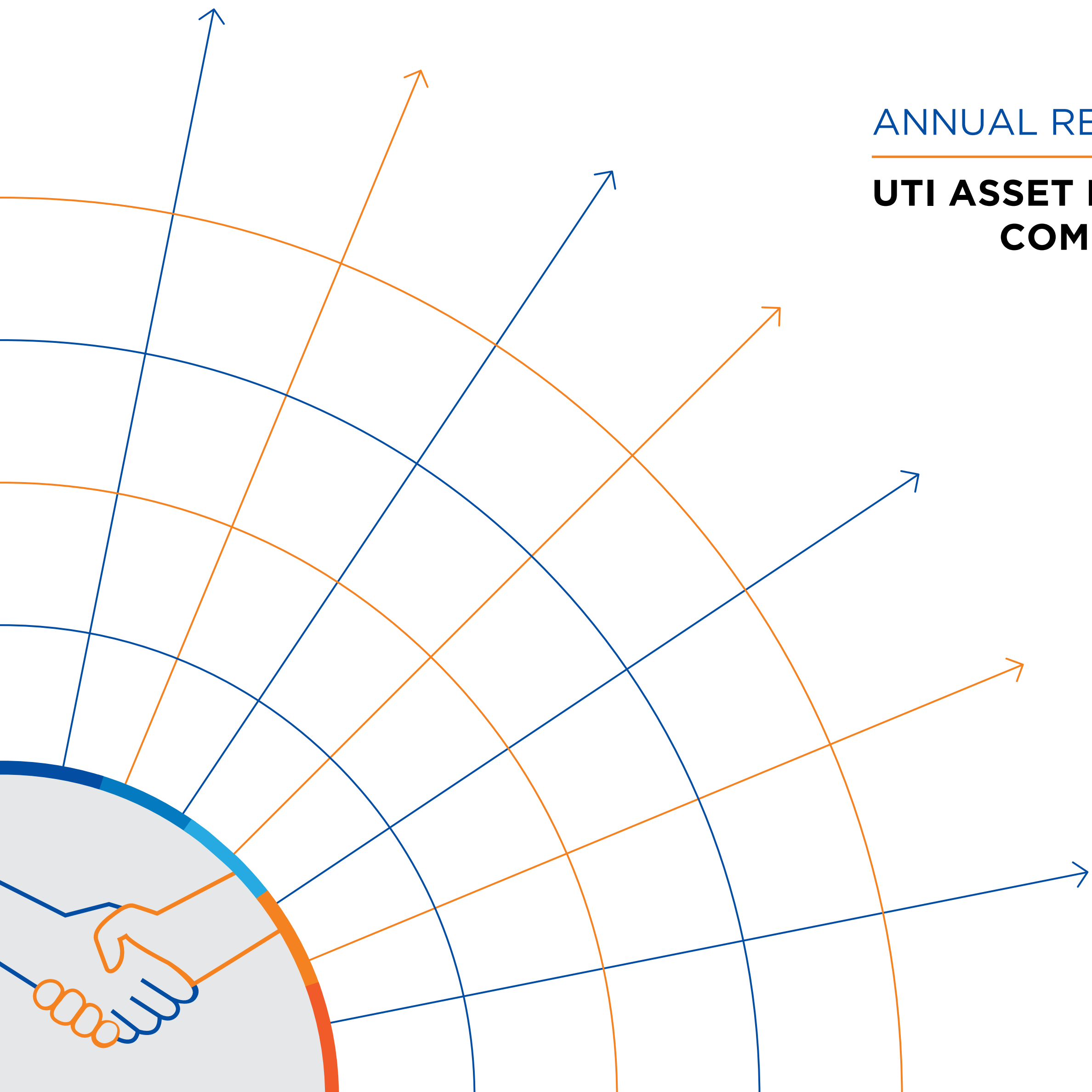
UTI Mutual Fund

CONVICTION. CAPABILITIES. COMMITMENT.



ANNUAL REPORT **2020-21**

UTI ASSET MANAGEMENT COMPANY LIMITED

WHAT'S INSIDE...

UTI ASSET MANAGEMENT COMPANY LIMITED

02-53
Corporate Overview

54-111
Statutory Reports

112-173
Financial Statements

Standalone

Investor Information

Market Capitalisation as on 31 March 2021: **INR 7,386 crore**

CIN: **U65991MH2002PLC137867**

BSE Code: **543238**

NSE Code: **UTIAMC**

Disclaimer:

This document contains statements about expected future events and financials of UTI Asset Management Company Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and factors referred to in the Management Discussion and Analysis section of this Annual Report.

Dividend Declared: **INR 17**
AGM Date: **28 July 2021**
AGM Mode: **Video Conference/Other Audio Visual Means**

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https://www.utimf.com/uti-amc-shareholders/financials-filings/annual-reports/

Or simply scan to download

BOARD OF DIRECTORS

Mr. Dinesh Kumar Mehrotra
Non-Executive Chairman and Independent Director

Mr. Edward Cage Bernard
Non-Executive Non-Independent Director

Mr. Flemming Madsen
Non-Executive Non-Independent Director

Mr. Narasimhan Seshadri
Independent Director

Mr. Deepak Kumar Chatterjee
Independent Director

Mr. Rajeev Kakar
Independent Director

Ms. Dipali Hemant Sheth
Independent Director

Ms. Jayashree Vaidhyanathan
Independent Director

Mr. Imtaiyazur Rahman
CEO & Whole Time Director

CORPORATE INFORMATION

Directors	Mr. Dinesh Kumar Mehrotra Mr. Edward Cage Bernard Mr. Flemming Madsen Mr. Narasimhan Seshadri Mr. Deepak Kumar Chatterjee Mr. Rajeev Kakar Ms. Dipali Hemant Sheth Ms. Jayashree Vaidhyanathan Mr. Imtaiyazur Rahman
Non-Executive Chairman	Mr. Dinesh Kumar Mehrotra
Chief Executive Officer	Mr. Imtaiyazur Rahman
Company Secretary and Compliance Officer	Mr. Arvind Patkar
Chief Financial Officer	Mr. Surojit Saha
Auditors	M/s. G. D. Apte & Co. Chartered Accountants
Bankers	AXIS Bank Ltd.
Registered Office	UTI Tower, 'Gn' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051

CONVICTION. CAPABILITIES. COMMITMENT.

Every action for achieving one's goal needs **CONVICTION.** Every step of preparation to grow needs **CAPABILITIES.** Every challenge leading to results, is backed by **COMMITMENT.**

For the last 56 years, at UTI, we have been driven by our indomitable conviction in our capabilities. We have been propelled by our constant commitment to create sustainable value for our stakeholders. And in this process, every action taken, every step advanced and every outcome of our decisions has been a result of our conviction, capabilities and commitment towards our goal. These are the foundational stones that have helped us build trust, brand name and a rich legacy to reckon with.

So, read on to know more about how our Company's exceptional resolve, proficiency and dedication has translated into robust performance, prosperity and progress as we endeavour to deliver on our promises.

About this Report

Basis of Reporting

This year, UTI Asset Management Company Limited, marks the first step towards our Integrated Reporting <IR> journey. As one of our principal communication documents catering to our stakeholders, this Report contains comprehensive information on our operational and financial performances. It elaborates how these influence our strategic direction, resulting in our ability to create sustainable value.

Our Approach to Reporting

Through this Report, we aspire to provide our stakeholders with an overall depiction of the organisation's value creation ability using both financial and non-financial resources. The Report provides insights into our key strategies, operating environment, material issues emanating from our stakeholder engagements and their respective mitigation strategies, operating risks and opportunities, governance structure and our approach towards long-term sustainability.

Reporting Period, Scope and Boundary

The reporting period for this Integrated Report is 1April 2020 to 31 March 2021. It provides an overview of our operations and business development activities. The Report, further covers information on our business segments in India and abroad and associated activities that enable short, medium, and long-term value creation.

Reporting Standards and Frameworks

In this Report, we have attempted to bring in more transparency and accountability through additional disclosures and information, following the guiding principles of the International Integrated Reporting Council (IIRC). The other statutory reports, including the Director's Report, Management Discussion and Analysis (MD&A) section, the Corporate Governance Report and the Business Responsibility Report, are in line with the Companies Act, 2013 (and the rules made thereunder), Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the prescribed Secretarial Standards.

Navigation Guide

This Report has been broadly divided into three sections – Corporate Overview, Statutory Report and Financial Statements.

We have introduced a reader-friendly navigation panel for the readers to easily identify and comprehend the section that they are reading at any given point. The tab highlighted in **BLUE** connotes the current section that the reader is looking at.

CHAIRMAN'S COMMUNIQUÉ

"Last year, despite the challenges and the subsequent business impacts, we managed to progress; determined and backed by our commitments of delivering increasing value for our stakeholders."

Dear Shareholders,

It is encouraging that after the economic impact felt by countries across the world due to Covid-19 induced pandemic, most economies are gradually recovering with cautious optimism. Despite the adversities, this crisis has made humanity come together, highlighting our cumulative spirit and resilience. 'Comeback from Setback' is possibly an appropriate articulation of 2020–21.

What kept us engaged in 2020-21

To begin with, I would like to highlight a landmark event, wherein we were successfully listed on both the National Stock Exchange (NSE) and the BSE. It marked the welcoming of our valued retail and institutional shareholders into the Company. The NSE further included the equity shares of UTI AMC in the Nifty500 index w.e.f. from 1 March 2021. Besides, as a testimony to the commitment of delivering value to our stakeholders, we took the leap by coming out with our first public Annual Report, in the form of an Integrated Report <IR>. As a Company, we have always believed in constantly evolving. And this <IR> is a part of our evolutionary journey. It is a step closer towards our endeavour of maintaining integrity and transparency in all our communications. Our entry in this space is in line with the existing global trends of reporting.

Last year, despite the challenges and the subsequent business impact, we managed to progress; determined and backed by our commitment of delivering increasing value for our stakeholders. We restructured our sales and marketing functions, focussed more on distribution & digital outreach, improved our fund performance, incorporated ESG processes and strengthened credit research processes. Additionally, we put in place policies and governance systems wherever required for a well-run listed Company.

The pandemic made us rethink our priorities. However, our conviction of becoming a more robust investment-led organisation is something we have never deviated from. We have been progressively continuing to do so, supported by our rich 55+ years' legacy and lineage. The same was reflected in the performance of the Company during the year.

Industry developments

The capital markets crashed during the end of March 2020, the sentiments of which carried through early April 2020 – marking an unprecedented downslide in recent memory since the 2008 financial crisis. Despite the initial uncertainties, the markets remained buoyant, with increased participation from retail and institutional investors. It is encouraging that many international organisations like the International Monetary Fund and the World Bank have forecasted the GDP growth rates amongst the highest across emerging economies like ours. The strong rebound expected in private consumption and investment growth is likely to propel the economy forward.

Our response to Covid-19

Apart from strengthening ourselves as an organisation, we focussed on three priorities during the year — smoother business conduct, safeguarding our employees while conducting business and ensuring that we provide our investors and partners with convenient digital tools for them to transact seamlessly. We are continuously building interfaces for fintech, payments and other digital distribution platforms to ensure excellent connectivity and a better customer experience. We have implemented digital KYC for virtual interaction with new customers to ease our investors' and partners' investment journeys. These, together with many other initiatives, would enable us smoothly conduct our business without getting much affected by the situation outside.

Outlook

Active Equity and Debt Funds will drive the evolution of the MF industry. Despite the cyclicality of flows, India is well and truly on track to ensure the financialisation of savings across the board while money is moving out of physical assets. Moreover, mutual funds are still much smaller than bank deposits, signifying more room for growth. One of the emerging themes in Equity Funds will be increasing awareness about ESG Funds, passively managed ETFs and index funds. Exchange Traded Funds (ETFs) and Index Funds are yet to gain significant traction in India. However, there is a positive trend towards these funds, especially from the public sector fund mandates and first-time investors investing through fintechs and digital platforms.

> *"We are continuously building interfaces for fintech, payments and other digital distribution platforms to ensure excellent connectivity and a better customer experience."*

Conclusion

On a concluding note, I would like to express my gratitude towards all our valued stakeholders. They have continuously supported and encouraged our Company and the Management, and we are deeply thankful to them for the same. Your unwavering faith, support and inspiration have helped us build a value-creating organisation. I would also like to express a special thanks to our employees. They have demonstrated exceptional flexibility and adaptability in the wake of Covid-19. Lastly, I extend my best wishes for all shareholders and their families during these testing times, wishing everyone the best of health.

Warm regards,

Dinesh Kumar Mehrotra
Chairman

CEO'S MESSAGE

"For us, a significant development during 2020-21 was the high share of our gross sales under Equity Funds. This was visible in incremental market share."

Dear Shareholders,

It gives me immense pleasure to present our Company's first Annual Report after its public offer and listing on the Stock Exchanges. The listing was a momentous occasion in the illustrious history of UTI and I would like to take this opportunity to thank the Government of India, SEBI and the Shareholders for their support in the successful completion of the IPO.

The past year was undoubtedly challenging in many ways. We witnessed several developments that affected business and the macroeconomic environment across countries. The shared experience of combating the Covid-19 induced pandemic has strengthened multilateralism in global trade relations. Despite the uncertainties around renewed waves and new variants of the virus, the International Monetary Fund (IMF) expects the global economy to grow by 6% in 2021, up by 30 bps relative to their previous forecast. With the pandemic emerging as a critical risk during March 2020, the major benchmark indices viz. SENSEX and Nifty50 fell to 29,468 and 8,597, respectively, as on 31 March 2020. The Equity and Hybrid category funds saw significant erosion in the market value due to correction in the equity market. The financial year 2020-21 began amidst challenges but ended with optimism. The BSE Sensex hit a record high during 2020-21 on 16 February 2021 to cross the 52,000 mark – a testimony to the confidence of investors in India's growth story. The economic initiatives and welfare measures of the Government of India along with large scale vaccination programmes also helped in boosting investor sentiments.

Journey of MF industry and UTI AMC

The Indian MF industry, recorded a healthy 18% CAGR for the decade, registering more than five-fold growth in AUM from INR 5,92,250 crore as on 31March 2011 to INR 31,42,764 crore as on 31March 2021. For the year 2020-21 itself, the industry grew by 41%, along with increasing geographical spread and broadening of the investor base.

For us, a significant development during 2020-21 was the high share of our gross sales under Equity Funds. This was visible in incremental market share, even though it was impacted by net outflow for the industry and also maturity of closed-ended schemes. During the year, UTI Mutual Fund added 5.52 lakh new SIP accounts, a jump of over 62% compared to the previous year.

Overall, we witnessed good equity performance, stabilisation and turnaround in Income Fund performance, regained lost market share, added investor folios, expanded distribution through banks, fintech, and increased digital onboarding.

I am happy to inform you that we have continued to focus on the smaller cities and towns of the country. As a result, as of March 2021, 23% of our total MAAUM (Monthly Average Assets Under Management) came from B-30 cities compared to 16% for the industry. We will continue to maintain our focus in these cities.

Our Group companies

Our AUM, other than domestic mutual funds, reported growth of 18% Y-o-Y, amounting to INR 9.78 lakh crore as on 31 March 2021 as compared to INR 8.28 lakh crore as of 31 March 2020. The growth was led by UTI International (70% Y-o-Y), which looks after the offshore business of UTI AMC. UTI International, with its offices in Singapore, London, and Dubai, has investors spread across 35 countries and is mainly focussed on investors in Asia, Europe and Middle East. During the year, the International business saw significant development, growing by ~70% to USD 3.65 Billion in March 2021 from USD 2.09 Billion in March 2020. The growth has mainly come in our India Dynamic Equity Fund, which has crossed an AUM of USD 820 Million and is the 10th largest Indian fund amongst UCITS funds and J Safra Sarasin Responsible India Fund which has mobilised USD 125 Million in 6 months and is most likely Europe's first ESG compliant India fund. Given our track record and relationships with investors and distributors, we are confident of substantial growth in this business.

UTI RSL, manages the pension assets under the NPS of the PFRDA. It has a market share of 28.75% in the NPS. During the last one year, we have recorded strong growth of 36% in the business with the AUM growing to INR 1,66,210 crore from INR 1,22,201 crore.

UTI Capital Private Ltd. is focussed on growing the private capital investment management business of UTI AMC. During the year, backed by the success of the UTI Structured Debt Opportunities Fund I, we launched UTI Structured Debt Opportunities Fund II in the month of September 2020. Alternative Investment Funds (AIF) business in India is still in the growth phase and we feel that with our strong capability in AIFs, we will be able to substantially grow this business.

Momentum in digitalisation

It was a year when business houses realised the criticality of digitalisation and the need to adapt to remote ways of transacting. At UTI AMC, we could transition rapidly since we have been implementing a comprehensive digital transformation programme to build our organisation's efficacy, capacity, resilience and cost-effectiveness. We took multiple initiatives with respect to application modernisation, hybrid cloud architecture adoption, business process digitalisation, enterprise data platform adoption and cybersecurity enhancement. We also have a Board level Digital Transformation Committee.

We realise that data analytics and our enterprise data platform will enhance our customers' experience further, thereby increasing customer loyalty and retention. With a strong digital framework, we are deploying our resources to capture growth from the digital strategy. Our information security policies help us to ensure the confidentiality, integrity and availability of information adequately.

We implemented the next generation front-end trading system, Bloomberg Asset and Investment Manager. The new state-of-the-art trading system will help us improve our trade execution by providing a more responsive, agile and efficient interface for our dealing operations, with simplified risk and compliance monitoring. This will also help us reduce our tracking error and costs.

Highlights of performance in 2020-21

AUM and Market Share

In terms of the AUM growth across MFs, PMS and Advisory services, we witnessed a healthy growth to touch INR 11.61 lakh crore, compared to INR 9.80 lakh crore recorded in the corresponding period last year. In our Mutual Fund QAAUM, we registered a growth of 20.7% compared to the industry growth of 18.8%. As of 31 March 2021, we recorded a AUM of INR 7.84 lakh crore under PMS, INR 1.66 lakh crore under Retirement Solutions, INR 1,576 crore under UTI Capital, and INR 26,822 crore under UTI International.

Within domestic mutual funds, AUM for the quarter in respect of Equity Funds, including ETFs/Index funds, increased by 46% Q-o-Q to INR 93,331crore as on 31 March 2021. This was primarily driven by passive equity funds (69% Q-o-Q increase in Quarterly Average AUM as on 31 March 2021). Overall, this performance resulted in the gain of market share from 5.56% to 5.69% during the Q4 of 2020-21. UTI Mutual Fund captured 6% of the overall industry net inflow.

Operational highlights

Our brand recognition and goodwill among our investors and partners assisted in the following operational developments during the year:

- We manage 138 (excluding 10 segregated portfolio) domestic mutual fund schemes, comprising Equity, Balanced/Hybrid, Income, ETFs/Index, Liquid and Money Market Funds as of 31 March 2021.
- With ~23% of our AUM, we continue to have a high concentration of MAAUM in B30 markets.
- As of 31 March 2021, our distribution network included - 163 UTI Financial Centres (UFCs), 278 Business Development Associates (BDAs) and Chief Agents (CAs) and 39 Official Points of Acceptance (OPAs). Apart from this, we have partnered with approximately 56,600 Mutual Fund Distributors (MFDs), PSU & Private Banks, National & Regional Distributors and fintechs.

- As of 31 March 2021, UTI MF offered 138 Schemes/ Plans (excluding 10 segregated portfolios), out of which 24 were Equity Funds; 98 were Debt Funds; 1 Liquid Fund; 9 were ETFs/Index Funds, and 6 were Hybrid Funds.
- Our Monthly Gross SIP inflow increased by 37% Y-o-Y basis to INR 339 crore as of March 2021 from INR 247 crore as of March 2020.
- With Total Live Folios amounting to 1.1 crore as on 31 March 2021, our client base accounted for 11% of the total folios managed by the Indian MF industry.
- We had the lowest complaints against folios at 0.0006% as compared to other AMC players in the industry as of 31 March 2021 (Source: AMFI).

Enhancing brand & visibility

We endeavoured to promote our brand prominence through investor segmentation. During the year, we launched our media campaign which reached 2 crore+ people. We started a financial literacy programme for college students and promoted campaigns like Swatantra, Millenial Money Matters, Equal Rights Equal Responsibilities, and Expert Se Poocho, among others. We also launched our marquee event named 'The Colloquium' on 18 March 2021 with the theme 'Investing in the post pandemic world'.

Product development

During the year, we launched UTI Small Cap Fund, UTI Bank ETF, and UTI Nifty 200 Momentum 30 Index Funds. We are planning to launch more funds during the coming financial year after assessing the market conditions and based on the product gaps in our portfolio.

Financial highlights

For the year ended March 2021, we recorded a consolidated Net Profit of INR 494 crore as against INR 271 crore for 2019-20, showing a Y-o-Y growth of 82%. During the year, we undertook stringent cost control measures to manage our costs efficiently. Along with improvement in our PAT margins, our Return on Equity also reached a three-year high, touching 15% for 2020-21.

Enhancing investment management and risk mitigation

Our Fixed Income team has significantly enhanced its processes, including implementation of Early Warning System while strengthening the Research team. We also strengthened our risk management capabilities including technology enhancement, to mitigate risks and enable sustained growth of the Company.

> *"Going forward, we are focussed on delivering consistent growth in terms of revenue, profitability, market share, and fund performance with emphasis on high-yielding products – like equity and fixed income."*

ESG practices

Considering the significance of ESG parameters, we have proactively initiated measures for incorporating ESG aspects in our business strategy and for setting up a Board level ESG Committee.

Developing talent of our people

We believe that the skills and talents of our employees are critical for our success and reliable performance. We continued focussing on training and development, empowering our people and bringing inclusion. The HR team is focussed on improving the work culture and conducting learning engagement initiatives, benchmarking compensation, and long term incentive plan, among others. With the view to building a young and vibrant organisation, we onboarded 55 trainees during the year and are looking to hire fresh graduates from colleges across the country. In order to attract and retain talent, we have an Employee Stock Option Scheme.

Covid-19 appropriate protocols

As soon as the pandemic broke out, we set up a core internal team to monitor and address the situation, took measures for smooth functioning of business with various customer centric measures, adopted digital ways of working, provided requisite technological support, adhered to Government guidelines and initiated outreach programmes. We continued to focus on delivering stress free services to our investors during these trying times and took all possible steps to ensure smooth and efficient business operations.

We undertook measures to ensure our employees protection & good health and facilitated a seamless transition to work from home, supported with processes and tools for remote working, communication and collaboration. While the crisis tested the teams' resilience, it also helped sharpen our value proposition to our investors and partners.

Future business outlook

Going forward, we are focussed on delivering consistent growth in terms of revenue, profitability, market share, and fund performance with emphasis on high-yielding products – like equity and fixed income. Our broad distribution network facilitates us to reach out to individual investors, particularly in B30 cities and other underserved areas, where we already have a stronghold. We will continue to strengthen our relationship with our institutional and PSU clients. Alongside, we will also particularly focus on developing relationships with MSME and SME institutional clients.

We are paying particular attention to growing our group AUM by accessing new markets, marketing our international funds, Alternative Investment Funds (AIFs) and Portfolio Management Services (PMS) products. The EPFO, CMPFO and ESIC mandates have helped enhance our credibility and we are leveraging our track record to pursue other opportunities.

The Retirement Solutions industry is in a nascent stage with a small percentage of the working population being under pension and social security schemes. There is a vast potential for the industry. It is expected that within the next 10 years, Pension AUM is likely to cross Mutual Fund AUM, increasing our business opportunity.

Overall, the MF industry is undergoing a fast transformation today. However, with a low AUM to GDP ratio and overall penetration as a percentage of GDP, India still lags behind countries like the US, Canada, France, and Brazil. The MF industry is still largely untapped. There are multiple growth drivers like overall economic growth, a growing investor base, higher disposable income levels, investable household surplus, higher awareness levels, and a favourable demography. These drivers have immense potential and are likely to propel growth going forward. The AMCs with a strong retail brand, large distributor network, and significant presence in B30 cities, will have the advantage of growing faster. UTI AMC is well positioned on all these fronts.

Striving to make a difference

Our consistent focus has been on our investors and stakeholders. We have been working relentlessly to enhance value for them by implementing relevant strategies, building a stronger brand which is known for its integrity and innovation. The listing of UTI AMC has brought in enhanced governance practices & disclosures and it is our endeavour to transform the organisation as one of the finest investment institutions, with highly skilled & strengthened investment team, committed to the welfare of all our stakeholders. Our business strategies are aligned to increase brand visibility, realise the potential opportunities, meet emerging challenges and work towards sustained growth. We endeavour to build the talent of our human resources, offer differentiated products and services and achieve excellence in all our operations. We strive to enable our investors to achieve their long-term financial goals. We aspire to provide them the best-in-class services to ensure a smooth investment journey for them. I am thankful to the Board of UTI AMC as well as the Regulators for all their support in our efforts.

Conclusion

On a closing note, I am pleased to inform you that the Board of Directors (subject to the approval of shareholders) has approved a final dividend of INR 17 per share for 2020-21 which is approximately 61% of the PAT.

On behalf of the entire Board of Directors and the management team, I would like to thank you for your continued trust, guidance and support to us.

With warm regards,

Imtaiyazur Rahman
Chief Executive Officer & Whole-Time Director

AN INTRODUCTION TO UTI ASSET MANAGEMENT COMPANY LIMITED

UTI Asset Management Company (hereinafter referred to as 'UTI AMC', 'the Company', 'we') is one of the largest asset management company (AMC) in India, in terms of Total Assets Under Management (AUM)*. It is also the eighth largest AMC in terms of mutual fund Quarterly Average Assets Under Management (QAAUM) as of 31March 2021.

UTI AMC is a team of one of the largest professionally managed money managers. Our investments are spread across Indian equities, fixed income, private equity and private debt. Our portfolio includes the management of the domestic mutual funds of UTI Mutual Fund. We provide Portfolio Management Services (PMS) to institutional clients and high net worth individuals (HNIs), and manage retirement funds, offshore funds and alternative investment funds as well. We cater to a diverse group of individual and institutional investors through these wide varieties of funds and services.

Back in 1964, we were the first to establish mutual fund in India, and since then, we have built a strong presence in the AMC space. Today, we enjoy a rich legacy and brand recognition.

Our proven track record of over 55 years speaks volume of the credibility we have earned in the mutual fund (MF) industry through our conviction, capabilities and commitment.

The large structural growth opportunity prevalent in the Indian MF industry today is more pronounced than ever. Against this backdrop, our size, diverse client base and strong product portfolio, along with our pan-India reach, especially our substantial presence in B30 cities, extensive distribution network and widely recognised brand, bodes well, for us to capitalise on future growth prospects of the Indian MF industry. With an international presence of more than 20 years, we have established ourselves with the eminence of being an Indian AMC with an international footprint.

*Including Quarterly Average AUM of UTI Mutual Fund, and Closing AUMs of Portfolio Management Services, UTI International, UTI Retirement Solutions Ltd. and UTI Capital Ltd.

Our Reputation

1st
Indian Mutual Fund Company

55+
Years of Experience

138
No. of Schemes Managed
(as on 31 March 2021) excluding 10 segregated portfolios

INR 11,61,256 CRORE
Total AUM

INR 1,82,853 CRORE
Domestic MF AUM

1.1 CRORE
Live Folios

694
Districts present in

163
No. of UTI Financial Centres (UFCs) in India

56,600
Mutual Fund Distributors

278
Business Development Associates (BDAs)/Chief Agents (CAs)

1,474
Employee Strength

Vision

To be the most preferred Mutual Fund

Mission

To be the most trusted and admired brand for all stakeholders

To be the most efficient wealth manager with a global presence

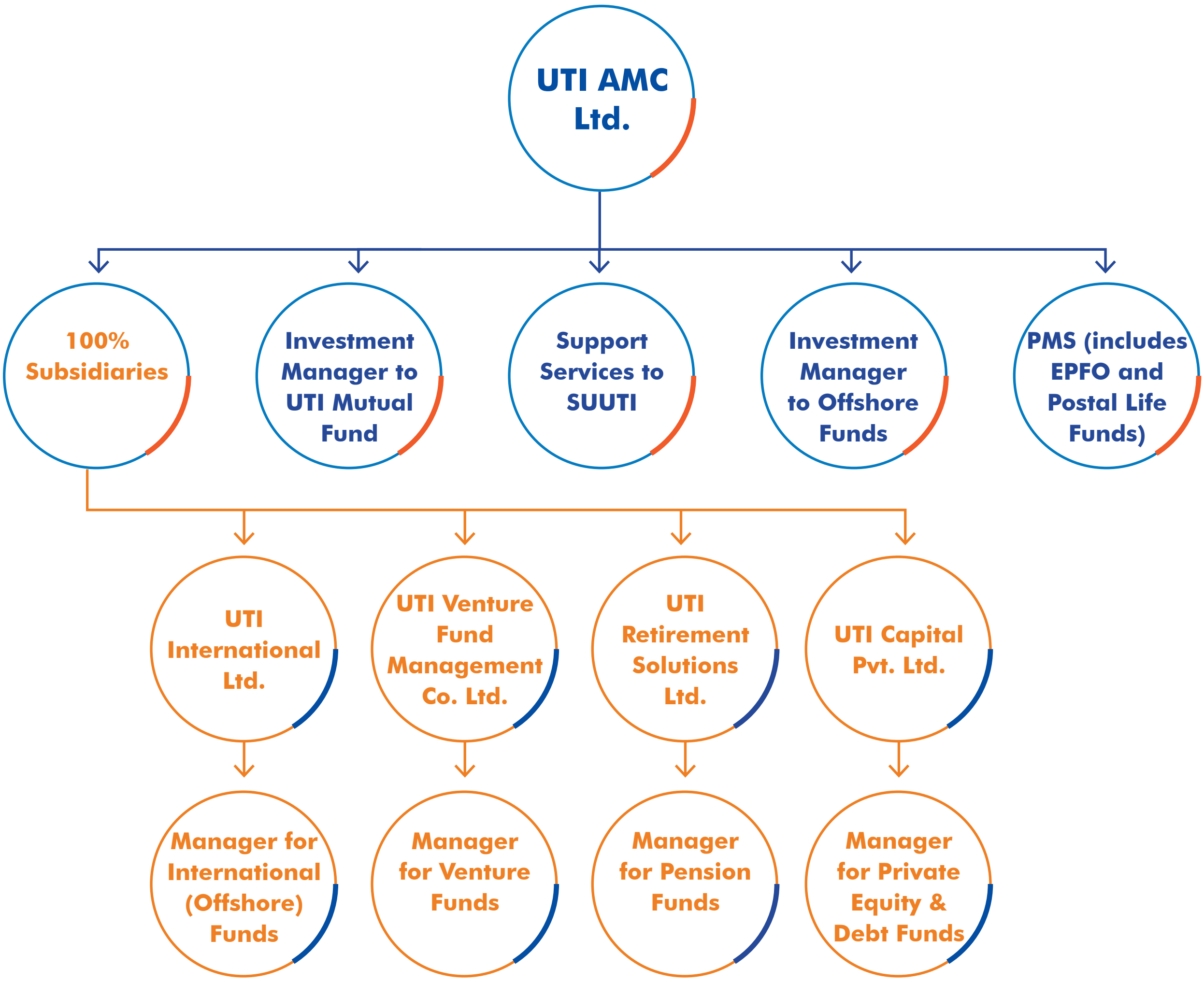
To deliver best-in-class customer service

To be the most preferred employer

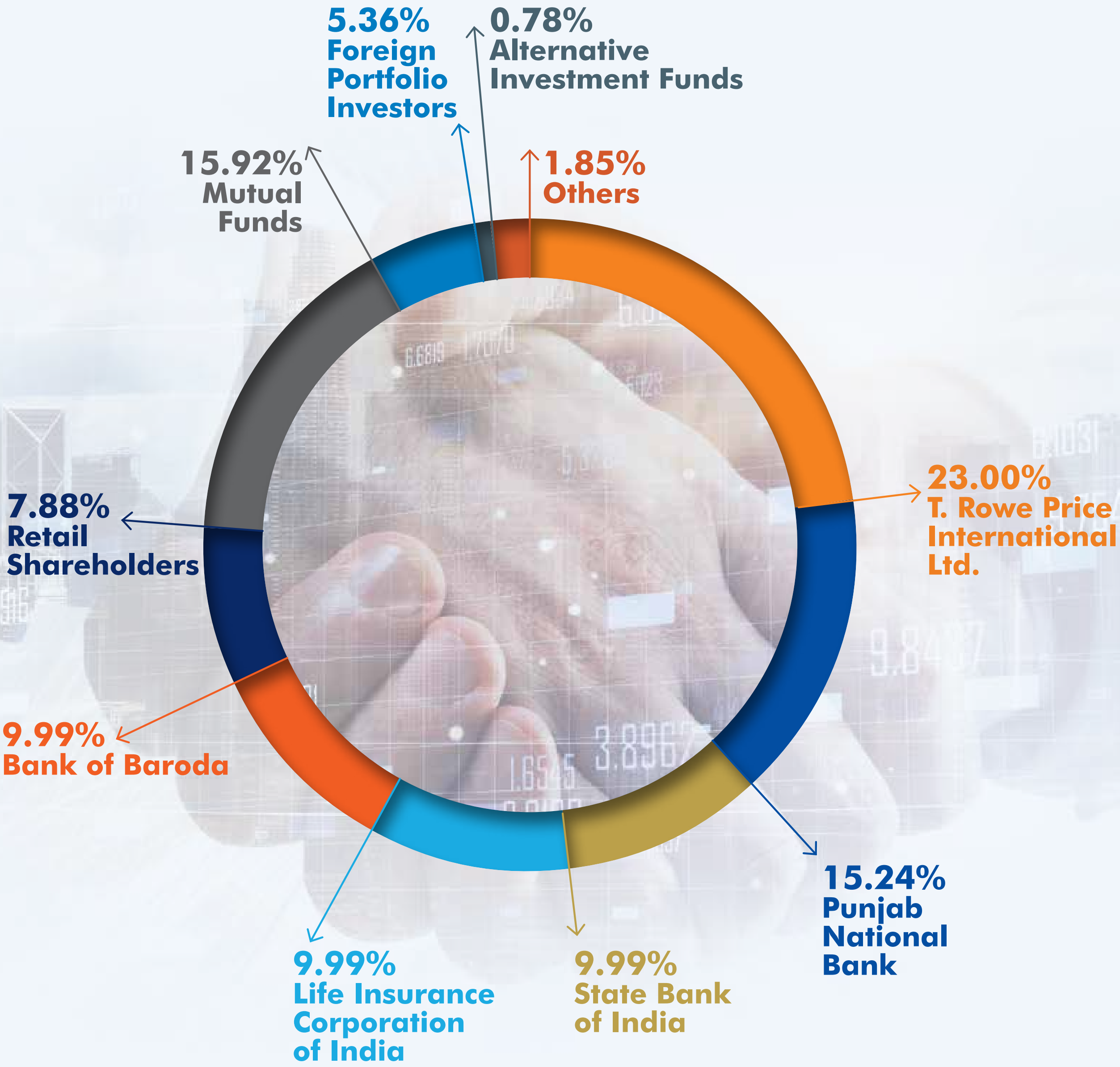
To create innovative products that maximise ROI

To be a socially responsible corporation that focuses on well-being of all

Organisational Structure



Shareholding Pattern



Our Subsidiaries

UTI International Limited

The offshore interests of UTI AMC are managed by UTI International Limited (UTI International), a 100% subsidiary of UTI AMC. UTI International was incorporated as a limited liability company under the laws of Guernsey on 30 January 1996. It is regulated by the Guernsey Financial Services Commission.

UTI International comprises of two subsidiary entities:

- UTI Investment Management Company Mauritius Limited, Mauritius, regulated by Financial Services Commission of Mauritius
- UTI International (Singapore) Pte Ltd (UTIIS) which holds a full Capital Market Services license and is regulated by the Monetary Authority of Singapore

In addition, UTI International has a branch office in London, regulated by the Financial Conduct Authority of UK and UTIIS has a branch office in Dubai, located in DIFC and is regulated by the Dubai Financial Services Authority. The offshore business has 26 employees based across the three offices located in Singapore, Dubai and London. From these offices, it caters to Institutional (B2B) and Distribution (B2B2C) clients in Asia, Europe and Middle East.

This company is chiefly engaged in the Investment Management of Equity and Debt Funds as authorised by its Memorandum of Incorporation. UTI International's products are primarily managed by the Investment team at UTI AMC – across Equity, Fixed Income and Private Debt. Additionally, it also manages some opportunistic yield products like Fixed Maturity Plans (FMPs) for international clients. The company's most substantial growth has come from Europe, particularly in the All Cap Equity fund. It also manages fund structures in the following jurisdictions to meet varying client demands:

- **Ireland (UCITS)**
- **Singapore**
- **Mauritius**
- **Cayman Islands**
- **Dubai (DIFC)**

The Offshore business has clients spread across 35 countries and are primarily institutions – Pension, Insurance, Banks and Asset Managers.

USD 3.65 BILLION
(INR 26,822 CRORE)
Total AUM (as of 31 March 2021)
Growing by ~70% (from USD 2.09 Billion in March 2020) (INR 15,765 crore)

GBP 22.53 MILLION
Gross Income
for 2020-21against **GBP 1.31 Million** in 2019-20

GBP 14.65 MILLION
Net Profit
for 2020-21against a net loss of **GBP 5.77 Million** in 2019-20

Mr. Ajay Tyagi
Fund Manager – International Equity and Domestic Equity Funds

UTI Retirement Solutions Limited

UTI Retirement Solutions Limited (UTI RSL) was incorporated by UTI AMC on 14 December 2007 under the Companies Act 1956, for managing the pension assets under the National Pension System (NPS). It is a 100% subsidiary of UTI AMC.

The company was appointed by Pension Fund Regulatory & Development Authority (PFRDA) as one of the Pension Fund Managers to manage the Pension Assets/Funds of Central Government Employees, State Government Employees and the Private Sector NPS Subscribers under the National Pension System (NPS). It started its operations from 1 April 2008.

This company was amongst the first set of companies, along with LIC and SBI, established for managing Pension Funds under NPS. As a result, it enjoys the first-mover's advantage in the pension sector.

The company's Assets Under Management (AUM) have grown rapidly since the start of its operations. It has strong experience as a Fund House to run and manage Retirement Plans that have given reasonable market-related returns. UTI RSL draws its expertise of Fund Management activity from its parent company.

INR 1,66,210 CRORE

Total AUM

(as of 31 March 2021)

INR 19.63 CRORE

Gross Income

for 2020-21against **INR 14.25 crore** in 2019-20

28.75%

Overall Market Share under National Pension System (NPS)

INR 3.78 CRORE

Net Profit

for 2020-21against **INR 4.36 crore** in 2019-20

UTI Venture Funds Management Company Private Limited

UTI Venture Funds Management Company Private Limited (UTI VF) was incorporated on 27 March 2001, under the Companies Act, 1956, at Bengaluru, Karnataka. The company is registered with SEBI as a Venture Fund Management Company. It has a subsidiary, UTI Private Equity Limited, engaged in Investment Holding as authorised by the Financial Services Commission. However, UTI Private Equity Limited, Mauritius is under the process of winding up under section 309 (1)(d) of Companies Act, 2001.

The principal business of UTI VF is to manage venture capital funds and private equity funds. The company has been creating value for its portfolio companies by providing industry knowledge, access to local talent and through its business network in the Indian and overseas markets.

INR 2.19 CRORE

Gross Income

for 2020-21against **INR 0.74 crore** in 2019-20

INR 1.30 CRORE

Net Profit

for the year ended 31 March 2021, as against a Net loss of **INR 0.47 crore** in 2019 - 20

UTI Capital Private Limited

UTI Capital Private Limited (UTI CPL) was incorporated on 13 May 2011, under the Companies Act, 1956, at Mumbai, Maharashtra. It is a 100% subsidiary of UTI AMC and is mandated to manage and grow Private Capital investment management business. As of 31 March 2021, UTI CPL has four funds under management or advisory, which are:

- **UTI Structured Debt Opportunities Fund I**
  – Launched in August 2017 and final close in May 2019
  – Total commitments of INR 695 crore (In Commitment Period)
- **UTI Structured Debt Opportunities Fund II**
  – Launched in September 2020
  – Total commitments of INR 447 crore (Final Close Not Yet Announced)
- **India Infrastructure Development Fund**
  - Total assets of INR 205 crore (In Exit Period)
- **Pragati India Fund**
  - Total assets of INR 27 crore (In Exit Period)

INR 1,576 CRORE

Total AUM

INR 9.16 CRORE

Gross Income

for 2020-21 against **INR 8.04 crore** in 2019-20

INR 0.18 CRORE

Net Profit

for 2020-21against a Net Loss of **INR 1.43 crore** in 2019-20

The Audited Statements of Accounts of the subsidiary companies, together with the Reports of their Directors and Auditors, for the period ended on 31 March 2021, are attached to this Annual Report. **None of the companies became or ceased to be subsidiary during the year 2020-21.** The Company did not have any Associate or Joint Venture Company as on 31 March 2021.

CORPORATE HISTORY AND MILESTONES

1964
UTI established by the Government of India under the UTI Act, Passed in 1963

1971
Launched First-ever Unit-Linked Insurance Plan (ULIP)

1986
Launched India's first pure Equity-oriented Fund called Master Share; Mutual Fund became the part of Indian Lexicon with UTI Master Share

2002
Incorporated UTI Asset Management Company Limited

2003
Registered UTI Mutual Fund with SEBI under the SEBI Mutual Funds Regulations

2004
Launched Axel Portfolio Management Services

2006
Established UTI International Singapore (Private) Limited as a Joint Venture

2007

Incorporated UTI Retirement Solutions Ltd. with UTI AMC as its Sponsor

2009

UTI AMC appointed as one of the two fund managers of the Postal Life Insurance Corpus; UTI Mutual Fund Investor Folios crossed 1crore

2010

Launched Investor Education Initiative – UTI Swantantra

2011

Incorporated UTI Capital Private Limited

2017

Launched Alternative Investment Fund (AIF) - UTI Structured Debt Opportunities Fund

Launched Digi-invest Campaign

2019

UTI's PMS appointed as one of the two Fund Managers of the EPFO Corpus

UTI RSL's AUM crossed INR 1,00,000 crore

2020

Launched IPO and got listed on NSE (National Stock Exchange) and BSE successfully

COMMITTED TO CREATING ROBUST VALUE FOR SHAREHOLDERS

At UTI AMC, we have always endeavoured to create healthy returns for our shareholders. And to improve shareholders' value, we believe it is essential to build a resilient business model and earn higher profitability through ethical business practices.

We are one of the pioneers of the Indian MF industry. We pride ourselves on our long-term track record of product and solution innovations that endeavour to deliver consistent and stable returns across economic cycles, eventually driving AUM growth.

We have, to our credit, launched many funds in the past, which were first in their respective categories in India. Also, five of our funds have over 25 years of track record.

India's 1st Equity-oriented Fund — UTI Mastershare Unit Scheme	**India's Largest Dividend Yield Fund — UTI Dividend Yield Fund**	**India's 1st Tax Saving cum Insurance Fund — UTI ULIP**	**India's Largest Non-ETF Index Fund — UTI Nifty Index Fund**

Stable Investment Performance

Over decades, we have been delivering consistent and stable investment performance. Our investment philosophy aims to provide investment outperformance against benchmarks and competitors. Our rigorous investment research processes consider both qualitative and quantitative factors. These are further led by rating systems and proprietary research methodologies emphasising risk mitigation and drive performance through robust investment decisions.

Profitability

Our strategy entails focussing on high-yielding products like Equity and Fixed Income through active fund management for achieving higher profitability. Thus, we have all the desired levers to move ahead and capture the profitable assets in the market. At the same time, we have also undertaken many initiatives to bring down our costs through investments in technology, process improvements and employee training to improve our bottom-line overall.

Hence, to achieve profitable growth, we focus on the following:

- Increasing our market share in high-yielding Equity, Hybrid and Debt products
- Bringing in new investors into UTI fold
- Focussing on underpenetrated markets
- Growing other lines of business like PMS, AIFs, International and Retirement businesses to contribute significant revenue to the overall business

Inputs	Outcomes	Capitals Impacted	Stakeholders Impacted
INR 3,226 crore Consolidated Networth Zero Debt	**INR 494 crore** Profit after Tax **16.50%** Return on Capital Employed **15%** Return on Equity (Consolidated) **INR 38.97** Earnings Per Share **43.62%** Dividend Payout Ratio (Consolidated) **61.28%** Dividend Payout Ratio (Standalone)	**Human** **Service** **Financial**	**Shareholders** **Employees**

Performance Analysis

Despite the severe headwinds faced on account of Covid-19 during 2020-21, we made significant progress on delivering against our set targets.

(INR in crore except per equity share data)

Matrix	2019-20	2020-21	Percentage/bps Growth
Revenue	889.96	1,198.63	34.68%
PAT	271.46	494.14	82.03%
PAT Margins	30%	41%	1,100 bps
ROE	10%	15%	500 bps
Total AUM	9,79,847	11,61,256	18.51%
Equity-oriented AUM	79,376	1,28,200	61.51%
Hybrid-oriented AUM	62,201	70,726	13.70%
Debt-oriented AUM	8,38,270	9,62,130	14.78%

*PAT: Profit After Tax *ROE: Return on Equity *AUM: Assets Under Management

In order to create robust value for our shareholders, we have constantly been improving our profitability. As we advance, the AUM size, product mix, and our improved cost structures, adopted to manage on an automated and integrated basis, will drive our enhanced profitability. We have also been bringing down our costs while consciously increasing the proportion of more profitable products. With a substantial contribution coming in from B30 cities in higher fee products like Domestic Active Equity and Hybrid Funds, we are likely to improve our profitability in the future while enhancing shareholder value.

A COMMITTED PURE-PLAY INDEPENDENT ASSET MANAGER WITH POWER OF BRAND AND TRUST

UTI AMC is a name synonymous with trust. Our 55+ years rich legacy has helped us establish ourselves as a leading and pioneering brand in the Indian Mutual Fund industry.

Our independence and focus on Asset Management business differentiates us from many of our competitors who are part of the diversified financial institutions which carry out varied activities. Our in-house analysts provide independent and objective analysis to our investment professionals. We believe that there is a likelihood of fewer conflicts of interest with other business lines through this independent focus compared to our competitors. Besides, our stronger relations with a broad set of intermediaries and in-house skills allow us to remain at the forefront. Despite not having a bank or a big financial conglomerate as a part of our business group, we enjoy excellent relationships with leading private and foreign banking partners. We share cordial relationships with the banking partners' distribution teams, national distributors, Mutual Fund Distributors (MFDs) along with other fintechs and payment platforms.

UTI Mutual Fund

Pure-play AMC

Ability to form stronger and deeper relationships with intermediaries as non-competing

Strong focus on AMC business with particular in-house skills towards fund accounting and boosting efficiencies and cost effectiveness

Our national footprint, coupled with an extensive presence in many metropolitan and rural areas, and established presence in B30 cities, has allowed us to leverage our brand name and also helped us create a reputation for ourselves. We have constantly endeavoured to build on this reputation by adopting appropriate strategies and recruiting the right people for the right jobs.

Reputation
For service, integrity and innovative solutions

Investor Confidence
Ability to provide consistent quality services

Recruitment
Recruit and retain skilled professionals

In the past, we have been named amongst the top five preferred industry brands as per the Nielsen Mutual Fund Studies for the period December 2015 to January 2016 and for the month of September 2017 – a clear testimony for our brand.

Inputs	Outcomes	Capitals Impacted	Stakeholders Impacted
55+ Years' experience **INR 11,61,256** Total AUM Strong know-how Credibility **138** Mutual Fund schemes managed	**1.10 crore** Live folios **11%** of client base managed as a proportion of the Indian MF industry	**Financial** **Service** **Relationship**	**Shareholders** **Customers**

We will continue to leverage our existing strengths of brand awareness, reach, product diversity, and strong relationships. As we do this, we will also continue serving a diverse portfolio of funds and services. This balanced approach enables us to operate through market cycles. It reinforces our ability to cater to our investors' requirements and also helps reduce concentration risks for our business, while leveraging our competencies. This ability will help us gain a higher market share eventually.

DRIVEN BY CONVICTION OF EXPERIENCE AND EXPERTISE

We are a professionally managed Asset Management Company backed by an eminent Board of Directors and a vastly experienced senior management team.

UTI AMC, as a team, is guided by the vision of a senior management team with profound market knowledge and experience. The know-how of our senior management team helps us identify and capitalise on strategic opportunities and respond to the changing industry, macroeconomic and regulatory dynamics in India. Our track record of managing money over multiple market cycles is a true testimony to the same. We follow a disciplined and rigorous investment process, strongly supported by our in-house fundamental research, a data-based framework for portfolio construction and internal risk management processes.

Our investment performance is backed by our experienced and professional 44-member investment team, with a 700+ years of cumulative experience across Domestic Mutual Fund, PMS, Retirement Solutions, Alternate Business and Offshore businesses.

Team Strength

44
Investment Team

20
Domestic Equity MF Management Team

12
Domestic Fixed Income MF Team

6
PMS Investment Team

4
RSL Investment Team

2
Offshore Fund Management Team

Inputs	Outcomes	Capitals Impacted	Stakeholders Impacted
44 Fund management team **700+** Cumulative years of experience Different skill sets and backgrounds Periodic review of fund performance	Robust fund management strategies Better and faster decision-making	**Service** **Intellectual**	**Customers** **Employees**

We have various protocols to refine the performance review processes for our fund managers and research analysts. This helps us optimise the performance of the team and incorporate best practices. Our rigorous investment research process takes into account both qualitative and quantitative factors. The process includes rating systems and proprietary research methodologies that emphasise risk and performance through comprehensive review procedures, driving investment decisions. We have also implemented a next-generation front-end trading system, Bloomberg Asset and Investment Manager. This implementation will help us improve our trade execution by providing a more responsive, agile and efficient interface for our dealing operations, thereby, helping us simplify risks and compliance monitoring.

In our endeavour to deliver investment outperformance against benchmarks and competitors, we follow a disciplined and rigorous investment management process:

Equity Investment Process

Investment process

- In-house research team
- Proprietary framework - qualitative and quantitative
- Portfolio construction data framework

Diversity

- Diversity of styles with discipline
- Bound by the investment process
- Risk guidelines

Team culture

- Experienced and professional team
- Emphasis on collaboration
- Interactive process – formal and informal

Performance measurement

- Based on the performance of the fund against benchmark and peers over different periods

Fixed Income Investment Process

Approach

- Yield and duration management as key objective
- Achieved through a combination of top-down and bottom-up approach

Research process

- Takes qualitative and quantitative factors into account along with proprietary ratings and research methodologies
- Arrives at a universe of issuers in which to invest

Construct

- Portfolio constructed in the light of investment objectives and investment strategies
- Emphasis on risk, diversification and performance

Review

- Comprehensive review mechanism
- Supports the investment and divestment decisions of fund managers

Going ahead, through our focus on better talent recognition, we intend to invest in the human and organisational resources needed to increase the number of companies covered by our in-house research team. We strive to strengthen our fund strategies further. This will enable us to increase our AUM and facilitate new product launches.

CAPABILITIES STRENGTHENED BY WIDE GEOGRAPHICAL PRESENCE AND MULTI-CHANNEL DISTRIBUTION NETWORK

At UTI AMC, we understand that a strong distribution network and a transparent approach leads the industry's growth. With this thought at the core, we seek to continue developing our network and increasing our geographical reach. We are constantly expanding our existing comprehensive multi-channel distribution channels that bring the stability of flows.

Distribution Channel Bifurcation*

62%
Direct

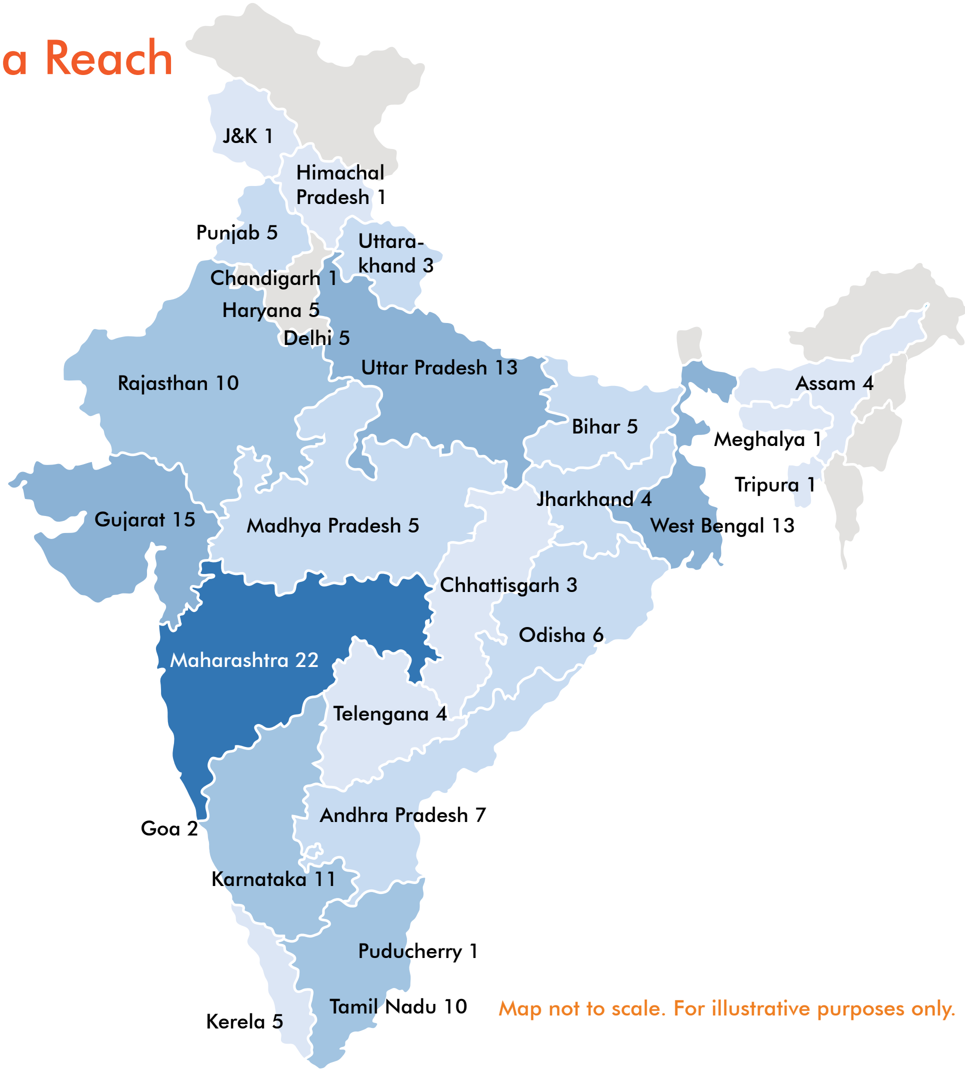
29%
MFDs

9%
BNDs

*of MF QAAUM as of March 2021

UTI AMC enjoys the best of both worlds through its strong in-house capabilities and an extensive network of external distribution channels. We reach out to our clients through a number of distribution channels, including Mutual Fund Distributors (MFDs), direct distribution and Banks & National Distributors (BNDs). Our existing distribution network includes 163 UTI Financial Centres (UFCs), 278 Business Development Associates (BDAs) & Chief Agents (CAs) and 39 Official Points of Acceptance (OPAs) at KFintech locations, most of which are located in the B30 cities. Furthermore, our products are empanelled with most of the banks. Our channels include distribution arrangements with domestic & foreign banks and national & regional distributors. We also have dedicated sales teams for institutional and PSU clients in place while offering products through UFCs, digital applications, and website. Besides, our investors are also able to invest in our schemes through mobile applications.

Our Pan India Reach



Map not to scale. For illustrative purposes only.

Our UTI International offices in London, Dubai and Singapore, through which we market our offshore and domestic MFs, enable the offshore investors to invest in India.

Our presence is supported through our sales and marketing strategies focussed on establishing and maintaining retail and institutional management. Each distribution channel has the requisite oversight and manpower to service the potential opportunities in the marketplace. They also enable us to bring down the average cost of distribution in the long run.

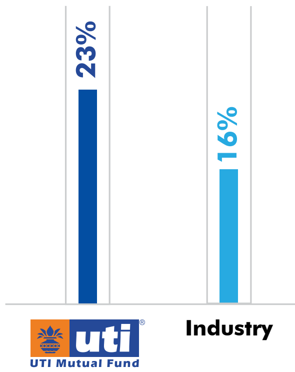
Inputs	Outcomes	Capitals Impacted	Stakeholders Impacted
163 UTI Financial Centres **694** Districts covered	Increased scalability Increased reach through enhanced branch radius Smoother operations	**Service** **Financial** **Human** **Social & Relationship**	**Customers** **Investors** **Employees**

At UTI AMC, we are committed to enhancing our geographical presence and open branches where there is business potential, that may help us garner a profitable growth and bring in new investors into the mutual fund fold. We plan to strengthen further and deepen our relationship with our institutional and PSU clients. Our target is to particularly focus on developing relationships with MSME and SME institutional clients to expand our domestic mutual fund investor base. We also endeavour to grow our share of the provident fund business of institutional clients and target institutional clients who are yet to invest in our domestic mutual funds to increase our overall reach.

COMMITTED TO FINANCIAL INCLUSION – B30 CITIES

The Indian Mutual Fund industry is expected to continue propelling forward. The anticipated growth will be underwritten by supportive industry dynamics and long-term structural drivers, including financialisation of household savings, increasing market penetration of Mutual Fund products, favourable population and urbanisation trends. At 6.7%, Mutual Funds currently constitute only a small portion of the gross household financial assets*, with the figure likely to be lower in B30 cities.

Higher share from B30 of overall MF MAAUM as compared to industry



AMCs generally incur additional distribution costs to onboard retail customers. This again requires higher spending on infrastructure and marketing capabilities. As a result, AMCs with a strong existing presence in B30 markets are better positioned to penetrate these markets and enjoy a better play on operating leverage. At 23%, we have a higher proportion of our Monthly Average AUM (MAAUM) attributable to B30 cities as compared to industry. We have a strong foothold in these cities with a high share, with our BDA network being in existence for nearly 3 decades. Furthermore, our broad distribution network in B30 cities provides us economies of scale, particularly in distribution, marketing, and back-office activities, bringing in cost efficiencies. Since the B30 customers are generally stickier in nature, they offer comparatively higher profit margins.

*As of September 2020. *Source: RBI Bulletin*

Overall, the B30 cities currently contribute to a lower share for the industry as compared to the T30 cities. This further goes on to indicate that there is a lot of untapped potential in these cities. Although the figure may not be as high, on a positive note, the share has been increasing Y-o-Y since 2014-15. The shift has been led by individual investors, who have historically been inclined towards equity funds.

At UTI AMC, we believe we are well-positioned to capitalise on the favourable industry dynamics, including the under penetration of MF products, owing to our established presence. We are in the right space to attract new clients and positions through our broad-spread distribution network, wherein we can reach a wider spectrum of individual investors. Our broad client base also provides us with a number of opportunities, including cross-selling of different funds. Out of the current network of 163 UFCs, 106 are based out of B30 cities, further testifying our focus towards them.

382

UFCs (106) and BDAs & CAs (276) in B30 Cities

As per regulatory norms set by the Regulator, a certain proportion of the total AUM needs to be parked aside towards spreading financial awareness and investor education, in order to drive the industry forward. We believe this step is in the right direction. Being the pioneers of this industry, we take pride in having conducted investor education and awareness programmes in the smaller towns of India, well before it was made mandatory. We believe that this is imperative to make the investor from a small centre more confident to invest in mutual funds. In order to effectively communicate with potential investors across the country, we have been concentrating on investor education in local languages to create higher awareness about mutual funds.

Inputs	Outcomes	Capitals Impacted	Stakeholders Impacted
106 No. of UFCs in B30 cities **276** BDAs and CAs in B30 cities **56,600** No. of MFDs	**23%** Share of our MAAUM of B30 cities **8.9%** Folio growth in B30 cities Higher share of MAAUM in B30 cities as compared to the industry	**Service** **Financial** **Social & Relationship**	**Distributors** **Customers**

Going forward, our established presence in B30 cities positions us well to capitalise on future growth in those underpenetrated markets. However, expanding further into these markets may require substantial investments in marketing and distribution, which could impact our profit margins. As a result, we have been adopting an approach to leverage the network of our long-standing MFDs, Banks and Distributors as well as through Digital presence. This will help bring in the right balance between online interfacing and in-person interaction, eventually lowering the cost of customer acquisition, compliance and other processes. And will help us reach more remote areas without incurring substantial costs.

LED BY A STRONG CONVICTION OF DIGITAL PRIORITIES – ANYWHERE AND EVERYWHERE

At UTI AMC, we believe in being ready for the future. And today, digital is the future. The companies who have adopted digital and can better embrace it will drive growth in the times to come. There is a strong reason to believe that technology and digital adoption will enhance organisational efficiency, bring in cost optimisation, improve customer acquisition and experience while also ensuring data security. With this philosophy, we have undertaken a comprehensive digital transformation project to build our Company's efficacy, capacity, resilience and cost-effectiveness.

Our digital transformation programme involves multiple initiatives incorporating application modernisation, hybrid cloud architecture adoption, business process digitalisation, enterprise data platform adoption and cybersecurity enhancement. However, the larger focus of this programme is the implementation of a 'cloud first' vision. The idea is to focus on the adoption of applications and services to reduce time-to-market and ensure high availability, scalability, security and the cost-optimised deployment of applications and services. Thus, leading to a reduced cost of ownership and maintenance.

Further, to ramp up the digitalisation across the board, we will continue investing in digital marketing and other customer and distributor-facing digital initiatives. Our constant endeavour is to make our services seamlessly accessible on mobile platforms by building, improving and maintaining mobile applications for our salesforce. We are doing the same to ensure that the customers, distributors and employees increasingly use mobile platforms to access our services.

We intend to scale up the frequency and pace of our digital marketing campaigns. Besides, we also plan to increase the number of digital platforms such as WhatsApp and chatbots, through which we interact with our current and potential customers. We will continue building interfaces for fintech, payments and other digital distribution platforms to ensure seamless connectivity and enhance customer reach. Going ahead, we will also continue encouraging the adoption of digital tools, which have proven particularly important during the Covid-19 pandemic.

24x7 Digital Channels

- Anytime, Anywhere Convenience
- Website utimf.com and Mobile App
- Chatbot UNO and WhatsApp Interface

Assisted Journeys Integrated

- Customer Service for Product and Investment Enquiry
- 24x7 Availability in 6 Languages
- Chat with Agent Service
- Call-back to Customers
- Outbound Voice Bot

Building Community

- Engagement on Multiple Touch Points across Social Media
- UTI Swatantra Investor Education Initiative
- Content Distribution
- Launched Two Investor Education Campaigns for ELSS & for Women Investors

Simplifying Life

- e-OTM
- uSAVE
- Digital KYC
- Missed Call Services
- Flexi Savings Plan
- Quick Invest
- Quick Pay Feature

Partner Enablement

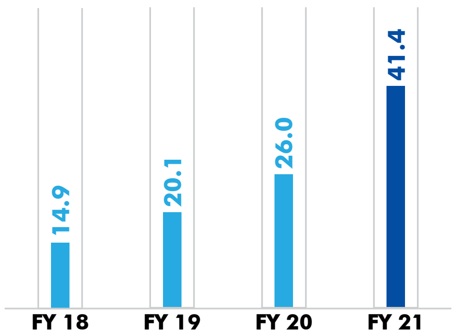
- UTI Buddy Office on the go App and Web Interface
- Online Empanelment of MFDs
- Initiate Transactions for Investors to Reduce Sales Cycle
- API Integrations with Partners and Aggregators

Personalised and Contextual Journey

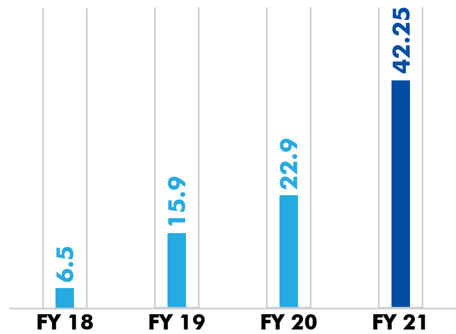
- Multi-media Marketing Platforms
- Relevant Content Delivery through Preferred Channels
- Consistency and Personalisation in Customer Experience
- Progressive Profiling Campaigns

Acceptance of digitalisation has started reflecting in growing online transactions

Number of digital purchase transaction (in lakhs)



Sales through digital platforms (as a % of Equity and Hybrid MF Gross Sales)



Inputs	Outcomes	Capitals Impacted	Stakeholders Impacted
24x7 Digital channels **UTI Buddy** **700+** No. of digital marketing campaigns **INR 27.7 crore** Investments towards IT and cybersecurity	**4,28,264** No. of digital SIP transactions **75.34%** Growth in number of digital SIP transactions in 2020-21 as compared to 2019-20 **94%** Total gross sales of Equity, Debt & Hybrid Funds through online platform	**Service** **Financial** **Intellectual** **Social & Relationship**	**Employees** **Shareholders** **Social** **Customers**

The initiatives we have been undertaking today are preparing us to remain ready for tomorrow. We are adopting these initiatives across all our functions right from operational, finance and investments to marketing. Going ahead, we will continue embracing newer technologies to ensure that we create more convenience, reduce friction and deliver faster. We will consistently continue to invest towards the right infrastructure. And build a more secure environment with our IT and digital teams working in collaboration. Furthermore, we will also continue adopting Artificial Intelligence (AI) and Machine Learning (ML) to churn Big Data, thereby taking the Company to the next level of growth.

POWERING OUR PEOPLE'S CAPABILITIES

At UTI AMC, we have consciously created a positive working environment promoting employee safety, growth and goal attainment. All our efforts are directed towards encouraging our employees to perform to their highest ability. We strongly believe that our ability to continue delivering value for all stakeholders centres around our ability to attract, develop and retain dedicated and talented people. Our focus is on building a team that is inspired by our purpose and attracting individuals who take emotional ownership of what they do.

158

No. of employees hired during the year 2020-21

18+

Average years of employee tenure at UTI AMC

75:25

Gender ratio for males to females

Our success directly depends on our team of employees. And so, we are continually implementing several measures to strengthen our workforce further and improve their motivation and development. For example, we provide merit-based employee compensation, which is benchmarked to our industry and will continue doing so in future. Further, we use a balanced scorecard system as part of our performance management system. It facilitates a holistic assessment of our employees' performance, supporting our 'pay for performance' culture.

Our Company has always emphasised and will continue to focus on training and development of our employees. To this, we first identify short and long-term organisational capability requirements. Then we establish training and development strategies and plans aligned to our business objectives. Our mentoring programme further supports the professional growth and development of the Company's new hires.

Besides, our Employee Share Ownership Plan (ESOP) fosters a culture of ownership and alignment of employees' interests with that of our business. We believe this ownership model and our emphasis on team-oriented management is likely to further promote a shared sense of purpose with our clients. Additionally, it will help contribute to low staff turnover and attract and retain quality talent critical to our success.

We will also continue to pursue our strategy of external recruitment from the market and merit-based internal promotions, with a particular focus on recruiting young talent.

Inputs	Outcomes	Capitals Impacted	Stakeholders Impacted
1,474 employees **373** Female employees **INR 379 crore** Employee benefit cost **22** Training and skill development programmes **5,919** Hours of training conducted during the year 2020-21	**702** employees trained during the year	**Service** **Financial** **Human**	**Employees**

At UTI AMC, we endeavour to create an atmosphere where employees are constantly motivated and self-driven to achieve their personal and business goals. Therefore, we will continue to provide industry-benchmarked salaries, incentive-based compensation (including ESOPs) and conduct specific training programmes.

COMMITTED TO ENVIRONMENT, SOCIAL, GOVERNANCE (ESG)

Environmental, Social, and Governance (ESG) parameters are the top three non-financial performance indicators in today's business environment. Over the last couple of years, they have gained significance and become critical for long term competitive success. Today, a structured disclosure of performance is an essential requirement for businesses. The increased attention around the environment, well-being of employees, societal concerns and transparency in the business are central factors while measuring the sustainability and societal impact of an investment in a company or business. In line with this, at UTI AMC, we have proactively initiated concerted efforts in benchmarking our processes and policies with the global best practices across the domain of ESG.

We have undertaken a thorough review of policies, processes, disclosure requirements on ESG in a phased manner. In order to bring the required focus to the continuously evolving ESG landscape that impacts our business, we have embarked on the process of setting up a Board level ESG committee. The vision behind setting up this committee is to support the organisation's commitments towards the environment, health and safety, corporate social responsibility, corporate governance, sustainability, and other relevant public policy matters. The committee will provide guidance, leadership and necessary oversight for:

- Embedding ESG aspects into the business strategy
- Developing, implementing, and monitoring interventions and related policies
- Engaging with the stakeholders by overseeing communications relating to ESG aspects
- Monitoring and assessing development and improving the organisation's understanding of ESG aspects
- Ensuring efficient and timely disclosure of ESG aspects to stakeholders

ESG

Furthermore, significant progress has been made in the journey to becoming an ESG benchmarked-organisation within the Asset Management segment. We are in the process of putting together the ESG integration framework that is also applicable to our group companies, namely UTI International Ltd., UTI Retirement Solutions Ltd., UTI Venture Funds and UTI Capital Pvt. Ltd. The ESG framework is the first major step towards integrating essential ESG aspects into our business operations. This framework draws from global best practices and standards. It will serve as the guidebook for strengthening existing management systems and cater to ESG disclosure requirements of various stakeholders such as regulatory authorities, shareholders, civil society, industry associations, media/ rating agencies.

Simultaneously, we have also initiated work on developing the materiality assessment for ESG aspects. This exercise will help identify and prioritise organisation-specific ESG considerations. It will use focus group discussions and guidance provided by sector-specific ESG standards such as Global Reporting Initiative's Financial Services Sector Disclosure and Sustainability Accounting Standards Board (SASB)[1] for Asset Management and Custody Activities. This will be followed by developing the Annual ESG Report for UTI AMC as per Global Reporting Initiative's Standard 'In Accordance – Core'. It will serve as the Company's ESG performance report card along with the improvement plans going forward. The Global Reporting Initiative (GRI) is an international independent standards organisation that helps businesses, governments, and other organisations understand and communicate their impacts on climate change, human rights and corruption. It is one of the most widely adopted standards for ESG disclosures. The majority of Fortune 500 companies choose to report as per GRI Standards. Moreover, demonstrating our commitment to work towards global concerns like climate change, we would be reporting on the Greenhouse Gas (GHG) emissions inventory for the organisation in our ESG disclosure, along with plan to mitigate GHG emissions from our business operations.

We are now at the cusp of our ESG journey, and there is a need for continuous improvement as we progress to keep pace with the changing ESG landscape. We will be considering getting rated by leading ESG rating agencies to benchmark our performance within the peer group and the industry at large to identify further areas of improvement.

[1]SASB is now part of Value Reporting Foundation

CONVICTION TO IMPROVE INVESTOR EDUCATION AND ENHANCE AWARENESS

Low Mutual Fund penetration levels in India are primarily due to the lack of awareness about this asset class. As per SEBI's investor awareness survey conducted in 2015, mutual funds/SIPs were used by only 10% of the respondents as investment and saving avenues. This clearly indicates the necessity to create better investor awareness. Overall advertisements by fund houses and robust market performance are likely to boost investors participation. This is further likely to help deepen mutual fund penetration among new investors, particularly in B30 markets.

Keeping the investors' interest in mind while also encouraging higher participation, SEBI's regulations directed AMCs to keep aside at least 2 bps of daily net assets for investor education initiatives. This was to boost awareness of capital markets investment products. As a responsible organisation, we embarked upon our investor education journey in 2010. We incubated the 'Swatantra' platform with the primary objective of creating awareness about financial planning and the benefits of investing in Mutual Funds among the common people.

UTI Swatantra

UTI Swatantra is our flagship investor education initiative. **In 2013, UTI Swatantra became India's largest investor education programme based on reach, making it to the Limca Book of Records.** Since then, Swatantra has undergone several changes. It is striving to mirror even more customer responses by comprehending how customers interact with media and how they eventually consume it. Basis this, in 2019, we refreshed the platform by creating a multi-channel approach entailing:

- Regular publications in print media
- Talk show radio programmes
- Presence on social media

Objectives of our Well-structured and Efficiently Implemented Investor Education Programme:

- Protecting investors by educating them on their rights and responsibilities
- Empowering with the knowledge to evaluate different financial products and make informed decisions
- Enabling investors to understand and manage risks
- Reducing investors vulnerability to fraudulent schemes
- Expanding outreach of financial services and products
- Planning an informed retirement and finances
- Participating in financial markets with confidence

Some of the initiatives that we undertook around the year as stated below:

1. Chatbot

We launched Chatbot in October 2020 to enhance the consumer experience on our website. It is aimed at deriving more insights from users' journey to find a better opportunity to engage through their personalised journey. Thus, helping them make a more informed investment decision, and all with the click of a button.

2. Quora Handle

We started our Quora handle in the name Swatantra Kumar in October 2020. The idea behind this was to reach and engage with a high intent audience seeking information to make their investment decisions.

3. Interactive 'Expert Se Poocho' page

We also launched a page on UTIswatantra.com in November 2020. This was to connect the consumers with a panel of qualified investment advisors.

4. Launched Third Season of the Radio Show '#Mutual fund 101' in January 2021

We launched our radio show on the channel Radio One across 5 cities. This is a weekly morning drive time show where experts (MFD's) from each of the 5 cities engage with listeners by telling them all about investing in mutual funds. It throws light on how people with varied goals/age/profile/income can start their investment journey.

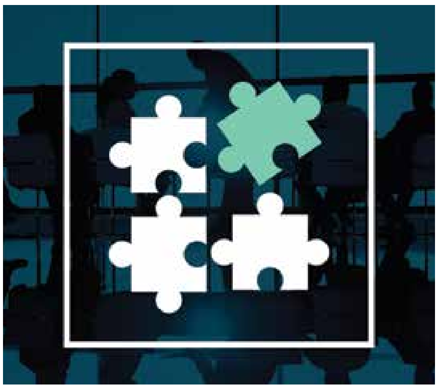
5. The Colloquium

We launched our virtual marquee event named 'The Colloquium' on 18 March 2021 to extend our knowledge-sharing objective about the prevailing market trends. It targeted our key clients to encourage enriching conversations with prominent thought leaders.

20,000

Registrations Witnessed

6. Other Marquee Initiatives



- Conducted FB Live shows with experts
- Created engaging, byte-sized content using innovative formats
- Repurposed existing content to build better connect
- Produced regional content in 11 languages to reach larger audiences
- Launched Utiswatantra.com

FINANCIAL STATEMENTS

We have always aimed to increase brand salience through specific investor-segment led conversations as well:

1. First Time Jobber Segment

We targeted people in the age bracket of 18-30 years who may have just begun their wealth creation journey. To provide solutions to this audience on First Easy Step to start investing in mutual funds, we promoted Index Fund and investment through SIP for various life goals.

CRORE +

2

People Reached through TV Campaigns via Movies, News and Regional GEC Channels

Initiatives under this campaign were:

- **Investor Awareness Programme (IAP):** We started this financial literacy programme for college students to start their future on the right note.

CAMPS

188

Conducted across 105 Cities

- **Millennial Money Matters (Podcast):** We created this podcast series comprising 4 episodes. We presented different stories in each episode to show how one can manage his/her first paycheque and be smart with money.

1,00,000

Unique Listeners' Reach through Podcasts

2. Launched Women Investor Education Campaigns

We launched 'Equal Right Equal Responsibilities' campaign to raise awareness and drive investor education amongst independent, working women.

2.2 CRORE +

Audience Reach through Women Investor Education Campaign

Besides, we also created some thought-provoking video-based content on the same lines and promoted it on TV and digital platforms.

3. Tax Campaigns

We ran an investor education campaign for promoting ELSS with dual benefits. Generally, in the month of March, people tend to panic because of last-minute tax planning. We created more awareness and shared information on tax saving and wealth creation through this campaign run around tax filing time across TV and digital platforms.

5.1 CRORE

Total Reach through the Tax Campaign

88%

Share of Voice (SOV) on Television in the MF Category

GOVERNANCE

Board of Directors

DOA: 11 April 2017

Mr. Dinesh Kumar Mehrotra

Non-Executive Chairman and Independent Director

Dinesh Kumar Mehrotra is the Non-Executive Chairman and Independent Director of the Company. He has previously served as the Chairman and the Managing Director of LIC. He has also served as the Executive Director of International Operations at LIC. He holds a B.Sc. (Honours) degree from the University of Patna. His appointment as an Independent Director of the Company was approved by the shareholders at the Annual General Meeting held on 23 August 2017.

DOA: 01 October 2018

Mr. Edward Cage Bernard

Non-Executive Non-Independent Director

Edward Cage Bernard is a Non-Executive Director of the Company. Prior to joining the Company, he was associated with the TRP group as a Vice Chairman, T. Rowe Price Group Inc. as a Director on the Board and as a member of the firm's Management Committee. Currently, he is also associated with T. Rowe Price Group Inc. as a Senior Advisor. He holds a B.A. degree in Religious Studies from Brown University and an MBA in finance from New York University Leonard N. Stern School of Business. His appointment as an Non-Executive Director of the Company was approved by the shareholders at the Annual General Meeting held on 22 August 2019.

DOA: 20 January 2010

Mr. Flemming Madsen

Non-Executive Non-Independent Director

Flemming Madsen is a Non-Executive Director of the Company. He is the Head of Global Financial Intermediaries at T. Rowe Price. He is a Vice President of T. Rowe Price Group, Inc., T. Rowe Price International Ltd and member of the EMEA Distribution Executive Committee. He has been associated with T. Rowe Price for 21 years. His total 37 years' experience in the financial industry includes capital markets transactions, investment banking, and asset management. His appointment as an Non-Executive Director of the Company was approved by the shareholders at the Extra Ordinary General Meeting held on 20 January 2010.

DOA: 14 October 2016

Mr. Narasimhan Seshadri

Independent Director

Narasimhan Seshadri is an Independent Director of the Company. He has four decades of experience in the banking industry, having served two major public sector banks viz Canara Bank and Bank of India. Prior to joining the Company, he was a Director on the board of NPCI and a whole-time Executive Director on the Board of Bank of India. He holds Masters Degree in Commerce from Bangalore university: Masters in Divya Prabandam MA (DP) from Sastra University and Masters in Banking and Finance (MBA Banking and Finance) from IGNOU/Indian Institute of Bankers. He is a certified associate of the India institute of Bankers. His appointment as an Independent Director of the Company was approved by the shareholders at the Annual General Meeting held on 23 August 2017.

DOA: 25 September 2018

Mr. Deepak Kumar Chatterjee

Independent Director

Deepak Kumar Chatterjee is an Independent Director of the Company. Prior to joining the Company, he was associated with SBI Funds Management Private Limited as the Managing Director and Chief Executive Officer and SBI Capital Markets Limited as a Executive Vice President. He was also associated with IIFCL Projects Limited as its Chief Executive Officer and IIFCL Asset Management Company Limited as a Director. He holds a B.Sc. (Honours) degree in Physics from University of Delhi, an M.Sc. degree in Agricultural Physics from Indian Agricultural Research Institute, New Delhi and an MBA from University of Delhi. He is also a Certificated Associate of the Indian Institute of Bankers. His appointment as an Independent Director of the Company was approved by the shareholders at the Annual General Meeting held on 25 September 2018.

DOA: 20 November 2019

Mr. Rajeev Kakar

Independent Director

Rajeev Kakar is an Independent Director of the Company. He currently serves on the boards of various banks and financial institutions such as Eurobank Ergasias SA (Greece), Gulf International Bank (GIB Bahrain), Gulf International Bank (GIB Saudi Arabia) and Commercial International Bank (Egypt). He started his career in 1988 at Citibank NA, where he worked for 18 years and in his last role, was the Managing Director and Division Head for Turkey, Middle East and Africa region. In 2006, he moved to become the Global co-founder of Fullerton Financial Holdings Pte. Ltd., headquartered in Singapore (a wholly-owned subsidiary of Temasek Holdings Pte. Ltd., Singapore), where he served for 11 years in various roles including serving on its Global Management Board, as its Executive Vice President, Head of Consumer Banking and Head of Central and Eastern Europe, Middle East and Africa region. Simultaneously, he also was the Founder of Dunia Finance LLC in UAE, where he operated as its Managing Director and Chief Executive Officer. He holds a B. Tech. degree in Mechanical Engineering from the Indian Institute of Technology, Delhi and a Post Graduate Diploma in Management from the Indian Institute of Management, Ahmedabad. His appointment as an Independent Director of the Company was approved by the shareholders at the Extra Ordinary General Meeting held on 16 December 2019.

DOA: 20 November 2019

Ms. Dipali Hemant Sheth

Independent Director

Dipali H Sheth is an Independent Director of the Company. Dipali serves as Independent Director on the Boards of four other companies. Prior to joining the Company, she was associated with RBS Business Services Private Limited as the Country Head of Human Resources, Standard Chartered Bank as Head HR South Asia, Procter & Gamble Distribution Company Limited and DCM Limited. She holds a B.A. (Honours) degree in Economics from University of Delhi, passed out from the DCM Management Centre, and is an accredited Coach from ICF and Gallup, USA. Her appointment as an Independent Director of the Company was approved by the shareholders at the Extra Ordinary General Meeting held on 16 December 2019.

DOA: 20 November 2019

Ms. Jayashree Vaidhyanathan

Independent Director

Jayashree Vaidhyanathan is an Independent Director of the Company. She currently serves as a Co-Founder and CEO of BCT Digital, a technology company specialising in AI and Predictive analytics. Prior to BCT, she was associated with Scope International Private Limited as Head of Technology and Strategy and served as a partner with Accenture Services Private Limited. She has also served as an Independent Director in Altran, a $3.2 Billion Global Engineering and Innovation consulting firm and Mahindra Sanyo Steel. She holds a B.E. degree in Computer Science Engineering from University of Madras and an MBA from Cornell University. She is also a Chartered Financial Analyst from the Association for Investment Management and Research. Her appointment as an Independent Director of the Company was approved by the shareholders at the Extra Ordinary General Meeting held on 16 December 2019.

DOA: 28 April 2019

Mr. Imtaiyazur Rahman

CEO & Whole Time Director

Imtaiyazur Rahman is the Chief Executive Officer and Whole-Time Director of the Company. He has more than 30 years of experience in management, business leadership, leading change and forming strategic alliances. He joined the UTI Group in 1998 as part of UTI Investor Technology Services Ltd. and joined UTI AMC Ltd. in 2003. He was also the CFO of the Company from 2005. In his role as Group President & Chief Finance Officer, he headed the functions of Finance, Accounts, Taxation, Information Technology and Board related matters. He is a Science graduate, Fellow member of Institute of Cost Accountants of India and Institute of Company Secretaries of India, Certified Public Accountant (USA) and GAMP (ISB-Kellog).

Mr. Rahman is on the Board of UTI International (Singapore), UTI International Ltd. Guernsey, UTI Venture Funds Management Co. Pvt. Ltd., UTI Capital Ltd., UTI Retirement Solutions Ltd., IOT Infrastructure & Energy Services Ltd. and Association of Mutual Funds in India. He was also a member of the working group for risk management in liquid schemes constituted by SEBI. Prior to joining the Company, he was associated with Sumeet Machines Ltd, Leasing Finance India Ltd, Bells Controls Ltd, New India Rubber Works (P) Ltd. and S. Gupta & Co.

Senior Management

Mr. Imtaiyazur Rahman
Chief Executive Officer
and Whole-Time Director

Mr. Surojit Saha
Chief Financial Officer

Mr. Arvind Patkar
Company Secretary

Mr. Amandeep Chopra
Group President
and Head of Fixed Income

Mr. Vetri Subramaniam
Group President
and Head of Equity

Mr. Peshotan Dastoor
Group President
and Head of Sales

Mr. Gaurav Suri
Senior Executive Vice President
and Head of Marketing

Mr. Indranil Choudhury
President
and Head of Human Resources

Mr. Vivek Maheshwari
Senior Executive Vice President,
Head of Risk and Compliance Officer (MF)

Mr. Vinay Lakhotia
Senior Executive Vice President
and Head of Operations

Mr. Siddamurthy Raghunath Reddy

Executive Vice President
and Head of Information Technology

Mr. Sandeep Samsi

Executive Vice President,
Executive Assistant to CEO
and Head of Corporate Communications,
Strategy & Investor Relations

Mr. Balram Bhagat

Chief Executive Officer
– UTI Retirement Solutions Ltd.

Mr. Praveen Jagwani

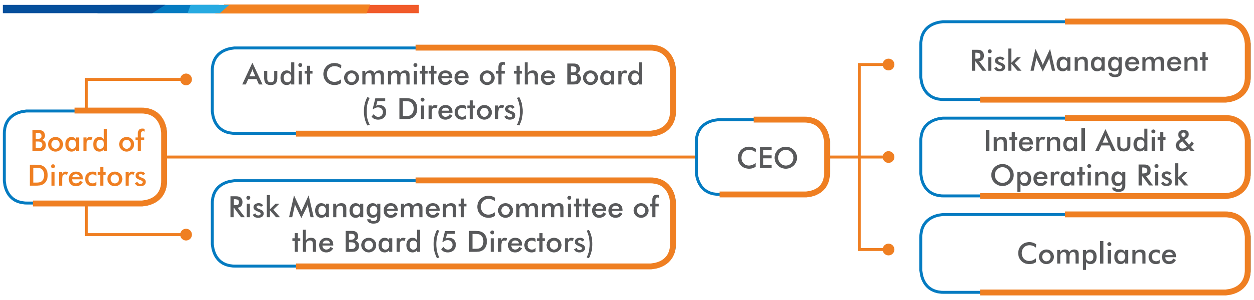
Chief Executive Officer
– UTI International Ltd.

Mr. Rohit Gulati

Chief Executive Officer
– UTI Capital Ltd.

RISK MANAGEMENT AT UTI AMC

Risk management is one of the key focus areas for us at UTI AMC. We have established processes and systems in place to ensure a robust company-wide risk management. Our Board of Directors formulates and periodically reviews our risk management policies, procedures and processes. These entail delegation of investment and financial responsibilities, establishing prudent investment norms, approving and disseminating guidelines and restrictions, and establishing counter-party limits. The Board also reviews the performance of funds against the relevant benchmark and competing funds. Besides, we have a well-qualified team of professionals with rich experience, which reports to the Board.



Description	Mitigation Measures
Market : The risk of uncertainty is associated with any investment decision. Price volatility often arises due to unanticipated fluctuations in factors that commonly affect the entire financial market. Market risk is the possibility of loss arising from changes in the value of a financial instrument due to changes in market variables such as equity prices, interest rates, exchange rates or other asset prices, or higher volatility of funds or returns as compared to the benchmark or competing funds.	• Position limits • Price movement alerts • Stress Tests and Value at Risk (VaR) • Risk adjusted performance measurement

Description	Mitigation Measures
Operational: The risk of loss from inadequate or failed internal processes and systems or from external events, including employee errors, improper documentation of transactions, failure of operational and information security procedures, computer systems, software or other equipment, business interruptions and inappropriate behaviour of employees or vendors.	• Straight through processing • Segregation of front office and back office • Inbuilt systems control • Concurrent Audit (Dealing and NAV) • Internal Audit Function • Adequate risk disclosures and trained sales team • Offsite DR Centre • Business Continuity Planning and periodic DR Drills • Comprehensive Insurance • Board of Trustees and Compliance Officer
Credit: The risk of loss in the market value of debt securities due to downgrading by credit rating agencies or default in payment by issuers.	• Counter-party exposure limits • Committee's approval above predefined limits • Independent review of external credit ratings • In-house Credit Research Team • Early warning signal framework and system • Investment in high rated debt securities • Restrictions on unrated investments • Review of Credit VaR
Investment: Our funds are exposed to underperformance risk with respect to both the relevant benchmarks and competing funds due to investment related risks, which include market risks and credit risks.	• Comprehensive Investment Manual • Benchmarking • Regular monitoring of funds • Quantitative investment restrictions • Inbuilt System Control • Review of Performance Research Fund • Independent dealing room • Performance-based Incentive • Independent risk management
Liquidity/Concentration: This risk mainly arises in respect of open-ended funds, which typically allow investors to redeem their units at any time. If a significant number of investors opt for redemption from a particular fund simultaneously, the fund may face liquidity risk. The risk is particularly high in respect of Income Funds, considering the low level of debt securities actively traded in Indian markets and the high concentration of investors in select funds.	• Review of equity holdings • Review of portfolio concentrations • Review of investors' concentration • Position limits for single positions • Line of credit • Minimum regulatory liquid assets

Covid-19 impact: As a part of our response to the Covid-19 pandemic, we reinforced our operational risk management and enhanced our business continuity programme. It helped us scale beyond the physical office premises and enabled our employees to work from home with secure remote access (including usage of virtual private networks and two-factor authentication for software as a service-based application). Additionally, we also adopted certain policies and procedures to manage various risks applicable to our operations. Even under a digital environment, the basics of the risk management process remain the same. Hence, even during these testing times, we continue to operate within strong governance structures, and we will continually endeavour to enhance and strengthen it.

MATERIALITY AND STAKEHOLDER ENGAGEMENT AT UTI AMC

At UTI AMC, being part of the Mutual Fund industry, our business is dependent on relationships with our several stakeholders including customers, employees, shareholders, business associates, communities, and regulators, among others. We believe that a successful business is all about strong relationships.

While engaging with our stakeholders, it is highly imperative to take cognisance of the material aspects that could impact our ability to create value over the short, medium and long-term horizons. This belief fosters an inclusive approach focussed on understanding their needs, interests and expectations.

We regularly engage with them and periodically review these material aspects in the context of the macroeconomic environment, changing business environment, social, emerging trends and feedback from stakeholders. In identifying the material issues, we follow a process to determine those issues which could significantly impact the sustainability of the business across various cycles. As a result, enabling us to create value for both, the organisation as well as the stakeholders.

Process used to identify material issues

1. Stakeholder identification
2. Development of mechanism to communicate with them on a regular basis
3. Recording the responses and filtering those on the basis of their needs, demands and expectations
4. Rating them by the level of importance for us and from stakeholder standpoint
5. Arrive at the material aspects for the business
6. Consider these as priorities, at Board level to comprehend if these can be included as part of strategic way forward

Material issues identified by the us through our engagements with our stakeholders:

Parameters of high importance		
Customer-centricity	**Economic**	**Responsible business practices**
Customer service	Economic performance	Ethical practices, anti-bribery, and corruption
Data protection and information security	Risk modelling and management	Transparency and disclosures
Stability of system and processes	Financial performance	Responsible investment
Innovation and IT deployment	Cost control and profit margin	Community well-being
Customer protection and satisfaction	Market/Product competition	Risk and capital management
Product quality	Industry trends	Climate change
Technological advancement	Delivering appropriate shareholders' returns	Grievance mechanisms
Brand loyalty and Company reputation		Diversity and inclusion
Investor awareness programmes and financial literacy		Employee engagements
		Occupational health and safety
		Human rights
		Gender diversity
		Talent retention and succession
		Operational excellence
		Waste management

STRATEGIC INITIATIVES PROPELLING OUR CAPABILITIES

At UTI AMC, our focus has been on developing strategies that eventually help deliver long-term value for us and the stakeholders at large. Our strategies are specially designed to respond to the current and expected future operating environments promptly. Thus, strengthening our capability and potential to create value.

#Strategy 1

Increase geographical reach and expand distribution channels

- Deepen presence in T30 cities
- Continue to leverage long-standing relationships with MFDs to reach more remote areas without incurring substantial costs
- Broaden distribution network enabling reach to individual investors (B30 cities and historically underserved areas)
- Developing relationships with small and medium-sized institutional clients

#Strategy 2

Continue to develop PMS, Offshore and Alternative Funds businesses

- Focus on distribution partnerships, including co-branded and white-labelled funds
- Expand in-house distribution and client coverage capabilities, including making further in-market hires overseas
- Strengthen relationships with wealth platforms and local banks
- Expand alternative investment funds business

#Strategy 3

Continue to attract, retain and develop human capital

- Ownership model and emphasis on team-oriented management
- Hired 158 personnel including management trainees in 2020-21

#Strategy 4

Drive superior investment performance across our categories of funds

- Increase the number of companies covered by the in-house research team and fund strategies
- Launch new products and enable AUM growth
- Refine performance review processes for fund managers and research analysts continuously, to optimise performance

#Strategy 5

Actively pursue additional partnership opportunities

- Explore opportunities to establish strategic partnerships with established distributors, including aggregators with extensive networks of sub-brokers

#Strategy 6

Leverage technology and digitalisation to enhance efficiency and cost optimisation

- Improve customer engagement and ensure data security
- Continued investments in digital marketing and other customer- and distributor-facing digital initiatives
- Build interfaces for fintech, payments and other digital distribution platforms

DIRECTORS' REPORT

To the Members,

We are pleased to present the Directors' Report on the business and operations of UTI Asset Management Limited (hereafter referred as UTI AMC or the Company) along with the Company's audited Financial Statements of Accounts for the year ended 31 March 2021.

MACROECONOMY

The Calendar Year (CY) 2020 began on a challenging note for businesses as well as operating models around the globe, owing to various macroeconomic factors like Brexit, unstable crude prices, increasing tensions between multiple countries etc. The outbreak of the Covid-19 pandemic further added headwinds to the already reeling global economy. The subsequent lockdowns across nations impacted cross-border trades and hampered the supply chains at large. This eventually led to a dip in the global Gross Domestic Product (GDP).

For India, the outbreak of Covid-19, halted several economic activities in Q1 of financial year (FY) 2020-21, leading to a contraction of GDP by 23.9% for the said quarter. The gradual lifting of lockdowns, owing to declining cases in the country and various stimulus packages being announced by the government, enabled the economy to recover better than anticipated earlier.

Anticipating a V-shaped recovery, various rating agencies have given a positive outlook with higher GDP growth rates for CY 2021. However, much will depend on the pace of inoculation drives and how the economy fares owing to the recent second wave of the pandemic having commenced in March 2021.

FINANCIAL HIGHLIGHTS

The financial statements of the Company have been prepared in accordance with the provisions of the Companies Act, 2013 (the Act), and the Indian Accounting Standards (hereinafter referred to as the Ind AS) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, and Companies (Indian Accounting Standards) Amendment Rules, 2016, and other relevant provisions of the Act, as amended from time to time.

The Company's financial performance for the year ended 31 March 2021, as compared to the previous financial year is summarised below:

(INR in crore)

Particulars	Standalone		Consolidated	
	Year Ended 31 March 2021	Year Ended 31 March 2020	Year Ended 31 March 2021	Year Ended 31 March 2020
Gross Income	940.56	831.53	1,168.52	854.03
Other Income	27.59	30.26	30.11	35.93
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	499.66	418.81	646.87	384.24
Less: Depreciation / Amortisation	33.86	33.21	35.78	33.59
Profit /loss before Finance Costs, Exceptional items and Tax Expense	465.80	385.60	611.09	350.65
Less: Finance Costs	7.97	9.30	8.06	9.35
Profit /loss before Exceptional items and Tax Expense	457.82	376.29	603.03	341.30
Add/(less): Exceptional items	--	--	--	--
Profit Before Tax Expense	457.82	376.29	603.03	341.30
Less: Tax Expense (Current & Deferred)	106.15	67.13	108.70	66.38
Profit After Tax	351.67	309.16	494.33	274.92
Attributable to				
Owners of the Company	351.67	309.16	494.14	271.46
Non – controlling interests	NA	NA	0.19	3.46
Add / (Less): Other Comprehensive Income (Net of Tax)	(7.19)	(63.65)	(7.26)	(63.73)
Total Comprehensive Income	344.48	245.51	487.07	211.19
Attributable to				
Owners of the Company	344.48	245.51	486.88	207.73
Non – controlling interests	NA	NA	0.19	3.46
Balance of Retained earnings carried forward from previous year	2.372.13	2,132.20	2,466.68	2,264.45

DIRECTORS' REPORT (Contd.)

(INR in crore)

Particulars	Standalone		Consolidated	
	Year Ended 31 March 2021	Year Ended 31 March 2020	Year Ended 31 March 2021	Year Ended 31 March 2020
Less: Transfer to Reserves	--	--	--	--
Less: Dividend paid on Equity Shares incl. DDT	88.75	69.23	88.75	69.23
Balance of Retained Earnings Carried to Balance Sheet	2,635.05	2,372.13	2,872.07	2,466.68
Paid-up Capital	126.79	126.79	126.79	126.79
Net Worth	2,880.88	2,594.63	3,236.97	2,783.09
Attributable to				
Owners of the Company	2,880.88	2,594.63	3,225.85	2,772.30
Non – controlling interests	NA	NA	11.12	10.79

SHARE CAPITAL

There was no change in the Authorised and Paid-up Share Capital of the Company during the 2020-21. The Company's Paid-up Equity Share Capital, as on 31 March 2021, stood at INR. 126,78,72,540 (One Hundred and Twenty-Six crore Seventy-Eight Lakh Seventy-Two Thousand Five Hundred and Forty Rupees only) divided into 12,67,87,254 (Twelve crore Sixty-Seven Lakh Eighty Seven Thousand Two Hundred and Fifty Four) Equity Shares of Face Value of INR 10 each.

