>	–

The following are the remaining contractual cash flows for financial assets at the reporting date. All amounts are gross and undiscounted.

Particulars	Carrying Amount	Contractual cash flows		
		Total	Less than 1 year	More than 1 year
<b>31 March 2022</b> <b>Financial assets:</b>				
- Trade receivables	1,166.67	1,166.67	1,166.67	–
- Cash and cash equivalents	74.39	74.39	74.39	–
- Bank balances other than cash and cash equivalents	–	–	–	–
- Investments *	3,647.34	3,647.34	3,647.34	–
- Loans	6.06	6.06	6.06	–
- Other Financial asset	4.50	4.50	4.50	–
	<b>4,898.96</b>	<b>4,898.96</b>	<b>4,898.96</b>	–
<b>31 March 2021</b> <b>Financial assets:</b>				
- Trade receivables	1,222.44	1,222.44	1,222.44	–
- Cash and cash equivalents	84.47	84.47	84.47	–
- Bank balances other than cash and cash equivalents	–	–	–	–
- Investments *	2,198.70	2,198.70	2,198.70	–
- Loans	2.91	2.91	2.91	–
- Other Financial asset	8.87	8.87	8.87	–
	<b>3,517.39</b>	<b>3,517.39</b>	<b>3,517.39</b>	–

\* Investments does not include investment in subsidiaries which are measured at amortized cost

### III. Market Risk:

Market risk is the risk of changes in market prices due to foreign exchange rates, interest rates which will affect the Company's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

### (i) Currency Risk:

The functional currency of the Company is INR. The Company has transactions in foreign currency for software license purchases and consultancy charges, which are denominated in USD. The Company has not entered into any hedges for currency risk. The Company's foreign currency exposure is limited and is not material to the size of its operations.

### (ii) Price Risk

#### Exposure

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 diversified investments in mutual funds and classified in the balance sheet at fair value through profit or loss.

#### Sensitivity Analysis

The table below summarises the impact of increases/decreases of the Net Asset Value (NAV) on the Company's investment in Mutual fund and profit for the period. The analysis is based on the assumption that the NAV increased by 5% or decreased by 5% with all other variables held constant, and that all the Company's investments in mutual funds moved in line with the NAV.

Particulars	Sensitivity of Profit or loss	
	March 31, 2022	March 31, 2021
NAV - Increase 5%	160.82	90.55
NAV - decrease 5%	(160.82)	(90.55)

### (iii) 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. Interest rates are sensitive to many factors, including governmental, monetary and tax policies, domestic and international economic and political considerations, fiscal deficits, trade surpluses or deficits, regulatory requirements and other factors beyond the Company's control. Changes in the general level of interest rates can affect the profitability by affecting the spread between, amongst other things, income which Company receives on investments in debt securities, the value of interest-earning investments, its ability to realise gains from the sale of investments. Interest rate risk primarily arises from floating rate investment. The Company's investments in floating rate are primarily short-term, which do not expose it to significant interest rate risk.

### Note 28 : Expenditure in foreign currency

#### Expenditure:

Particulars	2021-22	2020-21
AIF/PMS Brokerage*	220.92	224.39
<b>Total</b>	<b>220.92</b>	<b>224.39</b>

\*The above brokerage has been paid to Distributors located in countries like United Arab Emirates, Mauritius, United Kingdom Of Great Britain & Oman.

### Note 29 : Contingent liabilities and contingent assets

#### (i) Contingent liabilities and capital commitments:

Particulars	March 31, 2022	March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
Income Tax matters	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

There are no other amounts required to be disclosed as contingent liabilities on account of pending litigations.

There are no contingent assets resulting from the aforesaid litigation.

## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

Particulars	2021-22	2020-21
<b>Note 30 : Corporate Social Responsibility</b>		
Amount required to be spent by the company during the year	17.78	9.51
Amount of expenditure incurred	20.00	10.00
Shortfall at the end of the year	–	–
Total of previous year shortfall	–	–
Reason for shortfall	–	–
Nature of CSR Activities *	Education	Education
Details of related party transactions	20.00	10.00
where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movement in the provision during the year shall be shown separately	–	–
<b>Total</b>	<b>20.00</b>	<b>10.00</b>

\* CSR activities are listed below:

- (i) Educational and vocational training for economically weaker students, physically and mentally ill students
- (ii) Providing personal safety education
- (iii) Training for small scale entrepreneurs
- (iv) Healthcare services
- (v) Assistance to orphanages and old age homes