DIVIDENDS

The Board of Directors are pleased to recommend a Final Dividend of INR 17 per Equity Share (170%) at face value of INR10 each, amounting to INR 215.54 crore for FY 2020-21 as compared to Final Dividend of INR 7 per equity share declared for FY 2019-20. The Final Dividend shall be paid subject to the approval of Members at the ensuing Annual General Meeting to be held on Wednesday, 28 July 2021, to those equity shareholders:

a) whose name appears as beneficial owners as at the end of business hours on Wednesday, 21 July 2021 in the list of beneficial owners to be furnished by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) in respect of the shares held in electronic form; and

b) whose name appears as members in the Company's register of members on Wednesday, 21 July 2021.

Pursuant to Section 91 of the Companies Act, 2013, and Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, 22 July 2021 to Wednesday, 28 July 2021 (both days inclusive) for determining the entitlement of the members to the dividend, if declared, for the FY 2020-21.

Pursuant to the amendments made in Income-tax Act, 1961, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. Accordingly, the Company shall make the payment of the Final Dividend after deduction of Tax at Source.

The final dividend recommended by the Board is in accordance with the Company's Dividend Distribution Policy as adopted by the Board in accordance with the provisions of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (Listing Regulations).

The Dividend Distribution Policy of the Company is annexed herewith as Annexure I to this Report and the same is available on the Company's website at https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/.

BUSINESS OPERATIONS / PERFORMANCE OF SUBSIDIARIES

As on 31 March 2021, the Company had 4 (four) direct subsidiaries and 3 (three) step-down subsidiaries. The business operations and performance of subsidiaries, consolidated with the Company are as under:

UTI International Limited:

UTI International Limited (UTI International) was incorporated as a Limited liability Company under the laws of Guernsey on 30 January 1996, pursuant to an Act of the Royal Court of the Guernsey Island. UTI International is engaged in the investment management of equity and debt funds as authorised by its Memorandum of Incorporation.

UTI International looks after the administration and marketing of offshore funds managed by UTI AMC. It also acts as a management Company for the above mentioned funds as required under the Guernsey Law. UTI International is responsible for developing new products and new business opportunities for the Company's offshore activities. UTI International has 2 (two) subsidiaries - UTI Investment Management Company (Mauritius) Limited and UTI International (Singapore) Private Limited. UTI International clients are spread across 35 countries.

The Consolidated Gross Income of UTI International for FY 2020-21 was GBP 2,25,34,289 as compared to GBP 13,07,841 in the previous year and Consolidated Net Profit was GBP 1,46,49,061 as compared to Net Loss of GBP 57,69,234 in the previous year.

UTI International recorded an increase in the total AUM from USD 2.08 Billion to USD 3.08 Billion. India Dynamic Equity Fund crossed USD 820 Million to become the 10th largest India fund among Undertaking for Collective Investment in Transferable Securities (UCITS) funds. The J Safra Sarasin Responsible India Fund, Europe's first ESG compliant India fund, raised USD 125 Million in 6 months.

UTI Retirement Solutions Limited:

UTI Retirement Solutions Limited (UTI RSL) was incorporated on 14 December 2007 under the Companies Act, 1956, at Mumbai, Maharashtra. UTI RSL manages the pension funds and assets of the Central and State Government employees and the private sector employees. UTI RSL is engaged in carrying out the operations as pension fund manager as directed by the Pension Fund Regulatory and Development Authority (PFRDA) and the Board of Trustees of the National Pension System Trust, set up under the Indian Trust Act, 1882. It also undertakes wholesale asset management as prescribed by the Government or PFRDA, as authorised by its Memorandum of Association.

The Gross Income of UTI RSL for the FY 2020-21 was INR 19.63 crore as compared to INR 14.25 crore in the previous year. The Net Profit was recorded at INR 3.78 crore as compared to INR 4.36 crore during the previous year.

UTI RSL recorded good performance with growth in AUM, fund performance, and profitability in FY 2020-21. Overall, the AUM in the current year grew from INR 1,22,202 crore to INR 1,66,210 crore, recording a growth of 36.01%. Under one-year fund performance, it ranked second for the Central Government & State Government Employees Scheme, which accounts for more than 90% of the funds. The fund performance under other schemes were also reasonably good. UTI RSL was awarded the Best Pension Fund Manager of the Year 2021 by Asia Asset Management, for the fourth consecutive year. Hence, this business is geared to take a new and meaningful direction, going ahead.

UTI Venture Funds Management Company Private Limited:

UTI Venture Funds Management Company Private Limited (UTI VF) was incorporated on 27 March 2001, under the Companies Act, 1956, at Bengaluru, Karnataka as UTI Venture Funds Management Company Limited. The principal business of UTI VF is to manage venture capital funds and private equity funds.

The Company strives to create value for its portfolio companies by providing industry knowledge, access to local talent and its business network in the Indian and overseas markets. UTI VF is registered with SEBI as a Venture Fund Management Company.

UTI Private Equity Limited is the subsidiary of UTI VF. UTI Private Equity Limited is engaged in investment holding as authorised by the Financial Services Commission.

The Consolidated Gross Income of UTI VF for FY 2020-21 was recorded at INR 2.19 crore as against INR 0.74 crore in the previous year. It clocked a Net Profit of INR 1.30 crore for the year ended 31 March 2021, as against Net Loss of INR 0.47 crore in the corresponding period in the previous year.

UTI Capital Private Limited:

UTI Capital Private Limited (UTI CPL) was incorporated on 13 May 2011, under the Companies Act, 1956, at Mumbai, Maharashtra. It is engaged in the business of investment management as authorised by its Memorandum of Association.

The Gross Income of UTI CPL for the FY 2020-21 was recorded at INR 9.16 crore as compared to INR 8.04 crore in the previous year. The Net Profit was recorded at INR 0.18 crore as against Net Loss of INR 1.43 crore in the previous year.

During the FY 2020-21, UTI CPL focused on portfolio management for UTI Structured Debt Opportunities Fund (SDOF) I - a INR 696 crore first private credit fund. UTI SDOF I saw complete exit from one of the portfolio companies, Vani Agencies, at an Internal Rate of Return (IRR) of 22%. The fund also returned capital to the tune of INR 167 crore. Overall, the fund returned INR 136 crore in the form of Income, over and above the Principal returned of INR 167 crore. UTI CPL also launched its second private credit fund – UTI SDOF II – and had a first close of the fund on 30 September 2020, with INR 410 crore from existing investors of UTI SDOF I only. As of 31 March 2021, the total commitments in UTI SDOF II were INR447 crore.

The Audited Statements of Accounts of the subsidiary companies, together with the Reports of their Directors and Auditors, for the period ended on 31 March 2021, are attached to this Annual Report.

None of the companies became or ceased to be subsidiary during the FY 2020-21. The Company doesn't have any Associate or Joint Venture Company as on 31 March 2021.

The audited financial statements including the consolidated financial statements of the Company are available on the Company's website at https://www.utimf.com/uti-amc-shareholders/financials-filings/results/.

The financial statements of the subsidiaries are also available on the Company's website at https://www.utimf.com/uti-amc-shareholders/financials-filings/subsidiaries-financials/.

The Company has formulated a Policy for determining Material Subsidiaries. The Policy is available on the Company's website at https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/.

As on 31 March 2021, the Company has only 1 (one) material subsidiary which is UTI International Ltd.

OVERVIEW OF OPERATIONS OF THE GROUP

The Company believes its track record of product innovation, consistency and stable investment performance contributed to the growth of its AUM. From 31 March 2020 to 31 March 2021, the Quarterly Average Assets Under Management (QAAUM) for all the UTI Mutual Fund (MF) schemes collectively grew over 20% from INR 1,51,512.53 crore to INR 1,82,852.73 crore.

The QAAUM for Equity Schemes grew by about 33% from INR 38,192.61 crore in 2019-20 to INR 50,750.05 crore in 2020-21; the QAAUM for ETFs and Index Funds grew almost 69% from INR 25,215.30 crore in FY 2019-20 to INR 42,581.48 crore in FY 2020-21 and the QAAUM for Hybrid Funds grew around 7% from INR 20,962.90 crore to INR 22,367.17 crore over the corresponding periods.

While the QAAUM for the Liquid Funds saw a decline of around 6% from INR 45,795.33 crore in FY 2019-20 to INR 43,062.25 crore in 2020-21, the Income Funds saw a 13% growth in the QAAUM from INR 21,346.39 crore in FY 2019-20 to INR24,091.78 crore in FY 2020-21.

The Portfolio Management Services (PMS) division of UTI AMC also reported an increase in its AUM from the previous year. The AUM grew from INR 6,89,063.21 crore as on 31 March, 2020, to INR 7,83,795.85 crore as on 31 March 2021, having recorded a growth of 13% with steady growth in business functions and advisory business.

The AUM for UTI CPL recorded growth by more than 20% from INR 1,304.65 crore in March 2020 to INR 1,576.23 crore in March 2021.

UTI RSL also witnessed a growth of 36% in its AUM from INR 1,22,200.94 crore in March 2020 to INR 1,66,209.63 crore in March 2021.

UTI International also saw an increase in the total AUM from INR 15,765 crore as on 31 March 2020 to INR 26,821 crore as on 31 March 2021, with a growth of over 70%.

IMPACT OF COVID-19

The Financial Year 2020-21 was filled with uncertainties, challenges, and twists. While the first quarter of the financial year began with the understanding of the COVID pandemic and framing a national response to it, the last quarter ended with hope as inoculation drive progressed across the country. In this situation, UTI AMC kept doing everything possible to ensure safety of the employees and stakeholders, while keeping the business operations continuing.

- Setting up a core team: As soon as the pandemic broke, UTI AMC constituted an internal task force for coordinating with different centers and monitoring the situation. The team looks at aspects related to social distancing in offices, reducing roster strength, optimal continuity of business operations, work from home arrangements, strict adherence to protocols while visiting office etc.
- Digital and remote working: We also took measures for the smooth functioning of business with various customer centric measures and adoption of digital ways of working. Requisite technological support was provided to enable remote working of our employees.
- Adherence to Government guidelines: The Government has been proactive in taking various measures to tackle the pandemic and have been issuing frequent guidelines. The same are being adhered to by the Company. We keep assessing the situations in different centers and are prepared to address the challenges.
- Employee care measures: We try to operate conservatively, keeping the number of employees in offices at a level that is much lower than the limits prescribed by authorities. We distributed masks and hygiene kits to employees. We are planning to make special arrangements for vaccinating our employees in an appropriate manner. Along with required infrastructure support and a flexible working system, HR Department continued online engagement forums and events for employees, including, online yoga sessions and quiz programmes etc. to keep their morale high.
- Outreach programs: We reached out to the employees as well as our BDAs who are affected or in case any of their family members are affected. As an organisation, we are trying to help our affected employees and their families across the country in the best possible manner. We regularly reached out to our business partners for any support that may be needed by them, via phone calls, emails or video calls as per requirements. Our sales team at different locations are also in touch with them. We provided training to the business partners about our digital tools like UTI Buddy.

It shall be the effort of UTI AMC to continue with all safety measures for our employees and stakeholders, as we look forward to an early return to normalcy.

SCHEMES LAUNCHED DURING THE YEAR

There were three open-ended equity funds launched during the FY21 viz., UTI Banking Exchange Traded Fund – An open-ended scheme replicating/tracking Nifty Bank index, UTI Small Cap Fund – An open-ended equity scheme predominantly investing in small cap stocks and UTI Nifty 200 Momentum 30 Index Fund – An open-ended scheme replicating / tracking Nifty 200 Momentum 30 Index with allotment date of 1 September 2020, 22 December 2020 and 10 March 2021 respectively.

FUNDAMENTAL ATTRIBUTES CHANGED

During the FY21, change in fundamental attributes of schemes were carried out in connection with enabling provision for creation of segregated portfolio in UTI Arbitrage Fund, UTI Multi Asset Fund and UTI Equity Savings Fund (1st set of schemes), UTI Hybrid Equity Fund, UTI Children's Career Fund – Investment Plan and UTI Children's Career Fund – Savings Plan (2nd set of schemes) and UTI Retirement Benefit Pension Fund (3rd set of scheme) details of which were announced through addendum dated 26 August 2020, 12 October 2020 and 20 November 2020 for the set of schemes as mentioned therein respectively. Also, re-categorisation of UTI Equity Fund as a Flexi Cap Fund and enabling provision for creation of segregated portfolio was carried out, details of which were announced through an addendum dated 11 January 2021.

TRANSFER TO RESERVES

During the FY 2020-21, no amount was transferred to the General Reserves of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of loans given, investments made, guarantees given and securities provided, if any, covered under Section 186 of the Companies Act, 2013, is provided under Note No. 5, 6 and 7 to the Standalone Financial Statements.

CONTRACTS OR AGREEMENTS WITH RELATED PARTY

In accordance with the provisions of Section 188 of the Act and Regulation 23 of Listing Regulations, the Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions was approved by the Board at its meeting held on 16 December 2019, which was further amended pursuant to the resolution passed by the Board at its meeting held on 28 October 2020. The Policy is available on the Company's website at https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/.

During the FY 2020-21, the Company entered into transactions with related parties as defined under Section 2(76) of the Act, read with Companies (Specification of Definitions Details) Rules, 2014, and applicable Accounting Standards, which were in the ordinary course of business and on arms' length basis.

During the year under review, all contracts / arrangements / transactions entered into by the Company with related parties were in ordinary course of business and on an arm's length basis. The Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the foregoing policy of the Company or the Act. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, in Form AOC-2 is not applicable.

However, detailed Disclosure on Related Party Transactions as per IND AS-24 containing name of the Related Party and details of the transactions entered into with such Related Party are provided under Note No. 31 of the Standalone Financial Statements.

DEPOSITS

During FY 2020-21, the Company has not accepted any deposits under Sections 73 of the Act, read together with the Companies (Acceptance of Deposits) Rules, 2014.

AUDITORS

Statutory Auditor

In accordance with the provisions of Section 139 of the Act, M/s. GD Apte, Chartered Accountants (FRN: 100515W) was appointed as the Company's Statutory Auditor. The Auditors' Report on Financial Statements for FY 2020-21 is enclosed with the Financial Statements in this Annual Report.

In terms of Section 139(5) of the Act, M/s. G D Apte would hold office till the conclusion of the 18th Annual General Meeting of the Company.

The Board has, in its meeting held on 7 June 2021, recommended the appointment of M/s. B S R & Co. LLP, Chartered Accountants (Firm Reg. No. 101248W/W-100022) as Statutory Auditor of the Company to hold office from the conclusion of the 18th Annual General Meeting of the Company until the conclusion of the 23rd Annual General Meeting of the Company.

A resolution proposing appointment of M/s. B S R & Co. LLP, Chartered Accountants as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013 forms part of the Notice of Annual General Meeting.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act, read together with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Vishal N. Manseta, Practicing Company Secretary (ACS 25183 and CP No. 8981) as Secretarial Auditor of the Company. The Report of the Secretarial Audit is enclosed as Annexure II to this Report.

There were no qualifications, reservation or adverse comments or disclaimer made by the aforesaid Auditors in their respective audit reports.

During the year under review, there were no instances of any fraud reported by the Statutory Auditor or Secretarial Auditor to the Audit Committee or the Board pursuant to Section 143(12) of the Act.

AUDITOR OF THE SCHEME OF UTI MUTUAL FUND

Pursuant to the applicable provisions of SEBI (Mutual Funds) Regulations, 1996, M/s. Haribhakti & Co. LLP, Chartered Accountants, was appointed as Statutory Auditors for Schemes of UTI Mutual Fund.

M/s. Chokshi & Chokshi LLP, Chartered Accountants, was appointed as Internal Auditors for various Schemes of UTI Mutual Fund. Both the auditors periodically submit their reports, which are placed before the Audit Committee and the Board of the Company and of UTI Trustee Company Private Limited (Trustees of UTI Mutual Fund) for discussion, review and implementation of their recommendations.

Adequacy of Internal Financial Controls

The Company has in place adequate Internal Financial Controls with reference to the Financial Statements, some of which are outlined below.

The Company adopted accounting policies which were in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006, that continue to apply under Section 133, and other applicable provisions, if any, of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, and relevant provisions of the Act to the extent applicable. These were in accordance with generally accepted accounting principles in India. Changes in policies, if any, were approved by the Audit Committee in consultation with the Statutory Auditors.

The policies also ensured uniform accounting treatment was followed by the subsidiaries of the Company. The accounts of the subsidiary companies were audited by their respective Statutory Auditors for consolidation.

The Company operates in SAP, an ERP system, and has many of its accounting records stored in an electronic form, which is backed up periodically. The ERP system is configured to ensure that all transactions are integrated seamlessly with the underlying books of accounts. The Company has automated processes to ensure accurate and timely updation of various master data in the underlying ERP system.

The Company operates a centralised accounts department which handles all payments. This ensures adherence to all policies laid down by the Management.

The Company, while preparing its Financial Statements, makes judgements and estimates based on sound policies and uses external agencies to verify/validate them as and when appropriate. The basis of such judgements and estimates were also approved by the Statutory Auditors and Audit Committee.

The Management periodically reviews the financial performance of the Company.

Human Resources

The Company believes that its employees play a vital role in building a successful organisation. It understands that nurturing people's capability is the core behind driving business excellence. The Company is committed to maintaining an environment that values the contributions of its people and provides opportunities for their personal and professional growth. UTI AMC ended the year with a workforce strength of 1,441 employees.

Every employee is expected to work with stakeholders *viz.* clients, other employees, distributors, and investors, among others, in a respectful manner. Each employee is expected to diligently follow the Company's Rules, Code of Conduct and any violation in the same is appropriately addressed. The Company demonstrates a commitment to a culture that promotes the highest ethical standards. The Company's employee relations continued to be healthy, cordial and progressive.

The Company recognises its responsibility and continues to strive to provide a safe working environment for its employees, free from sexual harassment and discrimination. The Company also has a Policy on Prevention of Sexual Harassment, which is reviewed by the Internal Complaints Committee (ICC) at regular intervals. There were no pending complaints during the year and no fresh complaints were received at the end of the year.

Some key focus areas and initiatives taken up during the year 2020-21 were:

PROMOTE PERFORMANCE CULTURE AND REINFORCE MERITOCRACY

The Company has a Performance Management System that is transparent and objective based. It aligns the Company's goals with key responsibility areas of employees. Role-based scorecards at the employee level coupled with managerial feedback provides clarity and support that eventually help employees excel. Development of employees, recognising and rewarding their performance is of prime importance to the Company. The primary objective of the Performance Management System is to drive a high performance culture.

EMPLOYEE GROWTH AT UTI AMC

Career progression is based on merit and potential. Opportunities are available to develop skills on the job by taking up newer and challenging roles. Through internal job announcements, it is ensured that the Company's employees are made aware of and have the opportunity to apply for specific open positions. In line with the Company's Talent Management Philosophy, it ensures grooming of its internal talent to take up higher roles through a structured Talent Pool Development Process. The principal objective is to create developmental career opportunities for all employees by providing a platform to gain cross-functional experience and expertise.

LATERAL RECRUITMENT

The Company continues to hire laterally for specialised positions. To promote its brand and increase customer engagement, the Company turned to digital marketing and recently created a well-rounded Digital Marketing Team.

CAMPUS PROGRAMMES

Campus Recruitment was one of the major recruitment channels during FY 2020-21. The initiative will give the Company, an opportunity to identify talent at an early stage and nurture the same. The Company also visits specialised campuses like ICAI for recruiting Chartered Accountants. The assignments offered to this group is specialised and domain specific. The hiring in this space is need-based and as per requirements by the business.

DIRECTORS' REPORT (Contd.)

The Company has aesthetically designed Induction Kits for new recruits, with information included in digital format.

GRADUATE PROGRAMMES

To attract and retain the best available young talent in the country for the sales function, the Company started the process of hiring fresh graduates.

HR DIGITALISATION

The Human Resource Management System (HRMS) helps the Company remain abreast of the latest technological trends and have a platform that is more interactive, user-friendly, integrating various HR functions and processes. This enhances the Company's ability to manage employees in a more flexible, agile and customised manner. In addition, the Company also took up initiatives to improve its service delivery, onboarding process and payroll data quality.

EMPLOYEE ENGAGEMENT AND COMMUNICATION

The Company strives to strengthen its connect with employees and make their working life exciting. UTI AMC also conducts several employee engagement events, both at local and national levels. With the objective of creating an atmosphere filled with fun and camaraderie and provide its employees a platform to showcase their talent and creativity. Company conducted several Quizzes, Programmes on Wellness and Health and put in initiatives including Yoga & Meditation by experts for employees, among others.

In order to encourage and foster continuous and transparent communication channels across the length and breadth of the Company, a structured methodology is followed. This includes various mechanisms like – visits to regions and UFCs, skip level discussion, town halls, intranet, audio-video calls, mass mailers, and messages from the top/senior team, among others. Through such communication platforms, employees get opportunities for skip level, leadership level and cross functional interaction. These channels are also actively used for seeking feedback, knowledge sharing and engagement initiatives.

EMPLOYEE RECOGNITION

During the FY 2020-21, employees were appreciated under the Company' recognition programme – 'Achievers Club' – for their performance, efforts and excellence at UTI AMC and in turn create a 'Culture of Appreciation'. There are Spot Rewards for instant recognition. And then there are separate category of awards for the 'Best Sales Team' and 'Best Fund Manager'. Reporting Managers nominate their team members for 'Employee of the Quarter' award.

LEARNING & DEVELOPMENT

An extensive bouquet of training programmes have been delivered covering onboarding, functional and behavioural training. The onboarding training ensures that new employees are trained comprehensively and equipped with necessary know-how required for the role. Functional training programmes enable skill development, regular updates and build expertise.

The Company focuses on role-specific learning plan and ensures effective use of blended learning methods. The Company's Learning & Development team partners with business leaders and managers to focus on developing employees and carving leaders out of its own employees. Specific programmes are also planned so as to ensure one builds expertise in her/his own chosen career. During the year marred by the pandemic, the Company focused on different ways of enhancing knowledge within the Company by arranging digital trainings, interactions, reading materials, and research reports, among others.

In addition, the Company also introduced a new initiative – Quiz Up – a learning and engagement initiative which enables and enhances the employees' knowledge base on topics related to UTI products, mutual fund industry, economy, SEBI regulations and financial & economic concepts. The initiative also provides an opportunity for the employees to learn and earn points through the medium of multiple quizzes. The earned points can be redeemed towards knowledge enhancement, by participating in workshops/training programmes/certification programmes, among others.

The Company also has in place an Educational Assistance Policy enabling employees to take up higher professional studies.

LOOKING AHEAD

The Company looks forward to a stronger focus on meritocracy, change management, increase efficiencies and build an effective organisation. HR principles and policies will be further sharpened. The Company will continue with its efforts to attract the best talents, develop and retain them to transform the organisation. The Company aims at developing a culture that enables employees to develop their leadership capabilities.

The total number of employees of the Company as on 31 March 2021 stood at 1,441. The Employee Benefit Expenses on consolidated basis for the year ended 31 March 2021 stood at INR 379.48 crore as compared to INR 339.88 crore for the year ended 31 March 2020.

Information required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report.

In terms of provisions of Section 136 of Companies Act, 2013, the Annual Report is being sent to members excluding the aforementioned information. The information will be available on the website of the Company at www.utimf.com.

VIGIL MECHANISM

In accordance with Section 177 of the Act, the Company adopted a Whistle Blower Policy to supplement the Codes of Ethics, Staff Rules, Anti Bribery Policy and Anti-Fraud Policy of the Company.

The details related to Vigil Mechanism is provided in the Corporate Governance Report forming part of this Annual Report.

PREVENTION OF SEXUAL HARASSMENT POLICY AT WORKPLACE

The Company has an Anti-Sexual Harassment Policy in place, in line with the requirements of the Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees of the Company as well as any person employed for any work on regular, temporary, *ad-hoc* or daily wage basis including a contract worker, co-worker, probationer, trainee, apprentice or called by any other such name, are covered under this policy.

The Company has constituted an Internal Complaints Committee (ICC) to enquire into the cases of Sexual Harassment at Offices/ UFCs across India. The details related to complaints filed and disposed-off, if any, are provided in the Corporate Governance Report forming part of this Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

As on 31 March, 2021, the Board comprised of 9 (nine) members, consisting of 6 (six) Independent Directors [including 2 (two) woman directors, 2 (two) Non-Executive Non-Independent Directors and 1 (one) Whole Time Director. The Chairperson of the Company is a Non-Executive Independent Director.

Mr. Dinesh Kumar Mehrotra and Mr. Narasimhan Seshadri were re-appointed as an Independent Directors of the Company for a period of five consecutive years w.e.f. 28 November, 2020 to 27 November 2025, not liable to retire by rotation.

Mr. Imtaiyazur Rahman was appointed as the Whole Time Director of the Company at Annual General Meeting held on 22 August 2019, for a period of three years w.e.f. 23 August 2019 till 22 August 2022, not liable to retire by rotation. Further, the Board of Directors, at its meeting held on 12 June 2020, based on the recommendation of Nomination & Remuneration Committee, appointed Mr. Imtaiyazur Rahman as the Chief Executive Officer of the Company with effect from 13 June 2020 for a period of 2 years.

Mr. Ashok Shah resigned from the Directorship of the Company with effect from the conclusion of the 17th Annual General Meeting held on 27 November 2020.

Ms. Uttara Dasgupta ceased to be an Independent Director of the Company with effect from the conclusion of the 17th Annual General Meeting held on 27 November 2020.

Punjab National Bank nominated Mr. Sanjay Varshneya as Director on the Board of the Company in exercise of their right under Article 129 of the Articles of Association of the Company.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Edward Cage Bernard, Non-Executive Director of the Company, will retire by rotation at the ensuing AGM, and the tenure of Mr. Deepak Kumar Chatterjee, Independent Director of the Company concludes at the ensuing AGM.

The Board, at its meeting held on 7 June 2021 and 30 June 2021, based on the recommendation of Nomination and Remuneration Committee, *inter-alia* approved:

i. Appointment of Mr. Edward Cage Bernard (Nominee of T Rowe Price International Ltd), who retires by rotation at the ensuing AGM, as a Nominee Director (Non-Executive Category), liable to retire by rotation, subject to the approval of the shareholders at the ensuing AGM;

ii. Appointment of Mr. Sanjay Varshneya (Nominee of Punjab National Bank) as a Nominee Director (Non-Executive Category), liable to retire by rotation, subject to the approval of shareholders at the ensuing AGM. The appointment shall be effective post approval of shareholders at the ensuing AGM; and

iii. Re-appointment of Mr. Deepak Kumar Chatterjee as an Independent Director for a period of 5 (five) years after the expiry of his existing term in the ensuing AGM, subject to the approval of the shareholders at the ensuing AGM.

The necessary resolutions for the appointment / re-appointment of Mr. Edward Cage Bernard, Mr. Sanjay Varshneya and Mr. Deepak Kumar Chatterjee including their brief profile and other related information have been included in the Notice convening the 18th AGM.

All the directors of the Company have confirmed that they are not disqualified for being appointed as directors pursuant to Section 164 of the Companies Act, 2013.

Declaration of Independence

The Company has received necessary declarations from each Independent Director under Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, confirming that he/she meets the criteria of independence laid down in Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations.

All Independent Directors of the Company are registered in Independent Director's Databank maintained by the Indian Institute of Corporate Affairs in compliance with the provisions of Rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014.

The Company has formulated terms and conditions for appointment of Independent Directors which is available on the Company's website at https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/.

Key Managerial Personnel

In terms of Section 2(51) and Section 203 of the Act, the following are the Key Managerial Personnel (KMP) of the Company:

- Mr. Imtaiyazur Rahman, *Whole Time Director & Chief Executive Officer*
- Mr. Surojit Saha, *Chief Financial Officer*
- Mr. Arvind Patkar, *Company Secretary & Compliance Officer*

Number of Board Meetings

The Board met 12 (twelve) times during FY 2020-21. The maximum interval between two meetings did not exceed 120 days, as prescribed in the Act. The details of composition of the Board and its Committees and details of the meetings during the FY 2020-21, are disclosed in the Corporate Governance Report, forming part of this Annual Report.

AUDIT & SYSTEMS

The Company's Directors believe that internal audit control is a necessary concomitant of the principle of governance that freedom of management should be exercised within a framework of appropriate checks and balances. The Company remained committed to ensuring an effective internal control environment that provides assurance on the efficiency of operations and security of assets.

Well established and robust internal audit processes, both at business and corporate levels, continuously monitor the adequacy and effectiveness of the internal control environment across the Company and the status of compliance with operating systems, internal policies and regulatory requirements. In the networked IT environment of the Company, valuation of IT security continues to receive focused attention of the internal audit team, which includes IT specialists.

CORPORATE SOCIAL RESPONSIBILITY

The Company believes in a philosophy of compassion, care and generosity, characterised by a willingness to build a society that works for everyone. In accordance with the CSR vision of the Company, it strives to meet the interests of its shareholders and other stakeholders. Through its CSR initiatives, the Company extends support to the underserved and underprivileged section of society in different parts of India. It seeks to supplement its contribution to environment protection, health & education, uplifting society and sustainable community development.

In terms of Section 135 of the Act, the Company has constituted a Corporate Social Responsibility (CSR) Committee of Directors comprising Ms. Dipali Hemant Sheth (*Chairperson*), Mr. Dinesh Kumar Mehrotra (*Member*), Mr. Edward Cage Bernard (*Member*) and Mr. Imtaiyazur Rahman (Member). During the year under review, Ms. Uttara Dasgupta ceased to be the Chairperson and member of the Committee. Ms. Dipali Sheth, an Independent Director, was appointed as the Chairperson and Mr. Imtaiyazur Rahman, Whole-time Director & CEO, was appointed as Member of the Committee with effect from 4 December 2020. A CSR Sub-Committee of internal officials was also constituted to identity the projects, carry out the groundwork, empanel the agencies/NPOs/Organisations, coordinate related activities and recommend the projects to be undertaken.

The terms of reference, meeting & attendance details of CSR Committee have been disclosed in the Corporate Governance Report.

The Company has adopted a Policy on Corporate Social Responsibility in compliance with the requirements of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014. Pursuant to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the Board amended the existing CSR Policy and adopted 'Human Development' as the CSR approach. Education, health and rural development were adopted as the thematic focus of its CSR interventions. The policy can be accessed at https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/.

In accordance with the provisions of the Act, the targeted CSR Expenditure for FY 2020-21 was INR 9.37 crore. The total amount sanctioned during FY 2020-21 was INR 9.45 crore, disbursements against the same are being made in installments in accordance with the implementation schedule of the projects. Pursuant to the requirements of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the Board initiated Impact Assessment of CSR projects with outlays of INR 1 crore or more.

The Annual Report on the Company's CSR activities is provided as Annexure III to this Report.

RISK MANAGEMENT

Risk management is one of the key focus areas of the Company and it has established processes and systems to ensure robust firm-wide risk management. The Board of Directors formulated and periodically review the Company's risk management policies, procedures and processes, which include the delegation of investment and financial responsibilities, the establishment of prudential investment norms, the approval and dissemination of guidelines and restrictions, as well as the establishment of counter-party limits. The Board also reviews the performance of funds against the relevant benchmark and competing funds.

The Company's risk management structure includes:

1. **Risk Management Committee:** It comprises of five members of the Board and meets at least twice a year to review the overall risk management policies and guidelines and implementation thereof;
2. **Equity and Debt Steering Committees:** Equity Steering Committee consists of four members, and Debt Steering Committee consists of two members. Meetings are held on a regular basis to review funds' performance and strategy reports, as well as to discuss products strategies and market developments;
3. **Department of Risk Management:** It consists of seven members and reviews portfolio risks affecting the Company's funds, conducts performance attribution of funds *vis-à-vis* their respective benchmarks and competing funds, tracks the adherence of portfolio characteristics to the respective scheme mandates and computes various portfolio analytics to judge the risk and return indicators over a period of time;

DIRECTORS' REPORT (Contd.)

4. **Investment Committee:** It consists of four members and meets on a monthly basis to review, among other things, the performance of the Company's funds, top securities transactions and exceptions, if any, to establish investment norms or scheme limits; and
5. **Department of Internal Audit:** It consists of four members who oversee the work of the chartered accountancy firm appointed to carry out the Company's internal audit function. The Department of Internal Audit, together with the Investment Committee and the Department of Risk Management, ensures that the policies, procedures and processes laid down by the Board and the Risk Management Committee are effectively implemented.

Effective risk management is critical to the operation of the Company's business. The Company adopted certain policies and procedures in managing the various risks applicable to its operations, *inter-alia,* including:

1. **Investment risk:** The Company's funds are exposed to underperformance risk with respect to both the relevant benchmarks and competing funds due to investment related risks, which include market risks and credit risks. Measures are taken to address and mitigate such risks including prudential investment limits, well-documented investment policies and procedures (regarding the delegation of powers, research methodologies, risk evaluation framework and brokers' empanelment policy), sophisticated market information tools, a dedicated securities research team, experienced fund managers, and a regular performance reporting and review mechanism.
2. **Liquidity risk:** Liquidity risk mainly arises in respect of open-ended funds, which typically allow investors to redeem their units at any time. If a significant number of investors opt for redemption from a particular fund at the same time, the fund may face liquidity risk. The risk is particularly high in respect of income funds, considering the low level of debt securities actively traded in Indian markets and the high concentration of investors in select funds. The measures that the Company takes to address and mitigate liquidity risk include reviewing its portfolio positions in light of average trading volumes and historical redemption of funds, maintenance of liquid assets, regularly reviewing illiquid equity positions, observing concentration limits for single positions, issuers and sectors, and prudential issuer and sector norms, with a high proportion of the fixed income investments of the Company's relevant funds in highly rated fixed income securities, and with a line of credit available to address the Company's liquidity shortfalls;
3. **Operational risk:** This is the risk of loss from inadequate or failed internal processes and systems or from external events, including employee errors, improper documentation of transactions, failure of operational and information security procedures, computer systems, software or other equipment, business interruptions and inappropriate behaviour of employees or vendors. The measures that the Company takes to address and mitigate operational risk include internal control systems, including a concurrent audit system for dealing and NAV computation and an outsourced internal audit function, a straight-through investment processing system, isolating and monitoring the dealing room, service level agreements with third party vendors, conducting disaster recovery drills at least twice a year, separating front-office and back-office functions, an effective customer redress mechanism, periodic training of the Company's sales team, an independent compliance officer supported by experienced officers, and insurance coverage;
4. **Market risk:** This risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as equity prices, interest rates, exchange rates or other asset prices, or higher volatility of funds or returns as compared to benchmark or competing funds. The measures that the Company takes to address and mitigate market risk include implementing investment guidelines and position limits in terms of individual stocks, sectors and industries, having experienced fund managers closely monitoring investments and positions, as well as measuring risk-adjusted performance;
5. **Credit risk:** This is the risk of loss in market value of debt securities due to downgrading by credit rating agencies or default in payment by issuers. The measures taken by the Company to address and mitigate credit risk include establishing counterparty exposure limits, in-house research team, product positioning and placing restrictions on investments in unrated or low-rated debt securities; and
6. **Regulatory risk:** The Company is highly regulated and it may be impacted by new laws, rules and regulations or changes in existing ones, affecting its ability to operate. The measures that the Company takes to address and mitigate regulatory risk include following regulatory guidelines, systematic controls in respect of regulatory limits, dedicated compliance department, monthly compliance audits and review by the Boards of Company and Trustees of UTI Mutual Fund.

BOARD EVALUATION

The Company has a 'Policy for Evaluation of the Performance of the Board of Directors' in accordance with the provisions of Section 134(3)(p) of the Act and Listing Regulations, as amended, with an aim to formulate the procedures and prescribe the criteria to evaluate the performance of the entire Board of the Company as well as to assess and enhance the effectiveness of the Board as a whole. The outcome of performance evaluation of Board was circulated to Independent Directors and deliberated in their meeting held on 24 April 2021. They were satisfied with the Board's performance for the financial year 2020-21 and also shared their valuable feedbacks on further improvement of evaluation process.

INITIAL PUBLIC OFFER (IPO)

During the FY 2019-20, the Board had approved to initiate the process for Initial Public Offering (IPO) of the Company by way of an offer for sale by the State Bank of India, Life Insurance Corporation of India, Punjab National Bank, Bank of Baroda and T. Rowe Price International Ltd.

During FY 2020-21, the Company completed the IPO through an offer for sale of 3,89,87,081 equity shares comprising an offer of up to 1,04,59,949 equity shares each by State Bank India, Life Insurance Corporation of India, Bank of Baroda and 38,03,617 equity shares each by Punjab National Bank & T. Rowe Price International Ltd of face value of INR 10 each at a price of INR 554 per equity share aggregating up to INR 2,159.88 crore.

The Company successfully completed the IPO process and the equity shares of the Company were listed on National Stock Exchange of India Limited and BSE Limited on 12 October 2020.

EMPLOYEE STOCK OPTIONS SCHEME

The Company introduced an Employee Stock Option Scheme called the 'UTI AMC Employee Stock Option Scheme – 2007'. Each employee on the rolls of the Company as on 16th December, 2019 and few employees from its subsidiaries were granted Options. The vesting of the Options is from expiry of one year from Grant date till four years from Grant Date as per Plan. Under the Scheme, 21,91,544 equity shares were granted to the eligible employees. Each Option entitles the holder thereof to apply for and be allotted number of equity share granted of the Company with a face value of INR 10 each for an exercise price of INR 728 during the exercise period. Vesting of the Options shall take place over a maximum period of three (3) years with a minimum vesting period of one (1) year from the date of Grant i.e. 16 December 2019. The exercise period would be maximum of three (3) years from the date of each vesting of Options. Out of the 21,91,554 Options granted, 74,593 Options lapsed, therefore, the total number of Options outstanding as on 31 March, 2021, was 21,16,961 Options, out of which again 753,478 Options were vested as on 31 March, 2021, pending for exercise. The Grant was made based on parameters *inter-alia*, including tenure, performance, role, and total cost to the Company.

The scheme is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014 ("ESOP Regulations"). The disclosures as required under the ESOP Regulations can be accessed on the website of the Company at https://utimf.com/.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The Company operates in an industry which generally does not consume high levels of energy. However, adequate measures or efforts, wherever viable, were taken to ensure energy conservation.

Since the Company does not own any manufacturing facility, the above said particulars mentioned in the Companies (Accounts) Rules, 2014 are not applicable.

FOREIGN EXCHANGE EARNINGS AND OUTGO

In accordance with the provisions of Section 134 of the Act and Rule 8(3) of Companies (Accounts) Rules, 2014, the details of Foreign Exchange Earnings and Outgo are mentioned below:

(INR in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Foreign Exchange Earnings	6.86	4.85
Foreign Exchange Outgo	12.25	6.85

The Company spent Foreign Exchange for payment towards professional fees and for foreign business tours.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 134(3)(a) read with Section 92 of the Act, Annual Return of the Company is available on its website at www.utimf.com.

SECRETARIAL STANDARDS

The Company complied with the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, issued by the Institute of Company Secretaries of India.

UNCLAIMED DIVIDEND ON SHARES

The Company has dividend amounting to INR 0.10 crore as at the end of FY 2020-21 which has not been claimed by shareholders of the Company and is lying in the Unpaid Dividend Account.

The Company has disclosed the details of dividend declared during the preceding financial years on the Company's website at https://www.utimf.com/uti-amc-shareholders/unclaimed-dividend/ along with assistance for further details on Unclaimed / Unpaid Dividend.

SIGNIFICANT AND MATERIAL ORDERS

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

DIRECTORS' REPORT (Contd.)

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

There were no material changes and commitments affecting the financial position of the Company between the end of FY 2020-21 and the date of this Report.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Listing Regulations, is presented in a separate section, forming part of this Annual Report.

CORPORATE GOVERNANCE

The Company maintains high standard of Corporate Governance and adheres to the Corporate Governance requirements set out by the SEBI. The report on Corporate Governance as stipulated under the Listing Regulations forms part of this Annual Report.

BUSINESS RESPONSIBILITY REPORT

As stipulated under the Listing Regulations, the Business Responsibility Report specifying the compliance of principles as prescribed under the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business issued by Ministry of Corporate Affairs, forms part of this Annual Report.

OTHER DISCLOSURES

In terms of the applicable provisions of the Act, and Listing Regulations, the Company additionally discloses that during FY 2020-21:

- There was no change in the nature of business of the Company;
- There was no revision in the Financial Statements or Directors' Report of the Company;
- Disclosure pertaining to maintenance of cost records as specified by the Central Government under Section 148 (1) of the Act is not applicable to the Company.
- The Company has not issued any shares with differential voting rights; and
- The Company has not issued any Sweat Equity Shares.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) and Section 134(5) of the Act with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) in the preparation of the Annual Accounts for the FY 2020-21, the applicable accounting standards were followed along with proper explanation relating to material departures, if any;

(ii) the accounting policies were selected and applied consistently and judgments and estimates were made so that they 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 year i.e. 31 March 2021, and of the Profit and Loss of the Company for that period;

(iii) proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the Annual Accounts were prepared on a going concern basis;

(v) proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and

(vi) systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Board of Directors would like to place on record its gratitude for the valuable support, cooperation and guidance received from the Government of India, Ministry of Corporate Affairs, Registrar of Companies, Securities and Exchange Board of India, Reserve Bank of India, Sponsors and the Shareholders of the Company and the Association of Mutual Funds in India.

The Company is also thankful to its investors in schemes, Auditors, Custodians, Registrar & Transfer Agents, Banks, Distributors, Merchant Bankers, Law Firms and all other service providers for their valued support. The Company would also like to thank its employees for their commitment, collaboration and partnership, demonstrated during the year.

For and on behalf of the Board of Directors

Dinesh Kumar Mehrotra
(Chairman)
(DIN: 00142711)

Date: 7 June 2021
Place: Mumbai

ANNEXURE I TO DIRECTORS' REPORT

DIVIDEND DISTRIBUTION POLICY

1. Preamble

1.1 Pursuant to the provisions of Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the "**Listing Regulations**"), it is mandatory to have a Dividend Distribution Policy in place by the top five hundred listed companies based on the market capitalisation calculated as on 31 March every year.

1.2 The Board of Directors (the "**Board**") of UTI Asset Management Company Limited (the "**Company**") has adopted and formulated Dividend Distribution Policy, in compliance with the Listing Regulations.

2. Definitions

2.1 The terms referred to in this policy will have the same meaning as defined under the Companies Act, 2013 (the "**Act**") and the rules made thereunder and the Listing Regulations.

3. Effective Date

3.1 The Policy shall come into effect from the date of approval of the Board i.e 16 December 2019 and was amended pursuant to the resolution of the Board passed at its meeting held on 12 September 2020.

4. Object

4.1 The object of this Policy is to establish the parameters to be considered by the Board before declaring or recommending dividend. The Policy aims to strike an optimum balance between rewarding shareholders through dividend and ensuring that sufficient funds are retained for the growth of the Company.

5. Scope

5.1 The Policy covers the following:

A. **DIVIDEND TO EQUITY SHAREHOLDERS OF THE COMPANY:**

At present the Company has only one class of equity shares and accordingly, the Dividend will be distributed equally among all the equity shareholders, based on their shareholding on the record date. Parameters for dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the applicable regulations and will be determined, if and when the Company decides to issue other classes of shares.

B. **INTERIM DIVIDEND:**

Interim Dividend(s), if any, shall be declared by the Board.

In case no final dividend is declared for any particular financial year, interim dividend paid during that year, if any, shall be regarded as final dividend for the year in the Annual General Meeting (AGM).

C. **FINAL DIVIDEND:**

Recommendation, if any, shall be made by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company.

The dividend as recommended by the Board shall be approved/declared in the AGM of the Company.

6. Parameters to be Considered

6.1 PARAMETERS TO BE CONSIDERED BEFORE RECOMMENDING DIVIDEND:

The Board of Directors may declare dividend equivalent to 50% or more of the Profit after Tax (PAT) of the Company after considering the following factors:

Statutory and Regulatory factors

The Company shall declare dividend only after ensuring compliance with provisions of the Companies Act, 2013 and rules made thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and any other regulations as may be applicable from time to time.

Financial Factor

- Profits earned during the financial year;
- Accumulated reserves;
- Profitability outlook for the coming years;
- Expected future apex requirements;
- Expansion or modernization of existing businesses; and
- Other factors which the Board may consider.

External Factors

- Shareholder expectations, including individual shareholders;
- Significant changes in the Macro-economic & Market conditions; and
- Taxation, Regulation & Govt Policies.

6.2 CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS OF THE COMPANY MAY OR MAY NOT EXPECT DIVIDEND

The Company may not distribute a dividend or may distribute a reduced quantum of dividend when there is absence or inadequacy of profits. Also, if one or more of the criterion for recommendation of dividend is not fulfilled by the Company, including any regulatory restriction placed on the Company on declaration of dividend, or if the Board is of the view that it would be prudent to conserve capital for expansion of business growth or other exigencies, which shall be stated by the Board, dividend may not be declared or may declare reduced dividend.

6.3 UTILISATION OF RETAINED EARNINGS

Retained earnings shall be utilized in accordance with prevailing regulatory requirements, creating reserves for specific objectives, fortifying the balance sheet against contingencies, generating higher returns for shareholders through reinvestment of profits for future growth and expansion and any other specific purpose as approved by the Board of Directors of the Company.

The Company shall endeavor to utilize retained earnings in a manner that shall be beneficial to both, the interests of the Company and its stakeholders.

7. Conflict in Policy

7.1 In the event of a conflict between this policy and the extant regulations, the regulations shall prevail.

8. Disclosure of Policy

8.1 The Dividend Distribution Policy shall be disclosed in the Annual Report of the Company and placed on the Company's website at www.utimf.com.

9. Amendments

9.1 Any subsequent amendment/modification in the Act, SEBI regulations and/or other applicable laws in this regard shall automatically apply to this Policy.

10. Review of Policy

10.1 The Board shall review the Dividend Distribution Policy of the Company at least once in every three years.

ANNEXURE II TO DIRECTORS' REPORT

FORM NO. MR-3

Secretarial Audit Report

for the Financial Year Ended 31 March 2021

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

To,
The Members of,
UTI Asset Management Company Limited
UTI Tower Gn Block, Bandra Kurla Complex
Bandra East, Mumbai – 400 051

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and taking into account the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India in view of the COVID-19 pandemic, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2021 according to the provisions of:

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

As per information and explanation given to me and documents provided for inspection, the Company has maintained minutes book, statutory registers as required by the Act. The Company has filed various E-Forms during the year as a part of Compliance with the Act. The Company has paid applicable additional fees while filing these forms as the case may be.

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

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

The shares of the Company are in demat form and the Company complies with the Depositories Act. The Registrar & Transfer Agent of the Company is KFin Technologies Private Limited (formerly known as "Karvy Fintech Private Limited").

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

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

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

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of (Share Based Employee Benefits) Regulations, 2014;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; → Not Applicable

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

→ Not Applicable

and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
→ Not Applicable

(vi) The list of other acts applicable is as under:

- Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended.

  As per information and explanation given, UTI AMC Ltd has generally complied with the SEBI requirement as required by Regulations/guidelines/circulars. The Bi-Monthly Compliance Test Report consisting of Exceptions are submitted to the SEBI on timely basis as per SEBI guidelines. The unit holders have been compensated with payment of interest in case of delayed redemption and dividend payment as per SEBI guidelines and the same is disclosed to SEBI by means of Exception CTR. During the year, SEBI has neither imposed any penalty nor issued any show

ANNEXURE II TO DIRECTORS' REPORT (Contd.)

cause notice or Adjudication order on the Company in regards of this regulations.

- Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020.

  As per information and explanation given the Company has complied with the Regulations.

- Provident Fund and other Employee Benefit related Statutes

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

  (i) Secretarial Standards for Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India; and

  (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. In accordance with changes in the Board of directors, the Board Committees were also reconstituted.
- The changes in composition of the Board during the audit period is as under:
  - Mr. Imtaiyazur Rahman was appointed as Chief Executive Officer of the Company with effect from 13 June 2020.
  - Mr. Narasimhan Seshadri was re-appointed as an Independent Director of the Company for a period of 5 consecutive years from 28 November 2020 to 27 November 2025, not liable to retire by rotation.
  - Mr. Dinesh Kumar Mehrotra was re-appointed as an Independent Director of the Company for a period of 5 consecutive years from 28 November 2020 to 27 November 2025, not liable to retire by rotation.
  - Mr. Ashok Shah had resigned from the directorship of the Company with effect from the conclusion of the 17th Annual General Meeting held on 27 November 2020.
  - Ms. Uttara Dasgupta ceased to be an Independent Director of the Company with effect from the conclusion of the 17th Annual General Meeting held on 27 November 2020.
- Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. There was no gap of more than 120 days between two board meetings. All the Independent Directors as on 31 March 2021 are registered as in Independent Director's Database maintained by Indian Institute of Corporate Affairs.
- All the decisions in the meeting of the Board of Directors / Committees were passed unanimously. In case of resolution(s) involving interest of any one of the directors present in the meeting, the respective director has abstained from discussion and voting on such resolution(s).

I further report that during the audit period, the Company has undertaken following events/actions having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc:

1. The Company has completed the Initial Public Offer of 38,987,081 equity shares of face value of INR 10 each at a price of INR 554 per equity share (including a share premium of INR 544 per equity share) through an offer for sale of 10,459,949 equity shares aggregating by State Bank of India, of 10,459,949 equity shares by Life Insurance Corporation of India, of 10,459,949 equity shares by Bank of Baroda, of 3,803,617 equity shares by Punjab National Bank and of 3,803,617 equity shares by T. Rowe Price International Ltd. The equity shares of the Company were listed on National Stock Exchange of India Limited and BSE Limited on 12 October 2020.
2. At the Annual General Meeting of the Company held on 27 November 2020, the members had passed the following special resolutions:
   a. Ratification of Article 129 of the Articles of Association of the Company;
   b. Approval of the re-appointment of Mr. Dinesh Kumar Mehrotra (DIN: 00142711) as an independent director; and
   c. Approval of the re-appointment of Mr. Narasimhan Seshadri (DIN: 03486485) as an independent director.

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

For **Vishal N. Manseta**
(Practicing Company Secretary)

(Vishal N. Manseta)
M. No: A25183
C.P. No.: 8981

Place: Mumbai
Date: 17 June 2021
UDIN : A025183C000475798

ANNEXURE III TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

1. Brief outline on CSR Policy:

UTI Asset Management Company Limited ("the Company") believes in a philosophy of compassionate care, generosity and compassion, characterized by a willingness to build a society that works for everyone. In accordance with the vision of the Company, it recognizes its wide ranging and far reaching capacity to meet the interests not only of its shareholders, but also those of its stakeholders. The company's CSR initiatives extend enduring support and promote wellbeing of the underserved and underprivileged communities in different parts of India. Through its CSR initiatives, the company seeks to supplement its contribution in social upliftment of individuals and families, development of healthy and enlightened citizens, environment protection and sustainable community development.

In terms of Section 135 of Companies Act, 2013, the Company had constituted Corporate Social Responsibility (CSR) Committee of directors. A CSR sub-Committee of officials was also constituted to identity the projects, carry out the ground work, empanelling the agencies/NPOs/Organisations and other related activities and recommend the projects to be undertaken.

The Company had adopted a Policy on Corporate Social Responsibility in compliance with the requirements of the Companies Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Board of Directors of Company at their meeting held on 23 October 2013 constituted the Corporate Social Responsibility (CSR) Committee and had decided to undertake CSR activities under the broad areas of 'Health' and 'Education'. In December 2019, the Board amended the existing CSR Policy of the Company in accordance with the provisions of the Companies Act, 2013 and broadened it to undertake CSR Projects in any part of India, in any of the areas or subject listed in Schedule VII of the Act or circular(s)/ notification(s) (including any amendments thereto).

Pursuant to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the Board amended the existing CSR Policy and adopted 'Human Development' as the CSR approach and reaffirmed its 2019 decision to undertake CSR Projects in any part of India. Education, Health and Rural Development were adopted as the thematic focus of its CSR interventions.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Nature of Directorship	Position in Committee	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Ms. Uttara Dasgupta (1)	Non-Executive - Independent Director	Chairperson	1	1
2.	Ms. Dipali Hemant Sheth (2)	Non-Executive - Independent Director	Chairperson	N.A.	N.A.
3.	Mr. Dinesh Kumar Mehrotra	Non-Executive - Independent Director	Member	1	1
4.	Mr. Edward Cage Bernard	Non-Executive Director	Member	1	1
5.	Mr. Imtaiyazur Rahman (3)	Whole-time Director	Member	N.A.	N.A.

Note:

(1) Ms. Uttara Dasgupta ceased to be an Independent Director of the Company and Chairperson of the Committee with effect from the conclusion of the 17th Annual General Meeting held on 27 November 2020.

(2) Ms. Dipali Sheth became the Chairperson of the Committee with effect from 4 December 2020.

(3) Mr. Imtaiyazur Rahman became the member of the Committee with effect from 4 December 2020.

3. Web-link:

a) **Composition of CSR committee:** https://www.utimf.com/uti-amc-shareholders/corporate-governance/committee-of-the-board/

b) **CSR Policy:** https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/

c) **CSR projects approved by the board:** https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/

ANNEXURE III TO DIRECTORS' REPORT (Contd.)

4. 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:

Impact Assessment of the following CSR projects undertaken in 2018-19 is under process:

1) Swades Foundation: Swades Mitra, Eye Care Program (including Mobile Vision Vans) SwaRaksha Express and Anemia Control Project
2) The Akanksha Foundation: The School Project: Natwar Nagar Mumbai Public School and Wadibunder Mumbai Public School
3) Habitat Humanity of India: Construction and Repair of School Sanitation Infrastructure.
4) Institute of Handicapped and Backward People: Inclusive Special School for the differently abled Children (225 differently abled children from poor families were supported).
5) Victoria Memorial School for the Blind: Sponsorship for education, lodging and boarding of 40 visually impaired students
6) Shree Bhagwan Mahaveer Viklang Sahayta Samiti: Support for fitment of artificial limbs/calipers, distribution of crutches, hand paddled tricycles, wheelchairs, and hearing aids to 1285 disabled totally free of charge.

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): INR 468.52 crore

7. (a) Two percent of average net profit of the Company as per Section 135(5)

Financial Year	Net Profit (INR in crore)
2017-18	536.97
2018-19	492.29
2019-20	376.29
Total	1405.55
Average Net Profit	468.52
2% of Average Net Profit (CSR Expenditure)	9.37

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not Applicable

(c) Amount required to be set off for the financial year, if any: Not Applicable

(d) Total CSR obligation for the financial year (7a+7b+7c): INR 9.37 crore

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

Total Amount Spent for the Financial Year (in INR)	Amount Unspent (in INR)				
	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
4.76 crore	5.06 crore	26.04.2021	-	-	-

ANNEXURE III TO DIRECTORS' REPORT (Contd.)

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. 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 INR)**	**Amount spent in the current financial Year (in INR)**	**Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in INR)**	**Mode of Implementation - Direct (Yes/No)**	**Mode of Implementation - Through Implementing Agency**	
				State	**District**						**Name**	**CSR Registration No.**
1	The School Project: Natwar Nagar Mumbai Public School and Wadibunder Mumbai Public School	(ii)	NA	Maharashtra	Mumbai	2 years	1,57,06,212 (1.57 crore)	78,53,106 (0.79 crore)	78,53,106 (0.79 crore)	No	The Akanksha Foundation	CSR00001286
2	Inclusive Special School for the Differently able Children	(ii)	NA	West Bengal	South 24 Parganas	1 year	1,27,19,994 (1.28 crore)	9,539,996.00 (0.95 crore)	3,179,998.00 (0.32 crore)	No	Institute for the Handicapped and Backward People	CSR00001075
3	Sponsorship for Education of 50 visually impaired students	(ii)	NA	Maharashtra	Mumbai	1 year	29,00,285 (0.29 crore)	4,61,840 (0.05 crore)	24,38,445 (0.24 crore)	No	The Victoria Memorial School For The Blind	CSR00000705
4	Cardiac Diseases awareness, scroreeening and treatment program for the target population	(i)	NA	Maharashtra	Nagpur	1 year, 1 month	1,75,00,000 (1.75 crore)	-	1,75,00,000 (1.75 crore)	No	Swami Vivekanand Medical Mission	CSR00005068
5	Enhancing Water Security and Health in Thar Desert	(x)	NA	Rajasthan	Jaisalmer	1 year, 1 month	1,40,45,976 (1.40 crore)	-	1,40,45,976 (1.40 crore)	No	Gramin Vikas Vigyan Samiti	CSR00001526
6	Rehabilitation of Disabled	(i)	NA	Rajasthan	Jaipur	10 months	49,98,000 (0.50 crore)	24,99,000 (0.24 crore)	24,99,000 (0.25 crore)	No	Shree Bhagwan Mahaveer Viklang Sahayata Samiti	CSR00001480
7	Sponsorship of Education of 31 undergraduate students from underprivileged background	(ii)	NA	Pan India	Pan India	2 years	1,50,00,000 (1.50 crore)	1,50,00,000 (1.50 crore)	-	No	International Foundation for Research and Education	CSR00000712
Total							8,28,70,467 (8.29 crore)	3,53,53,942 (3.53 crore)	4,75,16,525 (4.75crore)			

ANNEXURE III TO DIRECTORS' REPORT (Contd.)

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	
Sr. 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 spent for the Project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District				Name	CSR Registration No.
1	Covid relief	(vii)	NA	-	-	-	1,00,00,000 (1crore)	No	P M Cares Fund	-
2	Development of Robot to assist doctors in treating Covid 19 patients	(ii)	NA	Andhra Pradesh	Nellore	-	6,50,000 (0.065 crore)	No	SASTRA	-
3	UTI Canserve	(i)	NA	Maharashtra	Mumbai	Open ended	4,45,310.56 (0.044 crore)	No	St. Jude India Child Care Centres	-
4	TISS Consultancy						12,50,000 (0.125 crore)			
						Total	1,23,45,310.56 (1.23crore)			

(d) Amount spent in Administrative Overheads: NA

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): INR 4.76 crore

(g) Excess amount for set off, if any: Not Applicable

Sr. No.	Particular	Amount (in Rs.)
1.	Two percent of average net profit of the Company as per section 135(5)	9.37
2.	Total amount spent for the Financial Year	4.76
3.	Excess amount spent for the financial year [(2)-(1)]	NA
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
5.	Amount available for set off in succeeding financial years [(3)-(4)]	NA

ANNEXURE III TO DIRECTORS' REPORT (Contd.)

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

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	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 Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1.	FY 2019-20	NA	4,12,04,077 (4.12 crore)	NA	NA	NA	4,89,43,355 (4.89 crore)
2.	FY 2018-19	NA	6,49,69,255 (6.49 crore)	NA	NA	NA	1,85,34,697 (1.85 crore)
3.	FY 2017-18	NA	2,28,93,420 (2.28 crore)	NA	NA	NA	2,30,31,140 (2.30 crore)

(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)
Sr. No.	**Project Id**	**Name of the Project**	**Financial Year in which the project was commenced**	**Project duration**	**Total amount allocated for the project (in INR)**	**Amount spent on the project in the reporting Financial Year (in INR)**	**Cumulative amount spent at the end of reporting Financial Year (in INR)**	**Status of the project - Completed /Ongoing**
1.	The Akanksha Foundation	The School Project: Natwar Nagar Mumbai Public School and Wadibunder Mumbai Public School	2019-20	2 years	3,23,06,212 (3.23 crore)	39,29,052 (0.40 crore)	2,42,32,159 (2.42 crore)	Ongoing
2.	Swades Foundation	SM Project and Eyecare Project	2019-20	2 years	2,12,27,730 (2.12 crore)	1,30,00,000 (1.30 crore)	1,30,00,000 (1.30 crore)	Ongoing
3.	International Foundation for Research and Education	Sponsorship of Education of 31 undergraduate students from underpriviledged background	2019-20	2 years	3,00,00,000 (3.00 crore)	75,00,000 (0.75 crore)	3,00,00,000 (3.00 crore) -	Ongoing
4.	Habitat for Humanity India	Construction of School Sanitation Block in Guwahati	2018-19	1.6 years	81,76,109 (0.82 crore)	10,34,129 (0.10 crore)	71,66,211 (0.71 crore)	Completed
5.	Lifeline Foundation	Purchase of 2 Ambulances	2019-20	1.3 years	37,00,000 (0.37 crore)	10,09,000 (0.10 crore)	37,00,000 (0.37 crore)	Completed
6.	Ummeed Child Development Centre	Clinical sessions for children with disabilities	2019-20	1.3 years	1,50,00,000 (1.50 crore)	1,50,00,000 (1.50 crore)	1,50,00,000 (1.50 crore)	Completed
					Total	4,14,72,181 (4.15crore)	9,30,98,370 (9.30 crore)	

ANNEXURE III TO DIRECTORS' REPORT (Contd.)

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): NA

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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):

Projects are ongoing. Disbursements will be made as per implementation of the projects.

SHORT DESCRIPTION OF NGOS/ ORGANISATIONS TO WHOM WE HAVE FUNDED AS A PART OF CSR EXPENDITURE AS WAS MADE LAST YEAR

The company CSR initiatives in 2020-21 included activities from the broad areas of 'Health' 'Education' and 'Rural Development'. The initiatives undertaken in 2020-21, sought enhanced capacities of children and youth in low income settings, development of healthy and enlightened citizens, and build resilient communities in rural areas. UTI AMC has undertaken its CSR activities in collaboration with several credible Not for Profit Organizations (NPOs). All these activities are monitored and vetted while regular progress reports are obtained from these NPOs.

In the lights of the on-going Covid-19 pandemic, UTI AMC has contributed to the PM CARES Fund and supported Shanmugha Arts, Science, Technology & Research Academy (SASTRA) for the development of five ZAFI GO robots to assist the medical professionals in communicating and monitoring the Covid-19 infected patients in Tamil Nadu.

In 2020-21, UTI AMC has collaborated with the following NPOs,

- St. Jude India ChildCare Centres (UTI Canserve) – UTI Canserve is a platform which enables investors to contribute their dividend payouts towards a medical cause, for which UTI AMC has entered into an agreement with St. Jude India Child Care Centre. UTI AMC has made an investment of Rs. 1 crore in UTI Arbitrage Fund (one of the listed schemes under UTI Canserve) and the dividend declared by the Fund is transferred to St. Jude India ChildCare Centres as donation for the needy and under-privileged children battling cancer.
- Akanksha Foundation – A non-profit organization that works primarily in the field of education, addressing formal education through Akanksha Schools. The NPO founded by Shaheen Mistri aims to provide children from low-income communities with high-quality education, enabling them to maximize their potential and transform their lives. In the context of the Covid 19 lockdown, the foundation restructured its strategy to focus on Social and Emotional Well-being of students and build capacities of parents as co-educators. UTI AMC supported the cost of running online classrooms for over 700 students and stakeholder capacity building activities in Natwar Nagar Public School, Jogeshwari and Wadibunder Public School, Mazgaon in Mumbai.
- Victoria Memorial School for the Blind (VMSB) – Established in 1902, VMSB works with a vision to encourage, nurture and develop differently-abled (visual impairment) individuals; to empower them to take their place in the world as confident and productive adults. The school provides its students (usually from low socio-economic communities in Maharashtra) with free of cost education (Marathi medium State Board), food, accommodation, sports facilities, vocational and skills training and career guidance. VMSB programmes focus on technology enhanced pedagogy and familiarity of students with learning online ensured continuity in school curriculum during the lockdown. UTI AMC extended financial support towards the cost of education, lodging and boarding of 40 visually impaired students.
- Institute for Handicapped and Backward People – a Kolkata (West Bengal) based NPO headed by Dr. M A Hasan Sahani, a differently abled individual himself. IHBP works for the upliftment and development of the needy and poor and the differently abled section of the society since 2000. It runs a Special Inclusive School for Differently Abled Children from low socio-economic background and placement oriented vocational training centres for them. They also conduct workshops in the fields of computers, tailoring, etc. for women from low socio-economic communities, parents of the differently abled children along with people with disabilities to aid their employment and earnings. UTI AMC supported the education of the 225 differently abled children at the school in Kolkata.
- Gramin Vikas Vigyan Samiti (GRAVIS)- a Jodhpur (Rajasthan) based NPO founded in 1983, headed by Dr. Prakash Tyagi, works for enhancing resilience of communities in the Thar Desert area, Uttarakhand

ANNEXURE III TO DIRECTORS' REPORT (Contd.)

and the Bundelkhand region of Uttar Pradesh. The Gandhian philosophy of Sarvodaya—all rising, but the last person first— and Gram Swarajya, or village self-rule are basis of GRAVIS' strategy and approach. In 2019-2020, GRAVIS projects were implemented in 1600 villages, impacted 100,000 people through 3500 people organizations. UTI AMC is collaborating with GRAVIS to enhance Water Security and Health Status of approximately 24,000 people in drought prone and severely impoverished Pokaran and Jaisalmer blocks in Jaisalmer District of Rajasthan.

- Swades Foundation – Founded by Ronnie and Zarina Screwvala, the Swades Foundation works mainly in the Raigad district of Maharashtra with a goal to create rural communities that are a strong asset to the 21st century India. It is working on a scalable model for Rural Empowerment through holistic, 360 degree development across 5 key verticals – Water & Sanitization, Agriculture & Livelihood, Health & Nutrition, Education and Community Mobilization. UTI AMC provided financial aid for the Swades Mitras (Community Health Worker Volunteer) Project and the Eye Care Program which include the Mobile Vision Centre (MVC) Vans.
- Swami Vivekananda Medical Mission - SVMM, Nagpur is a charitable hospital operational since 1974. Currently, it runs a 50 Bedded hospital at Khapri with ICU and JR Services and a 20 bedded hospital along with two Operation Theatres in Koradi. SVMM annually trains 20 girls from rural areas to be nurses. The hospital covers around 100 villages nearby. UTI AMC is supporting quality and affordable health care for rural population and weaker sections of the society, particularly those who are suffering or are at risk of cardiac diseases.
- Ummeed Child Development Centre – Founded in 2001 by Dr. Vibha Krishnamurthy, Ummeed works with a vision of helping children with developmental disabilities (such as Autism, Cerebral Palsy, ADD and others) reach their full potential and be included in the society. The team of healthcare professionals at Ummeed cater through four major areas of work – Clinical Services, Training & Capacity Building, Research and Awareness & Advocacy. UTI AMC an Company has extended financial support for 4190 clinical sessions for 470 children with developmental disabilities.
- Shree Bhagwan Mahaveer Viklang Sahayata Samiti – BMVSS is a non-political, non-sectarian, non-religious, pan-India NPO with 23 branches that serve disabled individuals from all over the country and is also the parent body of the world-famous Japiur Foot/Limb. The model product, the Jaipur Knee has been recognized as a sectoral innovation by the Time Magazine. It's products are certified by the ISI. BMVSS recognized by the Ivy League universities including Stanford University, Harvard University, MIT and the IIM-Bengaluru (made a case study) as a specialist organization. It has been granted Consultancy status at UN ECOSOC. It has also conducted camps in several countries in partnership with the Ministry of External Affairs (Government of India). UTI AMC an Company extended the financial assistance towards the fitment of artificial limbs, callipers and other aids and appliances at Jaipur.

(Chief Executive Officer and Whole Time Director)

(Chairperson, CSR Committee)

MANAGEMENT DISCUSSION AND ANALYSIS

DEBT MARKET OVERVIEW AND OUTLOOK

The Financial year 2020-21 started with the economic uncertainty due to the lockdowns imposed in the country as a result of Covid-19. Government revenues were hit hard due to significant reduction in economic activities. The Government responded swiftly to the pandemic and its impact on the economy, by announcing various relief packages to support growth. The Reserve Bank of India (RBI) responded to the situation by announcing aggressive liquidity infusion by way of LTROs, TLTROs, OMO purchases, Operation Twist etc., to ensure that yields do not spike, at a time, when the economy was on a downward trajectory due to the lockdowns.

These liquidity infusion measures have been successful in pulling down the overall yield curve with 10-year yield moderating from 6.30% at the start of year to the lows of 5.75% during the year. The benefits of easy liquidity have been reflected more in the short end of the curve with overnight rates falling even below 3% and settling in the range of 3.00% to 3.25% for most of the second half of the fiscal. Helped by these easy liquidity conditions among other factors, we have seen GDP going back to pre-covid levels in 3rd quarter of the Financial Year, along with inflationary pressures building up (reflected in core CPI data). This resulted in RBI moving in the direction of gradual liquidity withdrawal in the last quarter of the fiscal, which in turn, resulted in markets building expectations of increase in short term funding cost sometime in 2nd half of next fiscal.

However, getting into the FY22, we witnessed the emergence of 2nd wave of Covid-19, which has started impacting the economic activity. This has resulted in markets pricing out possibility of liquidity withdrawal anytime soon. While, the markets continue to assess the impact of this 2nd wave on the overall economic activity, we expect this impact to be limited, due to vaccination drive being carried out by the various Governments. This drive may help in ensuring that the lockdowns may not last for a longer time as compared to last year.

The scope for RBI to provide further accommodation remains limited at a time when globally yields are heading higher in anticipation of improvement in economic growth. We have also witnessed upward pressures on the global commodity prices, which may result in upward movement of domestic CPI. In this backdrop, the market will watch out for cues from RBI on how long they will be willing to continue with the current liquidity surplus. Any liquidity withdrawal on part of RBI will be likely only after we see meaningful revival in growth expectations, which in turn will depend on our capability to swiftly vaccinate a large part of population. Overall, it becomes important to keep a close watch on the pace of vaccination which in our expectations will hold the key for any relaxation in lockdowns and subsequent future growth revival for our economy.

OVERVIEW ON EQUITY MARKET AND OUTLOOK

Nifty 50 climbed 73% during FY21, which was one of the sharpest rallies in the last decade. This performance is accentuated by the sharp collapse in the market that occurred during the last two months of FY20, as the COVID-19 pandemic propagated. Indian equities rallied along with most of the global equity markets as central banks worldwide embarked on record monetary stimulus. At the same time, governments across the world adopted a counter-cyclical fiscal policy by embarking on fiscal spending to pull their respective economies out of a recession. In India, the Government also undertook a series of supply side measures to improve the long-term growth potential of the economy.

Unlike in the previous two years, the participation in the rally was broad based and not restricted to select list of heavyweight stocks. Nifty Midcap 150 and Nifty Smallcap 250 Indices rose by ~100% and ~117% respectively in FY 2021, while Nifty 50 rose by ~73%. Equities as an asset class also outperformed other asset-classes in the financial year 2021, wherein MCX gold gave a return of ~7.3%, and CRISIL Bond Index gave a return of 7.7%.

On the economic front, India entered a technical recession for the first half of fiscal 2021, but has consistently improved the trend, with Q1 and Q2 real GDP declining ~24.4%, ~7.3%, respectively, and Q3 reporting 0.4% growth YoY. As per MOSPI estimates, FY21 real GDP is expected to contract by 8%. During the first 8 months of FY21 (April to November 2020), CPI inflation was at an elevated level (an average of 6.9%) owing to lockdown and supply side constraints that kept the food prices high. However, Inflation eased towards the end of the year as supply constraints eased and fell within the MPC's target band of 2-6%.

Investment cycle too was affected by COVID-19 and it got reflected in Gross Fixed Capital Formation (GFCF) dipping to 30.9% of GDP as per the second advanced estimates for fiscal 2021. However, GFCF has been improving since Q1 of fiscal 2021 and reached 33% of GDP by Q3FY21. The government's focus on capex spends and manufacturing during the union budget for fiscal 2022, along with lower interest rates and expected revival in global demand, are creating a conducive environment for the capex cycle.

The global growth outlook remains robust despite the second wave of COVID-19 due to normalizing economic activities and record fiscal and monetary stimulus unveiled globally by governments and central banks, respectively. The availability of vaccines and rapid vaccination drive globally are building hopes of speedy recovery over the course of the year. The IMF projected the global economy to grow 6% in 2021 and 4.4% in 2022 in the latest World Economic Outlook April 2021. For India, RBI has projected real GDP growth at 10.5% and inflation at ~5% for FY22. The MPC and RBI have indicated an accommodative stance. Reforms undertaken over the past year and a supportive fiscal stance underpin India' growth recovery. In this backdrop, Nifty 50 earnings are estimated to grow at ~25% Compound Annual Growth Rate (CAGR) for the next two years on base of FY21 estimates (Bloomberg estimates). Companies that can navigate a challenging period are often well placed to accelerate growth, gain market share and profitability in the subsequent period as they face less competition. However current valuations, which are elevated relative to history; make the markets vulnerable to any sharp shifts in global liquidity, inflation expectations, earnings disappointments & a resurgence in Covid-19.

OTHER KEY HIGHLIGHTS OF FINANCIAL YEAR 2020-21:

FY21 institutional flow: Foreign Portfolio Investors were net buyers across most of FY21, with an equity net inflow of approx. USD 37.3 billion for FY2021. Domestic institutional investors (DIIs) were net sellers across most months, with total outflows at USD 18.2 billion for FY21. Mutual funds remained net sellers with an outflow of close to USD 16.5 billion. Systematic Investment Plan (SIP) portion of mutual fund inflows witnessed a downward trend before bouncing back in the month of March 2021. The average monthly run-rate of SIPs for FY21 was INR 80 billion in FY21.

While all key sector indices ended FY21 with gains, various sector indices like NSE Metals (159%), NSE Auto (109.8%), NSE IT (105.8%), BSE Power (86.1%) outperformed the Nifty 50 Index (73%) while NSE FMCG (31.7%), BSE Telecom (34.4%) underperformed the Nifty 50.

FY21 witnessed recovery in primary market activity with fund raising via IPOs, FPOs, OFS, Rights issue, etc. rising from INR 1.47 trillion in FY20 to INR 2.55 trillion in FY21.

MUTUAL FUND INDUSTRY OVERVIEW:

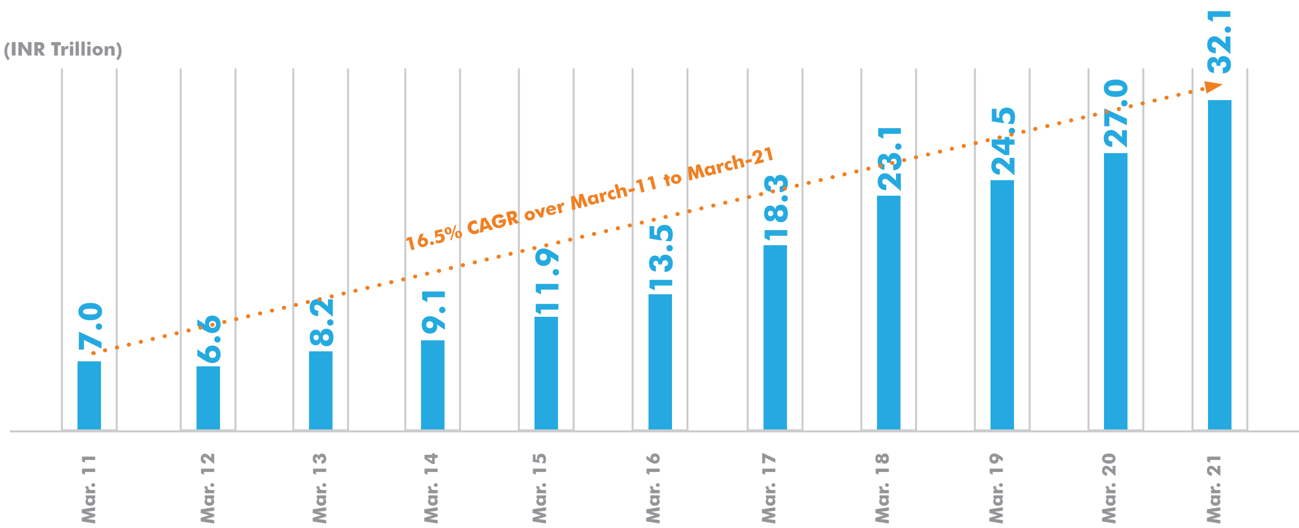
Aggregate AUM of the Indian mutual fund industry has grown at a healthy pace over the past ten years, against the backdrop of an expanding domestic economy, robust inflows and rising investor participation, particularly from individual investors.

1] Equity Markets and Retail Participation

The Average industry AUM grew at a CAGR of 16.5% from INR 7.0 trillion as of 31 March, 2011 to INR 32.1 trillion as of 31 March, 2021, driven by increasing aggregate financial savings combined with growing investor awareness of mutual fund products.

During the last five years, between April 2016 and March 2021, the industry witnessed a net inflow in equity-oriented funds of INR 3.55 trillion. The Average AUM of equity-oriented funds grew at a CAGR of 26.4%, from INR 4.18 trillion as of 31 March, 2016 to INR 13.51 trillion as of 31 March, 2021, while Average AUM of debt-oriented funds grew at a CAGR of 9.8%, from INR 5.87 trillion as of 31 March, 2016 to INR 9.40 trillion as of 31 March, 2021. The industry witnessed a decent growth over last 5 years despite of the challenging macro environment coupled with the impact of COVID-19 pandemic.

AUM (INR Trillion)



Note: Average AUM for the last quarter of the Fiscal.
Source: AMFI, CRISIL

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

AUM of flexi-cap, multi cap, large cap, large and mid-cap, mid-cap, and ELSS together accounted for 68.9% of the industry's open-ended growth/equity-oriented scheme closing AUM as on 31 March, 2021. Average AUM of other categories of funds (including ETFs, Index funds and FoF investing overseas) saw robust growth of over 14.9 times (a CAGR of 71.7%) over a lower base as institutional investors such as the Employees' Provident Fund Organisation (EPFO) began investing a portion (currently 15%) of their incremental deposits into equities via passively managed funds, an industry trend expected to continue for the medium term.

The Average AUM of liquid/money market funds grew at a CAGR of 13.1% from March 2016 to March 2021, supported by corporate investments, stable returns, and a high level of aggregate re-allocations from long-term debt instruments.

Going forward, it is expected that increased financial savings as well as improving investor awareness may drive industry growth, following a broader economic recovery from the effects of the COVID-19 pandemic.

TREND ACROSS VARIOUS MUTUAL FUND SEGMENTS (AUM IN INR BILLION)

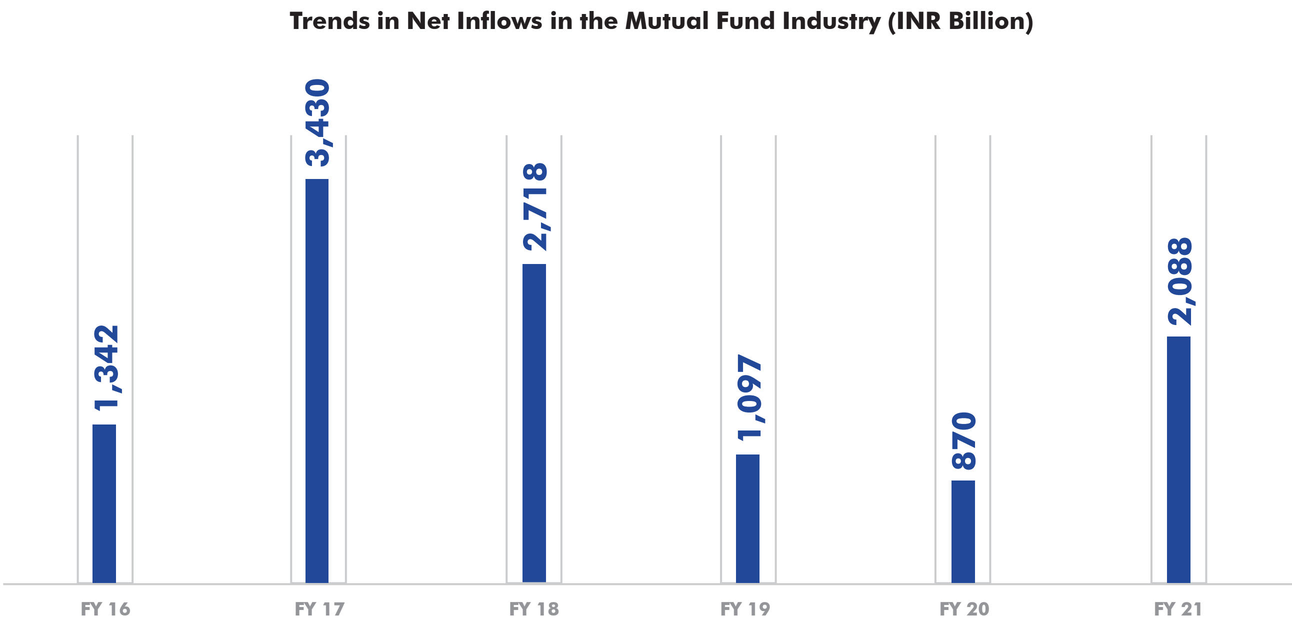
Segment	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21
Equity	4,183	5,927	9,582	10,210	11,348	13,507
Debt	5,871	7,982	8,134	7,152	7,449	9,398
Liquid/ MoneyMarket	3,269	3,940	4,562	5,916	6,327	6,046
Others	212	446	773	1,206	1,913	3,155
Total	13,534	18,296	23,052	24,484	27,037	32,106

Note: (1) Equity funds include ELSS, hybrid and solutions funds. Debt funds include gilt, income and infrastructure debt funds. Others include gold ETFs, other ETFs and FoFs investing overseas.

(2) After 31 March 2019, equity includes growth/equity-oriented schemes (other than ELSS), ELSS funds, hybrid schemes and solution oriented schemes. Debt includes gift fund/gift fund with 10 years constant duration, and remaining income/debt-oriented schemes. Liquid/money market includes liquid/money market/floater funds/overnight fund. Other include index funds, gold ETF, other ETF and FoFs investing overseas.

Source: AMFI CRISIL.

NET INFLOWS IN THE MUTUAL FUND INDUSTRY

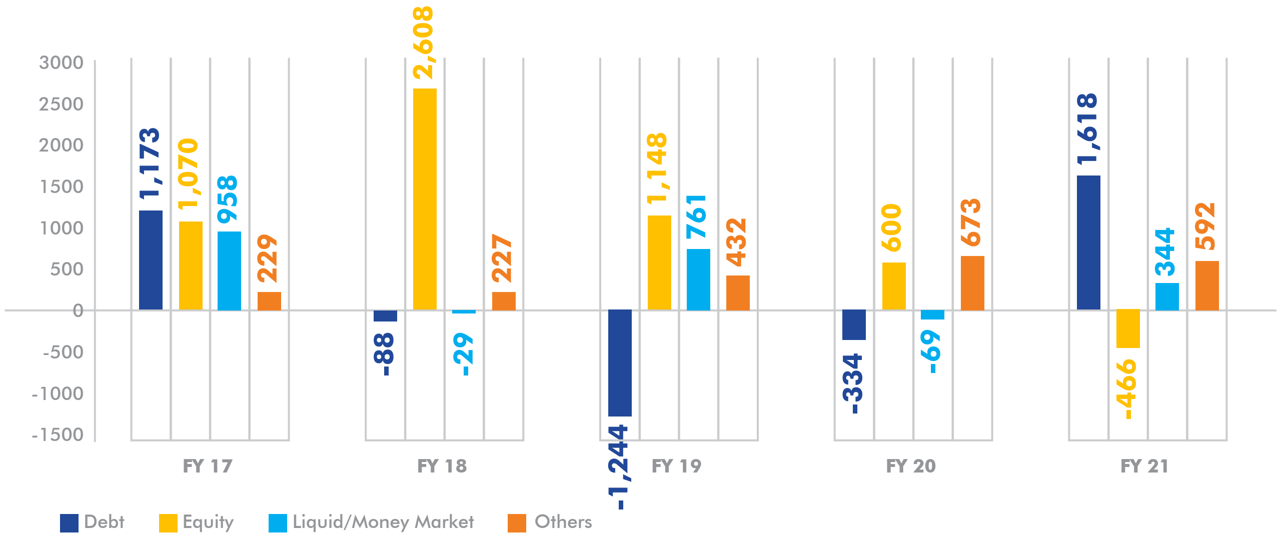


Note: Data are as of 31 March of the relevant fiscal years, unless indicated otherwise.

Source: AMFI, CRISIL

Overall, the industry saw net inflows of INR 2,088 billion over the over the 12 months ended March 2021 after the slow down in inflows witnessed in FY19 and FY20.

NET INFLOWS BY SEGMENT (INR BILLION)



Note: (1) Equity funds include: ELSS, hybrid and solution funds. Debt funds include: gift, income, and infrastructure debt funds. "Others" include gold ETFs, other ETFs, and FOFs investing overseas.

(2) After 31 March 2019, equity includes: growth/equity oriented schemes (other than ELSS), ELSS funds, hybrid schemes, and solution-oriented schemes. Debt includes: gilt fund/gilt fund with 10 year constant duration, and remaining income/debt oriented schemes. Liquid/money market includes liquid/money market floater fund. Others include: index funds, gold ETF, other ETF, and FoFs investing overseas.

Source: AMFI CRISIL.

In fiscal 2021, within the debt-oriented categories, corporate bond funds, which typically invest in an underlying portfolio of higher rated papers, emerged as the biggest contributor in this asset class with net inflows of INR 693.05 billion over the 12 months ended March 2021. Credit risk funds saw the highest net outflows, at INR 289.23 billion, over the same period.

In fiscal 2021, in the equity-oriented funds, sectoral/ thematic funds recorded the highest net inflows of INR 98.01 billion, aided by new thematic fund launches in the category, while large cap funds recorded the highest net outflows of INR 105.87 billion, as investors worried about expensive valuation after the recent sharp run-up in the market.

Equity-oriented funds also benefitted from continued inflows through systematic investment plans. The industry witnessed net flows of INR 960.80 billion in fiscal 2021 compared with ~INR 1,000 billion of inflows in the previous fiscal.

In fiscal 2021, under the hybrid funds, arbitrage funds which exploit volatility in the equity market to generate returns, recorded the highest net inflows of INR 269.08 billion, while aggressive hybrid schemes posted the highest net outflows of ~INR 258.47 billion.

In the fiscal, equity ETF inflows were ~INR 398.20 billion and gold ETF inflows ~INR 69.19 billion. The two categories' AUM rose ~88% and 78%, respectively, over the one year ended March.

2] Mutual Fund Industry Outlook:

The pandemic-induced developments notwithstanding, as economic activities resume and gather pace, businesses should see heightened requirement of funds. Thus, liquid and arbitrage funds might witness pressure again due to outflows. In addition, corporates are expected to reduce their exposure to debt funds, at least in the riskier categories.

In the long term, with expectation of higher returns from the capital markets, fund flow into equity funds is expected to pick up. Increasing share of mutual funds in household savings, driven by expectations of higher and stable returns, is one of the key contributors of fund inflows, especially into passive and equity funds. A gradual improvement in corporate earnings, controlled inflation, stable political environment, consistent growth in mutual fund inflows and ~9% growth in nominal gross domestic product (GDP) post fiscal 2021 are expected to deepen mutual fund penetration.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

As per a CRISIL report, the industry's quarterly average AUM (QAAUM) is expected to increase at ~14% CAGR between March 2020 and 2025. The growth is expected to be led by equity funds, which will continue to garner strong investor interest. Average equity AUM is expected to increase at ~18% CAGR to ~Rs 25 trillion by fiscal 2025, from Rs 11.1 trillion in March 2020, driven by strong inflows. Strong growth in equity funds will increase their share in the overall fund pie from 42% to 47% by March 2025, in line with the global average.

3] Key Challenges:

The Indian economy has faced its first contraction in more than four decades due to the impact of the COVID-19 pandemic. The impact of this pandemic is likely to widen India's fiscal deficit, which could exacerbate the structural risk factors and make India's economy vulnerable to possible downside risk and volatility.

Retail participation and inflows into mutual funds and other market-linked products are heavily influenced by market performance and sentiment. A prolonged downturn or ongoing volatility could result in further decline in aggregate demand for market-linked products and cause industry AUMs to shift into relatively lower-risk assets.

COMPANY OVERVIEW:

1) Business Overview:

UTI AMC is one of the largest asset management company in India in terms of Total AUM and the eighth largest asset management company in India in terms of mutual fund QAAUM as of 31 March, 2021. As of 31 March, 2021, 23% of our Monthly Average AUM was attributable to B30 cities as compared to 16% for the overall industry. We cater to a diverse group of individual and institutional investors through a wide variety of funds and services.

2) Operational Performance Review:

(I) MUTUAL FUND

UTI AMC manages 138 domestic mutual fund schemes (excluding 10 segregated portfolios), comprising equity, hybrid, income, liquid and money market funds as of 31 March, 2021. Our Domestic Mutual Fund QAAUM was INR 1,829 billion as of 31 March, 2021, which accounted for approximately 5.69%, or the eighth largest amount, of the total QAAUM invested in all mutual funds in India as of 31 March, 2021, according to AMFI Data.

(II) PMS SERVICES:

Our PMS business provides portfolio management services to institutional clients and HNIs. The company provides Discretionary PMS to the Employees' Provident Fund Organisation (EPFO), the Coal Mines Provident Fund Organisation (CMPFO), the Employees' State Insurance Corporation (ESIC), the National Skill Development Fund (NSDF) and to HNIs, Non-Discretionary PMS to Postal Life Insurance (PLI), and Advisory PMS to various offshore and domestic accounts.

UTI AMC got the mandate to manage 55.0% of the total corpus on 31 October, 2019 of the Central Board of Trustees, EPF, accounting for INR 6,635 billion as on 31 March, 2021, which is 84.65% of our PMS AUM as of 31 March, 2021.

UTI AMC also manage retirement funds (in retirement solutions business, which manages the NPS funds), offshore funds and alternative investment funds. These other businesses (excluding our domestic mutual funds and PMS business) had an aggregate closing AUM of INR 1,946 billion as of 31 March , 2021.

(III) FINANCIAL PERFORMANCE REVIEW:

(a) Total Income

Total income for the fiscal year ended 31 March, 2021 was INR 1,198.63 crore, an increase of INR 308.67 crore, or 34.7%, from INR 889.96 crore for the fiscal year ended 31 March, 2020. This increase was primarily due to an increase in net gains on fair value changes and from increase in revenue from the sale of services.

(b) Revenue from Operations:

Revenue from operations increased by INR 314.49 crore, or 36.8%, from INR 854.03 crore in the fiscal year ended 31 March, 2020 to INR 1,168.52 crore in the fiscal year ended 31 March, 2021, primarily reflecting an increase in revenue from sales of services and higher net gains on fair value changes. Revenue from operations as a percentage of total income was 97.5% for the fiscal year ended 31 March, 2021 compared to 96.0% for the fiscal year ended 31 March, 2020.

(c) Other Income:

Other income decreased by INR 5.82 crore, or 16.18%, from INR 35.93 crore in the fiscal year ended 31 March, 2020 to INR 30.11 crore in the fiscal year ended 31 March, 2021. This decrease was primarily due to lower foreign exchange difference. Other income as a percentage of total income was 2.5% for the fiscal year ended 31 March, 2021 compared to 4.0% for the fiscal year ended 31 March, 2020.

(d) Expenses:

(i) Fees and Commission Expenses: Fees and commission expenses increased by INR 0.05 crore, or 1.83%, from INR 2.91 crore in the fiscal year ended 31 March, 2020 to INR 2.96 crore in the fiscal year ended 31 March, 2021. This was primarily a result of the incremental commission paid for the new fund raised in UTI Structured Debt Opportunities Fund - II by UTI Capital.

(ii) Finance Cost: Finance cost decreased by INR 1.29 crore or 13.79% from INR 9.35 crore in the fiscal year ended 31 March, 2020 to INR 8.06 crore in fiscal year ended 31 March, 2021. This is primarily as a result of reclassification of leases and renegotiation in the rental for various UFCs amid to COVID 19 Pandemic.

(iii) Employee Benefit Expenses: Employee benefit expenses increased by INR 39.60 crore, or 11.65%, from INR 339.88 crore in the fiscal year ended 31 March, 2020 to INR 379.48 crore in the fiscal year ended 31 March, 2021. This increase was primarily due to increase in expenses incurred in respect of the employee share option scheme and an increase in variable pay, salary cost, health insurance and Actuarial Cost for the financial year 2020-21. Employee benefit expenses as a percentage of total income is 31.66% for the fiscal year ended 31 March, 2021 as compared to 38.19% for the fiscal year ended 31 March, 2020, primarily as result of the increase in our total income.

(iv) Depreciation and Amortisation Expenses: Depreciation and amortisation expenses increased by INR 2.19 crore, or 6.53%, from INR 33.59 crore in the fiscal year ended 31 March, 2020 to INR 35.78 crore in the fiscal year ended 31 March, 2021. This increase was primarily due to higher capitalization of various intangible asset, which is as a part of digital initiatives taken by the company for various operations. Depreciation and amortisation expenses as a percentage of total income were 3.77% for the fiscal year ended 31 March, 2020 compared to 2.98% for the fiscal year ended 31 March, 2021.

(v) Other Expenses: Other expenses increased by INR 6.39 crore, or 3.92%, from INR 162.93 crore in the fiscal year ended 31 March, 2020 to INR 169.32 crore in the fiscal year ended 31 March, 2021. This increase was primarily due to an increase in CSR expenses following the changes in Companies Act 2013 in respect of CSR Rules, where it has been mandated to provide for the unspent CSR Expenses as well and transfer the same in a separate bank account, as well as increase in rates & taxes, foreign exchange differences, and membership & subscription expenses, partially offset by an decrease in Repair & maintenance Expenses, Advertisement and business promotion expenses and travelling & conveyance expenses. Other expenses as a percentage of total income were 14.13% for the fiscal year ended 31 March, 2021 compared to 18.31% for the fiscal year ended 31 March, 2020.

(vi) Profit Before Tax: Profit before tax for the fiscal year ended 31 March, 2021 was INR 603.03 crore, an increase of INR 261.73 crore, or 76.69%, from INR 341.30 crore for the fiscal year ended 31 March, 2020. This increase is primarily due to increase in revenue from the sale of services and higher net gains on fair value changes, partly offset by an increase in employee benefit expenses, depreciation and amortization expenses and other expenses. As a percentage of total income, profit before tax was 50.31% in the fiscal year ended 31 March, 2021 and 38.35% in the fiscal year ended 31 March, 2020.

(vii) Tax Expenses: In the fiscal year ended 31 March, 2021, our tax expenses increased by INR 42.32 crore, or 63.76%, to INR 108.70 crore in the fiscal year ended 31 March, 2021 from INR 66.38 crore in the fiscal year ended 31 March, 2020. Current tax increased by INR 8.75 crore, or 11.76%, from INR 74.43 crore in the fiscal year ended 31 March, 2020 to INR 83.18 crore in the fiscal year ended 31 March, 2021, primarily due to an increase in our profit before tax. Deferred tax increased by INR 33.67 crore or 420.37%, from INR (8.01) crore in fiscal year ended 31 March, 2020 to INR 25.66 crore in fiscal year ended 31 March, 2021, primarily due to increase in revenue from gain in fair value changes.

(viii) Profit After Tax: Profit after tax (attributable to the owners of the company) increased by INR 222.68 crore, or 82.08%, from INR 271.46 crore in the fiscal year ended 31 March, 2020 to INR 494.14 crore in the fiscal year ended 31 March, 2021. This increase was primarily due to the increase in total income compared to the fiscal year ended 31 March, 2020. As a percentage of total income, profit after tax was 41.22% in the fiscal year ended 31 March, 2021 and 30.50% in the fiscal year ended 31 March, 2020.

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

UTI Asset Management Company Limited (the Company / UTI AMC) is a professionally managed asset management Company led by its proficient Board of Directors (Board) having expertise in diverse fields and a dedicated management team having requisite talent and experience. It operates its business in an environment which is governed majorly by SEBI (Mutual Funds) Regulations, 1996 (Mutual Funds Regulations). Subsequent to the listing of Company on National Stock Exchange of India Limited and BSE Limited on 12 October 2020, it is also governed by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and several other regulations/circulars issued by Securities and Exchange Board of India (SEBI).

The Company's corporate governance framework *inter-alia*, focuses on:

1. long-term value creation for all its Stakeholders;
2. independent functioning of board and its committees from management;
3. protection of all rights of shareholders and other stakeholders;
4. implementing appropriate controls and procedures to oversee the management's activities for running day-to-day operations of the Company; and
5. transparent and consistent reporting of Company's governance activities, as well as its operating and financial activities to shareholders and other stakeholders in a fair, accurate, timely, reliable, relevant, complete and verifiable manner.

The Company is committed of ensuring good corporate governance by establishment of effective system of risk oversight and management, adopting a business model which involves Environmental, Social and Governance (ESG) Investing and Corporate philanthropy, maintaining transparency & integrity and by creating a culture instrumental to both, its stakeholders & regulators.

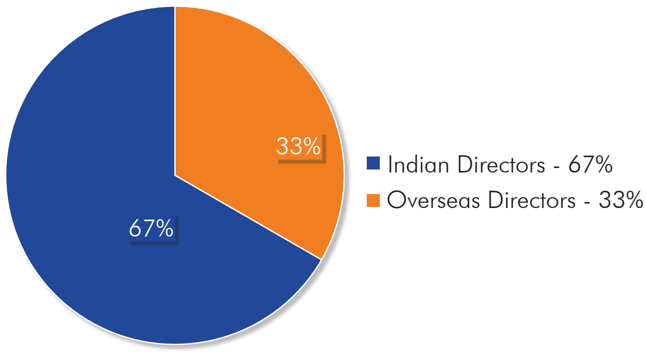
BOARD OF DIRECTORS

The Company continuously endeavors to adhere and adopt the best corporate governance practices in accordance with the applicable SEBI Regulations and which foster the effective oversight on critical matters such as strategy, management succession planning, financial and other controls, risk management and compliance. The Board reviews the governance policies and processes periodically in the context of current corporate governance trends, regulatory changes and recognized best practices. The Committees of the Board also work diligently to support effective corporate governance and strive to align the Company's governance framework with the interest of Stakeholders.

1. Board Diversity:

The Company recognises the benefits of having a diverse Board. The Company believes that a truly diverse Board will leverage divergent thoughts, perspective, knowledge, skill, industry experience, cultural and geographical background and age irrespective of race, caste, creed, religion and gender, which will ensure that the Company retains its competitive advantage, have an effective corporate governance in place, enhanced quality and decision-making capabilities, sustainable development and strengthen its reputation in the industry.

Geographical Representation

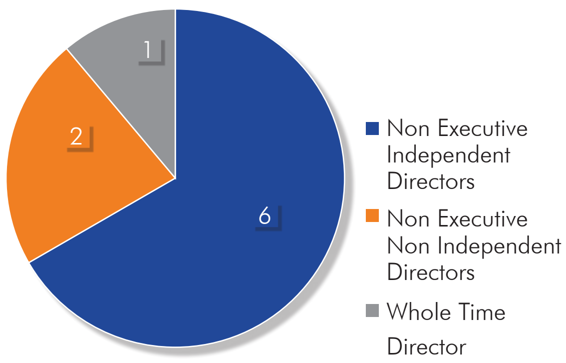


2. Board Composition:

The Board comprises of optimum combination of Executive, Non-Executive Non Independent and Independent Directors in accordance with provisions of the Companies Act, 2013 (the Act), Listing Regulations and other statutory, regulatory and contractual obligations of the Company.

As on 31 March 2021, the Board comprised of 9 (nine) directors, consisting of 6 (six) Independent Directors (including 2 (two) Independent woman directors), 2 (two) Non-Executive Non Independent Directors and 1 (one) Executive Director. The Chairperson of the Company is Non-Executive Independent Director and not related to the Whole Time Director and Chief Executive Officer (CEO).

Composition of Board of Directors



THE DETAILS OF COMPOSITION OF BOARD, CATEGORY OF DIRECTORSHIP, NO. OF SHARES HELD IN THE COMPANY, OTHER DIRECTORSHIPS AND COMMITTEE POSITIONS IN OTHER PUBLIC COMPANIES AND DIRECTORSHIP IN LISTED ENTITIES AS ON 31 MARCH, 2021 ARE PROVIDED HEREIN BELOW:

Name of Director	Category	No. of shares held in the Company	No of Directorships in other public Companies(1)	No of Committee positions held in other Indian public Companies(2)		Other listed entities	
				Chairperson	Member	Name	Category of Directorship
Mr. Dinesh Kumar Mehrotra(3)	Non-executive Chairman and Independent Director	810	5	-	5	1. V L S Finance Limited 2. Computer Age Management Services Limited 3. SBI Cards and Payment Services Limited	Non-Executive - Independent Director Non-Executive - Independent Director, Chairperson Non-Executive - Independent Director
Mr. Edward Cage Bernard	Non-Executive Non Independent Director	Nil	-	-	-	-	-
Mr. Flemming Madsen	Non-Executive Non Independent Director	Nil	-	-	-	-	-
Mr. Narasimhan Seshadri(4)	Independent Director	351	3	-	3	-	-
Mr. Deepak Kumar Chatterjee	Independent Director	Nil	1	-	-	V L S Finance Limited	Non-Executive - Independent Director
Mr. Rajeev Kakar	Independent Director	Nil	-	-	-	-	-
Ms. Dipali Sheth	Independent Director	Nil	2	-	2	DFM Foods Limited	Non-Executive - Independent Director
Ms. Jayashree Vaidhyanathan	Independent Director	Nil	-	-	-	-	-
Mr. Imtaiyazur Rahman(5)	Whole-time Director and CEO	1971	2	-	1	-	-

Notes:

(1) Apart from directorship in UTI Asset Management Company Limited and directorships in private companies (including deemed public Company), foreign companies, bodies corporate and companies under Section 8 of the Companies Act, 2013.

(2) Membership/Chairpersonship of the Audit Committee and Stakeholders Relationship Committee of Indian public companies (excluding UTI Asset Management Company Limited).

(3) Mr. Dinesh Kumar Mehrotra was re-appointed as an Independent Director of the Company for a period of 5 consecutive years from 28 November 2020 to 27 November, 2025, not liable to retire by rotation.

(4) Mr. Narasimhan Seshadri was re-appointed as an Independent Director of the Company for a period of 5 consecutive years from 28 November 2020 to 27 November 2025, not liable to retire by rotation.

CORPORATE GOVERNANCE REPORT (Contd.)

(5) Mr. Imtaiyazur Rahman was appointed as Whole Time Director at Annual General Meeting of the Company held on 22 August 2019 for a period of three years w.e.f. 23 August 2019 till 22 August 2022, not liable to retire by rotation. Further, the Board of Directors at its meeting held on 12 June 2020, based on the recommendation of Nomination & Remuneration Committee, designated Mr. Imtaiyazur Rahman as Chief Executive Officer of the Company with effect from 13 June 2020 for a period of 2 years.

(6) Mr. Ashok Shah had resigned from the directorship of the Company with effect from the conclusion of the 17th Annual General Meeting held on 27 November 2020.

(7) Ms. Uttara Dasgupta ceased to be an Independent Director of the Company with effect from the conclusion of the 17th Annual General Meeting held on 27 November 2020.

There are no *inter-se* relationships between our Board members. The Company doesn't have any pecuniary relationship with any of the Independent directors except for payment of sitting fees and reimbursement of expenses for attending Board / Committees Meetings.

None of the Directors is a member of more than ten committees or chairman of more than five committees across all the public companies in which he / she is a Director. Membership/ Chairpersonship of the Audit Committee and Stakeholders Relationship Committee of Indian public companies is considered.

All the directors have submitted declaration confirming that they are not disqualified for being appointed as directors pursuant to Section 164 of the Act.

3. Director Engagement:

The Company has organized board and committee(s) meetings at regular intervals to discuss and approve Company's business strategy as well as other statutory & general matters. The Board periodically reviews the compliance certificate of the Company certifying compliance with various statutory laws, acts, rules and regulations, and steps taken by the Company to rectify the instances of non-compliance, if any.

At the Board / Committee(s) meetings, the Whole-time Director & CEO and senior management, who are invited to the Board / Committee(s) meetings, also makes presentations on various matters including the financial results, operations related matters, risk management, the economic and regulatory changes and other business matters.

The Board met 12 (twelve) times during the financial year 2020-21, i.e. on 29 April 2020, 12 June 2020, 22 July 2020, 26 August 2020, 12 September 2020, 21 September 2020, 28 September 2020, 3 October 2020, 28 October 2020, 17 November 2020, 29 January 2021 and 5 February 2021.

Due to the Covid-19 pandemic and subsequent relaxations granted by Ministry of Corporate Affairs (MCA) and SEBI, all the Board / Committees meetings were conducted through Video Conferencing during the financial year 2020-21.

THE DETAILS OF ATTENDANCE OF DIRECTORS AT EACH BOARD MEETING AND AT THE ANNUAL GENERAL MEETING OF THE COMPANY ARE AS FOLLOWS:

Name of Directors	Board Meetings												No. of Board Meetings during 20-21		Attendance at AGM
	29-Apr-20	12-Jun-20	22-Jul-20	26-Aug-20	12-Sep-20	21-Sep-20	28-Sep-20	03-Oct-20	28-Oct-20	17-Nov-20	29-Jan-21	05-Feb-21	Held	Attended	27-Nov-20
Mr. Dinesh Kumar Mehrotra	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12	12	✓
Mr. Edward Cage Bernard	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12	12	×
Mr. Flemming Madsen	✓	×	✓	✓	✓	✓	×	✓	✓	✓	✓	✓	12	10	×
Mr. Narasimhan Seshadri	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12	12	✓
Mr. Deepak Kumar Chatterjee	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12	12	✓
Mr. Rajeev Kakar	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12	12	✓
Ms. Dipali Sheth	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12	12	✓
Ms. Jayashree Vaidhyanathan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12	12	✓
Mr. Imtaiyazur Rahman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12	12	✓
Mr. Ashok Shah	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N.A.	N.A.	10	10	×
Ms. Uttara Dasgupta	✓	✓	✓	✓	✓	✓	✓	✓	✓	×	N.A.	N.A.	10	9	✓

N.A. – Not Applicable

4. Board Skills:

The Board comprises of qualified members who possess relevant skills, expertise and competence *viz.* Business Leadership, Corporate Strategy and Planning, Investment Management, Financial Management, Information Technology, Marketing, Client Services, Capital Markets Transactions, Strategic Alliances, Risk Management, Compliance & Governance, Taxation, Talent Management, Management Consulting and International Asset Management, for the effective functioning of the Company.

The brief profiles of the directors of the Company have been uploaded on the website of the Company at https://www.utimf.com/about/key-people/board-of-directors.

5. Board Independence:

The Board determines the independence based on the declaration submitted by all the Independent Directors, regarding fulfillment of the conditions mentioned in the Act and Listing Regulations and affirms their independence with management.

6 (six) out of 9 (nine) directors, are non-executive and independent and the Chairman of the Board is also independent who provides independent leadership to the organization.

The appointment of Independent Directors on the Board of the Company is formalized through letter of appointment *inter-alia* outlining their roles, rights and responsibilities, details of remuneration to directors, evaluation of performance, director's and officers' liability insurance coverage etc. In addition, the Company has also provided copies of Code of Conduct for Board of Directors and Senior Management Personnel, Terms of Reference of respective committees and access to all other policy documents.

During the year under review, Mr. Dinesh Kumar Mehrotra and Mr. Narasimhan Seshadri were re-appointed as an Independent Director of the Company for a period of 5 consecutive years from 28 November 2020 to 27 November 2025, not liable to retire by rotation.

Ms. Uttara Dasgupta ceased to be an Independent Director of the Company with effect from the conclusion of the 17th Annual General Meeting held on 27 November 2020 on account of completion of her term.

Mr. Ashok Shah resigned from the directorship of the Company with effect from the conclusion of the 17th Annual General Meeting held on 27 November 2020. Mr. Shah had confirmed that the reason for resignation was personal and there was no other reason for resignation.

The maximum tenure of Independent Directors is in accordance with the Act and other applicable Regulations.

6. Familiarisation Programme for Independent Directors:

The Board had at its meeting held on 16th December, 2019 approved the Familiarisation Programme for Independent Directors in accordance with the provisions of Section 178 of the Act and Listing Regulations, as amended.

The Company has conducted orientation programs / presentations / training sessions for Independent Directors at regular intervals to familiarize them with the mutual fund industry and business model of the Company, performance of the Company, various system and policies adopted by the Company, Indian and Global market update, risk management framework, achievements / awards, management structure, HR policies, management development, review of Internal Audit, operations of subsidiaries and associates, digitization of business process and update on digital marketing etc.

The Familiarisation Programme for Independent Directors and an update on programmes conducted during the financial year 2020-21 has been disclosed on the Company's website at https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/.

7. Board Evaluation:

The Company has in place a policy, which prescribes procedures and criteria to evaluate the performance of the entire Board and that of its Individual Director (Whole Time Director, Non-Executive Director and Independent Director) and Committees in line with the provisions of the Act and Listing Regulations. Performance evaluation of Non-Executive Directors and Independent Directors is done by entire Board, excluding the Director being evaluated and the performance of Whole Time Director & CEO is evaluated by Nomination and Remuneration Committee.

A separate meeting of the Independent Directors was held on 27 October 2020 without the presence of non-independent directors, wherein the performance of the Board for FY-20 as a whole was evaluated on the grounds of qualification, experience and contribution made at the Board / Committee(s) meetings.

The outcome of performance evaluation of Board for FY-21 was circulated to Independent Directors and deliberated in their meeting held on 24 April 2021. They were satisfied with the Board's performance for the financial year 2020-21 and also shared their valuable feedbacks on improvement of evaluation process.

8. Code of Conduct

The Company has in place, a Code of Conduct for its Board of Directors and Senior Management Personnel (Code) covering the matters which are utmost importance to the Company, its shareholders and other stakeholders

CORPORATE GOVERNANCE REPORT (Contd.)

which are essential to conduct the business in accordance with legal and ethical values to which the Company is strongly committed.

All members of the Board and Senior Management Personnel have affirmed compliance with the said Code of Conduct for the financial year 2020-21. The declaration to this effect signed by Mr. Imtaiyazur Rahman, CEO, forms part of this Report.

- **BOARD COMMITTEES**

Board Committees constitute an important element of the governance process. The Board has constituted various committees *viz.*, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee cum Share Allotment Committee, Corporate Social Responsibility Committee and Risk Management Committee with approved and well-established terms of reference, role and function in order to effectively discharge its obligations and comply with the statutory requirements.

In view of the importance of systems, cyber-security and digital transactions, the Board has also constituted a 'Digital Transformation Committee' through a circular resolution dated 4 December 2020 with majority of the members being Independent Directors.

The Committees function under the direct supervision of the Board and prepares the groundwork for decision-making in accordance with its terms of reference and if required, recommends the same to the Board thereby enabling better management of the board's time and in-depth scrutiny and focused attention on the matters delegated. The Company organizes the Committee meetings prior to the board meeting and the chairpersons of the respective committees, summarizes the Board about the deliberations and decisions taken at the Committee meetings.

The Chairperson of Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee and Digital Transformation Committee except Stakeholders Relationship Committee cum Share Allotment Committee are Independent Directors. The Chairperson of Stakeholders Relationship Committee cum Share Allotment Committee is a Non-Executive Director.

(a) Audit Committee

Audit Committee plays a pivotal role in corporate governance mechanism. The Audit Committee aims to enhance the confidence in the integrity of Company's financial reporting, the internal control processes and the risk management systems by providing an appropriate oversight in financial reporting and disclosures.

In compliance with the provisions of Section 177 of the Act and Regulation 18 of Listing Regulations, the Company has an Audit Committee comprising of Non-Executive Independent and Non Independent Directors who are financially literate and have relevant expertise in the fields of finance accounting and development.

The Audit Committee met 5 (five) times during the financial year 2020-21, i.e. on 29 April 2020, 22 July 2020, 28 September 2020, 28 October 2020 and 29 January 2021. The composition of Audit Committee as on 31 March 2021 and the attendance of members at its meetings are as under:

Sr. No.	Name of the Member	Designation	Number of Meetings	
			Held during tenure	Attended
1	Mr. Deepak Kumar Chatterjee (Independent Director)	Chairman	5	5
2	Mr. Dinesh Kumar Mehrotra (Independent Director)	Member	5	5
3	Mr. Flemming Madsen (Non-Executive Director)	Member	5	4
4	Mr. Narasimhan Seshadri (Independent Director)	Member	5	5
5	Mr. Rajeev Kakar (Independent Director)	Member	5	5

Notes:

(1) The Company Secretary acts as the Secretary to the Audit Committee.

(2) The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 27 November 2020.

The terms of reference of the Audit Committee includes the following:

1. Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
2. Recommending to the Board for appointment, re-appointment and replacement, remuneration and terms of appointment of statutory auditors of the Company;
3. Reviewing and monitoring the statutory auditor's independence and performance and effectiveness of audit process;

4. Approving payment to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing with the management the annual financial statements and auditor's report thereon before submission to the Board for approval with particular reference to:
   (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
   (ii) Changes, if any, in accounting policies and practices and reasons for the same;
   (iii) Major accounting entries involving estimates based on the exercise of judgment by management;
   (iv) Significant adjustments made in the financial statements arising out of audit findings;
   (v) Compliance with listing and other legal requirements relating to financial statements;
   (vi) Disclosure of any related party transactions; and
   (vii) Modified opinion(s) in the draft audit report.
6. Reviewing with the management the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
7. Reviewing with the management the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of funds raised through the proposed initial public offer by the Company;
8. Approval or any subsequent modifications of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuing of undertakings or assets of the Company, wherever it is necessary;
11. Evaluating of internal financial controls and risk management systems;
12. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
13. Reviewing with the management the performance of statutory and internal auditors and adequacy of the internal control systems;
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. Discussing with the internal auditors on any significant findings and follow up there on;
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
17. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. Reviewing the functioning of the whistle blower mechanism;
20. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background etc. of the candidate;
21. Carrying out any other function as mentioned in the terms of reference as may be decided by the Board or specified/provided under the Companies Act or the Listing Regulations or by any other regulatory authority; and
22. Reviewing the utilization of loans and / or advances from/ investment by the holding Company in any subsidiary exceeding INR 100 crore or 10 % of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments.

Powers of the Audit Committee

The powers of the Audit Committee shall include the following:

1. To investigate any activity within its terms of reference;
2. To invite the finance director or head of the finance function, head of internal audit and a representative of the statutory auditor and any other such executives to be present at the meetings of the committee;
3. To seek information from any employee;
4. To obtain outside legal or other professional advice; and
5. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Reviewing Powers

The Audit Committee shall mandatorily review the following information:

1. Management's discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee) submitted by the management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
6. Statement of deviations:
   (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Listing Regulations; and
   (ii) annual statement of funds utilised for purposes other than those stated in the document/prospectus/notice in terms of the Listing Regulations."

(b) Nomination and Remuneration Committee

The Company has a Nomination and Remuneration Committee comprising of Non-Executive Independent and Non Independent Directors in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee identifies the person who is qualified to become a director or who may be appointed as Key Managerial Personnel.

The Nomination and Remuneration Committee met 5 (five) times during the financial year 2020-21, i.e. on 28 April 2020, 5 June, 2020, 12 June 2020, 23 October 2020 and 27 January 2021. The composition of Nomination and Remuneration Committee as on 31 March 2021 and the attendance of members at its meetings are as under:

Sr. No.	Name of the Member	Designation	Number of Meetings	
			Held during tenure	Attended
1	Mr. Narasimhan Seshadri (Independent Director)	Chairman	5	5
2	Mr. Edward Cage Bernard (Non-Executive Director)	Member	5	5
3	Mr. Dinesh Kumar Mehrotra (Independent Director)	Member	5	5
4	Ms. Dipali Sheth (Independent Director)	Member	5	5
5	Ms. Uttara Dasgupta(1) (Independent Director)	Member	4	4

Notes:

(1) Ms. Uttara Dasgupta ceased to be member of the Committee with effect from the conclusion of the 17th Annual General Meeting held on 27 November 2020.

(2) The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

(3) The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on 27 November 2020.

The terms of reference of the Nomination and Remuneration Committee includes the following:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of Executive and Non-Executive Directors & Key Managerial Personnel;

2. Formulating of criteria for evaluation of the performance of the Non-Executive Directors, Executive Directors and the Board as a whole;
3. Devising a policy on Board diversity;
4. Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and specify the manner for effective evaluation of performance of Board, its committees and individual directors and review its implementation and compliance;
5. Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. Formulate scheme / policy on Employees Stock Option, review the same periodically and recommend to the Board for its adoption/ approval all aspects of Employees Stock Option Plans (ESOP) including and not restricted to the following:
   (a) administering the ESOP, as may be approved by the Board and implemented from time to time (the "Plan");
   (b) determining the eligibility of employees to participate under the Plan;
   (c) granting options to eligible employees and determining the date of grant;
   (d) determining the number of options to be granted to an employee;
   (e) determining the exercise price under the Plan;
   (f) construing and interpreting the Plan and any agreements defining the rights and obligations of the Company and eligible employees under the Plan and prescribing, amending and/or rescinding rules and regulations relating to the administration of the Plan; and
   (g) Do all such actions so as to implement the ESOP policy guidelines as approved by the Board and to recommend to the Board for its consideration/ adoption the final proposals on ESOP.
7. Analyzing, monitoring and reviewing various human resource and compensation matters;
8. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment and determining remuneration packages of such directors;
9. Determining compensation levels payable to the Key Managerial Personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
10. Formulating and recommend to the Board for its adoption/ approval, a policy for periodical evaluation of the performance of Whole Time Directors / CEO / CFO / CIO / other Key Managerial Personnel and carry out performance review as per the policy adopted by the Board;
11. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
12. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended;
13. Perform such other activities as may be delegated by the Board and/or specified/provided under the Companies Act or the Listing Regulations, or by any other regulatory authority;
14. Recommend to the board, all remuneration, in whatever form, payable to Key Managerial Personnel; and
15. Carry out such other functions as may be required for the performance of any of the above duties.

(c) Stakeholders Relationship cum Share Allotment Committee

The Company has a constituted Stakeholders Relationship cum Share Allotment Committee comprising of Non-Executive Independent and Non Independent Directors in accordance with Section 178 of the Act and Regulation 20 of Listing Regulations. The Committee assists the Board in fulfilling its statutory, fiduciary and regulatory responsibilities towards stakeholders. It looks into various aspects of stakeholder which *inter-alia* specifically involves resolving the grievances of security holders of the Company.

No meeting of the Stakeholders Relationship cum Share Allotment Committee was held during the financial year 2020-21. The equity shares of the Company were listed on National Stock Exchange of India Limited and BSE Limited during the second half of financial year 2020-21 on 12 October 2020. The composition of Stakeholders Relationship cum

CORPORATE GOVERNANCE REPORT (Contd.)

Share Allotment Committee as on 31 March 2021 is as under:

Sr. No.	Name of the Member	Designation
1	Mr. Edward Cage Bernard (Non-Executive Director)	Chairman
2	Mr. Deepak Kumar Chatterjee (Independent Director)	Member
3	Ms. Jayashree Vaidhyanathan[(1)] (Independent Director)	Member
4	Ms. Uttara Dasgupta[(2)] (Independent Director)	Member

Notes:

(1) Ms. Jayashree Vaidhyanathan became the member of the Committee with effect from 4 December 2020.

(2) Ms. Uttara Dasgupta ceased to be member of the Committee with effect from the conclusion of the 17th Annual General Meeting held on 27 November 2020.

(3) The Company Secretary acts as the Secretary to the Stakeholders Relationship cum Share Allotment Committee.

The terms of reference of the Stakeholders Relationship cum Share Allotment Committee includes the following:

1. To consider and resolve grievances of security holders of the Company, including complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, allotment of shares etc.
2. To review the measures taken for effective exercise of voting rights by shareholders.
3. To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent.
4. To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
5. To approve and review policy(s) / procedure(s) / standard(s) in line with the statutory guidelines to ensure proper and timely attendance and redressal of investor queries and grievances.
6. To approve and register transfer or transmission of shares and issuance of duplicate share certificate(s) or new certificate on sub-division, consolidation, removal, rematerialisation, etc.
7. To perform such other functions as may be required under the relevant provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and various circulars issued by the regulatory authority(s), or any other applicable laws for the time being in force.

Name and Designation of Compliance Officer

Pursuant to the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and Listing Regulations, the Board has designated the Company Secretary as the Compliance Officer for monitoring compliance of the aforesaid laws and redressal of investors' grievances.

Accordingly, Mr. Arvind Patkar, Company Secretary, is the Compliance Officer under the aforesaid regulation.

Details of Investors' complaints received and resolved during the financial year 2020-21 are as follows:

Number of complaints at the beginning of the year	Number of complaints received during the year	Number of complaints resolved during the year	Number of complaints at the end of the year
0	19	18	1*

(*) The pending complaint at the end of the year was resolved on 7 April 2021.

The status of investor complaints received and resolved by the Company are reported on quarterly basis to Stock Exchanges under Regulation 13(3) of Listing Regulations.

SEBI Complaints Redress System (SCORES): The SEBI has introduced centralized web based complaint redressal system for processing of shareholders' complaints. SCORES maintains centralised data base of the complaints and Companies can upload online action taken reports. Through SCORES, the investors can view real time status of complaints and action taken thereon.

(d) Corporate Social Responsibility Committee

Pursuant to the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has a Corporate Social Responsibility (CSR) Committee comprising of Non-Executive Independent and Non Independent Directors. CSR Committee assists the Board to fulfill the commitment of the Company to contribute to economic development while improving the quality of life of the workforce, their families, local community and society at large. It enhances the responsiveness of the Company to its stakeholders and the environment in which it operates.

The details of CSR activities undertaken by the Company during the year under review form part of the Director's Report.

The CSR Committee met once during the financial year 2020-21, i.e. on 27 October 2020. The composition of CSR Committee as on 31 March 2021 and the attendance of members at its meeting are as under:

Sr. No.	Name of the Member	Designation	Number of Meetings	
			Held during tenure	Attended
1	Ms. Uttara Dasgupta[(1)] (Independent Director)	Chairperson	1	1
2	Ms. Dipali Hemant Sheth[(2)] (Independent Director)	Chairperson	NA	NA
3	Mr. Dinesh Kumar Mehrotra (Independent Director)	Member	1	1
4	Mr. Edward Cage Bernard (Non-Executive Director)	Member	1	1
5	Mr. Imtaiyazur Rahman[(3)] (Independent Director)	Member	NA	NA

Notes:

(1) Ms. Uttara Dasgupta ceased to be Chairperson of the Committee with effect from the conclusion of the 17th Annual General Meeting held on 27 November 2020.

(2) Ms. Dipali Sheth was appointed as the Chairperson & member of the Committee with effect from 4 December 2020.

(3) Mr. Imtaiyazur Rahman was appointed as member of the Committee with effect from 4 December 2020.

(4) The Company Secretary acts as the Secretary to the CSR Committee.

The terms of reference of the CSR Committee includes the following:

1. Formulate and recommend to the Board a CSR Policy;
2. Monitor and Review CSR Policy and recommend to the Board any amendments therein;
3. Recommend the amount of expenditure to be incurred on the CSR projects;
4. Formulate and recommend to the Board an Annual Action Plan which shall include the following, namely:-
   (a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
   (b) the manner of execution of such projects or programmes as specified in Act or Rules;
   (c) the modalities of utilization of funds and implementation schedules for the projects or programmes;
   (d) monitoring and reporting mechanism for the projects or programmes; and
   (e) details of need and Impact Assessment, if any, for the projects undertaken by the Company.
5. To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the Committee in terms of the provisions of Section 135 of the Act and Rules made thereunder.

(e) Risk Management Committee

The Company has a Risk Management Committee comprising of Non-Executive Independent and Non Independent Directors in accordance with Regulation 21 of Listing Regulations. The Committee assists the Board in fulfilling its oversight responsibilities with regard to the risk appetite of the Company, the Company's risk management framework and the governance structure that supports it. The Committee reviews the overall risk management policies and guidelines and implementation thereof.

The Risk Management Committee met 3 (three) times during the financial year 2020-21, i.e. on 27 October 2020, 18 December 2020 and 22 January 2021. The composition of Risk Management Committee as on 31 March 2021 and the attendance of members at its meeting are as under:

Sr. No.	Name of the Member	Designation	Number of Meetings	
			Held during tenure	Attended
1	Mr. Rajeev Kakar[(1)] (Independent Director)	Chairperson	2	2
2	Mr. Narasimhan Seshadri[(2)] (Independent Director)	Member	3	3
3	Mr. Flemming Madsen (Non-Executive Director)	Member	3	2
4	Mr. Deepak Kumar Chatterjee (Independent Director)	Member	3	3
5	Ms. Jayashree Vaidhyanathan (Independent Director)	Member	3	3
6	Mr. Ashok Shah[(3)] (Independent Director)	Member	1	1

Notes:

(1) Mr. Rajeev Kakar was appointed as Chairperson & member of the Committee with effect from 4 December, 2020.

(2) Mr. Narasimhan Seshadri step down as a Chaiperson of the Committee with effect from 4 December, 2020. Mr. Seshadri continues to be a member of the Committee.

(3) Mr. Ashok Shah ceased to be a member of the Committee with effect from the conclusion of the 17th Annual General Meeting held on 27 November 2020.

(4) The Company Secretary acts as the Secretary to the Risk Management Committee.

The Board periodically reviews our risk management policies, procedures and processes, which include the delegation of investment and financial responsibilities, the establishment of prudential investment norms, the approval and dissemination of guidelines and restrictions as well as the establishment of counter-party limits.

The terms of reference of Risk Management Committee of the Company shall include the following:

(i) To set the risk profile of the UTI AMC /MF;

(ii) To review the Mutual Fund's approach to risk management and approve changes or improvements to key elements of its processes and procedures;

(iii) To recommend the modification(s)/ amendments in the Risk Management Policy, which shall include-

  (a) A framework for identification of internal and external risks specifically faced by the Company, including financial, operational, sectoral, sustainability (particularly ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

  (b) Measures for risk mitigation including systems and processes for internal control of identified risks.

  (c) Business continuity plan.

(iv) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(v) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(vi) To periodically review the risk management policy at least once in a year including by considering the changing industry dynamics and evolving complexity;

(vii) To review and provide guidance w.r.t. various risks being faced by the Organization, including investment Risks, Trading Risks, Operational Risks and Cyber-security risks;

(viii) To recommend to the Board on changes to investment policies;

(ix) To review in details the issues arising out of Quarterly Compliance Test Report;

(x) To review the R&T related risks arising out of audit and/or inspection reports;

(xi) To review the Compliance with Stewardship Policy on half-yearly basis;

(xii) To review Business Continuity Plans on yearly basis;

(xiii) To review the quantum of D&O Insurance Policy;

(xiv) To coordinate its activities with other committees in instances where there is any overlap with activities of such committees as per the framework laid down by the board of directors;

(xv) To review the appointment, removal and terms of remuneration of the Head-Risk management / Chief Risk Officer; and

(xvi) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.

(f) Digital Transformation Committee

The Board *vide* its circular resolution dated 4 December 2020 constituted Digital Transformation Committee considering the importance of cyber security, system and digital transactions. The Committee was constituted with an aim to ensure alignment of digital initiatives to the current and future strategic direction, minimize technology and investment risk and make recommendations related to funds budgeted for digital transformation initiatives.

The Digital Transformation Committee met once during the financial year 2020-21, i.e. on 4 February, 2021. The composition of the Committee as on 31 March 2021 and the attendance of members at its meeting are as under:

Sr. No.	Name of the Member	Designation	Number of Meetings	
			Held during tenure	Attended
1	Ms. Jayashree Vaidhyanathan	Chairperson	1	1
2	Mr. Flemming Madsen	Member	1	1
3	Mr. Rajeev Kakar	Member	1	1
4	Ms. Dipali Sheth	Member	1	1
5	Mr. Imtaiyazur Rahman	Member	1	1

The terms of reference of the Digital Transformation Committee includes the following:

1. Assist the Board of Directors in fulfilling its oversight responsibilities. The Committee will monitor, evaluate and approve actions related to technology risk, cybersecurity and prioritization of major digital projects.
2. Assist the management team by providing industry expertise to the digital transformation strategy and initiatives.

The minutes of the aforesaid Board Committees meetings were also placed before the Board at regular intervals.

Remuneration to Directors

NON-EXECUTIVE / INDEPENDENT DIRECTORS

The Non-executive Directors are paid sitting fees for attending Board or Committee meetings either in person or through video conference/ audio means. Apart from sitting fees paid to Non-executive Directors, there were no other pecuniary relationships or transactions of Non-Executive Director *vis-à-vis* the Company. The amount paid as sitting fees is in accordance with the Act & Rules made thereunder and is approved by Board.

Further, the expenses incurred for attending the Board and other meetings are reimbursed to the Directors.

EXECUTIVE DIRECTORS

The remuneration paid to the Whole-time Director & CEO for the financial year 2020-21 is as under:

Name	Mr. Imtaiyazur Rahman
Salary (basic)	INR 59,36,004/-
Performance Bonus / Commission	INR 4,45,36,500/-
Company's Contribution to PF	INR 5,93,604/-
Perquisites and Allowances	INR 2,31,61,388/-
Other Benefits *viz* – Insurances, Pension, Club Membership.	INR 10,47,908/-
Gratuity	INR 4,94,469/-
Stock Option (Number of Options granted in FY 2020-21)	NIL

Mr. Imtaiyazur Rahman was appointed as Whole Time Director for a period of three years with effect from 23 August 2019 till 22 August 2022, not liable to retire by rotation.

General Body Meetings

(A) DETAILS OF LAST THREE ANNUAL GENERAL MEETINGS ARE GIVEN BELOW:

The details of last three Annual General Meetings and the summary of Special Resolutions passed therein are as under:

Financial Year	Date and Time	Venue	Special Resolution
2019-20	27 November, 2020 at 04:00 pm	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") and Registered Office was deemed to be the venue of the meeting	1. Ratification of Article 129 of the Articles of Association of the Company; 2. Approval of the re-appointment of Mr. Dinesh Kumar Mehrotra (DIN: 00142711) as an independent director; 3. Approval of the re-appointment of Mr. Narasimhan Seshadri (DIN: 03486485) as an independent director.
2018-19	22 August 2019 at 04:30 pm	St. Andrew's Auditorium, St. Dominic Road, Bandra West, Mumbai 400 050	None
2017-18	25 September 2018 at 04:30 pm	Hotel Rangsharda, near Lilavati Hospital, Bandra Reclamation, Mumbai 400 050	None

CORPORATE OVERVIEW

CORPORATE GOVERNANCE REPORT (Contd.)

(b) Extra-Ordinary General Meeting

During the year under review, no Extraordinary General Meeting was held.

(c) Postal Ballot

No resolution was passed through postal ballot during the financial year 2020-21. There is no special resolution proposed to be conducted through postal ballot as on the date of this report.

Means of Communication

The Company's virtual space can be seen by visiting the web-portal: www.utimf.com. The website is used as a means of disclosing the information relevant to all stakeholders and for complying with the provisions of Listing Regulations. The disclosures specifically relevant to the shareholders of the Company are included in **'UTI AMC Shareholders'** section of the website. The disclosures made to the Stock Exchanges, pursuant to the Listing Regulations, is available in this section as soon as reasonably practicable.

The Quarterly Results of the Company are published in Economic Times (English Newspaper) circulated in substantially whole of India and Maharashtra Times (Marathi / Vernacular Newspaper). The Company also issues press releases from time to time. Presentation made to Investors/ Analysts, Media, Institutional Investors etc. are available on the website of Stock Exchanges where the shares of the Company are listed as well as on the Company's website.

All periodical compliances, intimations and/or disclosures etc. are filed electronically to National Stock Exchange of India Limited and BSE Limited through their web based applications *viz.* NEAPS and the Listing Centre respectively.

General Shareholders Information

(A) EIGHTEENTH ANNUAL GENERAL MEETING

Day and Date	: Wednesday, 28 July 2021
Time	: 03:00 p.m. IST
Venue	: UTI Tower GN Block Bandra-Kurla Complex Bandra (East) Mumbai – 400 051 Maharashtra India ('Deemed Venue') (through Video Conference/ Other Audio Visual means)
E-voting period commences	: Sunday, 25 July 2021 at 09:00 a.m. IST
E-voting period ends	: Tuesday, 27 July 2021 at 05:00 p.m. IST
ISIN for depositories	: INE094J01016

(B) FINANCIAL YEAR

The Company's financial year starts from 1 April of every year and ends on 31 March of next year.

(C) DIVIDEND

Dividend Distribution Policy:

The Company has its Dividend Distribution Policy in place, which *inter-alia* specifies the parameters to be considered by the Board before declaring or recommending dividend, Circumstances under which the shareholders of the Company may or may not expect dividend and the manner in which retained earnings can be utilised.

The Policy aims to strike an optimum balance between rewarding shareholders through dividend and ensuring that sufficient funds are retained for the growth of the Company. The Policy is available on the website of the Company at https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/.

Dividend Payment Date:

The Board of Directors are pleased to recommend a Final Dividend of INR 17/- per equity share of face value of INR 10/- each amounting to INR 215.54 crore for the financial year ended 31 March 2021. The Final Dividend, subject to the approval of Members at the Annual General Meeting to be held on Wednesday, 28 July 2021, will be paid to those equity shareholders: -

a) whose name appears as beneficial owners as at the end of business hours on Wednesday, 21 July 2021 in the list of beneficial owners to be furnished by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") in respect of the shares held in electronic form; and

b) whose name appears as members in the register of members of the Company on Wednesday, 21 July 2021.

Pursuant to Section 91 of the Act and Regulation 42 of Listing Regulations, the register of members and share transfer books of the Company shall remain closed from Thursday, 22 July, 2021 to Wednesday, 28 July 2021 (both days inclusive) for determining the entitlement of the members to the dividend, if declared, for the financial year 2020-21.

Pursuant to the amendments made under the Income-tax Act, 1961, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. Accordingly, your Company shall make the payment of the Final Dividend after deduction of tax at source.

(D) STOCK EXCHANGES

The Equity Shares of the Company are listed on the following Stock Exchanges:

National Stock Exchange of India Limited (NSE)

Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051.

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.

The equity shares of the Company have not been suspended from trading on the stock exchanges or by any Regulatory / Statutory Authority.

(E) DEBT SECURITIES

The Company has not issued any Non-Convertible Debt Instruments during the year.

(F) LISTING FEES

Listing Fees, as prescribed, have been paid to both the Stock Exchanges where the equity shares of the Company are listed.

(G) SECURITIES CODE

Security	ISIN	BSE	BSE	NSE
		Scrip Code	Symbol	
Equity	INE094J01016	543238	UTIAMC	

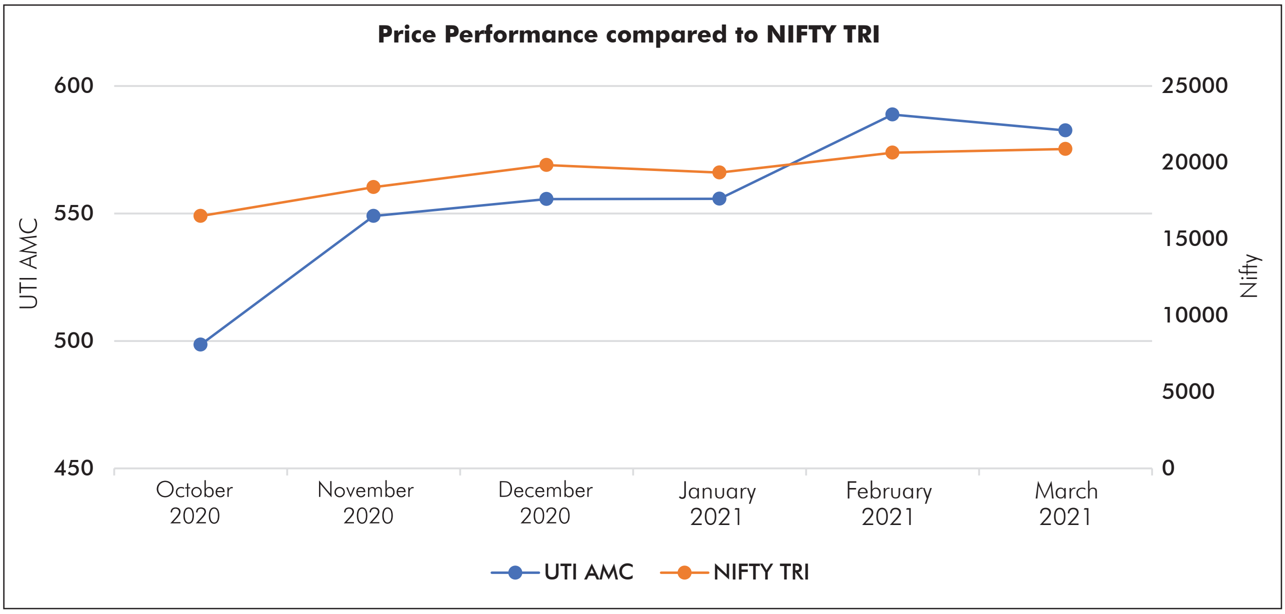
(H) STOCK PERFORMANCE

Since the listing of the Company, the price of Company's share - high, low and number of equity shares traded during each month in financial year 2020-21, on NSE and BSE, are as under:

Month	NSE			BSE		
	High (INR)	Low (INR)	No. of Shares traded	High (INR)	Low (INR)	No. of Shares traded
October 2020*	529.95	471.10	1,83,37,075	530.00	471.10	22,68,580
November 2020	561.05	483.10	1,01,65,003	560.95	483.00	7,29,014
December 2020	579.80	505.00	1,14,47,287	579.75	533.35	7,60,692
January 2021	595.80	539.45	73,28,582	608.40	539.80	5,78,044
February 2021	602.65	550.35	56,00,095	602.70	550.15	4,46,541
March 2021	624.00	547.55	45,75,084	623.95	545.00	4,23,399

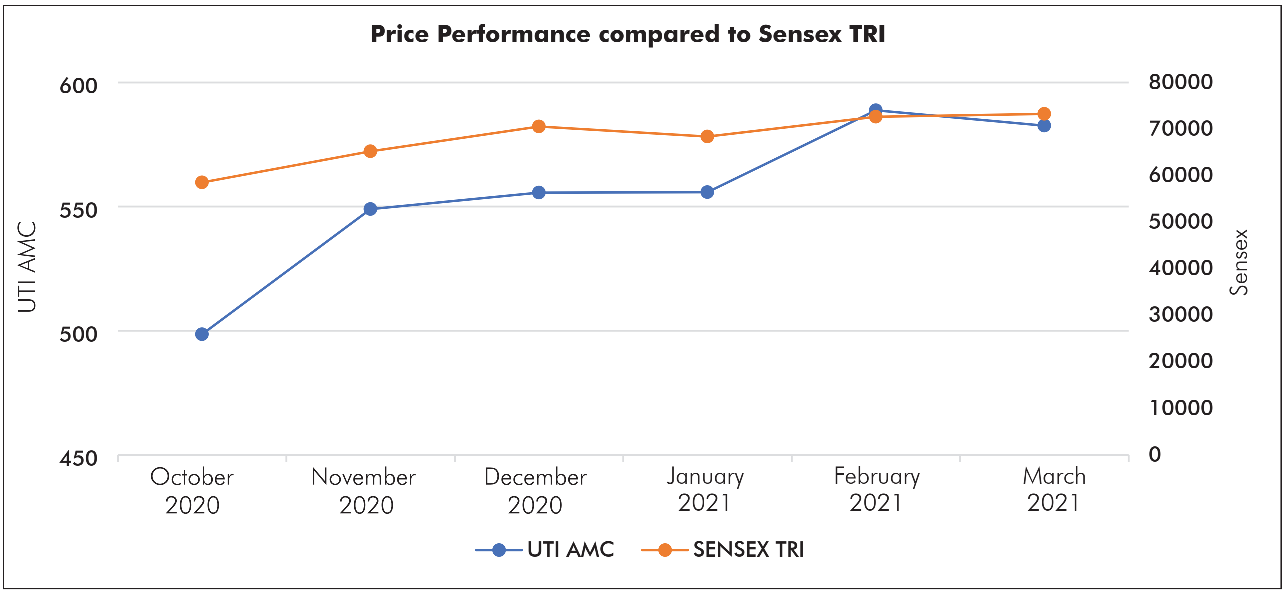
** The data for the month of October 2020 is from listing date i.e. 12 October 2020.*

(I) PRICE PERFORMANCE COMPARED TO INDICES



The data for the month of October 2020 is from listing date i.e. 12 October 2020.

CORPORATE GOVERNANCE REPORT (Contd.)



The data for the month of October, 2020 is from listing date i.e. 12 October, 2020.

Sources: BSE and NSE Website

(J) SHARE TRANSFER SYSTEM

Pursuant to Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018 and Listing Regulations as amended, equity shares of Companies can only be transferred in dematerialised form except where the claim is lodged for transmission or transposition of shares or where the transfer deed(s) was lodged prior 1 April 2019 and returned due to deficiency in the document. Accordingly, in compliance with the aforesaid Rules, the Company has not processed any request for transfer of shares in physical form during 2020-21. ***Shareholders are advised to dematerialise their shares held by them in physical form***.

Shares held in dematerialised form are electronically traded through the Depositories without any involvement of Company/ Registrar & Share Transfer Agent.

The Registrar & Share Transfer Agent of the Company periodically receive updated beneficiary holdings from the Depositories for updation of records along with physical shareholding.

The Company obtains a half-yearly certificate from Practicing Company Secretary as per the requirement of Regulation 40 (9) of Listing Regulations certifying due compliance of share transfer formalities and same is filed with the Stock Exchanges.

(K) CATEGORY-WISE SHAREHOLDING PATTERN AS ON 31ST MARCH, 2021

Sr. No.	Category of Shareholders*	No. of Shareholders	Total No. of Shares	% of Shares held
1.	Mutual Funds	12	2,01,78,199	15.92
2.	Foreign Portfolio - Corporates	16	67,87,366	5.35
3.	Foreign Portfolio Investors	1	9,200	0.01
4.	Trusts	2	5,941	0.00
5.	Alternative Investment Fund	8	9,85,245	0.78
6.	Resident Individuals	2,06,862	87,31,546	6.89
7.	Insurance Companies	1	1,26,65,051	9.99
8.	Employees	759	9,05,901	0.71
9.	Non Resident Indians	1338	3,30,572	0.26
10.	Non Resident Indian - Non Repatriable	611	82,495	0.07
11.	Clearing Members	175	1,27,848	0.10
12.	Banks	3	4,46,51,485	35.22
13.	Qualified Institutional Buyer	3	10,08,463	0.80
14.	Bodies Corporates	201	7,41,567	0.58
15.	NBFC	2	65,000	0.05
16.	HUF	7471	3,50,279	0.28
17.	Foreign Corporate Bodies	1	2,91,61,069	23.00
18.	Foreign Nationals	1	27	0.00
	Total	2,17,467	126,787,254	100.00

*Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

(l) Distribution of Shareholding as on 31 March 2021:

Sr. No.	Category*	No. of Holders	% to Holders	No. of Shares	% to Equity
1	1 – 1,000	2,16,617	99.61	76,51,216	6.03
2	1,001 – 2,500	521	0.24	8,01,377	0.63
3	2,501 – 5,000	164	0.08	5,84,744	0.46
4	5,001 – 25,000	103	0.05	10,63,314	0.84
5	25,001 – 50,000	21	0.01	7,76,279	0.61
6	50,001 – 1,00,000	7	0.00	5,98,225	0.47
7	1,00,001 – 5,00,000	19	0.01	52,80,645	4.16
8	5,00,001 and above	15	0.01	11,00,31,454	86.78
	TOTAL:	**2,17,467**	**100.00**	**12,67,87,254**	**100.00**

*Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

(M) DETAILS OF TOP TEN EQUITY SHAREHOLDERS OF THE COMPANY AS ON 31 MARCH 2021:

Sr. No.	Name of Shareholder*	Number of shares held	Percentage of shareholding (%)
1.	T. Rowe Price International Ltd.	2,91,61,069	23.00
2.	Punjab National Bank	1,93,21,383	15.24
3.	State Bank of India	1,26,65,051	9.99
4.	Life Insurance Corporation of India	1,26,65,051	9.99
5.	Bank of Baroda	1,26,65,051	9.99
6.	Mirae Mutual Fund	70,55,162	5.56
7.	ICICI Prudential Mutual Fund	58,38,685	4.61
8.	Invesco Trustee Private Limited - A/C Invesco India	34,76,080	2.74
9.	Lazard Emerging Markets Small Cap Equity Trust	16,97,990	1.34
10.	HSBC Global Investment Funds – Indian Equity	16,06,387	1.27

*Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

(N) DEMATERIALIZATION OF SHARES

As on 31 March 2021, 99.81% of the share capital was held in dematerialized form. Break-up of shares held in physical and dematerialised form as on 31 March 2021 is follows:

Shareholding	No. of holders	% of total	No. of shares	% of total
Physical Form (A)	357	0.16	246005	0.19
Dematerialized Form	**217806**	**99.84**	**126541249**	**99.81**
NSDL (B)	109825	50.34	116462727	91.86
CDSL (C)	107981	49.50	10078522	7.95
Total (A+B+C)	**218163**	**100.00**	**126787254**	**100**

(O) OUTSTANDING GLOBAL DEPOSITORY RECEIPTS (GDRS) / AMERICAN DEPOSITORY RECEIPTS (ADRS) / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS

The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments in past years and hence there are no outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

(P) PLANT LOCATIONS

The Company is engaged in the business of financial services and as such has no plants. However, as of 31 March 2021, our distribution network includes 163 UTI Financial Centres (UFCs), 272 Business Development Associates (BDAs) and Chief Agents (CAs) (41 of whom operate Official Points of Acceptance (OPAs)) and 39 other OPAs, most of which are in each case located in B30 cities. Our IFAs channel includes approximately 56,600 Independent Financial Advisors (IFAs) as of 31 March 2021.

(Q) REGISTRAR AND SHARE TRANSFER AGENT

The Company avails its share registry, transfer & related operational services from KFin Technologies Private Limited.

The details of Registrar and Share Transfer Agent of the Company are as under:

KFin Technologies Private Limited
(Formerly known as Karvy Fintech Private Limited)
Selenium Tower B Plot 31-32 Gachibowli Financial District
Nanakramguda Serilingampally Hyderabad – 500 032
Telangana.
Website: www.kfintech.com
E-mail: einward.ris@kfintech.com
Toll Free No.: 1800-309-4001

(R) COMPANY SECRETARY AND COMPLIANCE OFFICER OF THE COMPANY

Mr. Arvind Patkar
Company Secretary and Compliance Officer
UTI Tower GN Block Bandra-Kurla Complex Bandra (East)
Mumbai – 400 051 Maharashtra India
Email: cs@uti.co.in
Tel. No.: 022 6678 6666

(S) CREDIT RATING

The Company has not issued any debt instruments and hence, has not obtained any credit ratings during the year under review.

(T) DETAILS OF COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

As such, the Company is not exposed to any commodity price risk, and hence the disclosure under Clause 9(n) of Part C of Schedule V in terms of the format prescribed *vide* SEBI circular dated 15 November 2018, is not applicable.

Code for Prevention of Insider Trading

Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and their Immediate Relatives (Code) provides a framework which deals with the internal procedures and conduct in dealing with the securities of the Company. The Code has been formulated in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. Pursuant to the above, the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Other Disclosures

(A) MATERIAL RELATED PARTY TRANSACTIONS

During the year under review, the Company has neither entered into any Material Related Party Transactions i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statement nor any transactions that may have potential conflict with the interest of the Company at large. The details of transactions entered into with related party is disclosed in Note No. 31 of the financial statements.

The Company also discloses details of Related Party Transactions to Stock Exchanges on half-yearly basis pursuant to Regulation 23 of Listing Regulations.

In compliance with the provisions of Section 188 of the Act and Regulation 23 of Listing Regulations, the Company has its Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions in place, which *inter-alia* provides the guideline for disclosure, identification, approval, process for dealing and reporting of related party transactions. The said Policy is available on the website at https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/.

(B) DETAILS OF NON-COMPLIANCE, PENALTIES, STRICTURES IMPOSED ON THE COMPANY BY STOCK EXCHANGE(S) OR THE BOARD OR ANY STATUTORY AUTHORITY ON ANY MATTER RELATED TO CAPITAL MARKETS DURING THE LAST THREE YEARS

No penalties or strictures were imposed on the Company by the Stock Exchange, SEBI or any statutory authority on any matter related to the capital markets during the last three years.

(C) VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to the Section 177 of Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers), 2014 and Regulation 22 of the Listing Regulations, the Company has adopted Whistle Blower Policy to supplement the codes of ethics, staff rules, anti bribery policy and anti-fraud policy of the Company. Through this policy, the Company intends to encourage its Employees to report matters without the risk of subsequent victimization, discrimination or disadvantage. This Policy aims to provide a mechanism to ensure that concerns are properly raised, appropriately investigated and addressed.

The Company affirms that no personnel have been denied access to the Audit Committee of Board. The complaints, reports and actions taken, if any, are presented to the Audit Committee and the Board on a quarterly basis.

No complaints were received under Whistle Blower Policy during the financial year 2020-21.

(D) DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT

During the year under review, the Company has not raised any amount through preferential allotment or qualified institutions placement.

(E) RECOMMENDATION OF COMMITTEE

During the year under review, there were no instances where the Board has not accepted recommendation of any Committee of the Board which is mandatorily required.

(F) MATERIAL SUBSIDIARY

The Board has formulated a Policy for determining Material Subsidiary in accordance with the provisions of Regulation 16(1)(c) and Regulation 24 of Listing Regulations.

In terms of said Policy, a Subsidiary shall be a Material Subsidiary if any of the following conditions are satisfied:

(a) net-worth of the Subsidiary exceeds 10% of the Company's consolidated net-worth in the immediately preceding accounting year; or

(b) income of the Subsidiary exceeds 10% of the Company's consolidated income in the immediately preceding accounting year.

As on 31 March 2021, the Company has only 1 (one) material subsidiary which is UTI International Ltd.

(G) FEES PAID TO STATUTORY AUDITORS

M/s. G. D. Apte & Co., Chartered Accountant were the Statutory Auditors of the Company. The details of fees paid by Company for all the services availed during financial year 2020-21, is given below:

(INR in crore)

Particulars	Amount
Audit Fees	0.37
Out of Pocket Expenses	-
Total	0.37

(H) DISCLOSURES IN RELATION TO SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) 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 and Redressal) Act, 2013. The details of complaints received, resolved and pending during the financial year ended 31 March 2021 under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 are mentioned below:

Sr. No.	Particulars	No of Complaints
1.	Number of complaints filed during the year	Nil
2.	Number of complaints disposed of during the year	Nil
3.	Number of complaints pending as on year end	Nil

(I) UNCLAIMED DIVIDEND

In terms of Section 124 of the Companies Act, 2013, read together with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules), as amended, any amount transferred to the Unpaid Dividend Account of the Company and which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company to the Investor Education and Protection Fund.

In the interest of the shareholders, the Company has also sent reminder to the shareholders to claim their dividend in order to avoid transfer of dividend to Investor Education and Protection Fund.

The details of unclaimed dividend are uploaded on the Company's website at https://www.utimf.com/uti-amc-shareholders/unclaimed-dividend.

(J) DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

The Company has opened a demat suspense account pursuant to Initial Public Offer made during the year under review. The details of equity shares lying in such demat suspense account/ unclaimed suspense account are as follows:

Sr. No.	Particulars	Number of Shareholders	Number of Equity Shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 1 April 2020	-	-
2	Aggregate number of shareholders and number of shares transferred to suspense account during 1 April 2020 to 31 March 2021	16	432
3	Number of shareholders who approached listed entity for transfer of shares from suspense account during 1 April 2020 to 31 March, 2021	13#	351
4	Number of shareholders to whom shares were transferred from suspense account during 1 April 2020 to 31 March 2021	11	297
5	Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31 March 2021	5	135

* The date of allotment of shares pursuant to Initial Public Offer was 8 October 2020.

#2 (two) shareholders holding 27 (twenty-seven) equity shares each had approached the Registrar & Share Transfer Agent of the Company for transfer of equity shares lying in suspense account towards the end of the financial year ended 31 March 2021.

CORPORATE GOVERNANCE REPORT (Contd.)

The voting rights on the shares outstanding in the suspense account as on 31 March 2021 shall remain frozen till the rightful owner of such shares claims the shares.

(K) CEO/CFO CERTIFICATION

Mr. Imtaiyazur Rahman, Chief Executive Officer and Mr. Surojit Saha, Chief Financial Officer of the Company have furnished a Certificate to the Board of the Company in terms of Part B of Schedule II of Listing Regulations. A copy of this certificate forms part of this Report.

(L) AUDIT QUALIFICATIONS

There are no audit qualifications in the Statutory Auditor's Report of the Company for financial year ended 31 March 2021. Further, there are no audit qualifications in the Secretarial Auditor's Report of the Company for financial year ended 31 March 2021.

(M) CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

The Company has received a certificate from Mr. Vishal Manseta, Practicing Company Secretaries certifying that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. A copy of this certificate forms part of this report.

(N) COMPLIANCE WITH MANDATORY REQUIREMENTS

Your Company has complied with all the mandatory requirements of Listing Regulations, specifically the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of Listing Regulations.

Mr. Vishal Manseta, Practicing Company Secretary, have certified that the Company has complied with the mandatory requirements as stipulated under the Listing Regulations. The certificate forms part of this Report.

Date: 7 June 2021
Place: Mumbai

DECLARATION BY THE CHIEF EXECUTIVE OFFICER

[Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
UTI Asset Management Company Limited

I, Imtaiyazur Rahman, Chief Executive Officer of UTI Asset Management Company Limited, hereby declare that all the members of the Board of Directors and Senior Management have affirmed compliance with the 'Code of Conduct for Board of Directors and Senior Management Personnel' of the Company during the financial year ended 31 March 2021.

Place: Mumbai
Date: 7 June 2021

Imtaiyazur Rahman
Chief Executive Officer

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members
UTI Asset Management Company Limited
UTI Tower GN Block Bandra Kurla Complex
Bandra (E) Mumbai - 400051

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of UTI Asset Management Company Limited having CIN U65991MH2002PLC137867 and having registered office at UTI Tower GN Block Bandra Kurla Complex Bandra (E) Mumbai 400051 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Based on the documents / information provided to me and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) done by me, as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on 31 March 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs (MCA) or any such other Statutory Authority :

Sr. No.	Name of the Directors	DIN	Date of Appointment in the Company
1.	Mr. Dinesh Kumar Mehrotra	00142711	11 April 2017
2.	Mr. Edward Cage Bernard	08243277	01 October 2018
3.	Mr. Flemming Madsen	02904543	20 January 2010
4.	Mr. Narasimhan Seshadri	03486485	14 October 2016
5.	Mr. Deepak Kumar Chatterjee	03379600	25 September 2018
6.	Mr. Rajeev Kakar	01888608	20 November 2019
7.	Ms. Dipali Hemant Sheth	07556685	20 November 2019
8.	Ms. Jayashree Vaidhyanthan	07140297	20 November 2019
9.	Mr. Imtaiyazur Rahman	01818725	28 April 2019
10.	Ms. Uttara Dasgupta#	06570950	14 October 2016
11.	Mr. Ashok Shah*	01194846	07 May 2019

Ms. Uttara Dasgupta ceased to be an Independent Director of the Company with effect from the conclusion of the 17th Annual General Meeting held on 27 November 2020 due to the completion of her term.

* Mr. Ashok Shah had resigned from the directorship of the Company with effect from the conclusion of the 17th Annual General Meeting held on 27 November 2020.

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

For **Vishal N. Manseta**
(Practicing Company Secretary)

Place: Mumbai
Date: 26 May 2021
UDIN: A025183C000374037

Vishal N. Manseta
M. No: 25183
C.P. No: 8981

CORPORATE GOVERNANCE REPORT (Contd.)

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

as per provisions of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members
UTI Asset Management Company Limited
UTI Tower GN Block Bandra Kurla Complex
Bandra (E) Mumbai - 400051

I have examined the compliance of conditions of Corporate Governance by UTI Asset Management Company Limited ("the Company") for FY 2020-21 as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub- regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"). The equity shares of the Company got listed on October 12, 2020.

Based on the information provided and according to the explanations given to me and taking into account the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India in view of the COVID-19 pandemic, I certify that the Company has complied with the conditions of Corporate Governance as specified in SEBI LODR. I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

The compliance of 'Corporate Governance Conditions' is the responsibility of the Management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with those conditions. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

For **Vishal N. Manseta**
(Practicing Company Secretary)

Place: Mumbai
Date: 26 May 2021
UDIN: A025183C000374037

Vishal N. Manseta
M. No: 25183
C.P. No: 8981

BUSINESS RESPONSIBILITY REPORT

(Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

A. PREAMBLE

UTI Asset Management Company Limited (the 'Company/UTI AMC') is the investment manager of UTI Mutual Fund and as an asset manager, fundamental analysis is the foundation of investment decisions. The Company endeavour to understand the long-term sustainability of investee company's business model and the factors that could cause it to change.

UTI AMC hereby place a Business Responsibility Report for financial year 2020-21 aligned to the nine principles as prescribed under the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) prescribed by Ministry of Corporate Affairs and is in accordance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company endeavour to monitor and give due consideration to foregoing principles as a part of responsible investing. The disclosures made under this report provide transparent and relevant information to all the stakeholders on the efforts and performance against each such principle.

B. GENERAL INFORMATION

1.	Corporate Identity Number (CIN)	U65991MH2002PLC137867
2.	Name of the Company	UTI Asset Management Company Limited
3.	Registered address	UTI Tower GN Block, Bandra-Kurla Complex Bandra (East), Mumbai – 400 051
4.	Website	https://utimf.com/
5.	E-mail id	cs@uti.co.in
6.	Financial Year reported	2020-21
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)*	6630
8.	List three key products/services that the Company manufactures/ provides (as in balance sheet)	Asset Management (Mutual Funds)
9.	Total number of locations where business activity is undertaken by the Company:	
	(a) Number of International Locations	UTI International Limited, a subsidiary of the Company, has offices in Singapore, Dubai, Guernsey and London.
	(b) Number of National Locations	163 UTI Financial Centres (UFCs).
10.	Markets served by the Company – Local/State/National/ International	Pan India and several International markets

** Source: National Industrial Classification for India (NIC) 2008 List.*

C. FINANCIAL DETAILS

1.	Paid up Capital (INR)	INR 126.79 crore*
2.	Total Income (INR)	INR 968.15 crore*
3.	Total profit after taxes (INR)	INR 351.67 crore*
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	4.09%
5.	List of activities in which expenditure in 4 above has been incurred:	
	(a) Community Development/ Rural Development – 1 Project	
	(b) Health – 9 Project	
	(c) Education– 4 Project	

** Standalone*

D. OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	Yes
2.	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).	No
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%].	No. None of the entity / entities with whom Company does business, participates in the BR initiatives of the Company. However, such entities may have their own BR initiatives.

BUSINESS RESPONSIBILITY REPORT (Contd.)

E. DESCRIPTION OF PRINCIPLES:

The National Voluntary Guidelines ('NVGs') on social, environmental and economic responsibilities of business prescribed by the Ministry of Corporate Affairs, consists of nine principles to assess compliance with environmental, social and governance norms referred to as P1-P9 as mentioned below:

P1	:	Businesses should conduct and govern themselves with ethics, transparency and accountability;
P2	:	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle;
P3	:	Businesses should promote the well-being of all employees;
P4	:	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized;
P5	:	Businesses should respect and promote human rights;
P6	:	Business should respect, protect and make efforts to restore the environment;
P7	:	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner;
P8	:	Businesses should support inclusive growth and equitable development;
P9	:	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Details on each of the principles are provided in Section G.

F. BR INFORMATION

1. Details of Director/Directors responsible for BR and BR Head

(A) DETAILS OF THE DIRECTOR/DIRECTORS RESPONSIBLE FOR IMPLEMENTATION OF THE BR POLICY/ POLICIES:

(i)	DIN Number	01818725
(ii)	Name	Mr. Imtaiyazur Rahman
(iii)	Designation	Whole-time Director & Chief Executive Officer
(iv)	Telephone number	022 6678 6666
(v)	E-mail Id	Investor.relations@uti.co.in

2. Principle-wise (as per NVGs) BR Policy/policies

(A) DETAILS OF COMPLIANCE (REPLY IN Y/N)

No.	Questions	Principles								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes, all policies are in accordance with all national standards and international standards, wherever applicable.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes, all policies which are necessarily to be framed under any law or statute are approved by the Board and other internal policies are approved by concerned authority. All statutory policies have been signed by Whole-time Director & CEO.								
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes. The Board, through its various committees and the delegated authority as per the policy, oversee the implementation of these policies of the Company.								
6.	Indicate the link for the policy to be viewed online?	All publicly disclosed policies are available on the website of the Company at weblink - https://www.utimf.com/uti-amc-shareholders/corporate-governance/code-and-policies/								

BUSINESS RESPONSIBILITY REPORT (Contd.)

No.	Questions	Principles								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes.								
8.	Does the Company have in-house structure to implement the policy/ policies?	Yes.								
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes.								
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes.								

(B) IF ANSWER TO THE QUESTION AT SERIAL NUMBER 1 AGAINST ANY PRINCIPLE IS 'NO', PLEASE EXPLAIN WHY: (TICK UP TO 2 OPTIONS)

No.	Questions	Principles								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles	NA								
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The Company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within next 1 year									
6.	Any other reason (please specify)									

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

- The BR performance of the Company will be assessed Annually.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

- The Company got listed on the nationwide stock exchanges of India *viz.* BSE Limited and National Stock Exchange of India Limited on 12 October, 2020 and subsequently, the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 became applicable to the Company. So, this is the first time the Company is placing this report before its stakeholders.

The Company shall be publishing this report annually as a part of Annual Report and it will be available on the website at the weblink: https://www.utimf.com/uti-amc-shareholders/financials-filings/annual-reports/

G. PRINCIPLE-WISE PERFORMANCE

Principle 1 - Businesses should conduct and govern themselves with ethics, transparency and accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

- The Company has following policies/procedures in place:

(a) The Anti-Bribery policy which applies to all employees and Directors of UTI AMC, constituents, Group, Service Providers, etc.

(b) The Code of Conduct for its Directors and Senior management personnel which guides them to conduct business in accordance with legal and ethical values to which the Company is strongly committed.

(c) The UTI AMC (Staff) Rules, 2003, as amended from time to time which, *inter-alia,* consists of provisions of conduct and discipline for employees of the Company.

BUSINESS RESPONSIBILITY REPORT (Contd.)

(d) The Anti-Fraud Policy applies to all employees and Directors of UTI AMC, constituents, Group, Service Providers, etc.

(e) The Whistle Blower Policy applies to all employees and Directors of UTI AMC, constituents, Group, Service Providers, etc.

(f) The "UTI Equal Opportunity Policy" applies to all employees and Directors of UTI AMC, constituents, Group, Service Providers, etc.

(g) The Prevention of Money Laundering policy applies to all employees and Directors of UTI AMC, constituents, Group, Service Providers, etc.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

   - During the year, the Company received total 19 complaints from its shareholders and out of which, 18 complaints were resolved by end of the year and 1 complaint lately in the month of April 2021.

Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

   - Following are the products or services whose design has incorporated social or environmental concerns, risks and/or opportunities:

     a) UTI Mutual Fund offers a facility called 'CanServe' for investments under UTI Hybrid Equity Fund, UTI Arbitrage Fund and UTI Mastershare Unit Scheme, which has an agreement with St. Jude India Child Care Centres (St. Judes), a not-for-profit organization in India that provides free of charge shelter and holistic care to children who are undergoing cancer treatment along with their families. 'CanServe' will enable investors to contribute their income received (previously known as dividend payouts) if they are under dividend payout option or specified amounts as desired, if they are under growth option towards a medical cause. Contributions under "CanServe" facility will go to the St. Judes as donation towards medical or social cause for needy and under-privileged children who are being treated for cancer and to their families during the period of the child's treatment.

     b) The Company uses its website and several digital platforms as a means of communication with its stakeholders towards achieving its green initiative of paperless offices. Following are some of those:

        (i) Online Agent Empanelment is available on UTI Mutual Fund's website which helps on-boarding valid ARN holders without any paperwork.

        (ii) Insta Access Facility has been allowed exclusively to the investors under UTI Liquid Cash Plan Growth Option wherein the investors receive redemption amount instantly into their bank account. The facility is available only through UTI Mutual Fund's website and UTI Mutual Fund mobile app.

        (iii) Digital KYC: The facility to complete KYC of the investor is available on the website of UTI MF. This enables the investor to complete the KYC without physically visiting any of UTI MF's office and without filling any forms or submitting any documents.

        (iv) To enhance convenience, facility to transact through Whatsapp is available to existing investors of UTI Mutual Fund.

        (v) UTI Buddy is the virtual office for distributors. This utility made available free for exclusive use of distributors to enhance their reach. It enables the distributors to initiate / recommend transactions for the investor in the mobile app.

        (vi) Digital Transaction System (DTS) which was initially available only to Institutional Channel is now open to all high value transactions of all channels.

        (vii) eOTM – A completely paperless process of registration of onetime mandate using NPCI's secured NACH platform is available to the UTI MF investors. This is faster way of registration of mandate compared to paper based mandate. The mandate is registered within 3 days and ensures no rejections as the registration process is in entirely in the hands of the investor.

        (viii) More features added in several digital platforms for investors:

           a) New payment mode, Unified Payment Interface (UPI) has been introduced.

           b) On logging in to Company's website, investors with their credentials, can download their statement of accounts in addition to opting for the mail back service.

           c) Under i-SIP, investors are taken seamlessly to their registered bank's website for completion of iSIP process with their bank.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

   - Not Applicable

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?
   - Not Applicable
     (a) If yes, what percentage of your inputs was sourced sustainably?
       - Not Applicable
4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?
- Yes. The Company procures small items like newspaper & flowers from local vendors. Company's housekeeping staff, electrical staff & security personnel are appointed from local communities who have taken all the regulatory approvals.
5. Does the Company have a mechanism to recycle products and waste?
- Yes. The Company have recycling policy for old computers and laptops. The old scrap material of Company is given to local vendors for recycling.

Principle 3 - Businesses should promote the wellbeing of all employees.

1. Please indicate the Total number of employees.
   - The Company has total 1,474 employees on roll (This includes employees of UTI AMC, UTI RSL, UTI International & UTI Capital).
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.
   - Nil.
3. Please indicate the Number of permanent women employees.
   - The Company has total 373 permanent women employees.
4. Please indicate the Number of permanent employees with disabilities.
   - The Company has total 3 permanent employees with disabilities.
5. Do you have an employee association that is recognized by management?
   - The Company's non-managerial staff are part of the Union – All India Unit Trust Employees Associations (AIUTEA).
6. What percentage of your permanent employees is members of this recognized employee association?
   - 27.2% of our Permanent Employees (Non-Managerial Staff) are part of the Union- AIUTEA
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.
   - Following are the detail of complaints:

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	0	0
2.	Sexual harassment	0	0
3.	Discriminatory employment	0	0

8. What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?
   - The category-wise percentage of safety & skill upgradation training given are as follows:
     (a) Permanent Employees – 22.7%
     (b) Permanent Women Employees – 19.6%
     (c) Casual/Temporary/Contractual Employees - NA
     (d) Employees with Disabilities – 0%

Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the Company mapped its internal and external stakeholders? Yes/No
   - Yes, the Company has mapped its internal and external stakeholders. The internal stakeholders *inter-alia*, includes employees and distributors and external stakeholders *inter-alia*, includes Shareholders/ Investors, Customers, and Regulatory Bodies.
2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?
   - No.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof in about 50 words or so.
    - Not Applicable

Principle 5 - Businesses should respect and promote human rights.

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?
    - Yes, for applicable areas.
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?
    - During the year, the Company received total 19 complaints from its shareholders and out of which, 18 complaints were resolved by end of the year and 1 complaint lately in the month of April, 2021.

Principle 6 - Business should respect, protect and make efforts to restore the environment.

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?
    - Yes, the policy related to Principle 6 covers the Company as well as all its subsidiaries.
2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.
    - The Company has adopted digital Document Management System (DMS) under the name "uti e-way" with the aim of green initiative and becoming a paperless office with a work environment in which the use of paper is eliminated or greatly reduced.

      Further, at the Company's registered office, all the faucets are automatic to avoid wastage of water. The smart lighting system has been installed across various floors which automatically gets 'switched-off' when there is no person present.
3. Does the Company identify and assess potential environmental risks? Y/N
    - Yes
4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?
    - No
5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc? Y/N. If yes, please give hyperlink for web page etc.
    - The Company has undertaken steps for energy efficiency initiatives which have been highlighted in point no. 2 of this principle above.
6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?
    - Not Applicable.
7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.
    - Not received any notice from CPCB/ SPCB.

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:
    - (a) The Company being in the business of Asset Management, is a part of self-governing body called Association of Mutual Funds in India ('AMFI');

      (b) UTI AMC Group is a signatory to United Nations – Principles of Responsible Investing framework;

      (c) UTI AMC is also a member of Confederation of Indian Industry (CII).

BUSINESS RESPONSIBILITY REPORT (Contd.)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes, specify the broad areas.
   - Yes. The Company conducts investor education programmes for mutual funds in line with AMFI guidelines.

Principle 8 - Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes, provide details thereof.
   - In accordance with the CSR objective of the Company, the Company's CSR Initiatives supplement its contribution in environment protection, development of healthy and enlightened citizens, social upliftment and sustainable community development through its service, conduct & social initiatives.
2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?
   - During the financial year 2020-21, the Company carried out, *inter-alia*, a community development project through an external NGO *viz.* **Gramin Vikas Vigyan Samiti.**
3. Have you done any impact assessment of your initiative?
   - As this project was a part of Company's CSR initiatives, the impact assessment will be carried out in accordance with MCA guidelines.
4. What is your Company's direct contribution to community development projects? Amount in INR and the details of the projects undertaken.
   - The Company contributed ~ INR 1.40 crore to the Gramin Vikas Vigyan Samiti for carrying out a community development project comprising of enhancing water security & health in Thar desert region as a part of its CSR initiatives. The details of CSR activities are available in the relevant annexure to the Directors' Report forming part of this Annual report.
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

- The project has been designed using a Theory of Change methodology and includes a detailed implementation plan to ensure acceptance amongst the community members. The project plan includes robust training on decentralized governance and capacity building activities on resource management to ensure community ownership of the project. Additionally, a percentage of the project cost is also borne by the community members themselves. Once completed, the company will undertake an impact assessment of the project in accordance with the MCA guidelines on CSR.
   - Yes. The Company has engaged Tata Institute of Social Sciences (TISS) to carry out impact assessment of the CSR Initiatives.

Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

Year	Scheme related Complaints	Complaints pending	% of complaint pending
2020-21	66	0	0.00

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)
   - Yes. The Company complies with all the disclosure requirements prescribed by SEBI and AMFI on product labelling.
3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year.
   - Nil.
4. Did your Company carry out any consumer survey/ consumer satisfaction trends?
   - Yes, during the financial year 2020-21, approx. 38,000 survey links were sent to the Company's investors and received response from approx. 6000 investors sharing their feedback about the services. Average Net Promoter Score (NPS) stood at 94.07%.Ga. Rehent que nimusdaerio veristo tatque molutat usapici issimin nonsent, tem ilis eari sit eumque vella aut aut

CEO AND CFO CERTIFICATION IN RESPECT OF THE FINANCIALS FOR THE YEAR ENDED 31 MARCH 2021

Board of Directors
UTI Asset Management Company Limited

We, to the best of our knowledge and belief, certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended on 31 March 2021 and that to the best of our knowledge and belief:
   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee:
   (i) significant changes, if any, in internal control over financial reporting during the year;
   (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting

Place: Mumbai
Date: 28 April 2021

Surojit Saha
Chief Finance Officer

Imtaiyazur Rahman
Chief Executive Officer & Whole Time Director

INDEPENDENT AUDITOR'S REPORT

To

The Members of UTI Asset Management Company Limited

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of **UTI Asset Management Company Limited("the Company")**, which comprise the Balance sheet as at 31 March 2021 the statement of Profit and Loss account (including other comprehensive income), the Statement of changes in Equity and the Cash Flows Statement for the year ended on that date, and a summary of 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, these aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rule, 2015 as amended ('Ind AS'), and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021 and its profit and other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 (the 'ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Revenue Recognition**	
	Refer to the accounting policies in the Financial Statements: Significant accounting policies – Note 2.3 Revenue Recognition and Note 25 to the financial statements: Revenue from Operations. Revenue from operations is the most significant account balance in the Statement of Profit and Loss. It comprises of : (a) Investment Management Fees. (b) Portfolio Management Fees. (c) Fees relating to point of presence under New Pension Scheme. Key aspects relating to timing and recognition are: ● Revenue is accrued based on a five step model as set out in Ind AS 115 "Revenue from Contract with Customers" and in accordance with the respective agreement. ● The Company receives investment management fees from the mutual funds which is charged as a percent of the Asset under Management (AUM), in accordance with the guidelines prescribed under SEBI (Mutual Fund) Regulations, 1996 as amended from time to time, based on daily net asset value.	Our audit procedures included: ● Obtained and read the accounting policy for revenue recognition. ● Understood and evaluated the design and implementation of controls. Tested the operating effectiveness of the controls in place across the Company relevant to the recognition of the revenue. ● On a sample basis, obtained and tested arithmetical accuracy of revenue calculations and reconciled it with the amount included in the financial statements and test checked invoices and reconciled with the accounting records. ● On a sample basis, obtained and read the certification reports issued by the statutory auditors of mutual fund schemes, in accordance with generally accepted assurance standards. ● Evaluated the adequacy of disclosures relating to the revenue .

INDEPENDENT AUDITOR'S REPORT (Contd.)

Sr. No.	Key Audit Matter	Auditor's Response
	• Company also receives monthly AMC Fees from a Offshore fund floated in India. • Company is registered with Pension Fund Regulatory & Development Authority (PFRDA), under NPS architecture providing Point of Presence service to subscriber, for which the Company receives service charges as applicable.	

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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available 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.

When we read other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable in the applicable laws and regulations.

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 Companies Act, 2013 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 accounting principles generally accepted in India, including the Indian accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

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

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the 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 consider 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, obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the 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 appropriateness of this assumption. 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.

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 the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the **"Annexure A"**, a statement of the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

I. As required by Section 143 (3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

e) On the basis of the written representations received from the directors as on 31 March 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" to this report

g) With respect to the matter to be included in the Auditor's Report under section 197(16) of the Act:

In our opinion and according to the information and explanation given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provision of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of the Corporate Affairs has not prescribed other details under section 197 (16) of the Act which are required to commented upon by us.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

INDEPENDENT AUDITOR'S REPORT (Contd.)

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note No. 33 & 34 to the Standalone Financial Statements.

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **G. D. Apte & Co.**
Chartered Accountants
Firm registration number: 100515W

C.M. Dixit
Partner
Membership No: 017532
UDIN : 21017532AAAAAC3790

Place : Mumbai
Date : April 28, 2021

ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF UTI ASSET MANAGEMENT COMPANY LIMITED

(Referred to in paragraph I under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of UTI Asset Management Company Limited on the Standalone Financial Statements for the year ended 31 March 2021)

i.

a) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.

b) The Company has a program to physically verify its property, plant and equipment on a regular basis. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c) According to the information and explanation given to us, the records examined by us and based on the examination of the conveyance deeds/registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings, which are freehold are held in the name of the Company as on Balance Sheet Date, except as stated in the Note No. 11 to the 'Financial Statements' as regards 'UTI Tower' at Bandra Kurla Complex, Mumbai, where the land on which building is constructed belongs to MMRDA and the balance period of lease remaining is 52 years. And the sale deed is yet to be executed.

ii. The Company is a service Company primarily rendering assets management services and portfolio management services. Accordingly, it does not hold any inventories. Accordingly, reporting requirement under paragraph 3 (ii) of the Order is not applicable.

iii. According to the information and explanations given to us, the Company has granted unsecured loan to UTI Capital Private Limited, covered in the register maintained under section 189 of the Act, in respect of which:

a) The terms and conditions of the grant of such loans are not prejudicial to the Company's interest.

b) In the case of loan granted, the terms of arrangement stipulate any repayment schedule as prescribed. Payment of interest has been stipulated, and the receipts thereof are regular.

c) There are no overdue amounts for more than ninety days in respect of the loans granted.

iv. In our opinion and according to the information and explanation given to us, the Company has complied with the section 185 and section 186 of the Act in respect of loans given and investments made, and guarantee provided. According to the information and explanation given to us the Company has not provided any security.

v. The Company has not accepted deposits from public hence directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under are not applicable for the year under audit.

vi. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the Company, and therefore the provisions of clause (vi) of the order are not applicable to the Company.

vii. a) According to the information and explanations given to us and according to the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Goods and Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and any other statutory dues, wherever applicable. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31 March 2021 for a period of more than 6 months from the date they became payable.

b) According to the information and explanations given to us, there were no dues in respect of Income Tax, Duty of Excise, Duty of Customs, Sales Tax, Service Tax, Goods and Service Tax and Value Added Tax which have not been deposited on account of any dispute except the following:

(INR in crore)

Name of the Statue	Nature of Dues	Forum where the case is pending	Period to which the Amount relates (Financial Year)	Gross Amount Involved	Amount Paid in Protest	Amount Unpaid
Income Tax Act, 1961	Income Tax and Interest	Income Tax Appellate Tribunal	2008-09	5.26	-	5.26
			2011-12	1.22	1.22	0.00
			2012-13	1.33	1.33	0.00
		Commissioner of Income Tax – Appeals	2009-10	2.28	-	2.28
			Total	**10.09**	**2.55**	**7.54**

INDEPENDENT AUDITOR'S REPORT (Contd.)

viii. The Company did not have any dues outstanding to any financial institutions / banks / Government or to the debenture holders during the year, hence question of default does not arise.

ix. According to the information and explanations given to us and on the basis of examination of records, the Company has not raised money by way of or raised any money by way of initial public offer/further public offer or term loans during the year.

x. According to the information and explanations given to us and on the basis of our examination of the records, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

xi. The managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company thus reporting requirement under paragraph 3 (xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of records of the Company, the transactions entered with related parties are in compliance with provisions of section 177 and 188 of the Act, where applicable and the details of such transactions are disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of records of the Company, the Company during the year has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. hence reporting under paragraph 3 (xiv) of the Order are not applicable.

xv. According to the information and explanations given to us and based on our examination of records of the Company, the Company during the year has not entered into any non cash transactions with directors or persons connected with the directors covered under the provisions of sec 192 of the Act and accordingly the provisions of clause (xv) of the Order are not applicable to the Company.

xvi. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **G. D. Apte & Co.**
Chartered Accountants
Firm registration number: 100515W

C. M. Dixit
Partner
Membership No: 017532
UDIN : 21017532AAAAAC3790

Place : Mumbai
Date : April 28, 2021

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS OF UTI ASSET MANAGEMENT COMPANY LIMITED

(Referred to in paragraph I (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date of UTI Asset Management Company Limitedon the Standalone Financial Statements for the year ended 31 March 2021)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING 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 UTI Asset Management Company Limited ("the Company") as of 31 March 2021 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 ("the Guidance Note") 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 and the Standards on Auditing issued by the 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. 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 Standalone 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 Standalone 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 Standalone 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 Standalone 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over

INDEPENDENT AUDITOR'S REPORT (Contd.)

financial reporting and such internal financial controls over financial reporting were operating effectively as of 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **G. D. Apte & Co.**
Chartered Accountants
Firm registration number: 100515W

C. M. Dixit
Partner
Membership No: 017532
UDIN : 21017532AAAAAC3790

Place : Mumbai
Date : April 28, 2021

STANDALONE BALANCE SHEET
AS AT 31 MARCH 2021

(INR in crore)

Particulars	Note No.	As at 31 March 2021	As at 31 March 2020
I. ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	25.64	0.55
(b) Receivable	4		
(i) Trade receivables		19.22	24.22
(ii) Other receivables		4.72	9.81
(c) Loans	5	28.15	43.90
(d) Investments in subsidiaries	6	214.42	211.92
(e) Investments	7	2,351.74	2,057.20
(f) Other financial assets	8	176.21	153.36
TOTAL FINANCIAL ASSETS		**2,820.10**	**2,500.96**
(2) Non - financial assets			
(a) Current tax assets (Net)	9	57.04	43.89
(b) Deferred tax assets (Net)		-	-
(c) Investment property	10	10.21	10.73
(d) Property, plant and equipments	11	240.52	250.21
(e) Right of use assets	12	96.13	97.97
(f) Capital work-in-progress	13	4.35	0.28
(g) Intangible assets under development	14	0.78	0.76
(h) Other Intangible assets	15	10.49	11.66
(i) Other non financial assets	16	17.46	14.47
TOTAL NON FINANCIAL ASSETS		**436.98**	**429.97**
Total Assets		**3,257.08**	**2,930.93**
II. LIABILITIES AND EQUITY			
LIABILITIES			
(1) FINANCIAL LIABILITIES			
(a) Payables			
(I) Trade payable	17		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(II) Other payable			
(i) total outstanding dues of micro enterprises and small enterprises		0.63	0.80
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		75.92	52.94
(b) Other financial liabilities	18	169.89	170.78
Total Financial Liabilities		**246.44**	**224.52**
(2) NON-FINANCIAL LIABILITIES			
(a) Current tax liabilities (Net)	19	26.81	4.24
(b) Provisions	20	40.25	75.76
(c) Deferred tax liabilities (Net)	21	49.78	24.64
(d) Other non financial liabilities	22	12.92	7.14
Total Non Financial Liabilities		**129.76**	**111.78**
EQUITY			
Equity share capital	23	126.79	126.79
Other equity	24	2,754.09	2,467.84
Total Equity		**2,880.88**	**2,594.63**
TOTAL EQUITY AND LIABILITIES		**3,257.08**	**2,930.93**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our Report of even date
For **G.D. Apte & Co.**
Chartered Accountants
FRN: 100515W

For and on behalf of the Board of Directors of UTI Asset Management Company Limited

D K Mehrotra
Non Executive Chairman
(DIN: 00142711)

Imtaiyazur Rahman
Chief Executive Officer & Whole Time Director
(DIN: 01818725)

CA C.M. Dixit
Partner
MRN: 017532
Place: Mumbai
Date: The 28 April 2021

Surojit Saha
Chief Finance Officer

Arvind Patkar
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31 MARCH 2021

(INR in crore)

Particulars		Note No.	Year Ended 31 March 2021	Year Ended 31 March 2020
Revenue from operations		25		
(i) Interest income			16.10	15.79
(ii) Dividend income			4.11	0.06
(iii) Rental income			10.53	8.22
(iv) Net gain/loss on fair value changes			157.93	48.11
(v) Sale of services			726.49	718.25
(vi) Others - net gain/loss on sale of investments			25.40	41.10
(I) Total Revenue from operations	I		**940.56**	**831.53**
(II) Other income	II	26	27.59	30.26
Total Income	III = (I+II)		**968.15**	**861.79**
EXPENSES		27		
(i) Fees and commision expense			5.57	5.59
(ii) Impairment on financial instruments			-	8.74
(iii) Employee benefits expenses			341.63	308.93
(iv) Finance cost			7.97	9.30
(v) Depreciation, amortisation and impairement			33.86	33.21
(vi) Other expenses			121.30	119.73
Total Expenses	IV		**510.33**	**485.50**
Profit/(Loss) before exceptional items and tax	V =(III-IV)		**457.82**	**376.29**
Exceptional Items	VI			-
Profit Before Tax	VII=V-VI		**457.82**	**376.29**
Tax expenses		28		
Current tax			81.00	72.60
Tax adjustments for earlier years			-	-
Deferred tax			25.15	(5.47)
Total tax expenses	VIII		**106.15**	**67.13**
Profit for the year	IX=VII-VIII		**351.67**	**309.16**
Other comprehensive income				
A (i) Items that will not be reclassified to profit or loss Remeasurement of defined benefit liability (asset)		26.1	(7.19)	(52.57)
(ii) Income tax relating to items that will not be reclassified to profit or loss		28(A)II	-	(11.08)
B (i) Items that will be reclassfied to profit or loss			-	-
(ii) Income tax relating to items that will be reclassified to profit or loss			-	-
Total Other Comprehensive Income (net of tax)	X		**(7.19)**	**(63.65)**
Total Comprehensive Income	XI =IX+X		**344.48**	**245.51**
Earning per equity share (for continuing operation) [nominal value of share Rs.10 (31 March 2020: Rs.10)]	XII			
Basic (in INR) (Refer Note 32)			27.74	24.38
Diluted (in INR) (Refer Note 32)			27.74	24.38

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

As per our Report of even date
For **G.D. Apte & Co.**
Chartered Accountants
FRN: 100515W

For and on behalf of the Board of Directors of UTI Asset Management Company Limited

D K Mehrotra
Non Executive Chairman
(DIN: 00142711)

Imtaiyazur Rahman
Chief Executive Officer & Whole Time Director
(DIN: 01818725)

CA C.M. Dixit
Partner
MRN: 017532
Place: Mumbai
Date: The 28 April 2021

Surojit Saha
Chief Finance Officer

Arvind Patkar
Company Secretary

STANDALONE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
INDIRECT METHOD CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit & Loss Before Taxation	**457.82**	**376.29**
Adjustment for		
Depreciation and amortization expense	33.86	33.21
Interest income	(16.10)	(15.79)
Dividend income	(4.11)	(0.06)
Rental income	(10.53)	(8.22)
Finance cost	7.97	9.30
Expenses on the employee stock option scheme	28.08	10.50
Provision no longer required withdrawn (net)	1.52	(3.20)
(Gain) / Loss on sale of investment	(25.40)	(41.10)
(Gain) / Loss on fair value changes	(157.93)	(48.11)
(Gain) / Loss on impairment of financial instrument	-	8.74
Amortisation of employee loans	0.96	1.09
Amortisation of Rent Deposit	(0.15)	(0.06)
Amortisation of Society Advance	0.01	0.07
(Gain) / Loss on sale of Property, plant and equipments	0.05	0.17
Operating profit before working capital changes	**316.05**	**322.83**
ADJUSTMENT FOR CHANGES IN WORKING CAPITAL		
(Increase)/ Decrease in Financial assets loans	6.33	(7.70)
(Increase)/ Decrease in Other financial assets	(0.01)	(2.46)
(Increase)/ Decrease in Financial assets trade receivable	5.00	(15.60)
(Increase)/ Decrease in Financial assets other receivable	5.10	26.44
(Increase)/ Decrease in Other non financials assets	(2.99)	0.08
Increase/ (Decrease) in Financial liabilities trade payable	(1.52)	1.50
Increase/ (Decrease) in Financial liabilities other payable	22.81	(4.10)
Increase/ (Decrease) in Other financial liabilities	(1.83)	6.12
Increase/ (Decrease) in Non financial liabilities - provisions	(42.70)	(61.14)
Increase/ (Decrease) in Other non financial liabilities	5.78	1.48
	(4.03)	**(55.38)**
CASH GENERATED FROM OPERATIONS	**312.02**	**267.45**
Add/(Less) : Income tax paid	(71.58)	(86.09)
Net Cash Flow from Operating Activities	**240.44**	**181.36**
CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase) / Sale of Property, plant and equipments/ Other intangible assets	(24.80)	(136.74)
Interest income	16.10	15.79
Dividend income	4.11	0.06
Rental income	10.53	8.22
Investments made during the Year	(1,052.38)	(1,535.97)
Investments sold during the Year	916.95	1,440.18
Gain / (Loss) on sale of investments	1.32	0.32
Advance given for IPO Expenses	8.60	(8.60)
Net Cash Generated from Investing Activities	**(119.57)**	**(216.74)**

STANDALONE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid previous year	(88.75)	(63.39)
Corporate dividend distribution tax paid previous year	-	(5.84)
Movement in Lease Liability	(7.03)	96.33
Net cash generated from financing activities	(95.78)	27.10
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENT	25.09	(8.28)
Opening Cash and cash equivalents	0.55	8.83
Closing Cash and cash equivalents	**25.64**	**0.55**
COMPONENTS OF CASH AND CASH EQUIVALENT		
Cash and cash equivalents		
Balances with banks:		
On current accounts	25.64	0.55
Cash on hand	-	-
Other bank balances		
Deposits with original maturity for more than 12 months	-	-
	25.64	**0.55**

Note: Cash flow statement has been prepared under indirect method as set out in the Indian Accounting Standard 7 "Cash Flow Statements".

As per our Report of even date
For **G.D. Apte & Co.**
Chartered Accountants
FRN: 100515W

For and on behalf of the Board of Directors of UTI Asset Management Company Limited

D K Mehrotra
Non Executive Chairman
(DIN: 00142711)

Imtaiyazur Rahman
Chief Executive Officer & Whole Time Director
(DIN: 01818725)

CA C.M. Dixit
Partner
MRN: 017532
Place: Mumbai
Date: The 28 April 2021

Surojit Saha
Chief Finance Officer

Arvind Patkar
Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY

A. EQUITY SHARE CAPITAL

(INR in crore)

Balance at the beginning of the reporting year i.e. 1 April 2019	Changes in equity share capital during 1 April 2019 to 31 March 2020	Balance at the end of the reporting year i.e. 31 March 2020	Changes in equity share capital during 1 April 2020 to 31 March 2021	Balance at the end of the reporting year i.e. 31 March 2021
126.79	**-**	**126.79**	**-**	**126.79**

B. OTHER EQUITY

(INR in crore)

Particulars	Balance at the beginning of the reporting period (01 April 2019)	Changes in accounting policy or prior period errors	Restated balance at the beginning of the reporting period	Profit for the year	Addition During the year	Other comprehensive income for the year	Dividend paid	Transfer to retained earnings	Balance at the end of the reporting period (31 March 2020)	Figures at the beginning of the previous reporting period (01 April 2018)
	1	2	3= (1+2)	4	5	6	7	8	9 = (3+4+5-6-7-8)	10
Reserves and Surplus										
(i) General reserve	150.56	-	150.56	-	-	-	-	-	150.56	150.56
(ii) Security premium reserve	35.61	-	35.61	-	-	-	-	-	35.61	35.61
(iii) Share option outstanding account	-		-	-	10.50	-	-	-	10.50	-
(iv) Retained earnings	2,132.20	-	2,132.20	309.16		-	69.23	-	2,372.13	1,860.27
(v) Other comprehensive income	-37.31	-	-37.31	-		-63.65	-	-	-100.96	-0.53
Total	**2,281.06**	**-**	**2,281.06**	**309.16**	**10.50**	**-63.65**	**69.23**	**-**	**2,467.84**	**2,045.91**

Particulars	Balance at the beginning of the reporting period (01 April 2020)	Changes in accounting policy or prior period errors	Restated balance at the beginning of the reporting period	Profit for the year	Addition During the year	Other comprehensive income for the year	Dividend paid	Transfer to retained earnings	Balance at the end of the reporting period (31 March 2021)	Figures at the beginning of the previous reporting period (01 April 2019)
	1	2	3= (1+2)	4	5	6	7	8	9 = (3+4+5-6-7-8)	10
Reserves and Surplus										
(i) General reserve	150.56	-	150.56	-	-	-	-	-	150.56	150.56
(ii) Security premium reserve	35.61	-	35.61	-	-	-	-	-	35.61	35.61
(iii) Share option outstanding account	10.50	-	10.50	-	30.52	-	-	-	41.02	-
(iv) Retained earnings	2,372.13	-	2,372.13	351.67	-	-	88.75	-	2,635.05	2,132.20
(v) Other comprehensive income	-100.96	-	-100.96	-	-	-7.19	-	-	-108.15	-37.31
Total	**2,467.84**	**-**	**2,467.84**	**351.67**	**30.52**	**-7.19**	**88.75**	**-**	**2,754.09**	**2,281.06**

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. CORPORATE INFORMATION

UTI Asset Management Company Limited (The Company) is a Public Limited Company domiciled in India, was incorporated on 14 November 2002 under the Companies Act, 1956 with the object to carry on activities of raising funds for and to render investment management services to schemes of UTI Mutual Fund and is registered with Securities and Exchange Board of India under the SEBI (Mutual Funds) Regulations, 1996. In terms of the Investment Management Agreement, UTI Trustee Company Private Limited ('the Trustee') has appointed the Company to manage the Mutual Fund. The registered office of the Company is located at UTI Tower, GN Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

UTI Asset Management Company Limited is also undertaking portfolio management services to clients under Securities and Exchange Board of India (SEBI) (Portfolio Managers) Regulations, 1993 pursuant to a certificate granted by the SEBI. The said certificate is valid till it is suspended or cancelled by the Securities and Exchange Board of India.

The process of Initial Public Offer (IPO) of UTI Asset Management Company Limited has been completed successfully and the Company has been listed on the stock exchanges (National Stock Exchange and Bombay Stock Exchange) on 12 October 2020.

The Company has four wholly owned subsidiaries viz. UTI Venture Funds Management Company Private Limited, UTI International Limited, UTI Retirement Solutions Limited and UTI Capital Private Limited. The Company have also investment in India Infrastructure Development Fund (IIDF) and has treated this investment made in IIDF as subsidiary, as per requirement of Ind AS 110 "Consolidated Financial Statements".