### Note 31 : Employee Benefits

#### Defined Contribution Plans:

During the year, the company has recognized the following amounts in the Profit and Loss Statement, which are included in Employee benefits expense in Note No.23

Particulars	2021-22	2020-21
Contribution to Superannuation Fund		
Contribution to Pension Fund	33.00	24.88
Contribution to Employees State Insurance - ESI	–	–
Contribution to Provident Fund	7.71	5.81
	<b>40.71</b>	<b>30.70</b>

#### Defined Benefit Plans :

Particulars	March 31, 2022	March 31, 2021
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#### 1) Amount Recognised in Balance Sheet:

The Total Amount of net liability/asset to be recorded in the balance sheet of the Company, along with the comparative figures for pervious period, is shown in the below table:

Present Value of the funded defined benefit obligation	173.68	123.39
Fair Value of plan assets	191.56	118.08
Net funded obligation	(17.88)	5.31
Present value of unfunded defined benefit obligation	–	–
Amount not recognised due to asset limit	0.29	–
Net defined benefit liability/ (asset) recognised in balance sheet	(17.60)	5.31
<b>Net defined benefit liability/ (asset) bifurcated as follows:</b>	–	–
Current	–	–
Non-Current	(17.60)	5.31



## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

Particulars	2021-22	2020-21
<b>2) Profit &amp; Loss Account Expense:</b>		
The expenses charged to the profit & loss account for period along with the corresponding charge of the previous period is presented in the table below:		
Current Service cost	12.40	11.96
Past service cost	–	–
Administration expenses	–	–
Interest on net defined benefit liability / (asset)	0.66	0.61
(Gains) / Losses on settlement		
<b>Total expense charged to profit and loss account</b>	<b>13.05</b>	<b>12.57</b>
<b>Amount recorded in other Comprehensive Income:</b>		
The total amount of reimbursement items and impact of liabilities assumed or settled if any, which is recorded immediately in Other Comprehensive Income during the period is shown in the table below:		
Opening amount recognised in OCI outside profit and loss account	(5.16)	1.69
Remeasurements during the period due to	–	–
Changes in financial assumptions	(2.95)	1.11
Changes on demographic assumptions	–	–
Experience adjustments	42.54	(7.40)
Actual return on plan assets less interest on plan assets	(1.48)	(.56)
Adjustment to recognize the effect on asset ceiling	0.29	–
<b>Closing amount recognized in OCI outside profit and loss account</b>	<b>33.24</b>	<b>(5.16)</b>
<b>3) Reconciliation of Net Liability / Asset:</b>		
The movement of net liability / asset from the beginning to the end of the accounting period as recognised in the balance sheet of the company is shown below:		
Opening net defined benefit liability / (asset)	5.31	8.76
Expenses charged to profit & loss account	13.05	12.57
Amount recognized outside profit & loss account	38.40	(6.85)
Employer contributions	(74.36)	(18.49)
Impact of liability assumed or (settled)*	–	9.31
<b>Closing net defined benefit liability / (asset)</b>	<b>(17.60)</b>	<b>5.31</b>
Movement in Benefit Obligations:		
A reconciliation of the benefit obligation during the inter-valuation period is given below:		
Opening of defined benefit obligation	123.39	108.94
Current service cost	12.40	11.96
Past service cost	–	–
Interest on defined benefit obligation	6.59	7.30
Remeasurements due to:		
Actuarial loss / (gain) arising from change in financial assumptions	(2.95)	1.11
Actuarial loss / (gain) arising from change in demographic assumptions	–	–
Actuarial loss / (gain) arising on account of experience changes	42.54	(7.40)
Benefits paid	(9.09)	(13.24)
Liabilities assumed/ (settled)	0.80	14.71
Liabilities extinguished on settlements	–	–
<b>Closing of defined benefit obligation</b>	<b>173.68</b>	<b>123.39</b>

## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

Particulars	March 31, 2022	March 31, 2021
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#### 4) Movement in Plan Assets:

The fair value of the assets as at the balance sheet date has been estimated by us based on the latest date for which a certified value of assets is readily available and the cash flow information to and from the fund between this date and the balance sheet date allowing for estimated interest for the period:

A reconciliation of the plan assets during the inter-valuation period is given below:

<b>Opening fair value of plan assets</b>	118.08	100.18
Employer contributions	74.36	18.49
Interest on plan assets	5.93	6.69
Administration expenses	–	–
Remeasurements due to:	–	–
Actual return on plan assets less interest on plan assets	1.48	0.56
Benefits paid	(9.09)	(13.24)
Assets acquired / (settled)*	0.80	5.40
Assets distributed on settlements	–	–
<b>Closing fair value of plan assets</b>	<b>191.56</b>	<b>118.08</b>

Movement in Asset Ceiling:

A reconciliation of the asset ceiling during the inter-valuation period is given below:

Opening value of asset ceiling		
Interest on opening balance of asset ceiling		
Remeasurements due to:		
Change in surplus/deficit	0.29	–
<b>Closing value of asset ceiling</b>	<b>0.29</b>	<b>–</b>

5) Disaggregation of Plan Assets:	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021	March 31, 2021
	Quoted Value	Unquoted value	Total	Quoted Value	Unquoted value	Total
A split of plan assets between various asset classes as well as segregation between quoted and unquoted values is presented below:						
Property	–	–	–	–	–	–
Government debt instruments	–	–	–	–	–	–
Other debt instruments	–	–	–	–	–	–
Equity instruments	–	–	–	–	–	–
Insurer managed funds	–	191.56	191.56	–	118.08	118.08
Others	–	–	–	–	–	–
<b>Grand Total</b>	<b>–</b>	<b>191.56</b>	<b>191.56</b>	<b>–</b>	<b>118.08</b>	<b>118.08</b>

## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

<b>6) Key Actuarial Assumptions:</b>	<b>Year ended 31.03.2022</b>	<b>Year ended 31.03.2022</b>	<b>Year ended 31.03.2021</b>	<b>Year ended 31.03.2021</b>
The Key actuarial assumptions adopted for the purpose of this valuation are given below:				
a) Discount rate (p.a.)	6.80%	7.10%	6.80%	6.95%
b) Salary escalation rate (p.a.)	7.00%	7.00%	7.00%	7.00%
<b>c) Retirement Age:</b>	The employees of the company are assumed to retire at the age of 58 years.			
<b>d) Mortality:</b>	Published rates under the Indian Assured Lives Mortality (2012-14) Ut table.			
Rates of Indian Assured Lives Mortality table at specimen ages are as shown below:				
	<b>Age (years)</b>	<b>Rates (p.a.)</b>	<b>Age (years)</b>	<b>Rates (p.a.)</b>
	18	0.000874	18	0.000874
	23	0.000936	23	0.000936
	28	0.000942	28	0.000942
	33	0.001086	33	0.001086
	38	0.001453	38	0.001453
	43	0.002144	43	0.002144
	48	0.003536	48	0.003536
	53	0.006174	53	0.006174
	58	0.009651	58	0.009651
<b>e) Leaving Service:</b>	<b>Age (years)</b>	<b>Rates (p.a.)</b>	<b>Age (years)</b>	<b>Rates (p.a.)</b>
Rates of leaving service at specimen ages are as shown below:	21-30	10%	21-30	10%
	31-40	5%	31-40	5%
	41-50	3%	41-50	3%
	51-57	2%	51-57	2%
<b>f) Disability:</b>	Leaving service due to disability is included in the provision made for all cause of leaving service (paragraph (e) above).			
<b>7) Sensitivity Analysis:</b>	<b>Year ended 31.03.2022</b>		<b>Year ended 31.03.2021</b>	
Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The Key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the change in defined benefit obligation and impact in percentage terms compared with the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.	<b>Discount Rate</b>	<b>Salary Escalation Rate</b>	<b>Discount Rate</b>	<b>Salary Escalation Rate</b>
Defined benefit Obligation on increase in 50bps	119.77	127	169.02	179
Impact of increase in 50bps on DBO	-2.93%	3.12%	-2.68%	2.86%
Defined benefit obligation on decrease in 50bps	127.26	119.76	178.67	168.99
Impact of decrease in 50bps on DBO	3.14%	-2.94%	2.87%	-2.70%
The sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.				

## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

### Note 32 : Disclosures in accordance with Ind AS 24 - Related Parties

#### Ultimate Holding Company

Sundaram Finance Limited

#### Holding Company

Sundaram Asset Management Company Limited

#### Subsidiaries

Sundaram Alternative Opportunities Fund Mauritius Ltd

Sundaram Alternative Opportunities Fund II Mauritius Ltd

#### Associates

Sundaram Alternative Investment Trust Cat III

Sundaram Alternative Investment Trust Cat II

#### Fellow Subsidiaries

Sundaram Finance Holdings Limited

Sundaram Asset Management Singapore Pte.Ltd

Sundaram Home Finance Ltd

Sundaram Fund Services Limited

LGF Services Limited

Sundaram Trustee Company Limited

Sundaram Business Services Limited

Sundaram Finance Employees Welfare Trust

SAMC Support Services Private Limited (formerly known as Principal Asset Management Company Pvt. Ltd)  
(subsidiary of SAMC w.e.f.31.12.2021)

Principal Trustee Company Private Limited (subsidiary of SAMC w.e.f. 31.12.2021)

Principal Retirement Advisors Private Limited (subsidiary of SAMC w.e.f. 31.12.2021)

#### Joint Venture of Ultimate Holding Company having control over the entity

Royal Sundaram General Insurance Co. Ltd

#### Entity in which Director is interested:

HD Ventures LLP

#### Key Management Personnel

Mr. Harsha Viji - Chairman

Mr Arvind Sethi - Director

Mr. Lakshminarayanan D - Director

Mr. Karthik Athreya - Director

Mr Vijayendiran Rao - Chief Executive Officer (CEO) / Whole time Director

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

## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

Particulars	Holding Company		Subsidiaries/Fellow Subsidiaries/Associates		Key Management Personnel/Entity in which Director is interested	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>INCOME</b>						
<b>Management Fees</b>						
Sundaram Alternative Investment Fund - Cat III		-	2360.44	2265.88		
Sundaram Alternative Investment Fund - Cat II		-	972.12	914.17		
<b>Advisory Fees</b>						
Sundaram Asset Management Singapore Pte.Ltd			-	10.89		
Sundaram Home Finance Limited		-	26.56	24.62		
<b>TOTAL</b>		-	<b>3359.12</b>	<b>3215.56</b>	-	-
<b>EXPENSE</b>						
<b>Shared Services</b>						
Sundaram Asset Management Company Ltd	223.95	207.36				
<b>Rent</b>						
Sundaram Asset Management Company Ltd	12.00	12.00				
<b>Research Cost</b>						
Sundaram Alternative Investment Fund - Cat III			-	19.22		
<b>PMS Brokerage</b>						
Sundaram Finance Limited	218.51	105.27				
<b>AIF Brokerage</b>						
Sundaram Finance Limited	46.33	68.08				
<b>Internal Audit Fees</b>						
Sundaram Finance Limited	5.00	5.00				
<b>Payroll Processing</b>						
Sundaram Finance Holdings Limited			3.84	2.88		
<b>Insurance</b>						
Royal Sundaram General Insurance Co Ltd			0.20	-		
<b>Document Storage Charges</b>						
Sundaram Home Finance Limited			0.90	1.43		
<b>Professional &amp; Consultancy Charges</b>						
HD Ventures LLP					136.12	152.97
<b>REMUNERATION TO KEY MANAGERIAL PERSONNEL OF THE COMPANY</b>						
<b>Remuneration</b>						
Key Personnel of the Company						
Mr Vijayendiran Rao - Chief Executive officer (CEO)/ Whole time Director					160.95	150.38
Mr Arvind Sethi - Director					5.00	2.50
<b>Director Sitting Fees</b>						
Mr. Harsha Viji - Chairman					1.10	1.10
Mr Arvind Sethi - Director					0.60	0.70
Mr. Lakshminarayanan D - Director					1.00	1.10
Mr. Karthik Athreya - Director					0.50	0.50
<b>Total</b>	<b>505.71</b>	<b>397.71</b>	<b>4.94</b>	<b>23.53</b>	<b>305.27</b>	<b>309.24</b>
<b>ASSETS</b>						
<b>INVESTMENT IN SECURITIES AT THE END OF THE YEAR</b>						
Sundaram Alternative Investment Fund - Cat III			200.00	175.00		
Sundaram Alternative Investment Fund - Cat II			109.45	152.98		
Sundaram Mutual Fund			3190.20	1808.95		
Sundaram Alternative Opportunities Fund Mauritius Ltd			0.08	0.08		
Sundaram Alternative Opportunities Fund II Mauritius Ltd			0.08	0.08		
<b>Total</b>			<b>3499.80</b>	<b>2137.08</b>		

## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

Particulars	Holding Company		Subsidiaries/Fellow Subsidiaries/Associates		Key Management Personnel/Entity in which Director is interested	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>TRADE RECEIVABLES</b>						
Outstanding Receivable - Sundaram Alternative Investment Fund - Cat III			265.67	484.49		
Outstanding Receivable - Sundaram Alternative Investment Fund - Cat II			293.70	301.31		
Outstanding Receivable - Sundaram Asset Management Company Limited	6.27	1.93				
Outstanding Receivable - Sundaram Home Finance Limited			10.00	9.11		
Outstanding Receivable - Sundaram Asset Management Singapore Pte.Ltd			-	5.49		
<b>Total</b>	<b>6.27</b>	<b>1.93</b>	<b>569.37</b>	<b>800.40</b>		
<b>LIABILITIES</b>						
<b>TRADE PAYABLES</b>						
Outstanding Payable - Sundaram Asset Management Company Limited	31.66	18.32				
Outstanding Payable - Sundaram Finance Limited			23.17	14.25		
Outstanding Payable - Sundaram Finance Holdings Limited			0.32	0.24		
Outstanding Payable - Sundaram Home Finance Limited			-	0.08		
Outstanding Payable - HD Ventures LLP					16.22	10.92
<b>Total</b>	<b>31.66</b>	<b>18.32</b>	<b>23.49</b>	<b>14.57</b>	<b>16.22</b>	<b>10.92</b>

### Note 33 : Revenue

#### A. Revenue Streams

The Company generates revenue primarily from provision of application/data processing services, customer care services and other allied services to its customer

Particulars	2021-22	2020-21
Revenue from Contracts with Customers	8,131.07	6,577.02
<b>Total revenue</b>	<b>8,131.07</b>	<b>6,577.02</b>

#### B. Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by major service lines, timing of revenue recognition and primary geographical market.

Particulars	2021-22	2020-21
<b>I. Major service lines:</b>		
- Investment Management Fees - Alternative Investment Fund	3,333.00	3,182.00
- Portfolio Management Service Fees	4,659.00	3,242.00
- Advisory Fees & Others	139.02	153.00
<b>Total</b>	<b>8,131.02</b>	<b>6,577.00</b>
<b>II. Timing of revenue recognition:</b>		
- Revenue recognised at a point in time	8,131.02	6,577.00
- Revenue recognised over a period of time	-	-
<b>Total</b>	<b>8,131.02</b>	<b>6,577.00</b>
<b>III. Primary geographical market:</b>		
- India	8,025.02	6,495.00
- Singapore & Australia	106.00	82.00
<b>Total</b>	<b>8,131.02</b>	<b>6,577.00</b>

## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

### C. Contract Balances

The company does not have any contract assets and contract liabilities for the current period ended 31-03-2022 and for the previous period ended 31-03-2021

The contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date for services rendered. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the customer.

The contract liabilities includes income received in advance and pending to be recognized as income since obligation is yet to be performed and invoice raised against unearned revenue.

### Note 34 : Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The Management has identified enterprises which have provided goods and services to the Group and which qualify under the definition of micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of amounts payable to such enterprises as at 31st March 2022 has been made based on the information available with the Group. Further, in the view of the Management, the impact of interest, if any, that may be payable in accordance with the Act is not expected to be material. The Group has not received any claim for interest from any supplier under this Act.

The information has been determined to the extent such parties have been identified on the basis of information available with the Group. Auditors have placed reliance on such information provided by the Management.

Particulars	As at 31 March 2022	As at 31 March 2021
Principal amount remaining unpaid to MSME suppliers as at the end of the year	-	-
Interest due on unpaid principal amount to MSME suppliers as at the end of the year	-	-
Amount of interest paid along with the amounts of the payment made to the MSME suppliers beyond the appointed day	-	-
Amount of interest due and payable for the year (without adding the interest under the Act)	-	-
Amount of interest accrued and remaining unpaid as at the end of the year	-	-
Amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

### Note 35 : Earnings Per Share

#### A. Basic Earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for calculation of Basic EPS are as follows:

#### i. Profit or loss attributable to Equity shareholders (basic)

Particulars	March 31, 2022	March 31, 2021
Profit attributable to the equity shareholders	2,241.58	989.11

#### ii. Weighted average number of equity shares (basic)

Particulars	March 31, 2022	March 31, 2021
Face Value per share in Rs	10.00	10.00
Opening Balance	3,90,00,000	3,90,00,000
Weighted average number of equity shares issued during the year on exercise of ESOP	-	-
Weighted average number of equity shares for the year	3,90,00,000	3,90,00,000
<b>Basic EPS</b>	<b>5.75</b>	<b>2.54</b>

## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

### B. Diluted Earnings per share

The calculations of diluted earnings per share based on profit attributable to equity shareholders and weighted average number of equity shares outstanding, after adjustment for the effects of all dilutive potential equity shares, are as follows:

#### i. Profit or loss attributable to equity shareholders (diluted)

Particulars	March 31, 2022	March 31, 2021
Profit attributable to the equity shareholders (Basic)	2,241.58	989.11
Adjustment with respect to dilutive potential equity shares	-	-
Profit attributable to the equity shareholders (Diluted)	2,241.58	989.11

#### ii. Weighted average number of equity shares (diluted)

Particulars	March 31, 2022	March 31, 2021
Face Value per share in Rs	10.00	10.00
Weighted average number of equity shares (basic)	3,90,00,000	3,90,00,000
Dilutive effect of outstanding stock options	-	-
Weighted average number of equity shares (diluted) for the period	3,90,00,000	3,90,00,000
<b>Diluted EPS</b>	<b>5.75</b>	<b>2.54</b>

#### Dividend Per Share

Particulars	March 31, 2022	March 31, 2021
Total Dividend Paid (including TDS on dividend)	800.00	1,072.50
Dividend Tax	-	-
No of equity shares	3,90,00,000	3,90,00,000
<b>Dividend per share</b>	<b>2.05</b>	<b>2.75</b>

The board of directors at its meeting held on 18 August 2021 have declared a interim dividend of ₹2.05 per equity share.

The board of directors at its meeting held on 09 May 2022 have proposed a final dividend of ₹4.60 per equity share, subject to approval by shareholders at ensuing annual general meeting.

#### Note 36 : Disclosures in accordance with Ind AS 108 - Operating Segments

The Company is in the business of providing data processing and other services to clients which is the primary segment. As such, the Company's financial results are largely reflective of the data processing and other services business and accordingly there are no separate reportable segments as per Ind AS 108 - Operating Segments.

#### Note 37 : Analytical Ratios

No Ratio	March 31, 2022	March 31, 2021
a) Capital to risk-weighted assets ratio (CRAR)	NA	NA
b) Tier I CRAR	NA	NA
c) Tier II CRAR	NA	NA
d) Liquidity Coverage Ratio	NA	NA



## Notes forming part of the financial statements

for the year ended 31st March 2022

(All amounts are in Indian rupees lakhs, except share data and as otherwise stated)

### Note 38 : Ind AS 12 Income Taxes

Tax reconciliation is provided below for the year ended 31 March 2022

Particulars	Rate
TCI before tax	25.17%
Due to preliminary expenses	-0.08%
On donations	0.17%
On fixed assets	-0.04%
Due to FVTPL changes	-0.73%
Due to deferred tax	0.66%
Total	25.14%

### Note 39 : Long Term Contracts

Based on the current assessment of the long-term contracts in the ordinary course of business, the Company has made adequate provision for losses wherever required. The Company has not entered into any derivative contracts during the year.

### Note 40 : Utilisation of Borrowed funds and share premium

(A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) The company has not received any fund from any persons or entities, including foreign entities (Funding Party) 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.

### Note 41 : Consolidation of accounts

Sundaram Alternate Assets Limited has invested USD 100 each in the Management Class Shares of Sundaram Alternative Opportunities Fund Mauritius Ltd and Sundaram Alternative Opportunities Fund II Mauritius Ltd. The Management Class of Shares have been created due to regulatory requirements of the jurisdiction in which these entities are incorporated and the company has no bearing on the operations of these entities. Sundaram Alternate Assets Limited plays the role of an agent and therefore it is not required to consolidate these entities with the accounts of the company under IND AS 110-Consolidated Financial Statements.

### Note 42 : Capital commitments

There are no capital commitments as on 31st March 2022 and 31st March 2021.

### Note 43 : Comparative Figures

Comparative figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification / disclosure.

### Note 44 : Rounding off

All figures reported in the financials statements and related notes are rounded off to nearest lakh.

Vide our report of even date attached

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

**P Babu**  
Partner  
Membership No. 203358

Date: 09-05-2022  
Place: Chennai

**For and on behalf of the Board of Directors**

**Lakshminarayanan D**  
Director

**S Parthasarathy**  
Chief Financial Officer

**R Vijayendiran**  
Chief Executive Officer

**K Rajagopal**  
Secretary & Compliance Officer