The standalone financial statements were authorized for issue in accordance with resolution of Board of Directors passed on 28 April 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Preparation & Presentation of Financial Statements:

(A) STATEMENT OF COMPLIANCE

The Financial Statements of the Company have been prepared in accordance with the provision of the Companies Act, 2013 and the Indian Accounting Standards (hereinafter referred to as the "Ind AS") as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 3 of the Companies (India Accounting Standards) Rules, 2015 and Companies (India Accounting Standards) Amendment Rules 2016 and other relevant provisions of the Act, as amended from time to time. In addition, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations requires a different treatment.

(B) BASIS OF MEASUREMENT

The Company maintains accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair value in accordance with Ind AS, Net defined benefit (asset)/ Liability which are measured at Fair value of plan assets less present value of defined benefit obligations, And Equity settled share based Payments which are measured at Fair value as on the grant date. The carrying value of all the items of property, plant and equipment and investment property as on date of transition is considered as the deemed cost.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(C) PRESENTATION OF FINANCIAL STATEMENTS

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Indian Rupee is the Company's functional currency and the currency of the primary economic environment in which the Company operates. Accordingly, the management has determined that financial statement are presented in Indian Rupees. All amounts have been rounded off to the nearest crore up to two decimal places unless otherwise indicated. Per share data are presented in Indian Rupees to two decimals places.

2.2 Use of Estimates & Judgments:

(A) KEY SOURCES OF ESTIMATION:

The preparation of the Financial Information in accordance with Ind AS requires use of judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively. Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are as follows:

- **Useful lives of property, plant and equipment**

  The Company estimates the useful lives of property, plant and equipment based on the period over which the assets are expected to be available for use. The estimation of the useful lives of property, plant and equipment is based on collective assessment of industry practice, internal technical evaluation and on the historical experience with similar assets. It is possible, however, that future results from operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

- **Usefull life Intangible assets**

  The useful life is based on a reasonable estimate.

- **Future obligations in respect of retirement benefit plans**

  The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

- **Provision for income tax**

  Provision for income taxes is the estimated amount that the Company expects to pay in income taxes for the current year. The amount of this provision is derived by adjusting the reported net income of the Company with a variety of permanent differences and temporary differences.

- **Measurement of deferred tax assets**

  In determining the recoverability of deferred income tax assets, the Company primarily considers current and expected profitability of applicable operating business segments and their ability to utilize any recorded tax assets. The Company reviews its deferred income tax assets at every reporting period end, taking into consideration the availability of sufficient current and projected taxable profits, reversals of taxable temporary differences and tax planning strategies.

- **Provisions, contingent assets and liabilities**

  Provisions are liabilities of uncertain amount or timing recognised where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic benefit is probable. Contingent liabilities are possible obligations that may arise from past event whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not fully within the control of the Company. The Company exercises judgment and estimates in recognizing the provisions and assessing the exposure to contingent liabilities relating to pending litigations. Judgment is necessary in assessing the likelihood of the success of the pending claim and to quantify the possible range of financial settlement. Due to this inherent uncertainty in the evaluation process, actual losses may be different from originally estimated provision.

- **Fair value measurement**

  All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/assets which are required to subsequently be measured at amortized cost, interest is accrued using the effective interest method.

- **Share based payments**

  The fair value of options has been estimated as on the grant date using Black - Scholes model. The key assumptions used in Black – Scholes model for calculating the fair value of option under ESOS 2007 has been stipulated in note no 42.

- **Lease term**

  The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

(B) CRITICAL ASSUMPTIONS, ESTIMATION AND UNCERTAINTIES:

The following are the critical judgments, apart from those involving estimation, that the Management have made in the process of applying the Company's accounting policies and that have the significant effect on the amounts recognized in the financial statements:

Determination of control in case of investments held by the Company:

Judgment is required in assessing the level of control obtained in a transaction to acquire an interest in another entity; depending upon the facts and circumstances in each case, the Company may obtain control, joint control or significant influence over the entity or arrangement. Transactions which give the Company control of a business are business combinations. If the Company obtains joint control of an arrangement, judgment is also required to assess whether the arrangement is a joint operation or a joint venture. If the Company has neither control nor joint control, it may be in a position to exercise significant influence over the entity, which is then classified as an associate.

The investment portfolio of the Company includes investment in mutual Fund scheme, investment in IIDF investment in Ascent India Fund III, investment in MF Utilities and investment in Institutional Investor Advisory Services India Limited and investment SDOF, which have been examined on the principles laid down in Ind AS 110, to assess whether control exist on the following parameters:

(a) Power over the investee

(b) Exposure, or rights to variable returns from its involvement with the investee and

(c) The ability to use its power over the investee to affect the amount of the investor's returns, in terms of delegated power, tradeoff between kick-out rights and aggregate economic interest.

Accordingly, the Company has concluded that it does not have control over investment in Mutual Fund, investment in SDOF, SDOF II, investment in Ascent India Fund III, investment in MF Utilities and investment in Institutional Investor Advisory Services India Limited but has control in case of investment in IIDF, hence disclosed the same in line with the disclosure of the investment in subsidiaries.

(C) ACCOUNTING POLICY ON LEASES – IND AS 116

Leases

The Company has applied Ind AS 116 using the modified retrospective method and therefore the comparative information has not been restated and continues to be reported under Ind AS 17. Lease liabilities and right of use of assets were both recorded at the present value of future lease payments, thus no impact was recorded on the opening retained earnings.

Significant accounting policy

Policy applicable from 1 April 2019 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 assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified; — the Company has the right to obtain substantially all of the economic benefits

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

from use of the asset throughout the period of use; and

- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
- The Company has the right to operate the asset; or
- The Company designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after 1 April 2019. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

As a lessee

The Company recognizes 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.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are 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 re measurements 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, then Company's incremental borrowing rate. The Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments. The lease liability is measured at amortized cost using the effective interest method.

Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of Diesel Generator (DG) set that have a lease term of 12 months or less and leases of low-value assets, including IT equipment.

Accordingly, the Company has adopted Ind AS 116 - Leases and applied it to all lease contracts existing on April 01, 2019 using the modified retrospective method. Consequently, the cumulative adjustment has been taken on the date of initial application i.e. April 01, 2019. Based on the same and as permitted under the specific transitional provisions in the standard, the Company is not required to restate the comparative figures. Since the Company has adopted the modified retrospective method, there is no impact arises in the opening retained earnings. The effect of this adoption is not material to the profit for the period and earnings per share.

Under Ind AS 17

In the comparative period, as a lessee the Company classified leases that transfer substantially all of the risks and rewards of ownership as finance leases. When this was the case, the leased assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent. Subsequently, the assets were accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases were classified as operating leases and were not recognized in the Company's statement of financial position. Payments made under operating leases were recognized in profit or loss on a straight-line basis over the term of the lease. Lease incentives received were recognized as an integral part of the total lease expense, over the term of the lease.

2.3 Revenue Recognition:

The Company has adopted Ind AS 115 w.e.f. 1 April 2018 using the modified retrospective approach. Impact on the financial statements upon adoption of Ind AS 115 is not material considering the natures and size of business of the Company. The Company recognizes revenue from contracts with customers based on a five step model as set out in Ind AS 115 to determine when to recognize revenue and at what amount.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

The Company applies for the five - step approach for recognition of revenue.

- Identification of contract(s) with customer
- Identification of separate performance obligation in the contract
- Determination of transition price
- Allocation of transaction price to the separate performance obligation, and
- Recognition of revenue when (or as) each performance obligation is satisfied.

A. REVENUE

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognized only when it can be reliably measured and it is probable that future economic benefits will flow to the Company. Revenue is measured based on the consideration specified in the contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control over service to a customer.

a) Management fees are accounted over a period of time for each of the management and advisory agreement entered. Fees from advisory services are accounted as per the advisory mandates entered into with the clients on completion of the performance obligation.

b) Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

- Interest income or expense is recognized using the effective interest method.

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

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

c) Dividend income is recognized when the Company's right to receive dividend is established.

If the consideration promised in a contract includes a variable amount, an entity estimates the amount of consideration to which it will be entitled in exchange for transferring the promised services to a customer. An amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if an entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

B. CONTRACT COSTS

In accordance with Ind AS - 115, incremental costs to obtain a contract are capitalized and amortized over the contract term if the costs are expected to be recoverable. The Company does not capitalize incremental costs to obtain a contract where the contract duration is expected to be one year or less.

C. Arrangements with Multiple Performance Obligations

The Company's contracts with customers may include multiple performance obligations. For such arrangements, the Company allocates revenue to each performance obligation based on its relative standalone selling price, which is generally determined based on the price charged to customers.

D. CONTRACT ASSETS AND LIABILITIES:

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

Contract liabilities primarily relate to consideration received in advance from customers, for which the performance obligation is yet to be satisfied.

- **Nature of services:**

The Company principally generates revenue from providing portfolio management services to its clients and from investment management fees earned from UTI Mutual Fund where UTI AMC is appointed as an investment manager.

Services	Nature, timing of satisfaction of performance obligations and significant payment terms
Investment Management Fees & Portfolio Management Fees	UTI AMC has been appointed as an investment manager for UTI Mutual Fund. The Company receives investment management fees from the mutual funds which is charged as a percent of the Asset Under Management (AUM) on a weekly basis and is invoiced on a weekly basis to UTI Mutual Fund. The maximum amount of management fee that can be charged is subject to SEBI regulations.

Services	Nature, timing of satisfaction of performance obligations and significant payment terms
	Management fees are accounted for on accrual basis in accordance with the Investment Management and Advisory Agreement with the UTI Trustee Company Private Limited, Services Agreement with the Administrator of the Specified Undertaking of Unit Trust of India (SUUTI) and the agreements with the clients of the Wealth Management Division of UTI Asset Management Company Limited. It is based on the audited net asset value as recorded by the Schemes of UTI Mutual Fund. Fees from SUUTI are charged based on mutual agreement. Management Fees from Portfolio Management Services is charged on the basis of agreements with the clients based on the audited portfolio values recorded by the Wealth Management Division of UTI Asset Management Company Limited. UTI AMC Limited also receives monthly AMC Fees from 2 Offshore funds floated in India (India Fund & India Pharma Fund). UTI AMC Limited is registered with Pension Fund Regulatory & Development Authority (PFRDA), under NPS architecture providing Point of Presence service to subscriber, for which the Company receives service charges as applicable. Therefore, the contract includes a single performance obligation (series of distinct services) that is satisfied over the time and the management fees and the performance fee earned are considered as variable consideration which are included in the transaction price only to the extent that no significant revenue reversal will occur (i.e. when the uncertainties related to the variability are resolved). Management fees recognized are in line with SEBI (Mutual Fund) Regulation, 1996 (SEBI Regulations) as amended from time to time, based on daily net asset value.

GST is not received by the Company on its own account. Rather, it is collected by Company on behalf of the government. Accordingly, it is excluded from revenue.

2.4 Property, plant and equipment:

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation, and impairment losses, if any. The cost of acquisition is inclusive of duties, freight and other incidental expenses related to acquisition and installation of the assets. Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value, only if it increases the future benefits from existing asset beyond its previously assessed standard of performance. Capital work in progress is stated at cost.

For transition to Ind AS, the Company has elected to adopt as deemed cost, the carrying value of PPE measured as per I-GAAP less accumulated depreciation and cumulative impairment on the transition date of April 1, 2017. In respect of revalued assets, the value as determined by valuers as reduced by accumulated depreciation and cumulative impairment is taken as cost on transition date.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Gains or losses arising from disposal of Property, Plant and equipments are measured as the differences between the net disposal proceeds and carrying amount of asset and are recognized in the Statement of Profit and Loss when the asset is disposed.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as “Capital work in progress and Capital advance”.

Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset (“asset component”) is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

The Company provides depreciation on Property, plant & equipment in the manner prescribed in schedule II to Companies Act, 2013 on straight line method (SLM) on pro-rata basis, based on prescribed useful life of assets which are as under:

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Description of Assets	Useful Lives in years	
	As per the Companies Act, 2013	As per management's estimate
Building*	60	60
Server & Network	6	6
Computer & Laptop	3	3
Office Equipment	5	5
Furniture	10	10
Vehicle **	8	6

*In order to the determine the useful life of building, the Company has considered the total useful life as suggested in companies' act, while determining the same we have taken into account the period for the underlying assets which has been used by the previous owner.

* The Company, based on technical assessment and with best management estimate, depreciates certain items of building over estimated useful life which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

** Management believes that the useful life of asset reflects the period over which it is expected to be used.

Assets costing individually INR 5000 or less are depreciated at the rate of 100% on pro-rata basis. Considering the materiality aspect, residual value 5 % of the cost has been taken only for buildings.

2.5 Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. Such cost includes purchase price, borrowing cost, and cost directly attributable to brining the asset to its working condition for the intended use. Thereafter intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Software are amortized over a period of 3 years on straight line method (SLM) on pro-rata basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal value and the carrying amount of the asset and are recognized in the Statement of Profit & Loss. Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "intangible assets under development".

Intangible assets are amortized on straight line basis over the estimated useful life. The method of amortisation and useful life is reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

2.6 Investment Properties:

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation is recognized using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013 or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/ residual value is accounted on prospective basis.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the Statement of profit or loss in the period of de-recognition.

2.7 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.

A. FINANCIAL ASSETS:

1. Initial recognition and measurement

Financial assets, with the exception of loans, are initially recognized on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Loans are recognized when funds are transferred to the customers' account. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legally enforceable right to set-off the recognized amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

2. **Subsequent recognition and measurement**

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

a) Amortized cost

b) FVOCI (Fair value through other comprehensive income).

c) FVTPL (Fair value through profit and loss).

As per Ind AS 109, Financial Assets have to be measured as follows:

a) **Financial assets carried at amortized cost (AC)**

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortized cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognized in the Statement of Profit and Loss.

b) **Financial assets at fair value through other comprehensive income (FVTOCI)**

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss.

c) **Financial assets at fair value through profit or loss (FVTPL)**

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in FVOCI for equity instruments which are not held for trading. Debt instruments that do not meet the amortized cost or FVOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortized cost or FVOCI criteria but are designated as at FVTPL are measured at FVTPL. A debt instrument that meets the amortized cost or FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss is included in the "Revenue from Operations" line item. The transaction cost directly attributable to the acquisition of financial asset at fair value through profit and loss is immediately recognized to profit and loss.

3. Investment in equity instruments issued by subsidiaries, Associates and Joint Ventures are measured at cost less impairment.

4. **De-recognition**

The Company has transferred its rights to receive cash flows from the asset or the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. On de-recognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of de-recognition and the consideration received is recognized in profit or loss.

5. **Impairment**

In accordance with Ind AS at each reporting date, the Company assesses whether financial assets carried in the books are credit-impaired. Financial assets are said to be credit impaired, when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

This process also includes, whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is determined:

(i) In the case of an individual asset, at the higher of the net selling price and the value in use; and

(ii) In the case of a cash generating unit (a Company of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. Investment in IIDF, is carried at deemed cost which was fair valued as on the transition date of Ind AS, i.e. on 01.04.2017. The Investment Managers of IIDF has got the extention for the fund for another 2 year i.e. till 12.05.2023. The investment in IIDF has been fair valued to the NAV as on March 2021 according to the guidelines of Ind AS 36.

B. FINANCIAL LIABILITIES:

1. Initial recognition and measurement

As per Ind AS 32, a financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets & liabilities with another entity under conditions that are potentially unfavourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2. Subsequent recognition and measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial guarantee contracts, if not designated as at FVTPL, are subsequently measured at the amount of impairment loss allowance or the amount recognized at inception net of cumulative income amortisation, whichever is higher.

3. De-recognition

A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.8 Transactions in Foreign Currency:

Transactions in foreign currency are accounted for at the average rate of exchange prevailing for the period fees are payable. Exchange differences, if any, arising out of transactions settled during the year are recognized in the Statement of Profit and Loss. Monetary Assets and Liabilities denominated in foreign currencies as at the Balance Sheet date are translated at the closing exchange rate. The exchange differences, if any, are recognized in the Statement of Profit and Loss.

The Company has a 100% owned subsidiary UTI International Limited, Guernsey, UTI Investment Management Company (Mauritius) Limited (subsidiary of UTI International Limited, Guernsey), UTI Private Equity Limited (UTI PEL), Mauritius (P) Limited (Subsidiary of UTI Venture Funds Management Company (P) Limited) and UTI International (Singapore) Private Limited (subsidiary of UTI International Limited, Guernsey). The amount payable as business support / marketing fees to the subsidiary in respect of domestic funds is converted into INR for the period it is payable at the periodic average rate.

2.9 Employee Benefits Expenses:

Short Term Employee Benefits:

The undiscounted amount of short term employee benefits falling due within twelve months of rendering the service are classified as short term employee benefit and are expensed out in the period in which the employee renders the related service.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Defined Contribution Plans:

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. Contributions to defined contribution schemes such as employees provident fund scheme is charged as an expenses based on the amount of contribution required to be made as when services are rendered by the employees. In case of UTI, Provident Fund for eligible employees is managed by the Company through trust "UTI AMC Employees Provident Fund". UTI AMC EPF is covered under "The Provident Funds Act, 1925".

Defined Benefit Plans:

For defined benefit plans, the amount recognized as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognized immediately in the Statement of Profit and Loss). The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited to 'Finance costs' in the Statement of Profit and Loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognized immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss. In case of pension fund, if the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. The Company expenses its contribution to the statutory provident fund @ 10% of the basic salary and additional pay, wherever applicable, for each employee.

The defined benefit plan surplus or deficit on the Balance Sheet date comprises fair value of plan assets less the present value of the defined benefit liabilities (using a discount rate by reference to market yields on government bonds at the end of the reporting period).

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method.

Share-based payment transactions:

The Employee Stock Option Scheme provides for the grant of options to acquire equity shares of the Company to its eligible employees are measured at fair value of the equity instruments at the grant date. The period of vesting and period of exercise are as specified within the respective schemes. Details regarding the determination of the fair value of equity settled share based payments transactions are set out in Note 42.

The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revives its estimate of the number of equity instruments expected to vest. The impact of the revision of original estimates, if any, is recognised in Statement of profit and loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to Share based options outstanding account. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. Also the employee stock option granted to the eligible employees of the subsidiary companies are accounted in accordance with the guidelines of Ind AS 102 – Share based payments.

Other Long Term Employee Benefits:

Other long term employee benefits include accumulated compensated absences that are entitled to be carried forward for future availment subject to Company's policies. The Company's liability towards accumulated compensated absences are accrued and provided for on the basis of an actuarial valuation using Projected Unit Credit Method at the end of the reporting period.

2.10 Cash & Cash Equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.11 New fund offer expenses of mutual fund:

Expenses relating to new fund offer of mutual fund schemes are charged in the statement of profit & loss in the year in which such expenses are accrued.

2.12 Taxes on Income:

The tax expense for the period comprises current and deferred tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the comprehensive income or in equity. In which case, the tax is also recognized in other comprehensive income or equity.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Current Tax:

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/ appeals.

Deferred Tax:

Deferred income taxes reflect the impact of current period temporary differences between taxable income and accounting income for the period and reversal of temporary differences of earlier periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax liabilities are generally recognized for all taxable temporary differences, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets are generally recognized for all taxable temporary differences to the extent that is probable those taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognized outside profit or loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.13 Contingencies & Provisions:

In accordance with Ind AS 37, provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are not recognized in books of accounts. They are disclosed by way of notes, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed, only where an inflow of economic benefits is probable.

2.14 Impairment of Assets (Other than Financial Assets):

At each Balance Sheet date, the management reviews the carrying amounts of assets to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is determined:

(i) In the case of an individual asset, at the higher of the net selling price and the value in use; and

(ii) In the case of a cash generating unit (a Company of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss.

Reversal of impairment loss is recognized immediately as income in the Statement Profit and Loss.

2.15 Earnings per share

A) BASIC EARNINGS PER SHARE

Basic earnings per share is computed by dividing profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period.

B) DILUTED EARNINGS PER SHARE

Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

3. CASH AND CASH EQUIVALENTS

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Cash on hand	-	-
On current accounts	25.64	0.55
	25.64	**0.55**

4. RECEIVABLE

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
(i) Trade receivables		
Outstanding for a period exceeding six months		
from the date they are due for payment		
(Unsecured, considered good)	1.31	5.92
	1.31	**5.92**
Others		
(Unsecured, considered good)	17.91	18.30
	17.91	**18.30**
	19.22	**24.22**
(ii) Other receivables		
(a) Receivable from Structured Debt Opportunities Fund	0.28	-
Others	0.04	-
	0.32	**-**
(b) Advances to related parties		
(Unsecured, considered good)		
Receivable from UTI International Limited	-	-
Receivable from UTI Capital Private Limited	-	0.07
Receivable from UTI Retirement Solutions Limited	0.57	-
	0.57	**0.07**
(c) Other advances		
(Unsecured, considered good)		
Receivable from UTI Mutual Fund	3.83	9.74
	3.83	**9.74**
Total (a)+(b)+(c)	**4.72**	**9.81**

5. LOANS

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Loans to employees *	16.00	18.63
Provision for loans & advances	-	(0.06)
Loan to UTI Employees Co-operative Credit Society Ltd.	-	0.35
Short term loan to UTI Capital Ltd.	3.00	6.00
Security deposits	6.76	3.84
Advances recoverable in cash or kind	2.39	15.14
	28.15	**43.90**

* Loans are measured at amortised cost as per the requirement of IND AS 109

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

6. INVESTMENTS IN EQUITY SHARES OF WHOLLY OWNED SUBSIDIARIES

(INR in crore)

Details of Investments	As at 31 March 2021			As at 31 March 2020		
	Amortised Cost	At Fair Value through Profit or Loss	Total	Amortised Cost	At Fair Value through Profit or Loss	Total
a. Investments in wholly owned subsidiaries (Unquoted)	210.54	-	210.54	208.10	-	208.10
b. Investments units of Venture Fund	-	3.88	3.88	-	12.55	12.55
Total gross Investments (A)	**210.54**	**3.88**	**214.42**	**208.10**	**12.55**	**220.65**
Investments In equity shares of wholly owned subsidiaries outside India	165.86	-	165.86	164.75	-	164.75
Investments In equity shares of wholly owned subsidiaries in India	44.68	3.88	48.56	43.35	12.55	55.90
Total (B)	**210.54**	**3.88**	**214.42**	**208.10**	**12.55**	**220.65**
Less: Allowance for Impairment (C)	**-**	**-**	**-**	**-**	**8.73**	**8.73**
Total net Investments (D=A-C)	**210.54**	**3.88**	**214.42**	**208.10**	**3.82**	**211.92**

7. INVESTMENTS

(INR in crore)

Details of Investments	As at 31 March 2021			As at 31 March 2020		
	Amortised Cost	At Fair Value through Profit or Loss	Total	Amortised Cost	At Fair Value through Profit or Loss	Total
Structured entities	-	2.67	2.67	-	2.64	2.64
Units of Mutual Fund schemes	-	2,073.57	2,073.57	-	1,771.05	1,771.05
Units of Venture Fund	-	275.50	275.50	-	283.51	283.51
Total gross Investments (A)	**-**	**2,351.74**	**2,351.74**	**-**	**2,057.20**	**2,057.20**
Investments outside India	-	-	-	-	-	-
Investments in India	-	2,351.74	2,351.74	-	2,057.20	2,057.20
Total (B)	**-**	**2,351.74**	**2,351.74**	**-**	**2,057.20**	**2,057.20**
Less: Allowance for impairment (C)	**-**	**-**	**-**	**-**	**-**	**-**
Total net Investments (D=A-C)	**-**	**2,351.74**	**2,351.74**	**-**	**2,057.20**	**2,057.20**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

8. OTHER FINANCIAL ASSETS

(INR in crore)

Particulars		As at 31 March 2021	As at 31 March 2020
Other financial assets			
Receivable from UTI Mutual Fund		0.07	0.07
VSS Liability Fund		27.00	25.56
Investor Education Fund		6.06	13.46
Offshore Development Fund		30.18	26.05
	(a)	**63.31**	**65.14**
Other bank balances			
Deposits pledged with bank		108.30	85.46
	(b)	**108.30**	**85.46**
Deposits pledged with bank against bank overdraft and bank guarantee.			
Term deposits with a carrying amount of INR 54.82 crore (Previous year INR 50 crore) are held as pledge for overdraft account, Performance bank guarantee to Employees Provident Fund Organisation(EPFO) INR 10 crore (Previous year INR 20 crore), Pension Fund Regulatory and Development Authority (PFRDA) INR 0.46 crore (Previous year INR 0.40 crore), Employee State Insurance Corporation (ESIC) INR 10 crore (Previous year: 10 crore) and Coal Mines Provident Fund Organization (CMPFO) INR 1 crore (Previous year 1 crore) . Postal Life Insurance (PLI) INR 1.20 crore (Pervious year NIL), National Stock Exchange (NSE) INR 18.60 crore (Previous Year NIL)			
Others			
Application money - UTI Liquid Cash Fund/FMPs		-	-
Interest accrued on fixed deposits		4.55	2.65
Interest accrued on investments		-	-
Interest accrued on loan to UTI Capital Ltd.		0.05	0.11
Gratuity benefits - assets		-	-
	(c)	4.60	2.76
	Total = (a)+(b)+(c)	**176.21**	**153.36**

9. CURRENT TAX ASSETS (NET)

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Advance income-tax (Net of provision for tax)	57.04	43.89
	57.04	**43.89**

10. INVESTMENT PROPERTY

(INR in crore)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening cost (As at 31 March 2019)	Additions during the year	Deductions during the year	Closing Total cost (As at 31 March 2020)	Opening accumulated depreciation (As at 31 March 2019)	For the year	Deductions/ Adjustments during the year	Closing accumulated depreciation (As at 31 March 2020)	As at 31 March 2020	As at 31 March 2019
Buildings	12.29	-	-	12.29	1.04	0.52	-	1.56	10.73	11.25
	12.29	**-**	**-**	**12.29**	**1.04**	**0.52**	**-**	**1.56**	**10.73**	**11.25**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

(INR in crore)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening cost (As at 31 March 2020)	Additions during the year	Deductions during the year	Closing Total cost (As at 31 March 2021)	Opening accumulated depreciation (As at 31 March 2020)	For the year	Deductions/ Adjustments during the year	Closing accumulated depreciation (As at 31 March 2021)	As at 31 March 2021	As at 31 March 2020
Buildings	12.29	-	-	12.29	1.56	0.52	-	2.08	10.21	10.73
	12.29	**-**	**-**	**12.29**	**1.56**	**0.52**	**-**	**2.08**	**10.21**	**10.73**

i) Lease rent of INR 1.40 crore (Previous year :INR 1.17 crore) has been received during the year 01 April 2020 to 31 March 2021 for Investment property.

A. Reconciliation of carrying amount

(INR in crore)

Cost or Deemed cost (Gross carrying amount)	
Balance as at 31 March 2020	12.29
Balance as at 31 March 2021	**12.29**
Accumulated depreciation	
Balance as at 31 March 2020	1.56
Depreciation for the year ended 31 March 2021	0.52
Balance as at 31 March 2021	**2.08**
Carrying amounts	
As at 31 March 2020	10.73
As at 31 March 2021	**10.21**
Fair value	
As at 31 March 2020	36.41
As at 31 March 2021	41.49

B. Information regarding income and expenditure of investment property

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Rental Income derived from investment property	1.40	1.17
Direct operating expenses (including repair maintenance) that generate rental income	-	-
Direct operating expenses (including repair maintenance) that do not generate rental income	-	-
Profit arising from investment properties before depreciation and indirect expenses	-	-
Less: Depreciation	(0.52)	(0.52)
Profit arising from investment properties before indirect expenses	**0.88**	**0.65**

C. Measurement of fair values

i. Fair value hierarchy

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

ii. Valuation techniques

Considering the locality, age, mode of construction, the fair and reasonable market value arrived by the independent valuer vide valuation report dated 05 March 2021 as at 31 March 2021 is INR 41.49 crore (31 March 2020: INR 36.41 crore). The value derived by the valuer for the property is after considering the economic usefulness to the prospective purchaser, functional and economic obsolescence, technical potentiality, financial bankruptcy, management lapses, technical in competency in running the unit. The factors will enable valuer to arrive at very realistic and reasonable figures of reliability in the present market.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

11. PROPERTY, PLANT AND EQUIPMENTS

(INR in crore)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening cost (As at 31 March 2019)	Additions during the year	Deductions during the year	Closing Total cost (As at 31 March 2020)	Opening accumulated depreciation (As at 31 March 2019)	For the year	Deductions/ Adjustments during the year	Closing accumulated depreciation (As at 31 March 2020)	As at 31 March 2020	As at 31 March 2019
Tangible Assets										
Buildings	250.17	-	-	250.17	13.37	6.68	-	20.05	230.12	236.80
IT Equipment - Computers & Laptops	5.03	1.25	2.06	4.22	2.17	1.99	2.04	2.12	2.10	2.86
IT Equipment - Servers & Networks	2.72	5.07	-	7.79	1.20	1.19	-	2.39	5.40	1.52
Furniture & Fixtures	3.45	1.51	0.67	4.29	0.43	0.88	0.61	0.70	3.59	3.02
Vehicles	4.06	1.81	1.35	4.52	0.86	0.86	0.88	0.84	3.68	3.20
Office Equipment	6.55	2.23	1.11	7.67	1.15	2.21	1.01	2.35	5.32	5.40
	271.98	**11.87**	**5.19**	**278.66**	**19.18**	**13.81**	**4.54**	**28.45**	**250.21**	**252.80**

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening cost (As at 31 March 2020)	Additions during the year	Deductions during the year	Closing Total cost (As at 31 March 2021)	Opening accumulated depreciation (As at 31 March 2020)	For the year	Deductions/ Adjustments during the year	Closing accumulated depreciation (As at 31 March 2021)	As at 31 March 2021	As at 31 March 2020
Tangible Assets										
Buildings	250.17	-	-	250.17	20.05	6.68	-	26.73	223.44	230.12
IT Equipment - Computers & Laptops	4.22	0.46	0.09	4.59	2.12	1.25	0.09	3.28	1.31	2.10
IT Equipment - Servers & Networks	7.79	1.02	0.26	8.55	2.39	1.06	0.26	3.19	5.36	5.40
Furniture & Fixtures	4.29	0.59	0.15	4.73	0.70	0.61	0.14	1.17	3.56	3.59
Vehicles	4.52	0.42	0.23	4.71	0.84	0.88	0.15	1.57	3.14	3.68
Office Equipment	7.67	0.43	0.33	7.77	2.35	1.98	0.27	4.06	3.71	5.32
	278.66	**2.92**	**1.06**	**280.52**	**28.45**	**12.46**	**0.91**	**40.00**	**240.52**	**250.21**

i) Buildings include an area admeasuring 1,28,997.73 sq.feet and 36,096.90 sq.feet in UTI Towers, Bandra Kurla Complex, Mumbai, acquired from SUUTI and Bank of Baroda respectively on outright basis in different years. The land on which the building is constructed belongs to MMRDA and the balance period of lease remaining is 52 years. The sale deed of UTI Tower is yet to be executed.

ii) Buildings include 2 flats under operating cancellable lease having acquisition value of Rs.8.29 crore and Accumulated depreciation of INR 3.19 crore (Previous year : INR 2.85 crore).

iii) Lease rent of INR 0.74 crore (Previous year : INR 0.70 crore) has been received during the year 01 April 2020 to 31 March 021 for above 2 flats.

iv) With effect from 01 October 2016 based on the newly introduced company car policy for officers, the useful life of Vehicles is changed from 8 years to 6 years on straight line method. Further, no residual value would be considered for Vehicle. Depreciation has been charged w.e.f. 01 October 2016 based on the revised estimated useful life of Vehicles.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

12. RIGHT OF USE ASSETS

(INR in crore)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening cost (As at 31 March 2019)	Additions during the year	Deductions during the year	Closing Total cost (As at 31 March 2020)	Opening accumulated depreciation (As at 31 March 2019)	For the year	Deductions/ Adjustments during the year	Closing accumulated depreciation (As at 31 March 2020)	As at 31 March 2020	As at 31 March 2019
Leased premises	-	114.74	-	114.74	-	16.77	-	16.77	97.97	-
	-	**114.74**	**-**	**114.74**	**-**	**16.77**	**-**	**16.77**	**97.97**	**-**

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening cost (As at 31 March 2020)	Additions during the year	Deductions during the year	Closing Total cost (As at 31 March 2021)	Opening accumulated depreciation (As at 31 March 2020)	For the year	Deductions/ Adjustments during the year	Closing accumulated depreciation (As at 31 March 2021)	As at 31 March 2021	As at 31 March 2020
Leased premises	114.74	13.93	-	128.67	16.77	14.67	(1.10)	32.54	96.13	97.97
	114.74	**13.93**	**-**	**128.67**	**16.77**	**14.67**	**(1.10)**	**32.54**	**96.13**	**97.97**

13. CAPITAL WORK-IN-PROGRESS

(INR in crore)

Category Name	As at 31 March 2021	As at 31 March 2020
Capital work-in-progress	4.35	0.28
	4.35	**0.28**

14. INTANGIBLE ASSETS UNDER DEVELOPMENT

(INR in crore)

Category Name	As at 31 March 2021	As at 31 March 2020
Intangible assets under development	0.78	0.76
	0.78	**0.76**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

15. OTHER INTANGIBLE ASSETS

(INR in crore)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening cost (As at 31 March 2019)	Additions during the year	Deductions during the year	Closing Total cost (As at 31 March 2020)	Opening accumulated depreciation (As at 31 March 2019)	For the year	Deductions/ Adjustments during the year	Closing accumulated depreciation (As at 31 March 2020)	As at 31 March 2020	As at 31 March 2019
Computer Software	6.56	10.43	-	16.99	3.23	2.10	-	5.33	11.66	3.33
	6.56	**10.43**	**-**	**16.99**	**3.23**	**2.10**	**-**	**5.33**	**11.66**	**3.33**

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening cost (As at 31 March 2020)	Additions during the year	Deductions during the year	Closing Total cost (As at 31 March 2021)	Opening accumulated depreciation (As at 31 March 2020)	For the year	Deductions/ Adjustments during the year	Closing accumulated depreciation (As at 31 March 2021)	As at 31 March 2021	As at 31 March 2020
Computer Software	16.99	5.04	-	22.03	5.33	6.21	-	11.54	10.49	11.66
	16.99	**5.04**	**-**	**22.03**	**5.33**	**6.21**	**-**	**11.54**	**10.49**	**11.66**

16. OTHER NON FINANCIAL ASSETS

(INR in crore)

Particulars		As at 31 March 2021	As at 31 March 2020
Capital advances		1.21	0.06
	(a)	**1.21**	**0.06**
Other advances			
Advance to pension fund		-	-
	(b)	**-**	**-**
Deferred loans and deposits			
Loans to employees		3.58	4.54
Loan to UTI Employees Co-operative Credit Society Ltd.		-	0.01
Rent deposits		2.64	2.49
	(c)	**6.22**	**7.04**
Total I= (a)+(b)+(c)		**7.43**	**7.10**
Other assets			
Prepaid expenses		10.03	7.37
Total II		**10.03**	**7.37**
Total I+ II		**17.46**	**14.47**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

17. (A) FINANCE LIABILITIES

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Borrowings (Secured, considered good)		
(I) 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	-	-
	-	**-**
(II) Other payable		
(i) total outstanding dues of micro enterprises and small enterprises	0.63	0.80
	0.63	**0.80**
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Accrued benefits to employees	38.00	42.17
Payable to UTI Mutual Fund	0.04	-
Retention money	0.99	0.78
Other payables	36.89	9.99
	75.92	**52.94**

In the opinion of the management, the balances of trade payables are stated at book value and are payable.

Dues to Micro, Small and Medium Enterprises

Trade payables do not include any amount payable to Micro, Small and Medium Enterprises. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) which came into force from October 02, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, who have registered with the competent authorities.

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Principal amount remaining unpaid to any supplier as at the year end	0.63	0.80
Interest due thereon	NIL	NIL
Amount of interest paid by the company in terms of section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	NIL	NIL
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMEDA	NIL	NIL
Amount of interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL
Borrowings (Other than debt securities)		
From Banks	NIL	NIL
	-	**-**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

18. OTHER FINANCIAL LIABILITIES

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
VSS Liability Fund	27.00	25.56
Investor Education Fund	6.06	13.46
Offshore Development Fund	30.18	26.05
Payable to SUUTI towards security deposit	0.08	0.08
Lease liability *	106.57	105.63
	169.89	**170.78**

* Lease liability is created on account of implementation of IND AS 116 for leased premises

19. CURRENT TAX LIABILITIES (NET)

(INR in crore)

	As at 31 March 2021	As at 31 March 2020
Provision for Income Tax (Net of Advance tax)	26.81	4.24
	26.81	**4.24**

20. PROVISIONS

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits		
Provision for gratuity	12.56	12.94
Provision for leave encashment	5.83	9.99
Provision for pension	21.47	52.44
a	**39.86**	**75.37**
Other provisions		
Provision for litigations	0.39	0.39
b	**0.39**	**0.39**
Total a+b	**40.25**	**75.76**

Provision for litigations

The canteen services were discontinued from 25 February 2004 against which a case was filed by The Contract Labour Udyog Kamgar Union in 2005. The company has made a provision of INR 0.39 crore (Previous year INR 0.39 crore) in case the verdict is against the company.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

21. DEFERRED TAX LIABILITY (NET)

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
i) Deferred tax liability:		
a) On account of depreciation on Property, plant and equipments	30.00	28.82
b) Net impact of IND - AS for investments	28.18	6.95
c) Net impact of IND - AS for Lease liability	24.20	24.66
Total 'a'	**82.38**	**60.43**
ii) Deferred tax asset:		
a) Net impact of IND - AS for Investments	-	-
b) Net impact of IND - AS for Loans	1.00	1.15
c) Net impact of IND - AS for Deposits	0.15	0.08
d) Net impact of IND - AS for Right of use assets	26.82	26.58
e) On account of Unabsorbed Losses	4.63	7.98
Total 'b'	**32.60**	**35.79**
Net Deferred tax liability (a-b)	**49.78**	**24.64**

22. OTHER NON FINANCIAL LIABILITIES

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Goods and service tax payable	7.25	3.44
TDS payable	5.67	3.70
	12.92	**7.14**

23. EQUITY SHARE CAPITAL

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Authorised		
20.00 crore (31 March 2020: 20.00 crore) equity shares of Rs.10/- each	200.00	200.00
Issued, subscribed and fully paid up		
12.679 crore (31 March 2020: 12.679 crore) equity shares of Rs.10/- each	126.79	126.79

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares crore	INR in crore	No. of shares crore	INR in crore
At the beginning of the year	12.679	126.79	12.679	126.79
Add: Share issued on exercise of Employee Stock Options during the year	-	-	-	-
Add: Share issued during the year	-	-	-	-
Bought back during the reporting year	-	-	-	-
At the close of the year	**12.679**	**126.79**	**12.679**	**126.79**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

b) Terms/rights attached to equity shares

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

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

d) Details of shareholders holding more than 5% shares in the company:

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares crore	% Holding	No. of shares crore	% Holding
Equity shares of Rs.10 each fully paid				
State Bank of India	1.2665	9.99%	2.3125	18.24%
Life Insurance Corporation of India	1.2665	9.99%	2.3125	18.24%
Bank of Baroda	1.2665	9.99%	2.3125	18.24%
Punjab National Bank	1.9321	15.24%	2.3125	18.24%
T. Rowe Price International Limited	2.9161	23.00%	3.2965	26.00%
Mirae Asset Mutual Fund	0.7055	5.56%	-	-
	9.3533	**73.77%**	**12.5465**	**98.96%**

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

e) Initial Public Offering

During the current financial year, the Company had completed the initial public offering ('IPO') through an offer for sale of 3,89,87,081 equity shares (1,04,59,949 equity shares each by State Bank India, Life Insurance Corporation of India, Bank of Baroda and 38,03,617 equity shares each by Punjab National Bank & T. Rowe Price International Limited) of face value of INR 10 each at a price of INR 554 per equity share aggregating up to INR 2,159.88 crore. The equity shares of the Company were listed on National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE') on 12 October 2020.

f) Share Based Payment to Employees under Employee Stock Option Scheme :

The Company introduced an Employee Stock Option Scheme called the "UTI AMC Employee Stock Option Scheme -2007. Each Employee on the rolls of the Company as on 16 December 2019 and few Employees from its subsidiaries were granted options. The vesting of the options is from expiry of one year from grant date till four years from grant date as per Plan. Under the scheme, 21,91,554 equity shares have been granted to the eligible employees and each option entitles the holder thereof to apply for and be allotted number of Equity Share granted of the Company having face value of INR 10 each for an exercise price of INR 728/- during the exercise period. Out of the 21,91,554 options granted 74,593 Options are lapsed, therefore, the total no of options outstanding as on 31 March 2021 is 21,16,961 options, Out of which 753,478 Options are vested as on 31 March 2021 pending for excercise.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

24. OTHER EQUITY

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
i) General reserve		
Balance as per the last financial statements	150.56	150.56
Add: amount transferred from surplus balance in the statement of profit and loss	-	
Closing Balance	**150.56**	**150.56**
ii) Security premium account		
Balance as per the last financial statements	35.61	35.61
Add: Security premium received during the year	-	
	35.61	**35.61**
iii) Share option outstanding account		
Balance as per the last financial statements	10.50	-
Add: Share option expense during the year	30.52	10.50
	41.02	**10.50**
iv) Retained earnings		
Balance as per the last financial statements	2,372.13	2,132.20
Profit for the year	351.67	309.16
Less: Appropriations		
Final equity dividend (Note No. 45)	88.75	63.39
(31 March 2020: INR 7.00 per share)		
Tax on equity dividend	-	5.84
Total appropriation	**88.75**	**69.23**
Net balance	**2,635.05**	**2,372.13**
v) Other comprehensive Income (OCI)		
Balance as per the last financial statements	(100.96)	(37.31)
Add: Movement in OCI (Net) during the year	(7.19)	(63.65)
	(108.15)	**(100.96)**
Total Other Equity	**2,754.09**	**2,467.84**

A. Nature and purpose of reserve

a) General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

b) Security premium account

Securities Premium is used to record the premium (amount received in excess of face value of equity shares) on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

c) Share option outstanding account

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under share based payments arrangement over the vesting period.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

25. REVENUE FROM OPERATIONS

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
i) Interest income		
Interest on loans to employees	1.02	1.26
Interest income from investments	7.89	11.14
Interest on deposit with bank	5.81	5.32
Interest on loans to UTI Capital Ltd.	0.34	0.37
Net impact of notional interest on employee loans	1.23	(1.77)
Net impact of notional interest on ECCSL	0.01	0.06
Net impact of notional interest on deposits	(0.20)	(0.59)
	16.10	**15.79**
ii) Dividend income		
Investment in subsidiaries	4.00	-
Investments	0.11	0.06
	4.11	**0.06**
iii) Rental income	10.53	8.22
	10.53	**8.22**
iv) Net gain/loss on fair value changes	157.93	48.11
	157.93	**48.11**
v) Sale of services		
Details of services rendered		
Management fees	725.62	717.45
Advisory fees	0.14	0.18
Other operating revenues		
Fees relating to point of presence under New Pension Scheme	0.73	0.62
	726.49	**718.25**
vi) Others		
Net gain/loss on sale of investments	25.40	41.10
	25.40	**41.10**

26. OTHER INCOME

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Exchange differences (net)	-	-
Provision no longer required withdrawn (net)	(1.52)	3.20
Support service fees on inter branch billing GST	27.33	26.30
Other non operating income	1.78	0.76
	27.59	**30.26**

26.1 OTHER COMPREHENSIVE INCOME

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Re-measurement during the year in Defined Benefit Plan	(7.19)	(52.57)
	(7.19)	**(52.57)**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

27. EXPENSES

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
(i) Fees and commission expense		
Marketing fees and commission	5.57	5.59
	5.57	**5.59**
(ii) Impairment on financial instruments		
Investment in Venture Fund	-	8.74
	-	**8.74**
(iii) Employee benefits expenses		
Salaries and wages	255.78	238.06
Contribution to provident and other funds	11.51	11.49
Expenses on the employee stock option scheme	28.08	10.50
Gratuity expense	3.00	5.76
Leave encashment expense	13.26	15.82
Pension expense	12.66	8.67
Staff welfare expenses	16.38	17.54
Amortisation of employee loans	0.96	1.09
Discount on housing loan benefits	-	-
	341.63	**308.93**
(iv) Finance costs		
Interest expense on lease liability	7.97	9.30
Other borrowing costs	-	-
	7.97	**9.30**
(v) Depreciation, amortisation and impairment		
Depreciation of tangible assets	12.98	14.34
Amortization of intangible assets	6.21	2.10
Amortization of right of use assets	14.67	16.77
	33.86	**33.21**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
(vi) Other expenses		
Power and fuel	3.50	5.71
Rent	0.22	0.86
Rates and taxes	2.78	2.24
Insurance	0.15	0.20
Repairs and maintenance		
Computer and office equipment	3.37	1.41
Buildings/Office premises	10.08	14.41
Others	0.01	0.04
Advertising and business promotion	8.87	13.71
Travelling and conveyance	3.59	9.90
Communication costs	3.72	2.78
Printing and stationery	0.83	0.99
Legal and professional fees	47.11	45.13
Directors sitting fees	1.37	0.72
Payment to auditors (Refer (i) below)	0.37	0.39
Exchange differences (net)	-	-
Bad debts/advances written off	-	-
Loss on sale of property, plant and equipments (net)	0.05	0.17
Membership fees & subscription	15.79	10.55
Scheme expenses	-	-
Computer consumables	0.50	0.47
Corporate social responsibility expenses	14.40	5.41
Other expenses	4.59	4.64
	121.30	**119.73**
(i) Payment to auditors		
As auditors:		
Audit fees	0.17	0.17
Consolidation audit fees	0.05	0.05
Tax audit fees	0.05	0.05
Limited review fees	0.06	0.07
In other capacity		
Other services (certification fees)	0.04	0.05
Reimbursement of expenses	0.00	-
	0.37	**0.39**

CORPORATE OVERVIEW

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

28. INCOME TAX

A. Amount recognised in Statement of Profit and Loss :

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
I) Tax expenses recognised in the Statement of Profit and Loss		
Current tax:		
Current period	81.00	72.60
Tax adjustment for earlier years	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	25.15	(5.47)
Income tax reported in the statement of Profit and Loss	**106.15**	**67.13**
II) Tax on other comprehensive income		
The tax (charge)/credit arising on income and expenses recognised in other comprehensive income is as follows:		
Deferred tax:		
On items that will be reclassified to profit or loss		
(Gain) / Loss on remeasurement of net defined benefit plans	-	(11.08)
Income tax reported in the Statement of Profit and Loss	**-**	**(11.08)**

B. Reconciliation of Current Tax

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Profit before tax as per books (A)	**457.82**	**376.29**
Applicable Tax Rate (Effective Tax Rate)	25.17%	25.17%
Computed Tax Expenses (B)	115.22	94.71
Tax effect of the amount which are not taxable in calculating taxable income :		
Effect of tax on CSR Expenses	3.62	1.36
Effect of Profit & Loss on Investments (including MTM)	(35.51)	(10.05)
Effect of Depreciation	(0.02)	(10.69)
Effect for IND AS 116 - Lease Accounting	0.11	0.09
Effect for Income which are deferred as per Income Tax	24.66	5.57
Effect for Actuarial Valuation	(2.82)	(12.90)
Other	0.88	(0.96)
Total effect of tax adjustment (C)	**106.15**	**67.13**
Effective tax rate (in Percentage) (D= C/A)	**23.19**	**17.84**

29. EARNINGS IN FOREIGN CURRENCY (ACCRUAL BASIS)

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Management fees	6.86	4.85
	6.86	**4.85**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

30. EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Travelling expenses	-	0.27
Professional fees and others	7.26	1.59
Business support service fees	4.99	4.99
	12.25	**6.85**

31. RELATED PARTY DISCLOSURES

In terms of Indian Accounting Standard 24 'Related Party Disclosures' , the Company has entered into transactions with the following related parties in the ordinary courses of business.

i) Names of related parties where control exists with whom transactions have occurred

Investor with significant influence	T Rowe Price International Limited (23.00%)
Subsidiaries	UTI Venture Funds Management Company Private Limited (100%)
	UTI International Limited, Guernsey. (100%)
	UTI Retirement Solutions Limited, India (100%)
	UTI Capital Private Limited, India (100%)
	India Infrastructure Development Fund (25.87 %) ****
Stepdown subsidiaries	UTI International (Singapore) Private Limited. (100% subsidiary of UTI International Limited, Guernsey)
	UTI Investment Management Company (Mauritius) Limited. (100% subsidiary of UTI International Limited, Guernsey)
	UTI Private Equity Limited (100% subsidiary of UTI Venture Funds Management Company (P) Limited)
Other Related Parties	UTI AMC Ltd Employees Provident Fund
	UTI AMC Ltd Pension Fund
Key management person	Mr. Imtaiyazur Rahman (CEO & WTD),
	Mr. Dinesh Kumar Mehrotra (Chairman & Independent Director)
	Mr. Deepak Kumar Chatterjee (Independent Director)
	Mr. Edward Cage Bernard (Non - Executive Director)
	Mr. Flemming Madsen (Non - Executive Director)
	Mr. Narasimhan Seshadri (Independent Director)
	Ms. Uttara Dasgupta (Independent Director)*
	Mr. Ashok Shah (Independent Director)**
	Ms. Dipali Hemant Sheth (Independent Director)
	Ms. Jayashree Vaidhyanathan (Independent Director)
	Mr .Rajeev Kakar (Independent Director)
	Mr. Surojit Saha (CFO)
	Mr. Kiran Vohra (CS)***,
	Mr. Arvind Patker (CS),

* Ms. Uttara Dasgupta ceased to be an Independent Director of the Company with effect from the conclusion of the 17th Annual General Meeting held on 27 November 2020

** Mr. Ashok Shah ceased to be an Independent Director of the Company with effect from the conclusion of the 17th Annual General Meeting held on 27 November 2020

*** Mr. Kiran Vohra ceases to be Company secretary w.e.f. 11 December 2019

**** The above mentioned fund have been consolidated as per the requirement of IND AS 110. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

ii) Related parties transactions

(INR in crore)

Sr. No.	Name of Related Party	Nature of Transactions	Year Ended 31 March 2021		Year Ended 31 March 2020	
			Transactions for the year	Outstanding at the year end	Transactions for the year	Outstanding at the year end
1	UTI International Limited	Reimbursement towards IPO expenses	4.10	-	0.05	0.05
2	UTI International (Singapore) Private Limited	Business Support Service Fees (Expenese)	4.99	1.49	4.99	1.11
		PMS Fees (Income)	5.10	1.95	3.11	0.92
		Reimbursement towards IPO expenses	1.60	-	0.01	-
3	UTI Investment Management Company (Mauritius) Limited	PMS Fees (Income)	1.76	0.34	1.74	0.43
		Reimbursement towards IPO expenses	0.16	-	-	-
4	UTI Retirement Solutions Limited	Rent Income	0.20	-	0.20	-
		Reimbursement received towards employee benefit expenses & administrative Expenses	2.65	0.57	1.58	-
5	UTI Capital Private Limited	Rent Income	0.07	-	0.51	-
		Reimbursement received towards administrative Expense	-	-	0.32	0.08
		Interest Income	0.34	0.05	0.37	0.11
		Reimbursement towards IPO expenses	0.20	-	0.36	0.36
		Loan repaid	3.00	3.00	6.00	6.00
6	UTI Venture Funds Management Company Private Limited	Reimbursement towards IPO expenses	0.02	-	0.13	0.13
		Dividend Received	4.00	-	-	-
7	T Rowe Price International Limited	Reimbursement towards Expenses	0.61	-	0.43	-
		Dividend Paid	18.37	-	16.48	-
8	India Infrastructure Development Fund	Investment	-	-	-	-
		Redemption	-	-	10.42	-
9	UTI AMC Ltd Employees Provident Fund	Contribution to the fund	18.75	-	20.37	0.64
10	UTI AMC Ltd Pension Fund	Contribution to the fund	4.46	-	3.75	-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

iii) Details of remuneration & Dividend paid to Company's KMPs

(INR in crore)

Sr. No.	Nature of Transactions	Year Ended 31 March 2021	Year Ended 31 March 2020
		Transactions for the year	Transactions for the year
1	Short term employee benefits *	6.49	5.99
2	Post employee benefits	0.09	0.78
3	Share Based Payments	2.78	0.93
4	Director Sitting Fees	1.37	0.72
5	Dividend on Equity Shares	0.00	0.00

(0.00 indicates amount less than INR 0.005 crore)

32. EARNINGS PER SHARE

Earnings per share (EPS) are computed in accordance with IND AS 33

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Profit after tax (In crore)	351.67	309.16
Weighted average number of equity shares used as denominator for calculating EPS (In crore)	12.68	12.68
Nominal value per share (INR)	10.00	10.00
Basic EPS (INR)	27.74	24.38
Diluted EPS (INR)	27.74	24.38

*Share under ESOP scheme are not considered in the calculations of Diluted EPS because they are antidilutive for the current year.

Basic earnings per share and Diluted earnings per share are the same.

33. CONTINGENT LIABILITIES

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
A. To the extent not provided for		
Claims against the Company not acknowledged as debts (i)	3.37	3.09
Other money for which the Company is contingently liable (ii)	0.01	0.01
Bank guarantee (iii)	41.20	31.40

Contingent liabilities:

A. To the extent not provided for

(i) Estimated liability for the Consumer Disputes Redressal Forum cases pending in courts for the dispute pertaining to the schemes of UTI Mutual Fund is INR 1.55 crore.

Ex-Registrars & Transfer Agents filed a recovery suit of Rs.3.19 crore against the Company, Administrators of SUUTI and UTI Trustee Company Private Limited in the year 2003 regarding termination of their agreement as registrars. The Company also filed a cross suit against them in the Hon'ble Bombay High Court for Rs.1.37 crore for lack of service. Honourable court directed both the parties to frame the issue for arguments. The Company is hopeful of a positive outcome in its favour and there-fore no provision is made. Net liability is INR 1.82 crore.

(ii) The orders cum demand notices for INR 0.01 crore (Previous Year INR 0.01 crore) is pending with Income Tax Office – TDS on various grounds. The Company has filed appeals to the appellate authority on the said orders mentioning that all the payments have been duly complied. The grounds of appeal are well supported in law. As a result, the Company does not expect the demand to crystalise into a liability.

(iii) Bank guarantee of INR 0.40 crore issued to Pension Fund Regulatory and Development Authority (PFRDA) (including on behalf of a subsidiary INR 0.2 crore), INR 10 crore to Employees Provident Fund Organisation (EPFO), INR 10 crore to Employees State Insurance Corporation (ESIC), INR 1 crore to Coal Mines Provident Fund Organisation (CMPFO), INR 1.2 crore to Postal life insurance & INR 18.60 crore to National Stock Exchange.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

B. Other Contingent liabilities where financial impact is not ascertainable, comprises:

(i) A case was filed before the CGIT, Mumbai by AIUTEA against the Company in respect of left over Class III and Class IV Staff on demanding pension option. The honourable presiding officer, CGIT, Mumbai pronounced the verdict dated 28 February 2007 for pension option. The matter was taken with the Government of India, which advised the Company to seek legal option. The Company filed an appeal in the High Court, Bombay challenging the order of CGIT. The Hon'ble High Court vide its order dated 05/05/17 allowed the appeal of AMC by quashing and setting aside the order of CGIT. AIUTEA has filed a Review Petition to review the order dated 05/05/2017 of Hon'ble Justice K K Tated in WP no. 1792 of 2007 filed by UTI AMC Ltd. Hon'ble Court vide its order dated 31/08/2017, rejected the review petition of the petitioner stating that "the only endeavor is to re-argue the entire matter, which is not permitted". AIUTEA has filed a petition before Hon'ble Supreme Court of India challenging the order of the Bombay High Court. Therefore, financial liability at this juncture cannot be crystallised.

(ii) In connection to UTI India Fund Unit Scheme 1986 managed by UTI Mutual Fund, as assessment order has been passed by the Income Tax Department, disallowing the exemption under section 10(23D) of Income Tax Act, for an aggregate amount of INR 41.82 crore, as well as penalty notice. As appeal has been filed with CIT(A) against the demand order along with proper approval of GOI and the RBI and other documents. These appeal are presently pending. Our Company has deposited an amount of INR 1.83 crore with Income Tax Department in this regards.

(iii) A case has been filed by UTI Retired and VSS Employees Social Association against the Company before the Hon'ble Bombay High Court for giving a fresh opportunity for pension option after pay revision 2001 and arrears of pension with 12% interest on the same. The case is pending for further proceedings.

(iv) A case has been filed by UTI Retired and VSS Employees Social Association against the Company before the Bombay High Court for payment of dearness allowance with pension or periodic review of the pension. At present the case is pending for further proceedings and the Company is disputing the case of the petitioners.

(v) There are 10 cases against UTI Mutual Fund or key personnel, relating to normal operation of UTI MF, pending for final outcome.

(vi) UTI Asset Management Company Ltd renders Point of Presence (POP) services. PFRDA has issued a Show Cause Notice (SCN) to UTI AMC Ltd in February 2020. This has been issued to show cause as to why inquiry should not be held under the PFRDA Act and the Adjudication Regulations against the Noticee and as to why suitable penalty as per sub-section (1)(c) & (5) of section 28 of PFRDA Act 2013 should not be recommended against the Noticee for the allegations/violations of the PFRDA Act and the POP Regulations. Under sub-section (1)(c) of section 28, penalty can be imposed which may extend to one crore rupees or five times the amount of profits made or losses avoided, whichever is higher. Under sub-section (5) of section 28, penalty can be imposed which may extend to one crore rupees or five times the amount of profits made or losses avoided, whichever is higher. UTI AMC has filed detailed reply to PFRDA in February 2020 denying all the allegations made in the SCN. The Company is hopeful of the outcome in it's favour and the liability cant be crystalised at this point of time.

(vii) In connection with India Debt Opportunities Fund Ltd. Mauritius and the India Debt Opportunities Scheme (Domestic Scheme), SEBI has issued a Show Cause Notice (SCN) to UTI Asset Management Company Limited and UTI Mutual Fund in January 2020 alleging violation of SEBI FPI Regulations and SEBI MF Regulations. The SCN has been issued to UTI AMC Ltd and UTI MF to show cause as to why inquiry should not be held under the Adjudication Rules for imposing penalty under section 15 HB of the SEBI Act 1992 which shall not be less than rupees one lac but which may extend to rupees one crore. UTI AMC Ltd and UTI MF have filed their detailed replies to SEBI in March 2020 denying all the allegations made in the SCN. The Company is hopeful of the outcome in it's favour and there-fore financial liability at this junction can't be crystalised.

(viii) The Income Tax re-assessment order for the Assessment Year 2009-10 has been passed raising a demand of INR 5.26 crore. An Appeal have been filed against the order before ITAT.

The Income Tax assessment order for Assessment Year 2010-11 have been passed raising a demand of INR 2.28 crore. An Appeal have been filed against such order before CIT (A).

34. INCOME TAX RELATED MATTER

(i) The assessment of Assessment Year 2012-13 has been completed and there is a dispute of income tax amounting to INR 1.22 crore. An Appeal have been filed against the order before ITAT.

(ii) The assessment of Assessment Year 2013-14 has been completed and there is a dispute of income tax amounting to INR 1.33 crore. An Appeal have been filed against the order before ITAT.

35. CAPITAL AND OTHER COMMITMENTS

(a) Estimated amount of contracts remaining to be executed on capital accounts INR 3.86 crore.

(b) As on 31 March 2021, the Company has commitments of INR 170.00 crore towards Structured Debt Opportunity Fund II and INR 43.55 crore to LIC Housing Finance Ltd - Housing & Infrastructure Fund.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

36. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled

(INR in crore)

Particulars	Note No.	As at 31 March 2021			As at 31 March 2020		
		Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
I. ASSETS							
(1) Financial assets							
(a) Cash and cash equivalents	3	25.64	-	25.64	0.55	-	0.55
(b) Receivable	4						
(i) Trade receivables		16.93	2.29	19.22	22.85	1.37	24.22
(ii) Other receivables		4.72	-	4.72	9.81	-	9.81
(c) Loans	5	9.05	19.10	28.15	25.28	18.62	43.90
(d) Investments in subsidiaries	6	-	214.42	214.42	3.81	208.11	211.92
(e) Investments	7	979.77	1,371.97	2,351.74	592.18	1,465.02	2,057.20
(f) Other financial assets	8	23.21	153.00	176.21	1.44	151.92	153.36
Total Financial Assets		**1,059.32**	**1,760.78**	**2,820.10**	**655.92**	**1,845.04**	**2,500.96**
(2) Non - financial assets							
(a) Current tax assets (Net)	9	57.04	-	57.04	43.89	-	43.89
(b) Deferred tax assets (Net)		-	-	-	-	-	-
(c) Investment property	10	-	10.21	10.21	-	10.73	10.73
(d) Property, plant and equipments	11	-	240.52	240.52	-	250.21	250.21
(e) Right of use assets	12	-	96.13	96.13	-	97.97	97.97
(f) Capital work-in-progress	13	4.35	-	4.35	0.28	-	0.28
(g) Intangible assets under development	14	0.78	-	0.78	0.76	-	0.76
(h) Other intangible assets	15	-	10.49	10.49	-	11.66	11.66
(i) Other non financial assets	16	11.24	6.22	17.46	7.43	7.04	14.47
Total Non Financial Assets		**73.41**	**363.57**	**436.98**	**52.36**	**377.61**	**429.97**
TOTAL ASSETS		**1,132.73**	**2,124.35**	**3,257.08**	**708.28**	**2,222.65**	**2,930.93**
II. LIABILITIES AND EQUITY							
LIABILITIES							
(1) Financial liabilities							
(a) (I) Trade payable	17						
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-	-	-	-
(II) Other payable							
(i) total outstanding dues of micro enterprises and small enterprises		0.63	-	0.63	0.80	-	0.80
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		74.03	1.89	75.92	51.32	1.62	52.94
(b) Other financial liabilities	18	11.13	158.76	169.89	10.59	160.19	170.78
Total Financial Liabilities		**85.79**	**160.65**	**246.44**	**62.71**	**161.81**	**224.52**
(2) Non- financial liabilities							
(a) Current tax liabilities (Net)	19	26.81	-	26.81	4.24	-	4.24
(b) Provisions	20	39.86	0.39	40.25	75.37	0.39	75.76
(c) Deferred tax liabilities (Net)	21	-	49.78	49.78	-	24.64	24.64
(d) Other non financial liabilities	22	12.92	-	12.92	7.14	-	7.14
Total non financial liabilities		**79.59**	**50.17**	**129.76**	**86.75**	**25.03**	**111.78**
TOTAL LIABILITIES		**165.38**	**210.82**	**376.20**	**149.46**	**186.84**	**336.30**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

37.

(a) In accordance with the requirements of the Indian Accounting Standard 19 related to Employee Benefits, in regard to any future obligation related to Provident Fund, arising due to interest shortfall (i.e. interest rate prescribed by the government from time to time to be paid on provident fund scheme exceeds rate of interest earned on investment), the amount of shortfall, if any, will be borne by UTI Asset Management Company Limited. However, at present the fund does not have any existing deficit or interest shortfall.

(b) Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

Particulars	Employee Leave Encashment scheme		Employee Company Gratuity Fund		Employees Company Superannuation scheme	
	March 2021	March 2020	March 2021	March 2020	March 2021	March 2020
Discount rate (per annum)	6.45%	6.65%	6.45%	6.65%	6.45%	6.65%
Salary escalation rate (per annum)	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Withdrawal rate / Leaving Service rate	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%

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

Demographic Assumption:

Mortality in Service: Indian Assured Lives Mortality (2012-14) Ultimate table.

Mortality in Retirement: LIC Buy-out Annuity Rates prevailing as on the valuation date.

(c) As required by the Ind AS19, the discount rate used to arrive at the present value of the defined benefit obligation is based on the Indian government security yields prevailing as at the balance sheet date that have maturity date equivalent to the tenure of the obligation

The expected return on plan assets is based on market expectation, at the beginning of the year, for returns over the entire life of the related obligation. The Gratuity scheme is invested in a Group Gratuity – Cum Life Assurance cash accumulation policy issued by Life Insurance Corporation (LIC) of India.

The investment return earned on the policy comprises bonuses declared by LIC having regard to LIC's investment earning. The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available.

(d) Re-measurements arising from defined plans comprises of actuarial gains and losses on benefits obligation. As required by the Ind AS19, the UTI Asset Management Company recognizes these items of re-measurements immediately in other comprehensive income and all the other expenses related to defined benefit plan as employee benefit expenses in their profit and loss account

(e) Ind AS 19 does not require any specific disclosures except where expense resulting from Employee Leave Encashment scheme is of such size, nature or incidence that its disclosure is relevant under another standard.

(f) The following table sets out the status of the different employee welfare plans, reconciliation of opening and provisional closing balances of the present value of the defined benefit obligation.

(i) Movement in the Present value of Benefit obligations

(INR crore)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March 2021	March 2020	March 2021	March 2020
Opening of defined benefit obligation	123.76	109.70	256.58	188.70
Current Service cost	2.24	2.45	9.50	7.26
Past Service cost	-	-	-	-
Interest on defined benefit obligation	7.72	7.82	16.74	13.83

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

(INR crore)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March 2021	March 2020	March 2021	March 2020
Remeasurement due to:	-	-	-	-
Actuarial loss/ (gain) arising from change in financial assumptions	1.24	5.42	4.43	17.41
Actuarial loss/ (gain) arising from change in demographic assumptions	-	-	-	-
Actuarial loss/ (gain) arising on account of experience changes	0.24	3.45	0.44	33.40
Benefits paid	(7.46)	(5.08)	(9.83)	(4.02)
Liabilities assumed / (settled)*	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-
Closing present value of defined benefit obligation	**127.74**	**123.76**	**277.86**	**256.58**

(ii) Movement in the Fair value of Plan Assets

(INR crore)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March 2021	March 2020	March 2021	March 2020
Opening fair value of plan assets	110.82	64.60	204.15	164.92
Employer contributions	4.55	44.74	49.41	25.46
Interest on plan assets	7.18	4.82	13.59	12.42
Administration expenses	-	-	-	-
Remeasurement due to:			-	-
Actual return on plan assets less interest on plan assets	0.09	1.75	(0.93)	5.37
Benefits paid	(7.46)	(5.09)	(9.83)	(4.02)
Assets acquired / (settled)*	-	-	-	-
Assets distributed on settlements	-	-	-	-
Closing fair value of plan assets	**115.18**	**110.82**	**256.39**	**204.15**

(iii) Amount recognized in the Balance Sheet

(INR crore)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March 2021	March 2020	March 2021	March 2020
Present Value of funded / unfunded obligation	127.74	123.76	277.86	256.58
Fair value of Plan Assets	115.18	110.82	256.39	204.15
Net unfunded obligation	12.56	12.94	21.47	52.44
Net defined benefit liability / (Asset) recognized in balance Sheet	12.56	12.94	21.47	52.44
Non-Financial Liabilities	12.56	12.94	21.47	52.44

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

(iv) Amount Recorded in Other Comprehensive Income

(INR crore)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March 2021	March 2020	March 2021	March 2020
Opening amount recognized in OCI outside profit and loss account	21.47	14.35	107.20	61.76
Re-measurement during the period due to	-	-	-	-
Changes in financial assumptions	1.24	5.42	4.43	17.40
Changes in demographic assumptions	-	-	-	-
Experience adjustments	0.25	3.45	0.43	33.40
Actual return on plan assets less interest on plan assets	(0.09)	(1.75)	0.93	(5.36)
Adjustment to recognize the effect of asset ceiling	-	-	-	-
Closing amount recognized in OCI outside profit and loss account	**22.87**	**21.47**	**112.99**	**107.20**

(v) Components of Profit and Loss Account expense

(INR crore)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March 2021	March 2020	March 2021	March 2020
Current Service cost	2.24	2.45	9.50	7.26
Past Service cost	-	-	-	-
Administration expenses	-	-	-	-
Interest on net defined benefit liability / (assets)	0.52	3.01	3.16	1.41
(Gains) / losses on settlement	-	-	-	-
Total Expenses charged to profit and loss account	**2.76**	**5.46**	**12.66**	**8.67**

(vi) Reconciliation of Net Liability/ Asset:

(INR crore)

Particulars	March 2021	March 2020
a) Employee's Gratuity Fund		
Opening net defined benefit liability/ (asset)	12.94	45.10
Expenses charged to profit and loss account	2.76	5.46
Amount recognized outside profit and loss account	1.41	7.12
Employer contributions	(4.55)	(44.74)
Impact of liability assumed or (settled)*	-	-
Closing net defined benefit liability / (asset)	**12.56**	**12.94**
b) Employee's Super Annuation Fund		
Opening net defined benefit liability/ (asset)	52.44	23.79
Expenses charged to profit and loss account	12.66	8.67
Amount recognized outside profit and loss account	5.78	45.44
Employer contributions	(49.41)	(25.46)
Impact of liability assumed or (settled)*	-	-
Closing net defined benefit liability / (asset)	**21.47**	**52.44**

*Employee benefit of Key managerial personnel are not determined for the above fund & hence, we have not separately disclose the same.

(vii) Projected plan cash flow:

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date.

(INR crore)

Maturity Profile	Employee's Gratuity Fund	
	March 2021	**March 2020**
Expected benefits for year 1	18.96	15.42
Expected benefits for year 2	16.17	13.72
Expected benefits for year 3	15.68	15.31
Expected benefits for year 4	18.35	14.84
Expected benefits for year 5	21.24	17.62
Expected benefits for year 6	21.20	20.76
Expected benefits for year 7	19.70	20.28
Expected benefits for year 8	15.00	18.83
Expected benefits for year 9	8.75	14.44
Expected benefits for year 10 and above	28.38	33.90

The weighted average duration to the payment of these cash flows is 4.91 years for the year ended March 2021 and 5.35 years for the year ended March 2020.

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan (which in case of serving employees, if any, is based on service accrued by employee up to the valuation date).

(INR crore)

Maturity Profile	Employee's Super Annuation Fund	
	March 2021	**March 2020**
Expected benefits for year 1	10.61	9.71
Expected benefits for year 2	17.03	14.23
Expected benefits for year 3	17.20	16.46
Expected benefits for year 4	23.29	20.09
Expected benefits for year 5	30.12	21.57
Expected benefits for year 6	28.34	28.48
Expected benefits for year 7	34.22	26.24
Expected benefits for year 8	36.33	31.36
Expected benefits for year 9	39.38	33.27
Expected benefits for year 10	36.73	37.10

The weighted average duration to the payment of these cash flows is 8.05 years for the year ended March 2021 and 8.41 years for the year ended March 2020.

Risks associated with Defined Benefit Plan:

Interest Rate Risk: A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan’s liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

(viii) Sensitivity Analysis:

The benefit obligation results of pension scheme and gratuity fund are particularly sensitive to discount rate, longevity risk, salary escalation rate and pension increases, if the plan provision do provide for such increases on commencement of pension.

The above table summarized the impact in percentage terms on the reported defined benefit obligation at the end of the reporting year arising on account changes in these three key parameters.

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous year in the methods and assumption used in preparing the sensitivity analysis.

a) Employee's Super Annuation Fund

Particulars	March 2021	March 2020
Discount rate		
Impact of increase in 50 bps on DBO	(3.91)%	(4.04)%
Impact of decrease in 50 bps on DBO	4.19%	4.32%
Pension increase rate		
Impact of increase in 100 bps on DBO	8.89%	8.71%
Impact of decrease in 100 bps on DBO	(8.89)%	(8.71)%
Life expectancy		
Impact of increase in 1 year on DBO	2.19%	2.11%
Impact of decrease in 1 year on DBO	(2.24)%	(2.16)%

b) Employee's Gratuity Fund

Particulars	March 2021	March 2020
Discount Rate		
Impact of increase in 50 bps on DBO	(2.41)%	(2.62)%
Impact of decrease in 50 bps on DBO	2.51%	2.73%
Salary Escalation Rate		
Impact of increase in 50 bps on DBO	0.61%	0.77%
Impact of decrease in 50 bps on DBO	(0.63)%	(0.80)%

The expected contribution towards the fund for next financial year i.e. 2021-22 cannot be determined as it depends upon various actuarial assumption, discount rate at that point of the time and various other demographic assumptions.

The Company commenced operations from 01/02/2003 and formed a Pension Trust which inherited the Employees Group Superannuation Fund from the erstwhile Unit Trust of India. The Company is making 10% of basic salary and additional pay, wherever applicable, as employer contribution to this trust and any shortfall in the fund size as per the scheme.

The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method. The Company makes regular contributions to these Employee Benefit Plans. Additional contributions are made to these plans as and when required.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Characteristics of defined benefits plans:

1. **Gratuity Plan:**

   The Company operates gratuity plan through a LIC wherein every employee is entitled to the benefit equivalent to fifteen days last salary drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service. The Company's scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972. There are no minimum funding requirements of these plans. The funding of these plans are based on gratuity funds actuarial measurement framework set out in the funding policies of the plan. These actuarial measurements are similar compared to the assumptions set out above.

2. **Pension Plan:**

   The Company commenced operations from 01/02/2003 and formed a Pension Trust which inherited the Employees Group Superannuation Fund from the erstwhile Unit Trust of India. The Company is making 10% of basic salary and additional pay, wherever applicable, as employer contribution to this trust and any shortfall in the fund size as per the scheme. A small part of the pension fund is managed by the Company. The actuarial valuation has also duly considered the asset managed by the trustee of the pension fund as well as the fund maintained by LIC. The defined benefit plan for gratuity of the Company is administered by separate pension fund that are legally separate from the Company. The trustees nominated by the Company are responsible for the administration of the plan.

Characteristics of defined contribution plans:

1. **Provident Fund:**

   The Company manages provident fund plan through a provident fund trust for its employees which is permitted under the Provident Fund and Miscellaneous Provisions Act, 1952. The plan mandates contribution by employer at a fixed percentage of employee's salary. Employees also contribute to the plan at a fixed percentage of their salary as a minimum contribution. The plan guarantees interest at the rate notified by Employees' Provident Fund Organization. The contribution by employer and employee together with interest are payable at the time of separation from service or retirement whichever is earlier. The benefit under this plan vests immediately on rendering of service. The interest payment obligation of trust-managed provident fund is assumed to be adequately covered by the interest income on long term investments of the fund. The Company voluntarily keeps the interest rate same as the rate declared by EPFO & in this process if & only if, there is any shortfall in the fund the Company bears the same.

38. FINANCIAL RISK MANAGEMENT

The Company has an exposure to the following risks arising from financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

Risk Management Framework:

The Company's management has the overall responsibility for the establishment and oversight of Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities.

A. Credit Risk:

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from its investment transitions. The Company is exposed to credit risk from its operating activities (mostly trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The carrying amount of the financial assets represents the maximum credit risk exposure.

Financial services business has a risk management framework that monitors and ensures that the business lines operate within the defined risk appetite and risk tolerance levels as defined by the senior management. The credit risk function independently evaluates proposals based on well-established sector specific internal frameworks, in order to identify, mitigate and allocate risks as well as to enable risk-based pricing of assets. Regulatory and process risks are identified, mitigated and managed by a separate group.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Trade receivables:

Major portion of trade receivables include the AMC fees receivable from UTI Mutual Fund, SUTTI, CMPFO, ESIC,EPFO and amount receivable from PLI & RPLI. Based on the past experience, management expects to receive these amounts without any default.

Trade Receivables (INR in crore)	March 2021	March 2020
0-90 Days	12.18	13.73
91-180 Days	2.79	4.30
181-270 days	1.10	3.46
271-365 Days	0.86	1.37
More than 365 Days	2.29	1.36
Total	**19.22**	**24.22**

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 365 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk.

Financial Instruments & cash deposits:

The Investments of the Company are primarily in Mutual Fund schemes.

The Company holds cash & cash equivalents of INR 25.64 crore as on 31st March 2021. The cash and cash equivalents are held with banks which are rated AA- to AA+, based on CRISIL ratings. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Following is the exposure of the Company towards credit risk.

Particulars	Carrying Amount	Total	Contractual Cash Flows March 2021 (INR in crore)		
			Less than 1 year	1-3 years	More than 3 years
Financial Assets:					
Cash and cash equivalents	25.64	25.64	25.64	-	-
Receivables	23.94	23.94	21.65	2.29	-
Loans*	28.15	28.15	9.05	7.00	12.10
Investment in Subsidiaries	214.42	214.42	-	-	214.42
Investments	2,351.74	2,351.74	979.77	1,056.27	315.70
Other Financial assets	176.21	176.21	23.21	-	153.00
Total	**2,820.10**	**2,820.10**	**1,059.32**	**1,065.56**	**695.22**

Particulars	Carrying Amount	Total	Contractual Cash Flows March 2020 (INR in crore)		
			Less than 1 year	1-3 years	More than 3 years
Financial Assets:					
Cash and cash equivalents	0.55	0.55	0.55	-	-
Receivables	34.03	34.03	32.66	1.37	-
Loans	43.90	43.90	25.29	7.23	11.38
Investment in Subsidiaries	211.92	211.92	-	-	211.92
Investments	2,057.20	2,057.20	592.18	1,147.16	317.86
Other Financial assets	153.36	153.36	1.44	1.33	150.59
Total	**2,500.96**	**2,500.96**	**652.12**	**1,157.09**	**691.75**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

B. Liquidity Risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's investment policy and strategy are focused on preservation of capital and supporting the Company's liquidity requirements. The Company uses a combination of internal and external management to execute its investment strategy and achieve its investment objectives. The Company typically invests in money market funds, large debt funds, equity funds and other highly rated securities under a limits framework which governs the credit exposure to any one issuer as defined in its investment policy. The policy requires investments generally to be investment grade, with the primary objective of minimizing the potential risk of principal loss.

Following is the exposure of the Company towards liquidity risk:

Particulars	Carrying Amount	Total	Contractual Cash Flows March 2021 (INR in crore)		
			Less than 1 year	1-3 years	More than 3 years
Financial Liabilities :					
VSS Liability Fund.	27.00	27.00	-	-	27.00
Investor Education Fund.	6.06	6.06	-	-	6.06
Offshore Development Fund.	30.18	30.18	-	-	30.18
Payable to SUUTI towards security deposit.	0.08	0.08	-	-	0.08
Lease liability	106.57	106.57	11.13	21.05	74.39
Payable to Micro enterprises and small enterprises	0.63	0.63	0.63	-	-
Payable to other than Micro enterprises and small enterprises	-	-	-	-	-
Accrued benefits to employees.	38.00	38.00	38.00	-	-
Payable to UTI Mutual Fund.	0.04	0.04	0.04	-	-
Retention Money.	0.99	0.99	-	0.99	-
Other Payables.	36.89	36.89	35.99	-	0.90
Total	**246.44**	**246.44**	**85.79**	**22.04**	**138.61**

Particulars	Carrying Amount	Total	Contractual Cash Flows March 2020 (INR in crore)		
			Less than 1 year	1-3 years	More than 3 years
Financial Liabilities :					
VSS Liability Fund.	25.56	25.56	-	-	25.56
Investor Education Fund.	13.46	13.46	-	-	13.46
Offshore Development Fund.	26.05	26.05	-	-	26.05
Payable to SUUTI towards security deposit.	0.08	0.08	-	-	0.08
Lease liability	105.63	105.63	10.59	20.48	74.56
Payable to Micro enterprises and small enterprises	0.80	0.80	0.80	-	-
Payable to other than Micro enterprises and small enterprises	-	-	-	-	-
Accrued benefits to employees.*	42.17	42.17	42.17	-	-
Payable to UTI Mutual Fund.	-	-	-	-	-
Retention Money.	0.78	0.78	-	0.78	-
Other Payables.	9.99	9.99	9.15	-	0.84
Total	**224.52**	**224.52**	**62.71**	**21.26**	**140.55**

* Our non-managerial staff have a recognized trade union with whom we negotiate their compensation periodically. The last settlement signed with them expired on December 31, 2018. Negotiations regarding wage revision and settlement have been completed. Accordingly, an arrear amount of INR 12.17 crore has been charged in the Profit & Loss Account.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

C. Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's financial Instruments. All of the Company's interest rate risk exposure is at a fixed rate. Therefore, a change in interest rates at the reporting date would not affect statement of profit and loss for any of these fixed interest bearing financial instruments. Fair value can change due to change in interest rate.

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

Particulars	Carrying amount as on (INR in crore)	
	March 2021	March 2020
Fixed Rate Instruments		
Financial assets	2,820.10	2,500.96
Financial liabilities	(246.44)	(224.52)
Total	**2,573.66**	**2,276.44**

The Company does not have variable rate instruments.

Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (wherever revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries.

The Company may enter into foreign currency forward and option contracts with financial institutions to protect against foreign exchange risks associated with certain existing assets and liabilities, certain firmly committed transactions, forecasted future cash flows and net investments in foreign subsidiaries. In addition, and may enter in the future, into non-designated foreign currency contracts to partially offset the foreign currency exchange gains and losses on its foreign denominated debt issuances.

Equity price risk:

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, caused by factors specific to an individual investment, its issuer and market. The Company's exposure to price risk arises from diversified investments in mutual funds, preference shares held by the Company and classified in the balance sheet at fair value through profit or loss (note 7).

Sensitivity Analysis

The table below sets out the effect on profit or loss and equity due to reasonable possible weakening / strengthening in prices of 5%.

Particulars	Sensitivity of Profit or loss (INR in crore)	
	March 2021	March 2020
NAV - Increase 5%	117.59	102.86
NAV - Decrease 5%	(117.59)	(102.86)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

39. FAIR VALUE HIERARCHY

A. Accounting classifications & Fair values:

The Following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

March 2021 (INR in crore)	Carrying Amount			Fair Value		
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial Assets:*						
Other investments	2,351.74	-	2,351.74	2,349.07	-	2.67***
Loans**	-	28.15	28.15	-	28.15	-
Trade receivables	-	19.22	19.22	-	-	-
Cash & cash equivalents	-	25.64	25.64	-	-	-
Other Financial assets	-	180.93	180.93	-	-	-
Total	**2,351.74**	**253.94**	**2,605.68**	**2,349.07**	**28.15**	**2.67**
Financial Liabilities:						
Other Financial liabilities	-	246.44	246.44	-	-	-
Total	**-**	**246.44**	**246.44**	**-**	**-**	**-**

March 2020 (INR in crore)	Carrying Amount			Fair Value		
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial Assets:*						
Other investments	2,057.20	-	2,057.20	2,054.56	-	2.64***
Loans**	-	43.90	43.90	-	43.90	-
Trade receivables	-	24.22	24.22	-	-	-
Cash & cash equivalents	-	0.55	0.55	-	-	-
Other Financial assets	-	163.17	163.17	-	-	-
Total	**2,057.20**	**231.84**	**2,289.04**	**2,054.56**	**43.90**	**2.64**
Financial Liabilities:	-	-	-	-	-	-
Other Financial liabilities	-	224.52	224.52	-	-	-
Total	**-**	**224.52**	**224.52**	**-**	**-**	**-**

* Investments in subsidiaries which are carried at cost have not been included above.

** Loans are carried at amortized cost which is a reasonable approximation of its fair value.

*** Investment in Mutual Fund Utilities and IIAS valued at NAV as at 31st March 2021.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

B. Valuation Techniques and significant unobservable inputs:

The following table shows the valuation techniques used in measuring level 2 and level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as significant unobservable inputs used.

Type	Valuation Technique	Significant Unobservable inputs	Interrelation between Significant Unobservable inputs & fair value measurement
Loans to Employees and UTI Employee Cooperative Credit Society, Rental Deposits	Measured at amortized cost, which is the present value of all future cash flows discounted at prevailing market rates	Assumed market rate is 8.50% for loans. the average of last three year's Marginal Cost of Lending Rate of SBI, considering the differential interest rate issued by SBI) (For previous year the market rate is 10%. Which is historical base rate, which varies in between 9% to 10%, management has decided conservatively 10% as the discount rate for loans & 12 % for Rental Deposits. Since the nature of rent deposit is more or less similar to zero coupon bond, hence we have taken a higher rate for rent deposit than loans)	-
Investments in Institutional Investor Advisory Services& MF Utilities India Private Limited	The valuation of IIAS has been done on weighted average of Discounted Cash Flow Method and Comparative Transaction Multiple by giving equal weight to both the methods. Net Asset Value (NAV) Method under Cost Approach has been used for the valuation of MFU. Moreover the valuation of IIAS has been using the financial available with management as on 31.03.2021 and using the relevant assumption by the valuer.	The Equity value of IIAS was calculated based on weighted average of Discounted Cash Flow Method and Comparative Transaction Multiple by giving equal weight to both the methods, MF Utilities Private Limited based on NAV Method. Since the Company is unlisted, the equity value of the Company is adjusted for an illiquidity discount on account of lack of marketability and restrictions on the transfer of the shares.	-

C. Fair value measurement using significant unobservable inputs (level 3)

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

Particulars	Amount (INR in crore)
Balance as at 01 April 2019	**1.95**
Net gain / (losses) on Financial instruments recognized in the Statement of Profit and Loss	(0.29)
Purchases of Financial instruments	0.98
Sales of Financial instruments	-
Balance as at 31 March 2020	**2.64**
Net gain / (losses) on Financial instruments recognized in the Statement of Profit and Loss	0.03
Purchases of Financial instruments	-
Sales of Financial instruments	-
Balance as at 31 March 2021	**2.67**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

40. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to maximize the shareholder value as well as to maintain investor, creditor and market confidence and to sustain future development of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using the ratio of 'net adjusted debt' to 'Total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest bearing loans and borrowings and obligations under finance lease (if any), less cash and cash equivalents. Total Equity comprises of share capital and all reserves.

Calculation of this ratio is given below

Particulars (INR in crore)	March 2021	March 2020
Total Liabilities	376.20	336.30
Less: Cash & cash equivalents	(25.64)	(0.55)
Adjusted Net Debt	**350.56**	**335.75**
Total Equity	**2,880.88**	**2,594.63**
Adjusted Net Debt to Total Equity Ratio	**0.12**	**0.13**

41. LEASE DISCLOSURES

Company as a lessee:

Effective 01 April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method on the date of initial application. Consequently, the Company recorded the lease liability and right of use at the present value of the lease payments discounted at the incremental borrowing rate.

The following is the break-up of current and non-current lease liabilities as at 31 March 2021

Particulars (INR in crore)	March 2021	March 2020
Current lease liabilities	11.13	10.59
Non-current lease liabilities	95.44	95.04
Total	**106.57**	**105.63**

The following is the movement in lease liabilities during the year ended 31 March 2021

Particulars (INR in crore)	March 2021	March 2020
Opening Balance	105.63	93.71
Additions	13.93	21.04
Finance cost accrued during the year	7.97	9.30
Payment of lease liabilities	(19.45)	(18.26)
Adjustments	(1.51)	(0.16)
Closing Balance	**106.57**	**105.63**

The following is the movement in right-of-use asset during the year ended 31 March 2021

Particulars (INR in crore)	March 2021	March 2020
Opening Balance	97.97	93.71
Additions	13.93	21.04
Depreciation charge during the year	(14.67)	(16.78)
Adjustments	(1.10)	-
Closing Balance	**96.13**	**97.97**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

The table below provides details regarding the contractual maturities of lease liabilities as at 31st March 2021 on an undiscounted basis.

Particulars (INR in crore)	March 2021	March 2020
Less than one year	19.76	19.16
One to Five years	65.88	64.72
More than Five years	84.23	83.34

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases and low value item was INR 0.22 crore for the year ended 31st March 2021.

The weighted average incremental borrowing rate applied to lease liabilities for financial year 2020-21 is 8.50%.

Company as a lessor:

The Group leases out its properties of which details of the same are as follows:

i) Future minimum lease payments:

The future minimum lease payments receivable under non-cancellable leases are as follows:

(INR in crore)

Particulars	March 2021	March 2020
Receivable in less than one year	10.70	9.07
Receivable in one to two year	1.78	9.24
Receivable in two to three year	1.52	2.02
Receivable in three to four year	1.52	1.78
Receivable in four to five year	0.51	1.78
Receivable after five years	0.00	0.95

ii) Amounts recognized in Profit or Loss:

(INR in crore)

Particulars	March 2021	March 2020
Lease Income	10.53	8.22

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

42. EMPLOYEE SHARE BASED PAYMENTS

Employee stock option scheme (Equity settled)

The Company introduced an Employee Stock Option Scheme called the "UTI AMC Employee Stock Option Scheme -2007. Each Employee on the rolls of the Company as on December 16, 2019 and few Employees from its subsidiaries were granted options. The vesting of the options is from expiry of one year from grant date till four years from grant date as per Plan. Under the scheme, 21,91,544 equity shares have been granted to the eligible employees and each option entitles the holder thereof to apply for and be allotted no of Equity Share granted of the Company having face value of INR 10 each for an exercise price of INR 728/- during the exercise period. Vesting of the options shall take place over a maximum period of 3 years with a minimum vesting period of 1 year from the date of grant i.e. 16 December 2019. The exercise period would be maximum of 3 years from the date of vesting of options.

Details of ESOS 2007

Particulars	ESOS 2007
Date of Grant	16/12/2019
Price of Underlying Stock (In INR)	728
Exercise / Strike Price (In INR)	728
The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions:	
Risk Free Interest Rate	6.33%
Expected Dividend	INR 5 per share
Expected Life (years)	4 Years (mid - way between option vesting and expiry)
Expected Volatility	39.78%
Weighted Average Fair Value (In INR)	276

The information covering stock options granted, exercised, forfeited and outstanding at the year end is as follows:

Particulars	No. of stock options as at 31 March 2021	No. of stock options as at 31 March 2020
Date of Grant	16/12/2019	16/12/2019
Outstanding at the beginning of the year	0	0
Granted during the year	21,91,554	21,91,554
Exercised during the year	0	0
Forfeited during the year	0	0
Lapsed/expired during the year	74,593	0
Outstanding at the end of the year	21,16,961	21,91,554
Vested and exercisable	7,53,478	0

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price	Outstanding as at 31 March 2021	Outstanding as at 31 March 2020
16/12/2019	17/12/2022	728	21,16,961	21,91,554

Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend per share and the risk free interest rate for the term of the option.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

The model inputs for options granted during the year ended 31 March 2021 included:

Assumptions	Year ended 31 March 2021
Expected - Weighted average volatility	39.78%
Expected dividends	INR 5 per share
Expected term (In years)	4 Years (mid - way between option vesting and expiry)
Risk free rate	6.33%
Exercise price	728
Market price	728
Grant date	16/12/2019
Expiry date	17/12/2022
Fair value of the option at grant date	276

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Expense arising from share-based payment transactions

Assumptions	Year ended 31 March 2021	Year ended 31 March 2020
Employee stock option scheme (equity settled) (INR in crore)	28.08	10.50

43. SEGMENT REPORTING

The Company is primarily engaged in the investment management business and providing wealth management services. The wealth management services are not a 'reportable segment' as per the definition contained in Ind AS 108 'Operating Segments'. Hence there is no separate reportable segment.

44. MANAGERIAL REMUNERATION

a) The particulars of the remuneration of the key managerial personnel are as under:

(INR in crore)

Particulars	March 2021	March 2020
Salary & Allowance (including perquisite & Contribution to Retirement benefits)	6.58	6.77
Total	**6.58**	**6.77**

b) The managerial remuneration paid to key managerial personnel is in accordance with the provision of section 197 of companies Act, 2013.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

45. DIVIDEND DURING THE YEAR

(INR in crore)

Particulars	March 2021	March 2020
A. Dividends on equity shares declared and paid during the year		
Final dividend		
Paid for the earlier financial year	88.75	63.39
Dividend per share (INR)	7	5
Interim dividend		
Paid for the earlier financial year	-	-
Dividend per share (INR)	-	-
Total dividend paid	88.75	63.39
Dividend on Equity Shares proposed by the Board of Directors for approval at Annual General Meeting (not recognised as a liability at the respective year end)		
Final dividend for the same financial year	215.54	88.75
Dividend per share	17	7
Dividend Distribution Tax on final dividend	NA	5.84

46. CORPORATE SOCIAL RESPONSIBILITY EXPENSES

(a) Gross amount required to be spent by the Company during the year

(INR in crore)

Particulars	March 2021	March 2020
Amount required to be spent during the year	9.37	9.15
Total	**9.37**	**9.15**

(b) Amount of expenditure incurred on Corporate Social Responsibility activities during the year is as follows:

(INR in crore)

SN	Particulars	March 2021	March 2020
(i)	Construction/acquisition of any asset	NIL	NIL
(ii)	On purposes other than (i) above	14.40*	5.41
	Total	**14.40**	**5.41**

*The Company has complied with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 issued by way of notification dated 22nd January 2021. An amount of INR 14.40 crore has been accounted as CSR expense for 2020-21, which includes an unspent amount of INR 5.48 crore attributable to identified CSR projects approved by the CSR committee which has been duly transferred to special bank account.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

47. EVENTS AFTER REPORTING DATE

The outbreak of COVID - 19 pandemic has affected several countries across the world, including India. The Government is undertaking several measures to restrict the spread of virus and provide financial support to some stressed sectors. Further, while the COVID-19 vaccination efforts have gained momentum, uncertainty due to the resurgence of COVID cases across many parts of India is rising. The extent to which the second wave of COVID 19 pandemic will impact the Company's results will depend on ongoing as well as future developments, which at this juncture are highly uncertain.

It is expected that economic activity will continue to improve as the residual restrictions are eased gradually. The Company has assessed the impact of the pandemic on its operations and its assets including the value of its investments and trade receivables as at 31 March 2021. The management does not, at this juncture, believe that the impact on the value of the Company's assets is likely to be material. Business continuity plans have been invoked to help ensure the safety and well-being of staff thereby retaining the ability to maintain business operations following lockdowns in India. These actions help to ensure business resilience. Since the situation is still evolving and it seems likely that there will be a material impact on the economy, its effect on the operations of the Company may be different from that estimated as at the date of approval of these financial results. The Company continues to closely monitor material changes in markets and future economic conditions.

Further, during the quarter ended 31 March 2021, there has been no material change in the controls or processes followed in the preparation of the financial results.

48.

During the current financial year, the Company had completed the initial public offering ('IPO') through an offer for sale of 3,89,87,081 equity shares (1,04,59,949 equity shares each by State Bank India, Life Insurance Corporation of India, Bank of Baroda and 38,03,617 equity shares each by Punjab National Bank & T. Rowe Price International Limited) of face value of INR 10 each at a price of INR 554 per equity share aggregating up to INR 2,159.88 crore. The equity shares of the Company were listed on National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE') on 12 October 2020.

49.

Previous year's figures have been regrouped / reclassified wherever necessary, to confirm to current year's classification.

As per our Report of even date
For **G.D. Apte & Co.**
Chartered Accountants
FRN: 100515W

For and on behalf of the Board of Directors of UTI Asset Management Company Limited

D K Mehrotra
Non Executive Chairman
(DIN: 00142711)

Imtaiyazur Rahman
Chief Executive Officer & Whole Time Director
(DIN: 01818725)

CA C.M. Dixit
Partner
MRN: 017532
Place: Mumbai
Date: The 28 April 2021

Surojit Saha
Chief Finance Officer

Arvind Patkar
Company Secretary

DIRECTORS' REPORT

To The Members

UTI Venture Funds Management Company Private Limited

Your Directors have pleasure in presenting the Twentieth Annual Report with the Audited Financials of the Company for the year ended 31 March 2021.

FINANCIAL ACHIEVEMENTS

(Amounts in thousands unless otherwise stated)

	Standalone		Consolidated	
	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2021	For the year ended 31 March 2020
Total income	21,257	6,807	21,874	7,438
Loss / Profit before Tax	16,886	(2,914)	17,463	(4,146)
Provision for Taxation incl. Deferred Taxation and Other Comprehensive Income	4,449	598	4,449	598
Net (Loss) / Profit after Taxation	12,437	(3,512)	13,014	(4,744)
Balance of Profit brought forward	13,637	17,150	11,882	16,626
Transfer from general reserve	-	-	-	-
Profit available for appropriation	26,074	13,637	24,896	11,882
Appropriations				
Capital Redemption Reserve	-	-	-	-
General Reserve	(40,000)	-	-	-
Interim Dividend	-	-	-	-
Tax on Dividend	-	-	-	-
Balance carried to Balance Sheet	26,074	13,637	24,896	11,882

REVIEW OF OPERATIONS

Income

The total income for the year was INR 2,12,57,513/- as against the previous year's income of INR 68,07,372/-. The income of your Company is on account of Revenue from operations of the Company comprising of Interest income, Net Gain on fair value changes and Net gains from derecognition of financial instruments under FVTPL category.

Expenses

Your Company's total expenses for the year were INR 43,70,607/- as against INR 97,22,050/- in the previous year.

Profits

Your Company made a Profit after tax for the year amounting to INR 1,24,37,537/- as compared to previous year with loss after tax of INR 35,12,537/-.

Exceptional Items

During the year the Company did not enter into any such transactions, which would have reflected as an Exceptional item for the year.

Change in nature of business:

There was no change in the nature of business carried on by the Company during the said financial year.

Share Capital:

The authorised share capital as on 31 March 2021 was INR 6,00,00,000/-. During the year under review there was no alteration in the share capital of the Company.

The paid-up share capital as on 31 March 2021 was INR 4,55,00,000/-. During the year under review, there was no change in the paid-up share capital of the Company.

Dividend

The Board of Directors did not recommend any dividend for the financial year 2020-21.

Transfer to reserves:

The Company has not transferred any profit to reserves for the said financial year.

Information about subsidiary / Joint Venture / Associate Company:

The Company continues to be a wholly owned subsidiary of UTI Asset Management Company Limited.

UTI Private Equity Limited, Mauritius, continues to be a subsidiary of the Company.

However, UTI Private Equity Limited, Mauritius is under the process of winding up under Section 309(1) (d) Companies Act 2001.

DIRECTORS' REPORT (Contd.)

The Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures in Form AOC-1 has been enclosed as **Annexure - 1.**

During the said financial year, no other Company has become or ceased to be a subsidiary / joint venture / associate Company of the Company.

Transfer of unclaimed / unpaid dividend to Investor Education and Protection Fund:

The Company need to transfer unclaimed / unpaid divided to the Investor Education and Protection Fund did not arise during the said financial year.

Material changes and commitments:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and on the date of this report.

Loans, guarantees and investments:

The Company has not advanced any loan or given guarantee or provided security in connection with any loan to any person or body corporate, under Section 186 of the Act, during the said financial year.

Related party transactions:

The Company has not entered into any contract / arrangement with related parties, as referred to in Section 188 of the Act, other than those disclosed under the financial statements for the year under review.

Auditors and their report:

Chandran & Raman, Chartered Accountants, having office at – 28, 7th Main, 2nd Block, Jayanagar, Bengaluru - 560079 were appointed as the statutory auditors of the Company by C&AG pursuant to their letter dated 14 August 2020 for 2020-21. However, Office of Comptroller & Audit General of India (C&AG) vide their letter dated 8th February 2021 had informed that C&AG Audit is not applicable to the Company from 2020-21. Hence, the Chandran & Raman, Chartered Accountants will discharge the functions as Statutory Auditors instead of C&AG Auditors for 2020-21.

Furthermore, the Auditors' Report for the financial year ended, 31 March, 2021 is annexed herewith for your kind perusal and information as **Annexure –3.**

STANDALONE & CONSOLIDATED FINANCIALS:

Qualification in the Audit Report:

Following is the note of qualification placed by the statutory auditors in the Audit Report:

Attention of the members is invited to the footnote to note-4 to the Ind AS financial statements regarding fair value of investments in certain funds as at 31 March 2021 being based on estimate as per the unaudited statements provided by the funds' management. We are unable to ascertain the impact of such non-audit of the same on these Ind AS financial statements for the year ended on that date.

Board's reply:

The audit of Fund is completed after the completion of valuation of the investments, which is generally completed in the month of May, and hence the unaudited NAVs have been provided to the Auditor. However, the audited NAVs are not significantly different from the unaudited NAVs.

Emphasis of Matter:

Attention of the members is invited to footnote no 1(a) to the Ind AS financial Statement, NO Financial Statements of the Subsidiary UTI Private Equity Limited, Mauritius has been prepared as at 31 March 2021, reliance is placed on the unaudited financials dated 26 June 2020 filed with competent authorities, the effect of net assets and net liabilities on the consolidated financial statements is NIL, our opinion is not qualified in respect of this matter.

Board's reply:

UTI Private Equity Limited has filed the wounding up application on 30th June 2020. All the documents in this respect has been submitted to the registrar of the company, however the clearance in this respect is still to be received. Since the approval has not been received the last drawn financial of UTI Private Equity Limited i.e. Financial dated 26th June 2020 has been considered for Consolidation in consultation with the statutory auditors.

C&AG report:

C&AG report is not applicable to the Company from the year ended 31 March 2021 onwards.

Conservation of energy, technology absorption and foreign exchange earnings & outgo:

A. CONSERVATION OF ENERGY:

The Company is not paying rent and hence the same is not applicable.

B. TECHNOLOGY ABSORPTION:

Since the Company is carrying on fund management activity there is no absorption of technology.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign exchange inflow – NIL

Foreign exchange outflow – NIL

Risk Management:

Your Company has periodic assessments to identify the risk areas. A review of the potential risk is made and management is briefed on the risks in advance which enables the Company to control risk through a properly defined plan. The elements of risk threatening the Company's existence is very minimal.

Corporate Social Responsibility ("CSR"):

The Company is not covered under the mandatory provisions of CSR under the Act, for the said financial year.

Directors and Key Managerial Personnel ("KMP"):

For the financial year ended 31 March 2021, Mr. I Rahman (DIN: 01818725) Nominee Director, Mr. Surojit Saha (DIN: 06584521) Director and Mr. Rohit Gulati (DIN: 08366349) Additional Director are on the Board of your Company.

Mr. K.E.C Rajakumar (DIN: 00044539) Managing Director, has resigned from his post with effect from 24 April 2020.

Mr. Venkatadri Chandrasekaran (DIN: 03126243) Managing Director, has resigned from his post with effect from 17 August 2020.

Mr. Surojit Saha (DIN: 06584521) was regularised as Director with effect from 29 June 2020.

Mr. Rohit Gulati (DIN: 08366349) was appointed as Additional Director with effect from 02 December 2020.

Meetings of the Board of Directors:

The Company has held 5 (Five) Board meetings during the said financial year and the attendance details of each of the directors at the said Board Meetings are as under:

Date of the Board Meeting	Attendance of Directors				
	Mr. KEC Raja Kumar	Mr. I Rahman	Mr. Venkatadri Chandrasekaran	Mr. Surojit Saha	Mr. Rohit Gulati
24 April 2020	Present	Present	Present	Present	NA
14 July 2020	NA	Present	Present	Present	NA
14 August 2020	NA	Present	Absent	Present	NA
02 December 2020	NA	Present	NA	Present	NA
15 March 2021	NA	Present	NA	Present	Present

Deposits:

The Company has not accepted any deposits covered under Chapter V of the Act, during the said financial year.

Internal Financial Controls and their adequacy

The Company has adequate and necessary policies and procedures in place for orderly and efficient conduct of its business, safeguarding of its assets, prevention and detection of frauds and errors and for ensuring accuracy and completeness of accounting records and timely preparation of reliable financial statements.

Annual Evaluation:

The provision of section 134(3)(p) relating to Board evaluation is not applicable on the Company for 2020-21.

Independent directors and declaration:

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to the Company.

Nomination, Remuneration and Stakeholders Relationship Committee:

The Provisions of Sec. 178(1) of the Companies Act, 2013 read with Rule 6 of the Companies (Meeting of Board and its Power) Rules, 2014 pertaining to Constitution of Nomination & Remuneration Committee is not applicable to the Company for 2020-21.

Audit Committee

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company.

Secretarial Audit report:

The provisions of Section 204 of the Companies Act, 2013 pertaining to the Secretarial Audit do not apply to our Company.

Cost Audit:

The provisions of Section 148 of the Companies Act, 2013 pertaining to the Cost Audit do not apply to our Company.

Vigil Mechanism:

The provisions of Section 177(9) and (10) of the Companies Act, 2013 do not apply to our Company.

Shares

a. Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

b. Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

c. Bonus Shares

No Bonus Shares are issued during the year under review.

d. Employees Stock Option Plan

The Company has not provided any Stock Option Scheme to the employees.

e. Equity shares with differential voting rights:

The Company has not issued Equity Shares with differential voting rights within the meaning of Section 43(a) (ii) of Companies Act, 2013 read with rules made there under.

Significant and material orders passed by the regulators / courts / tribunals:

There are no significant orders passed by the regulators / courts / tribunals which would impact the going concern status of the Company and its future operations.

Statement on Compliance of applicable Secretarial Standards:

The Board of Directors of the Company confirms that the applicable secretarial standards have been complied with.

Complaints of sexual harassment:

No complaints of sexual harassment have been received during the said financial year.

DIRECTORS' REPORT (Contd.)

Details in respect of fraud reported by auditors:

No instances of fraud are reported by auditors pursuant to Section 143 (12) of the Companies Act, 2013.

Director's Responsibility Statement

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013 with respect to Directors Responsibility Statement, it is hereby confirmed:

a) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) that 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 financial year ended 31 March 2021 and of the profit and loss of the Company for that period;

c) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) that the accounts for the year ended 31 March 2021 is prepared on a 'going concern' basis;

e) that the Company being an unlisted Company, Section 134(5)(e) of the Act does not apply.

f) that the directors had devised proper systems to ensure compliance with the provisions.

Personnel

Your Directors wish to place on record their appreciation of the services rendered by the employees of the Company. The particulars of employees as required under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are placed at the Annual General Meeting. In case any member is desirous of having a copy of this statement, it will be provided to him / her on request.

Acknowledgement

Relationships with members, investors of the funds under management, Reserve Bank of India, Securities and Exchange Board of India, Department of Company Affairs, other Regulatory authorities, investee companies and our bankers remained excellent during the year under review. Your Directors are grateful for the support extended by them and look forward to receiving their continued support and encouragement.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 07 June 2021

Surojit Saha	**Imtaiyazur Rahman**
Director	Nominee Director
(DIN: 06584521)	(DIN: 01818725)

ANNEXURE – I

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

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

Part "A": Subsidiaries

Sl. No	01	
Name of the Subsidiary	UTI Private Equity Limited, Mauritius	
The date since when subsidiary was acquired	19 September 2005	
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	01 April 2020 to 31 March 2021	
Reporting currency and exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	USD and the exchange rate as at 31 March 2021 for Profit & loss items and for Balance sheet items INR 73.5047/USD (RBI Rate)	
Particulars	*** As on 31 March 2021 (Amounts in INR)**	**As on 31 March 2020 (Amounts in INR)**
Share Capital	**7,97,335**	**7,97,335**
Reserves & Surplus	**(12,49,579.9)**	**(18,65,273.32)**
Total Assets	**–**	**24,726.57**
Total Liabilities	**–**	**24,726.57**
Investments	**–**	**NIL**
Turnover	**–**	**6,57,741.98**
Profit / (loss) before taxation	**5,69,146.89**	**(99,283.23)**
Provision for taxation	**NIL**	**NIL**
Profit / (loss) after taxation	**5,69,146.89**	**(99,283.23)**
Proposed Dividend	**NIL**	**NIL**
Extent of Shareholding (in percentage)	**100%**	**100%**

* UTI Private Equity Limited, Mauritius has not been prepared its financial statements as at 31 March 2021, as it is under the process of winding up as per the respective laws, applicable and figures are considered based on unaudited financials dated 26 June 2020 filed with competent authorities.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

For and on behalf of Board of Directors
UTI Venture Funds Management Company Private Limited

Surojit Saha
Director
DIN: 06584521

I Rahman
Nominee Director
DIN: 01818725

Date: 07 June 2021
Place: Mumbai

DETAILS OF SHAREHOLDERS

Sl No.	Name of the shareholder and ledger folio	Address of the shareholder	No. of equity shares of INR 10/- each held at the end of the year (31 March 2021)	% of Shares held
1	**UTI Asset Management Company Limited & E/11**	UTI tower G n Block, Opp ICICI Bank, Bandra Kurla Complex, Bandra East, Mumbai	45,49,930	99.9986%
2	***I Rahman & E/13**	E-402, Dheeraj Heritage, Recidency II, Daulat Nagar, Santacruz West Mumbai - 400054	10	0.0002%
3	***Vinay Lakhotia & E/18**	Shiv Darshan CHS, Sector-12, Flat No.801, Sanpada, Navi Mumbai-400705	20	0.0004%
4	***Surojit Saha & E/19**	A 403, Temple View, Raheja Township, Malad (East), Mumbai - 400097	20	0.0004%
5	***Vivek Maheshwari & E/20**	C/o. UTI AMC Ltd. UTI tower G n Block, Opp ICICI Bank, Bandra Kurla Complex, Bandra East, Mumbai	20	0.0004%
TOTAL			**45,50,000**	**100%**

* Nominee Shareholders of UTI Asset Management Company Limited.

For **UTI Venture Funds Management Company Private Limited**

Surojit Saha
Director
(DIN: 06584521)

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UTI VENTURE FUNDS MANAGEMENT COMPANY PRIVATE LIMITED

Qualified Opinion

We have audited the accompanying consolidated Ind AS financial statements of UTI Venture Funds Management Company Private Limited ("the Company") and its wholly owned subsidiary- UTI Private Equity Limited (earlier known as UTI Private Equity Advisors Private Limited) (together referred as the "Group"), which comprise the Consolidated Balance Sheet as at 31 March 2021, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash flows for the year then ended and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the *Basis for Qualified Opinion* section of our report, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 (Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at 31 March 2021, Statement of Profit &loss, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

a. Attention of the members is invited to the footnote to note-4 to the Ind AS financial statements regarding fair value of investments in certain funds as at 31 March 2021 being based on estimate as per the unaudited statements provided by the funds' management. We are unable to ascertain the impact of such non-audit of the same on these Ind AS financial statements for the year ended on that date.

Emphasis of Matter :

b. Attention of the members is invited to footnote no 1(a) to the Ind AS financial Statement, NO Financial Statements of the Subsidiary UTI Private Equity Limited, Mauritius has been prepared as at 31st March 2021, reliance is placed on the unaudited financials dated 26th June 2020 filed with competent authorities, the effect of net assets and net liabilities on the consolidated financial statements is NIL, our opinion is not qualified in respect of this matter.

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the ICAI 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 qualified opinion.

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

Management has informed us that the Board's report, any annexure thereto and any other information that would be furnished by the Company in its annual report have not yet been finalized and have not been received and reviewed by us in accordance with Standards on auditing 720 and accordingly do not express any opinion thereon.

Responsibility of Management for Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Group in accordance with Ind AS 34 and the accounting principles generally accepted in India, including any other Ind AS applicable. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a

INDEPENDENT AUDITOR'S REPORT (Contd.)

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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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 Group'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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements:

1. As required by section 143 (3) of the Act, except for the possible effects of the matter described in the basis of the qualified opinion paragraph above, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

   e. On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors of the Company are disqualified as on 31 March 2021 from being appointed as a director in terms of section 164 (2) of the Act.

   f. Since the Company is a private limited company, the group consisting of its subsidiary being a foreign company, their turnover as per last audited financial statements is less than INR 50 crores and their borrowings from banks and financial institutions at any time during the year is less than INR 25 crores, the group is exempted from getting an audited opinion with respect to the adequacy of the financial controls over financial reporting of the company and the operation effectiveness of such control vide Ministry of Corporate Affairs notification No.(G.S.R.583E)) dated June 13, 2017.

   g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, no remuneration was paid by the Company to its directors during the year.

   h. With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT (Contd.)

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

iii. There were no amounts outstanding as at 31 March 2021 which required to be transferred, to the Investor Education and Protection Fund by the Company.

2. In terms of directions under section 143(5) of the Act by the Office of the Principal Director of Commercial Audit and Ex-Officio Member, Audit Board, Hyderabad vide letter dated 05 April 2021, we further state as under relying upon the information and explanations given to us:

   i. The Company uses Tally ERP 9.0™ package for recording its accounting transactions. We understand that processing of accounting transactions outside such IT system are minimal. Considering the limited nature of operations of the Company, we are of the opinion that implications of processing of accounting transactions outside IT system on the integrity of the accounts may not be material.

   ii. There were no cases of restructuring of an existing loan or any waiver/write off of debts/loans/interest etc., made by a lender to the Company due to the Company's inability to repay the loan, during the year 2020-21.

   iii. There were no funds received by the Company from Central/State agencies.

For **Chandran & Raman**
Chartered Accountants
Firm Registration No. 000571S

P R Suresh
Partner
Membership No: 027488
UDIN: 21027488AAAABJ7697

Date: 27 April 2021
Place: Bangalore

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

(Amounts in INR)

	Note No.	As at 31 March 2021	As at 31 March 2020
I. ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	4,23,68,641	7,73,54,735
(b) Investments	4	7,85,95,802	6,70,54,332
(c) Other financial assets		-	-
TOTAL FINANCIAL ASSETS		**12,09,64,443**	**14,44,09,067**
(2) Non - financial assets			
(a) Current tax assets (net)	5	6,79,446	5,86,299
(b) Property, plant and equipment		-	-
(c) Intangible Assets		-	-
(d) Other Non Financial assets	6	27,612	29,855
TOTAL NON FINANCIAL ASSETS		**7,07,058**	**6,16,154**
Total Assets		**12,16,71,501**	**14,50,25,221**
II. LIABILITIES AND EQUITY			
LIABILITIES			
(1) FINANCIAL LIABILITIES			
(a) Trade payable			
- total outstanding dues of micro and small enterprises (Refer Note 18)		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		5,54,250	10,66,898
(b) Other Financial Liabilities	7	1,61,002	5,17,609
Total Financial Liabilities		**7,15,252**	**15,84,507**
(2) NON-FINANCIAL LIABILITIES			
(a) Deferred Tax Liability	22	74,87,530	30,38,161
(b) Provisions	8	6,90,000	6,48,000
Total Non-Financial Liabilities		**81,77,530**	**36,86,161**
EQUITY			
Equity Share Capital	10	4,55,00,000	4,55,00,000
Other Equity	9	6,72,78,719	9,42,54,553
		11,27,78,719	**13,97,54,553**
TOTAL EQUITY AND LIABILITIES		**12,16,71,501**	**14,50,25,221**

See accompanying notes forming part of the financial statements 1 to 28

For **Chandran & Raman**
Chartered Accountants
F.R.N. 000571S

P. R. Suresh
Partner
M.No. 027488

Place: Bangalore
Date: 27 April 2021

For UTI Venture Funds Management Company Private Limited

I Rahman
Director

Surojit Saha
Director

Place: Mumbai

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31 MARCH 2021

(Amounts in INR)

	Note	Year Ended 31 March 2021	Year Ended 31 March 2020
(a) Revenue from operations	11		
i) Interest Income		14,32,234	46,55,455
ii) Net Gain/(Loss) on fair value changes		1,76,37,452	(8,73,196)
iii) Others - Net gains from derecognition of financial instruments under FVTPL category		21,87,827	22,553
Total Revenue from Operations		**2,12,57,513**	**38,04,812**
(b) Other Income	12	6,16,779	36,33,191
Total Income		**2,18,74,292**	**74,38,003**
Expenses			
Employee Benefits Expenses	13	-	13,51,534
Depreciation and Amortisation expense		-	-
Other Expenses	14	44,10,957	1,02,32,545
Total expenses		**44,10,957**	**1,15,84,079**
Profit/(Loss) before exceptional items and Tax		**1,74,63,335**	**(41,46,076)**
Exceptional item		**-**	**-**
Profit/(Loss) before tax		**1,74,63,335**	**(41,46,076)**
Tax expense:	22		
- Current tax expense for current year		-	-
- Short/(Excess) tax provsion relating to earlier years		-	8,396
- Deferred tax expense/(income)		44,49,369	5,89,463
		44,49,369	**5,97,859**
Profit/(Loss) After Tax		**1,30,13,966**	**(47,43,935)**
* Includes provision on account of tax deducted at source not refunded			
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		-	-
Deferred tax on remeasurement of defined benefit plans		-	-
Other Comprehensive Income for the year		**-**	**-**
Total Comprehensive Income for the year		**1,30,13,966**	**(47,43,935)**
Basic and diluted earnings per equity share (of INR 10/- face value)			
- before exceptional items		2.86	(1.04)
- after exceptional items		2.86	(1.04)
Weighted Average No. of Equity Shares used in above computation		45,50,000	45,50,000

See accompanying notes forming part of the financial statements 1 to 28

For **Chandran & Raman**
Chartered Accountants
F.R.N. 000571S

P. R. Suresh
Partner
M.No. 027488

Place: Bangalore
Date: 27 April 2021

For UTI Venture Funds Management Company Private Limited

I Rahman
Director

Surojit Saha
Director

Place: Mumbai

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

(Amounts in INR)

	Year Ended 31 March 2021		Year Ended 31 March 2020	
A. Cash flows from operating activities				
Net profit/(loss) after taxation		**1,30,13,966**		**(47,43,935)**
Adjustments for:				
Provision for taxation	44,49,369		5,97,859	
Depreciation	-		-	
Fair value gains/losses on financial instruments	(1,76,37,452)		8,73,196	
Distributed profit from venture fund	-		-	
Profit on sale of Current and Non Current Investments (net)	(21,87,827)		(22,553)	
Profit on sale of Fixed Assets	-		-	
Provision for onerous contract	-		(35,15,953)	
Provision for contingencies	-		-	
Interest income on fixed deposits	(14,32,234)		(46,30,672)	
Foreign exchange fluctuation adjustment of investments in FCTR	7,539		(622)	
Provision for dimunition/(write back) (net)	-	(1,68,00,605)	-	(66,98,745)
Operating profit before working capital changes		**(37,86,639)**		**(1,14,42,680)**
Adjustments for changes in working capital:				
(Increase) / Decrease in Trade receivables	-		-	
(Increase) / Decrease in loans & advances	-		-	
(Increase) / Decrease in other financial assets	-		-	
(Increase) / Decrease in other current assset	2,243		1,00,776	
Increase / (Decrease) in trade payables	(5,12,648)		(1,56,496)	
Increase / (Decrease) in long term provisions	-		-	
Increase / (Decrease) in short term provisions	42,000		(35,46,564)	
Increase / (Decrease) in other current liabilities	(3,56,607)	(8,25,012)	4,31,110	(31,71,174)
Cash generated from operations		**(46,11,651)**		**(1,46,13,854)**
Income taxes paid (net of refunds)		(93,147)		(51,857)
Net cash from operating activities		**(47,04,798)**		**(1,46,65,711)**
B. Cash flows from investing activities				
Receipts from distributions from venture funds	58,55,913		7,700	
Proceeds from sale of Furnitures	-		-	
Proceeds from redemption of investments (mutual funds)	24,20,357		1,00,53,414	
Purchase of investments (mutual funds)	-		-	
Investments in fixed deposits	-		5,00,00,000	
Interest received on fixed deposits	14,32,234		65,51,817	
Net cash from investing activities		**97,08,504**		**6,66,12,931**
C. Cash flows from financing activities				
Dividends paid	(4,00,00,000)		-	
Net cash used in financing activities		**(4,00,00,000)**		**-**
Net increase/(decrease) in cash and cash equivalents		**(3,49,96,294)**		**5,19,47,220**
Effect of foreign exchange rate changes		10,200		(45,444)
Cash and cash equivalents at the beginning of the year		**7,73,54,735**		**2,54,52,959**
Cash and cash equivalents at the end of the year		**4,23,68,641**		**7,73,54,735**

Cash-flow statement has been prepared using indirect method as envisaged by the Ind AS 7 on Statement of Cash flows

For **Chandran & Raman**
Chartered Accountants
F.R.N. 000571S

P. R. Suresh
Partner
M.No. 027488

Place: Bangalore
Date: 27 April 2021

For UTI Venture Funds Management Company Private Limited

I Rahman
Director

Surojit Saha
Director

Place: Mumbai

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

A. EQUITY SHARE CAPITAL

(Amounts in INR)

Equity Shares of INR 10/- each, Issued, Subscribed & Fully Paid Up	
As at 1 April 2019	4,55,00,000
Changes in equity share capital	-
As at 31 March 2020	4,55,00,000
As at 1 April 2020	4,55,00,000
Changes in equity share capital	-
As at 31 March 2021	4,55,00,000

B. OTHER EQUITY

(Amounts in INR)

	Reserves and Surplus					
	Capital Reserve	**Capital Redemption Reserve**	**General Reserve**	**Retained Earnings**	**FCT Reserve**	**Total Other Equity**
Balance as at 1 April 2019	**1,90,09,046**	**45,00,700**	**5,76,94,470**	**1,66,26,527**	**12,13,189**	**9,90,43,932**
Profit/(Loss) for the year	-	-	-	(47,43,935)	-	(47,43,935)
Changes during the year	-	-	-	-	(45,444)	(45,444)
Other comprehensive income - Remeasurement of defined benefit obligation	-	-	-	-	-	-
Balance as at 31 March 2020	**1,90,09,046**	**45,00,700**	**5,76,94,470**	**1,18,82,592**	**11,67,745**	**9,42,54,553**
For the year	-	-	-	1,30,13,966	-	1,30,13,966
Changes during the year	-	-	-	-	10,200	10,200
Dividend paid during the year	-	-	(4,00,00,000)			(4,00,00,000)
Other comprehensive income - Remeasurement of defined benefit obligation	-	-	-	-	-	-
Balance as at 31 March 2021	**1,90,09,046**	**45,00,700**	**1,76,94,470**	**2,48,96,558**	**11,77,945**	**6,72,78,719**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1.

a) Background

UTI Venture Funds Management Company Private Limited ("the Company") is a wholly owned subsidiary of UTI Asset Management Co. Ltd. The Company's business consists of managing Private Equity and Venture Funds. These consolidated financial statements relate to the Company and its wholly owned subsidiary, UTI Private Equity Limited, Mauritius (previously known as UTI Private Equity Advisors Limited, Mauritius) together referred to as the 'Group'. The financial statements of the entities in the Group used in the consolidation are drawn up to the same reporting date i.e. 31 March 2021.

b) Principles of Consolidation

The financial statements of the Company and its subsidiary (being non-integral foreign operations) have been consolidated on a line by line basis by adding together like items of assets, liabilities, income and expense. The intra-group balances, intra-group transactions and unrealized profits or losses have been eliminated fully.

On consolidation, assets and liabilities relating to the non-integral foreign operations are translated at the exchange rate prevailing on the balance sheet date. Revenue and expenses are translated at the average rates prevailing in the period. Exchange differences arising out of these translations are included in the Balance sheet under Reserves and Surplus under the nomenclature "Foreign Currency Translation Reserve on Consolidation".

Figures pertaining to the subsidiary have been reclassified wherever necessary to bring them in line with the Company's financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation of Financial Statements

The Financial Statements comply in all material aspects with Indian Accounting Standards notified under section 133 of the Companies Act, 2013 ("the Act") in terms of Indian Accounting Standard Rules, 2015 and relevant provisions of the act.

The Financial Statements upto and including the year ended 31st March, 2018 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 and other relevant provisions of the Act.

b) Use of Estimates

The preparation of financial statements require the management of the Company to make estimation, judgements and assumptions that effect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include NAV of inestments, provision for accrued contribution to defined benefit obligation, useful life of Property, Plant and Equipments, provision for onerous contracts and contingencies. The estimates and assumptions used in the acCompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results may differ from those estimates. Any revision to accounting estimate is recognized prospectively in the current and future periods.

c) Property, Plant and Equipment and Intangible Assets

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation, and impairment losses, if any. The cost of acquisition is inclusive of duties, freight and other incidental expenses related to acquisition and installation of the assets. Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value, only if it increases the future benefits from existing asset beyond its previously assessed standard of performance. Capital work in progress is stated at cost.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Gains or losses arising from disposal of Property, Plant and Equipments are measured as the differences between the net disposal proceeds and carrying amount of asset and are recognized in the Statement of Profit and Loss when the asset is disposed.

The Company provides depreciation on Property, plant & equipment in the manner prescribed in schedule II to Companies Act, 2013 on straight line method (SLM) on pro-rata basis, based on prescribed useful life of assets which are as under:

Computer equipment- 3 years
Furniture & Fixtures- 10 years
Office Equipment- 5 years

Leasehold improvements are amortised over the period of lease.

Intangible assets acquired separately are measured on initial recognition at cost. Such cost includes purchase price, borrowing cost, and cost directly attributable to brining the asset to its working condition for the intended use. Thereafter intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Softwares are amortised over a period of 3 years on straight line method (SLM) on pro-rata basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal value and the carrying amount of the asset and are recognised in the Statement of Profit & Loss.

d) Financials Instruments

I. FINANCIAL ASSETS (OTHER THAN INVESTMENTS IN SUBSIDIARIES)

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

Accordingly, initial recognition of investments in mutual funds and venture funds are recognized at fair value.

Interest-free security deposits are measured at Amortized Cost which shall be the present value of all expected future repayments discounted at prevailing market rates.

As per IND AS 109, Financial Assets have to be measured as follows:

a) *Financial assets carried at Amortised Cost (AC)*

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Accordingly, rent deposits given to Landlords which are interest free have also been given similar treatment.

b) *Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)*

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) *Financial assets at Fair Value Through Profit or Loss (FVTPL)*

A financial asset which is not classified in any of the above categories is measured at FVTPL. Accordingly investments in mutual funds & venture funds will be measured at fair value through profit & loss.

II. FINANCIAL ASSETS - INVESTMENTS IN SUBSIDIARIES

According to IND AS, the Company has following options to account for the above subsidiaries:

a. At cost as per IND AS 27

b. At Fair Value through Profit & Loss or Other Comprehensive Income as per IND AS 109

Accordingly, the Company has accounted for its investments in subsidiaries at cost

<u>*Derecognition of financial assets*</u>

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

<u>*Impairment of financial assets*</u>

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on trade receivables and investments.

III. FINANCIAL LIABILITIES

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

As per Ind AS 32, a financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets & liabilities with another entity under conditions that are potentially unfavourable to the entity.

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

<u>*Derecognition of financial liabilities*</u>

A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

e) Transactions in foreign currency

Company's functional currency is Indian Rupees (INR). Transactions in foreign currency are accounted for at the rate of exchange prevailing at the date of the transaction. Exchange differences, if any, arising out of transactions settled during the year are recognized in the Statement of Profit and Loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

f) Revenue recognition

Income from management fees is recognised when they contractually accrue except when collectability is in doubt.

Dividend income from investments is accounted when the right to receive dividends is established. Interest and other income are accounted on accrual basis.

g) Employee Benefits

Short-term Employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Defined benefit plans

Gratuity, which is a defined benefit scheme, is not funded and the cost of providing services is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Other Comprehensive Income (OCI) in the period in which they occur. Past service cost is recognised immediately. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

h) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

i) Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in 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 tax are also recognized in other comprehensive income or directly in equity, respectively. Current income tax for the current and prior periods are measured at the amount expected to be paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

j) Contingencies and Provisions

In accordance with Ind AS 37, provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are not recognized in books of accounts. They are disclosed by way of notes, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in financial statements. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed, only where an inflow of economic benefits is probable.

The Company estimates the unavoidable costs of meeting its obligation under a contract(s) which exceed the economic benefits expected to be received under it and recognises the same. Provision are validated every year and excess/short provision are adjusted in the statement of profit and loss.

k) Impairment of assets (other than financial assets)

At each Balance Sheet date, the management reviews the carrying amounts of assets to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss.

Reversal of impairment loss is recognized immediately as income in the Statement Profit and Loss.

l) Fair value hierarchy

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

m) Segment Reporting

The company is primarily engaged in the investment management business. Company's chief operating decision makers review the company's operation as a whole and no different segments have been identified for this purposes and accordingly, no the Company do not have more than one operating segments as per Ind AS 108 'Operating Segments'. Hence there is no separate reporting requirement.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

3. CASH AND CASH EQUIVALENTS

(Amounts in INR)

Particulars	As at 31 March 2021	As at 31 March 2020
Cash in Hand	-	-
Balance with bank in current account	66,14,030	7,73,54,735
Balance with bank in deposit account (less than 3 months)	3,57,54,611	-
TOTAL	**4,23,68,641**	**7,73,54,735**

4. INVESTMENTS (UNQUOTED)

(Amounts in INR)

Particulars	As at 31 March 2021	As at 31 March 2020
Investments in Equity Instruments (at cost)		
a. Investment in Ascent India Ltd, Mauritius	-	7,539
(Nil (As at 31 March 2020, 100) Management shares of USD 1 each)		
Investments in Units of Mutual Fund (at fair value through profit or loss)		
UTI Credit Risk Fund - Direct Growth Plan (315,569.178 (as at 31 March 2020 - 315,569.178) units)	43,11,543	51,31,764
Investments in Units of Fund (at fair value through profit or loss)		
a. Investment in Ascent India Fund - III*	2,36,392	1,97,846
(1,750.050 (As at 31 March 2020 - 1,750.050) Class D Units of INR 100/- each)		
b. Investment in Ascent India Fund - III*	7,40,47,867	6,17,17,183
(437,211.760 (As at 31 March 2020 - 495,770.890) Class C Units of INR 100/- each)		
TOTAL	**7,85,95,802**	**6,70,54,332**
Aggregate amount of unquoted investments	7,85,95,802	6,70,54,332

* Fair value of units in Ascent India Fund III are based on estimated/unaudited statements.

5. CURRENT TAX ASSETS

(Amounts in INR)

Particulars	As at 31 March 2021	As at 31 March 2020
Advance Income Tax (Net of provisions)	6,79,446	5,86,299
TOTAL	**6,79,446**	**5,86,299**

6. OTHER NON FINANCIAL ASSETS

(Amounts in INR)

Particulars	As at 31 March 2021	As at 31 March 2020
Prepaid Expenses	27,612	29,855
TOTAL	**27,612**	**29,855**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

7. OTHER FINANCIAL LIABILITIES

(Amounts in INR)

Particulars	As at 31 March 2021	As at 31 March 2020
Statutory dues	1,61,002	5,17,609
TOTAL	**1,61,002**	**5,17,609**

8. PROVISIONS

(Amounts in INR)

Particulars	As at 31 March 2021	As at 31 March 2020
Other provisions (Refer Note 20)	6,90,000	6,48,000
TOTAL	**6,90,000**	**6,48,000**

9. OTHER EQUITY

(Amounts in INR)

Particulars		As at 31 March 2021	As at 31 March 2020
Capital Reserve	(A)	**1,90,09,046**	**1,90,09,046**
Capital Redemption Reserve	(B)	**45,00,700**	**45,00,700**
General Reserve			
Opening Balance		5,76,94,470	5,76,94,470
Less: Dividend Paid		(4,00,00,000)	-
Closing Balance	(C)	1,76,94,470	5,76,94,470
Retained Earnings			
Opening Balance		1,18,82,592	1,66,26,527
Add: Total Comprehensive income for the period/year		1,30,13,966	(47,43,935)
Closing Balance	(D)	2,48,96,558	1,18,82,592
Foreign Currency Translation Reserve on Consolidation			
Opening Balance		11,67,745	12,13,189
Add: Additions during the year		10,200	(45,444)
Closing Balance	(E)	11,77,945	11,67,745
TOTAL (A + B + C + D + E)		**6,72,78,719**	**9,42,54,553**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

10. SHARE CAPITAL

(Amounts in INR)

Particulars	As at 31 March 2021	As at 31 March 2020
a) Authorised Share Capital	**6,00,00,000**	**6,00,00,000**
6,000,000 Equity Shares with voting rights of INR 10/- each		
b) Issued, Subscribed & Fully Paid Up	4,55,00,000	4,55,00,000
[4,550,000 Equity Shares with voting rights (Previous Year - 4,550,000) of INR 10/- each fully paid-up]		
Refer Note 10A and Note 10B below		
	4,55,00,000	**4,55,00,000**

Terms/rights to attached equity shares :

The Company has only one class of Equity share, having a par value of INR 10/- . Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive any of the remaining assets of the company , after distribution of all preferential amount . However, as on date no such preferential amount exists. The distribution will be in proportion to number of equity shares held by the shareholders.

10A. MOVEMENT IN THE OUTSTANDING EQUITY SHARES WITH VOTING RIGHTS DURING THE YEAR

(Amounts in INR)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number	Value INR	Number	Value INR
Shares outstanding at the beginning of the year	45,50,000	4,55,00,000	45,50,000	4,55,00,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	45,50,000	4,55,00,000	45,50,000	4,55,00,000

10B. DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY

(Amounts in INR)

	As at 31 March 2021		As at 31 March 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
UTI Asset Management Co. Ltd (including 70 shares held by their nominees)	45,50,000	100%	45,50,000	100%

FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

11. REVENUE FROM OPERATIONS

(Amounts in INR)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
(i) Interest Income		
Interest on Bank Deposit	14,32,234	46,30,672
Interest on Income Tax Refund	-	24,783
	14,32,234	**46,55,455**
(ii) Net Gain/(Loss) on financial instruments at fair value through profit or loss		
Changes in fair value of investments on marked-to-market (unrealised)	1,76,37,452	(8,73,196)
	1,76,37,452	**(8,73,196)**
(iii) Others - Net gains from Investments		
Profit on sale of Investments (net)	21,87,827	22,553
	21,87,827	**22,553**

12. OTHER INCOME

(Amounts in INR)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Excess provision written back	6,16,779	30,02,560
Other Non Operating Income	-	6,30,631
TOTAL	**6,16,779**	**36,33,191**

13. EMPLOYEE BENEFITS EXPENSE

(Amounts in INR)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Salaries and Allowances	-	12,96,000
Gratuity	-	55,534
TOTAL	**-**	**13,51,534**

14. OTHER EXPENSES

(Amounts in INR)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Travelling & Conveyance	-	6,18,236
Repairs and Maintenance - others	-	4,62,000
Legal & Professional Expenses	38,35,372	88,54,688
Rates & Taxes	2,60,450	12,52,774
Staffing Expenses	-	9,07,206
Other provision	42,000	42,000
Directors Sitting Fees	1,00,000	4,20,000
Insurance Charges	89,562	1,42,532
Provision for /(Reversal of) Onerous Contracts (net)	-	(35,15,953)
Corporate social responsibility expenditure	-	9,45,000
Other General Expenses	83,573	1,04,062
TOTAL	**44,10,957**	**1,02,32,545**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

15. COMMITMENT AND CONTINGENCIES

(Amounts in INR)

Particulars	31 March 2021	31 March 2020
Contingent Liabilities		
Towards non-registration as an NBFC with RBI as per section 45(IA) of RBI Act, 1934 up to 31 March 2018	5,00,000	5,00,000

16. RELATED PARTIES

a) Names of the related parties

Holding Company	UTI Asset Management Co. Ltd.
Key Management Personnel ('KMP-1')	Mr. K. E. C. Rajakumar (upto 31 March 2020)
Key Management Personnel ('KMP-2')	Mr. Surojith Saha (w.e.f 1 April 2020)
Administrator and Secretary of the component	IQ EQ Fund Services (Mauritius) Ltd

b) The disclosures in respect of Related Party Transactions

(Amounts in INR)

Nature of Transaction	Key Management Personnel-1		Holding Company		Administrator and Secretary of the component	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
i) Transactions during the year						
Remuneration*	-	4,78,654	-	-		
Interim Dividend Paid	-	-	4,00,00,000	-		
Administration, secretarial and director fees					12,92,416	41,14,253
Reimbursement of expenses			-	-		
ii) Outstanding Balances on the year end			**-**	**-**		
Receivable			-			
Investments	-	-	-	-		

In addition to the above,

(a) in connection with the management of Ascent India Fund, the Company has mutually agreed with Ascent Capital Advisors India Private Limited that the fund operation expenses till the liquidation of the fund are to be equally borne by the Company and the latter referred party. In view of this, an arrangement has been made to incur certain specific expenses of the fund directly by each of the companies. Such expenses incurred during the year has been accounted under legal and professional charges in statement of profit or loss.

(b) The Company has purchased and redeemed the following investments in UTI Mutual Fund where the holding company is its assets manager.

(Amounts in INR)

Name of the Fund	Balance as at 1 April 2020	Amount invested	Amount redeemed	Balance as at 31 March 2021
UTI Credit Risk Fund - Direct Growth Plan	49,48,535	-	2,32,530	47,16,005

All the amounts indicated above are at their cost and redemption value and fair value adopted for recognition as per Ind AS have not been reckoned for this purpose

No amount is/has been written off or written back during the year in respect of dues from/to related parties

The information relating to related parties has been determined to the extent such parties have been identified on the basis of information provided by the company which has been relied upon by the Auditors

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

17. LEGAL & PROFESSIONAL EXPENSE INCLUDE AMOUNT PAID/PAYABLE TO AUDITORS TOWARDS

(Amounts in INR)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Audit Fees*	4,00,000	9,58,418
Other Matters*	25,000	2,05,000
	4,25,000	**11,63,418**

*net of GST

18.

There were no dues outstanding to Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 as at 31 March 2021. The information regarding micro and small enterprises has been determined based on information collected by management on enquiries made with the vendors, which have been relied upon by the auditors.

19.

All the employees of the holding Company have resigned as at 31 March 2020 and their claims in relation to retirement benefits have already been discharged by the Company. In the opinion of the management no liability towards employee benefits such as Provident Fund/Gratuity liability is due or payable. Hence no provision thereof is made in the financial statements.

20.

Other provisions in note 8 and 14 refers to provision made for estimated compounding fees payable on delayed filing of forms Annual Performane Report (APR) and Overseas Direct Investments (ODI)

21.

Disclosure in respect of movement of provisions made as required by Ind AS 37

Particulars	Provision for Onerous Contract	Provision for Compounding fees
Opening balance as at 1 April 2019	**35,15,953**	**6,06,000**
Less: Provision withdrawn on account of actual expenses incurred	(35,15,953)	-
Add: Provision made during the year	-	42,000
Balance as at 31 March 2020	**-**	**6,48,000**
Less: Provision withdrawn on account of actual expenses incurred (April 2020 to September 2020)	-	-
Add: Provision made during the period April 2020 to March 2021	-	42,000
Closing Balance as at 31 March 2021	**-**	**6,90,000**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

22. INCOME TAXES

The major components of income tax expense for the year ended 31 March 2021 and 31 March 2020 are:

Statement of profit and loss:

Profit or loss section

(Amounts in INR)

Particulars	31 March 2021	31 March 2020
Current income tax:		
Current income tax charge	-	-
Taxes of prior years	-	8,396
Deferred tax:		
Relating to origination and reversal of temporary differences	44,49,369	5,89,463
Income tax expense reported in the statement of profit or loss	**44,49,369**	**5,97,859**
OCI section		
Deferred tax related to items recognised in OCI during the year:		
Net loss/(gain) on remeasurement of defined benefit plans	-	-
Income tax charged to OCI	-	-
Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2021 and 31 March 2020:		
Accounting profit before income tax	1,74,63,335	(41,46,076)
Less: Reduction in loss on consolidation (loss of subsidiary net of consolidation adjustments)	5,76,430	(12,31,399)
Profit of the parent company	1,68,86,905	(29,14,677)
Enacted income tax rate in India	25.17%	25.17%
Tax at the applicable tax rate	42,50,096	(7,33,566)
Minimum alternate tax recognised at 18.5% plus cess	-	-
Provision recognised for prior years' shortfall	-	8,396
Expenses not allowed/(Unrealised incomes allowed) under Income Tax Act	(44,36,351)	(5,14,468)
Timing differences allowed under IT Act on payment basis	1,70,902	12,48,034
DTL not recognised on losses on account of lack of future taxable business income	-	-
Timing differences considered for DTL	44,49,369	5,89,463
Income tax expense recorded in the books	**44,34,016**	**5,97,859**
Components of deferred tax expense (income) recognised in Statement of profit and loss and Other comprehensive income:		
Property, Plant and Equipment and Intangible assets	10,376	20,784
Fair valuation of financial instruments	44,38,993	(5,72,485)
Provision for onerous contract	-	9,78,138
Provision for Gratuity	-	1,63,026
Total	**44,49,369**	**5,89,463**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Deferred tax assets/(liabilities) as at 31 March 2021 is in relation to:

(Amounts in INR)

Particulars	As at 31 March 2020	Recognised in profit and loss	Recognised in other comprehensive income	Recognised directly in equity	As at 31 March 2021
Property, Plant and Equipment and Intangible assets	69,123	(10,376)	-	-	58,747
Fair valuation of financial instruments	(31,07,283)	(44,38,993)	-	-	(75,46,276)
	(30,38,160)	**(44,49,369)**	**-**	**-**	**(74,87,529)**

Deferred tax assets/(liabilities) as at 31 March 2020 is in relation to:

(Amounts in INR)

Particulars	As at 1 April 2019	Recognised in profit and loss	Recognised in other comprehensive income	Recognised directly in equity	As at 31 March 2020
Property, Plant and Equipment and Intangible assets	89,907	(20,784)	-	-	69,123
Fair valuation of financial instruments	(36,79,768)	5,72,485	-	-	(31,07,283)
Provision for onerous contract	9,78,138	(9,78,138)	-	-	-
Provision for Gratuity	1,63,026	(1,63,026)	-	-	-
	(24,48,697)	**(5,89,463)**	**-**	**-**	**(30,38,160)**

23. FINANCIAL RISK MANAGEMENT

The Group has an exposure to the following risks arising from financial instruments: Credit Risk, Liquidity Risk and Market Risk

A. Risk Management Framework:

The parent company's board of directors has the overall responsibility for the establishment and oversight of company's risk management framework. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and company's activities.

B. Credit Risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities and from its investing activities, including deposits with banks and financial institutions and other financial instruments. The carrying amount of the financial assets represents the maximum credit risk exposure.

Financial Instruments & cash deposits: The Investments of the company are primarily in units mutual funds promoted by Group's parent company and in venture funds managed by the Company/other company.

All the investments in mutual funds have money market instruments and corporate bonds as underlying investments. These bonds and money market instruments are subject to credit risk of the issuer and also subject to interest rate risk. These units can be redeemed at their then Net Assets Value (NAV) minus exit load, if any. These underlying investments are monitored by Asset Managment Company set-up by the parent company. No specific monitoring of the underlying investments are made by the Company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Following is the exposure of the Company towards credit risk:

(Amounts in INR)

Particulars	Carrying Amount (31 March 2021)	Contractual Cashflows	
		Less than 1 year	1-3 years
Investments	7,85,95,802	7,85,95,802	-
Trade Receivables	-	-	-
Cash and Cash Equivalents	4,23,68,641	4,23,68,641	-
Bank balance other than cash and cash equivalents	-	-	-
Loans	-	-	-
Other Financial Assets	-	-	-
	12,09,64,443	**12,09,64,443**	**-**

	Carrying Amount (31 March 2020)	Contractual Cashflows	
		Less than 1 year	1-3 years
Investments	6,70,54,332	6,70,54,332	-
Trade Receivables	-	-	-
Cash and Cash Equivalents	7,73,54,735	7,73,54,735	-
Bank balance other than cash and cash equivalents	-	-	-
Loans	-	-	-
Other Financial Assets	-	-	-
	14,44,09,067	**14,44,09,067**	**-**

C. Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company does not have any material financial liabilities exposed towards liquidity risk other than trade payables to be settled within 1 year

(Amounts in INR)

Carrying amount of Trade payables as at	31 March 2021	31 March 2020
Payable within 1 year	5,54,250	10,66,898

D. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans, investments and deposits with banks.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's financial instruments being investments in mutual funds. Investments in mutual funds are subject to interest rate risk, depending on the market interest rate prevailing,, which in turn will affect the value of underlying investments in corporate bonds and money market securities. Increase in interest rate prevailing in the market will decrease market value of the underlying securities and vice versa, particularly for long duration securities. These investments are monitored by Asset Management body set-up by the Group's parent company. No specific monitoring of the underlying investments are made by the Company. Deposits with banks carry fixed interest rates.

Equity price risk

Company's financial instruments subject to equity price risk are its investments in Ascent India Fund III. Investments in Ascent India fund III are monitored by Ascent Capital Advisors India Pvt Ltd . The Fund has invested in equity shares of early stage investment and growth companies. Values of these investments are subject to changes in values of underlying investments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

24. FAIR VALUE HIERARCHY

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

(Amounts in INR)

As at 31 March 2021	Carrying Amount			Fair Value		
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial Assets:						
Investments	7,85,95,802	-	7,85,95,802	43,11,543	7,42,84,259	-
Loans	-	-	-	-	-	-
Trade Receivables	-	-	-	-	-	-
Cash and cash equivalents	-	4,23,68,641	4,23,68,641	-	-	4,23,68,641
Bank balance other than cash and cash equivalents	-	-	-	-	-	-
Other financial assets	-	-	-	-	-	-
Total	**7,85,95,802**	**4,23,68,641**	**12,09,64,443**	**43,11,543**	**7,42,84,259**	**4,23,68,641**
Financial Liabilities						
Trade Payables	-	5,54,250	5,54,250	-	-	5,54,250
Other financial liabilities	-	1,61,002	1,61,002	-	-	1,61,002
Total	**-**	**7,15,252**	**7,15,252**	**-**	**-**	**7,15,252**

(Amounts in INR)

As at 31 March 2020	Carrying Amount			Fair Value		
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial Assets:						
Investments	6,70,54,332	-	6,70,54,332	51,31,764	6,19,22,568	-
Loans		-	-			-
Trade Receivables	-	-	-	-	-	-
Cash and cash equivalents		7,73,54,735	7,73,54,735			7,73,54,735
Bank balance other than cash and cash equivalents		-	-	-	-	-
Other financial assets		-	-			-
Total	**6,70,54,332**	**7,73,54,735**	**14,44,09,067**	**51,31,764**	**6,19,22,568**	**7,73,54,735**
Financial Liabilities						
Trade Payables	-	10,66,898	10,66,898			10,66,898
Other financial liabilities	-	5,17,609	5,17,609			5,17,609
Total	**-**	**15,84,507**	**15,84,507**	**-**	**-**	**15,84,507**

25. CAPITAL MANAGEMENT

The primary objective of the company's capital management is to maximize the shareholder value as well as to maintain investor, creditor and market confidence and to sustain future development of the company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company is predominently Equity financed and hence does not monitor capital by any techniques.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

26.

The following table shows an analysis of assets & liabilities analysed according to when they are expected to be recovered or settled

(Amounts in INR)

Particulars	As at 31 March 2021		
	Within 12 months	After 12 months	Total
ASSETS			
Investments	-	7,85,95,802	7,85,95,802
Trade Receivables	-	-	-
Cash and Cash Equivalents	4,23,68,641	-	4,23,68,641
Bank balance other than cash and cash equivalents	-	-	-
Loans	-	-	-
Other Financial Assets	-		-
Current tax assets (net)	-	6,79,446	6,79,446
Property, plant and equipment		-	-
Other Non Financial assets	27,612	-	27,612
Total Assets	**4,23,96,253**	**7,92,75,248**	**12,16,71,501**
LIABILITIES			
Total outstanding dues of micro and small enterprises	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,54,250	-	5,54,250
Other Financial Liabilities	1,61,002	-	1,61,002
Deferred Tax Liability	-	74,87,530	74,87,530
Provisions	-	6,90,000	6,90,000
Total Assets	**7,15,252**	**81,77,530**	**88,92,782**

Particulars	As at 31 March 2020		
	Within 12 months	After 12 months	Total
ASSETS			
Investments	-	6,70,54,332	6,70,54,332
Trade Receivables	-	-	-
Cash and Cash Equivalents	7,73,54,735	-	7,73,54,735
Bank balance other than cash and cash equivalents	-	-	-
Loans	-	-	-
Other Financial Assets	-	-	-
Current tax assets (net)	-	5,86,299	5,86,299
Property, plant and equipment		-	-
Other Non Financial assets	29,855	-	29,855
Total Assets	**7,73,84,590**	**6,76,40,631**	**14,50,25,221**
LIABILITIES			
Total outstanding dues of micro and small enterprises	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	10,66,898	-	10,66,898
Other Financial Liabilities	5,17,609	-	5,17,609
Deferred Tax Liability	-	30,38,161	30,38,161
Provisions	-	6,48,000	6,48,000
Total Assets	**15,84,507**	**36,86,161**	**52,70,668**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

27.

Additional information as required by paragraph 2 of the General Instructions for preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

For the year ended 31 March 2021

(Amounts in INR)

Name of the entity in the Group	Net Assets i.e., total assets minus total liabilities		Share of profit or loss		Share of other comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Holding Company						
UTI Venture Funds Management Company Private Limited	101.75%	11,47,53,999	95.57%	1,24,37,536	-	-
Subsidiary - Overseas						
UTI Private Equity Limited	-1.75%	(19,75,280)	4.43%	5,76,430	-	-
Total	**100.00%**	**11,27,78,719**	**100.00%**	**1,30,13,966**	**-**	**-**

For the year ended 31 March 2020

(Amounts in INR)

Name of the entity in the Group	Net Assets i.e., total assets minus total liabilities		Share of profit or loss		Share of other comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Holding Company						
UTI Venture Funds Management Company Private Limited	101.83%	14,23,06,263	91.59%	(43,44,778)	-	-
Subsidiary - Overseas						
UTI Private Equity Limited	-1.83%	(25,51,710)	8.41%	(3,99,157)	-	-
Total	**100.00%**	**13,97,54,553**	**100.00%**	**(47,43,935)**		**-**

28.

The directors have, at the time of approving the financial statements, assessed the potential impact of the COVID-19 global pandemic on the Company. The coronavirus outbreak is a new emerging risk to the global economy. The Company's business may be impacted by falling revenues as a result of decreases in the NAVs of the underlying funds on which the management fees for the Company are calculated. Business continuity plans have been invoked to help ensure the safety and well-being of staff thereby retaining the ability to maintain business operations following lockdowns in India. These actions help to ensure business resilience. The situation is changing so rapidly that the full impact cannot yet be understood, but the Company will continue to monitor the situation closely.

The directors consider that the Company have adequate financial resources to continue in operational existence for the foreseeable future and therefore, continue to adopt the going concern basis of accounting in preparing the financial statements

For **Chandran & Rahman**
Chartered Accountants
F.R.N. 000571S

P. R. Suresh
Partner
M.No. 027488

Place: Bangalore
Date: 27 April 2021

For UTI Venture Funds Management Company Private Limited

I Rahman
Director

Surojit Saha
Director

Place: Mumbai

MANAGEMENT AND ADMINISTRATION

Directors	Praveen Jagwani (CEO & Executive Director) Imtaiyazur Rahman (Non-Executive Director) Christopher M W Hill (Non-Executive Director)
Registered Office	Kingsway House, Havilland Street, St. Peter Port, Guernsey, Channel Islands.
Branches Subsidiaries	UK Branch UTI International Limited 120 New Cavendish Street, London W1W 6XX, Tel: 020 3371 0303.
Subsidiaries	UTI Investment Management Company(Mauritius) Limited 3rd Floor, 355 NEX, Rue du Savoir Cybercity, Ebene 72201, Mauritius. UTI International (Singapore) Private Limited 3, Raffles Place # 08-02 Bharat Building, Singapore – 048617
Administrator and Secretary	Cannon Asset Management Limited Kingsway House, Havilland Street, St. Peter Port, Guernsey, Channel Islands.
Independent Auditor	Ernst & Young LLP Royal Chambers, St. Julian's Avenue, St Peter Port, Guernsey, Channel Islands.

DIRECTORS' REPORT

The Directors present their report and the audited Consolidated Financial Statements for the year ended 31 March 2021.

PRINCIPAL ACTIVITIES

UTI International Limited (the 'Company', the 'Group' or 'UTI International') is a 100% subsidiary of UTI Asset Management Company Limited, a Company incorporated in India ('UTI AMC'). UTI International operates from its head office (HO) in Guernsey and its branch in London. UTI International has two wholly owned subsidiaries - UTI Investment Management Company(Mauritius) Limited ('UTI Mauritius') in Mauritius and UTI International (Singapore) Private Limited ('UTI Singapore') in Singapore. The Company, UTI Mauritius and UTI Singapore collectively form the UTI International Group (the 'Group').

The principal activities of the Group are the management and marketing of the Mauritius, Cayman and Ireland domiciled offshore funds setup by the erstwhile Unit Trust of India ('UTI') or UTI AMC and its subsidiaries, marketing of the domestic mutual fund schemes of UTI AMC in overseas markets and acting as Manager / Advisor to those entities investing in India through the Foreign Portfolio Investor ('FPI') route / regime. The Company manages The UTI India Fund Limited ('India Fund'), The India Pharma Fund Limited. ('Pharma Fund'), The India Debt Opportunities Fund Limited (IDOF). However, IDOF now stands redeemed as of March 19, 2019. UTI Mauritius acts as an investment Manager to Shinsei UTI India Fund (Mauritius) Limited ('Shinsei Fund'), The UTI Rainbow Fund Limited ('Rainbow Fund'), and UTI Wealth Creator Fund 4. UTI Singapore acts as manager to UTI Spectrum Fund Limited ('Spectrum Fund'), South African Rand Money Market Fund, UTI Indian Fixed Income Fund Plc, UTI Phoenix Fund SPC, UTI Chronos Fund SPC, UTI Goldfinch Funds Plc, Indian Credit Opportunities Fund Pte. Ltd. and acts as sub-manager to United China India Dynamic Growth Fund, Emirates Islamic India Equity Fund, KB India Growth Fund, India Dynamic Equity Fund and India Balanced Fund.

GOING CONCERN

The Director have made an assessment of going concern for the period to 30 June 2022, including consideration of the ongoing impact of the Covid-19 global pandemic on the Company and the Group. They consider that the Company and the Group have adequate financial resources which includes Cash and Cash equivalents of GBP 17,443,473 and Financial assets at fair value through P/L (Investments in Liquid Funds) of GBP 31,379,104 after meeting the operational expenses of the group of GBP 7,189,668 and having sufficient funds to meet the current liabilities of the group of GBP 2,594,050 to continue in operational existence for the period to 30th June 2022 and therefore, continue to adopt the going concern basis of accounting in preparing the financial statements. Refer to note 2.1.1 for detailed disclosure on going concern.

RESULTS AND DIVIDEND

The Group's results for the period are set out in the consolidated statement of comprehensive income. The result of UTI International Group shows a Profit of (GBP 14,649,061) (2020: loss of GBP 5,769,234). No dividend has been declared in current year (2020: GBP Nil)

DIRECTORS

The Company's Directors who served during the period and to the date of this report are listed on page 203.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Financial Statements in accordance with applicable Guernsey law and International Financial Reporting Standards (IFRS). Guernsey Company Law requires the Directors to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these Consolidated Financial Statements, the Directors should:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- Ensure that applicable accounting standards have been followed subject to any material departure disclosed and explained in the financial statements; and
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to assume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the Financial Statements comply with Companies (Guernsey) Law, 2008 and the Protection of Investors (Bailiwick of Guernsey) Law, 1987. Furthermore, the Directors are responsible for ensuring under Rule 2.2.4 of The Licensees (Capital Adequacy) Rules 2010 that the Company has sufficient gross capital to meet its commitments and to withstand the risks to which its business is subject.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. So far as each of the Directors is aware, there is no relevant audit information of which the Company's auditor is unaware, and each has taken all the steps he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The directors have, at the time of approving the financial statements, assessed the potential impact of the COVID-19 global pandemic on the Company and the Group. Refer to note 2 for the detailed disclosure.

Ernst & Young LLP has indicated its willingness to continue in office and offers itself for re-appointment at the forthcoming Annual General Meeting.

Director: Praveen Jagwani	Christopher M W Hill
Date: 27 April 2021	27 April 2021

INDEPENDENT AUDITOR'S REPORT

OPINION

We have audited the financial statements of UTI International Limited (the "company") and its subsidiaries (the "group") for the year ended 31 March 2021 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the related notes 1 to 26, including a summary of significant accounting policies The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards;
- have been properly prepared in accordance with the requirements of The Companies (Guernsey) Law, 2008 and Protection of Investors (Bailiwick of Guernsey) Law, 1987.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements, including the UK FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period to 30 June 2022 from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which The Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the company, or proper returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the company's accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs (UK) 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 financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (International Financial Reporting Standards, The Companies (Guernsey) Law, 2008, The Protection of Investors (Bailiwick of Guernsey) Law, 1987 as amended)) and the relevant direct tax regulation;
- We understood how the Company is complying with those frameworks by making enquiries of the directors and those responsible for compliance matters and corroborated this by reviewing correspondence between the Company and the Guernsey Financial Services Commission and reviewing minutes of meetings of the Board of Directors. We gained an understanding of the Board's approach to governance, demonstrated by its review of the company's management accounts and capital adequacy, review of compliance reports and other internal control processes;
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and by identifying the improper recognition of management fee income as a fraud risk. We considered the controls the Company has established to address risks identified by the directors or that otherwise seek to prevent, detect or deter fraud; and how management and those charged with governance monitor these controls;
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved the review of minutes of meetings of the Board of Directors, compliance reports, and correspondence with the Guernsey Financial Services Commission; making inquiries of those charged with governance; and performance of journal entry testing, with a focus on adjustment journals and journals indicating large or unusual transactions based on our understanding of the business and enquiries of management;
- The Company operates as a regulated Asset Manager to carry on Controlled Investment Business under The Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended). As such the Audit Partner considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, with the audit team members all having a focus on the audit of Guernsey regulated entities.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with The Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP
Guernsey, Channel Islands

Date: 27 April 2021

Notes:

1. The maintenance and integrity of the Group web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

2. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021

Particulars	Note No.	31 March 2021 GBP	31 March 2020 GBP
Revenue			
Revenue from operations	5	6,669,218	6,201,311
Other income	5	803,972	1,194,010
Operating revenue		7,473,190	7,395,321
Fair value gains/ (losses) on financial assets at fair value through profit or loss		12,525,194	(6,087,480)
Net gains on sale of financial assets at fair value through profit or loss	9	2,535,905	-
Net income		**22,534,289**	**1,307,841**
Expenses			
Advisory, Management and Trailer fees	6	2,687,256	2,595,078
Other expenses	7	5,132,412	4,416,344
Total expenses		**7,819,668**	**7,011,422**
Profit /(Loss) before tax		**14,714,621**	**(5,703,581)**
Income tax expense	8	(65,560)	(65,653)
Profit /(Loss) for the period		**14,649,061**	**(5,769,234)**
Other comprehensive income			
Exchange differences on translation of foreign operations		(617,034)	124,694
Total other comprehensive income		**(617,034)**	**124,694**
Total Comprehensive income /(loss) for the period (attributable to equity holders of the parent)		**14,032,027**	**(5,644,540)**

The above results are all in respect of continuing operations of the Company
The notes on pages 211 to 228 are integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

Particulars	Note No.	31 March 2021	31 March 2020
		GBP	GBP
ASSETS			
Non - current assets			
Property, plant and equipment	10	19,898	19,726
Right of use asset	11	153,892	191,129
Financial assets at fair value through profit or loss	9	31,379,104	22,720,428
Deferred tax asset	8	101,924	93,548
		31,654,818	**23,024,831**
Current Assets			
Trade and other receivables	12	2,505,075	2,173,264
Other current financial assets	13	224,045	247,858
Cash and cash equivalents	14	17,443,473	11,829,683
		20,172,593	**14,250,805**
TOTAL ASSETS		**51,827,411**	**37,275,636**
EQUITY & LIABILITIES			
Equity			
Issued capital	15	6,758,062	6,758,062
Share premium		10,391,285	10,391,285
Retained earnings		31,292,294	16,643,233
Foreign currency translation reserve		612,998	1,230,032
Share Options		110,746	-
		49,165,385	**35,022,612**
Non Current Liabilities			
Lease Liabilities	18	67,976	88,375
		67,976	**88,375**
Current Liabilities			
Trade and other payables	16	1,126,848	939,334
Other current liabilities	17	1,378,606	1,122,332
Lease Liabilities	18	88,596	102,983
		2,594,050	**2,164,649**
TOTAL EQUITY & LIABILITIES		**51,827,411**	**37,275,636**

The financial statements on pages 207 to 228 were approved and authorised for issue to the shareholders by the Board of Directors of UTI International Limited on 27 April 2021 and signed on the Board's behalf by Praveen Jagwani and Christopher M W Hill The notes on pages 211 to 228 are integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

Particulars	31 March 2021 GBP	31 March 2020 GBP
Share Capital		
As at 1 April	6,758,062	6,758,062
As at 31 March	**6,758,062**	**6,758,062**
Share Premium		
As at 1 April	10,391,285	10,391,285
As at 31 March	**10,391,285**	**10,391,285**
Retained Earning		
As at 1 April	16,643,233	22,412,467
Profit/ (Loss) for the year	14,649,061	-5,769,234
As at 31 March	**31,292,294**	**16,643,233**
Translation Reserve on consolidation of subsidiaries		
As at 1 April	1,230,032	1,105,338
Movement during the year	-617,034	124,694
As at 31 March	**612,998**	**1,230,032**
Share Options	**110,746**	**-**
TOTAL EQUITY	**49,165,385**	**35,022,612**

The notes on pages 211 to 228 are integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

Particulars	31 March 2021	31 March 2020
	GBP	GBP
Cash Flow from Operating Activities		
Profit/ (Loss) before tax	14,714,621	(5,703,581)
Adjustment for:		
Interest on Rights of use Assets	8,852	1,028
Depreciation	183,846	26,042
Fair value Exchange (gain)/ loss on Investments	(12,525,194)	6,087,480
Net Gain on sale of Investment	(2,535,905)	-
Interest income	(50,101)	(84,686)
Share Options Expenses Charge to Profit and Loss	114,623	-
Unrealised foreign exchange loss/ (gain)	185,258	(171,703)
Operating Profit Before Working Capital Changes	**96,000**	**154,580**
Adjustment for changes in working capital:		
Decrease/ (increase) in other current financial assets	23,813	(43,539)
Increase in trade and other receivables	(331,810)	(553,001)
Increase in trade & other payables	187,514	766,004
Increase/(decrease) in other current financial liabilities	256,275	(466,356)
	135,792	**(296,892)**
Cash generated/ (used in) from Operations	**231,792**	**(142,312)**
Less : Income tax paid	(73,936)	(87,529)
Net cash generated/(used in) from operating activities	**157,856**	**(229,841)**
Cash flow from Investing Activities		
Purchase of property, plant & equipment	(10,764)	(12,959)
Sale of Investment	6,217,165	-
Interest income	50,101	84,686
Net cash generated from investing activities	**6,256,502**	**71,727**
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of principle portion of Lease Liability	(179,657)	-17,890
Net cash used in financing activities	**(179,657)**	**(17,890)**
Net increase/(net decrease) in cash and cash equivalent	**6,234,701**	**(176,004)**
Effect of foreign exchange fluctuations	(620,911)	124,694
Opening cash and cash equivalents	**11,829,683**	**11,880,993**
Closing cash and cash equivalents	**17,443,473**	**11,829,683**

The notes on pages 211 to 228 are integral part of these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. CORPORATE INFORMATION

UTI International Limited (the 'Company' or 'UTI International') is a 100% subsidiary of UTI Asset Management Company Limited, a Company incorporated in India ('UTI AMC'). UTI International operates from its head office (HO) in Guernsey and its branch in London. UTI International has two wholly owned subsidiaries UTI Investment Management Company(Mauritius) Limited ('UTI Mauritius') in Mauritius and UTI International (Singapore) Private Limited ('UTI Singapore') in Singapore. The Company, UTI Mauritius and UTI Singapore collectively form the UTI International Group (the 'Group').

The process of Initial Public Offer (IPO) of the parent Company i.e UTI Asset Management Company Limited has been completed successfully and the Company has been listed on the stock exchanges (National Stock Exchange and Bombay Stock Exchange) on 12th October 2020.

The Group is principally engaged in administration and marketing of the Mauritius domiciled offshore funds setup by the erstwhile Unit Trust of India ('UTI') or UTI AMC, marketing of the offshore funds and the domestic mutual fund schemes of UTI AMC in overseas markets and acting as Manager / Advisor to those entities investing in India through the Foreign Portfolio Investor ('FPI') route / regime.

The Company is licensed by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (the "POI Law") to carry on the restricted activities of promotion, subscription, registration, dealing, management, administration and advising in connection with Collective Investment Schemes and the restricted activities of promotion, subscription, dealing, management, administration, advising and custody in connection with General Securities and Derivatives.

The Company's registered office has been disclosed on page 203.

2. BASIS OF ACCOUNTING AND SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of accounting

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The consolidated financial statements have been prepared on a historical cost basis, except for non-current financial assets which have been measured at fair value. The consolidated financial statements are presented in British Pounds (GBP) and no rounding of the amounts has been made, except when otherwise indicated.

2.1.1 GOING CONCERN

The Directors have made an assessment of the Company and Group's ability to continue as a going concern which included consideration of the ongoing impact of the Covid-19 global pandemic, and are satisfied that the Group has the resources to continue in business for the period to 30 June 2022. Furthermore, the directors are not aware of any material uncertainties that may cast significant doubt on the Company and Group's ability to continue as a going concern.

In their assessment of the going concern of the Company and the group, the Directors have considered the Company's principal risks and uncertainties together with the Company's income and expenditure projections. The Directors also noted the significant cash balance and relatively liquid nature of the Company's investment portfolio which could be utilized to meet funding requirements, if necessary. As part of its strategic planning, the Board considered financial scenarios of the period to 30 June 2020.

Having performed this analysis management believes regulatory capital requirements continue to be met and that the group has sufficient liquidity to meet its liabilities for period to 30 June 2022 and that the preparation of the financial statements on a going concern basis remains appropriate as the Group and Company expects to be able to meet their obligations as and when they fall due for the period to 30 June 2022.

2.2. Basis of consolidation

The consolidated financial statements comprise the financial statements of UTI International Limited and its subsidiaries for the year ended 31 March 2021 and 31 March 2020.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The consolidated financial statements incorporate the financial statements of UTI International Limited ("the Parent Company") and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. The Parent Company together with its subsidiaries constitute the Group. Control refers to power over relevant activities of the investee, exposure, or rights, to variable returns from the company's involvement with the investee and the ability to use its power over the investee to affect the amount of the company's returns.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting year as the Company, using consistent accounting policies.

Where the Company holds management shares in underlying offshore funds (The UTI India Fund Limited ('India Fund'), The India Pharma Fund Limited ('Pharma Fund'), UTI Rainbow Fund

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Limited ('Rainbow Fund'), Shinsei UTI India Fund (Mauritius) Limited ('Shinsei Fund'), Wealth Creator Funds 1 to 6 ('Wealth Creator Funds') and UTI Spectrum Fund Limited). It has the power over relevant activities of the investee entities but does not have exposure or rights to variable returns from these, as such these entities are not consolidated in these Consolidated Financial Statements as per IFRS 10.

2.3. Summary of Significant Accounting policies

The following are the significant accounting policies applied by the Group in preparing its consolidated financial statements:

2.3.1. CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.3.2 REVENUE RECOGNITION

The Company provides investment management services to the funds in consideration for investment management fees. Revenue is recognised when the service is delivered to the customer at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for the service. The major revenue i.e. investment management fees the Company is entitled to, are calculated based on predetermined percentages with reference to the Asset Under Management of the respective funds. As a result, investment management fee represents variable consideration and is recognised once it is highly probable that it will not be subject to significant reversal and is allocated to the distinct service periods. Management fees are recognised over time in the period in which the services are rendered as the customer simultaneously receives and consumes the benefits provided by the Company. Interest is recognised using the effective interest rate method.

2.3.3. FOREIGN CURRENCIES

Functional and presentation currency

The Group's consolidated financial statements are presented in British Pound, which is also the parent company's functional currency. For each entity, the Group determines the functional currency based on primary economic environment in which the entity operates. Accordingly, the most faithful currency that represents the economic effects of the underlying transactions, events and conditions is used for preparing the financial statements. The Group uses the direct method of consolidation and on disposal of a foreign operation; the gain or loss that is reclassified to Statement of comprehensive income reflects the amount that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company and its subsidiaries at its functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. All differences are taken to profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value is determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss shall be recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss shall be recognised in profit or loss.

2.3.4. TAXES

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and other carrying amounts for financial reporting purposes at the reporting date. The principal temporary difference arises from tax losses carried forward. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be offset.

2.3.5. PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially recorded at cost and are recognised as an asset if, it is probable that future economic benefits associated with the items will flow to the Company. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable.

Depreciation on tangible assets is calculated at 25% to 33% in respect of computers, fixtures and fittings and office equipment on a straight-line basis so as to write off the cost of fixed assets on a pro rata basis over their anticipated useful lives.

The residual values, useful life and depreciation method are reviewed at each financial year end to ensure the amounts, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodies in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gains or losses arising on derecognition of the asset is included in profit or loss in the financial year the asset is derecognised.

2.3.6 LEASES

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, deferred lease components of security deposits and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is premeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. For arrangements entered into prior to 1 April 2016, the Group has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are of low value. Lease payments on short term leases and leases of low value assets are recognized as expense in the statement of comprehensive income.

2.3.7 FINANCIAL INSTRUMENTS

(i) Financial assets

Initial recognition and measurement:

Financial assets are classified, at initial recognition at fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables (i.e management fee receivable) that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. In order for a debt instrument to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The Company's financial assets include investment in redeemable shares, cash banks, trade receivable and other current financial assets.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

The Company includes in this category trade receivables, other current financial assets (excluding prepayments) and cash at bank. The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to expected credit loss. Interest is recognized using the effective interest (EIR) method. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The losses arising from expected credit loss are recognised in the profit or loss.

Financial assets at fair value through profit and loss (equity instruments)

The Company includes in this category investments made in funds. IFRS 9 requires all equity instruments to be carried at FVPL, unless an entity chooses on initial recognition, to present fair value changes in other comprehensive income. Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Financial assets at fair value through profit or loss

A financial asset meeting the definition of debt instrument is measured at fair value through profit or loss if:

(a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding or;

(b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell or;

(c) At initial recognition, it is irrevocably measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Company includes in this category debt instruments that comprise of investments in redeemable shares at the option of the holder that are held under a business model to manage them on a fair value basis for investment income and fair value gains.

After initial measurement, the Company measures financial instruments which are classified as at fair value through profit or loss at fair value. Subsequent changes in the fair value of those financial instruments are recorded in net gain or loss on financial assets at fair value through profit or loss in the consolidated statement of comprehensive income. Dividends earned or paid on these instruments are recorded separately in dividend revenue or expense in the consolidated statement of comprehensive income.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay. Also, the gains or losses on derecognition, are recorded as Net gains or losses as the case may be at fair value through profit or loss in the consolidated statement of comprehensive income. On derecognition, the difference between the carrying amounts at the start of the year and the consideration paid is recognised in profit.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all receivables with third parties. ECLs are based on the difference between the contractual cash flows due and all the cash flows that the Company expects to receive.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). The Company does not have such instruments.

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company determined based on historical experience and expectations that the ECL on its trade receivable is insignificant and was not recorded.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial liabilities at amortised cost are recognised initially at fair value net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and other current liabilities which are classified as financial liabilities at amortised cost and are initially recognised at fair value net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost

After initial recognition, the financial liabilities other than those classified at fair value through profit or loss are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is recognised in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the profit or loss.

2.3.8. CASH AND CASH EQUIVALENTS

Cash in the consolidated statement of financial position mainly comprise of cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

2.3.9. PROVISIONS

Provisions are recognised when the Company has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources, embodying economic benefits, will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. There is no legal or constructive obligation by or against the Company for which any provision needs to be created.

2.3.10. EMPLOYEE BENEFITS

Defined contributions plans

The Company participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Company makes contributions to the Central Provident Fund ("CPF") scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the financial period in which the related service is performed.

Share based payments

The Employee Stock Option Scheme provides for the grant of options to acquire equity shares of the holding Company UTI Asset Management Company Limited to its eligible employees of the subsidiary Company are measured at fair value of the equity instruments at the grant date. The period of vesting and period of exercise are as specified within the respective schemes.

The fair value of the warrants is measured using the Black-Scholes valuation method or other generally accepted valuation techniques. The calculation takes into account the terms and conditions under which the warrants are granted. The fair value determined at the grant date of the equity settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. Subsequent fair value adjustments are not recognized in the income statement.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.3.11. EXPENSES

All expenses are accounted for in profit or loss on the accrual basis.

2.3.12. RELATED PARTIES

Related parties are individuals and companies where the individual or the Company has the ability directly or indirectly to control the other party or exercise significant influence over the other party in making financial and operating decisions.

2.3.13 GOVERNMENT GRANTS

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset. During the year, the UTI Singapore received grants in relation to the Jobs Support Scheme ("JSS"), Property Tax Rebate and Jobs Growth Incentive ("JGI").

3. STANDARDS, AMENDMENTS AND INTERPRETATIONS TO EXISTING THAT ARE EFFECTIVE AND HAVE BEEN ADOPTED BY THE COMPANY

The standards and interpretations that are issued and are effective, up to the date of issuance of the Company's financial statements are disclosed below.

Standards effective from 1 April 2020	Effective for accounting period beginning on or after
Definition of a Business – Amendments to IFRS 3	1 January 2020
Interest Rate Benchmark Reform – Amendments to IFRS 9, IAS 39 and IFRS 7	1 January 2020
Definition of Material – Amendments to IAS 1 and IAS 8	1 January 2020
The Conceptual Framework for Financial Reporting	1 January 2020

The adoption of the standards listed above did not have any material impact on the financial statements.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Management has assessed that there are no significant accounting judgements, estimates and assumptions applied in preparing the consolidated financial statements. Fair Valuation of Investments has been classified under Level 1 as discussed in Note 20, page 36 – Fair value Measurement therefore no judgements applied.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

5. REVENUE

Particulars	31 March 2021 GBP	31 March 2020 GBP
Management fees	6,617,710	6,151,687
Investor service fees	51,508	49,567
Advisory fees	-	57
Total revenue from operations	**6,669,218**	**6,201,311**
Bank Interest	50,101	84,686
Foreign exchange gain	-	471,731
Business support service fees	513,141	555,629
Other income	122,417	81,964
Grant Income*	118,313	-
Total other income	**803,972**	**1,194,010**

* The government grants are non-refundable rebates from government relating to rental and staff related expenses incurred by the UTI Singapore in its course of business. During the year, UTI Singapore received several government grants as part of the COVID-19 Government Relief Measures. These grants include the Jobs Support Scheme ("JSS"), Property Tax Rebate and Jobs Growth Incentive ("JGI"). UTI Singapore has recognised these government grants as grant income. In relation to the JSS grant, the stated purpose of the grant is to provide wage support to entities to retain local employees during the period of economic uncertainty.

6. ADVISORY, MANAGEMENT AND TRAILER FEES

Particulars	31 March 2021 GBP	31 March 2020 GBP
Expenses relating to offshore funds:		
Investment advisory fees	364,253	387,178
Management and Trail fees	2,323,003	2,207,900
Total Advisory, Management and Trailer fees	**2,687,256**	**2,595,078**

7. OTHER EXPENSES

Particulars	31 March 2021 GBP	31 March 2020 GBP
Salaries and wages	2,553,995	2,295,495
Contribution to provident and other funds	133,892	124,504
Gratuity expense	86,972	90,172
Staff related expenses	258,117	176,181
Total Staff Cost	**3,032,976**	**2,686,352**
Office administration and secretarial expenses	484,614	464,720
Legal and professional fees	190,931	432,842
Travel expenses	10,137	241,713
Office rental costs	36,679	147,544
Audit fees	110,617	120,309
Sales promotion	100,601	106,561
Insurance	104,478	91,126
Directors' fees	49,577	51,617
Telephone expenses	35,017	46,490
Depreciation	10,592	8,951
Foreign exchange loss	784,088	-
Depreciation charge for right of use asset	173,253	17,091
Interest on lease liability	8,852	1,028
Total other expenses	**5,132,412**	**4,416,344**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

8. TAXATION

UTI International Limited is taxed at the Guernsey Company standard rate of 0%. There is no Guernsey tax liability in respect of the Company for the year ended 31 March 2021. As estimated by the management, there is no tax liability in respect of London Branch.

UTI Mauritius being the holder of a category 1 global business license is classified as a tax incentive Company and under the current laws and regulations is liable to pay Income Tax on its profits, as adjusted for tax purposes, at the rate of 15%. It is, however, entitled to a tax credit equivalent to the higher of actual foreign tax suffered and 80% of Mauritian tax payable in respect of foreign source income. The capital gains of UTI Mauritius are exempt from tax in Mauritius. The foregoing is based on current interpretation and practice and is subject to any future changes in Indian or Mauritian tax laws and in the treaty between India and Mauritius. During the year ended 31 March 2021 and 31 March 2020 UTI Mauritius has a tax expense of GBP 24,220 and GBP 25,452 respectively.

UTI Singapore was granted the Financial Sector Incentive Award (Fund Management or Investment Advisory Services) ("FSI"), effective from 29 April 2016 to 28 April 2021. Under the FSI, the Company is entitled to a concessionary rate of tax of 10% on qualifying transactions under the provision of Concessionary Rate of Tax for Financial Sector Incentive Companies in section 43Q of the Income Tax Act (Chapter 134).

Further UTI Singapore has unabsorbed tax losses and capital allowances that are available for offset against future taxable profits, for which taxable profits are expected in the foreseeable future hence deferred tax is recognized. UTI Singapore has a tax expense and deferred tax asset of GBP 41,340 and GBP 101,924 respectively for the period ended 31 March 2021 and GBP 40,200 and GBP 93,548 for the period ended 31 March 2020 respectively.

For UTI International Limited – UK Branch there is no tax expense for both the periods Tax expense:

The components of the income tax expense for the year ended 31 March 2021 and 2020 are as follows:

Particulars	**31 March 2021 GBP**	**31 March 2020 GBP**
Tax expense attributable to profit is made up of:		
- Current income tax	179,176	147,889
- (Under)/Over provision in respect of previous year	(3,670)	50,766
- Deferred tax on temporary differences	(13,063)	(22,123)
- Tax credit	(96,883)	(110,879)
	65,560	**65,653**

Deferred tax asset movement for the year ended 31 March 2021 and 31 March 2020 are as follows:

Particulars	**31 March 2021 GBP**	**31 March 2020 GBP**
- Opening Deferred Tax	93,548	71,672
- Current year's Impact	13,063	22,123
- Other (Foreign exchange adjustment)	(4,687)	(247)
	101,924	**93,548**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

The tax charge shown in the consolidated statement of comprehensive income differs from the tax charge that would apply if all profits had been charged at the blended rates taking into consideration the UK, Mauritius and Singapore corporate rates. A reconciliation between the tax expense and the accounting profit multiplied by the blended tax rate for the years ended 31 March 2021 and 2020 is, as follows:

Particulars	**31 March 2021**	**31 March 2020**
	GBP	**GBP**
Profit before tax per the financial statements	14,714,621	(5,703,581)
Adjust for:		
Taxable at 0% in Guernsey	(13,326,191)	4,170,298
Deductible at 0% in Guernsey	1,579,554	1,635,498
Profit before tax attributable to tax in various jurisdictions	2,967,984	102,215
Tax at blended rate of (2021: 13.68%) (2020:3.29%)	406,019	3,364
Effect of:		
Expenses not deductible for tax purpose	85,218	116,000
Income not subject to taxation	(326,492)	(1,014)
Deemed foreign tax credit	(96,883)	(110,879)
Effect of partial tax exemption, tax relief & tax rebate	15,447	30,697
Benefits of previously unrecognized tax losses and capital allowances	(1,016)	(1,141)
(Over)/ Under provision in respect of previous years	(3,670)	50,766
Deferred tax on temporary differences	(13,063)	(22,123)
Others	-	(17)
Income tax expense	**65,560**	**65,653**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Particulars	31 March 2021	31 March 2020
	GBP	GBP
Investment in management shares		
Shinsei UTI India Fund (Mauritius) Limited	432	432
The India Pharma Fund Limited	62	62
The India Debt Opportunities Fund Limited	58	58
UTI Rainbow Fund Limited	68	68
India Fund Limited	2	2
Wealth Creator 1 100 shares of USD1.00	70	70
Wealth Creator 2 100 shares of USD1.00	70	70
Wealth Creator 3 100 shares of USD1.00	70	70
Wealth Creator 4 100 shares of USD1.00	70	70
Wealth Creator 5 100 shares of USD1.00	70	70
Wealth Creator 6 100 shares of USD1.00	70	70
UTI Spectrum Fund 100 shares of USD1.00	70	70
Investment in quoted securities		
UTI India Dynamic Equity Fund		
Balance as at 1 April	20,908,400	26,655,384
Sale during the period	(6,217,165)	-
Profit on sale of Investments	2,535,905	-
Fair value adjustments *	11,845,323	(5,746,984)
Balance as at 31 March	**29,072,463**	**20,908,400**
UTI India Balanced Fund		
Balance as at 1 April	1,810,916	1,979,709
Fair value adjustments *	494,613	(168,793)
Balance as at 31 March	**2,305,529**	**1,810,916**
Total financial assets at fair value through profit or loss	**31,379,104**	**22,720,428**

* Fair value adjustments also includes foreign exchange adjustments.

10. PROPERTY, PLANT AND EQUIPMENT

	Fixtures and Fittings	Office Equipment	Computer	Total
	GBP	GBP	GBP	GBP
Cost				
At 1 April 2020	82,322	19,823	149,747	251,892
Acquired during the year	4,866	-	6,228	11,094
Translation reserve	(3,019)	(841)	(4,837)	(8,697)
At 31 March 2021	**84,169**	**18,982**	**151,138**	**254,289**
Depreciation				
At 1 April 2020	82,005	17,719	132,442	232,166
Charge for the year	637	744	9,211	10,592
Translation reserve	(3,029)	(805)	(4,533)	(8,367)
At 31 March 2021	**79,613**	**17,658**	**137,120**	**234,391**
Net Book Value – 31 March 2021	**4,556**	**1,324**	**14,018**	**19,898**
Net Book Value – 31 March 2020	317	2,104	17,305	19,726

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

11. RIGHT OF USE ASSET

	Leased Premises
	GBP
Cost	
At 1 April 2020	208,220
Acquired during the year	133,460
Translation reserve	-
At 31 March 2021	**341,680**
Depreciation	
At 1 April 2020	17,091
Charge for the year	173,253
Translation reserve	(2,556)
At 31 March 2021	**187,788**
Net Book Value – 31 March 2021	**153,892**
Net Book Value – 31 March 2020	**191,129**

12. TRADE AND OTHER RECEIVABLES

Particulars	31 March 2021	31 March 2020
	GBP	GBP
Management fee receivable	628,455	629,141
Other receivables	77,010	136,098
Receivable due from related party	1,799,610	1,408,025
Total trade and other receivables	**2,505,075**	**2,173,264**

The amounts due from related party are not secured, interest free and are repayable on demand.

13. OTHER CURRENT FINANCIAL ASSETS

Particulars	31 March 2021	31 March 2020
	GBP	GBP
Prepayments	153,148	177,894
Deposits	64,964	53,994
Interest accrued	5,933	15,970
Total other current financial assets	**224,045**	**247,858**

14. CASH AND CASH EQUIVALENTS

Particulars	31 March 2021	31 March 2020
	GBP	GBP
Cash at banks and on hand	8,394,548	6,621,813
Short term deposits	9,048,925	5,207,870
Total cash and cash equivalents	**17,443,473**	**11,829,683**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

15. ISSUED CAPITAL

Particulars	31 March 2021 GBP	31 March 2020 GBP
Allotted, called and fully paid :		
6,758,062 ordinary shares of GBP 1 each	6,758,062	6,758,062
No. of shares at the beginning of the period	6,758,062	6,758,062
Add: Shares issued during the period/ year	-	-
Less: Shares redeemed during the period/ year	-	-
No. of shares at the end of the period	6,758,062	6,758,062

16. TRADE AND OTHER PAYABLES

Particulars	31 March 2021 GBP	31 March 2020 GBP
Management & advisory fee payable	292,578	97,550
Other accruals	608,359	694,781
Payable to UTI AMC Ltd.	225,911	147,003
Total	**1,126,848**	**939,334**

The amounts due to related party are not secured, interest free and are repayable on demand.

17. OTHER CURRENT LIABILITIES

Particulars	31 March 2021 GBP	31 March 2020 GBP
Tax liability	67,143	26,911
Audit fees payable	98,372	116,715
Payroll accruals	1,174,335	978,706
Accruals for expenses	38,756	-
Total other current liabilities	**1,378,606**	**1,122,332**

18. LEASE LIABILITIES

Particulars	31 March 2021 GBP	31 March 2020 GBP
Current	88,596	102,983
Non Current	67,976	88,375
Total Lease liabilities	**156,572**	**191,358**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

19. RELATED PARTY TRANSACTIONS

During the current year, the Group has entered into transactions with the following related parties.

Significant Influence over the Parent Company	T Rowe Price International Ltd (23.00%) *
Parent Company	UTI Asset Management Company Limited
Key Management Personnel (KMP)	Praveen Jagwani (CEO)
	Imtaiyazur Rahman (Non – Executive Director)
	Christopher M W Hill (Non – Executive Director)

*3% Shares offloaded by T.Rowe Price International Ltd in UTI AMC Ltd (Holding Company) by way of offer for sale at time of initial public offering.

The amounts due to and due from the related parties are not secured, interest free, unclaimed and are repayable on demand. The details of the transactions with related parties included in the statement of comprehensive income are as follows:

Nature of Transaction	**Holding Company**	**Key Management Personnel**	**Total**
	31-Mar-21	**31-Mar-21**	**31-Mar-21**
	31-Mar-20	**31-Mar-20**	**31-Mar-20**
	GBP	GBP	GBP
Income			
Fee income	513,141	-	**513,141**
	555,629	-	**555,629**
Expenses			
Fund Management fees	707,899	-	**707,899**
	541,272	-	**541,272**
Salary and allowances			
- Praveen Jagwani	-	582,080	**582,080**
	-	523,130	**523,130**

Nature of Transaction	**31 March 2021**	**31 March 2020**
	GBP	**GBP**
Director's Fees		
Christopher M W Hill	11,454	11,912

No remuneration is paid by UTI International Ltd to Mr. Imtaiyazur Rahman, as he is a full time director of UTI AMC Ltd.

Details of related parties' balances included in the statement of financial position are as follows:

Nature of Transaction	**Holding Company**	**Key Management Personnel**	**Total**
	31-Mar-21	**31-Mar-21**	**31-Mar-21**
	31-Mar-20	**31-Mar-20**	**31-Mar-20**
	GBP	GBP	GBP
Outstanding balances			
Trade & other receivables	146,224	-	**146,224**
	125,860	-	**125,860**
Trade & other payables	225,911	-	**225,911**
	147,003	-	**147,003**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

20. FAIR VALUE MEASUREMENT

Investments in managed funds are valued at fair value according to IFRS as described in Note 2. The Company's other assets and liabilities include cash and cash equivalents and other payables (excluding accruals) which are realised or settled within a short-term period and excludes prepayments. The carrying amounts of these assets and liabilities approximate their fair values.

The table below provides reconciliation of the line items in the Company's statement of financial position to the categories of financial instruments:

	Investments at fair value	Financial assets at amortised cost	Other financial liabilities	Total carrying amount
31-Mar-21	GBP	GBP	GBP	GBP
Financial assets at fair value through profit or loss	31,379,104	-	-	**31,379,104**
Trade receivables and other assets	-	2,570,038	-	**2,570,038**
Cash at bank	-	17,443,473	-	**17,443,473**
Trade and other payables	-	-	(2,662,026)	**(2,662,026)**
31-Mar-20	GBP	GBP	GBP	GBP
Financial assets at fair value through profit or loss	22,720,428	-	-	**22,720,428**
Trade receivables and other assets	-	2,227,258	-	**2,227,258**
Cash at bank	-	11,829,683	-	**11,829,683**
Trade and other payables	-	-	(2,253,024)	**(2,253,024)**

31 March 2021	**Level 1**	**Level 2**	**Level 3**	**Total**
	GBP	GBP	GBP	GBP
Financial assets at fair value through profit or loss	31,379,104	-	-	**31,379,104**
31 March 2020	**Level 1**	**Level 2**	**Level 3**	**Total**
	GBP	GBP	GBP	GBP
Financial assets at fair value through profit or loss	22,720,428	-	-	**22,720,428**

Determination of fair values

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1: Quoted price (unadjusted in an active market for an identical instrument.)
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e, derived from prices). This category includes instruments valued using: quoted prices in active markets for similar instruments: quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques for which all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation technique using significant unobservable inputs. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quota prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair value is calculated on the basis of daily rates posted on the Bloomberg website (Level 1).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

21. FINANCIAL RISK MANAGEMENT OBJECTIVES & POLICIES

The Directors consider that their main risk management objective is to monitor and mitigate material risks, which they consider including credit risk, liquidity risk, interest rate risk, market price risk and foreign currency risk.

Several procedures are in place to enable material risks to be adequately managed. These include preparation and review of annual forecasts and monthly management accounts. For the current period there is no concentration of risk observed by the management.

The key risks are summarised below:

(a) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. IFRS 9 requires impairment loss allowances to be recognised at an amount equal to either 12-month expected credit loss (ECL) ('stage 1 ECLs) or lifetime ECLs. 12 months ECLs are the ECLs that result from all possible default events that are possible within 12 months after reporting date. 'Stage 2' ECLs are lifetime ECLs that are recognised where there has been a significant increase in credit risk of the financial instrument and 'stage 3' ECLs are lifetime ECLs that are recognised where the financial instruments is considered to be credit impaired.

(i) Exposure to credit risk

At the end of the reporting period, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

(ii) Financial assets that are neither past due nor credit impaired

Trade and other debtors that are neither past due nor credit impaired are with credit worthy debtors with good payment record with the Company. The Company derives its main source of revenue from providing fund management services to its affiliates. Exposure to credit risk arising from related party transactions is minimal as these affiliates are of good credit standing. Cash and bank balances of the group comprises of cash and deposits placed with major international banks.

(iii) Financial assets that are either past due or impaired

There is no financial asset that is either past due or credit impaired or would be otherwise require a material loss allowance under the ECL model as 31 March 2021 and 31 March 2020.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Company's policy on liquidity risk management is to maintain sufficient cash and the availability of funding. Cash balances and forecast cash movements are reviewed on a regular basis, bank reconciliations are prepared and reviewed daily and management accounts are prepared and reviewed monthly to ensure that the Company maintains adequate working capital. The Company's financial assets are short-term in nature which mitigates the risk of default on financial obligations. At the end of the reporting period, all of the Company's financial liabilities will mature in less than one year based on the carrying amount reflected in the financial statements.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

(Amounts in GBP)

	Less than 3 months / On demand	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended 31 March 2021					
Trade & other payables	2,343,954	250,096	67,976	-	**2,662,026**
Year ended 31 March 2020					
Trade & other payables	2,087,110	77,539	88,375	-	**2,253,024**

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's income and operating cash flows are substantially independent of changes in market interest rates. The Company's interest-bearing assets are cash deposits placed with banks of GBP 9,048,925 as at 31 March 2021 and GBP 5,207,870 as at 31 March 2020 and cash at bank of GBP 8,394,548 as at 31 March 2021 and GBP 6,621,813 as at 31 March 2020. The Company's policy is to maximise the returns on these interest-bearing assets. The Company does not have any borrowings. Directors have deemed the sensitivity risk to be immaterial.

(d) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company's financial exposure is denominated in various other currencies shown in the currency profile below. Consequently, the Company is exposed to the risk that the exchange rate of these currencies relative to GBP may change in a manner, which has a material effect on the reported values of its assets denominated in GBP.

The currency risk profile of the Company's net financial exposure is summarised below:

	Financial exposure	
	31 March 2021	31 March 2020
	GBP	GBP
United States Dollar (USD)	11,357,739	8,471,091
Japanese Yen (JPY)	241,281	331,034

Sensitivity analysis for currency risk:

The sensitivity analysis shows how the value of a financial instrument will fluctuate due to changes in foreign exchange rates against the GBP, the functional currency of the Company.

	Change in currency +/-	Effect on profit before tax	
		31 March 2021	31 March 2020
		GBP	GBP
USD	5%	567,887	423,555
JPY	10%	24,128	33,103

(e) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market prices. The Company is exposed to equity price risk arising from its investment in quoted equity securities. These instruments are classified as financial assets at fair value through Profit or loss. The Company's objective is to manage investment returns and equity price risk using a mix of investment grade shares with steady dividend yield and noninvestment grade shares with higher volatility.

Sensitivity analysis for equity price risk:

At the end of the reporting period, if the share prices of the equity securities had been 10% higher/lower with all other variables held constant, the Company's income statement would have been GBP 3,137,799 as at 31 March 2021 and GBP 2,271,932 as at 31 March 2020 higher/lower, arising as a result of an increase/decrease in the fair value of equity securities classified as financial assets at fair value through profit or loss.

22. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a strong credit position and healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust dividend payment to shareholders, or issue shares, or extend the payment period for the supplier (Investment Advisors) or accelerate receipt from the debtors (Funds which the Company manages).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

23. IMMEDIATE AND ULTIMATE HOLDING COMPANY

The Group's immediate holding Company is UTI Asset Management Company Limited, a Company incorporated in Mumbai, India. The shareholders of the immediate holding Company as on 31 March 2021 are State Bank of India (9.99%), Bank of Baroda (9.99%), Life Insurance Corporation of India (9.99%), Punjab National Bank (15.24%), and T Rowe Price International Ltd (23%). Neither the entity owners nor any other have the power to amend the financial statements after its issuance.

24. OTHER MATTERS

SEBI has issued show cause notices dated (i) 26 June 2019 under the SEBI Act ("First SCN"); (ii) September 13, 2019 under the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 ("Inquiry Rules SCN"); and (iii) 13 September 2019 under the SEBI Intermediaries Regulations ("Intermediaries Regulations SCN"), and together with the First SCN and the Inquiry Rules SCN, the "SCNs"), to India Debt Opportunities Fund ("IDOF"), a fund managed by UTI International Limited, which is registered as a Category II FPI under the SEBI FPI Regulations, in relation to the India Debt Opportunities Fund Scheme ("IDOF Scheme").

IDOF has responded to the First SCN and the Intermediaries Rules SCN, among others, denying all the allegations. Further, IDOF has responded to the Inquiry Rules SCN requesting SEBI to provide legible copies of certain documents and requesting that the proceedings under the Inquiry Rules SCN be kept in abeyance until the conclusion of the proceedings under the First SCN. Pursuant to the SCNs, SEBI has directed IDOF to, among others, show cause as to why directions to disgorge the allegedly undue profit of INR 244.34 million should not be issued to IDOF, and why action under the SEBI Intermediaries Regulations and the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 should not be taken against IDOF. Order is yet to be passed. IDOF Ltd. has through its lawyers filed detailed replies to the SCNs denying all the allegations including any non-compliances. In the assessment of the management of IDOF Ltd., the SCNs including the proposed penalties/actions should not sustain. Therefore, no provision or contingent liability has been recorded in the financial statements of UTI International Ltd as management have assessed the probability of there being an outflow of economic resources for UTI International Ltd as remote. No SCNs have been issued to UTI International.

25. SHARE-BASED PAYMENT TRANSACTIONS

The holding Company UTI Asset Management Company Limited has introduced an Employee Stock Option Scheme called the "UTI AMC Employee Stock Option Scheme -2007". Few Employees from its subsidiaries were granted options. The vesting of the options is from expiry of one year from grant date till four years from grant date as per Plan. Under the scheme, 70,851 equity shares have been granted to the eligible employees of the companies UTI International Limited and subsidiary UTI International (Singapore) Private Limited and each option entitles the holder thereof to apply for and be allotted no of Equity Share granted of the Company having face value of INR 10 each for an exercise price of INR 728/- during the exercise period (share option valuation of GBP 56,925). Vesting of the options shall take place over a maximum period of 3 years with a minimum vesting period of 1 year from the date of grant i.e. 16 December 2019. The exercise period would be maximum of 4 years from the date of vesting of options.

Employee stock option scheme (Equity settled)

Particulars	ESOS 2007
Date of Grant	16/12/2019
Price of Underlying Stock	INR 728 (GBP 7.67)
Exercise / Strike Price (In INR)	INR 728 (GBP 7.67)
The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions:	
Risk Free Interest Rate	6.33%
Expected Dividend	INR 5 per share (GBP 0.05 per share)
Expected Life (years)	4 Years (mid - way between option vesting and expiry)
Expected Volatility	39.78%
Weighted Average Fair Value of Options	INR 276 (GBP 2.91)

• - Amount converted into GBP @ 94.9645 (16.12.2019)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

The information covering stock options granted, exercised, forfeited and outstanding at the period end is as follows:

Particulars	No. of stock options as at 31 March 2021	No. of stock options as at 31 March 2020
Date of Grant	16/12/2019	16/12/2019
Outstanding at the beginning of the year	70,851	-
Granted during the period	-	70,851
Exercised during the period	-	-
Forfeited during the period	-	-
Lapsed/expired during the period	12,702	12,702
Outstanding at the end of the period	58,149	58,149
Vested and exercisable	19,383	-

Expense arising from share-based payment transactions

(Amounts in GBP)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Employee stock option scheme (equity settled)	114,623	-

26. EVENTS AFTER REPORTING DATE

No significant events have been identified which require adjustment within the financial statements.

DIRECTORS' REPORT

To the Members of

UTI Retirement Solutions Limited,

We are pleased to present the Directors' Report together with the Audited Accounts for the Financial Year ending on 31 March 2021.

UTI Retirement Solutions Limited was promoted by UTI Asset Management Company Limited to carry out the operations as Pension Fund Manager as directed by the Pension Fund Regulatory and Development Authority (PFRDA) and Board of Trustees of the National Pension System Trust set up under the Indian Trust Act, 1882, and to undertake wholesale asset management as prescribed by the Government or Pension Fund Regulatory and Development Authority. The Company was incorporated on 14 December 2007.

The National Pension System (NPS) is a defined contribution pension scheme introduced by Govt. of India and is applicable on a mandatory basis to all Central Government Employees (except Armed Forces) who have joined services with effect from 1 January 2004.

The NPS is also available on voluntary basis to all other citizens of India including self-employed professionals and others in the unorganized sector with effect from 1 May 2009. This is based on self-defined contribution received from the citizens.

The NPS is regulated by Pension Fund Regulatory and Development Authority. The detailed information may be accessed in the official websites of PFRDA and NPS Trust i.e. www.pfrda.org.in and www.npstrust.org.in respectively.

1. THE STATE OF THE COMPANY'S AFFAIRS

a. Business of the Company

Your Company was incorporated with the main objective of wholesale asset management of pension funds under NPS. The total AUM of all the NPS Schemes managed by UTI Retirement Solutions Ltd. stood at INR 1,66,209.65 crore as on 31 March 2021 as compared to INR 1,22,200.90 crore as on 31 March 2020.

UTI Retirement Solutions Limited managed the following NPS Schemes as on 31 March 2021:

Sr. No.	Name of Scheme	AUM (Amount in INR)	
		As on 31 March 2021	As on 31 March 2020
1.	NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme E – Tier I	871.56	370.04
2.	NPS Trust–A/C UTI Retirement Solutions Scheme E – Tier II	44.13	21.63
3.	NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme C – Tier I	449.94	299.42
4.	NPS Trust–A/C UTI Retirement Solutions Scheme C – Tier II	20.88	16.54
5.	NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme G – Tier I	805.78	479.04
6.	NPS Trust–A/C UTI Retirement Solutions Scheme G – Tier II	37.07	24.22
7.	NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme A – Tier I	3.11	1.99
8.	NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme – Central Govt.	60,511.71	46,101.68
9.	NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme – State Govt.	97,045.58	70,375.78
10.	NPS Trust – A/C UTI Retirement Solutions Ltd. – NPS Lite Scheme – Govt. Pattern	1,241.53	1,056.70
11.	NPS Trust – A/C UTI Retirement Solutions Scheme – Atal Pension Yojana	5,178.21	3,453.86
12.	NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme – Corporate CG	0.00	0.00
13.	NPS Trust - A/c UTI Retirement Solutions Pension Fund Scheme - Tax Saver-Tier II*	0.15	0.00
	Total	**1,66,209.65**	**1,22,200.90**

* The scheme started its operation w.e.f. 04 September 2020.

b. Key Developments

Pursuant to the new request for proposal floated by PFRDA for selection of Sponsors of Pension Funds under National Pension System for Government Sector Schemes, Private Sector Schemes and other schemes regulated/administered by PFRDA on 23 December 2020 and consequent grant of fresh registration certificate *(Registration No. PFRDA/PF/2021/003)* dated 30 March 2021, by PFRDA, the Company with effect from 01 April 2021, will start charging the investment management fee as per the below slab structure basis the aggregate AUM managed by the Company under all schemes.

(% per annum)

Slabs of AUM	Investment Management Fees
Upto 10,000 crore	0.07%
10,001 – 50,000 crore	0.06%
50,001 – 1,50,000 crore	0.05%
Above 1,50,000 crore	0.03%

The above fees will be charged based on the consolidated AUM of all the schemes. The Investment Management Fees is calculated on the daily assets managed by the Pension Fund. The Investment Management Fees will be exclusive of brokerage and custodian fee along with applicable taxes thereon.

The Brokerage shall be adjusted against scheme NAV, subject to maximum of 0.03%, inclusive of applicable taxes or as may be determined by the PFRDA from time to time.

c. **Financial Results of the Company**

The Audited Balance Sheet as on 31 March 2021, Profit and Loss Account for the period ended as on that date; schedules attached with the Balance Sheet, Significant Accounting Policies and Notes to Accounts thereon are enclosed as annexures.

The financial highlights of the Company as on 31 March 2021 as compared to the previous year as on 31 March 2020 are as under:

Amount in INR

Particulars	For the period ended 31 March 2021	For the year ended 31 March 2020
Share Capital	**22,00,00,000**	**22,00,00,000**
Income:		
Investment Management Fees	14,88,45,250	11,15,57,915
Interest on Capital Employed	1,59,96,551	2,62,27,463
Total Income	**16,48,41,801**	**13,77,85,378**
Expenses		
Employee Benefit Expenses	2,56,90,235	1,52,36,314
Administrative & Other expenses	9,29,75,236	6,76,86,051
Depreciation	31,34,737	31,76,355
Total	**12,18,00,208**	**8,60,98,720**
Profit before Tax	**4,30,41,593**	**5,16,86,658**
Taxes		
Current Taxes	1,39,63,969	1,24,16,481
Tax adjustments for earlier year	0	40,55,659
Deferred Taxes	(87,49,021)	(32,35,265)
MAT Credit entitlement - current year	0	0
- earlier year	0	(51,19,731)
Total Taxes	**52,14,948**	**81,17,144**
Profit after Tax	**3,78,26,645**	**4,35,69,514**
Prior Period Items	0	0
Profit / Loss for the year	**3,78,26,645**	**4,35,69,514**
Earnings Per Share	1.72	1.98
Net – worth	44,11,66,968	39,89,06,842

During the financial year 2020-21, the Company has increased its Authorised Share Capital from INR 25 crore to INR 35 crore. There was no change in the Paid-up share capital of the Company during 2020-21.

The net-worth of the Company has increased from INR 39,89,06,842 as on 31 March 2020 to INR 44,11,66,968 as on 31 March 2021.

d. **Awards and Accolades**

During 2020-21 UTI RSL was awarded as the Best Pension Fund Manager of the Year by Asia Asset Management.

DIRECTORS' REPORT (Contd.)

2. EXTRACT OF THE ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 the Annual Return as on 31 March 2021 is available on the Company's website on https://utirsl.com/retirement-solutions/Company-financials/ .

3. BOARD OF DIRECTORS

The Directors of your Company comprises of professionals from financial /investment / accounting / audit field. The composition of the Board of Directors and number of Board meetings attended by each of them during the Financial Year 2020-21 are as under:

Sr. No.	Name of Director	Designation	No. of meetings held during the tenure	No. of meetings attended
1.	Mr. Imtaiyazur Rahman	Chairman & Director	4	4
2.	Mr. P. H. Ravikumar	Independent Director	4	4
3.	Mr. Chetan Desai	Independent Director	4	4
4.	Mr. Puneet Gupta	Independent Director	4	4
5.	Mrs. Sangeeta Sharma*	Independent Director	4	2
6.	Mr. Balram P. Bhagat	Chief Executive Officer & Whole Time Director	4	4

*Appointed as Director w.e.f 27 October 2020.

The Board of Directors met 4 times during 2020-21 on 27 April 2020; 21 July 2020; 27 October 2020 and 27 January 2021.

4. DIRECTOR'S APPOINTMENT/REAPPOINTMENT AND RESIGNATION

During the Financial Year 2020-21, Mrs. Sangeeta Sharma was appointed as Director in the Company with effect from 27 October 2020.

5. STATUTORY AUDITORS

M/s Bansi Lal Shah & Co, Chartered Accountants, Mumbai appointed as Statutory Auditors of the Company for 2020-21.

6. SECRETARIAL AUDIT

The provisions of the Secretarial Audit as mentioned in Section 204 of the Companies Act, 2013 and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

7. AUDIT AND SYSTEMS

Your Directors believe that internal audit control is a necessary concomitant of the principle of governance that freedom of management should be exercised within a framework of appropriate checks and balances. Your Company remains committed to ensuring an effective internal control environment that provides assurance on the efficiency of operations and security of assets.

Our Internal Auditors continuously monitor the adequacy and effectiveness of the internal control environment across the Company and the status of compliance with operating systems, internal policies and regulatory requirements.

The Statutory Auditors have also tested and verified the Internal Financial Control in the Company. The report of the Statutory Auditors on the Internal Financial Control was reviewed by the Board in its meeting held on 27 April 2021.

The Board of Directors had constituted an Audit Committee. The Audit Committee comprises of directors who are eminent persons and have knowledge in the field of Accounts, Taxation, Audit and Finance etc.

The composition of the Audit Committee and number of meetings attended by its members during 2020-21 are as under:

Sr. No.	Name of Director	Designation	Date of Appointment in Committee	No. of meetings held during the tenure	No. of meetings attended
1.	Mr. Chetan Desai	Chairman of Committee	18.10.2019	4	4
2.	Mr. P. H. Ravikumar	Director	21.10.2018	4	4
3.	Mr. Puneet Gupta	Director	31.12.2019	4	4

The Audit Committee met 4 times during 2020-21 on 27 April 2020; 21 July 2020; 27 October 2020 and 27 January 2021.

The Audit Committee reviewed, *inter alia*, Compliance Manual, Risk Management Policy, Business Continuity Plan, the adequacy and effectiveness of the internal control environment and monitored implementation of internal audit recommendations.

Vigil Mechanism / Whistle Blower Policy

UTI Retirement Solutions Limited is a 100% subsidiary Company of UTI Asset Management Company Limited, which has its Vigil Mechanism / Whistle Blower Policy. The same is applicable to all the employees of UTI Retirement Solutions Limited also.

8. INVESTMENT MANAGEMENT COMMITTEE

The Board of Directors had also constituted an Investment Management Committee, in compliance of Pension Fund Regulatory and Development Authority (Pension Fund) Regulations 2015, to monitor the investment operation of pension corpus of NPS Schemes managed by the Company and also to monitor the compliance of the Investment Management Agreements entered into with National Pension System Trust.

The composition of the Investment Management Committee and number of meetings attended by its members during 2020-21 are as under:

Sr. No.	Name of Director	Designation	Date of Appointment	No. of meetings held during the tenure	No. of meetings attended
1.	Mr. P. H. Ravikumar	Chairman	18.10.2019	4	4
2.	Mr. Puneet Gupta	Independent Director	21.07.2020	4	2
3.	Mr. Balram P. Bhagat	CEO & Whole Time Director	11.04.2008	4	4
4.	Ms. Shilpita Guha	Chief Investment Officer	11.04.2008	4	4
5.	Mr. Omkar Patwardhan	Chief Risk Officer	27.10.2020	4	1

The Investment Management Committee met 4 times during 2020-21 on 27 April 2020; 21 July 2020; 27 October 2020 and 27 January 2021.

9. DECLARATION BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149

We have received declaration from the following independent directors as required in 149 (6) of the Companies Act, 2013 confirming their independence:

Sr. No.	Name of Director
1.	Mr. P.H Ravikumar
2.	Mr. Chetan Desai
3.	Mr. Puneet Gupta
4.	Mrs. Sangeeta Sharma

None of the Directors is disqualified for being appointed as Director as specified in Section 164 of the Companies Act, 2013.

Pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have registered with the Indian Institute of Corporate Affairs for inclusion of their names in Independent Directors Databank.

10. QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE AUDITOR AND BY THE COMPANY SECRETARY IN PRACTICE

There was no qualification, reservation or adverse remark or disclaimer made by the Auditors of the Company in their Audit Report. Provision of the Secretarial Audit by a Company Secretary in Practice is not applicable to the Company.

11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Since the Company does not own any manufacturing facility, the particulars of Conservation of energy, technology absorption etc. are not applicable to the Company.

There was no foreign exchange earnings and outgo during the year.

12. FIXED DEPOSITS

During the year, your Company did not accept any deposits from the public under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

13. RISK MANAGEMENT POLICY

Risk Management is one of the key focus areas and your Company has established processes and systems to ensure managing risk. A Risk Management Committee of the Board has been constituted, in compliance of Pension Fund Regulatory and Development Authority (Pension Fund) Regulations 2015, to monitor various risks applicable to its operations, including operational risk, liquidity risk, credit risk, market risk and regulatory risk.

The Board of Directors periodically reviews the Risk Management Policy, procedures and processes, which include the delegation of powers for investment and financial responsibilities, investment prudential norms, guidelines and limits. The Board also reviews the performance of all schemes on quarterly basis.

DIRECTORS' REPORT (Contd.)

The composition of the Risk Management Committee and number of meetings attended by its members during 2020-21 are as under:

Sr. No.	Name of Director	Designation	Date of Appointment	No. of meetings held during the tenure	No. of meetings attended
1.	Mr. Chetan Desai	Chairman	18.10.2019	4	4
2.	Mrs. Sangeeta Sharma	Independent Director	27.10.2020	4	1
3.	Mr. Balram P. Bhagat	CEO & Whole Time Director	11.04.2008	4	4
4.	Ms. Shilpita Guha	Chief Investment Officer	11.04.2008	4	4
5.	Mr. Vivek Vadwana	CS & CO	23.10.2019	4	4
6.	Mr. Omkar Patwardhan	Chief Risk Officer	27.10.2020	4	1

The Risk Management Committee met 4 times during 2020-21 on 27 April 2020; 21 July 2020; 27 October 2020 and 27 January 2021.

14. THE AMOUNTS CARRIED FORWARD TO RESERVES

We propose to keep the whole amount to be retained in the Profit and Loss account.

15. THE AMOUNT RECOMMENDED TO BE PAID BY WAY OF DIVIDEND

Presently, the Company has limited resources and needs funds for its future business growth. Therefore, the Board of Directors recommends nil dividend for 2020-21.

16. MATERIAL CHANGES AND COMMITMENTS, IF ANY

No material changes affecting the financial position of the Company have occurred during the period between 31 March 2021 and the date of Board's Report.

None of the companies has become or ceased to be subsidiaries, joint venture or associate Company during 2020 – 21.

17. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Hence, disclosure in Form AOC-2 under Section 134(3)(h) of the Act, read with the Rule 8 of Companies (Accounts of Companies) Rules, 2014, is not applicable.

The particulars of contracts/arrangements entered into by the Company with related parties are detailed in Note No. 22 to the financial statement which sets out related party disclosures. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

18. BOARD EVALUATION

As per Section 134 of the Companies Act 2013 read with rule 8 of the Company (Accounts) Rules, 2014, every listed Company and every other public Company having a paid-up share capital of twenty-five crore rupees or more are required to carry out the board evaluation. Since, we have paid-up share capital of twenty-two crores the provision relating to board evaluation is not applicable.

19. DETAILS OF PREVIOUS ANNUAL GENERAL MEETINGS

The details of previous three Annual General Meetings are as under:

Sr. No.	AGM	Date of AGM	Special Resolution, if any
1.	12th Annual General Meeting	28 July 2020	Increase in Authorized Share Capital and consequent alteration of the Capital Clause in the Memorandum of Association & Articles of Association.
2.	11th Annual General Meeting	09 August 2019	Nil
3.	10th Annual General Meeting	21 August 2018	Nil

FINANCIAL STATEMENTS

DIRECTORS' REPORT (Contd.)

20. CORPORATE SOCIAL RESPONSIBILITY

The provisions of Corporate Social Responsibility are not applicable to the Company.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees or investments, if any, as required under Section 134(3)(g) and Section 186 of the Companies Act, 2013 are set out in notes to the Financial Statements as at 31 March 2021.

22. DETAILS OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143

Nil

23. REVISION OF FINANCIAL STATEMENT OR BOARD'S REPORT

There was no revision of Financial Statements or Board's report during the financial year.

24. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (3) (c) and Section 134 (5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(a) in the preparation of the annual accounts for 2020–21, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) 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 i.e. 31 March 2021 and of the profit and loss of the Company for that period;

(c) 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;

(d) the annual accounts have been prepared on a going concern basis; and

(e) the proper systems has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

25. OTHER DISCLOSURES

- Maintenance of cost records and requirement of cost Audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable to the business activities carried out by the Company.
- The holding Company has in place policy on prevention of sexual harassment and which also covers your Company to the extent applicable. An Internal Complaints Committee has been set up to redress complaints, if any, received regarding sexual harassment. All employees are covered under this policy.
- The Company has not filed any application or no such proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the financial year ended 31 March 2021.
- The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions, is not applicable to the Company.

26. ACKNOWLEDGEMENT

We acknowledge the valuable support, co-operation and guidance received from the Sponsors of your Company, Pension Fund Regulatory & Development Authority (PFRDA), National Pension System (NPS) Trust, Axis Bank Ltd. (Trustee Bank), Stock Holding Corporation of India (SHCIL), NSDL (CRA), Karvy CRA (KCRA), CRISIL and ICRA. We are also thankful to our shareholders, Auditors, Bankers, Brokers and all other service providers for their valued support. We would also like to thank the employees for the commitment, collaboration and partnership demonstrated by them during the year.

For and on behalf of the Board of Directors
UTI Retirement Solutions Limited

Imtaiyazur Rahman
Chairman & Director
DIN: 01818725

Place: Mumbai
Date: 27 April 2021

INDEPENDENT AUDITOR'S REPORT

To The Members of
Uti Retirement Solutions Limited

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of **UTI RETIREMENT SOLUTIONS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including other comprehensive Income), the statement of Cash Flow and the statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2021, 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 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 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 Financial Statements and Auditor's Report Thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

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

Auditor's Responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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

INDEPENDENT AUDITOR'S REPORT (Contd.)

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.

A further description of our responsibilities for the audit of the financial statements is included in "Appendix I" of this auditor's report.

For **Bansilal Shah & Co**
Chartered Accountants
FRN. No: 000384W

Sahil Kothari
Partner
Membership No. : 137144

Place: Mumbai
Date: 28 April 2021
UDIN : 21137144AAAAAH3496

APPENDIX - I TO THE INDEPENDENT AUDITOR'S REPORT

FURTHER DESCRIPTION OF OUR RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS AS REFERRED TO IN AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS SECTION OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF UTI RETIREMENT SOLUTIONS LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT

[REFERRED TO IN PARAGRAPH 1 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' IN THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF UTI RETIREMENT SOLUTIONS LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021]

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

(b) The Fixed Assets have been physically verified by the management at reasonable intervals and no material discrepancies were noted on such verification.

(c) The company has no immovable properties.

2) The company is not a manufacturing or trading concern and is thereby having no inventory. Accordingly, the provision of this clause of the Order is not applicable to the Company and hence not commented upon.

3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.

4) The provisions of section 185 and I86 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security are not applicable.

5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6) The maintenance of cost records as prescribed by the Central Government under Sub Section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company.

7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Income-Tax, Goods and Service Tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanation given to us, that an appeal filed with CIT(A) for A.Y.2013-14 desided in favour of the company and balance of TDS and thereon Interest is receivable.

8) In our opinion and according to the information and explanations given to us, the Company has not taken loans or borrowed money or guarantees from financial institutions, banks, and government and debenture holders during the year.

9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided subject to the ratification by shareholders in General Meeting in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For **Bansilal Shah & Co**
Chartered Accountants
FRN. No: 000384W

Sahil Kothari
Partner
Membership No. : 137144

Place: Mumbai
Date: 28 April 2021
UDIN : 21137144AAAAAH3496

ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT

REFERRED TO IN PARAGRAPH 2 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' IN THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF UTI RETIREMENT SOLUTIONS LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021]

Report on the Internal Financial Controls over Financial Reporting 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 UTI RETIREMENT SOLUTIONS LIMITED ("the Company") as of March 31, 2021 in conjunction with our audit of the 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 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, to the extent applicable to an audit of internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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 March 31, 2021, based on 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).

For **Bansilal Shah & Co**
Chartered Accountants
FRN. No: 000384W

Sahil Kothari
Partner
Membership No. : 137144

Place: Mumbai
Date: 28 April 2021
UDIN : 21137144AAAAAH3496

BALANCE SHEET
AS AT 31 MARCH 2021

(Amounts in INR)

	Note No.	As at 31 March 2021 Audited	As at 31 March 2020 Audited
I. ASSETS			
(1) Financial assets			
(a) Cash and cash equivalients	3	22,680	23,328
(b) Receivable	4		
Trade receivables		4,50,71,823	3,31,32,242
(c) Investments	5	28,05,19,516	37,41,78,667
(d) Other financial assets	6	12,85,75,708	83,62,493
TOTAL FINANCIAL ASSETS		**45,41,89,727**	**41,56,96,730**
(2) Non - financial assets			
(a) Current tax assets (Net)	7	46,72,547	65,15,861
(b) Property, plant and equipments	8	78,652	-
(c) Right of use assets	9	17,19,896	34,39,796
(d) Other Intangible assets	10	46,74,082	13,96,213
(e) Other non financial assets	11	7,86,206	-
TOTAL NON FINANCIAL ASSETS		**1,19,31,383**	**1,13,51,870**
Total Assets		**46,61,21,110**	**42,70,48,600**
II. LIABILITIES AND EQUITY			
LIABILITIES			
(1) FINANCIAL LIABILITIES			
(a) (I) Trade payable	12		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditiros other than micro enterprises and small enterprises		6,56,136	6,67,290
(II) Other payable			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditiros other than micro enterprises and small enterprises		57,07,588	-
(b) Other financial liabilities	13	18,63,766	35,81,690
Total financial liabilities		**82,27,490**	**42,48,980**
(2) NON-FINANCIAL LIABILITIES			
(a) Provisions	14	78,90,024	75,10,731
(b) Deferred tax liabilities (Net)	15	25,94,907	1,13,43,928
(c) Other non financial liabilities	16	62,41,721	50,38,119
Total non financial liabilities		**1,67,26,652**	**2,38,92,778**
(3) EQUITY			
Equity Share Capital	17	22,00,00,000	220,000,000
Other Equity	18	22,11,66,968	17,89,06,842
Total Equity		**44,11,66,968**	**39,89,06,842**
TOTAL EQUITY AND LIABILITIES		**46,61,21,110**	**42,70,48,600**

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For **Bansilal Shah & Co.**
Chartered Accountants
Firm Registration Number: 000384W

Sahil Kothari
Partner
Membership no.: 137144

Place: Mumbai
Date: 28 April 2021
UDIN NO. : 21137144AAAAAH3496

For and on behalf of the Board of Directors of
UTI Retirement Solutions Limited

Imtaiyazur Rahman
Chairman & Director
DIN: 01818725

Balram P. Bhagat
CEO & Whole Time Director
DIN : 01846261

Vivek Vadwana
Company Secretary

Shyamkumar Gupta
Chief Financial Officer

Date: 27 April 2021

MATURITY ANALYSIS OF ASSETS AND LIABILITIES

AS AT 31 MARCH 2021

Particulars	Note No.	As at 31 March 2021 (Audited)			As at 31 March 2020 (Audited)		
		Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled							
I. ASSETS							
(1) Financial assets							
(a) Cash and cash equivalents	3	22,680	-	22,680	23,328	-	23,328
(b) Receivable	4						
(i) Trade receivables		4,50,71,823	-	4,50,71,823	3,31,32,242	-	3,31,32,242
(c) Investments	5	22,18,89,516	5,86,30,000	28,05,19,516	32,01,03,167	5,40,75,500	37,41,78,667
(d) Other financial assets	6	-	12,85,75,708	12,85,75,708	26,67,138	56,95,355	83,62,493
Total Financial Assets		**26,69,84,019**	**18,72,05,708**	**45,41,89,727**	**35,59,25,875**	**5,97,70,855**	**41,56,96,730**
(2) Non - financial assets							
(a) Current tax assets (Net)	7	-	46,72,547	46,72,547	-	65,15,861	65,15,861
(b) Property, plant and equipments	8	-	78,652	78,652	-	-	-
(c) Right of use assets	9	-	17,19,896	17,19,896	-	34,39,796	34,39,796
(d) Other Intangible assets	10	-	46,74,082	46,74,082	-	13,96,213	13,96,213
(e) Other non financial assets	11	7,86,206	-	7,86,206	-	-	-
Total Non Financial Assets		**7,86,206**	**1,11,45,177**	**1,19,31,383**	**-**	**1,13,51,870**	**1,13,51,870**
TOTAL ASSETS		**26,77,70,225**	**19,83,50,885**	**46,61,21,110**	**35,59,25,875**	**7,11,22,725**	**42,70,48,600**
II. LIABILITIES AND EQUITY							
LIABILITIES							
(1) Financial liabilities							
(a) (I) Trade payable	12						
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		6,56,136	-	6,56,136	6,67,290	-	6,67,290
(II) Other payable							
(i) total outstanding dues of micro enterprises and small enterprises			-	-		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		57,07,588	-	57,07,588	-	-	-
(b) Other financial liabilities	13	18,63,766	-	18,63,766	17,17,924	18,63,766	35,81,690
Total financial liabilities		**82,27,490**	**-**	**82,27,490**	**23,85,214**	**18,63,766**	**42,48,980**
(2) Non- financial liabilities							
(a) Provisions	14	78,90,024	-	78,90,024	75,10,731	-	75,10,731
(b) Deferred tax liabilities (Net)	15	-	25,94,907	25,94,907	-	1,13,43,928	1,13,43,928
(c) Other non financial liabilities	16	62,41,721	-	62,41,721	50,38,119	-	50,38,119
Total non financial liabilities		**1,41,31,745**	**25,94,907**	**1,67,26,652**	**1,25,48,850**	**1,13,43,928**	**2,38,92,778**
TOTAL LIABILITIES		**2,23,59,235**	**25,94,907**	**2,49,54,142**	**1,49,34,064**	**1,32,07,694**	**2,81,41,758**

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For **Bansilal Shah & Co.**
Chartered Accountants
Firm Registration Number: 000384W

Sahil Kothari
Partner
Membership no.: 137144

Place: Mumbai
Date: 28 April 2021
UDIN NO. : 21137144AAAAAH3496

For and on behalf of the Board of Directors of
UTI Retirement Solutions Limited

Imtaiyazur Rahman
Chairman & Director
DIN: 01818725

Balram P. Bhagat
CEO & Whole Time Director
DIN : 01846261

Vivek Vadwana
Company Secretary

Shyamkumar Gupta
Chief Financial Officer

Date: 27 April 2021

STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31 MARCH 2021

(Amounts in INR)

Particulars		Note	Quarter Ended 31 March 2021 Audited	Quarter Ended 31 December 2020 Reviewed	Quarter Ended 31 March 2020 Audited	Year Ended 31 March 2021 Audited	Year Ended 31 March 2020 Audited
I. Revenue from operations		**19**					
(i) Interest Income			16,11,461	1,15,518	1,61,035	19,88,213	7,97,621
(ii) Net gain on fair value changes			-	-	49,85,322	-	-
(iii) Sale of services			4,07,88,993	3,90,88,012	3,06,78,019	14,88,45,250	11,15,57,915
(iv) Others - Net gain/loss on sale of investments			43,29,652	68,12,542	13,29,186	4,54,99,012	3,01,74,859
(I) Total Revenue from operations	I		**4,67,30,106**	**4,60,16,072**	**3,71,53,562**	**19,63,32,475**	**14,25,30,395**
(II) Other Income	II	**20**	-	-	-	-	-
Total Income	III = (I+II)		**4,67,30,106**	**4,60,16,072**	**3,71,53,562**	**19,63,32,475**	**14,25,30,395**
Expenses		**21**					
(i) Net loss on fair value changes			30,45,300	32,34,415	-	3,14,90,674	47,45,017
(ii) Employee Benefits Expenses			77,23,314	60,04,395	36,72,083	2,56,90,235	1,52,36,314
(iii) Finance Costs			44,144	54,127	79,212	2,32,076	5,80,373
(iv) Depreciation, amortisation and impairement			7,41,420	8,05,139	7,89,749	31,34,737	31,76,355
(v) Other expenses			2,51,98,994	2,12,31,810	1,64,17,104	9,27,43,160	6,71,05,678
Total Expenses	IV		**3,67,53,172**	**3,13,29,886**	**2,09,58,148**	**15,32,90,882**	**9,08,43,737**
Profit/(Loss) before exceptional items and tax	V =(III-IV)		**99,76,934**	**1,46,86,186**	**1,61,95,414**	**4,30,41,593**	**5,16,86,658**
Exceptional Items	VI		**-**	**-**	**-**	**-**	**-**
Profit Before Tax	VII=V-VI		**99,76,934**	**1,46,86,186**	**1,61,95,414**	**4,30,41,593**	**5,16,86,658**
Tax expenses							
Current tax			34,08,206	39,75,019	31,66,706	1,39,63,969	1,24,16,481
Tax Adjustments for earlier years			-	-	-	-	40,55,659
Deferred tax			(6,32,623)	(9,65,272)	(2,69,177)	(87,49,021)	(32,35,265)
MAT Credit entitlement - current year			-	-	-	-	-
- earlier year			-	-	-	-	(51,19,731)
Total tax expenses	VIII		**27,75,583**	**30,09,747**	**28,97,529**	**52,14,948**	**81,17,144**
Profit for the year	IX=VII-VIII		**72,01,351**	**1,16,76,439**	**1,32,97,885**	**3,78,26,645**	**4,35,69,514**
Other Comprehensive Income							
A (i) Items that will not be reclassified to profit or loss Remeasurement of defined benefit liability (asset)			-	-	-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss			-	-	-	-	-
B (i) Items that will be reclassfied to profit or loss			-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss			-	-	-	-	-
	X		-			-	
Total comprehensive Income for the year	XI =IX+X		**72,01,351**	**1,16,76,439**	**1,32,97,885**	**3,78,26,645**	**4,35,69,514**
Earning per equity share	XII						
Basic (in Rs.) (Refer Note 23)			0.33	0.53	0.60	1.72	1.98
Diluted (in Rs.) (Refer Note 23)			0.33	0.53	0.60	1.72	1.98

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For **Bansilal Shah & Co.**
Chartered Accountants
Firm Registration Number: 000384W

Sahil Kothari
Partner
Membership no.: 137144

Place: Mumbai
Date: 28 April 2021
UDIN NO. : 21137144AAAAAH3496

For and on behalf of the Board of Directors of
UTI Retirement Solutions Limited

Imtaiyazur Rahman
Chairman & Director
DIN: 01818725

Balram P. Bhagat
CEO & Whole Time Director
DIN : 01846261

Vivek Vadwana
Company Secretary

Shyamkumar Gupta
Chief Financial Officer

Date: 27 April 2021

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

(Amounts in INR)

	Year Ended 31 March 2021 (Audited)	Year Ended 31 March 2020 (Audited)
INDIRECT METHOD CASH FLOW FROM OPERATING ACTIVITIES		
Net profit & Loss Before Taxation	**4,30,41,593**	**5,16,86,658**
Adjustment for		
Depreciation and amortization expense	31,34,737	31,76,355
Interest income	(19,88,213)	(7,97,621)
Finance Costs	2,32,076	5,80,373
Expenses on the employee stock option scheme	44,33,481	-
(Profit) / Loss on sale of investment	(4,54,99,012)	(3,01,74,859)
(Profit) / Loss on fair value changes	3,14,90,674	47,45,017
Operating Profit Before Working Capital Changes	**3,48,45,336**	**2,92,15,923**
Adjustment for changes in working capital		
(Increase)/ Decrease in Other non financial assets	(7,86,206)	-
(Increase)/ Decrease in financial assets trade receivable	(1,19,39,581)	(89,33,360)
Increase/ (Decrease) in financials liabilities	39,78,510	1,25,202
Increase/ (Decrease) in Other Non financial liabilties	12,03,602	16,40,340
Increase/ (Decrease) in Non financial liabilties - Provisions	3,79,293	(3,23,130)
	(71,64,382)	**(74,90,948)**
Cash Generated from Operations	**2,76,80,954**	**2,17,24,975**
Add/(Less) : Income Tax Paid	1,21,20,655	90,81,277
NET CASH FLOW FROM OPERATING ACTIVITIES	**1,55,60,299**	**1,26,43,698**
CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase) / Sale of Property, plant and equipments/ Other Intangible assets	(47,71,358)	-
(Purchase) / Sale of Right of use assets	-	(51,64,407)
Investment made during the Year	(54,87,83,299)	(51,23,28,343)
Investment sold during the Year	53,77,97,514	50,44,66,125
Interest income Received during the Year	1,96,196	4,02,278
Net cash generated from Investing Activities	**(1,55,60,947)**	**(1,26,24,347)**
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	-	-
Net cash generated from Financing Activities	-	-
Net Increase/ (Decrease) in Cash and cash equivalent	**(648)**	**19,351**
Opening Cash and cash equivalents	23,328	3,977
Closing Cash and cash equivalents	**22,680**	**23,328**
Components of Cash and cash equivalent		
Cash and cash equivalents		
Balances with banks:		
On current accounts	22,680	23,328
Cash on hand	-	-
Other bank balances		
Deposits with original maturity for more than 12 months	-	-
	22,680	**23,328**

Notes: Cash flow statment has been prepared under indirect method as set out in the Indian Accounting Standard 7 "Cash Flow Statements".

As per our Report of even date

For **Bansilal Shah & Co.**
Chartered Accountants
Firm Registration Number: 000384W

Sahil Kothari
Partner
Membership no.: 137144

Place: Mumbai
Date: 28 April 2021
UDIN NO. : 21137144AAAAAH3496

For and on behalf of the Board of Directors of
UTI Retirement Solutions Limited

Imtaiyazur Rahman
Chairman & Director
DIN: 01818725

Balram P. Bhagat
CEO & Whole Time Director
DIN : 01846261

Vivek Vadwana
Company Secretary

Shyamkumar Gupta
Chief Financial Officer

Date: 27 April 2021

STATEMENT OF CHANGES IN EQUITY

A. EQUITY SHARE CAPITAL

(Amounts in INR)

Balance at the begining of the reporting period i.e. 31st March, 2018	Changes in equity share capital during FY 2018-19	Balance at the end of the reporting period i.e. 31 March 2019	Changes in equity share capital during FY 2019-20	Balance at the end of the reporting period i.e. 31 March 2020	Changes in equity share capital during 1st April, 2020 to 31 March 2021	Balance at the end of the reporting period i.e. 31 March 2021
-	-	-	-	-	-	-

B. OTHER EQUITY

(Amounts in INR)

Particulars	Balance at the beginning of the Reporting period (01 April 2019)	Changes in accounting policy or prior period errors	Restated balance at the beginning of the reporting period	Profit for the year	Addition During the year	Other compre-hensive income for the year	Dividend	Transfer to retained earnings	Balance at the end of the Reporting period (31 March 2020)	Figures at the beginning of the previous Reporting period (01 April 2018)
	1	2	3= (1+2)	4			5	6	7 = (3+4-5-6)	8
Reserves and Surplus										
(i) General Reserve	-	-	-	-	-	-	-	-	-	-
(ii) Security Premium Reserve	-	-	-	-	-	-	-	-	-	-
(iii) Retained Earnings	13,53,37,328	-	13,53,37,328	4,35,69,514	-	-	-	-	17,89,06,842	10,92,37,925
Total	**13,53,37,328**	**-**	**13,53,37,328**	**4,35,69,514**	**-**	**-**	**-**	**-**	**17,89,06,842**	**10,92,37,925**

Particulars	Balance at the beginning of the Reporting period (01 April 2020)	Changes in account-ing policy or prior period errors	Restated balance at the beginning of the reporting period	Profit for the year	Addition During the year	Other compre-hensive income for the year	Dividend	Transfer to retained earnings	Balance at the end of the Reporting period (31 March 2021)	Figures at the beginning of the previous Reporting period (01 April 2019)
	1	2	3= (1+2)	4			5	6	7 = (3+4-5-6)	8
Reserves and Surplus										
(i) General Reserve	-	-	-	-	-	-	-	-	-	-
(ii) Security Premium Reserve	-	-	-	-	-	-	-	-	-	-
(iii) Share option outstanding account	-	-	-	-	44,33,481	-	-	-	44,33,481	-
(iv) Retained Earnings	17,89,06,842	-	17,89,06,842	3,78,26,645	-	-	-	-	21,67,33,487	13,53,37,328
Total	**17,89,06,842**	**-**	**17,89,06,842**	**3,78,26,645**	**44,33,481**	**-**	**-**	**-**	**22,11,66,968**	**13,53,37,328**

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2021

1. CORPORATE INFORMATION

UTI Retirement Solutions Ltd. ("the Company") is a wholly owned subsidiary of UTI Asset Management Co. Ltd. incorporated on 14 December 2007 under Companies Act, 1956.

UTI Asset Management Company Ltd. (UTI AMC Ltd.) was appointed by Pension Fund Regulatory & Development Authority (PFRDA) as sponsor of Pension Fund in 2007 for managing pension assets of Government Employees. Accordingly, UTI AMC Ltd. as per the terms and conditions of the Request for Proposal (RFP), incorporated 'UTI Retirement Solutions Limited' (UTI RSL) on 14 December 2007 exclusively for undertaking Pension Fund Management activity under National Pension System (NPS). Later in 2009, UTI AMC Ltd. was also appointed as sponsor of Pension Fund for managing private sector pension assets under NPS. As on 31 March 2021 UTI RSL manages 13 schemes (2 Schemes under Govt. Sector and 10 Schemes under Private Sector and Atal Pension Yojana).

The registered office of the Company is located at UTI Tower, GN Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Preparation & Presentation of Financial Statements:

(A) STATEMENT OF COMPLIANCE

The Company's Financial Statements have been prepared in accordance with the provision of the Companies Act, 2013 and the Indian Accounting Standards (hereinafter referred to as the "Ind AS") as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 3 of the Companies (India Accounting Standards) Rules, 2015 and Companies (India Accounting Standards) Amendment Rules 2016. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations requires a different treatment. The Financials for the year ended 31 March 2019 of the Companyare the first financial statements prepared in compliance with Ind AS.

(B) BASIS OF ACCOUNTING

The Company maintains accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair value in accordance with Ind AS. The carrying value of all the items of property, plant and equipment and investment property as on date of transition is considered as the deemed cost.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly
- Level 3 — inputs are unobservable inputs for the valuation of assets/liabilities.

(C) PRESENTATION OF FINANCIAL STATEMENTS

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements.

The Financial Statements are presented in Indian Rupees, rounded off to nearest rupee.

2.2 Use of Estimates & Judgments:

A. KEY SOURCES OF ESTIMATION:

The preparation of financial statements require the management of the Company to make estimation and assumptions that effect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include provision for loans & advances, provision for accrued benefits to employees, provision for income tax, provision for write back of diminution in the value of investment and the useful life of Property, Plant and Equipments. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results may differ from those estimates. Any revision to accounting estimate is recognized prospectively in the current and future periods.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Key source of judgments, assumptions and estimation uncertainty in the preparation of the Financial Statements which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of useful lives of property, plant and equipment, Intangible assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, impairment, provision for income tax, measurement of deferred tax assets and contingent assets and liabilities , fair value measurement etc.

B ADOPTION OF NEW ACCOUNTING STANDARD ON LEASES – IND AS 116

1. Leases

The Company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17. Lease liabilities and right of use of assets were both recorded at the present value of future lease payments, thus no impact was recorded on the opening retained earnings.

A. Significant accounting policy

Policy applicable from 01 April 2019

At inception of a contract, the Companyassesses 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 Companyassesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified; — the Companyhas the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Companyhas the right to direct the use of the asset. The Companyhas this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Companyhas the right to direct the use of the asset if either:
  - the Companyhas the right to operate the asset; or
  - the Companydesigned the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after 1 April 2019. At inception or on reassessment of a contract that contains a lease component, the Companyallocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

i. As a lessee

The Companyrecognises 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.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are 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 viz. 8.50%.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments;

The lease liability is measured at amortised cost using the effective interest method.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of DG Set that have a lease term of 12 months or less and leases of low-value assets, including IT equipments.

Accordingly, the Company has adopted Ind AS 116 - Leases and applied it to all lease contracts existing on 01 April 2019 using the modified retrospective method II. Consequently, the cumulative adjustment has been taken on the date of initial application i.e. 01 April 2019. Based on the same and as permitted under the specific transitional provisions in the standard, the Company is not required to restate the comparative figures. On transition, due to the adoption of the new Ind AS, it resulted in recognition of Right-of-Use asset (ROU) of INR 51,64,407 and a lease liability of INR 51,64,407. Since the Company has adopted modified approach II, there is no impact arises in the opening retained earnings. The effect of this adoption is not material to the profit for the period and earnings per share.

Under Ind AS 17

In the comparative period, as a lessee the Company classified leases that transfer substantially all of the risks and rewards of ownership as finance leases. When this was the case, the leased assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent. Subsequently, the assets were accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases were classified as operating leases and were not recognised in the Company's statement of financial position. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

2.3 Revenue Recognition:

Management fees are accounted for on accrual basis in accordance with the Investment Management Agreement with the NPS Trust (National Pension System Trust).

Dividend income is recognised when the company's right to receive dividend is established by the reporting date.

Interest income are accounted on accrual basis.

2.4 Property, plant and equipment:

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation, and impairment losses, if any. The cost of acquisition is inclusive of duties, freight and other incidental expenses related to acquisition and installation of the assets. Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value, only if it increases the future benefits from existing asset beyond its previously assessed standard of performance. Capital work in progress is stated at cost.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Gains or losses arising from disposal of Property, Plant and Equipments are measured as the differences between the net disposal proceeds and carrying amount of asset and are recognized in the Statement of Profit and Loss when the asset is disposed.

The Company has elected to adopt the written down values of Plant, Property & Equipments as their fair value as permitted by IND AS.

The Company provides depreciation on Property, plant & equipment in the manner prescribed in schedule II to Companies Act, 2013 on straight line method (SLM) on pro-rata basis, based on prescribed useful life of assets which are as under:

Description of Assets	Useful Lives in years	
	As per the Companies Act, 2013	As per management's estimate
Building*	60	20 - 40
Server & Network	6	6
Computer & Laptop	3	3
Office Equipment	5	5
Furniture	10	10
Vehicle **	8	6

*

** Management believes that the useful life of asset reflect the year over which it is expected to be used.

Assets costing individually INR 5000 or less are depreciated at the rate of 100% on pro-rata basis.

Considering the materiality aspect, residual value 5 % of the cost has been taken only for buildings.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

2.5 Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. Such cost includes purchase price, borrowing cost, and cost directly attributable to brining the asset to its working condition for the intended use. Thereafter intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Softwares are amortised over a period of 3 years on straight line method (SLM) on pro-rata basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal value and the carrying amount of the asset and are recognised in the Statement of Profit & Loss.

2.6 Investments and Other Financial Assets:

1. INITIAL RECOGNITION AND MEASUREMENT

Financial assets, with the exception of loans, are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Loans are recognised when funds are transferred to the customers' account. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

Accordingly, initial recognition of Investments in Mutual Funds shall be recognized at fair value.

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

2. SUBSEQUENT RECOGNITION AND MEASUREMENT

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

a) Amortised cost

b) FVOCI (Fair value through other comprehensive income).

c) FVTPL (Fair value through profit and loss).

As per Ind AS 109, Financial Assets have to be measured as follows:

a) Financial assets carried at amortised cost (AC)

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortized cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognized in the Statement of Profit and Loss.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss.

c) Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in FVOCI for equity instruments which are not held for trading. Debt instruments that do not meet the amortized cost or FVOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortized cost or FVOCI criteria but are designated as at FVTPL are measured at FVTPL. A debt instrument that meets the amortized cost or FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

or recognizing the gains and losses on them on different bases. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss is included in the "Other income" line item. The transaction cost directly attributable to the acquisition of financial asset at fair value through profit and loss is immediately recognized to profit and loss.

Accordingly, investments in Mutual Funds will be measured at fair value through profit & loss.

3. DE-RECOGNITION

The Company has transferred its rights to receive cash flows from the asset or the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. On de-recognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of de-recognition and the consideration received is recognised in profit or loss.

4. IMPAIRMENT

In accordance with Ind AS at each reporting date, the Company assesses whether financial assets carried in the books are credit-impaired. Financial assets are said to be credit impaired, when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.

This process also includes, whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the net selling price and the value in use; and

(ii) in the case of a cash generating unit (Company of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss.

5. TREATMENT OF INVESTMENTS WHICH ARE TO BE CARRIED AT FAIR VALUE

The difference between the cost and fair value of investments as at 31.03.2016 is adjusted in Other Equity as on 01.04.2016. Any change in fair value of investments thereafter is transferred to Statement of Profit & Loss, thereby not affecting the reserves.

Also, any profit or loss on sale of investments is transferred to P&L except to the extent it was transferred to P&L for presentation at fair value.

2.7 Financial Liabilities:

1. INITIAL RECOGNITION AND MEASUREMENT

As per Ind AS 32, a financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets & liabilities with another entity under conditions that are potentially unfavourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

All financial liabilities are recognised initially at fair value.

2. SUBSEQUENT RECOGNITION AND MEASUREMENT

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial guarantee contracts, if not designated as at FVTPL, are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative income amortisation, whichever is higher.

3. DE-RECOGNITION

A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.8 Employee Benefits Expenses:

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia payments.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Share-based payment transactions:

The Employee Stock Option Scheme provides for the grant of options to acquire equity shares of the Company to its eligible employees are measured at fair value of the equity instruments at the grant date. The period of vesting and period of exercise are as specified within the respective schemes. Details regarding the determination of the fair value of equity settled share based payments transactions are set out in Note 31.

The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revives its estimate of the number of equity instruments expected to vest. The impact of the revision of original estimates, if any, is recognised in Statement of profit and loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to Share based options outstanding account. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.9 Cash & Cash Equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.10 Scheme Expenses:

The detail of Scheme Expenses are as follows:

Particulars	For Year Ended 31 March 2021	For Year Ended 31 March 2020
PFRDA Annual Fees	6,11,00,464.00	4,68,53,911.00
Brokerage	2,06,46,971.00	1,32,83,063.00
PFRDA Registration Fees	25,00,000.00	0.00
Audit Fees	10,20,000.00	10,20,000.00
Valuation Fees – NAV	3,96,441.00	3,07,854.00
Mpower Software AMC Charges	5,25,000.00	5,25,000.00
Oracle Software AMC Charges	86,029.00	0.00
Other Expense	11,96,725.00	10,22,867.00
TOTAL	**8,74,71,630.00**	**6,30,12,695.00**

2.11 Taxes on Income:

The tax expense for the year comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current Tax:

Current tax is determined as the amount of tax payable in respect of taxable income for the year in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax:

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized for all deductible timing differences; carry forward of unused tax assets and unused tax losses only if there is reasonable virtual certainty that such deferred tax assets can be realized against future liabilities.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognized outside profit or loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.12 Contingencies & Provisions:

In accordance with Ind AS 37, provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Contingent liabilities are not recognized in books of accounts. They are disclosed by way of notes, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in financial statements. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed, only where an inflow of economic benefits is probable.

2.13 Impairment of Assets (Other than Financial Assets):

At each Balance Sheet date, the management reviews the carrying amounts of assets to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss.

Reversal of impairment loss is recognized immediately as income in the Statement Profit and Loss.

2.14 Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

3. CASH AND CASH EQUIVALENTS

(Amounts in INR)

	As at 31 March 2021	As at 31 March 2020
Cash on hand	-	-
Balance with Bank	22,680	23,328
Cheques, drafts on hand	-	-
	22,680	**23,328**

4. RECEIVABLE

(Amounts in INR)

	As at 31 March 2021	As at 31 March 2020
Trade receivables		
Outstanding for a period not exceeding six months from the date they are due for payment (Unsecured, considered good)	4,50,71,823	3,31,32,242
	4,50,71,823	**3,31,32,242**
Others (Unsecured, considered good)		
	-	**-**
	4,50,71,823	**3,31,32,242**

5. INVESTMENTS

(Amounts in INR)

Details of Investments	As at 31 March 2021	As at 31 March 2020
Investments in units of mutual fund schemes (Unquoted)		
Measured at Fair Value through Statement of Profit and Loss		
1 NIL (31 March 2020:10,00,000 Units of Cost INR 10 each) in UTI Fixed Term Income Fund Series XXVI-I (1182 Days) - Direct Growth Plan	-	1,24,73,900
2 NIL (31 March 2020:25,00,000 Units of Cost INR 10 each) in UTI Fixed Term Income Fund Series XXVI-VII (1140 Days) - Direct Growth Plan	-	3,14,89,250
3 NIL (31 March 2020:30,00,000 Units of Cost INR 10 each) in UTI Fixed Term Income Fund Series XXVI-VIII (1154 Days) - Direct Growth Plan	-	3,71,27,100
4 NIL (31 March 2020:5,00,000 Units of Cost INR 10 each) in UTI Fixed Term Income Fund Series XXVI-XIII (1124 Days) - Direct Growth Plan	-	62,38,250
5 NIL (31 March 2020:20,00,000 Units of Cost INR 10 each) in UTI Fixed Term Income Fund Series XXVII - IV (1113 Days) - Direct Growth Plan	-	2,40,98,000
6 NIL (31 March 2020:50,00,000 Units of Cost INR 10 each) in UTI Fixed Term Income Fund Series XXVII – VII (1104 Days) - Direct Growth Plan	-	5,98,02,500
7 NIL (31 March 2020:10,00,000 Units of Cost INR 10 each) in UTI Fixed Term Income Fund Series XXVII – VIII (1117 Days) - Direct Growth Plan	-	1,19,42,600
8 NIL (31 March 2020:20,00,000 Units of Cost INR 10 each) in UTI Fixed Term Income Fund Series XXVII-X (1118 Days) - Direct Growth Plan	-	2,34,75,400
9 50,00,000 Units of Cost INR 10 each (31 March 2020:50,00,000 Units of Cost INR 10 each) in UTI Fixed Term Income Fund Series XXXII - I (1126 days) - Direct Growth Plan	5,86,30,000	5,40,75,500
10 93,51,372.016 Units of Cost INR 12.8317 each (31 March 2020:NIL) in UTI Corporate Bond Fund - Direct Growth Plan	11,97,55,540	-
11 30,302.436 Units of Cost INR 3340.3474 each (31 March 2020:34,894.097 Units of Cost INR. 3249.3502 each) in UTI Liquid Cash Plan - Direct Plan - Growth	10,21,33,976	11,34,56,167
	28,05,19,516	**37,41,78,667**

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

(Amounts in INR)

Details of Investments	As at 31 March 2021	As at 31 March 2020
Aggregate value of quoted investments	-	-
Aggregate value of unquoted investments	**28,05,19,516**	**37,41,78,667**
Category-wise investment		**37,41,78,667**
Financial asset carried at amortised cost	-	-
Financial assets measured at cost	-	-
Financial assets measured at fair value through other comprehensive income	-	-
Financial assets measured at fair value through Statement of Profit & Loss	28,05,19,516	37,41,78,667
Total investment	**28,05,19,516**	**37,41,78,667**

6. OTHER FINANCIAL ASSETS

(Amounts in INR)

	As at 31 March 2021	As at 31 March 2020
Other Financial Assets		
Receivable from UTI Mutual Fund	-	-
VSS Liability Fund	-	-
Investor Education & Protection Fund	-	-
Offshore Development Fund	-	-
(a)	**-**	**-**
Other Bank balances		
Fixed Deposits with Bank	12,65,48,748	78,95,474
(b)	**12,65,48,748**	**78,95,474**
Deposits pledged with bank against Bank guarantee.		
Deposits with a carrying amount of INR 40 lakhs (previous year INR 50 lakhs) are held in pledge against Performance bank guarantee to Pension Fund Regulatory and Development Authority (PFRDA)		
Others		
Interest accrued on fixed deposits	20,26,960	4,67,019
(c)	**20,26,960**	**4,67,019**
Total = (a)+(b)+(c)	**12,85,75,708**	**83,62,493**

7. CURRENT TAX ASSETS (NET)

(Amounts in INR)

	As at 31 March 2021	As at 31 March 2020
Advance Income-tax (Net of provision for tax)	46,72,547	25,06,628
MAT Credit entitlement	-	40,09,233
	46,72,547	**65,15,861**

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

8. PROPERTY, PLANT AND EQUIPMENTS

(Amounts in INR)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening Cost (As at March 31 2019)	Additions during the period	Deductions during the period	Closing Cost (As at 31 March 2020)	Opening Accumulated Depreciation (As at Mar 31 2019)	for the year	Deductions/ Adjustments during the period	Closing Accumulated Depreciation (As at 31 Mar 2020)	As at 31 March 2020	As at 31 March 2019
Tangible Assets										
Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-
Office Equipment	61,029	-	-	61,029	61,029	-	-	61,029	-	-
IT Equipment - Computers	27,990	-	-	27,990	27,990	-	-	27,990	-	-
	89,019	**-**	**-**	**89,019**	**89,019**	**-**	**-**	**89,019**	**-**	**-**

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening Cost (As at March 31 2020)	Additions during the period	Deductions during the period	Closing Cost (As at 31 March 2021)	Opening Accumulated Depreciation (As at 31 March 2020)	for the year	Deductions/ Adjustments during the period	Closing Accumulated Depreciation (As at 31 Mar 2021)	As at 31 March 2021	As at 31 March 2020
Tangible Assets										
Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-
Office Equipment	61,029	-	-	61,029	61,029	-	-	61,029	-	-
IT Equipment - Computers	27,990	-	-	27,990	27,990	-	-	27,990	-	-
Computer & Laptop	-	93,007	-	93,007	-	14,355	-	14,355	78,652	-
	89,019	**93,007**	**-**	**1,82,026**	**89,019**	**14,355**	**-**	**1,03,374**	**78,652**	**-**

We have regrouping some asset which have no financial impact on asset but it effect on classification of asset.

One of the intangible asset (strabus softwate) was purchase on 01/07/2008 amounted of INR 11,43,000 and which has been discarded on 19/03/2018 on which WDV was Nil has been removed from asset list.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

9. RIGHT OF USE ASSETS

(Amounts in INR)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening Cost (As at 31 March 2019)	Additions during the period	Deductions during the period	Closing Cost (As at 31 March 2020)	Opening Accumulated Depreciation (As at 31 March 2019)	for the year	Deductions/ Adjustments during the period	Closing Accumulated Depreciation (As at 31 March 2020)	As at 31 March 2020	As at 31 March 2019
Leased Premises	-	51,64,407	-	51,64,407	-	17,24,611	-	17,24,611	34,39,796	-
	-	**51,64,407**	**-**	**51,64,407**	**-**	**17,24,611**	**-**	**17,24,611**	**34,39,796**	**-**

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening Cost (As at 31 March 2020)	Additions during the period	Deductions during the period	Closing Cost (As at 31 March 2021)	Opening Accumulated Depreciation (As at 31 March 2020)	for the year	Deductions/ Adjustments during the period	Closing Accumulated Depreciation (As at 31 March 2021)	As at 31 March 2021	As at 31 March 2020
Leased Premises	51,64,407	-	-	51,64,407	17,24,611	17,19,900	-	34,44,511	17,19,896	34,39,796
	51,64,407	**-**	**-**	**51,64,407**	**17,24,611**	**17,19,900**	**-**	**34,44,511**	**17,19,896**	**34,39,796**

10. OTHER INTANGIBLE ASSETS

(Amounts in INR)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening Cost (As at 31 March 2019)	Additions during the period	Deductions during the period	Closing Cost (As at 31 March 2020)	Opening Accumulated Depreciation (As at 31 March 2019)	for the year	Deductions/ Adjustments during the period	Closing Accumulated Depreciation (As at 31 March 2020)	As at 31 March 2020	As at 31 March 2019
Computer Software										
Mpower	43,47,300	-	-	43,47,300	14,99,343	14,51,744	-	29,51,087	13,96,213	28,47,957
Tally	13,500	-	-	13,500	13,500	-	-	13,500	-	-
MS Office	68,447	-	-	68,447	68,447	-	-	68,447	-	-
	44,29,247	**-**	**-**	**44,29,247**	**15,81,290**	**14,51,744**	**-**	**30,33,034**	**13,96,213**	**28,47,957**

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening Cost (As at 31 March 2020)	Additions during the period	Deductions during the period	Closing Cost (As at 31 March 2021)	Opening Accumulated Depreciation (As at 31 March 2020)	for the year	Deductions/ Adjustments during the period	Closing Accumulated Depreciation (As at 31 March 2021)	As at 31 March 2021	As at 31 March 2020
Computer Software										
Mpower	43,47,300	-	-	43,47,300	29,51,087	13,96,213	-	43,47,300	-	13,96,213
Tally	13,500	-	-	13,500	13,500	-	-	13,500	-	-
MS Office	68,447	-	-	68,447	68,447	-	-	68,447	-	-
Oracle	-	46,78,351	-	46,78,351	-	4,269	-	4,269	46,74,082	-
	44,29,247	**46,78,351**	**-**	**91,07,598**	**30,33,034**	**14,00,482**	**-**	**44,33,516**	**46,74,082**	**13,96,213**

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

11. OTHER NON FINANCIAL ASSETS

(Amounts in INR)

	As at 31 March 2021	As at 31 March 2020
Other Assets		
Prepaid expenses	7,86,206	-
Goods and Service Tax receivable	-	-
Service tax credit receivable	-	-
Total	**7,86,206**	**-**

12. (A) FINANCIAL LIABILITIES

(Amounts in INR)

	As at 31 March 2021	As at 31 March 2020
Borrowings (Secured, considered good)		
(I) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditiros other than micro enterprises and small enterprises	6,56,136	6,67,290
	6,56,136	**6,67,290**
(II) Other payable		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditiros other than micro enterprises and small enterprises		
Payable to UTI AMC	57,07,588	-
Other payables	-	-
	57,07,588	**-**

In the opinion of the management, the balances of trade payables are stated at book value and payable.

Dues to Micro, Small and Medium Enterprises

Trade payables do not include any amount payable to Micro, Small and Medium Enterprises. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) which came into force from 02 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises.

13. OTHER FINANCIAL LIABILITIES

(Amounts in INR)

	As at 31 March 2021	As at 31 March 2020
Lease liability *	18,63,766	35,81,690
	18,63,766	**35,81,690**

* Lease Liability is created on account of implementation on IND AS 116 for leased premises.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

14. PROVISIONS

(Amounts in INR)

	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits		
Provision for performance bonus/incentive	60,00,000	55,00,000
	60,00,000	**55,00,000**
Other provisions		
Provision for Audit Fees	5,57,774	6,79,590
Provision for Scheme Audit Fees	9,43,500	11,01,600
Provision for Valuation Charges	92,500	1,10,541
Provision for Accounting Manual Fees	1,85,000	-
Provision for Review of Internal Financial Controls over Financial Reporting	46,250	54,000
Provision for Audit Expenses	30,000	30,000
Provision for ROC Matters	30,000	30,000
Provision for Miscellaneous Expenses	5,000	5,000
	18,90,024	**20,10,731**
Total	**78,90,024**	**75,10,731**

15. DEFERRED TAX LIABILITY (NET)

(Amounts in INR)

	As at 31 March 2021	As at 31 March 2020
i) Deferred tax liability:		
a) On account of depreciation on Property, plant and equipments	46,319	34,086
b) On account of lease liability	23,54,977	18,77,050
c) Net impact of IND - AS for investments	25,88,610	1,13,49,316
Total	**49,89,906**	**1,32,60,452**
ii) Deferred tax asset:		
a) On account of expenditure	-	-
b) On account of right of use asset	23,94,999	19,16,524
Total	**23,94,999**	**19,16,524**
Net Deferred tax liability	**25,94,907**	**1,13,43,928**

16. OTHER NON FINANCIAL LIABILITIES

(Amounts in INR)

Particulars	As at 31 March 2021	As at 31 March 2020
Goods and Service Tax payable	62,16,851	47,94,760
TDS payable	24,870	2,43,359
	62,41,721	**50,38,119**

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

17. SHARE CAPITAL

(Amounts in INR)

	As at 31 March 2021	As at 31 March 2020
Authorised		
3.50 crore (31 March 2020: 2.50 crore) equity shares of INR 10/- each	35,00,00,000	25,00,00,000
Issued, subscribed and fully paid up		
2.20 crore (31 March 2020: 2.20 crore) equity shares of INR 10/- each	22,00,00,000	22,00,00,000

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Rs.	No. of shares	Rs.
At the beginning of the year	2,20,00,000	22,00,00,000	2,20,00,000	22,00,00,000
Add: Share Issued on exercise of Employee Stock Options during the year	-	-	-	-
Add: Share issued during the year	-	-	-	-
Bought back during the reporting year	-	-	-	-
At the close of the year	**2,20,00,000**	**22,00,00,000**	**2,20,00,000**	**22,00,00,000**

b) Details of shareholders holding more than 5% shares in the company:

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares	% Holding	No. of shares	% Holding
Equity shares of INR 10 each fully paid				
UTI Asset Management Company Limited	2,19,99,300	100	2,19,99,300	100
	2,19,99,300	**100**	**2,19,99,300**	**100**

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

18. OTHER EQUITY

(Amounts in INR)

Particulars		As at 31 March 2021	As at 31 March 2020
i)	**Share option outstanding account**	-	-
	Balance as per the last financial statements		
	Add: Share option expense during the year	44,33,481	-
		44,33,481	**-**
ii)	**Retained Earnings**		
	Balance as per the last financial statements	17,89,06,842	13,53,37,328
	Add : Net impact for fair valuation of investments	-	-
	(Less): Net impact of deferred tax liability of investments	-	-
iii)	**Restated Opening balance**	**17,89,06,842**	**13,53,37,328**
	Profit for the year	3,78,26,645	4,35,69,514
	Net balance	**21,67,33,487**	**17,89,06,842**
iv)	**Other Comprehensive Income (OCI)**		
	Balance as per the last financial statements	-	-
	Add: Movement in OCI (Net) during the year	-	-
		-	-
	Total Other Equity	**22,11,66,968**	**17,89,06,842**

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

19. REVENUE FROM OPERATIONS

(Amounts in INR)

	Quarter Ended			Year Ended 31 March 2021	Year Ended 31 March 2020
	31 March 2021	31 December 2020	31 March 2020		
	Audited	Reviewed	Audited	Audited	Audited
(i) Interest Income					
Interest on deposit with Bank	16,11,461	1,15,518	1,61,035	19,88,213	4,65,343
Interest on Income Tax Refund	-	-	-	-	3,32,278
	16,11,461	**1,15,518**	**1,61,035**	**19,88,213**	**7,97,621**
(ii) Net gain on fair value changes	-	-	49,85,322	-	-
	-	**-**	**49,85,322**	**-**	**-**
(iii) Sale of services					
Details of services rendered					
Management fees	4,07,88,993	3,90,88,012	3,06,78,019	14,88,45,250	11,15,57,915
	4,07,88,993	**3,90,88,012**	**3,06,78,019**	**14,88,45,250**	**11,15,57,915**
(iv) Others					
Net gain/loss on sale of investments	43,29,652	68,12,542	13,29,186	4,54,99,012	3,01,74,859
	43,29,652	**68,12,542**	**13,29,186**	**4,54,99,012**	**3,01,74,859**

20. OTHER INCOME

(Amounts in INR)

	Quarter Ended			Year Ended 31 March 2021	Year Ended 31 March 2020
	31 March 2021	31 December 2020	31 March 2020		
	Audited	Reviewed	Audited	Audited	Audited
Provision no longer required withdrawn (net)	-	-	-	-	-
Other non operating income	-	-	-	-	-
	-	**-**	**-**	**-**	**-**

21.

(Amounts in INR)

	Quarter Ended			Year Ended 31 March 2021	Year Ended 31 March 2020
	31 March 2021	31 December 2020	31 March 2020		
	Audited	Reviewed	Audited	Audited	Audited
(i) Net loss on fair value changes	**-**	**-**	**-**	**-**	**-**
	30,45,300	32,34,415	-	3,14,90,674	47,45,017
	30,45,300	**32,34,415**	**-**	**3,14,90,674**	**47,45,017**
(ii) Employee Benefits Expenses					
Salaries and wages	75,60,910	58,51,556	35,77,496	2,50,76,631	1,48,48,251
Contribution to provident and other funds	1,62,404	1,52,839	94,587	6,13,604	3,88,063
	77,23,314	**60,04,395**	**36,72,083**	**2,56,90,235**	**1,52,36,314**

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

(Amounts in INR)

	Quarter Ended			Year Ended 31 March 2021	Year Ended 31 March 2020
	31 March 2021	31 December 2020	31 March 2020		
	Audited	Reviewed	Audited	Audited	Audited
(iii) Finance Costs					
Interest Expense	44,144	54,127	79,212	2,32,076	3,67,283
Other Borrowing Costs	-	-	-	-	2,13,090
	44,144	**54,127**	**79,212**	**2,32,076**	**5,80,373**
(iv) Depreciation, Amortisation and Impairement					
Depreciation of tangible assets	7,645	6,710	-	14,355	-
Amortization of intangible assets	3,09,690	3,64,920	3,60,952	14,00,482	14,51,744
Amortization of right of use assets	4,24,085	4,33,509	4,28,797	17,19,900	17,24,611
	7,41,420	**8,05,139**	**7,89,749**	**31,34,737**	**31,76,355**
(v) Other Expenses					
Rates and taxes	-	-	-	9,50,000	-
Board Meeting Expense - Traveling	2,783	5,649	36,610	29,491	1,17,129
Board Meeting Expense - Others	2,622	-	7,965	15,820	1,03,050
Printing and stationery	10,640	1,500	9,479	12,140	15,427
Legal and professional fees	-	50,000	1,05,625	57,500	1,95,625
Directors sitting fees	3,40,000	3,20,000	2,50,000	11,80,000	9,70,000
Payment to auditors (Refer (i) below)	5,14,250	2,94,250	(3,02,000)	15,14,500	11,63,250
Asset Servicing Charges	-	-	-	-	-
Preparation of Accounting Manual	2,00,000	-	-	2,00,000	-
Review of Internal Financial Controls over Financial Reporting	12,500	12,500	12,500	50,000	50,000
ROC Filing Fees	(6,300)	7,500	13,500	16,200	36,290
Data Migration Audit Fees	-	-	-	-	-
Scheme expenses	-	-			
- PFRDA Annual Fees	1,50,65,868	1,54,00,665	1,16,49,470	6,11,00,464	4,68,53,911
- Others	87,42,617	48,32,477	42,03,695	2,63,71,166	1,61,58,784
Car Hire Charges	2,64,650	2,70,275	2,73,265	10,74,273	11,15,205
Other expenses	49,364	36,994	1,56,995	1,71,606	3,27,007
	2,51,98,994	**2,12,31,810**	**1,64,17,104**	**9,27,43,160**	**6,71,05,678**
Payment to auditors					
As auditors:					
Audit fee	2,36,250	56,250	(5,43,750)	4,05,000	2,25,000
Concurrent Audit Fees	82,500	82,500	82,500	3,30,000	3,16,250
Internal Audit Fees	1,15,500	1,15,500	1,15,500	4,62,000	4,62,000
Tax audit fee	60,000	20,000	20,000	1,20,000	80,000
GST audit fee	20,000	20,000	23,750	1,97,500	80,000
	5,14,250	**2,94,250**	**(3,02,000)**	**15,14,500**	**11,63,250**

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

22. RELATED PARTY TRANSACTION

In terms of Indian Accounting Standard 24 'Related Party Transactions' , the company has entered into transactions with the following related parties in the ordinary courses of business.

i) Names of related parties where control exists irrespective of whether transactions have occurred or not

Holding Company	**UTI Asset Management Company Limited**
vKey Management Person	1. Mr. Balram Bhagat (CEO and Whole Time Director)
	2. Mr. Arvind Patkar* (Company Secretary)
	3. Mr. Vivek Vadwana** (Company Secretary)
	4. Mr. Shyamkumar Gupta (Chief Financial Officer)

ii) Related parties transactions

	Period ended 31 March 2021	**Year ended 31 March 2020**	**Details**
a) Transaction during the period			
Holding Company			
UTI Asset Management Company Limited	19,50,000	19,50,000	Lease
UTI Asset Management Company Limited	2,64,64,342	1,58,36,314	Salary & Administrative Expenses
Key Personnal Management:			
Mr. Balram Bhagat	76,88,721	27,18,740	Remuneration
Mr. Arvind Patkar*	-	7,13,472	Remuneration
Mr. Vivek Vadwana**	6,37,085	3,51,779	Remuneration
Mr. Shyamkumar Gupta	17,36,246	16,07,664	Remuneration
b) Outstanding at the period end			
Holding Company	**57,07,588**	**-**	
Key Personnal Management:	**-**	**-**	

* Mr Arvind Patkar resigned as Company Secretary w.e.f. 22 October 2019.

** Mr. Vivek Vadwana appointed as Company Secretary w.e.f. 23 October 2019.

23. EARNINGS PER SHARE

Earnings per share are computed in accordance with Indian Accounting Standard 33

(Amounts in INR)

	31 March 2021	**31 March 2020**
Profit after Tax	3,78,26,645	4,35,69,514
Weighted Average number of equity shares used as denominator for calculating EPS	220,00,000.00	220,00,000.00
Nominal Value per Share	10.00	10.00
Basic and Diluted EPS	1.72	1.98

Basic Earnings Per Share and Diluted Earnings Per Share are the same.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

24. CONTINGENT LIABILITIES

A. To the extent not provided for

Claims against the company not acknowledged as debts is INR NIL (Previous Year INR NIL) & Other money for which the company is contingently liable is INR NIL. (Previous Year INR NIL)

B. Other Contingent Liabilities where financial impact is not ascertainable : NIL (Previous Year INR NIL)

25. CAPITAL AND OTHER COMMITMENTS

(a) Estimated amount of contracts remaining to be executed on capital account is INR NIL. (Previous Year Rs. NIL)

(b) As on 31 March 2021, the company has commitments of INR NIL. (Previous Year INR NIL)

26. EVENTS AFTER REPORTING DATE

The directors have, at the time of approving the financial statements, assessed the potential impact of the COVID-19 global pandemic on the Company. The coronavirus outbreak is a new emerging risk to the global economy. The Company's business may be impacted by falling revenues as a result of decreases in the NAVs of the underlying funds on which the management fees for the Company are calculated. Business continuity plans have been invoked to help ensure the safety and well-being of staff thereby retaining the ability to maintain business operations following lockdowns. These actions help to ensure business resilience. The situation is changing so rapidly that the full impact cannot yet be understood, but the Company will continue to monitor the situation closely.

The directors consider that the Company have adequate financial resources to continue in operational existence for the foreseeable future and therefore, continue to adopt the going concern basis of accounting in preparing the financial statements.

27. FINANCIAL RISK MANAGEMENT

The Company has an exposure to the following risks arising from financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

A. Risk Management Framework:

The company's board of directors has the overall responsibility for the establishment and oversight of company's risk management framework. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and company's activities.

B. Credit Risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (mostly trade receivables) and from its financing activities, including deposits with banks and other financial assets. The carrying amount of the financial assets represents the maximum credit risk exposure.

Trade receivables:

Major portion of trade receivables include the Management fees receivable from National Pension System Trust. Based on the past experience, management expects to receive these amounts without any default.

Trade Receivables	31.03.2021	31.03.2020
0-90 Days	4,50,71,823	3,31,32,242
91-180 Days	-	-
181-270 days	-	-
271-365 Days	-	-
More than 365 Days	-	-
Total	**4,50,71,823**	**3,31,32,242**

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

Financial Instruments & cash deposits:

The Investments of the Company are primarily in Mutual Fund schemes.

The Company holds cash & cash equivalents of INR 22,680 as on 31 March 2021. The cash and cash equivalents are held with banks which are rated AA- to AA+, based on CRISIL ratings. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Following is the exposure of the Company towards credit risk.

Particulars	Carrying Amount	Total	Contractual Cash Flows 31 March 2021		
			Less than 1 year	1-3 years	More than 3 years
Financial Assets:					
Cash And Cash Equivalents	22,680	22,680	22,680	-	-
Receivables	4,50,71,823	4,50,71,823	4,50,71,823	-	-
Investments	28,05,19,516	28,05,19,516	22,18,89,516	5,86,30,000	-
Other Financial Assets	12,85,75,708	12,85,75,708	-	12,85,75,708	-
Total	**45,41,89,727**	**45,41,89,727**	**26,69,84,019**	**18,72,05,708**	**-**

Particulars	Carrying Amount	Total	Contractual Cash Flows 31 March 2020		
			Less than 1 year	1-3 years	More than 3 years
Financial Assets:					
Cash And Cash Equivalents	23,328	23,328	23,328	-	-
Receivables	3,31,32,242	3,31,32,242	3,31,32,242	-	-
Investments	37,41,78,667	37,41,78,667	32,01,03,167	5,40,75,500	-
Other Financial Assets	83,62,493	83,62,493	26,67,138	56,95,355	-
Total	**41,56,96,730**	**41,56,96,730**	**35,59,25,875**	**5,97,70,855**	**-**

C. Liquidity Risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Following is the exposure of the Company towards liquidity risk:

Particulars	Carrying Amount	Total	Contractual Cash Flows 31 March 2021		
			Less than 1 year	1-3 years	More than 3 years
Financial Liabilities :					
Payable to UTI AMC	57,07,588	57,07,588	57,07,588	-	-
Lease liability	18,63,766	18,63,766	18,63,766	-	
Other Payables.	6,56,136	6,56,136	6,56,136	-	-
Total	**82,27,490**	**82,27,490**	**82,27,490**	**-**	**-**

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Particulars	Carrying Amount	Total	Contractual Cash Flows		
			31 March 2020		
			Less than 1 year	1-3 years	More than 3 years
Financial Liabilities :					
Payable to UTI AMC	-	-	-	-	-
Lease liability	35,81,690	35,81,690	17,17,924	18,63,766	
Other Payables.	6,67,290	6,67,290	6,67,290	-	-
Total	**42,48,980**	**42,48,980**	**23,85,214**	**18,63,766**	**-**

D. Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's financial Instruments. The company's interest rate risk exposure is at a fixed rate. Therefore, a change in interest rates at the reporting date would not affect statement of profit and loss for any of these fixed interest bearing financial instruments

The interest rate profile of the company's interest-bearing financial instruments is as follows:

Particulars	Carrying amount as on	
	31 March 2021	31 March 2020
Fixed Rate Instruments		
Financial Assets	45,41,89,727	41,56,96,730
Financial Liabilities	(82,27,490)	(42,48,980)
Total	**44,59,62,237**	**41,14,47,750**

The Company does not have variable rate instruments.

Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have any exposure to foreign currency Risk.

Equity price risk:

The Company does not have any Equity price risk.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

28. FAIR VALUE HIERARCHY

Accounting classifications & Fair values:

The Following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

31 March 2021	Carrying Amount			Fair Value		
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial Assets:						
Other Investments	28,05,19,516	-	28,05,19,516	28,05,19,516	-	-
Trade Receivables	4,50,71,823	-	4,50,71,823	-	-	-
Cash & Cash Equivalents	22,680	-	22,680	-	-	-
Other Financial Assets	12,85,75,708	-	12,85,75,708	-	-	-
Total	**45,41,89,727**	**-**	**45,41,89,727**	**28,05,19,516**	**-**	**-**
Financial Liabilities:						
Trade Payable	6,56,136	-	6,56,136	-	-	-
Other Payable	57,07,588	-	57,07,588	-	-	-
Other Financial Liabilities	18,63,766	-	18,63,766	-	-	-
Total	**82,27,490**	**-**	**82,27,490**	**-**	**-**	**-**

31 March 2020	Carrying Amount			Fair Value		
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial Assets:						
Other Investments	37,41,78,667	-	37,41,78,667	37,41,78,667	-	-
Trade Receivables	3,31,32,242	-	3,31,32,242	-	-	-
Cash & Cash Equivalents	23,328	-	23,328	-	-	-
Other Financial Assets	83,62,493	-	83,62,493	-	-	-
Total	**41,56,96,730**	**-**	**41,56,96,730**	**37,41,78,667**		
Financial Liabilities:						
Trade Payable	6,67,290	-	6,67,290	-	-	-
Other Payable	-	-	-	-	-	-
Other Financial Liabilities	35,81,690	-	35,81,690	-	-	-
Total	**42,48,980**	**-**	**42,48,980**	**-**	**-**	**-**

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

29. CAPITAL MANAGEMENT

The primary objective of the company's capital management is to maximize the shareholder value as well as to maintain investor, creditor and market confidence and to sustain future development of the company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using the ratio of 'net adjusted debt' to 'Total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest bearing loans and borrowings and obligations under finance lease (if any), less cash and cash equivalents. Total Equity comprises of share capital and all reserves. Calculation of this ratio is given below:

Particulars	March 2021	March 2020
Total Liabilities	2,49,54,142	2,81,41,758
Less: Cash & Cash equivalents	(22,680)	(23,328)
Adjusted Net Debt	**2,49,31,462**	**2,81,18,430**
Total Equity	**44,11,66,968**	**39,89,06,842**
Adjusted Net Debt to Total Equity Ratio	**0.06**	**0.07**

30. LEASE DISCLOSURES

Company as a lessee:

Effective 01 April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 01 April 2019 using the the modified retrospective on the date of initial application. Consequently, the Company recorded the lease liability and right of use at the present value of the lease payments discounted at the incremental borrowing rate.

The following is the break-up of current and non-current lease liabilities as at 31 March 2021

Particulars	31 March 2021
Current lease liabilities	18,63,766
Non-current lease liabilities	-
Total	**18,63,766**

The following is the movement in lease liabilities during the year ended 31 March 2021

Particulars	March 2020
Balance as of 31 March 2020	35,81,690
Additions	-
Finance cost accrued during the year	2,32,076
Payment of lease liabilities	(19,50,000)
Adjustments	-
Balance as of 31st March 2021	**18,63,766**

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2021 on an undiscounted basis

Particulars	March 2021	March 2020
Less than one year	18,63,766	17,17,924
One to Five years	-	18,63,766
More than Five years	-	-
Total	**18,63,766**	**35,81,690**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The weighted average incremental borrowing rate applied to lease liabilities for 2019-20 is 8.50%.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

31. EMPLOYEE SHARE BASED PAYMENTS

Employee stock option scheme (Equity settled)

The Holding Company introduced an Employee Stock Option Scheme called the "UTI AMC Employee Stock Option Scheme -2007. Each Employee on the rolls of the Company as on 16 December 2019 and few Employees from its subsidiaries were granted options. The vesting of the options is from expiry of one year from grant date till four years from grant date as per Plan. Under the scheme, 23,246 equity shares have been granted to the eligible employees and each option entitles the holder thereof to apply for and be allotted no of Equity Share granted of the Company having face value of Rs 10 each for an exercise price of INR 728/- during the exercise period. Vesting of the options shall take place over a maximum period of 3 years with a minimum vesting period of 1 year from the date of grant i.e. 16 December 2019. The exercise period would be maximum of 3 years from the date of vesting of options.

Details of ESOS 2007

Particulars	ESOS 2007
Date of Grant	16/12/2019
Price of Underlying Stock (In INR)	728
Exercise / Strike Price (In INR)	728
The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions:	
Risk Free Interest Rate	6.33%
Expected Dividend	INR 5 per share
Expected Life (years)	4 Years (mid - way between option vesting and expiry)
Expected Volatility	39.78%
Weighted Average Fair Value (In INR)	276

The information covering stock options granted, exercised, forfeited and outstanding at the year end is as follows:

Particulars	No. of stock options as at 31 March 2021
Date of Grant	16/12/2019
Outstanding at the beginning of the year	23,246
Granted during the period	0
Exercised during the period	0
Forfeited during the period	0
Lapsed/expired during the period	0
Outstanding at the end of the period	23,246
Vested and exercisable	0

Share options outstanding at the end of the period have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price	Outstanding as at 31 March 2021
16 December 2019	17 December 2022	728	23,246

Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend per share and the risk free interest rate for the term of the option.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

The model inputs for options granted during the period ended 31 March 2021 included:

Assumptions	Period ended 31 March 2021
Expected - Weighted average volatility	39.78%
Expected dividends	INR 5 per share
Expected term (In years)	4 Years (mid - way between option vesting and expiry)
Risk free rate	6.33%
Exercise price	728
Market price	728
Grant date	16/12/2019
Expiry date	17/12/2022
Fair value of the option at grant date	276

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Expense arising from share-based payment transactions

Assumptions	Year ended 31 March 2021
Employee stock option scheme (equity settled)	44,33,481

The Employee Stock Option Plan (ESOP) was approved on the General Meeting of UTI Asset Management Company Limited held on 16 December 2019. However, the impact of the above is not taken in 2019-20 and the effect of the above is taken in March 2021 total amounting to INR 11,35,519. The breakup of the above is given below –

Period	ESOP Expenses
Oct'2019 to Dec'2019	1,60,687
Jan'2020 to Mar'2020	9,74,832
Apr'2020 to June'2020	9,74,832
July'2020 to Sep'2020	9,85,545
Oct'2020 to Dec'2020	8,98,105
Jan'2021 to Mar'2021	4,39,480
TOTAL	**44,33,481**

In the Financial Statement of 31 December 2019 and 31 March 2020, the expenses arising from share-based payment transactions are not considered in the Statement of Profit and Loss and therefore, the expenses arising from share-based payment transactions from Grant Date i.e. 16 December 2019 to 31 March 2020 is considered in the Statement of Profit and Loss of 31 March 2021. However, the corresponding year wise impact is given in the restated books of accounts.

NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

32. SEGMENT REPORTING:

The Company is primarily engaged in the wholesale investment management of Pension funds under new pension system. Hence there are no other a "reportable segments" as per the definition contained in Ind AS 108 'Operating Segments'.

33. MANAGERIAL REMUNERATION

a) The remuneration to CEO & Whole Time Director during the current year is INR 76,88,721/- (previous year INR 27,18,740/-).

b) The Computation of profits under Section 198 of the Companies Act, 2013 has not been given as no commission is payable to the Managing Director.

34.

Previous year's figures have been regrouped/reclassified wherever necessary, to conform to current year's classification.

For **Bansilal Shah & Co.**
Chartered Accountants
Firm Registration Number: 000384W

Sahil Kothari
Partner
Membership no.: 137144

Place: Mumbai
Date: 28 April 2021
UDIN NO. : 21137144AAAAAH3496

For and on behalf of the Board of Directors of
UTI Retirement Solutions Limited

Imtaiyazur Rahman
Chairman & Director
DIN: 01818725

Balram P. Bhagat
CEO & Whole Time Director
DIN : 01846261

Vivek Vadwana
Company Secretary

Shyamkumar Gupta
Chief Financial Officer

Date: 27 April 2021

DIRECTORS' REPORT

To the Members,

We are pleased to present the report on our business and operations for the financial year ended on 31 March 2021.

FINANCIAL RESULTS

(Amount INR In lakhs)

Particulars	For the financial year ended on 31 March 2021	For the financial year ended on 31 March 2020
Total Income	916.17	805.01
Profit /Loss Before Tax	12.92	(200.60)
Profit /Loss After Tax	18.33	(143.17)
Net Worth	2,970.39	2,869.95

For the year ended 31 March 2021, the total income of the Company during the financial year was INR 916.17 Lakhs (Previous year INR 805.01 lakhs) and the Net Profit after tax was INR 18.33 Lakhs (Previous year Loss after tax of INR 143.17 lakhs). The net worth of the company was INR 2970.39 lakhs as on 31 March 2021 (Previous year INR 2869.95 lakhs). The accounts have been prepared based on the 'Ind-AS' Accounting framework.

Dividend

The Board of Directors does not recommend any declaration of dividend for the financial year ended on 31 March 2021.

Transfer to Reserves

During 2020-21, no amounts (previous year INR Nil) have been transferred to the General Reserves of the Company.

Business, Operations and Affairs of the Company

Your Company is currently acting as Investment Manager to three SEBI regulated investment funds, viz UTI Structured Debt Opportunities Fund I (SDOF I), UTI Structured Debt Opportunities Fund II (SDOF II) and India Infrastructure Development Fund (IIDF).

SDOF I is a private debt fund registered with SEBI as a Category II AIF since August, 2017. UTI Capital is the Investment Manager of the fund and SDOF I is the first scheme of the Trust. The objective of SDOF I is to generate superior risk adjusted returns for its investors by investing in debt securities of various companies. SDOF I announced its first close on 15 November 2017. The total commitments as on March 31, 2021 were approx. INR 695.41 crores (Previous Year INR 805.75 crores) and the total amount drawn down from investors as on 31 March 2021 is INR 695.41 cores (Previous Year INR 694.34 crores). As on 31 March 2021 SDOF has outstanding investments in eight companies aggregating INR 407.87 crores (Previous year nine companies aggregating INR 548 crores)

During the year your company launched SDOF II which is a private debt fund registered with SEBI as a Category II AIF. SDOF II received SEBI approval in May 2020 and declared first close on 30 September 2020. Like SDOF I the objective of SDOF II is to generate superior risk adjusted returns for its investors by investing in debt securities of various companies. The total commitments as on 31 March 2021 were approx. INR 447.42 crores and the total amount drawn down from investors as on 31 March 2021 is INR 12.31 cores. The Investment manager is currently evaluating various investment opportunities in SDOF II.

Your company is also Investment Manager to IIDF which is an infrastructure focused private equity fund sponsored by UTI AMC Limited. It achieved the initial closing on 12 May 2010 with commitments from domestic as well as offshore institutional investors. Subsequently, the investment management of IIDF was transferred to your company with effect from July 1, 2011. Currently IIDF has approximately INR 405.5 (Previous Year INR 405.5) crore under management and has cumulatively drawn down approximately 83.5% (Previous Year 83.5%) of the committed capital. The current invested capital of IIDF is INR 202 crore (Previous year INR 252 crore) in two unlisted companies viz. Bumi Engineering Limited, and Indian Oiltanking Ltd for which the Investment Manager is in active discussions with the management for exit.

Your Company has also been appointed as Investment Advisor to a Mauritius based fund called 'Pragati India Fund Ltd'(PIFL). The current assets under management by PIFL is approx. INR 27.50 crore (Previous Year INR 93.42 crore) consisting of just one company viz Saija Finance Pvt Ltd from which exit is expected to happen shortly.

Impact of Covid 19

The Covid-19 pandemic currently being experienced by a host of countries including India has led to severe disruptions in business due to unprecedented steps being taken like movement restrictions, social distancing and temporary closure of business activities and thus its impact on your Company has to be assessed. UTI Capital currently generates investment management fee from UTI SDOF I, UTI SDOF II and advisory fee from PIFL. UTI SDOF I and II have sufficient liquidity to meet their liabilities, including management fee to UTI Capital, for the remainder of their fund life. The Company also earns advisory fee from PIFL. As of date PIFL has not indicated cancellation of its agreement with the Company due to Covid-19 or otherwise and has no outstanding dues as even the fee for the quarter ended March 2021 has been received. Further IIDF has sufficient liquidity to meet its operational expenses. Thus the Directors do not expect any immediate adverse impact of Covid-19 on the operations of your Company.

Board of Directors

The Board of Directors of your company comprises Mr. Flemming Madsen, Director, Mr. Deepak Vaidya, Independent Director and Mr. Imtaiyazur Rahman, Director. Mr. Imtaiyazur Rahman, who retired by rotation was re-appointed as Director.

Mr. Deepak Vaidya was appointed as an independent director

DIRECTORS' REPORT (Contd.)

for a term of three years in the Annual General Meeting held on 19 August 2015 and thereafter his term has been renewed for a further period of five years by passing a special resolution in the Annual General Meeting held on 20 August 2018.

In the opinion of the Board, independent directors are of impeccable integrity, financially literate and have relevant expertise including in which the company operates.

The composition of the Board of Directors, number of meetings held, directors attendance and directorships held, remuneration of directors and the Board procedures are detailed in the Corporate Governance Report as Annexure I.

KEY MANAGERIAL PERSONNEL:

Mr. Rohit Gulati Chief Executive Officer, Mr. Gautam Rajani Company Secretary and Mr. Ashutosh Binayake Chief Financial Officer are the Key Managerial Personnel of the Company.

Internal Controls, Risk Management Policy

Internal Controls and Risk Management Policy of the Company is attached herewith as Annexure II.

Adequacy of Internal Financial Control

The Company has put in place adequate internal financial controls with reference to the financial statements. The Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under Section 133 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act to the extent applicable. These are in accordance with generally accepted accounting policies in India. Changes in policies, if any, are approved by the Audit Committee in consultation with the Statutory AuditoINR

PARTICULARS OF CONTRACTS/ARRANGEMENTS WITH RELATED PARTIES:

The particulars of contracts/arrangements with related parties are provided in Form AOC-2, (attached herewith as Annexure III) as prescribed under Rule 8(2) of the Companies (Accounts) Rules 2014.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS:

Attached as Annexure IV.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

The independent directors have given the declaration of independence as per Annexure V.

AUDIT COMMITTEE:

The Company is having Audit Committee of the Board. Presently, the composition of these committees are as under:

Audit Committee

1. Mr. Deepak Vaidya - Independent Director
2. Mr. Imtaiyazur Rahman - Director

Public Deposits

During the year under review the Company has not accepted any deposits from the public.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

NIL

Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

NIL

Conservation of Energy, Technology absorption and Foreign Exchange Earnings and outgo

During the year Company has earned foreign exchange of INR 138.75 lakhs (INR 160.97 lakhs). Your company spent foreign exchange amounting to INR Nil (Nil) during the year. Regarding conservation of energy, the Company has taken the Gurgaon office premises on seat sharing basis and no separate charges are paid in respect of energy consumption. Further, as the Company is into service sector, hence technology absorption is not applicable.

Details in respect of frauds reported by auditors under sub-section (12) of section 143

NIL

Directors' Responsibility Statement

Pursuant to the requirement under Section 134 of the Companies Act, 2013 with respect to Directors Responsibility Statement, it is hereby confirmed:

(*a*) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(*b*) 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 and loss of the company for that period;

(c) 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;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) 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.

Details of every qualification, reservation or adverse remark or disclaimer made by the auditor in his report

Nil

Particulars of loans, guarantees or investments under section 186

Nil

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the prescribed form

As per Annexure III.

Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

Nil

INTERNAL COMPLAINTS COMMITTEE:

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as the ICC of UTI AMC, its holding company will deal with such complaints, if any.

Other Disclosures

In terms of the applicable provisions of the Companies Act, 2013 the Company additionally discloses that, during the 2020-21:

(i) there was no change in the nature of business of the Company;

(ii) disclosure pertaining to maintenance of cost records as specified by the Central Government under Section 148 (1) of the Companies Act, 2013, is not applicable to the Company

(iii) No application has been made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year

(iv) details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions. – no loan has been taken from bank/financial institution by the Company

Auditors

M/s Samria & Co., Chartered Accountants, Mumbai have been appointed as the statutory auditors for the year 2020-21.

Acknowledgement

Directors acknowledge the valuable assistance, co-operation and guidance received from Government of India, the Securities and Exchange Board of India, and UTIAMC. The Directors are also thankful to our investors, Auditors, Custodian, Banks, Distributors and all other service providers for their valued support. The Directors would also like to thank the employees of UTI Capital Private Limited for their commitment, collaboration and partnership demonstrated by them for achieving the Company's goals.

For and on behalf of Board of Directors
Sd/-
Chairman

Date: 26 April 2021
Place: Mumbai

ANNEXURE – I TO DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

Board of Directors : Composition

The Board of Directors of UTI Capital Private Limited comprises of:

1. Mr. Deepak Vaidya Independent Director
2. Mr. Flemming Madsen Director
3. Mr. Imtaiyazur Rahman Director

Number of Board and Audit Committee Meetings

The Board of UTI Capital Private Limited met 4 times during the period. The meetings were held on 28 April 2020, 21 July 2020, 26 October 2020 and 28 January 2021. The Audit Committee meetings were held on 28 April 2020, 21 July 2020, 26 October 2020 and 28 January 2021.

Board Procedures

The Board of Directors of the Company meets regularly to discuss, *inter alia*, the following:

- Operational activities of the Company
- Quarterly, Half-yearly unaudited financial results and annual audited financial statements.
- Review the position in respect of compliance with respect various Act, Rules, Regulations and statutory requirements governing the operations of the company.
- Any other significant developments in the operations of the company.

Post-meeting follow-up system

The governance process in the company includes an effective post meeting follow-up, review, and reporting process for action taken/ pending on decisions of the Board/Board Committees.

Directors' Attendance

The details for the period 2020-21 are as under: -

Name of the Director	No. of Board Meetings during 2020-21		No. of Audit Committee Meetings during 2020-21		No. of directorships in other public companies	
	Held	Attended	Held	Attended	Chairman	MD/ Director
Mr Flemming Madsen	4	3	_	_	Nil	1
Mr Deepak Vaidya	4	4	4	4	Nil	7
Mr Imtaiyazur Rahman	4	4	4	4	Nil	6

Remuneration of Directors

The remuneration paid or payable to the Directors for the year ended 31 March 2021 is as detailed below: -

Sr no	Name of Director	Sitting Fees (INR)	Emoluments paid by the Company (INR)	Total (INR)
1	Mr Flemming Madsen, Director	NIL	NIL	NIL
2	Mr Deepak Vaidya, Independent Director	1,80,000	NIL	1,80,000
3	Mr Imtaiyazur Rahman, Director	NIL	NIL	NIL

ANNEXURE – II TO DIRECTORS' REPORT

RISK MANAGEMENT POLICY

Internal Control, Audit & Systems

Your Directors believe that internal audit control is a necessary concomitant of the principle of governance that freedom of management should be exercised within a framework of appropriate checks and balances. Your Company remains committed to ensuring an effective internal control environment that provides assurance on the efficiency of operations and security of assets.

UTI AMC, the holding company, has an Internal Audit Department and your company is covered within the internal audit program of UTI AMC which monitors the investments, compliances, internal audit reports and the minutes of the meetings of the Board and Committee of the subsidiaries. Well established and robust internal audit processes, both at business and corporate levels, continuously monitor the adequacy and effectiveness of the internal control environment across the Company and the status of compliance with operating systems, internal policies and regulatory requirements. In the networked IT environment of your Company, valuation of IT security continues to receive focused attention of the internal audit team, which includes IT specialists.

Risk Management

Risk management is one of the key focus areas and UTI AMC has established processes and systems to ensure robust firm wide risk management. UTI AMC has a Board-level risk management committee consisting of five members of the Board and a Board level Audit Committee consisting of four members of the Board.

Considering the size and level of operations of your company, a separate risk management department has not been created. However, UTIAMC, the holding company has an independent Department of Risk management to oversee investment risks, Department of Compliance to oversee adherence to SEBI regulations and Department of Internal Audit to ensure adherence to laid down processes and procedures and evaluation of the effectiveness of the internal controls including subsidiaries.

The risks include:

Fund Management: Unprofessional/unethical action by an investee Company, Front-running & Insider trading.

Operations: NAV and inaccurate financial reporting.

Customer Service: Errors, fraud etc.

Other Business Risks: Critical knowledge loss, Skill shortage, non compliance, third party risks, Inappropriate recruitment, Conflict in work community, violence etc.

Board of Directors of holding company formulates and periodically reviews the risk management policies, procedures and processes, which include the delegation of investment and financial responsibilities, prudential investment norms, guidelines and limits, and counter-party limits. The Board of your company also reviews the performance of various funds under management.

ANNEXURE – III TO DIRECTORS' REPORT

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: NIL

(a) Name(s) of the related party and nature of relationship:

(b) Nature of contracts/arrangements/transactions:

(c) Duration of the contracts / arrangements/transactions:

Salient terms of the contracts or arrangements or transactions including the value, if any:

(e) Justification for entering into such contracts or arrangements or transactions:

(f) Date(s) of approval by the Board:

(g) Amount paid as advances, if any: NIL

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS:

a) Name(s) of the related party and nature of relationship: **UTI ASSET MANAGEMENT CO. LTD (HOLDING COMPANY)**

Nature of contracts/arrangements/transactions: **Rent for Office Premises**

b) Duration of the contracts / arrangements/transactions: Rent 12 months (terminated on 4 September 2020)

c) Salient terms of the contracts or arrangements or transactions including the value, if any:

Rent paid to Holding Company **INR 714,252**

e) Date(s) of approval by the Board, if any: 17 January 2018

f) Amount paid as advances, if any: **Nil**

For and on behalf of Board of Directors

Sd/-

Chairman

ANNEXURE – IV TO DIRECTORS' REPORT

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS & KEY MANAGERIAL PERSONNEL

A) Directors

The policy on appointment of Directors is as detailed below:

i) Appointment of Chief Executive Officer and / or Whole Time Director

Appointment has to comply with the requirements prescribed under the Companies Act & Rules made thereunder, Articles of Association of the Company.

The company will follow a policy of appointing CMD/CEO/MD/WTD through a robust process of sourcing and selection through internal process by the Human Resources Department of UTIAMC.

The proposed appointment will be approved by the Board of Directors of UTIAMC and then Board of Directors of the Company.

The Board of Directors consider the nomination received from the holding company and approve the appointment (alongwith terms and conditions of appointment) subject to approval by the shareholders at the General Meeting.

The General Meeting will be convened by issuing a notice alongwith detailed explanatory statement, and the approval (alongwith terms and conditions of appointment) of the shareholders is obtained in accordance with the requirements prescribed under the Companies Act.

REMUNERATION OF DIRECTORS

The remuneration paid to the non-executive directors is in accordance with the Companies Act, 2013 & Rules made thereunder and is approved by the Board of Directors based on the recommendations of the Nomination and Remunerations Committee.

i) Non – executive directors:

The non – executive directors shall be appointed as per the provisions of the Companies Act, 2013. The Nomination & Remuneration Committee shall select independent directors to be inducted on the Board.

The remuneration of the non-executive directors will be as detailed below:

ii) Sitting fees

The amount of sitting fees payable to the non-executive directors is based on the limits prescribed under the Companies Act.

The sitting fees are paid for each meeting of the Board and Committees of the Board attended by the non-executive directors either in person or through audio video conference or audio conference.

Apart from the sitting fees paid to the non-executive directors, the Company pays for the air-tickets, hotel accommodation and local conveyance incurred in connection with the meetings of the Committees of the Board.

B) Key Managerial Personnel

UTI Capital will have to appoint the following Key Personnel in accordance with the requirements of the Companies Act, 2013 and Rules made thereunder: -

i) Chief Executive Officer and / or Whole Time Director

ii) Chief Financial Officer

iii) Company Secretary

APPOINTMENT

The appointment of MD/WTD is as detailed at (A) above.

The appointment of Chief Financial Officer and Company Secretary are approved by the Board of Directors.

REMUNERATION:

The policy regarding the remuneration of Chief Executive Officer is approved by the Board of Directors and Shareholders.

The remuneration policy and framework in respect of Key personnel and all employees of the Company including workmen is reviewed and recommended by Department of Human Resources Development (DHRD) of the sponsor company i.e. UTI Asset Management Company Limited to the Nomination & Remuneration Committee for approval.

Based the approval of the Nomination & Remuneration Committee on the overall remuneration policy, strategy and framework, the actual remuneration in respect of all employees including workmen is recommended by DHRD to the competent authority of sponsor company i.e. UTI Asset Management Company Limited.

ANNEXURE – V TO DIRECTORS' REPORT

DECLARATION BY INDEPENDENT DIRECTOR

[Pursuant to section 149(7) of the Companies Act, 2013]

To,
The Board of Directors of
UTI Capital Private Limited
UTI Tower, Gn Block,
Bandra Kurla Complex,
Bandra East, Mumbai – 400 051

Declaration of Independence for the FY -------------

I, ___________, s/o ___________, residing at _________; do hereby declare that I fulfill the conditions of Independent Director as mentioned in Section 149(6) of the Companies Act, 2013. I further declare that: -

(a) I am not a promoter of UTI Capital Private Co. Limited or its holding, subsidiary or associate company;

(b) I am not related to promoters or directors in UTI Capital Private Limited, its holding, subsidiary or associate company;

(c) I have no pecuniary relationship other than remuneration as such director or having transaction not exceeding ten percent of my total income or such amount as may be prescribed with UTI Capital Private Limited, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

(d) none of my relatives

(*i*) is holding any security of or interest in UTI Capital Private Limited, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year

Provided that the relative may hold security or interest in UTI Capital Private Limited, of face value not exceeding fifty lakh rupees or two per cent of the paid-up capital of UTI Capital Private Limited, its holding, subsidiary or associate company or such higher sum as may be prescribed;

(*ii*) is indebted to UTI Capital Private Limited, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;

(*iii*) has given a guarantee or provided any security in connection with the indebtedness of any third person to UTI Capital Private Limited, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or

(*iv*) has any other pecuniary transaction or relationship with UTI Capital Private Limited, or its subsidiary, or its holding or associate company amounting to two per cent or more of its gross turnover or total income singly or in combination with the transactions referred to in (*i*), (*ii*) or (*iii*) above

None of my relatives, for the purposes of (ii) and (iii) of (d) above -

(i) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors; or

(ii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company,

for an amount of fifty lakhs rupees, at any time during the two immediately preceding financial years or during the current financial year.

(e) I, neither myself nor any of my relatives—

(i) hold or has held the position of a key managerial personnel or is or has been employee of UTI Capital Private Limited or its holding, subsidiary or associate company in any of the three previous financial years, immediately preceding the financial year in which he is proposed to be appointed; (in case of relative who is an employee, the restriction shall not be applicable for his/her employment during preceding three financial years)

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—

(*A*) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(*B*) any legal or a consulting firm that has or had any transaction with UTI Capital Private Limited, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;

ANNEXURE – V TO DIRECTORS' REPORT (Contd.)

(iii) hold, together with my relatives two percent or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five percent or more of its receipts from UTI Capital Private Limited, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of UTI Capital Private Limited

I possess the requisite qualifications as have been prescribed in the Companies (Appointment and Qualification of Directors) Rules, 2014 for being an Independent Director, which reads as follows: -

"An independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business."

Date: ______________ **Sd/-**

Place: _____________ (Name)

INDEPENDENT AUDITOR'S REPORT

To

The Members of UTI Capital Private Limited

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of **UTI CAPITAL PRIVATE LIMITED (the Company),** which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021 and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirement that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

We draw attention to Note no. 38 to the financial statements, which describes the uncertainty caused by Novel Coronavirus (COVID-19) pandemic with respect to the estimates of Company's business operations and that such estimates may be affected by the severity and duration of the pandemic. Our opinion is not modified in respect of this matter.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report but does not include the financial statements and our auditor's report thereon.

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

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

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

RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the companies (Indian Accounting Standards) Rules 2015, as amended.

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

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
   b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
   c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income) the statement of cash flows and the statement of changes in equity dealt with by this report are in agreement with the books of account
   d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended
   e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act; and

INDEPENDENT AUDITOR'S REPORT (Contd.)

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"

g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 explanation given to us, the Company has not paid any managerial remuneration during the year

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigations;

   ii. The Company does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;

   iii. The Company is not required to transfer any amount to the Investor Education and Protection Fund, hence there is no such case of delay

For **SAMRIA & Co.**
Chartered Accountants
FRN: 109043W

Adhar Samria
Partner
(Membership No.049174)

Place : Mumbai
Date : 26 April 2021
UDIN : 21049174AAAAEG7303

INDEPENDENT AUDITOR'S REPORT (Contd.)

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report of even date)

1 FIXED ASSETS:

1.1 The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets

1.2 All the fixed assets were physically verified by the Management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanation, given to us, no discrepancies were noticed on such verification

1.3 The Company does not hold any immovable properties. Accordingly, para 3(i)(c) of the Order is not applicable

2 INVENTORIES:

2.1 Considering the nature of business, clause 3(ii) of the order is not applicable

3 LOANS GIVEN:

3.1 According to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act

4 INVESTMENT, GUARANTEES AND SECURITY:

4.1 In our opinion and according to information and explanation given to us, the Company has not given any loans or given any guarantees or made any investments or provided any security as per the provisions of section 185 and 186 of the Act

5 DEPOSIT FROM PUBLIC:

5.1 In our opinion and according to the information and explanations given to us, the Company has not accepted deposits during the year and does not have any unclaimed deposits. Therefore, the provisions of clause 3(v) of the Order are not applicable to the Company

6 MAINTENANCE OF COST RECORDS:

6.1 According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub –section (1) of section 148 of the Companies Act, 2013 in respect of business carried out by the Company. Therefore, the provisions of clause 3(vi) of the Order are not applicable to the Company

7 REMITTANCE OF STATUTORY DUES:

7.1 According to the information and explanations given to us, and on the basis of our examination of the books of account, the undisputed statutory dues of Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Customs and Duty of Excise, Value Added Tax and Cess and others as applicable have been generally regularly deposited by the Company with the appropriate authorities. There are no undisputed amounts payable in respect of aforesaid dues outstanding as on 31 March 2021 for a period of more than six months from the date they became payable

7.2 There are no dues of Income Tax, Sales Tax, Service Tax, Goods and Service tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess which have not been deposited by the Company on account of dispute

8 DUES TO BANK AND FINANCIAL INSTITUTIONS:

8.1 According to the records of the Company examined by us and the information and explanation given to us, the Company has not taken any loans or borrowings from banks /financial institutions/ government or issued debentures during the year

9 END USE OF TERM LOANS RAISED:

9.1 In our opinion and according to the information and explanation given to us by the management, the Company has not raised any monies by way of initial public offer or further public offer (including debt instrument) and Term Loan. Accordingly, reporting under clause (ix) in not applicable to the Company

10 FRAUDS:

10.1 During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the period, nor have been informed of any such case by the management.

11 MANAGERIAL REMUNERATION:

11.1 According to the records of the Company examined by us, and information and explanation given to us, the Company has not paid any managerial remuneration during the year. Therefore, clause 3(xi) of the order is not applicable.

INDEPENDENT AUDITOR'S REPORT (Contd.)

12 NIDHI COMPANY:

12.1 In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause 3(xii) of the order is not applicable.

13 RELATED PARTY TRANSACTIONS:

13.1 In our opinion and according to information and explanation given to us, the Company is in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards

14 PREFERENTIAL ALLOTMENT OR PRIVATE PLACEMENT OF SHARES ETC:

14.1 According to the records of the Company examined by us and information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures, during the year and hence reporting under clause 3(xiv) of the order is not applicable

15 NON-CASH TRANSACTIONS WITH DIRECTORS:

15.1 In our opinion and according to the information and explanation given to us, during the year the Company has not entered into any non-cash transactions with its directors and hence provisions of section 192 of the companies act, 2013 are not applicable

16 REGISTRATION UNDER RBI ACT, 1934:

16.1 The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934

For **SAMRIA & Co.**
Chartered Accountants
FRN: 109043W

Adhar Samria
Partner
(Membership No.049174)

Place : Mumbai
Date : 26 April 2021
UDIN : 21049174AAAAEG7303

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under "Report on other legal and regulatory requirements" of our report of even date.)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ('THE ACT')

We have audited the internal financial controls over financial reporting of **UTI CAPITAL PRIVATE LIMITED** ("the Company") as of 31 March 2021 in conjunction with our audit of the 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' 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 authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the 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 2021, 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 **SAMRIA & Co.**
Chartered Accountants
FRN: 109043W

Adhar Samria
Partner
(Membership No.049174)

Place : Mumbai
Date : 26 April 2021
UDIN : 21049174AAAAEG7303

BALANCE SHEET
AS AT 31 MARCH 2021

(INR in crore)

	Note No.	As at 31 March 2021 Audited	As at 31 March 2020 Audited
I. ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	0.67	0.83
(b) Receivables	4		
(i) Trade receivables		0.36	0.49
(ii) Other receivables		-	0.37
(c) Loans	5	0.02	-
(d) Investments	6	28.37	27.97
TOTAL FINANCIAL ASSETS		**29.42**	**29.66**
(2) Non - financial assets			
(a) Current tax assets (net)	7	0.60	1.47
(b) Deferred Tax Asset	13	0.48	0.28
(c) Property, plant and Equipment	8	0.00	0.00
(d) Right of Use Asset	9	-	1.58
(e) Other Intangible Assets	9a	0.00	0.00
(f) Other non-financial assets	10	5.47	6.37
TOTAL NON FINANCIAL ASSETS		**6.55**	**9.70**
Total Assets		**35.97**	**39.36**
II. LIABILITIES AND EQUITY			
LIABILITIES			
(1) FINANCIAL LIABILITIES	11		
(a) (I) Trade payable			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		0.59	0.45
(II) Other payable			
(i) total outstanding dues of micro enterprises and small enterprises		-	0.00
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		0.11	0.18
(b) Borrowings		3.05	6.11
(c) Other financial liabilities	12	2.14	3.73
Total Financial Liabilities		**5.89**	**10.47**
(2) NON-FINANCIAL LIABILITIES			
(a) Current tax liabilities (net)	14 A	0.02	-
(b) Provisions	14 B	0.23	0.05
(c) Other non-financial liabilities	14 C	0.13	0.14
Total Non Financial Liabilities		**0.38**	**0.19**
(3) EQUITY			
(a) Equity Share Capital	15	12.00	12.00
(b) Other Equity	16	17.70	16.70
Total Equity		**29.70**	**28.70**
TOTAL LIABILITIES AND EQUITY		**35.97**	**39.36**

Notes forming part of the financial statements

In terms of our Report attached
For **SAMRIA & CO.**
Chartered Accountants
Firm Registration No. 109043W

Adhar Samria
Partner
Membership No. 049174

Place: Mumbai
Date: 26 April 2021

For and on behalf of the board UTI Capital Private Limited

I. Rahman
Director

Deepak Vaidya
Director

Rohit Gulati
CEO

Ashutosh Binayake
CFO

Gautam Rajani
Company Secretary

STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31 MARCH 2021

(INR in crore)

	Note	Quarter Ended			Year Ended 31 March 2021	Year Ended 31 March 2020
		31 March 2021	31 December 2020	31 March 2020		
		Audited	Reviewed	Audited	Audited	Audited
I. Revenue from operations	**17**					
(i) Interest Income		0.02	0.02	0.04	0.06	0.12
(ii) Dividend Income		0.08	0.05	0.05	0.20	0.17
(iii) Net Gain on fair value changes		0.17	0.26	-	1.41	-
(iv) Sale of services		1.76	1.83	1.89	7.31	7.43
(v) Others		-	-	0.02	0.05	0.02
Total Revenue from operations		**2.03**	**2.16**	**2.00**	**9.03**	**7.74**
II. Other Income	**18**	-	(0.03)	0.29	0.13	0.30
III. Total Income (I+II)		**2.03**	**2.13**	**2.29**	**9.16**	**8.04**
Expenses	**19**					
(i) Finance Cost		0.06	0.06	0.16	0.37	0.53
(ii) Fees and commission expense		0.66	0.67	0.66	2.37	2.30
(iii) Net Loss on Fair Value Changes		-	-	(0.29)	-	0.89
(iv) Employee benefits expense		2.27	1.14	2.10	5.85	5.06
(v) Depreciation, amortisation and impairment		0.00	0.00	0.11	0.06	0.46
(vi) Other expenses		0.17	0.07	0.26	0.38	0.81
IV. Total Expenses		**3.16**	**1.94**	**2.99**	**9.03**	**10.05**
V. Profit/(Loss) before exceptional items and tax (III-IV)		**(1.13)**	**0.19**	**(0.70)**	**0.13**	**(2.01)**
VI. Exceptional Items		**-**	**-**	**-**	**-**	**-**
VII. Profit/ (Loss) Before Tax (V-VI)		**(1.13)**	**0.19**	**(0.70)**	**0.13**	**(2.01)**
VIII. Tax expenses	**20**					
Current Tax - Current period/year		(0.20)	0.09	-	0.15	-
- Earlier year		(0.01)	-	0.06	0.01	0.06
Deferred Tax - Current year/period		(0.30)	0.04	(0.20)	(0.06)	(0.64)
MAT Credit Entitlement - Current period/ year		0.20	(0.09)	-	(0.15)	-
- Earlier period/ year					-	0.01
IX. Total tax expenses		**(0.31)**	**0.04**	**(0.14)**	**(0.05)**	**(0.57)**
X. Profit/ (Loss) for the period (VIII-IX)		**(0.82)**	**0.15**	**(0.56)**	**0.18**	**(1.43)**
XI. Other Comprehensive Income						
Items that will not be reclassified to profit or loss						
Remeasurement gains/losses on defined benefit plan		0.01	(0.00)	(0.01)	(0.09)	(0.10)
Income tax relating to items that will not be reclassified to profit or loss		(0.00)	0.00	0.00	0.02	0.03
Other Comprehensive Income / (loss) for the period/ year		**0.01**	**(0.00)**	**(0.00)**	**(0.07)**	**(0.07)**
XII. Total comprehensive Income/ (loss) for the period/ year (X+XI)		**(0.82)**	**0.15**	**(0.57)**	**0.11**	**(1.50)**
Earning per equity share of face value of INR 10						
Basic (in INR) (Refer Note 30)		(0.69)	0.13	(0.47)	0.15	(1.19)
Diluted (in INR) (Refer Note 30)		(0.69)	0.13	(0.47)	0.15	(1.19)

Notes forming part of the financial statements

In terms of our Report attached
For **SAMRIA & CO.**
Chartered Accountants
Firm Registration No. 109043W

Adhar Samria
Partner
Membership No. 049174

Place: Mumbai
Date: 26 April 2021

For and on behalf of the board UTI Capital Private Limited

I. Rahman
Director

Deepak Vaidya
Director

Rohit Gulati
CEO

Ashutosh Binayake
CFO

Gautam Rajani
Company Secretary

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

(INR in crore)

	Year Ended 31 March 2021 (Audited)	Year Ended 31 March 2020 (Audited)
A. Cash flow from operating activities		
Profit (loss) before tax	0.13	(2.01)
Adjustments for:		
Depreciation and amortization expense	0.06	0.46
Share Option Outstanding Account	0.89	-
Income on Derecognition of lease	(0.09)	-
Profit on redemption of units of mutual fund	(0.05)	(0.02)
Interest on borrowings and lease liabilities	0.37	0.53
Interest on units of Funds	(0.06)	(0.12)
Effect of IND AS for Fair Valuation of investments	(1.41)	0.89
Dividend income from investments	(0.20)	(0.17)
Remeasurement of Defined Benefit Plan Adjustment	(0.09)	(0.10)
Operating profit (loss) before working capital changes	**(0.45)**	**(0.54)**
Adjustments for:		
Decrease / (increase) in Financial Assets	0.50	3.26
Decrease / (increase) in Non-Financial Assets	0.90	1.39
Decrease / (increase) in Loans	(0.02)	-
Decrease / (increase) in Current Tax Assets	0.87	(0.58)
Increase / (decrease) in Financial Liabilities	0.16	(1.18)
Increase / (decrease) in Non-Financial Liabilities	0.17	(0.12)
	2.58	2.77
Cash generated from operations	**2.13**	**2.23**
Direct tax paid (net of refunds)	(0.13)	(0.06)
Net cash from/ (used in) operating activities (A)	**2.00**	**2.17**
B. Cash flow from investing activities		
Purchase of investments	(1.25)	(11.68)
Redemption of investments	2.23	4.52
Interest Income	0.06	0.12
Dividend received	0.20	0.17
Net cash from/ (used in) investing activities (B)	**1.24**	**(6.87)**
C. Cash flow from financing activities		
Borrowings from holding company	-	6.00
Payment of Lease Liability	(0.11)	(0.51)
Loan Repayment	(3.00)	-
Interest paid	(0.29)	(0.26)
Net cash from/ (used in) financing activities (C)	**(3.40)**	**5.23**
Net changes in cash and cash equivalents (A+B+C)	**(0.16)**	**0.53**
Cash and cash equivalents at the beginning of the year	0.83	0.30
Cash and cash equivalents at the end of the year	**0.67**	**0.83**

Notes:

1 Previous year figures have been regrouped or recast wherever, considered necessary

2. As required by Ind AS 7 "Statement of Cash Flows", a reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given in note 32

3. The impact of non-cash transactions have not been given in the above cash flow statement details of which are given in note 32

4. Cash and cash equivalents consists of :

Balances with banks:		
in current accounts	0.67	0.83
Total	**0.67**	**0.83**

Notes forming part of the financial statements

In terms of our Report attached
For **SAMRIA & CO.**
Chartered Accountants
Firm Registration No. 109043W

Adhar Samria
Partner
Membership No. 049174

Place: Mumbai
Date: 26 April 2021

For and on behalf of the board UTI Capital Private Limited

I. Rahman
Director

Deepak Vaidya
Director

Rohit Gulati
CEO

Ashutosh Binayake
CFO

Gautam Rajani
Company Secretary

STATEMENT OF CHANGES IN EQUITY

A. EQUITY SHARE CAPITAL

(INR in crore)

As at 31 March 2019	**12.00**
Changes in equity share capital	-
As at 31 March 2020	**12.00**
Changes in equity share capital	-
As at 31 March 2021	**12.00**

B. OTHER EQUITY

(INR in crore)

	Other Equity		
	Retained Earnings	**Group Equity Awards Scheme Reserve**	**Total**
As at 31 March 2019	**18.20**	**-**	**18.20**
Profit/ (loss) for the year	(1.43)	-	(1.43)
Other comprehensive income	(0.07)	-	(0.07)
Total comprehensive income for the year	16.70	-	16.70
As at 31 March 2020	**16.70**	**-**	**16.70**
Profit/ (loss) for the year	0.18	-	0.18
Add: Share-based compensation	-	0.89	0.89
Other comprehensive income	(0.07)	-	(0.07)
Total comprehensive income for the year	16.81	0.89	17.70
As at 31 March 2021	**16.81**	**0.89**	**17.70**

1) Retained Earnings represent the accumulated earnings net of losses being made by the company over the years

2) Group Equity Awards Scheme Reserve represents the value of equity settled share based payment provided to employees as part of their remuneration. (Refer note 35 for further details of this plan.

Notes forming part of the financial statements

In terms of our Report attached
For **SAMRIA & CO.**
Chartered Accountants
Firm Registration No. 109043W

Adhar Samria
Partner
Membership No. 049174

Place: Mumbai
Date: 26 April 2021

For and on behalf of the board UTI Capital Private Limited

I. Rahman
Director

Deepak Vaidya
Director

Rohit Gulati
CEO

Ashutosh Binayake
CFO

Gautam Rajani
Company Secretary

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. CORPORATE INFORMATION

UTI Capital Private Limited ("the Company") is a wholly owned subsidiary of UTI Asset Management Company Limited incorporated on 13 May 2011 under the then Companies Act, 1956 (now Companies Act, 2013) is a Asset Management Company in terms of Rule 2 sub-rule 1 clause g of Companies (Indian Accounting Standards) Rules, 2016. The Company's business consists of managing funds and advisory services.

The registered office of the Company is located at UTI Tower, GN Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

The financial statements of the Company for the year ended 31 March 2021 were authorised for issue in accordance with a resolution of Board of Directors passed on 26 April 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Preparation and Presentation of Financial Statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies stated out below.

The Company presents its Balance sheet in the order of Liquidty.

ROUNDING OF AMOUNTS

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crore as per the requirement of Schedule III, unless otherwise stated except per share data.

NEW STANDARDS AND INTERPRETATIONS

The Company has adopted all of the relevant new, revised, or amended Accounting Standards and interpretations issued by the AASB that are mandatory for the current reporting period.

2.2 Revenue Recognition

The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "Revenue from Contracts with Customers" related to revenue recognition which replaces all existing revenue recognition standards and provide a single, comprehensive model for all contracts with customers. The revised standard contains principles to determine the measurement of revenue and timing of when it is recognized. The amendment also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in those judgments as well as assets recognized from costs incurred to fulfill these contracts.

The Company has adopted Ind AS 115 w.e.f. 1 April 2018 using the modified retrospective approach. Impact on the financial statements upon adoption of Ind AS 115 is considered in the financial statements. The impact is insignificant.

A. REVENUE - Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that future economic benefits will flow to the Company.

a) Management fees are accounted over a period of time for each of the management and advisory agreement entered. Fees from advisory services are accounted as per the advisory mandates entered into with the clients on completion of the performance obligation.

b) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

c) Dividend income is recognised when the Company's right to receive dividend is established.

Transaction price is accounted net of GST. Since GST is not received by the Company on its own account, rather, it is collected by the Company on behalf of the government. Accordingly, it is excluded from revenue.

B. CONTRACT COSTS - In accordance with Ind AS - 115, incremental costs to obtain a contract are capitalized and amortized over the contract term if the cost are expected to be recoverable. The Company does not capitalize incremental costs to obtain a contract where the contract duration is expected to be one year or less.

C. ARRANGEMENTS WITH MULTIPLE PERFORMANCE OBLIGATIONS

The Company's contracts with customers may include multiple performance obligations. For such arrangements, the Company allocates revenue to

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

each performance obligation based on its relative standalone selling price, which is generally determined based on the price charged to customers.

D. Contract assets and liabilities

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

Contract liabilities primarily relate to consideration received in advance from customers, for which the performance obligation is yet to be satisfied.

2.3 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation, and impairment losses, if any. The cost of acquisition is inclusive of duties, freight and other incidental expenses related to acquisition and installation of the assets. Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value, only if it increases the future benefits from existing asset beyond its previously assessed standard of performance.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Gains or losses arising from disposal of Property, Plant and Equipments are measured as the differences between the net disposal proceeds and carrying amount of asset and are recognized in the Statement of Profit and Loss when the asset is disposed.

The Company provides depreciation on Property, plant and equipment in the manner prescribed in schedule II to Companies Act, 2013 on straight line method (SLM) on pro-rata basis, based on prescribed useful life of assets.

Assets costing individually INR 5000 or less are depreciated at the rate of 100% on pro-rata basis.

Right to Use Assets (ROU): The Company as a lessee records an ROU asset for each lease with an original term greater than 12 months. ROU assets are included in premises, with the corresponding lease liabilities included in financial liabilities. Depreciation on ROU asset is being charged on the basis of Lease term.

2.4 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Such cost includes purchase price, borrowing cost, and cost directly attributable to brining the asset to its working condition for the intended use. Thereafter intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Softwares are amortised over a period of 3 years on straight line method (SLM) on pro-rata basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal value and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

2.5 Investments and Other Financial Assets

1) INITIAL RECOGNITION AND MEASUREMENT

Financial assets are recognised when the Company becomes the party to the contractual provisions to the instruments. The Company determines the classification of its financial assets at initial recognition. All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

Accordingly, initial recognition of Investments in Mutual Funds, Venture Funds and unquoted equity (other than subsidiaries) are recognized at fair value.

Loans to Employees, Interest Free Rent Deposits shall be measured at Amortized Cost which shall be the present value of all expected future repayments discounted at prevailing market rates.

2) SUBSEQUENT RECOGNITION AND MEASUREMENT

As per IND AS 109, Financial Assets have to be measured as follows:

a) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Accordingly, if any loans given to employees at a rate lower than the market rate of interest will be measured at amortised cost using EIR. Rent Deposits given to Landlords which are interest free will also be given similar treatment.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories is measured at FVTPL.

Accordingly investments in Mutual Funds and Venture Funds will be measured at fair value through profit and loss.

3) INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company does not have any subsidiaries, associates and Joint Ventures.

4) OTHER EQUITY INVESTMENTS

The Company does not have any investments in unquoted Equity shares.

5) DERECOGNITION

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

6) IMPAIRMENT

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on trade receivables and investments.

2.6 Financial Liabilities

1) INITIAL RECOGNITION AND MEASUREMENT

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2) SUBSEQUENT RECOGNITION AND MEASUREMENT

As per IND AS 32, a financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets and liabilities with another entity under conditions that are potentially unfavourable to the entity.

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

3) DERECOGNITION

A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.7 Transactions in Foreign Currency

The Company financial statements are presented in 'INR' which is also the Company's functional currency.

Transactions in foreign currency are accounted for at the rate of exchange prevailing at the date of the transaction. Exchange differences, if any, arising out of transactions settled during the year are recognized in the Statement of Profit and Loss. Monetary Assets and Liabilities denominated in foreign currencies as at the Balance Sheet date are translated at the closing exchange rate. The exchange differences, if any, are recognized in the Statement of Profit and Loss and related Assets and Liabilities are accordingly restated in the Balance Sheet.

2.8 Employee Benefits Expenses

SHORT TERM EMPLOYEE BENEFITS

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

DEFINED CONTRIBUTION PLANS:

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to Provident Fund (PF).The Company expenses its contribution to the statutory provident fund @ 10% of the basic salary and additional pay, wherever applicable, for each employee.

DEFINED BENEFIT PLANS

Company's contribution in case of Gratuity and Leave Encashment are funded annually with the Life Insurance Corporation of India under the respective schemes, based on the actuarial valuation as per IND AS -19 'Employee Benefits' Acturial valuation is based on a number of assumptions. These assumptions are reviewed at each reporting date.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

2.9 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts, if any as they are considered an integral part of the Company's cash management.

2.10Taxes on Income

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current Tax:

Current tax is determined as the amount of tax payable in respect of taxable income for the period in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax:

Deferred income taxes reflect the impact of current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized for all deductible timing differences; carry forward of unused tax assets and unused tax losses only if there is reasonable virtual certainty that such deferred tax assets can be realized against future liabilities.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognized outside profit or loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the sufficient period.

2.11 Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

2.12 Dividend

Provision is made for the amount of any dividend declared on or before the end of the reporting period but remaining undistributed at the end of the reporting period, where the same has been appropriately authorised and is no longer at the discretion of the entity.

2.13 Leases

The Company's lease asset classes primarily consist of leases for building premises . The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

TRANSITION:

Ind AS 116 Lease is applicable for financial reporting periods beginning on or after 1 April 2019 and replaces existing lease accounting guidance, namely Ind AS 17 Leases. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a Right-of-Use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The nature of expenses related to those leases will change as Ind AS 116 replaces the operating lease expense (i.e., rent) with depreciation charge for ROU assets and interest expense on lease liabilities. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

Accordingly, the Company has adopted Ind AS 116 - Leases and applied it to all lease contracts existing on 1 April 2019 using the modified retrospective method. Consequently, the cumulative adjustment has been taken on the date of initial application i.e. 1 April 2019. Based on the same and as permitted under the specific transitional provisions in the standard, the Company is not required to restate the comparative figures. On transition, due to the adoption of the new Ind AS, it resulted in recognition of Right-of-Use asset (ROU) of INR 2.04 crores and a lease liability of INR 2.04 crores. Since the Company has adopted modified restrospective method , no impact would arise in the opening retained earnings. The effect of this adoption is not material to the profit for the period and earnings per share.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

2.14 Critical accounting judgment and estimates

The preparation of financial statements requires management to exercise judgment in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the acCompanying disclosures including disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected.

2.15 Contingencies and Provisions

In accordance with Ind AS 37, provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are not recognized in books of accounts. They are disclosed by way of notes, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in financial statements. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed, only where an inflow of economic benefits is probable.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

USEFUL LIVES AND RESIDUAL VALUES

The Company reviews the useful lives and residual values of property, plant and equipment and intangible assets at each financial year end.

IMPAIRMENT TESTING

Judgment is also required in evaluating the likelihood of collection of customer debt after revenue has been recognised. This evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles. Provisions are based on historical trends in the percentage of debts which are not recovered, or on more detailed reviews of individually significant balances.

Determining whether the carrying amount of these assets has any indication of impairment also requires judgment. If an indication of impairment is identified, further judgment is required to assess whether the carrying amount can be supported by the net present value of future cash flows forecast to be derived from the asset. This forecast involves cash flow projections and selecting the appropriate discount rate.

TAXES

The Company's tax charge is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.

Accruals for tax contingencies require management to make judgments and estimates in relation to tax related issues and exposures.

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. Where the temporary differences are related to losses, the availability of the losses to offset against forecast taxable profits is also considered. Recognition therefore involves judgment regarding the future financial performance of the particular legal entity or tax Company in which the deferred tax asset has been recognized.

FAIR VALUE MEASUREMENT

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

2.16 Impairment of Assets (Other than Financial Assets)

At each Balance Sheet date, the management reviews the carrying amounts of assets to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss.

Reversal of impairment loss is recognized immediately as income in the Statement Profit and Loss.

2.17 Defined benefit obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note No. 28, 'Employee Benefits'.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

2.18 Use of Estimates

The preparation of financial statements require the management of the Company to make estimation and assumptions that effect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provision for loans & advances, provision for accrued benefits to employees, provision for income tax, provision for write back of diminution in the value of investment and the useful life of Property, Plant and Equipments. The estimates and assumptions used in the acCompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results may differ from those estimates. Any revision to accounting estimate is recognized prospectively in the current and future periods.

2.19 Share-based payment transactions:

Certain employees of the Company receive remuneration in the form of equity awards consisting of equity shares of the holding Company, The Employee Stock Option Scheme provides for the grant of options to acquire equity shares of the holding Company to its eligible employees are measured at fair value of the equity instruments at the grant date. The period of vesting and period of exercise are as specified within the respective schemes. Details regarding the determination of the fair value of equity settled share based payments transactions are set out in Note 35.

The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revives its estimate of the number of equity instruments expected to vest. The impact of the revision of original estimates, if any, is recognised in Statement of profit and loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to Group equity award scheme reserve.

2.20 Recent accounting pronouncements

IND AS 12 INCOME TAXES

Ind AS 12 Income Taxes (Amendments relating to income tax consequences of dividend and uncertainty over income tax treatments) :

The amendment relating to income tax consequences of dividend clarify that a Company shall recognize the income tax consequences of dividends in the statement of profit and loss, other comprehensive income or equity according to where the Company originally recognized those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the Company pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the Company has to use judgment, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the Company is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) Company has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statement.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

3. CASH AND CASH EQUIVALENTS

(INR in crore)

	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
Balances with bank -		
- In Current accounts	0.67	0.83
Total	**0.67**	**0.83**

4. RECEIVABLES

(INR in crore)

	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
(i) Trade receivables		
Considered good - Unsecured	0.36	0.49
Significant increase in credit risk	-	-
Total	**0.36**	**0.49**
Trade receivables are non-interest bearing and credit period extended to them is 0 to 180 days		
(ii) Other receivables		
Considered good - Unsecured	-	0.37
Total	**-**	**0.37**

5. LOANS

(INR in crore)

	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
Security Deposit	0.02	-
Total	**0.02**	**-**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

6. INVESTMENTS

(INR in crore)

	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
Investments carried at fair Value through Profit and Loss		
Mutual funds - Quoted		
77,794 units of INR 1,000/- each of UTI Treasury Advantage Fund - Institutional Plan Direct Growth Option (31 March 2020 - 77,794 units)	20.58	19.33
128 units of of INR 1,000/- each of UTI Money Market Fund - Institutional Daily Dividend Re-investment (31 March 2020 - 124 units)	0.01	0.01
67,728 units of of INR 1,000/- each of UTI Money Market Fund - Institutional Direct Plan - Daily Dividend Re-investment (31 March 2020 - 75,681 units)	6.98	7.61
Other - Unquoted		
866,294 units of of INR. 1.0034/- each of UTI Structured Debt Opportunities Fund I Class D1 - T Units (31 March 2020 - 31,44,630 units of INR 1/-)	0.09	0.32
67,809 units of of INR. 100/- each of UTI Structured Debt Opportunities Fund I Class D1 - Regular Units (31 March 2020 - 67,809 units of INR 100/- each)	0.71	0.70
Total	**28.37**	**27.97**
Aggregate book value of quoted investments	27.57	26.95
Aggregate book value of unquoted investments	0.80	1.02
Aggregate market value of quoted investments	27.57	26.95
Aggregate market value of unquoted investments	0.80	1.02

7. CURRENT TAX ASSETS (NET)

(INR in crore)

	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
Balance with government authorities -		
- Advance direct tax (net of provisions)	0.60	1.47
Total	**0.60**	**1.47**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

8. PROPERTY, PLANT AND EQUIPMENTS

(INR in crore)

Description of Assets	Office Equipments	Total
I. At cost at 31 March 2019	**0.01**	**0.01**
Additions	-	-
Disposals	-	-
At cost at 31 March 2020	**0.01**	**0.01**
Additions	-	-
Disposals	-	-
At cost at 31 March 2021	**0.01**	**0.01**
II. Depreciation upto 31 March 2019	**0.00**	**0.00**
Depreciation charged for the year	0.00	0.00
Disposals		
Upto 31 March 2020	**0.00**	**0.00**
Depreciation charged for the year	0.00	0.00
Disposals		
Upto 31 March 2021	**0.00**	**0.00**
Net book value		
As at 31 March 2021	0.00	0.00
As at 31 March 2020	0.00	0.00

9. RIGHT OF USE ASSETS

(INR in crore)

Description of Assets	Leased Premises	Total
I. At cost at 31 March 2019	**-**	**-**
Additions	2.04	2.04
Disposals		
At cost at 31 March 2020	**2.04**	**2.04**
Additions	-	-
Disposals	2.04	2.04
At cost at 31 March 2021	**0.00**	**-**
II. Depreciation Upto 31 March 2019	**-**	**-**
Depreciation / Amortization charged for the year	0.12	0.12
Disposals		
Upto 31 March 2020	**0.46**	**0.46**
Depreciation / Amortization charged for the year	0.06	0.06
Disposals	0.52	0.52
Upto 31 March 2021	**-**	**-**
Net book value		
As at 31 March 2021	-	-
As at 31 March 2020	1.58	1.58

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

9A. OTHER INTANGIBLE ASSETS

(INR in crore)

Description of Assets	Software	Total
I. At cost at 31 March 2019	**0.00**	**0.00**
Additions	-	-
Disposals	-	-
At cost at 31 March 2020	**0.00**	**0.00**
Additions	-	-
Disposals	-	-
At cost at 31 March 2021	**0.00**	**0.00**
II. Amortization Upto 31 March 2019	**0.00**	**0.00**
Amortization charged for the year	0.00	0.00
Disposals	-	-
Upto 31 March 2020	**0.00**	**0.00**
Amortization charged for the year	0.00	0.00
Disposals	-	-
Upto 31 March 2021	**0.00**	**0.00**
Net book value		
As at 31 March 2021	0.00	0.00
As at 31 March 2020	0.00	0.00

10. OTHER NON-FINANCIAL ASSETS

(INR in crore)

	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
Others Assets		
Defined Benefit Assets		
- Grauity	-	-
Prepaid expenses	5.41	6.36
Indirect taxes	0.06	0.01
Total	**5.47**	**6.37**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

11. FINANCIAL LIABILITIES

(INR in crore)

	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
(a) **(I)** Trade Payables (refer note 23)		
i) total outstanding dues of micro enterprises and small enterprises	-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.59	0.45
Total	**0.59**	**0.45**
(II) Other Payables (refer note 23)		
i) total outstanding dues of micro enterprises and small enterprises	-	0.00
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.11	0.18
Total	**0.11**	**0.18**
(b) **Borrowings**		
Unsecured		
Loans from related parties	3.05	6.11
Total	**3.05**	**6.11**

The loan carries Interest @8% p.a and is repayable on demand. Loan includes interest of INR 0.05 crore (31 March 2020 : INR 0.11 crore).

Terms and conditions of the above financial liabilities:

Trade payables and other payables are non-interest bearing and are normally settled as per payment terms mentioned in the contract.

In the opinion of the management, the balances of Payables are stated at book value and are payable.

For transactions relating to related party payables refer note 29.

12. OTHER FINANCIAL LIABILITIES

(INR in crore)

	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
Employee benefits payable	1.20	1.20
Lease Liabilities	-	1.68
Security deposits received	0.94	0.85
Total	**2.14**	**3.73**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

13. DEFERRED TAX LIABILITY (NET)

(INR in crore)

	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
i) Deferred tax liability:		
Fair Value of Investments	1.12	0.81
On Lease Obligations	-	0.62
Others	1.10	1.65
Total	**2.22**	**3.08**
ii) Deferred tax assets :		
Depreciation and amortisation	(0.00)	0.00
Employee retirement benefits obligation	0.05	0.03
On Lease Obligations	-	0.65
Income tax losses	1.78	1.96
Total	**1.83**	**2.64**
iii) MAT Credit Entitlement	**(0.87)**	**(0.72)**
Net Deferred tax liability/(assets)	**(0.48)**	**(0.28)**

14A. CURRENT TAX LIABILITIES (NET)

(INR in crore)

	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
Tax provision (net of advances)	0.02	-
Total	**0.02**	**-**

14B. PROVISIONS

(INR in crore)

	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
Defined Benefit Obligation (Gratuity)	0.13	0.04
Defined Benefit Obligation (Leave)	0.10	0.01
Total	**0.23**	**0.05**

14C. OTHER NON-FINANCIAL LIABILITIES

(INR in crore)

	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
Statutory dues payable	0.13	0.14
Total	**0.13**	**0.14**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

15. EQUITY SHARE CAPITAL

(INR in crore)

	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
Authorised		
15,000,000 (31 March 2020-15,000,000) Equity shares of INR 10/- each	**15.00**	**15.00**
Issued, subscribed and fully paid up		
12,000,000 (31 March 2020-12,000,000) Equity shares of INR 10/- each	**12.00**	**12.00**

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

(INR in crore)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of Equity shares	INR	Number of Equity shares	INR
At the beginning of the year	1,20,00,000	12	1,20,00,000	12
Add: Share issued during the year	-	-	-	-
Outstanding at the end of the year	**1,20,00,000**	**12**	**1,20,00,000**	**12**

b) Terms/rights attached to equity shares

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

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

d) Details of shareholders holding more than 5% shares in the company:

	As at 31 March 2021		As at 31 March 2020	
	No. of shares	% Holding	No. of shares	% Holding
Equity shares of INR 10 each fully paid				
UTI Asset Management Company Limited and its nominees	1,20,00,000	100	1,20,00,000	100
	1,20,00,000	**100**	**1,20,00,000**	**100**

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

16. OTHER EQUITY

(INR in crore)

	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
i) Retained Earnings		
Balance as per the last financial statements	16.70	18.20
Add: Movement in Other Comprehensive Income (net) during the year	(0.07)	(0.07)
Profit/ (loss) for the year	0.18	(1.43)
	16.81	**16.70**
ii) Group Equity Awards Scheme Reserve		
Balance as per the last financial statements	-	-
Add: Share-based compensation (Refer note 35)	0.89	-
Less: Share options exercised druing the year	-	-
	0.89	**-**
Total Other Equity (i+ii)	**17.70**	**16.70**

17. REVENUE FROM OPERATIONS

(INR in crore)

	Quarter Ended			Year Ended 31 March 2021	Year Ended 31 March 2020
	31 March 2021	31 December 2020	31 March 2020		
	Audited	Reviewed	Audited	Audited	Audited
(i) Interest Income					
Other interest Income	0.02	0.02	0.04	0.06	0.12
Total	**0.02**	**0.02**	**0.04**	**0.06**	**0.12**
(ii) Dividend Income					
on Investments	0.08	0.05	0.05	0.20	0.17
Total	**0.08**	**0.05**	**0.05**	**0.20**	**0.17**
(iii) Net gain on fair value changes					
On Mutual Funds	0.17	0.26	-	1.39	-
On other investements	-	-	-	0.02	-
Total	0.17	0.26	-	1.41	-
(iv) Sale of Services					
Management fees	1.68	1.72	1.89	7.12	7.26
Setup fees	0.08	0.11	-	0.19	0.17
Total	**1.76**	**1.83**	**1.89**	**7.31**	**7.43**
(v) Others					
Net gain(loss) on sale of investments	-	-	0.02	0.05	0.02
Total	**-**	**-**	**0.02**	**0.05**	**0.02**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

18. OTHER INCOME

(INR in crore)

	Quarter Ended			Year Ended 31 March 2021	Year Ended 31 March 2020
	31 March 2021	31 December 2020	31 March 2020		
	Audited	Reviewed	Audited	Audited	Audited
Credit balances written back	-	-	0.25	-	0.25
Exchange differences (net)	-	-	(0.01)	0.00	0.00
Income from AIF Investments	-	0.00	0.00	0.01	0.00
Interest income on income tax refund	-	-	0.05	0.03	0.05
Other non operating income	-	-	-	-	0.01
Income on Derecognision of lease	-	(0.03)	-	0.09	-
Total	**-**	**(0.03)**	**0.29**	**0.13**	**0.30**

19. EXPENSES

(INR in crore)

	Quarter Ended			Year Ended 31 March 2021	Year Ended 31 March 2020
	31 March 2021	31 December 2020	31 March 2020		
	Audited	Reviewed	Audited	Audited	Audited
(i) Finance Cost					
Interest on					
Loan	0.06	0.06	0.12	0.34	0.37
Interest on Lease Liability	-	-	0.03	0.03	0.15
Others	(0.00)	-	0.01	-	0.01
Total	**0.06**	**0.06**	**0.16**	**0.37**	**0.53**
(ii) Fees and commission expense					
Marketing fees and Commission	0.66	0.67	0.66	2.37	2.30
Total	**0.66**	**0.67**	**0.66**	**2.37**	**2.30**
(iii) Net Loss on fair value changes					
On Mutual Funds	-	-	(0.29)	-	0.89
Total	**-**	**-**	**(0.29)**	**-**	**0.89**
(iv) Employee benefits expense					
Salaries and wages	2.14	0.91	2.08	4.72	4.79
Contribution to provident and other funds	0.02	0.02	0.02	0.09	0.08
Gratuity expense	0.01	0.01	0.01	0.03	0.03
Leave encashment expense	-	0.01	(0.02)	0.10	0.13
Expenses on the Group Equity Award Scheme	0.09	0.18	-	0.89	-
Staff welfare expenses	0.01	0.01	0.01	0.02	0.03
Total	**2.27**	**1.14**	**2.10**	**5.85**	**5.06**
For transactions relating to related party payables refer note 29.					
(v) Depreciation, amortisation and impairment					
Depreciation of tangible assets	0.00	0.00	0.00	0.00	0.00
Amortization of intangible assets	0.00	0.00	0.00	0.00	0.00
Depreciation of Leased Assets	-	-	0.11	0.06	0.46
Total	**0.00**	**0.00**	**0.11**	**0.06**	**0.46**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

(INR in crore)

	Quarter Ended			Year Ended 31 March 2021	Year Ended 31 March 2020
	31 March 2021	31 December 2020	31 March 2020		
	Audited	Reviewed	Audited	Audited	Audited
(vi) Other expenses					
Rent	0.03	0.03	-	0.07	-
Rates and taxes	0.00	0.00	-	-	0.01
Travelling and conveyance	0.00	0.00	0.09	-	0.33
Communication costs	0.00	0.00	0.00	-	0.01
Printing and stationery	0.01	0.00	0.00	0.02	0.02
Legal and professional fees	0.08	0.02	-	0.17	0.15
Directors sitting fees	0.00	0.00	0.00	0.02	0.02
Payment to auditors (Refer (i) below)	0.03	0.01	(0.06)	0.05	0.03
Exchange differences	-	-	-	0.02	-
Membership Fees and Subscription	-	-	-	0.01	-
Advertising and business promotion	0.00	-	0.00	-	0.02
Balance written off	-	-	-	-	0.20
Other expenses	0.01	0.00	0.21	0.02	0.02
Total	**0.17**	**0.07**	**0.26**	**0.38**	**0.81**
For transactions relating to related party refer note 29					
(i) Payment to auditors					
As auditors:					
Audit fees	0.03	(0.02)	-	0.03	0.03
Limited review fees	-	0.01	0.02	0.02	0.03
Certification and other matters	-	(0.06)	0.04	-	0.09
Less: Reimbursed by Holding Company	-	0.07	(0.11)	-	(0.12)
Total	**0.03**	**0.01**	**(0.05)**	**0.05**	**0.03**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

20. TAX EXPENSE

The major components of income tax for the year are as under:

(INR in crore)

	Year Ended 31 March 2021	Year Ended 31 March 2020
Income tax related to items recognised directly in the statement of profit and loss		
Current tax – current year	0.15	-
Current tax – earlier year	0.01	0.06
Deferred tax charge / (benefit)	(0.06)	(0.64)
MAT credit entitlement – current year	(0.15)	-
MAT credit entitlement – earlier year	-	0.01
Total	**(0.05)**	**(0.57)**
Effective Tax Rate	-40.28%	28.64%
A reconciliation of income tax expense applicable to profit before income tax at statutory rate to the income tax expense at Company's effective income tax rate is as follows:		
Profit/(Loss) before Tax	**0.13**	**(2.01)**
Income Tax		
Statutory income tax rate of 26% (31 March 2020- 26%) on profit	0.03	(0.52)
Other timing difference and income tax at lower rates	-	(0.11)
Effect of current tax earlier year	0.01	0.06
Creation of MAT Credit entitlement-earlier year	-	0.01
Effect of exempt income and income tax at lower rates	(0.11)	(0.01)
Tax expense recognized in the statement of profit and loss	**(0.05)**	**(0.57)**
Deferred tax recognized in statement of other comprehensive income		
Employee retirement benefits obligation	0.02	0.03

The applicable tax rate is the standard effective corporate income tax rate in India. The tax rate is 26% for the year ended 31 March 2021.

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. For analysis of the deferred tax balances (after offset) for financial reporting purposes refer note 13.

	Year Ended 31 March 2021	Year Ended 31 March 2020
Deferred tax recognized in statement of profit and loss		
Depreciation and amortisation	(0.00)	(0.00)
Provision for Mark to Market on Open Contracts	0.31	(0.20)
Other disallowances	(0.55)	0.83
Deferred Tax liability on Lease Obligations	-	0.62
Deferred Tax asset on Lease Obligations	-	(0.65)
Unabsorbed losses	0.18	(1.24)
Total Deferred Tax Charge/(Credit)	**(0.06)**	**(0.64)**
Reconciliation of deferred tax assets / (liabilities) net:		
Opening balance	0.28	(0.39)
Deferred tax (charge)/credit recognised in		
- Statement of profit and loss	0.06	0.64
- Lease	(0.03)	-
- Recognised in other comprehensive income	0.02	0.03
Total	**0.33**	**0.29**
MAT Credit entitlement	0.15	(0.01)
Total	**0.48**	**0.28**

Unused tax losses

The Company has unused tax business losses of INR 6.85 crores (31 March 2020 : INR 7.53 crores). The losses are available for offsetting for eight years against future taxable income of the Company. Deferred tax assets has been recognised in respect of these unused tax losses considering reasonable certainty. However, Deferred tax asset has not been created on Long term capital loss of INR 0.57 crores available with the Company.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

21. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

	As on 31 Mar 2021			As on 31 Mar 2020		
	Within 12 months	After 12 Months	Total	Within 12 months	After 12 Months	Total
I. ASSETS						
(1) Financial assets						
(a) Cash and cash equivalents	0.67	-	0.67	0.83	-	0.83
(b) Receivables						
(i) Trade receivables	0.36	-	0.36	0.49	-	0.49
(ii) Other receivables	-	-	-	0.37	-	0.37
(c) Loans	0.02		0.02			
(d) Investments	28.37	-	28.37	27.97	-	27.97
TOTAL FINANCIAL ASSETS	**29.42**	**-**	**29.42**	**29.66**	**-**	**29.66**
(2) Non-Financial Assets						
(a) Current tax assets (net)	-	0.60	0.60	-	1.47	1.47
(b) Deferred Tax Asset	-	0.48	0.48	-	0.28	0.28
(c) Property, plant and Equipment	-	0.00	0.00	-	0.00	0.00
(d) Right to Use Asset	-	-	-	0.78	0.80	1.58
(e) Other Intangible Assets	-	0.00	0.00	-	0.00	0.00
(f) Other non-financial assets	2.38	3.09	5.47	2.12	4.25	6.37
TOTAL NON FINANCIAL ASSETS	**2.38**	**4.17**	**6.55**	**2.90**	**6.80**	**9.70**
Total Assets	**31.80**	**4.17**	**35.97**	**32.56**	**6.80**	**39.36**
II. LIABILITIES AND EQUITY						
LIABILITIES						
(1) FINANCIAL LIABILITIES						
(a) (I) Trade payable						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.59	-	0.59	0.45	-	0.45
(II) Other payable						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	0.00	-	0.00
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.11	-	0.11	0.18	-	0.18
(b) Borrowings	3.05	-	3.05	6.11	-	6.11
(c) Other financial liabilities	2.14	-	2.14	2.82	0.91	3.73
Total Financial Liabilities	**5.89**	**-**	**5.89**	**9.56**	**0.91**	**10.47**
(2) NON-FINANCIAL LIABILITIES						
(a) Current tax liabilities (net)	0.02	-	0.02	-	-	-
(b) Provisions	-	0.23	0.23	-	0.05	0.05
(c) Other non-financial liabilities	0.13	-	0.13	0.14	-	0.14
TOTAL LIABILITIES AND EQUITY	**0.15**	**0.23**	**0.38**	**0.14**	**0.05**	**0.19**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

22.

(INR in crore)

(i) Contingent Liabilities

The Company has no contigent liabilies as at 31 March 2021 (INR Nil as on 31 March 2020).

(ii) Litigation

The Company has no pending litigations as at 31 March 2021 (INR Nil as on 31 March 2020).

(iii) Capital Commitments

The Company has no capital commitments as at 31 March 2021 (INR Nil as on 31 March 2020).

23. MICRO, SMALL AND MEDIUM ENTERPRISES

Trade payables and other payables include amount payable to Micro, Small and Medium Enterprises. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) which came into force from 02 October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, who have registered with the competent authorities.

(INR in crore)

	As at 31 March 2021	As at 31 March 2020
Principal amount remaining unpaid to any supplier as at the year end	-	0.00
Interest due thereon	-	-
Amount of interest paid by the company in terms of section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMEDA	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

24. SEGMENT INFORMATION

The Company is primarily engaged in the managing funds and advisory services. There are no 'reportable segment' as per the definition contained in Ind AS 108 'Operating Segments'. Hence there is no separate reportable segment. The secondary segment is geographical segment, which is given as under:

(INR in crore)

	As at 31 March 2021	As at 31 March 2020
Segment revenue		
India	7.64	6.13
Outside India	1.39	1.61
Segment assets		
India	34.62	35.54
Outside India	0.27	0.49
Unallocable	1.08	3.33

Information about major customers

There are two customers accounting for more than 10% of revenue, amounting to INR 7.12 crores (31 March 2020 : Two Customers, revenue of INR 6.97 crores).

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

25. FINANCIAL RISK MANAGEMENT

The Company has an exposure to the following risks arising from financial instruments:
Credit Risk
Liquidity Risk
Market Risk

A. Risk Management Framework:

The Company's board of directors has the overall responsibility for the establishment and oversight of company's risk management framework. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and company's activities.

B. Credit Risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (mostly trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The carrying amount of the financial assets represents the maximum credit risk exposure.

Trade receivables:

Major portion of trade receivables include the management fees and advisory services receivable from clients. Based on the past experience, management expects to receive these amounts without any default. The Company has not made any loans to employees or any other person or entity.

(INR in crore)

Trade Receivables	As at 31 March 2021	As at 31 March 2020
More than Six months	-	-
Others	0.36	0.49
Total	**0.36**	**0.49**

Following is the exposure of the Company towards credit risk:

(INR in crore)

	As at 31 March 2021		As at 31 March 2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets:				
Trade receivables	0.36	0.36	0.49	0.49
Other Receivables	-	-	0.37	0.37

C. Liquidity Risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

Following is the exposure of the Company towards liquidity risk;

(INR in crore)

	Carrying Amount	As at 31 March 2021		
		Less than 1 year	1-3 years	More than 3 years
Financial Liabilities :				
Borrrowings	3.05	3.05	-	-
Trade payables	0.59	0.59	-	-
Other payables	0.11	0.11	-	-
Other financial liabilities	2.14	2.14	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

(INR in crore)

	Carrying Amount	As at 31 March 2020		
		Less than 1 year	1-3 years	More than 3 years
Financial Liabilities :				
Borrrowings	6.11	6.11	-	-
Trade payables	0.45	0.45	-	-
Other payables	0.18	0.18	-	-
Other financial liabilities	3.73	2.82	0.21	0.70

D. Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's financial Instruments. All of the Company's interest rate risk exposure is at a fixed rate.

The Company does not have variable rate instruments.

Foreign currency risk:

The Company enters into transactions in currency other than its functional currency and is therefore exposed to foreign currency risk. The Company analyses currency risk as to which balances outstanding in currency other than the functional currency of that Company. The management has taken a position not to hedge this currency risk.

The Company undertakes transactions denominated in foreign currencies, consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are not hedged considering the insignificant impact and period involved on such exposure.

The following table sets forth information relating to foreign currency exposure;

(Amounts in USD)

Currency	31 March 2021	31 March 2020
United States Dollar (USD)	36,896	65,467

Foreign currency sensitivity analysis :

The following table demonstrates the sensitivity to a 10% increase / decrease in foreign currencies with all other variable held constant. The below impact on the Company's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date.

(INR in crore)

	Sensitive Analysis			
	As at 31 March 2021		As at 31 March 2020	
	Decrease by 10%	Increase by 10%	Decrease by 10%	Increase by 10%
United States Dollar (USD)	(0.03)	0.03	(0.05)	0.05

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

26. FAIR VALUE HIERARCHY

The Following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures of fair value measurement hierarchy for assets and liabilities:

(INR in crore)

Financial Assets	31 March 2021	31 March 2020	Fair Value Hierarchy	Valuation technique(s) & key inputs used
Investments in Mutual Funds	27.57	26.95	Level 1	NAV declared by the funds.
Investments in AIF Units	0.80	1.02	Level 2	NAV declared by the funds.

Valuation techniques used to determine fair value;

a) Investment included in Level 1 of fair value hierarchy are based on prices quoted in stock exchange and/or NAV declared by the Funds.

b) Investments included in Level 2 of fair value hierarchy have been valued based on inputs from banks and other recognised institutions such as FIMMDA/ FEDAI and NAV declared by Funds

c) Investments included in Level 3 of fair value hierarchy have been valued using acceptable valuation techniques such as Net Asset Value and/ or Discounted Cash Flow Method.

27. CAPITAL MANAGEMENT

Capital includes issued capital and other equity reserves attributable to the shareholders. The primary objective of the company's capital management is to maximize the shareholder value as well as to maintain investor, creditor and market confidence and to sustain future development of the company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using the ratio of 'net adjusted debt' to 'Total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest bearing loans and borrowings and obligations under finance lease(if any), less cash and cash equivalents. Total Equity comprises of share capital and all reserves.

Calculation of this ratio is given below:

(INR in crore)

	As at 31 March 2021	As at 31 March 2020
Borrowings	3.05	6.11
Trade Payable	0.59	0.45
Other Payable	0.11	0.18
Other financial liabilities	2.14	3.73
Less: Cash and Cash equivalents	(0.67)	(0.83)
Adjusted Net Debt (a)	5.22	9.64
Total Equity (b)	29.70	28.70
Adjusted Net Debt to Total Equity Ratio (a/b)	**0.18**	**0.34**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

28. EMPLOYEE BENEFITS

The Disclosures as per Ind AS 19 - Employee Benefits is as follows:

A) Defined Contribution Plans

"Contribution to provident and other funds" is recognized as an expense in Note 19(iv) "Employee benefit expenses" of the Statement of Profit and Loss.

B) Defined Contribution Plans

The Employees' Gratuity Fund Scheme managed by LIC of India is a defined benefit plan. The present value of obligation is based on actuarial valuation using the projected unit credit method. The obligation for leave benefits managed by LIC of India is a defined benefit plan.

Defined Benefit plans

(INR in crore)

		As at 31 March 2021	As at 31 March 2020
I.	**Expenses recognised during the year**		
	Current service cost	0.04	0.03
	Interest cost	-	-
	Benefits paid	-	-
	Actuarial losses / (gains)	-	-
	Total Expenses	**0.04**	**0.03**
II.	**Amount recognised in other comprehensive income (OCI)**		
	Opening amount recognized in OCI outside profit and loss account	0.13	0.02
	Remeasurements during the period due to	-	-
	- Changes in financial assumptions	0.01	0.01
	- Changes in demographic assumptions	-	-
	- Experience adjustments	0.08	0.09
	- Actual return on plan assets less interest on plan assets	-	-
	- Adjustment to recognize the effect of asset ceiling	-	-
	Closing amount recognizsed in OCI outside profit and loss account	**0.22**	**0.13**
III.	**Net Asset/ (Liability) to be recognised in the Balance sheet as at**		
	Present value of obligation as at the end of the year	0.28	0.15
	Fair value of plan assets as at the end of the year	0.15	0.11
	Asset/ (Liability) to be recognised at the end of the year (Refer note to (IV) below)	**(0.13)**	**(0.04)**
IV.	**Reconciliation of Net Liability / Assets :**		
	Opening net defined benefit liability/(assets)	0.04	(0.03)
	Expense charged to profit and loss account	0.04	0.03
	Amount recognized outside profit and loss account	0.09	0.10
	Employer contributions	(0.03)	(0.06)
	Closing net defined benefit liability/(assets)	**0.14**	**0.04**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

(INR in crore)

		As at 31 March 2021	As at 31 March 2020
V.	**Reconciliation of benefit obligation during the inter-valuation period:**		
	Opening net defined benefit obligation	0.15	0.12
	Current service cost	0.04	0.03
	Past service cost	-	-
	Interest on defined benefit obligation	0.01	0.01
	Remeasurements due to	-	-
	- Actuarial loss/(gain) arising from change in financial assumptions	0.01	0.01
	- Actuarial loss/(gain) arising from change in demographic assumptions	-	-
	- Actuarial loss/(gain) arising on account of experience changes	0.08	0.09
	Benefits paid	-	(0.11)
	Closing of defined benefit obligation	**0.29**	**0.15**
VI.	**Reconciliation of the plan assets during the inter-valuation period:**		
	Opening fair value of plan assets	0.11	0.15
	Employer contribution	0.03	0.06
	Interest on plan assets	0.01	0.01
	Administration Expenses	-	-
	Remeasurements due to		
	- Actual return on plan assets less interest on plan assets	-	-
	Benefits paid	-	(0.11)
	Closing of defined benefit obligation	**0.15**	**0.11**
VII.	**The following payments are expected to defined benefit plan in future years :**		
	Expected benefits for year 1	0.01	0.00
	Expected benefits for year 2 to year 5	0.04	0.02
	Expected benefits beyond year 5	0.55	0.30
VIII.	**Actuarial Assumptions**		
	Discount rate	6.45%	6.65%
	Expected rate of salary increase	6.00%	6.00%
	Mortality	IALM (2012-14)	IALM (2012-14)

IX. Sensitivity Analysis

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 impact in percentage terms on 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.

(INR in crore)

	As at 31 March 2021		As at 31 March 2020	
	Discount Rate	Salary	Discount Rate	Salary
Defined benefit obligation on increase in 50 bps	0.27	0.30	0.14	0.16
Impact of increase in 50 bps on DBO	-5.09%	5.46%	-5.21%	5.60%
Defined benefit obligation on decrease in 50 bps	0.30	0.27	0.16	0.14
Impact of decrease in 50 bps on DBO	5.46%	-5.13%	5.59%	-5.27%

(a) The current service cost recognized as an expense is included in Note 19(iv) 'Employee benefits expense' as gratuity. The remeasurement of the net defined benefit liability is included in other comprehensive income.

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

(c) Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

C) Other long term benefits

The obligation for leave benefits (funded) is also recognised using the projected unit credit method and accordingly the long term paid absences have been valued. The leave encashment expense is included in Note 19(iv) 'Employee benefits expense'.

29. RELATED PARTY TRANSACTIONS

Holding Company

UTI Asset Management Company Limited

Key Management Personnel

Mr. I. Rahman (Director)
Mr. Flemming Madsen (Director)
Mr. Deepak Calian Vaidya (Independent Director)
Mr. Rohit Gulati (Chief Executive Officer)
Mr. Ashutosh Binayake (Chief Financial Officer)
Mr. Gautam Rajani (Company Secretary)

Transactions with Related parties:

(INR in crore)

	As at 31 March 2021	As at 31 March 2020
Holding Company		
Rent Paid	0.07	0.51
Reimbursement of Expenses paid	-	0.31
Borrowings	(3.00)	6.00
Interest expenses	0.34	0.37
Key Managerial Personnel		
Sitting Fees Paid	0.02	0.02
Remuneration		
Chief Executive Officer	1.92	1.93
Chief Financial Officer	0.48	0.58

(INR in crore)

Balances as at	As at 31 March 2021	As at 31 March 2020
Borrowings		
Holding Company	3.05	6.11
Other current liabilities		
Holding Company	-	0.08
Other receivables		
Holding Company	-	0.36

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

30. EARNINGS PER SHARE

(INR in crore)

	As at 31 March 2021	As at 31 March 2020
Profit/(Loss) after tax (INR In crores)	0.18	(1.43)
Weighted average number of equity shares (Numbers)		
- for Basic /Diluted EPS	1,20,00,000	1,20,00,000
Face value of equity share (INR/ share)	10	10
Basic / Diluted earnings per share (INR)	**0.15**	**(1.19)**

31. DISCLOSURES AS REQUIRED BY IND AS 115

(INR in crore)

	As at 31 March 2021	As at 31 March 2020
Revenue Consist of following		
Interest Income	0.06	0.12
Dividend Income	0.20	0.17
Sale of Services	7.31	7.43
Net Gain/ loss on fair value changes	1.41	-
Net Gain/loss on sale of mutual fund & other investments	0.05	0.02
Total	**9.03**	**7.74**
Revenue Disaggregation by Industrial Verticle & Geography is as follows		
Financial Services/ India	7.64	6.13
Financial Services/ Outsude India	1.39	1.61
Total	**9.03**	**7.74**
Timing of Revenue Recoginition		
Services transferred at point in time	1.85	0.36
Services transferred over period in time	7.18	7.38
Total	**9.03**	**7.74**

32.

Reconciliation between opening and closing balances in the balance sheet for liabilities arisiing from financing activities required by IND AS 7 " Statement of Cash Flows" as under;

	Short term borrowings	
	As at 31 March 2021	As at 31 March 2020
Opening Balance	6.11	-
Cash inflow (outflow)	(3.36)	6.00
Non cash changes- interest unpaid	0.31	0.11
As at 31 March 2021 (31 March 2020)	**3.05**	**6.11**

33. DIVIDEND RECOMMENDATION

The Board has not recommended any dividend to the shareholders for the 2020-21.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

34. INFORMATION REQUIRED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013

a) The Company has not granted any loan or given any guarantee or provided any security during the year covered under the provision of the Section 186 of the Companies Act 2013.

b) There are no investments made other than disclosed in Note 6.

35. EMPLOYEE SHARE BASED PAYMENTS

Employee stock option scheme (Equity settled)

The Holding company introduced an Employee Stock Option Scheme called the "UTI AMC Employee Stock Option Scheme -2007. Each Employee on the rolls of the Company as on 16 December 2019 and few Employees from its subsidiaries were granted options. The vesting of the options is from expiry of one year from grant date till four years from grant date as per Plan. Under the scheme, 46,555 equity shares have been granted to the eligible employees and each option entitles the holder thereof to apply for and be allotted no of Equity Share granted of the Company having face value of INR 10 each for an exercise price of INR 728/- during the exercise period. Vesting of the options shall take place over a maximum period of 3 years with a minimum vesting period of 1 year from the date of grant i.e. 16 December 2019. The exercise period would be maximum of 3 years from the date of vesting of options.

Details of ESOS 2007

Particulars	ESOS 2007
Date of Grant	16 December 2019
Price of Underlying Stock (In INR)	728
Exercise / Strike Price (In INR)	728
The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions:	
Risk Free Interest Rate	6.33%
Expected Dividend	INR 5 per share
Expected Life (years)	4 Years (mid - way between option vesting and expiry)
Expected Volatility	39.78%
Weighted Average Fair Value (In INR)	276

The information covering stock options granted, exercised, forfeited and outstanding at the period ended is as follows:

Particulars	No. of stock options
Date of Grant	16 December 2019
Outstanding at the beginning of the year	-
Granted during the year	46,555
Exercised during the year	-
Forfeited during the year	-
Lapsed/expired during the year	-
Outstanding at the end of the year	46,555
Vested and exercisable	-

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant Date	Expiry Date	Exercise Price	Outstanding as at 31 March 2021
16 December 2019	17 December 2022	728	46,555

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend per share and the risk free interest rate for the term of the option.

The model inputs for options granted during the period ended 31 March 2021 included:

Assumptions	As at 31 March 2021
Expected - Weighted average volatility	39.78%
Expected dividends	INR 5 per share
Expected term (In years)	4 Years (mid - way between option vesting and expiry)
Risk free rate	6.33%
Exercise price	728
Market price	728
Grant date	16-12-2019
Expiry date	17-12-2022
Fair value of the option at grant date	276

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Expense arising from share-based payment transactions

(INR in crore)

Assumptions	As at 31 March 2021
Employee stock option scheme (equity settled)	0.89

36. DISCLOSURE AS PER IND-AS 116 (LEASES)

Right of Use Asset

(a) 'ROU asset' comprises leased assets of office/branch premises that do not meet the definition of investment property.

	As at 31 March 2021	As at 31 March 2020
Opening Balance	1.58	-
Additions	-	2.04
Amortisation	0.06	0.46
Disposal	1.52	-
Closing Balance	**-**	**1.58**

The aggregate amortisation expense on right-of-use asset is included under depreciation and amortisation expense in the Statement of Profit and Loss.

Effective 1 April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method on the date of initial application. Consequently, the Company recorded the lease liability and right of use at the present value of the lease payments discounted at the incremental borrowing rate.

On transition to Ind AS 116, the Company recognised INR 2.04 crore of right-of-use assets and INR 2.04 crore of lease liabilities. When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate at 1 April 2019. The weighted-average rate applied is 8.50%.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

(b) The following is the break-up of current and non-current lease liabilities

	As at 31 March 2021	As at 31 March 2020
Current	-	0.77
Non Current	-	0.91
Total	-	1.68

(c) The following is the movement in lease liabilities

	As at 31 March 2021	As at 31 March 2020
Opening Balance	1.68	-
Additions	-	2.04
Finance Cost incurred during the period	0.03	0.15
Payment of lease liabilities	(0.11)	(0.51)
Disposal / Dereognition of Lease Liability	(1.60)	-
Closing Balance	-	1.68

(d) Lease liabilities Maturity Analysis

	As at 31 March 2021	As at 31 March 2020
Maturity analysis - contractual undiscounted cash flows		
Less than one year	-	0.53
One to five years	-	1.09
More than five years	-	0.43
Total undiscounted lease liabilities	**-**	**2.05**

37.

In Structured Debt Opportunites Fund II, no Investment Management Fee has been recognised since as on 31 March 2021 the investors have only been allotted T-units on which no management fee is charged as per per the Fund documents.

38.

The directors have, at the time of approving the financial statements, assessed the potential impact of the COVID-19 global pandemic on the Company. The coronavirus outbreak is a new emerging risk to the global economy. The Company's business may be impacted due to decrease in the NAV of the underlying funds on which the management fees for the Company is calculated. Business continuity plans have been invoked to maintain business operations following lockdowns across India which will help to ensure business resilience. The situation is changing so rapidly that the full impact cannot yet be understood, but the Company will continue to monitor the situation closely.

The directors consider that the Company has adequate financial resources to continue in operational existence for the foreseeable future and therefore, continue to adopt the going concern basis of accounting in preparing the financial statements.

39. PRIOR YEAR COMPARATIVES

Previous period figures have been regrouped / reclassified wherever necessary to correspond with the current period classifications / disclosures. Figures in brackets pertain to previous year.

In terms of our Report attached
For **SAMRIA & CO.**
Chartered Accountants
Firm Registration No. 109043W

Adhar Samria
Partner
Membership No. 049174

Place: Mumbai
Date: 26 April 2021

For and on behalf of the board UTI Capital Private Limited

I. Rahman
Director

Deepak Vaidya
Director

Rohit Gulati
CEO

Ashutosh Binayake
CFO

Gautam Rajani
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To

The Members of UTI Asset Management Company Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of **UTI Asset Management Company Limited** (hereinafter referred to as the "Holding Company"), and its subsidiaries (the holding Company and its subsidiaries together referred to as "the Group") which comprise the consolidated Balance sheet as at 31 March 2021 the consolidated statement of Profit and Loss account (including other comprehensive income), the consolidated Statement of changes in Equity and the consolidated Cash Flows statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rule, 2015 as amended ('Ind AS'), and other accounting principles generally accepted in India, of the their consolidated state of affairs of the Group as at 31 March 2021, the consolidated profit, the consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and rules 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 consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Revenue Recognition**	
	Refer to the accounting policies in the Financial Statements: Significant accounting policies – Note 2.3 Revenue Recognition and Note 24 to the financial statements: Revenue from Operations. Revenue from operations is the most significant account balance in the Statement of Profit and Loss. It comprises of : (a) Investment Management Fees (b) Portfolio Management Fees (c) Fees relating to point of presence under New Pension Scheme Key aspects relating to timing and recognition are: ● Revenue is accrued based on a five step model as set out in Ind AS 115 "Revenue from Contract with Customers" and in accordance with the respective agreement ● The Company receives investment management fees from the mutual funds which is charged as a percent of the Asset under	Our audit procedures included: ● Obtained and read the accounting policy for revenue recognition ● Understood and evaluated the design and implementation of controls. Tested the operating effectiveness of the controls in place across the Company relevant to the recognition of the revenue ● On a sample basis, obtained and tested arithmetical accuracy of revenue calculations and reconciled it with the amount included in the financial statements and test checked invoices and reconciled with the accounting records ● On a sample basis, obtained and read the certification reports issued by the statutory auditors of mutual fund schemes, in accordance with generally accepted assurance standards

Sr. No.	Key Audit Matter	Auditor's Response
	Management (AUM), in accordance with the guidelines prescribed under SEBI (Mutual Fund) Regulations, 1996 as amended from time to time, based on daily net asset value. ● Company also receives monthly AMC Fees from a Offshore fund floated in India ● Company is registered with Pension Fund Regulatory & Development Authority (PFRDA), under NPS architecture providing Point of Presence service to subscriber, for which the Company receives service charges as applicable	● Evaluated the adequacy of disclosures relating to the revenue

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, identified above, when it becomes available and, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors

When we read other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable in the applicable laws and regulations.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flow of the Group in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The respective Board of Directors of the companies included in the Group are responsible maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to

INDEPENDENT AUDITOR'S REPORT (Contd.)

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 consider material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management
- Conclude on the appropriateness of management 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 of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

OTHER MATTERS:

i. The consolidated financial statements include the following Subsidiaries

   1) UTI Retirement Solutions Limited
   2) UTI Capital Private Limited
   3) UTI Venture Funds Management Company Private Limited
   4) UTI International Limited
   5) India Infrastructure Development Fund

ii. We did not audit the financial statements of the 5 subsidiaries, mentioned above, included in the consolidated financial statements, whose financial statements reflect total assets of INR 631.25 crore as at 31 March 2021, total revenue of INR 250.15 crore, total net profit after tax of INR 147.69 crore, total comprehensive income of INR 141.63 crore and net cash flows amounting to INR 52.79 crore for the year on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors

iii. UTI International Limited, one of Company's subsidiaries is located outside India whose financial statements reflect total assets of INR 521.18 crore as at 31 March 2021, total revenue of INR 218.68 crore, total net profit after tax of INR 142.16 crore, total comprehensive income of INR 136.18 crore and net cash flows amounting to INR 56.45 crore for the year on that date. These financial statements and other financial information have been prepared in accordance with generally accepted accounting principles in its respective country and which have been audited by the other auditors under the generally accepted auditing standards applicable in their respective countries. The Holding Company management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in its respective country to be in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with companies (Indian Accounting Standards) Rules 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India. Such financial statements have been reviewed by other auditor. We have considered the reviewed converted financial statements

Our opinion, in so far as is related to the balances and affairs of such subsidiaries located outside India is based on the report of such other auditors and conversion adjustment prepared by the management of the holding Company

Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

I. As required by Section 143 (3) of the Act, based on our audit and on the consideration of reports of other Auditors of separate Financial statements and on the other financial information of the subsidiaries, as noted in the other matter paragraph in the auditor's report, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, (including Consolidated other comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements

d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act

f) With respect to the adequacy of internal financial controls over financial reporting of the Holding Company and its subsidiaries, incorporated in India and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"**, which is based on the auditor's report of Company and its subsidiary companies, incorporated in India

g) With respect to the matter to be included in the Auditor's Report under section 197(16) of the Act:

In our opinion and according to the information and explanation given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provision of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of the Corporate Affairs has not prescribed other details under section 197 (16) of the Act which are required to commented upon by us.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the

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

i. The Consolidated financial statements disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements – Refer Note No. 31 to the Consolidated Financial Statements

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

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, incorporated in India

For **G. D. Apte & Co.**
Chartered Accountants
Firm registration number: 100515W

C.M. Dixit
Partner
Membership No: 017532
UDIN : 21017532AAAAAD3080

Place : Mumbai
Date : April 28, 2021

ANNEXURE - A THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF UTI ASSET MANAGEMENT COMPANY LIMITED

(Referred to in paragraph I(f) under the heading of "report on other legal and regulatory requirement" of our report on even date to the members UTI ASSET MANAGEMENT COMPANY LIMITED on the consolidated financial statements for the year ended 31 March 2021)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of UTI Asset Management Company Limited ("Hereinafter referred to as "The Holding Company") as of 31 March 2021, we have audited the internal financial controls over financial reporting with reference to the financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Respective board of Directors of the Holding Company, and its subsidiaries incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Company considering the essential components of internal control stated in the guidance note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note")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 respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with 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. 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 with reference to 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 with reference to financial reporting and their operating effectiveness. Our audit of internal financial controls with reference to financial reporting included obtaining an understanding of internal financial controls with reference to 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 judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company's internal financial control with reference to 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 with reference to financial statements includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and those receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

INDEPENDENT AUDITOR'S REPORT (Contd.)

financial controls with reference to financial statements 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 Holding Company, and its subsidiary companies, which are companies incorporated in India, have, maintained 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 2021, 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. We have considered the matter described and reported above in determining the nature, timing and extent of audit tests applied in our audit of the 31 March 2021 consolidated financial statements of the Company.

OTHER MATTERS

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to its subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies.

Our opinion is not modified in respect of the above matter.

For **G. D. Apte & Co.**
Chartered Accountants
Firm registration number: 100515W

C. M. Dixit
Partner
Membership No: 017532
UDIN : 21017532AAAAAD3080

Place : Mumbai
Date : April 28, 2021

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

(INR in crore)

Particulars	Note No.	As at 31 March 2021	As at 31 March 2020
I. ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	205.97	119.25
(b) Receivable	4		
(i) Trade receivables		45.52	45.61
(ii) Other receivables		4.15	9.74
(c) Loans	5	25.17	37.91
(d) Investments	6	2,746.88	2,355.75
(e) Other Financial Assets	7	189.07	154.24
TOTAL FINANCIAL ASSETS		**3,216.76**	**2,722.50**
(2) Non - financial assets			
(a) Current tax assets (Net)	8	58.17	46.07
(b) Deferred tax assets (Net)		-	-
(c) Investment property	9	10.21	10.73
(d) Property, plant and equipments	10	240.73	250.39
(e) Right of use assets	11	97.68	99.75
(f) Capital work-in-progress	12	4.35	0.28
(g) Intangible assets under development	13	0.78	0.76
(h) Other Intangible assets	14	10.96	11.80
(i) Other non financial assets	15	25.21	23.00
TOTAL NON FINANCIAL ASSETS		**448.09**	**442.78**
Total Assets		**3,664.85**	**3,165.28**
II. LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Payables			
(I) Trade payable	16		
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		3.63	1.42
(II) Other payable			
(i) Total outstanding dues of micro enterprises and small enterprises		0.62	0.80
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		89.08	64.01
(b) Borrowings			
(c) Other Financial Liabilities	17	171.48	172.62
TOTAL FINANCIAL LIABILITIES		**264.81**	**238.85**

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021 (Contd.)

(INR in crore)

Particulars	Note No.	As at 31 March 2021	As at 31 March 2020
(2) Non-financial liabilities			
(a) Current tax liabilities (Net)	18	27.51	4.49
(b) Provisions	19	48.58	83.09
(c) Deferred tax liabilities (Net)	20	73.30	47.97
(d) Other non financial liabilities	21	13.68	7.79
TOTAL NON FINANCIAL LIABILITIES		**163.07**	**143.34**
EQUITY			
Equity Share Capital	22	126.79	126.79
Other Equity	23	3,099.06	2,645.51
Equity attributable to owners of the Company		**3,225.85**	**2,772.30**
Non-controlling interests		11.12	10.79
Total Equity		**3,236.97**	**2,783.09**
TOTAL EQUITY AND LIABILITIES		**3,664.85**	**3,165.28**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our Report of even date
For **G.D. Apte & Co.**
Chartered Accountants
FRN: 100515W

CA C.M. Dixit
Partner
MRN: 017532
Place: Mumbai
Date: The 28 April 2021

For and on behalf of the Board of Directors of UTI Asset Management Company Limited

D K Mehrotra
Non Executive Chairman
(DIN: 00142711)

Imtaiyazur Rahman
Chief Executive Officer & Whole Time Director
(DIN: 01818725)

Surojit Saha
Chief Finance Officer

Arvind Patkar
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31 MARCH 2021

(INR in crore)

Particulars	Note No.	Year Ended 31 March 2021	Year Ended 31 March 2020
INCOME			
Revenue from operations	24		
Interest Income		16.65	16.85
Dividend Income		0.32	0.25
Rental Income		10.26	7.52
Net Gain on Fair Value Changes		279.90	(8.66)
Sale of Services		806.55	787.89
Others - Net Gain/Loss on sale of Investments		54.84	50.18
Total Revenue from operations		**1,168.52**	**854.03**
Other income	25	30.11	35.93
Total Income		**1,198.63**	**889.96**
EXPENSES			
Fees and Commission Expense	26	2.96	2.91
Finance Cost	27	8.06	9.35
Employee Benefit Expenses	28	379.48	339.88
Depreciation and amortisation expenses	29	35.78	33.59
Other Expenses	30	169.32	162.93
Total Expenses		**595.60**	**548.66**
Profit/(Loss) before exceptional items and tax		**603.03**	**341.30**
Exceptional Items		-	-
Gratuity provision withdrawn		-	-
Profit Before Tax		**603.03**	**341.30**
Tax expenses			
Current Tax		83.18	74.43
Tax adjustments for the earlier years		0.01	0.47
Deferred Tax		25.66	(8.01)
MAT Credit entitlement		(0.15)	(0.51)
Total tax expenses		**108.70**	**66.38**
Profit for the year		**494.33**	**274.92**
Profit attributable to:			
Owners of the Company		**494.14**	**271.46**
Non-controlling interests		0.19	3.46
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit & loss		(7.28)	(52.65)
(ii) Income Tax relating to items that will not be reclassified to profit and loss		0.02	(11.08)
B (i) Items that will be reclassified to profit & loss		-	-
(ii) Income Tax relating to items that will be reclassified to profit and loss		-	-
Total Other Comprehensive Income for the year		**(7.26)**	**(63.73)**

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

(INR in crore)

Particulars	Note No.	Year Ended 31 March 2021	Year Ended 31 March 2020
Profit for the year			
Other comprehensive income attributable to:			
Owners of the Company		(7.26)	(63.73)
Non-controlling interests		-	-
Other comprehensive income for the year			
Total comprehensive income attributable to:			
Owners of the Company		486.88	207.73
Non-controlling interests		0.19	3.46
Total comprehensive income for the year		**487.07**	**211.19**
Earning per Equity Share (for continuing operation)			
[Nominal value of share INR 10 (31 March 2020 : INR 10)]			
Basic (in INR)		38.97	21.41
Diluted (in INR)		38.97	21.41
0.00 indicates amount less than INR 0.005 crore			

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

As per our Report of even date
For **G.D. Apte & Co.**
Chartered Accountants
FRN: 100515W

CA C.M. Dixit
Partner
MRN: 017532
Place: Mumbai
Date: The 28 April 2021

For and on behalf of the Board of Directors of UTI Asset Management Company Limited

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Non Executive Chairman
(DIN: 00142711)

Imtaiyazur Rahman
Chief Executive Officer & Whole Time Director
(DIN: 01818725)

Surojit Saha
Chief Finance Officer

Arvind Patkar
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
INDIRECT METHOD CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit & Loss Before Taxation	**603.03**	**341.30**
Adjustment for		
Depreciation	35.78	33.59
Finance Cost	8.06	9.35
Interest Income	(16.65)	(16.85)
Dividend Income	(0.32)	(0.25)
Rental Income	(10.26)	(7.52)
Expenses on the employee stock option scheme	30.52	10.50
Provision no longer required withdrawn (net)	(1.52)	3.21
Amortisation of Other Financial Instrument	0.96	1.09
(Profit) / Loss on fair value changes	(279.90)	8.66
(Profit) / Loss on Sale of Investment	(54.84)	(50.18)
(Profit) / Loss on Sale of Property, Plant and Equipments	0.05	(0.18)
Operating Profit Before Working Capital Changes	**314.91**	**332.72**
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX		
(Increase)/ Decrease in Financial Assets Loans	4.15	(0.16)
(Increase)/ Decrease in other financial assets	1.83	(6.12)
(Increase)/ Decrease in Financial Assets Trade Receivable	0.09	(18.07)
(Increase)/ Decrease in Financial Assets Other Receivable	5.59	26.44
(Increase)/ Decrease in other Non Financial Assets	(3.17)	(0.72)
Increase/ (Decrease) in Financial Liabilities - Trade Payable	28.64	(8.31)
Increase/ (Decrease) in Other Financial Liabilities	(1.87)	5.96
Increase/ (Decrease) in Non Financial Liabilites	(34.84)	(67.69)
Increase/ (Decrease) in Other Non Financial Liabilities	5.90	(0.82)
	6.32	**(69.49)**
CASH GENERATED FROM OPERATIONS	**321.23**	**263.23**
Less : Income Tax Paid	(72.13)	(82.70)
Net cash generated from Operating Activities	**249.10**	**180.53**
CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase) / Sale of Property, Plant and Equipments/ other intangible assets	(42.12)	(44.74)
(Increase)/ Decrease in Investments	(427.79)	(114.64)
Interest Income	16.65	16.85
Rental Income	10.26	7.52
Dividend Income	0.32	0.25
Profit / (Loss) on Sale of Investment	334.74	41.54
Advance Given for IPO Expenses	8.60	(8.60)
Net cash generated from Investing Activities	**(99.34)**	**(101.82)**

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid Previous year	(88.75)	(63.39)
Corporate Dividend Distribution Tax Paid Previous year	-	(5.84)
Transfer from General Reserve	(4.00)	-
Effect of foreign exchange fluctuations	28.89	7.45
(Increase)/ Decrease in Non Controlling Interest	(7.13)	(26.41)
(Increase)/ Decrease in lease liability	15.28	22.97
Repayment of lease liability	(7.33)	(18.42)
Net cash generated from Financing Activities	(63.04)	(83.64)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENT	86.72	(4.93)
OPENING CASH AND CASH EQUIVALENTS	119.25	124.18
Closing Cash and cash equivalents	205.97	119.25
COMPONENTS OF CASH AND CASH EQUIVALENT		
Cash and cash equivalents		
Balances with banks:		
On current accounts	111.40	70.77
Cash on hand	-	-
Other bank balances		
Deposits with Banks	94.57	48.48
	205.97	**119.25**

Note: Cash flow statement has been prepared under indirect method as set out in the Indian Accounting Standard 7 "Cash Flow Statements".

As per our Report of even date
For **G.D. Apte & Co.**
Chartered Accountants
FRN: 100515W

CA C.M. Dixit
Partner
MRN: 017532
Place: Mumbai
Date: The 28 April 2021

For and on behalf of the Board of Directors of UTI Asset Management Company Limited

D K Mehrotra
Non Executive Chairman
(DIN: 00142711)

Imtaiyazur Rahman
Chief Executive Officer & Whole Time Director
(DIN: 01818725)

Surojit Saha
Chief Finance Officer

Arvind Patkar
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

A. EQUITY SHARE CAPITAL

(INR in crore)

Balance at the beginning of the reporting year i.e. 01 April 2019	Changes in equity share capital during the 2019-20	Balance at the end of the reporting year i.e. 31 March 2020	Changes in equity share capital during 01 April 2020 to 31 March 2021	Balances at the end of the reporting year i.e. 31 March 2021
126.79	-	126.79	-	126.79

B. OTHER EQUITY

(INR in crore)

Particulars	Balance at the beginning of the Reporting year (01 April 2019)	Change in accounting policy or prior period errors	Balance at the beginning of the reporting year (01 April 2019)	Total comprehensive income for the year	Dividends	Transfer to retained earnings	Any other change	Balance at the end of the Reporting year (31 March 2020)	Figures at the beginning of the previous Reporting year (01 April 2018)
Reserves and Surplus									
i. General Reserve	156.02	-	156.02	-	-	-	-	156.02	156.02
ii. Security Premium Reserve	35.61	-	35.61	-	-	-	-	35.61	35.61
iii. Share Option Outstanding Account	-	-	-	10.50	-	-	-	10.50	-
iv. Retained Earnings	2,264.45	-	2,264.45	271.46	69.23	-	-	2,466.68	1,984.03
v. Foreign Currency Translation Reserve	8.60		8.60	7.45	-	-	-	16.05	10.92
vi. Capital Redemption Reserve	0.45	-	0.45	-	-	-	-	0.45	0.45
	2,465.13	**-**	**2,465.13**	**289.41**	**69.23**	**-**	**-**	**2,685.31**	**2,187.03**
Other Comprehensive Income								**-**	
Opening Balances	23.93	-	23.93	(63.73)	-	-	-	(39.80)	60.71
Movement during the year	-		-	-	-	-	-	-	-
	23.93	**-**	**23.93**	**-**	**-**	**-**	**-**	**(39.80)**	**60.71**
	2,489.06	**-**	**2,489.06**	**289.41**	**69.23**	**-**	**-**	**2,645.51**	**2,247.74**

Particulars	Balance at the beginning of the Reporting year (01 April 2020)	Change in accounting policy or prior period errors	Balance at the beginning of the reporting year (01 April 2020)	Total comprehensive income for the year	Dividends	Transfer to retained earnings	Any other change	Balance at the end of the Reporting year (31 March 2021)	Figures at the beginning of the previous Reporting year (01 April 2019)
Reserves and Surplus									
i. General Reserve	156.02	-	156.02	-	-	(4.00)	-	152.02	156.02
ii. Security Premium Reserve	35.61	-	35.61	-	-	-	-	35.61	35.61
iii. Share Option Outstanding Account	10.50	-	10.50	30.53	-	-	-	41.03	-
iv. Retained Earnings	2,466.68	-	2,466.68	494.14	88.75	-		2,872.06	2,264.45
v. Foreign Currency Translation Reserve	16.05		16.05	28.89	-	-	-	44.94	8.60
vi. Capital Redemption Reserve	0.45	-	0.45	-	-	-	-	0.45	0.45
	2,685.31	**-**	**2,685.31**	**553.56**	**88.75**	**(4.00)**	**-**	**3,146.12**	**2,465.13**
Other Comprehensive Income								**-**	
Opening Balances	(39.80)	-	(39.80)	-	-	-	-	(39.80)	23.93
Movement during the year	-	-	-	(7.26)	-	-	-	(7.26)	-
	(39.80)	**-**	**(39.80)**	**-**	**-**	**-**	**-**	**(47.06)**	**23.93**
	2,645.51	**-**	**2,645.51**	**553.56**	**88.75**	**(8.00)**	**-**	**3,099.06**	**2,489.06**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

SIGNIFICANT ACCOUNTING POLICIES:

1. Corporate Information & Proportion of ownership interest in subsidiaries included in consolidation

UTI ASSET MANAGEMENT COMPANY LIMITED

UTI Asset Management Company Limited (The Company) is a Public Limited Company domiciled in India, was incorporated on 14 November 2002 under the Companies Act, 1956 with the object to carry on activities of raising funds for and to render investment management services to schemes of UTI Mutual Fund and is registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996. In terms of the Investment Management Agreement, UTI Trustee Company Private Limited ('the Trustee') has appointed the Company to manage the Mutual Fund. The registered office of the Company is located at UTI Tower, GN Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

UTI Asset Management Company Limited is also undertaking portfolio management services to clients under Securities and Exchange Board of India (SEBI) (Portfolio Managers) Regulations, 1993 pursuant to a certificate granted by the SEBI. The said certificate is valid till it is suspended or cancelled by the Securities and Exchange Board of India.

The process of Initial Public Offer (IPO) of UTI Asset Management Company Limited has been completed successfully and the Company has been listed on the stock exchanges (National Stock Exchange and Bombay Stock Exchange) on 12 October 2020.

The Company has four wholly owned subsidiaries viz. UTI Venture Funds Management Company Private Limited, UTI International Limited, UTI Retirement Solutions Limited and UTI Capital Private Limited. The Company also have investment in India Infrastructure Development Fund (IIDF) and has treated this investment made in IIDF as subsidiary, as per requirement of Ind AS 110 "Consolidated Financial Statements".

PROPORTION OF OWNERSHIP INTEREST IN SUBSIDIARIES INCLUDED IN CONSOLIDATION

Name of the Company	Country of Incorpo-ration	Proportion of Ownership Interest
UTI Venture Funds Management Company Private Limited	India	100%
UTI International Limited	Guernsey, Channel Islands	100%
UTI Retirement Solutions Limited	India	100%
UTI Capital Private Limited	India	100%
UTI International (Singapore) Private. Limited. (subsidiary of UTI International Limited, Guernsey)	Singapore	100%
UTI Investment Management Company (Mauritius) Limited. (subsidiary of UTI International Limited, Guernsey)	Mauritius	100%
UTI Private Equity Limited (UTI PEL) (Subsidiary of UTI Venture Funds Management Company Private Limited)	Mauritius	100%

UTI RETIREMENT SOLUTIONS LIMITED:

UTI Retirement Solutions Limited is a wholly owned subsidiary of UTI Asset Management Company Limited. Incorporated on 14 December 2007 under Companies Act, 1956 The Company is formed to carry out the operation as pension fund manager under National Pension System and as directed by the Pension Fund Regulatory and Development Authority (PFRDA) and the Board of Trustees of the National Pension Trust set up under the National Trust Act 1882. And to undertake wholesale asset management as prescribed by the Government or PFRDA.

UTI VENTURE FUNDS MANAGEMENT COMPANY PRIVATE LIMITED:

UTI Venture Funds Management Company Private Limited Is a wholly owned subsidiary of UTI Asset Management Company Limited. The Company's business consists of managing Private Equity and Venture Funds. These Restated Consolidated Financial Statements relate to the Company and its wholly owned subsidiary, UTI Private Equity Limited, Mauritius (previously known as UTI Private Equity Advisors Limited, Mauritius) together referred to as the 'Group'.

UTI INTERNATIONAL LIMITED:

UTI International Limited (the 'Company' or 'UTI International') is a 100% subsidiary of UTI Asset Management Company Limited, a Company incorporated in India ('UTI AMC'). UTI International operates from its head office (HO) in Guernsey and its branch in London. UTI International has two wholly owned subsidiaries UTI Investment Management Company (Mauritius) Limited ('UTI Mauritius') in Mauritius and UTI International (Singapore) Private Limited ('UTI Singapore') in Singapore. The Company, UTI Mauritius and UTI Singapore collectively form the UTI International Group (the 'Group').

The Group is principally engaged in administration and marketing of the Mauritius domiciled offshore funds setup by the erstwhile Unit Trust of India ('UTI') or UTI AMC, marketing of the offshore funds and the domestic mutual fund schemes of UTI AMC in overseas markets and acting as Manager / Advisor to those entities investing in India through the Foreign Portfolio Investor ('FP'I) route / regime.

The Company is licensed by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (the "POI Law") to carry on the restricted activities of promotion, subscription, registration, dealing, management, administration and advising in connection with Collective Investment Schemes and the restricted activities of promotion, subscription, dealing, management, administration, advising and custody in connection with General Securities and Derivatives.

UTI CAPITAL PRIVATE LIMITED:

UTI Capital Private Limited is a wholly owned subsidiary of UTI Asset Management Company Limited incorporated on 13 May 2011 under the then Companies Act, 1956 (now Companies Act, 2013). The Company's business consists of managing funds of India Infrastructure Development Fund (IIDF), UTI Structured Debt Opportunities Fund (SDOF) and providing advisory services to Pragati India Fund Limited (PIFL).

2.1 Preparation & Presentation of Financial Statements:

(A) STATEMENT OF COMPLIANCE

The Group's Consolidated Financial Statement have been prepared in accordance with the provision of the Companies Act, 2013 and the Indian Accounting Standards (hereinafter referred to as the "Ind AS") as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 3 of the Companies (India Accounting Standards) Rules, 2015 and Companies (India Accounting Standards) Amendment Rules 2016 and other relevant provisions of the Act, as amended from time to time. In addition, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations requires a different treatment.

(B) BASIS OF MEASUREMENT

The Group maintains accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair value in accordance with Ind AS Net defined benefit (asset)/ Liability which are measured at Fair value of plan assets less present value of defined benefit obligations, And Equity settled share based Payments which are measured at Fair value as on the grant date.. The carrying value of all the items of property, plant and equipment and investment property as on date of transition is considered as the deemed cost.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statement are categorised within the fair value hierarchy, described as follows, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(C) PRESENTATION OF FINANCIAL STATEMENTS

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the Consolidated Financial Statement.

Indian Rupee (INR) is the Company's functional currency and the currency of the primary economic environment in which the Company operates. Accordingly, the management has determined that Consolidated Financial Statement are presented in Indian Rupees (INR). All amounts have been rounded off to the nearest crore up to two decimal places unless otherwise indicated. Per share data are presented in Indian Rupees to two decimals places.

Basis of Consolidation

(i) The Consolidated Financial Statement incorporate the financial statements of the Parent Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

subsidiary. The Parent Company together with its subsidiaries constitute the Group. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

(ii) Consolidation of a subsidiary begins when the Parent Company, directly or indirectly, obtains control over the subsidiary and ceases when the Parent Company, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of Profit and Loss from the date the Parent Company, directly or indirectly, gains control until the date when the Parent Company, directly or indirectly, ceases to control the subsidiary.

(iii) The Consolidated Financial Statement of the Group companies financial statements of the Parent Company and its subsidiaries line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and unrealised profits / losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Parent Company. The Consolidated Financial Statement have been presented to the extent possible, in the same manner as Parent Company's standalone financial statements.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests and have been shown separately in the Consolidated Financial Statements.

(iv) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Parent Company.

(v) The gains / losses in respect of part divestment/ dilution of stake in subsidiary companies not resulting in ceding of control, are recognised directly in other equity attributable to the owners of the Parent Company.

(vi) The gains/losses in respect of divestment of stake resulting in ceding of control in subsidiary companies are recognised in the Statement of Profit and Loss. The investment representing the interest retained in a former subsidiary, if any, is initially recognised at its fair value with the corresponding effect recognised in the Statement of Profit and Loss as on the date the control is ceded. Such retained interest is subsequently accounted as an associate or a joint venture or a financial asset.

(vii) On consolidation, assets and liabilities relating to the non-integral foreign operations are translated at the exchange rate prevailing on the balance sheet date. Revenue and expenses are translated at the average rates prevailing in the period. Exchange differences arising out of these translations are included in the Balance sheet under Reserves and Surplus under the nomenclature "Foreign Currency Translation Reserve on Consolidation".

In Case of UTI International Management Company Private Limited, Where the Company holds management shares in underlying offshore funds (The UTI India Fund Limited ('India Fund'), The India Pharma Fund Limited ('Pharma Fund'), The India Debt Opportunities Fund Limited (IDOF) (IDOF now stands redeemed as of March 19, 2019), UTI Rainbow Fund Limited ('Rainbow Fund'), Shinsei UTI India Fund (Mauritius) Limited ('Shinsei Fund'), Wealth Creator Funds 1 to 6 ('Wealth Creator Funds') and UTI Spectrum Fund Limited). It has the power over relevant activities of the investee entities but does not have exposure or rights to variable returns from these, as such these entities are not consolidated in these Consolidated Financial Statements.

In case of UTI Venture Funds Limited, the Company has a wholly owned subsidiary, UTI Private Equity Limited, Mauritius. The subsidiary Company is a holder of 100 management shares having a face value of USD 1 each in the offshore pooling vehicle of Fund II viz Ascent India Limited. In addition to the management shares, Ascent India Limited has issued Class A and B Participating Shares at the face value of USD 100 each. The management shares do not carry any economic interest in the form of dividends, are not be redeemable but carry voting rights in the investment Company. Only the Participating shares carry the beneficial interest in the investment Company, are redeemable, entitled to dividends but are not entitled to voting rights in the investment Company. Upon liquidation of the investment Company, the management shareholders are entitled to receive their nominal capital only, subject to a maximum of USD 100. The management is of the opinion that since the management shares of the Company in Ascent India Limited do not have any economic benefits, consolidation of the financial statements of Ascent India Limited with UTI Private Equity Limited as per Ind AS 110 will not be appropriate. Accordingly, the financial statements of Ascent India Limited have been excluded from consolidation.

2.2 Use of Estimates & Judgments:

A KEY SOURCES OF ESTIMATION:

The preparation of the Financial Information in accordance with Ind AS requires use of judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively. Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are as follows:

- **Useful lives of property, plant and equipment**

  The Group estimates the useful lives of property, plant and equipment based on the period over which the assets are expected to be available for use. The estimation of the useful lives of property, plant and equipment is based on collective assessment of industry practice, internal technical evaluation and on the historical experience with similar assets. It is possible, however, that future results from operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

- **Useful life Intangible assets**

  The useful life is based on a reasonable estimate.

- **Future obligations in respect of retirement benefit plans**

  The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

- **Provision for income tax**

  Provision for income taxes is the estimated amount that the Group expects to pay in income taxes for the current year. The amount of this provision is derived by adjusting the reported net income of the Group with a variety of permanent differences and temporary differences.

- **Measurement of deferred tax assets**

  In determining the recoverability of deferred income tax assets, the Group primarily considers current and expected profitability of applicable operating business segments and their ability to utilise any recorded tax assets. The Group reviews its deferred income tax assets at every reporting period end, taking into consideration the availability of sufficient current and projected taxable profits, reversals of taxable temporary differences and tax planning strategies.

- **Provisions, contingent assets and liabilities**

  Provisions are liabilities of uncertain amount or timing recognised where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic benefit is probable. Contingent liabilities are possible obligations that may arise from past event whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not fully within the control of the Group. The Group exercises judgment and

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

estimates in recognizing the provisions and assessing the exposure to contingent liabilities relating to pending litigations. Judgment is necessary in assessing the likelihood of the success of the pending claim and to quantify the possible range of financial settlement. Due to this inherent uncertainty in the evaluation process, actual losses may be different from originally estimated provision.

- **Fair value measurement**

  All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities / assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

- **Share based payments**

  The fair value of options has been estimated as on the grant date using Black - Scholes model. The key assumptions used in Black – Scholes model for calculating the fair value of option under ESOS 2007 has been stipulated in note no 45.

- **Lease term**

  The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

B CRITICAL ASSUMPTIONS, ESTIMATION AND UNCERTAINTIES:

The following are the critical judgments, apart from those involving estimations, that the Management have made in the process of applying the Group's accounting policies and that have the significant effect on the amounts recognised in the Consolidated Financial Statement:

Determination of control in case of investments held by the Company:

Judgment is required in assessing the level of control obtained in a transaction to acquire an interest in another entity; depending upon the facts and circumstances in each case, the Company may obtain control, joint control or significant influence over the entity or arrangement. Transactions which give the Company control of a business are business combinations. If the Company obtains joint control of an arrangement, judgment is also required to assess whether the arrangement is a joint operation or a joint venture. If the Company has neither control nor joint control, it may be in a position to exercise significant influence over the entity, which is then classified as an associate.

The investment portfolio of the Holding Company includes investment in mutual Fund scheme, investment in IIDF investment in Ascent India Fund III, investment in MF Utilities and investment in Institutional Investor Advisory Services India Limited and investment SDOF, which have been examined on the principles laid down in Ind AS 110, to assess whether control exist on the following parameters:

(a) Power over the investee

(b) Exposure, or rights to variable returns from its involvement with the investee and

(c) The ability to use its power over the investee to affect the amount of the investor's returns, in terms of delegated power, tradeoff between kick-out rights and aggregate economic interest.

Accordingly, the Company has concluded that it does not have control over investment in Mutual Fund, investment in SDOF, SDOF II, Ascent India Fund III, investment in MF Utilities and investment in Institutional Investor Advisory Services India Limited but has control in case of investment in IIDF, hence disclosed the same in line with the disclosure of the investment in subsidiaries.

In UTI International Limited:

Fair value of financial assets and financial liabilities that are traded in active markets are based on quoted prices or dealers price quotations.

For all other financial instruments, the Company determines fair values using valuation techniques. Valuation techniques include using trading multiples of comparable listed companies and other valuation models. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

The valuation techniques take into account the most updated information and estimates available to the Company on the reporting date. Because of the uncertainties inherent in estimating fair value for private equity investments, care is applied in exercising judgment and making the necessary estimates. Techniques would be applied consistently from period to period, except where a change would result in better estimates of fair value.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

The Company invests only in UTI India Dynamics Equity Fund, which is an open-end fund incorporated in Ireland and invests in a diversified portfolio of equities and equity related securities which are listed on the Bombay Stock exchange and the National Stock Exchange

The Company uses the Net Asset Value (NAV) per share to evaluate the fair value of its investment as at year end. The NAV is calculated by State Street, who is the administrator, secretary and the custodian of the investee Company. The NAV is calculated on a daily basis and is posted on Bloomberg.

C ACCOUNTING POLICY ON LEASES – IND AS 116:

Leases

The Group has applied Ind AS 116 using the modified retrospective method and therefore the comparative information has not been restated and continues to be reported under Ind AS 17. Lease liabilities and right of use of assets were both recorded at the present value of future lease payments, thus no impact was recorded on the opening retained earnings.

A. Significant accounting policy

Policy applicable from 1 April 2019 at inception of a contract, the Group 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 Group assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified; – the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
  - The Group has the right to operate the asset; or
  - The Group designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after 1 April 2019. At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

As a lessee

The Group 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.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are 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 re measurements 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, and the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments. The lease liability is measured at amortised cost using the effective interest method.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of Diesel Generator (DG) set that have a lease term of 12 months or less and leases of low-value assets, including IT equipments.

Accordingly, the Company has adopted Ind AS 116 - Leases and applied it to all lease contracts existing on 01 April 2019 using the modified retrospective method. Consequently, the cumulative adjustment has been taken on the date of initial application i.e. 01 April 2019. Based on the same and as permitted under the specific transitional provisions in the standard, the Group is not required to restate the comparative figures. Since the Group has adopted the modified retrospective method, there is no impact arises in the opening retained earnings. The effect of this adoption is not material to the profit for the period and earnings per share.

2.3 Revenue Recognition:

The Group has adopted Ind AS 115 w.e.f. 01 April 2018 using the modified retrospective method. Impact on the Consolidated Financial Statement upon adoption of Ind AS 115 is not material considering the natures and size of business of the group Company. The group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115 to determine when to recognise revenue and at what amount.

The Group applies for the five - step approach for recognition of revenue.

- Identification of contract(s) with customer
- Identification of separate performance obligation in the contract
- Determination of transition price
- Allocation of transaction price to the separate performance obligation, and
- Recognition of revenue when (or as) each performance obligation is satisfied.

A. REVENUE

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that future economic benefits will flow to the Group. Revenue is measured based on the consideration specified in the contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over service to a customer.

a) Management fees are accounted over a period of time for each of the management and advisory agreement entered. Fees from advisory services are accounted as per the advisory mandates entered into with the clients on completion of the performance obligation.

b) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

- Interest income or expense is recognised using the effective interest method.

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

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

c) Dividend income is recognised when the Group's right to receive dividend is established.

If the consideration promised in a contract includes a variable amount, an entity estimates the amount of consideration to which it will be entitled in exchange for transferring the promised services to a customer. An amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if an entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

B. CONTRACT COSTS

In accordance with Ind AS - 115, incremental costs to obtain a contract are capitalised and amortised over the contract term if the costs are expected to be recoverable. The Group does not capitalise incremental costs to obtain a contract where the contract duration is expected to be one year or less.

C. ARRANGEMENTS WITH MULTIPLE PERFORMANCE OBLIGATIONS

The Group's contracts with customers may include multiple performance obligations. For such arrangements, the Group allocates revenue to each performance obligation based on its relative standalone selling price, which is generally determined based on the price charged to customers.

D. CONTRACT ASSETS AND LIABILITIES:

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

Contract liabilities primarily relate to consideration received in advance from customers, for which the performance obligation is yet to be satisfied.

- **Nature of services:**

  The group principally generates revenue from providing portfolio management services to its clients and from investment management fees earned from UTI Mutual Fund where UTI AMC is appointed as an investment manager.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Services	Nature, timing of satisfaction of performance obligations and significant payment terms
Investment Management Fees & Portfolio Management Fees	A. UTI AMC has been appointed as an investment manager for UTI Mutual Fund. The Company receives investment management fees from the mutual funds which is charged as a percent of the Asset Under Management (AUM) on a weekly basis and is invoiced on a weekly basis to UTI Mutual Fund. The maximum amount of management fee that can be charged is subject to SEBI regulations. Management fees are accounted for on accrual basis in accordance with the Investment Management and Advisory Agreement with the UTI Trustee Company Private Limited, Services Agreement with the Administrator of the Specified Undertaking of Unit Trust of India (SUUTI) and the agreements with the clients of the Wealth Management Division of UTI Asset Management Company Limited. It is based on the audited net asset value as recorded by the Schemes of UTI Mutual Fund. Fees from SUUTI are charged based on mutual agreement. Management Fees from Portfolio Management Services is charged on the basis of agreements with the clients based on the audited portfolio values recorded by the Wealth Management Division of UTI Asset Management Company Limited. UTI AMC Limited also receives monthly AMC Fees from 2 Offshore funds floated in India (India Fund and India Pharma Fund). UTI AMC Limited is registered with Pension Fund Regulatory & Development Authority (PFRDA), under NPS architecture providing Point of Presence service to subscribers, for which the Company receives service charges as applicable. Therefore, the contract includes a single performance obligation (series of distinct services) that is satisfied over the time and the management fees and the performance fee earned are considered as variable consideration which are included in the transaction price only to the extent that no significant revenue reversal will occur (i.e. when the uncertainties related to the variability are resolved). Management fees recognised are in line with SEBI (Mutual Fund) Regulation, 1996 (SEBI Regulations) as amended from time to time, based on daily net asset value. B. Management fees of UTI Retirement Solutions are accounted for on accrual basis in accordance with the Investment Management Agreement with the NPS Trust (National Pension System Trust). C. Income from management fees of UTI Venture Funds Limited is recognised when they contractually accrue except when collectability is in doubt. D. Management fees, Investor service fees, advisory fees, marketing service fees and performance fees of UTI International Limited are recognised on an accrual basis in accordance with the terms of relevant agreements. E. In case of UTI Capital Private Limited. The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "Revenue from Contracts with Customers" related to revenue recognition which replaces all existing revenue recognition standards and provide a single, comprehensive model for all contracts with customers. The revised standard contains principles to determine the measurement of revenue and timing of when it is recognised. The amendment also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in those judgments as well as assets recognised from costs incurred to fulfil these contracts.

GST is not received by the Group on its own account. Rather, it is collected by group on behalf of the government. Accordingly, it is excluded from revenue.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

2.4 Property, plant and equipment:

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation, and impairment losses, if any. The cost of acquisition is inclusive of duties, freight and other incidental expenses related to acquisition and installation of the assets. Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value, only if it increases the future benefits from existing asset beyond its previously assessed standard of performance. Capital work in progress is stated at cost.

For transition to Ind AS, the group has elected to adopt as deemed cost, the carrying value of PPE measured as per I-GAAP less accumulated depreciation and cumulative impairment on the transition date of 01 April 2017. In respect of revalued assets, the value as determined by valuers as reduced by accumulated depreciation and cumulative impairment is taken as cost on transition date. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Gains or losses arising from disposal of Property, Plant and Equipments are measured as the differences between the net disposal proceeds and carrying amount of asset and are recognised in the Statement of Profit and Loss when the asset is disposed.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work in progress and Capital advance".

Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life / residual value is accounted on prospective basis.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

The group provides depreciation on Property, plant & equipment in the manner prescribed in schedule II to Companies Act, 2013 on straight line method (SLM) on pro-rata basis, based on prescribed useful life of assets which are as under:

Description of Assets	Useful Lives in years	
	As per the Companies Act, 2013	As per management's estimate
Building*	60	60
Server & Network	6	6
Computer & Laptop	3	3
Office Equipment	5	5
Furniture	10	10
Vehicle **	8	6

* In order to the determine the useful life of building, the Group has considered the total useful life as suggested in companies act, while determining the same we have taken into account the period for the underlying assets which has been used by the previous owner.

* The group, based on technical assessment and with best management estimate, depreciates certain items of building over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

** Management believes that the useful life of asset reflects the period over which it is expected to be used.

Assets costing individually INR 5,000 or less are depreciated at the rate of 100% on pro-rata basis. Considering the materiality aspect, residual value 5 % of the cost has been taken only for buildings.

UTI INTERNATIONAL LIMITED:

All items of property, plant and equipment are initially recorded at cost and are recognised as an asset if, it is probable that future economic benefits associated with the items will flow to the Company. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable.

Depreciation on tangible assets is calculated at 25% to 33% in respect of computers, furniture and fixtures and office equipment on a straight-line basis so as to write off the cost of fixed assets on a pro rata basis over their anticipated useful lives.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

The residual values, useful life and depreciation method are reviewed at each financial year end to ensure the amounts, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodies in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gains or losses arising on de-recognition of the asset is included in profit or loss in the financial year the asset is derecognised.

2.5 Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. Such cost includes purchase price, borrowing cost, and cost directly attributable to brining the asset to its working condition for the intended use. Thereafter intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Software are amortised over a period of 3 years on straight line method (SLM) on pro-rata basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal value and the carrying amount of the asset and are recognised in the Statement of Profit & Loss. Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as “intangible assets under development”.

Intangible assets are amortised on straight line basis over the estimated useful life. The method of amortisation and useful life is reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset’s revised carrying amount over its remaining useful life.

2.6 Investment Properties:

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any,

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013 or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/ residual value is accounted on prospective basis.

Though the group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of profit or loss in the period of de-recognition.

2.7 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.

A. FINANCIAL ASSETS:

1. Initial recognition and measurement

Financial assets, with the exception of loans, are initially recognised on the trade date, i.e., the date that the group becomes a party to the contractual provisions of the instrument. Loans are recognised when funds are transferred to the customers’ account. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

2. Subsequent recognition and measurement

The group classifies all of its financial assets based on the business model for managing the assets and the asset’s contractual terms, measured at either:

a) Amortised cost

b) FVOCI (Fair value through other comprehensive income).

c) FVTPL (Fair value through profit and loss).

CORPORATE OVERVIEW

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

As per Ind AS 109, Financial Assets have to be measured as follows:

a) Financial assets carried at amortised cost (AC)

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

b) Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss.

c) Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in FVOCI for equity instruments which are not held for trading. Debt instruments that do not meet the amortised cost or FVOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost or FVOCI criteria but are designated as at FVTPL are measured at FVTPL. A debt instrument that meets the amortised cost or FVOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss is included in the "Revenue from Operations" The transaction cost directly attributable to the acquisition of financial asset at fair value through profit and loss is immediately recognised to profit and loss.

3. Investment in equity instruments issued by subsidiaries, Associates and Joint Ventures are measured at cost less impairment.

4. De-recognition

The Group has transferred its rights to receive cash flows from the asset or the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. On de-recognition of a financial asset in its entirety, the difference between the carrying amounts measured at the date of de-recognition and the consideration received is recognised in profit or loss.

5. Impairment

In accordance with Ind AS at each reporting date, the Group assesses whether financial assets carried in the books are credit-impaired. Financial assets are said to be credit impaired, when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.

This process also includes, whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is determined:

(i) In the case of an individual asset, at the higher of the net selling price and the value in use; and

(ii) In the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. Investment in IIDF, is carried at deemed cost which was fair valued as on the transition date of Ind AS, i.e. on 01 April 2017, The Investment Managers of IIDF has got the extention for the fund for another 2 year i.e. till 12 May 2023. Since the investment in IIDF will get matured on May 2023, therefore the investment in IIDF has been faire valued to the NAV as on March 2021 according to the guidelines of Ind AS 36.

B. FINANCIAL LIABILITIES:

1. Initial recognition and measurement

As per Ind AS 32, a financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets & liabilities with another entity under conditions that are potentially unfavourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2. Subsequent recognition and measurement

Financial liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial guarantee contracts, if not designated as at FVTPL, are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative income amortisation, whichever is higher.

3. De-recognition

A financial liability (or a part of a financial liability) is derecognised from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.8 Offsetting of Financial Instruments:

Financial assets and financial liabilities are offset and the net amount reported in statement of financial position if, and only if:

- There is a current enforceable legal right to offset the recognised amounts; and
- There is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.9 Transactions in Foreign Currency:

Transactions in foreign currency are accounted for at the average rate of exchange prevailing for the period fees are payable. Exchange differences, if any, arising out of transactions settled during the year are recognised in the Statement of Profit and Loss. Monetary Assets and Liabilities denominated in foreign currencies as at the Balance Sheet date are translated at the closing exchange rate. The exchange differences, if any, are recognised in the Statement of Profit and Loss.

The Group has a 100% owned subsidiary UTI International Limited, Guernsey, UTI Investment Management Company (Mauritius) Limited (subsidiary of UTI International Limited, Guernsey), UTI Private Equity Limited (UTI PEL) Mauritius (P) Limited (Subsidiary of UTI Venture Funds Management Company (P) Limited) and UTI International (Singapore) Private Limited (subsidiary of UTI International Limited, Guernsey). The amount payable as business support / marketing fees to the subsidiary in respect of domestic funds is converted into INR for the period it is payable at the periodic average rate.

2.10 Employee Benefits Expenses:

SHORT TERM EMPLOYEE BENEFITS:

The undiscounted amount of short term employee benefits falling due within twelve months of rendering the service are classified as short term employee benefit and are expensed out in the period in which the employee renders the related service.

DEFINED CONTRIBUTION PLANS:

A defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions to a separate entity. Contributions to defined contribution schemes such as employees provident fund scheme is charged as an expenses based on the amount of contribution required to be made as when services are

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

rendered by the employees. In case of UTI, Provident Fund for eligible employees is managed by the Group through trust "UTI AMC Employees Provident Fund". UTI AMC EPF is covered under "The Provident Funds Act, 1925.

In case of UTI International Limited, The Company participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Company makes contributions to the Central Provident Fund ("CPF") scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the financial period in which the related service is performed.

For UTI Capital Private Limited, defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to Public Provident Fund (PPF). The Company expenses its contribution to the statutory provident fund @ 10% of the basic salary and additional pay, wherever applicable, for each employee.

DEFINED BENEFIT PLANS:

For defined benefit plans, the amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss). The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited to 'Finance costs' in the Statement of Profit and Loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss. In case of pension fund, if the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. The Company expenses its contribution to the statutory provident fund @ 10% of the basic salary and additional pay, wherever applicable, for each employee.

The defined benefit plan surplus or deficit on the Balance Sheet date comprises fair value of plan assets less the present value of the defined benefit liabilities (using a discount rate by reference to market yields on government bonds at the end of the reporting period).

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method.

Actuarial gains and losses are recognised in the Statement of Other Comprehensive Income (OCI) in the period in which they occur. Past service cost is recognised immediately. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

For UTI Capital Private Limited., Company's contribution in case of Gratuity and Leave Encashment are funded annually with the Life Insurance Corporation of India under the respective schemes, based on the actuarial valuation as per IND AS -19 'Employee Benefits' Actuarial valuation is based on a number of assumptions. These assumptions are reviewed at each reporting date.

For UTI VFL, Gratuity, which is a defined benefit scheme, is not funded and the cost of providing services is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date.

SHARE-BASED PAYMENT TRANSACTIONS:

The Employee Stock Option Scheme provides for the grant of options to acquire equity shares of the Company to its eligible employees are measured at fair value of the equity instruments at the grant date. The period of vesting and period of exercise are as specified within the respective schemes. Details regarding the determination of the fair value of equity settled share based payments transactions are set out in Note 45.

The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revives its estimate of the number of equity instruments expected to vest. The impact of the revision of original estimates, if any, is recognised in Statement of profit and loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to Share based options outstanding account. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

OTHER LONG TERM EMPLOYEE BENEFITS:

Other long term employee benefits include accumulated compensated absences that are entitled to be carried forward for future availment subject to Group's policies. The Group's liability towards accumulated compensated absences are accrued and provided for on the basis of an actuarial valuation using Projected Unit Credit Method at the end of the reporting period.

For UTI International Limited, the net liability for the long term incentives is the aggregate of the present value of the defined benefit obligation (derived using a discount rate based on risk free rate) at the end of the reporting period.

2.11 Cash & Cash Equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

2.12 New fund offer expenses of mutual fund:

Expenses relating to new fund offer of mutual fund schemes are charged in the statement of profit & loss in the year in which such expenses are accrued.

2.13 Taxes on Income:

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

CURRENT TAX:

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax Act 1961, and based on the expected outcome of assessments/ appeals.

DEFERRED TAX:

Deferred income taxes reflect the impact of current period temporary differences between taxable income and accounting income for the period and reversal of temporary differences of earlier periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax liabilities are generally recognised for all taxable temporary differences, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable those taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

In UTI Capital Private Limited, Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

2.14 Contingencies & Provisions:

In accordance with Ind AS 37, provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are not recognised in books of accounts. They are disclosed by way of notes, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognised in consolidated financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed, only where an inflow of economic benefits is probable.

2.15 Impairment of Assets (Other than Financial Assets):

At each Balance Sheet date, the management reviews the carrying amounts of assets to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is determined:

(i) In the case of an individual asset, at the higher of the net selling price and the value in use; and

(ii) In the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss.

Reversal of impairment loss is recognised immediately as income in the Statement Profit and Loss.

2.16 Earnings per share

A) BASIC EARNINGS PER SHARE

Basic earnings per share is computed by dividing profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period.

B) DILUTED EARNINGS PER SHARE

Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

3. CASH AND CASH EQUIVALENTS

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balances with banks:		
Cash on hand	-	-
On current accounts	111.40	70.77
Cheques, drafts on hand	-	-
Deposits with Banks	94.57	48.48
	205.97	**119.25**

4. RECEIVABLE

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Trade Receivables		
Outstanding for a period exceeding six months from the date they are due for payment		
(Unsecured, considered good)	28.30	8.25
Others		
(Unsecured, considered good)	17.22	37.36
	45.52	**45.61**
Other Receivables		
Others		
Receivable from Structures Debt Opportunities Fund	0.28	-
Others	0.04	
Advances to related parties (Unsecured, considered good)	**-**	**-**
Other Advances (Secured, considered good)		
Receivable from UTI Mutual Fund	3.83	9.74
	4.15	**9.74**
	49.67	**55.35**

5. LOANS

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Loans to Employees	16.00	18.63
Provision for loans & advances	-	(0.06)
Loan to UTI Employees Credit Co-operative Society Ltd.	-	0.36
Security Deposits	6.77	3.84
Advances recoverable in cash or kind	2.40	15.14
	25.17	**37.91**

* Loans are measured at amortised cost as per the requirement of IND AS 109

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

6. INVESTMENTS

(INR in crore)

Details of Investments	As at 31 March 2021			As at 31 March 2020		
	Amortised Cost	At Fair Value through Profit or Loss	Total	Amortised Cost	At Fair Value through Profit or Loss	Total
Financial Assets						
Investments in Mutual Fund	-	2,130.03	2,130.03	-	1,836.48	1,836.48
Investments in Offshore Fund	-	315.55	315.55	-	211.47	211.47
Investment in Venture fund	-	283.73	283.73	-	290.72	290.72
Investments in Preference Shares	-	-	-	-	-	-
Investment in Equity Instruments	-	17.57	17.57	-	17.08	17.08
Total Gross Investments (A)	**-**	**2,746.88**	**2,746.88**	**-**	**2,355.75**	**2,355.75**
Investment outside India	-	315.55	315.55	-	211.47	211.47
Investment in India	-	2,431.33	2,431.33	-	2,144.28	2,144.28
Total (B)	**-**	**2,746.88**	**2,746.88**	**-**	**2,355.75**	**2,355.75**
Less : Allowance for Impairment (C)	-	-	-	-	-	-
Total Net Investments (D = A-C)	**-**	**2,746.88**	**2,746.88**	**-**	**2,355.75**	**2,355.75**

7. OTHER FINANCIAL ASSETS

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Other financial assets		
Receivable from UTI Mutual Fund	0.07	0.07
Investor Education & Protection Fund	6.06	13.46
Offshore Development Fund	30.18	26.05
VSS Liability Fund	27.00	25.56
	63.31	**65.14**
Other Bank Balances		
Deposits pledged with bank	108.30	85.46
Interest accrued on fixed deposits	4.81	2.85
Fixed Deposits with Banks	12.65	0.79
	125.76	**89.10**
Deposits pledged with bank against Bank overdraft and Bank guarantee.		
Term deposits with a carrying amount of INR 54.82 crore (Previous year INR 50 crore) are held as pledge for overdraft account, Performance bank guarantee to Employees Provident Fund Organisation(EPFO) INR 10 crore (Previous year INR 20 crore), Pension Fund Regulatory and Development Authority (PFRDA) INR 0.46 crore (Previous year INR 0.40 crore), Employee State Insurance Corporation (ESIC) INR 10 crore (Previous year: 10 crore) and Coal Mines Provident Fund Organisation (CMPFO) INR 1 crore (Previous year 1 crore) . Postal Life Insurance (PLI) INR 1.20 crore (Pervious year NIL), National Stock Exchange (NSE) INR 18.60 crore (Previous Year NIL)		
	189.07	**154.24**

8. CURRENT TAX ASSETS (NET)

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Advance Income Tax (Net of provision of tax)	58.17	45.67
MAT Credit entitlement	-	0.40
	58.17	**46.07**

FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

9. INVESTMENT PROPERTY

(INR in crore)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening Cost 01 April 2019	Additions during the year	Deductions during the year	Closing Total Cost 31 March 2020	Opening Accumulated Depreciation 01 April 2019	For the year	Deductions during the year	Closing Accumulated Depreciation 31 March 2020	As at 31 March 2020	As at 31 March 2019
Building	12.29	-	-	12.29	1.04	0.52	-	1.56	10.73	11.25
	12.29	**-**	**-**	**12.29**	**1.04**	**0.52**	**-**	**1.56**	**10.73**	**11.25**

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening Cost 01 April 2020	Additions during the year	Deductions during the year	Closing Total Cost 31 March 2021	Opening Accumulated Depreciation 01 April 2020	For the year	Deductions during the year	Closing Accumulated Depreciation 31 March 2021	As at 31 March 2021	As at 31 March 2020
Buildings	12.29	-	-	12.29	1.56	0.52	-	2.08	10.21	10.73
	12.29	**-**	**-**	**12.29**	**1.56**	**0.52**	**-**	**2.08**	**10.21**	**10.73**

i) Lease rent of INR 1.40 crore (Previous year : INR 1.17 crore) has been received during the year 01 April 2020 to 31 March 2021 for Investment property.

A. Reconciliation of carrying amount

(INR in crore)

Cost or Deemed Cost (gross carrying amount)	
Balance as at 31 March 2020	12.29
Balance as at 31 March 2021	**12.29**
Accumulated depreciation	
Balance as at 31 March 2020	1.56
Balance as at 31 March 2021	**2.08**
Carrying amounts	
As at 31 March 2020	10.73
As at 31 March 2021	**10.21**
Fair value	
As at 31 March 2020	36.41
As at 31 March 2021	41.49

B. Information regarding income and expenditure of investment property

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Rental Income derived from investment property	1.40	1.17
Direct operating expenses (including repair maintenance) that generate rental income	-	-
Direct operating expenses (including repair maintenance) that do not generate rental income	-	-
Profit arising from investment properties before depriciation and indirect expenses	-	-
Less: Depreiciation	(0.52)	(0.52)
Profit arising from investment properties before indirect expenses	**0.88**	**0.65**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

C. Measurement of fair values

i. Fair value hierarchy

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

ii. Valuation techniques

Considering the locality, age, mode of construction, the fair and reasonable market value arrived by the independent valuer vide valuation report dated 05 March 2021 as at 31 March 2021 is INR 41.49 crore (31 March 2020: INR 36.41 crore). The value derived by the valuer for the property is after considering the economic usefulness to the prospective purchaser, functional and economic obsolescence, technical potentiality, financial bankruptcy, management lapses, technical in competency in running the unit. The factors will enable valuer to arrive at very realistic and reasonable figures of reliability in the present market.

10. PROPERTY, PLANT AND EQUIPMENTS

(INR in crore)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK			
	Opening Cost 01 April 2019	Additions during the year	Deductions during the year	Closing Total Cost 31 March 2020	Opening Accumulated Depreciation 01 April 2019	For the year	Deductions during the year	Closing Accumulated Depreciation 31 March 2020	As at 31 March 2020	Translation Difference	As at 31 March 2020	As at 31 March 2019
Tangible Assets												
Buildings	250.17	-	-	250.17	13.37	6.68	-	20.05	230.12	-	230.12	250.17
IT Equipment - Computers & Laptops	5.34	1.35	2.06	4.63	2.35	2.07	2.04	2.38	2.25	0.00	2.25	5.34
IT Equipment - Servers & Networks	2.72	5.07	-	7.79	1.20	1.19	-	2.39	5.40	-	5.40	2.72
Furniture & Fixtures	3.45	1.52	0.68	4.29	0.43	0.88	0.62	0.69	3.60	0.00	3.60	3.45
Vehicles	4.06	1.81	1.35	4.52	0.86	0.86	0.88	0.84	3.68	-	3.68	4.06
Office Equipment	6.58	2.25	1.12	7.71	1.16	2.22	1.01	2.37	5.34	0.00	5.34	6.58
Total	**272.32**	**12.00**	**5.21**	**279.11**	**19.37**	**13.90**	**4.55**	**28.72**	**250.39**	**0.00**	**250.39**	**272.32**

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK			
	Opening Cost 01 April 2020	Additions during the year	Deductions during the year	Closing Total Cost 31 March 2021	Opening Accumulated Depreciation 01 April 2020	For the year	Deductions during the year	Closing Accumulated Depreciation 31 March 2021	As at 31 March 2021	Translation Difference	As at 31 March 2021	As at 31 March 2021
Tangible Assets												
Buildings	250.17	-	-	250.17	20.05	6.68	-	26.73	223.44	-	223.44	230.12
IT Equipment - Computers & Laptops	4.63	0.53	0.22	4.94	2.38	1.34	0.21	3.51	1.43	0.02	1.45	2.25
IT Equipment - Servers & Networks	7.79	1.02	0.26	8.55	2.39	1.06	0.26	3.19	5.36	-	5.36	5.40
Furniture & Fixtures	4.29	0.64	0.15	4.78	0.69	0.61	0.13	1.17	3.61	-	3.61	3.60
Vehicles	4.52	0.43	0.23	4.72	0.84	0.88	0.15	1.57	3.15	-	3.15	3.68
Office Equipment	7.71	0.43	0.33	7.81	2.37	1.99	0.27	4.09	3.72	0.00	3.72	5.34
Total	**279.11**	**3.05**	**1.19**	**280.97**	**28.72**	**12.56**	**1.02**	**40.26**	**240.71**	**0.02**	**240.73**	**250.39**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

i) Buildings include an area admeasuring 1,28,997.73 sq.feet and 36,096.90 sq.feet in UTI Towers, Bandra Kurla Complex, Mumbai, acquired from SUUTI and Bank of Baroda respectively on outright basis in different years. The land on which the building is constructed belongs to MMRDA and the balance period of lease remaining is 52 years. The sale deed of UTI Tower is yet to be executed.

ii) Buildings include 2 flats under operating cancellable lease having acquisition value of INR 8.29 crore and Accumulated depreciation of INR 3.10 crore (Previous period : INR 2.76 crore & Previous year : INR 2.85 crore).

iii) Lease rent of INR 0.74 crore (Previous year : INR 0.70 crore) has been received during the year 01 April 2020 to 31 March 2021 for above 2 flats.

iv) With effect from 01.10.2016 based on the newly introduced Company car policy for officers, the useful life of Vehicles is changed from 8 years to 6 years on straight line method. Further, no residual value would be considered for Vehicle. Depreciation has been charged w.e.f. 01.10.2016 based on the revised estimated useful life of Vehicles.

11. RIGHT OF USE ASSETS

(INR in crore)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK			
	Opening Cost 01 April 2019	Additions during the year	Deductions during the year	Closing Total Cost 31 March 2020	Opening Accumulated Depreciation 31 March 2019	For the year	Deductions during the year	Closing Accumulated Depreciation 31 March 2020	As at 31 March 2020	Translation Difference	As at 31 March 2020	As at 31 March 2019
Leased premises	-	116.67	-	116.67	-	16.92	-	16.92	99.75	(0.00)	99.75	-
Total	**-**	**116.67**	**-**	**116.67**	**-**	**16.92**	**-**	**16.92**	**99.75**	**(0.00)**	**99.75**	**-**

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK			
	Opening Cost 01 April 2020	Additions during the year	Deductions during the year	Closing Total Cost 31 March 2020	Opening Accumulated Depreciation 31 March 2020	For the year	Deductions/ Adjustment during the year	Closing Accumulated Depreciation 31 March 2021	As at 31 March 2021	Translation Difference	As at 31 March 2021	As at 31 March 2020
Leased premises	116.67	15.23	-	131.90	16.92	16.35	(1.10)	34.37	97.53	0.15	97.68	99.75
Total	**116.67**	**15.23**	**-**	**131.90**	**16.92**	**16.35**	**(1.10)**	**34.37**	**97.53**	**0.15**	**97.68**	**99.75**

12. CAPITAL WORK-IN-PROGRESS

(INR in crore)

Category Name	As at 31 March 2021	As at 31 March 2020
Capital Work in Progress	4.35	0.28
	4.35	**0.28**

13. INTANGIBLE ASSETS UNDER DEVELOPMENT

(INR in crore)

Category Name	As at 31 March 2021	As at 31 March 2020
Intangible Assets under Development	0.78	0.76
	0.78	**0.76**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

14. OTHER INTANGIBLE ASSETS

(INR in crore)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK			
	Opening Cost 01 April 2019	Additions during the year	Deductions during the year	Closing Total Cost 31 March 2020	Opening Accumulated Depreciation 01 April 2019	For the year	Deductions during the year	Closing Accumulated Depreciation 31 March 2020	As at 31 March 2020	Translation Difference	As at 31 March 2020	As at 31 March 2019
Computer Software	6.99	10.44	-	17.43	3.38	2.25	-	5.63	11.80	-	11.80	3.61
Total	**6.99**	**10.44**	**-**	**17.43**	**3.38**	**2.25**	**-**	**5.63**	**11.80**	**-**	**11.80**	**3.61**

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK			
	Opening Cost 01 April 2020	Additions during the year	Deductions during the year	Closing Total Cost 31 March 2021	Opening Accumulated Depreciation 01 April 2020	For the year	Deductions during the year	Closing Accumulated Depreciation 31 March 2021	As at 31 March 2021	Translation Difference	As at 31 March 2021	As at 31 March 2020
Computer Software	17.43	5.51	-	22.94	5.63	6.35	-	11.98	10.96	-	10.96	11.80
Total	**17.43**	**5.51**	**-**	**22.94**	**5.63**	**6.35**	**-**	**11.98**	**10.96**	**-**	**10.96**	**11.80**

15. OTHER NON FINANCIAL ASSETS

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Capital Advances	1.21	0.06
Deferred Loans and Deposits		
Loans to Employees	3.58	4.54
Loan to UTI Employee Credit Co-operative Society Ltd	-	0.01
Rent Deposits	3.30	2.99
	6.88	**7.54**
Other Assets		
Prepaid expenses	17.06	15.39
TDS Receivable	0.00	-
Indirect Tax	0.06	0.01
	17.12	**15.40**
	25.21	**23.00**

16. FINANCE LIABILITIES

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Borrowings (Secured, considered good)		
(I) 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	3.63	1.42
(II) Other payable		
(i) Total outstanding dues of micro enterprises and small enterprises	0.62	0.80
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	6.34	0.22
Accrued benefits to employees	45.10	47.36
Payable to UTI Mutual Fund	0.04	-
Retention money	1.93	1.63
Other payables	35.67	14.80
	93.33	**66.23**

In the opinion of the management, the balances of trade payables are stated at book value and are payable.

Dues to Micro, Small and Medium Enterprises

Trade payables do not include any amount payable to Micro, Small and Medium Enterprises. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) which came into force from October 02, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, who have registered with the competent authorities.

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Principal amount remaining unpaid to any supplier as at the year end	0.62	0.80
Interest due thereon	NIL	NIL
Amount of interest paid by the Company in terms of section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	NIL	NIL
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMEDA	NIL	NIL
Amount of interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

17. OTHER FINANCIAL LIABILITIES

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
VSS Liability Fund	27.00	25.56
Investor Education & Protection Fund	6.06	13.46
Offshore Development Fund	30.18	26.05
Payable to SUUTI towards security deposit	0.08	0.08
Statutory Dues	0.02	0.06
Lease Liability *	108.14	107.41
	171.48	**172.62**

* Lease liability is created on account of implementation of IND AS 116 for leased premises

18. CURRENT TAX LIABILITIES

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for Income Tax (Net of Advance Tax)	27.51	4.49
	27.51	**4.49**

19. PROVISIONS

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits		
Provision for performance bonus/incentive	0.60	0.55
Provision for gratuity	18.72	18.10
Provision for leave encashment	5.92	10.00
Provision for pension	21.47	52.44
	46.71	**81.09**
Other provisions		
Provision for litigations	0.39	0.39
Provision for Professional Charges	0.04	0.02
Provision for Audit fees	1.14	1.26
Provision for ROC Matters	0.00	0.00
Provision for Valuation & Liquidation Expenses	0.23	-
Provsion for Other Expenses	0.07	0.33
	1.87	**2.00**
	48.58	**83.09**

Provision for litigations

The canteen services were discontinued from 25 February 2004 against which a case was filed by The Contract Labour Udyog Kamgar Union in 2005. The Company has made a provision of INR 0.39 crore (Pevious period & Previous year INR 0.39 crore) in case the verdict is against the Company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

20. DEFERRED TAX LIABILITY (NET)

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred tax liability:		
On account of depreciation on Property, plant and equipments	30.00	28.82
Other disallowances	1.10	1.65
Net impact of IND-AS for investments	54.33	32.22
Net impact of IND-AS for loans to UTI ECCSL	-	0.00
Net impact of IND-AS for Lease Liability	24.20	24.85
Total	**109.63**	**87.54**
Deferred tax asset:		
On account of expenditure	(1.02)	(0.87)
Depreciation and Amortisation	0.00	(0.00)
Income Tax losses	(1.78)	(1.96)
Net impact of IND-AS for loans	(1.01)	(1.15)
Net impact of IND-AS for deposits	(0.15)	(0.08)
Net impact of IND-AS for Gratuity Expenses	(0.05)	(0.03)
Net impact of IND-AS for right to use assets	(26.82)	(26.78)
On account of Un absorbed Losses	(4.63)	(7.98)
	(35.46)	**(38.85)**
Advance MAT Credit Entitlement	(0.87)	(0.72)
Net Deferred tax liability	**73.30**	**47.97**

21. OTHER NON FINANCIAL LIABILITIES

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Goods and Service Tax payable	7.87	4.06
TDS payable	5.81	3.73
	13.68	**7.79**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

22. EQUITY SHARE CAPITAL

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Share Capital		
Authorised		
20.00 crore (31 March 2020: 20.00 crore) equity shares of INR 10/- each	200.00	200.00
Issued, subscribed and fully paid up		
12.679 crore (31 March 2020: 12.679 crore) equity shares of INR 10/- each	126.79	126.79

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares crore	INR in crore	No. of shares crore	INR in crore
At the beginning of the year	12.679	126.790	12.679	126.790
Add: Share Issued on exercise of Employee Stock Options during the year	-	-	-	-
Add: Share issued during the year	-	-	-	-
Bought back during the reporting year	-	-	-	-
At the close of the year	**12.679**	**126.790**	**12.679**	**126.790**

b) Terms/rights attached to equity shares

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

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

d) Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares crore	% Holding	No. of shares crore	% Holding
Equity shares of INR 10 each fully paid				
State Bank of India	1.2665	9.99	2.3125	18.24
Life Insurance Corporation of India	1.2665	9.99	2.3125	18.24
Bank of Baroda	1.2665	9.99	2.3125	18.24
Punjab National Bank	1.9321	15.24	2.3125	18.24
T. Rowe Price International Limited	2.9161	23.00	3.2965	26.00
Mirae Asset Mutual Fund	0.7055	5.56	-	-
At the close of the year	**9.3533**	**73.77**	**12.5465**	**98.96**

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

e) Initial Public Offering

During the current financial year, the Company had completed the initial public offering ('IPO') through an offer for sale of 3,89,87,081 equity shares (1,04,59,949 equity shares each by State Bank India, Life Insurance Corporation of India, Bank of Baroda and 38,03,617 equity shares each by Punjab National Bank & T. Rowe Price International Limited) of face value of INR 10 each at a price of INR 554 per equity share aggregating up to INR 2,159.88 crore. The equity shares of the Company were listed on National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE') on 12 October 2020.

f) Share Based Payment to Employees under Employee Stock Option Scheme :

The Company introduced an Employee Stock Option Scheme called the "UTI AMC Employee Stock Option Scheme -2007. Each Employee on the rolls of the Company as on December 16, 2019 and few Employees from its subsidiaries were granted options. The vesting of the options is from expiry of one year from grant date till four years from grant date as per Plan. Under the scheme, 21,91,554 equity shares have been granted to the eligible employees and each option entitles the holder thereof to apply for and be allotted number of Equity Share granted of the Company having face value of INR 10 each for an exercise price of INR 728/- during the exercise period. Out of the 21,91,554 options granted 74,593 Options are lapsed, therefore, the total no of options outstanding as on 31 March 2021 is 21,16,961 options, Out of which 753,478 Options are vested as on 31 March 2021 pending for excercise.

23. OTHER EQUITY

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
General Reserve		
Balance as per the last financial statements	156.02	156.02
Add: amount transferred from surplus balance in the statement of profit and loss	-	-
(Less): Transfer to Surplus	4.00	-
Closing Balance	**152.02**	**156.02**
Security Premium Account		
Balance as per the last financial statements	35.61	35.61
Add: Security Premium received during the year	-	-
	35.61	**35.61**
Share option outstanding account		
Balance as per the last financial statements	10.50	-
Add: Expenses on the employee stock option scheme during the year	30.53	10.50
	41.03	**10.50**
Foreign Currency Translation Reserve		
Balance as per the last financial statements	16.05	8.60
Add: Amount transferred during the year	28.89	7.45
	44.94	**16.05**
Capital Redemption Reserve	**0.45**	**0.45**
Retained Earnings		
Balance as per the last financial statements	2,466.68	2,264.45
Restated opening Balance	2,466.68	2,264.45
Add : Transfer from General Reserve	-	-
Profit for the year	494.14	271.46
Less: Appropriations		
Final equity dividend	88.75	63.39
(31 March 2020: INR 7.00 per share)		
Tax on Equity dividend	-	5.84
Total appropriation	88.75	69.23

CORPORATE OVERVIEW

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

(INR in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Net Surplus in the statement of Profit & Loss	**2,872.07**	**2,466.68**
Net balance	**3,146.12**	**2,685.31**
Other Comprehensive Income (OCI)		
Balance as per the last financial statements	(39.80)	23.93
Add: Movement in OCI (Net) during the year	(7.26)	(63.73)
	(47.06)	(39.80)
Total Other Equity	**3,099.06**	**2,645.51**

Nature and Purpose of Reserve

General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Security Premium Account

Securities Premium is used to record the premium (amount received in excess of face value of equity shares) on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Share option outstanding account

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under share based payments arrangement over the vesting period.

Capital Redemption Reserve

Whenever there is a buy-back or redemption of share capital, the nominal value of the capital is transferred to a reserve called Capital Redemption Reserve so as to retain the capital.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

24. REVENUE FROM OPERATIONS

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Interest income on		
Loans to employees	1.02	1.26
Investments	7.95	11.30
Bank deposits	6.64	6.59
Net impact of notional interest on employee loans	1.23	(1.77)
Net impact of notional interest on ECCSL	0.01	0.06
Net impact of notional interest on deposits	(0.20)	(0.59)
	16.65	**16.85**
Dividend Income on		
Investments	0.32	0.25
Rental Income	10.26	7.52
Net Gain/Loss on Fair Value Changes	279.90	(8.66)
Sale of Services		
Details of services rendered		
Management fees	804.99	786.47
Advisory fees	0.14	0.18
Marketing Fees	-	-
Setup Fees	0.19	0.17
Investor Service Fees	0.50	0.45
Other operating revenues		
Fees relating to point of presence under New Pension Scheme	0.73	0.62
	806.55	**787.89**
Others		
Net Gain/Loss on sale of Investments	54.84	50.18
Revenue from operations	**1,168.52**	**854.03**

25. OTHER INCOME

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Exchange differences (net)	0.00	4.25
Provision no longer required withdrawn (net)	(1.52)	3.21
Support service fees on inter branch billing GST	27.33	26.30
Other non operating income	4.27	2.12
Interest income on income tax refund	0.03	0.05
	30.11	**35.93**

26. FEES AND COMMISSION EXPENSE

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Marketing fees and Commission	2.96	2.91

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

27. FINANCE COST

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Interest on Loan	-	0.03
Interest on Lease Liability	8.06	9.31
Interest - others	-	0.01
	8.06	**9.35**

0.00 indicates amount less than INR 0.005 crore

28. EMPLOYEE BENEFIT EXPENSES

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Salaries and wages	287.34	265.60
Contribution to provident and other funds	13.40	13.01
Expenses on the employee stock option scheme	30.53	10.50
Gratuity expense	3.88	6.61
Leave encashment expense	12.76	15.96
Pension expense	16.38	8.67
Staff welfare expenses	14.23	18.44
Amortisation of employee loans	0.96	1.09
	379.48	**339.88**

29. DEPRECIATION, AMORTISATION AND IMPAIRMENT

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Depreciation of tangible assets	13.08	14.42
Amortisation of intangible assets	6.35	2.25
Amortisation of rights of use assets	16.35	16.92
	35.78	**33.59**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

30. OTHER EXPENSES

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Power and fuel	3.50	5.71
Rent	0.65	2.19
Rates and taxes	5.75	4.31
Insurance	1.17	1.03
Repairs and maintenance		
Computer and Office Equipment	3.37	1.41
Buildings	10.08	14.41
Others	4.02	2.98
Advertising and business promotion	9.84	14.68
Travelling and conveyance	3.70	12.58
Communication costs	4.09	3.26
Printing and stationery	0.87	1.14
Legal and professional fees	49.71	50.37
Directors sitting fees	1.99	1.34
Payment to auditors (Refer (i) below)	1.54	1.60
Exchange differences (net)	7.63	-
Loss on sale of property, plant and equipments (net)	0.05	0.18
Membership Fees & Subscription	22.20	15.44
Scheme expenses	-	-
Computer consumables	0.50	0.47
Corporate Social Responsibility Expenses	14.40	5.50
Investment Advisory Fees	3.53	3.49
Trail Fees	13.17	13.16
Management Fees	2.50	2.21
Other expenses	5.06	5.47
	169.32	**162.93**
(i) Payment to auditors		
As auditors:		
Audit fee	1.31	1.37
Consolidation audit fee	0.05	0.05
Tax audit fee	0.06	0.06
Limited review fee	0.08	0.07
In other capacity		
Other services (certification fee)	0.04	0.05
Reimbursement of expenses	0.00	-
0.00 indicates amount less than INR 0.005 crore	**1.54**	**1.60**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

31. CONTINGENT LIABILITIES & CAPITAL AND OTHER COMMITMENTS

A. UTI Asset Management Company Limited

(a) Contingent Liabilities (To the extent not provided for)

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Claims against the Companynot acknowledged as debts (i)	3.37	3.09
Other money for which the Companyis contingently liable (ii)	0.01	0.01
Bank guarantee given (iii)	41.20	31.40

(i) Estimated liability for the Consumer Disputes Redressal Forum cases pending in courts for the dispute pertaining to the schemes of UTI Mutual Fund is INR 1.55 crore

Ex-RegistralNR & Transfer Agents filed a recovery suit of INR 3.19 crore against the Company, Administrators of SUUTI and UTI Trustee Company Private Limited in the year 2003 regarding termination of their agreement as registrars. The Company also filed a cross suit against them in the Hon'ble Bombay High Court for INR 1.37 crore for lack of service. Honourable court directed both the parties to frame the issue for arguments. The Company is hopeful of a positive outcome in its favour and there-fore no provision is made. Net liability is INR 1.82 crore

(ii) The orders cum demand notices for INR 0.01 crore (Previous Year INR 0.01 crore) is pending with Income Tax Office – TDS on various grounds. The Companyhas filed appeals to the appellate authority on the said orders mentioning that all the payments have been duly complied. The grounds of appeal are well supported in law. As a result, the Company does not expect the demand to crystalise into a liability

(iii) Bank guarantee of INR 0.4 crore issued to Pension Fund Regulatory and Development Authority (PFRDA) (including on behalf of a subsidiary INR 0.2 crore), INR 10 crore to Employees Provident Fund Organisation (EPFO), INR 10 crore to Employees State Insurance Corporation (ESIC), INR 1 crore to Coal Mines Provident Fund Organisation (CMPFO), INR 1.2 crore to Postal life insurance & INR 18.60 crore to National Stock Exchange

(b) Other Contingent Liabilities where impact is not ascertainable comprises:

(i) A case was filed before the CGIT, Mumbai by AIUTEA against the Company in respect of left over Class III and Class IV Staff on demanding pension option. The honourable presiding officer, CGIT, Mumbai pronounced the verdict dated 28 February 2007 for pension option. The matter was taken with the Government of India, which advised the Company to seek legal option. The Companyfiled an appeal in the High Court, Bombay challenging the order of CGIT. The Hon'ble High Court vide its order dated 05/05/17 allowed the appeal of AMC by quashing and setting aside the order of CGIT. AIUTEA has filed a Review Petition to review the order dated 05/05/2017 of Hon'ble Justice K K Tated in WP no. 1792 of 2007 filed by UTI AMC Ltd. Hon'ble Court vide its order dated 31/08/2017, rejected the review petition of the petitioner stating that "the only endeavor is to re-argue the entire matter, which is not permitted". AIUTEA has filed a petition before Hon'ble Supreme Court of India challenging the order of the Bombay High Court. Therefore, financial liability at this juncture cannot be crystallised

(ii) In connection to UTI India Fund Unit Scheme 1986 managed by UTI Mutual Fund, as assessment order has been passed by the Income Tax Department, disallowing the exemption under section 10(23D) of Income Tax Act, for an aggregate amount of INR 41.82 crore, as well as penalty notice. As appeal has been filed with CIT(A) against the demand order along with proper approval of GOI and the RBI and other documents. These appeal are presently pending. Our Companyhas deposited an amount of INR 1.83 crore with Income Tax Department in this regards

(iii) A case has been filed by UTI Retired and VSS Employees Social Association against the Companybefore the Hon'ble Bombay High Court for giving a fresh opportunity for pension option after pay revision 2001 and arrears of pension with 12% interest on the same. The case is pending for further proceedings

(iv) A case has been filed by UTI Retired and VSS Employees Social Association against the Companybefore the Bombay High Court for payment of dearness allowance with pension or periodic review of the pension. At present the case is pending for further proceedings and the Company is disputing the case of the petitioners

(v) There are 10 cases against UTI Mutual Fund or key personnel, relating to normal operation of UTI MF, pending for final outcome

(vi) UTI Asset Management CompanyLtd renders Point of Presence (POP) services. PFRDA has issued a Show Cause Notice (SCN) to UTI AMC Ltd in February 2020. This has been issued to show cause as to why inquiry should not be held under the PFRDA Act and the Adjudication Regulations against the Noticee and as to why suitable penalty as per sub-section (1)(c) & (5) of section 28 of PFRDA Act 2013 should not be recommended against the Noticee for the allegations/violations of the PFRDA Act and the POP Regulations. Under sub-section (1)(c) of section 28, penalty can be imposed which may extend to one crore rupees or five times the amount of profits made or losses avoided, whichever is higher. Under sub-section (5) of section 28, penalty can be imposed which may extend to one crore rupees or five times the amount of profits made or losses avoided, whichever is higher. UTI AMC has filed detailed reply to PFRDA in February 2020 denying all the allegations made in the SCN. The Companyis hopeful of the outcome in it's favour and the liability cant be crystalised at this point of time

(vii) In connection with India Debt Opportunities Fund Ltd. Mauritius and the India Debt Opportunities Scheme (Domestic Scheme), SEBI has issued a Show Cause Notice (SCN) to UTI Asset Management Company Limited and UTI Mutual Fund in January 2020 alleging violation of SEBI FPI Regulations and SEBI MF Regulations. The SCN has been issued to UTI AMC Ltd and UTI MF to show cause as to why inquiry should not be held under the Adjudication Rules for imposing penalty under section 15 HB of the SEBI Act 1992 which shall not be less than rupees one lac but which may extend to rupees one crore. UTI AMC Ltd and UTI MF have filed their detailed replies to SEBI in March 2020 denying all the allegations made in the SCN. The Companyis hopeful of the outcome in it's favour and there-fore financial liability at this junction can't be crystalised

(viii) The Income Tax re-assessment order for the Assessment Year 2009-10 has been passed raising a demand of INR 5.26 crore. An Appeal have been filed against the order before ITAT

The Income Tax assessment order for Assessment Year 2010-11 have been passed raising a demand of INR 2.28 crore. An Appeal have been filed against such order before CIT (A)

(c) Capital and other commitments

(i) Estimated amount of contracts remaining to be executed on capital accounts INR 3.86 crore

(ii) As on 31 March 2021, the Company has commitments of INR 170.00 crore towards Structured Debt Opportunity Fund II and INR 43.55 crore to LIC Housing Finance Ltd - Housing & Infrastructure Fund

(d) Income Tax Related Matter

(i) The assessment of Assessment Year 2012-13 has been completed and there is a dispute of income tax amounting to INR 1.22 crore. An Appeal have been filed against the order before ITAT

(ii) The assessment of Assessment Year 2013-14 has been completed and there is a dispute of income tax amounting to INR 1.33 crore. An Appeal have been filed against the order before ITAT

B. UTI Venture Funds Management Company Private Limited

(INR in crore)

Commitments & Contingent Liability	Year Ended 31 March 2021	Year Ended 31 March 2020
Claims against the Company not acknowledged as debts - Disputed income tax demand towards certain adjustments by the authorities.	-	-
Towards non-registration as an NBFC with RBI as per section 45(IA) of RBI Act, 1934	0.05	0.05

C. UTI Retirement Solutions Limited

Contingent Liabilities

The Company has no contingent liabilities as at 31 March 2021 (INR Nil as on 31 March 2020)

Litigation

The Company has no pending litigations as at 31 March 2021 (INR Nil as on 31 March 2020)

Capital Commitments

The Company has no capital commitments as at 31 March 2021 (INR Nil as on 31 March 2020)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

D. UTI Capital Private Limited

Contingent Liabilities

The Company has no contingent liabilities as at 31 March 2021 (INR Nil as on 31 March 2020)

Litigation

The Company has no pending litigations as at 31 March 2021 (INR Nil as on 31 March 2020)

Capital Commitments

The Company has no capital commitments as at 31 March 2021 (INR Nil as on 31 March 2020)

E. UTI International Limited

At the end of the reporting nine months, the Group has no capital commitments

32. EARNINGS IN FOREIGN CURRENCY (ACCRUAL BASIS)

UTI Asset Management Company Limited

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Management Fees	6.85	4.85

33. EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

UTI Asset Management Company Limited

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Travelling Expenses	-	0.27
Professional fees and others	7.26	1.59
Marketing Fees	4.99	4.99
Total	**12.25**	**6.85**

34. EARNINGS PER SHARE

(INR in crore)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
Profit after tax (In crore)	494.14	271.46
Weighted average number of equity shares used as denominator for calculating EPS (In crore)	12.68	12.68
Nominal value per share (INR)	10.0	10.00
Basic and Diluted EPS (INR)	38.97	21.41

*Share under ESOP scheme are not considered in the calculations of Diluted EPS because they are antidilutive for the current year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

35. RELATED PARTY DISCLOSURES

In terms of Indian Accounting Standard 24 'Related Party Disclosures' , the company has entered into transactions with the following related parties in the ordinary courses of business.

a) Names of related parties where control exists with whom transactions have occurred

Investor with significant influence	T Rowe Price International Limited (23.00%)
Subsidiaries	UTI Venture Funds Management Company Private Limited (100%)
	UTI International Limited, Guernsey. (100%)
	UTI Retirement Solutions Limited, India (100%)
	UTI Capital Private Limited, India (100%)
	India Infrastructure Development Fund (25.87 %)****
Stepdown subsidiaries	UTI International (Singapore) Private Limited. (100% subsidiary of UTI International Limited, Guernsey)
	UTI Investment Management Company (Mauritius) Limited. (100% subsidiary of UTI International Limited, Guernsey)
	UTI Private Equity Limited (100% subsidiary of UTI Venture Funds Management Company (P) Limited)
Other Related Parties	UTI AMC Ltd Employees Provident Fund
	UTI AMC Ltd Pension Fund
Key management person	Mr. Imtaiyazur Rahman (CEO & WTD),
	Mr. Dinesh Kumar Mehrotra (Chairman & Independent Director)
	Mr. Deepak Kumar Chatterjee (Independent Director)
	Mr. Edward Cage Bernard (Non - Executive Director)
	Mr. Flemming Madsen (Non - Executive Director)
	Mr. Narasimhan Seshadri (Independent Director)
	Ms. Uttara Dasgupta (Independent Director)*
	Mr. Ashok Shah (Independent Director)**
	Ms. Dipali Hemant Sheth (Independent Director)
	Ms. Jayashree Vaidhyanathan (Independent Director)
	Mr .Rajeev Kakar (Independent Director)
	Mr. Praveen Jagwani (CEO of UTI International Limited)
	Mr. Christopher M W Hill (Non – Executive Director of UTI International Ltd.)
	Mr. Surojit Saha (CFO)
	Mr. Kiran Vohra (CS)***,
	Mr. Arvind Patkar (CS),

* Ms. Uttara Dasgupta ceased to be an Independent Director of the Company with effect from the conclusion of the 17th Annual General Meeting held on 27 November 2020

** Mr. Ashok Shah ceased to be an Independent Director of the Company with effect from the conclusion of the 17th Annual General Meeting held on 27 November 2020

*** Mr. Kiran Vohra ceases to be company secretary w.e.f. 11 December 2019

****The above mentioned fund have been consolidated as per the requirement of IND AS 110. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

b) Related parties transaction

(INR in crore)

Sr. No.	Name of Related Party	Nature of Transactions	Year Ended 31 March 2021		Year Ended 31 March 2020	
			Transactions for the year	Outstanding at the year end	Transactions for the year	Outstanding at the year end
1	T Rowe Price International Limited	Reimbursement towards Expenses	0.61	-	0.43	-
		Dividend Paid	18.37	-	16.48	-
2	India Infrastructure Development Fund	Investment	-	-	-	-
		Redemption	-	-	10.42	-
3	UTI AMC Ltd Employees Provident Fund	Contribution to the fund	18.75	-	20.37	0.64
4	UTI AMC Ltd Pension Fund	Contribution to the fund	4.46	-	3.75	-

*All transactions with these related parties are priced on an arm's length basis and resulting outstanding balances are to be settled in cash within six months of the reporting date. None of the balances is secured

c) Details of remuneration & Dividend paid to Company's KMPs

(INR in crore)

Sr. No.	Nature of Transactions	Year Ended 31 March 2021	Year Ended 31 March 2020
		Transactions for the year	Transactions for the year
1	Short term employee benefits	11.35	10.61
2	Post employee benefits	0.18	0.87
3	Share Based Payments	3.47	0.93
4	Director Sitting Fees	1.48	0.83
5	Dividend on Equity Shares	0.00	0.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

36. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled

(INR in crore)

Particulars	Note No.	As at 31 March 2021			As at 31 March 2020		
		Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
I. ASSETS							
(1) Financial Assets							
Cash and cash equivalents	3	205.97	205.97	-	119.25	119.24	0.01
Receivables	4						
Trade Receivables		45.52	43.22	2.30	45.61	44.24	1.37
Other Receivables		4.15	4.15	-	9.74	9.74	-
Loans	5	25.17	6.07	19.10	37.91	19.30	18.61
Investments	6	2,746.88	1,053.50	1,693.38	2,355.75	667.15	1,688.60
Other Financial Assets	7	189.07	23.21	165.86	154.24	1.75	152.49
Total Financial Assets		**3,216.76**	**1,336.12**	**1,880.64**	**2,722.50**	**861.42**	**1,861.08**
(2) Non Financial Assets							
Current Tax Assets (Net)	8	58.17	57.04	1.13	46.07	43.89	2.18
Deferred Tax Assets (Net)		-	-	-	-	-	-
Investment Property	9	10.21	-	10.21	10.73	-	10.73
Property, Plant and Equipments	10	240.73	0.20	240.53	250.39	-	250.39
Right of use assets	11	97.68	1.55	96.13	99.75	0.46	99.29
Capital work in progress	12	4.35	4.35	-	0.28	0.28	-
Intangible assets under development	13	0.78	0.78	-	0.76	0.76	-
Other Intangible Assets	14	10.96	-	10.96	11.80	-	11.80
Other Non Financial Assets	15	25.21	15.90	9.31	23.00	11.67	11.33
Total Non Financial Assets		**448.09**	**79.83**	**368.26**	**442.78**	**57.06**	**385.72**
TOTAL ASSETS		**3,664.85**	**1,415.95**	**2,248.90**	**3,165.28**	**918.48**	**2,246.80**
II. LIABILITIES AND EQUITY							
Liabilities							
(1) Financial Liabilities							
Trade payable	16						
Total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
Total outstanding dues of creditors micro enterprises and small enterprises		3.63	3.63	-	1.42	1.42	-
Other payable							
Total outstanding dues of micro enterprises and small enterprises		0.62	0.62	-	0.80	0.80	-
Total outstanding dues of creditors micro enterprises and small enterprises		89.08	87.18	1.90	64.01	62.39	1.62
Borrowings		-	-	-	-	-	-
Other Financial Liabilities	17	171.48	12.00	159.48	172.62	11.61	161.01
Total Financial Liabilities		**264.81**	**103.43**	**161.38**	**238.85**	**76.22**	**162.63**
(2) Non Financial Liabilities							
Current Tax Liabilities (Net)	18	27.51	27.51	-	4.49	4.49	-
Provisions	19	48.58	47.90	0.68	83.09	82.58	0.51
Deferred Tax Liabilities (Net)	20	73.30	-	73.30	47.97	-	47.97
Other Non Financial liabilities	21	13.68	13.68	-	7.79	7.79	-
Total Non Financial Liabilities		**163.07**	**89.09**	**73.98**	**143.34**	**94.86**	**48.48**
TOTAL LIABILITIES		**427.88**	**192.52**	**235.36**	**382.19**	**171.08**	**211.11**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

37. RETIREMENT BENEFIT

(a) In accordance with the requirements of the Indian Accounting Standard 19 related to Employee Benefits, in regard to any future obligation related to Provident Fund, arising due to interest shortfall (i.e. interest rate prescribed by the government from time to time to be paid on provident fund scheme exceeds rate of interest earned on investment), the amount of shortfall, if any, will be borne by UTI Asset Management Company Limited. However, at present the fund does not have any existing deficit or interest shortfall.

(b) Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages)

Particulars	Employee Leave Encashment scheme		Employee Company Gratuity Fund		Employees Company Superannuation scheme	
	March 2021	March 2020	March 2021	March 2020	March 2021	March 2020
Discount rate (per annum)	6.45%	6.65%	6.45%	6.65%	6.45%	6.65%
Salary escalation rate (per annum)	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Withdrawal rate / Leaving Service rate	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%

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

Demographic Assumption:

Mortality in Service: Indian Assured Lives Mortality (2012-14) Ultimate table

Mortality in Retirement: LIC Buy-out Annuity Rates prevailing as on the valuation date.

(c) As required by the Ind AS19, the discount rate used to arrive at the present value of the defined benefit obligation is based on the Indian government security yields prevailing as at the balance sheet date that have maturity date equivalent to the tenure of the obligation.

The expected return on plan assets is based on market expectation, at the beginning of the year, for returns over the entire life of the related obligation. The Gratuity scheme is invested in a Group Gratuity – Cum Life Assurance cash accumulation policy issued by Life Insurance Corporation (LIC) of India.

The investment return earned on the policy comprises bonuses declared by LIC having regard to LIC's investment earning. The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available.

(d) Re-measurements arising from defined plans comprises of actuarial gains and losses on benefits obligation. As required by the Ind AS19, the UTI Asset Management Company recognises these items of re-measurements immediately in other comprehensive income and all the other expenses related to defined benefit plan as employee benefit expenses in their profit and loss account.

(e) Ind AS 19 does not require any specific disclosures except where expense resulting from Employee Leave Encashment scheme is of such size, nature or incidence that its disclosure is relevant under another standard.

(f) The following table sets out the status of the different employee welfare plans, reconciliation of opening and provisional closing balances of the present value of the defined benefit obligation.

(i) Movement in the Present value of Benefit obligations

(INR in crore)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March 2021	March 2020	March 2021	March 2020
Opening of defined benefit obligation	123.76	109.70	256.58	188.70
Current Service cost	2.24	2.45	9.50	7.26
Past Service cost	-	-	-	-
Interest on defined benefit obligation	7.72	7.82	16.74	13.83

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

(INR in crore)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March 2021	March 2020	March 2021	March 2020
Remeasurement due to:	-	-	-	-
Actuarial loss / (gain) arising from change in financial assumptions	1.24	5.42	4.43	17.41
Actuarial loss / (gain) arising from change in demographic assumptions	-	-	-	-
Actuarial loss / (gain) arising on account of experience changes	0.24	3.45	0.44	33.40
Benefits paid	(7.46)	(5.08)	(9.83)	(4.02)
Liabilities assumed / (settled)*	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-
Closing present value of defined benefit obligation	**127.74**	**123.76**	**277.86**	**256.58**

(ii) Movement in the Fair value of Plan Assets

(INR in crore)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March 2021	March 2020	March 2021	March 2020
Opening fair value of plan assets	110.82	64.60	204.15	164.92
Employer contributions	4.55	44.74	49.41	25.46
Interest on plan assets	7.18	4.82	13.59	12.42
Administration expenses	-	-	-	-
Remeasurement due to:			-	-
Actual return on plan assets less interest on plan assets	0.09	1.75	(0.93)	5.37
Benefits paid	(7.46)	(5.09)	(9.83)	(4.02)
Assets acquired / (settled)*	-	-	-	-
Assets distributed on settlements	-	-	-	-
Closing fair value of plan assets	**115.18**	**110.82**	**256.39**	**204.15**

(iii) Amount recognised in the Balance Sheet

(INR in crore)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March 2021	March 2020	March 2021	March 2020
Present Value of funded / unfunded obligation	127.74	123.76	277.86	256.58
Fair value of Plan Assets	115.18	110.82	256.39	204.15
Net unfunded obligation	12.56	12.94	21.47	52.44
Net defined benefit liability / (Asset) recognised in balance Sheet	12.56	12.94	21.47	52.44
Non-Financial Liabilities	12.56	12.94	21.47	52.44

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

(iv) Amount Recorded in Other Comprehensive Income

(INR in crore)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March 2021	March 2020	March 2021	March 2020
Opening amount recognized in OCI outside profit and loss account	21.47	14.35	107.20	61.76
Re-measurement during the period due to	-	-	-	-
Changes in financial assumptions	1.24	5.42	4.43	17.40
Changes in demographic assumptions	-	-	-	-
Experience adjustments	0.25	3.45	0.43	33.40
Actual return on plan assets less interest on plan assets	(0.09)	(1.75)	0.93	(5.36)
Adjustment to recognize the effect of asset ceiling	-	-	-	-
Closing amount recognized in OCI outside profit and loss account	**22.87**	**21.47**	**112.99**	**107.20**

(v) Components of Profit and Loss Account expense

(INR in crore)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March 2021	March 2020	March 2021	March 2020
Current Service cost	2.24	2.45	9.50	7.26
Past Service cost	-	-	-	-
Administration expenses	-	-	-	-
Interest on net defined benefit liability / (assets)	0.52	3.01	3.16	1.41
(Gains) / losses on settlement	-	-	-	-
Total Expenses charged to profit and loss account	**2.76**	**5.46**	**12.66**	**8.67**

(vi) Reconciliation of Net Liability/ Asset:

(INR in crore)

Particulars	March 2021	March 2020
a) Employee's Gratuity Fund		
Opening net defined benefit liability / (asset)	12.94	45.10
Expenses charged to profit and loss account	2.76	5.46
Amount recognised outside profit and loss account	1.41	7.12
Employer contributions	(4.55)	(44.74)
Impact of liability assumed or (settled)*	-	-
Closing net defined benefit liability / (asset)	**12.56**	**12.94**
b) Employee's Super Annuation Fund		
Opening net defined benefit liability / (asset)	52.44	23.79
Expenses charged to profit and loss account	12.66	8.67
Amount recognised outside profit and loss account	5.78	45.44
Employer contributions	(49.41)	(25.46)
Impact of liability assumed or (settled)*	-	-
Closing net defined benefit liability / (asset)	**21.47**	**52.44**

*Employee benefit of Key managerial personnel are not determined for the above fund & hence, we have not separately disclose the same.

(vii) Projected plan cash flow:

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date.

(INR in crore)

Maturity Profile	Employee's Gratuity Fund	
	March 2021	March 2020
Expected benefits for year 1	18.96	15.42
Expected benefits for year 2	16.17	13.72
Expected benefits for year 3	15.68	15.31
Expected benefits for year 4	18.35	14.84
Expected benefits for year 5	21.24	17.62
Expected benefits for year 6	21.20	20.76
Expected benefits for year 7	19.70	20.28
Expected benefits for year 8	15.00	18.83
Expected benefits for year 9	8.75	14.44
Expected benefits for year 10 and above	28.38	33.90

The weighted average duration to the payment of these cash flows is 4.91 years for the year ended March 2021 and 5.35 years for the year ended March 2020.

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan (which in case of serving employees, if any, is based on service accrued by employee up to the valuation date).

(INR in crore)

Maturity Profile	Employee's Super Annuation Fund	
	March 2021	March 2020
Expected benefits for year 1	10.61	9.71
Expected benefits for year 2	17.03	14.23
Expected benefits for year 3	17.20	16.46
Expected benefits for year 4	23.29	20.09
Expected benefits for year 5	30.12	21.57
Expected benefits for year 6	28.34	28.48
Expected benefits for year 7	34.22	26.24
Expected benefits for year 8	36.33	31.36
Expected benefits for year 9	39.38	33.27
Expected benefits for year 10	36.73	37.10

The weighted average duration to the payment of these cash flows is 8.05 years for the year ended March 2021 and 8.41 years for the year ended March 2020.

Risks associated with Defined Benefit Plan:

Interest Rate Risk: A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

(viii) Sensitivity Analysis:

The benefit obligation results of pension scheme and gratuity fund are particularly sensitive to discount rate, longevity risk, salary escalation rate and pension increases, if the plan provision do provide for such increases on commencement of pension.

The above table summarised the impact in percentage terms on the reported defined benefit obligation at the end of the reporting year arising on account changes in these three key parameters.

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous year in the methods and assumption used in preparing the sensitivity analysis.

a) Employee's Super Annuation Fund

Particulars	March 2021	March 2020
Discount rate		
Impact of increase in 50 bps on DBO	(3.91)%	(4.04)%
Impact of decrease in 50 bps on DBO	4.19%	4.32%
Pension increase rate		
Impact of increase in 100 bps on DBO	8.89%	8.71%
Impact of decrease in 100 bps on DBO	(8.89)%	(8.71)%
Life expectancy		
Impact of increase in 1 year on DBO	2.19%	2.11%
Impact of decrease in 1 year on DBO	(2.24)%	(2.16)%

b) Employee's Gratuity Fund

Particulars	March 2021	March 2020
Discount Rate		
Impact of increase in 50 bps on DBO	(2.41)%	(2.62)%
Impact of decrease in 50 bps on DBO	2.51%	2.73%
Salary Escalation Rate		
Impact of increase in 50 bps on DBO	0.61%	0.77%
Impact of decrease in 50 bps on DBO	(0.63)%	(0.80)%

the expected contribution towards the fund for next financial year i.e. 2021-22 cannot be determined as it depends upon various actuarial assumption, discount rate at that point of the time and various other demographic assumptions.

The Company commenced operations from 01 February 2003 and formed a Pension Trust which inherited the Employees Group Superannuation Fund from the erstwhile Unit Trust of India. The Company is making 10% of basic salary and additional pay, wherever applicable, as employer contribution to this trust and any shortfall in the fund size as per the scheme.

The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method. The Company makes regular contributions to these Employee Benefit Plans. Additional contributions are made to these plans as and when required.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Characteristics of defined benefits plans:

1. **Gratuity Plan:**

The Company operates gratuity plan through a LIC wherein every employee is entitled to the benefit equivalent to fifteen days last salary drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service. The Company's scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972. There are no minimum funding requirements of these plans. The funding of these plans are based on gratuity funds actuarial measurement framework set out in the funding policies of the plan. These actuarial measurements are similar compared to the assumptions set out above.

2. **Pension Plan:**

The Company commenced operations from 01 February 2003 and formed a Pension Trust which inherited the Employees Group Superannuation Fund from the erstwhile Unit Trust of India. The Company is making 10% of basic salary and additional pay, wherever applicable, as employer contribution to this trust and any shortfall in the fund size as per the scheme. A small part of the pension fund is managed by the Company. The actuarial valuation has also duly considered the asset managed by the trustee of the pension fund as well as the fund maintained by LIC. The defined benefit plan for gratuity of the Company is administered by separate pension fund that are legally separate from the Company. The trustees nominated by the Company are responsible for the administration of the plan.

Characteristics of defined contribution plans:

1. **Provident Fund:**

The Company manages provident fund plan through a provident fund trust for its employees which is permitted under the Provident Fund and Miscellaneous Provisions Act, 1952. The plan mandates contribution by employer at a fixed percentage of employee's salary. Employees also contribute to the plan at a fixed percentage of their salary as a minimum contribution and additional contribution at their discretion. The plan guarantees interest at the rate notified by Employees' Provident Fund Organisation. The contribution by employer and employee together with interest are payable at the time of separation from service or retirement whichever is earlier. The benefit under this plan vests immediately on rendering of service. The interest payment obligation of trust-managed provident fund is assumed to be adequately covered by the interest income on long term investments of the fund. The Company voluntarily keeps the interest rate same as the rate declared by EPFO & in this process if & only if, there is any shortfall in the fund the Company bears the same.

UTI CAPITAL PRIVATE LIMITED

A) Defined Contribution Plans

"Contribution to provident and other funds" is recognised as an expense in the Statement of Profit and Loss.

B) Defined Benefit Plans

The Employees' Gratuity Fund Scheme managed by LIC of India is a defined benefit plan. The present value of obligation is based on actuarial valuation using the projected unit credit method. The obligation for leave benefits managed by LIC of India is a defined benefit plan.

i) Actuarial Assumptions

Particulars	March 2021	March 2020
Discount rate	6.45%	6.65%
Expected rate of salary increase	6.00%	6.00
Mortality	IALM (2012-14)	IALM (2012-14)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

ii) Movement in the Present value of Benefit obligations

(INR in crore)

Particulars	Employee's Gratuity Fund	
	March 2021	March 2020
Opening of defined benefit obligation	0.15	0.12
Current Service cost	0.04	0.03
Past Service cost	-	-
Interest on defined benefit obligation	0.01	0.01
Remeasurement due to:	**-**	**-**
Actuarial loss / (gain) arising from change in financial assumptions	0.01	0.01
Actuarial loss / (gain) arising from change in demographic assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	0.08	0.09
Benefits paid	-	(0.11)
Closing present value of defined benefit obligation	**0.29**	**0.15**

iii) Movement in the Fair value of Plan Assets

(INR in crore)

Particulars	Employee's Gratuity Fund	
	March 2021	March 2020
Opening fair value of plan assets	0.11	0.15
Employer contributions	0.03	0.06
Interest on plan assets	0.01	0.01
Administration expenses	-	-
Remeasurement due to:		
Actual return on plain assets less interest on plan assets	-	-
Benefits paid	-	(0.11)
Closing fair value of plan assets	**0.15**	**0.11**

iv) Amount recognised in the Balance Sheet

(INR in crore)

Particulars	Employee's Gratuity Fund	
	March 2021	March 2020
Present Value of obligations	0.28	0.15
Fair value of Plan assets	0.15	0.11
Net defined benefit liability / (Asset) recognised in balance Sheet	**(0.13)**	**(0.04)**

v) Amount recognised in other comprehensive income (OCI)

(INR in crore)

Particulars	Employee's Gratuity Fund	
	March 2021	March 2020
Opening amount recognised in OCI outside profit and loss account	0.13	0.02
Re-measurement during the period due to	-	-
Changes in financial assumptions	0.01	0.01
Changes in demographic assumptions	-	-
Experience adjustments	0.08	0.09
Actual return on plan assets less interest on plan assets	-	-
Adjustment to recognise the effect of asset ceiling	-	-
Closing amount recognised in OCI outside profit and loss account	**0.22**	**0.13**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

vi) Components of Profit and Loss Account expense

(INR in crore)

Particulars	Employee's Gratuity Fund	
	March 2021	March 2020
Current service cost	0.04	0.03
Interest cost	-	-
Benefits paid	-	-
Actuarial losses / (gains)	-	-
Total Expenses	**0.04**	**0.03**

vii) Reconciliation of Net Liability / Assets

(INR in crore)

Particulars	Employee's Gratuity Fund	
	March 2021	March 2020
Opening net defined benefit liability/(assets)	0.04	(0.03)
Expense charged to profit and loss account	0.04	0.03
Amount recognised outside profit and loss account	0.09	0.10
Employer contributions	(0.03)	(0.06)
Closing net defined benefit liability/(assets)	**0.14**	**0.04**

viii) Sensitivity Analysis

(INR in crore)

Particulars	Employee's Gratuity Fund	
	March 2021	March 2020
Discount Rate		
Impact of increase in 50 bps on DBO	(5.09)%	(5.21)%
Impact of decrease in 50 bps on DBO	5.46%	5.59%
Salary Escalation Rate		
Impact of increase in 50 bps on DBO	5.46%	5.60%
Impact of decrease in 50 bps on DBO	(5.13)%	(5.27)%

38. FINANCIAL RISK MANAGEMENT

The Group has an exposure to the following risks arising from financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

Risk Management Framework:

The Management has the overall responsibility for the establishment and oversight of Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Group's activities.

A. Credit Risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (mostly trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The carrying amount of the financial assets represents the maximum credit risk exposure.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Financial services business has a risk management framework that monitors and ensures that the business lines operate within the defined risk appetite and risk tolerance levels as defined by the senior management. The credit risk function independently evaluates proposals based on well-established sector specific internal frameworks, in order to identify, mitigate and allocate risks as well as to enable risk-based pricing of assets. Regulatory and process risks are identified, mitigated and managed by a separate group.

Trade receivables:

Major portion of trade receivables include the AMC fees receivable from UTI Mutual Fund, SUTTI, CMPFO, ESIC, EPFO and amount receivable from PLI & RPLI. Based on the past experience, management expects to receive these amounts without any default.

Trade Receivables (INR in crore)	March 2021	March 2020
0-90 Days	38.47	38.11
91-180 Days	2.79	4.30
181-270 days	1.10	0.46
271-365 Days	0.86	1.37
More than 365 Days	2.30	1.37
Total	**45.52**	**45.61**

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 365 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk.

Financial Instruments & cash deposits:

The Investments of the Group are primarily in Mutual Fund schemes.

The Group holds cash & cash equivalents of INR 205.97 crore as on 31 March 2021. The cash and cash equivalents are held with banks which are rated AA- to AA+, based on CRISIL ratings. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Following is the exposure of the Group towards credit risk

Particulars	Carrying Amount	Total	Contractual Cash Flows March 2021 (INR in crore)		
			Less than 1 year	1-3 years	More than 3 years
Financial Assets:					
Cash and cash equivalents	205.97	205.97	205.97	-	-
Receivables	49.67	49.67	47.37	2.30	-
Loans	25.17	25.17	6.07	7.00	12.10
Investments	2,746.88	2,746.88	1,053.50	1,062.13	631.25
Other Financial assets	189.07	189.07	23.21	12.86	153.00
	3,216.76	**3,216.76**	**1,336.12**	**1,084.29**	**796.35**

Particulars	Carrying Amount	Total	Contractual Cash Flows March 2020 (INR in crore)		
			Less than 1 year	1-3 years	More than 3 years
Financial Assets:					
Cash and cash equivalents	119.25	119.25	119.25	-	-
Receivables	55.35	55.35	53.98	1.37	-
Loans	37.91	37.91	19.29	7.24	11.38
Investments	2,355.75	2,355.75	667.15	1,152.56	536.04
Other Financial assets	154.24	154.24	1.75	2.00	150.49
	2,722.50	**2,722.50**	**861.42**	**1,163.17**	**697.91**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

B. Liquidity Risk:

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's investment policy and strategy are focused on preservation of capital and supporting the Group's liquidity requirements. The Group uses a combination of internal and external management to execute its investment strategy and achieve its investment objectives. The Group typically invests in money market funds, large debt funds, equity funds and other highly rated securities under a limits framework which governs the credit exposure to any one issuer as defined in its investment policy. The policy requires investments generally to be investment grade, with the primary objective of minimizing the potential risk of principal loss

Following is the exposure of the Group towards liquidity risk:

Particulars	Carrying Amount	Total	Contractual Cash Flows March 2021 (INR in crore)		
			Less than 1 year	1-3 years	More than 3 years
Financial Liabilities :					
VSS Liability Fund.	27.00	27.00	-	-	27.00
Investor Education & Protection Fund.	6.06	6.06	-	-	6.06
Offshore Development Fund.	30.18	30.18	-	-	30.18
Payable to SUUTI towards security deposit.	0.08	0.08	-	-	0.08
Statutory Dues	0.02	0.02	-	-	0.02
Lease liability	108.14	108.14	11.99	22.17	73.98
Payable to Micro enterprises and small enterprises	0.62	0.62	0.62	-	-
Payable to other than Micro enterprises and small enterprises	9.97	9.97	9.97	-	-
Accrued benefits to employees.*	45.10	45.10	45.10	-	-
Payable to UTI Mutual Fund.	0.04	0.04	0.04	-	-
Retention Money.	1.93	1.93	0.94	0.99	-
Other Payables.	35.67	35.67	34.77	-	0.90
Total	**264.81**	**264.81**	**103.43**	**23.16**	**138.22**

Particulars	Carrying Amount	Total	Contractual Cash Flows March 2020 (INR in crore)		
			Less than 1 year	1-3 years	More than 3 years
Financial Liabilities :					
VSS Liability Fund.	25.56	25.56	-	-	25.56
Investor Education & Protection Fund.	13.46	13.46	-	-	13.46
Offshore Development Fund.	26.05	26.05	-	-	26.05
Payable to SUUTI towards security deposit.	0.08	0.08	-	-	0.08
Statutory Dues	0.06	0.06	0.06	-	-
Lease liability	107.41	107.41	11.55	21.30	74.56
Payable to Micro enterprises and small enterprises	0.80	0.80	0.80	-	-
Payable to other than Micro enterprises and small enterprises	1.64	1.64	1.64	-	-
Accrued benefits to employees.*	47.36	47.36	47.36	-	-
Payable to UTI Mutual Fund.	-	-	-	-	-
Retention Money.	1.63	1.63	0.85	0.78	-
Other Payables.	14.80	14.80	13.96	-	0.84
Total	**238.85**	**238.85**	**76.22**	**22.08**	**140.55**

* Our non-managerial staff have a recognised trade union with whom we negotiate their compensation periodically. The last settlement signed with them expired on December 31, 2018. Negotiations regarding wage revision and settlement have been completed. Accordingly, an arrear amount of INR 12.17 crore has been charged in the Profit & Loss Account.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

C. Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's financial Instruments. All of the Group's interest rate risk exposure is at a fixed rate. Therefore, a change in interest rates at the reporting date would not affect statement of profit and loss for any of these fixed interest bearing financial instruments. Fair value can change due to change in interest rate.

The interest rate profile of the Group's interest-bearing financial instruments is as follows:

Particulars	Carrying amount as on (INR in crore)	
	March 2021	March 2020
Fixed Rate Instruments		
Financial assets	3,216.76	2722.50
Financial liabilities	(264.81)	(238.85)
Total	**2,951.95**	**2.483.65**

The Group does not have variable rate instruments.

Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (wherever revenue or expense is denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

The Group may enter into foreign currency forward and option contracts with financial institutions to protect against foreign exchange risks associated with certain existing assets and liabilities, certain firmly committed transactions, forecasted future cash flows and net investments in foreign subsidiaries. In addition, and may enter in the future, into non-designated foreign currency contracts to partially offset the foreign currency exchange gains and losses on its foreign denominated debt issuances.

Equity price risk:

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, caused by factors specific to an individual investment, its issuer and market. The Company's exposure to price risk arises from diversified investments in mutual funds, preference shares held by the Company and classified in the balance sheet at fair value through profit or loss (note 7).

Sensitivity Analysis

The table below sets out the effect on profit or loss and equity due to reasonable possible weakening / strengthening in prices of 5%.

Particulars	Sensitivity of Profit or loss (INR in crore)	
	March 2021	March 2020
NAV - Increase 5%	137.34	117.79
NAV - Decrease 5%	(137.34)	(117.79)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

39. FAIR VALUE HIERARCHY

A. Accounting classifications & Fair values:

The Following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

March 2021 (INR in crore)	Carrying Amount			Fair Value		
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial Assets:						
Other investments	2,746.88	-	2,746.88	2,744.21	-	2.67**
Loans*		25.17	25.17	-	25.17	-
Trade receivables		45.52	45.52	-	-	-
Cash & cash equivalents		205.97	205.97	-	-	-
Other Financial assets		193.21	193.21	-	-	-
Total	**2,746.88**	**469.87**	**3,216.75**	**2,744.21**	**25.17**	**2.67**
Financial Liabilities:						
Other Financial liabilities	-	264.81	264.81	-	-	-
Total	**-**	**264.81**	**264.81**	**-**	**-**	**-**

March 2020 (INR in crore)	Carrying Amount			Fair Value		
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial Assets:						
Other investments	2,355.75	-	2,355.75	2,353.12	-	2.64**
Loans*	-	37.90	37.90	-	37.90	-
Trade receivables	-	45.61	45.61	-	-	-
Cash & cash equivalents	-	119.25	119.25	-	-	-
Other Financial assets	-	163.98	163.98	-	-	-
Total	**2,355.75**	**366.74**	**2,722.49**	**2,353.12**	**37.90**	**2.64**
Financial Liabilities:	-	-	-	-	-	-
Other Financial liabilities	-	238.85	238.85	-	-	-
Total	**-**	**238.85**	**238.85**	**-**	**-**	**-**

* Loans are carried at amortised cost which is a reasonable approximation of its fair value.

** Investment in Mutual fund utilities and IIAS valued at NAV as at 31 March 2021.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

B. Valuation Techniques and significant unobservable inputs:

The following table shows the valuation techniques used in measuring level 2 and level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as significant unobservable inputs used.

Type	Valuation Technique	Significant Unobservable inputs	Interrelation between Significant Unobservable inputs & fair value measurement
Loans to Employees and UTI Employee Cooperative Credit Society, Rental Deposits	Measured at amortised cost, which is the present value of all future cash flows discounted at prevailing market rates.	Assumed market rate is 8.50% for loans. the average of last three year's Marginal Cost of Lending Rate of SBI, considering the differential interest rate issued by SBI) (For previous year the market rate is 10%. Which is historical base rate, which varies in between 9% to 10%, management has decided conservatively 10% as the discount rate for loans & 12 % for Rental Deposits. Since the nature of rent deposit is more or less similar to zero coupon bond, hence we have taken a higher rate for rent deposit than loans)	-
Investments in Institutional Investor Advisory Services & MF Utilities India Private Limited	The valuation of IIAS has been done on weighted average of Discounted Cash Flow Method and Comparative Transaction Multiple by giving equal weight to both the methods. Net Asset Value (NAV) Method under Cost Approach has been used for the valuation of MFU. Moreover the valuation of IIAS has been using the financial available with management as on 31 March 2021 and using the relevant assumption by the valuer.	The Equity value of IIAS was calculated based on weighted average of Discounted Cash Flow Method and Comparative Transaction Multiple by giving equal weight to both the methods, MF Utilities Private Limited based on NAV Method. Since the Company is unlisted, the equity value of the Company is adjusted for an illiquidity discount on account of lack of marketability and restrictions on the transfer of the shares.	-

C. Fair value measurement using significant unobservable inputs (level 3)

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values

Particulars	Amount (INR in crore)
Balance as at 01 April 2019	**1.95**
Net gain / (losses) on Financial instruments recognised in the Statement of Profit and Loss	(0.29)
Purchases of Financial instruments	0.98
Sales of Financial instruments	-
Balance as at 31 March 2020	**2.64**
Net gain / (losses) on Financial instruments recognised in the Statement of Profit and Loss	0.03
Purchases of Financial instruments	-
Sales of Financial instruments	-
Balance as at 31 March 2021	**2.67**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

40. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to maximise the shareholder value as well as to maintain investor, creditor and market confidence and to sustain future development of the Group.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital using the ratio of 'net adjusted debt' to 'Total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest bearing loans and borrowings and obligations under finance lease(if any), less cash and cash equivalents. Total Equity comprises of share capital and all reserves.

Calculation of this ratio is given below:

Particulars (INR in crore)	March 2021	March 2020
Total Liabilities	427.88	382.19
Less: Cash & cash equivalents	(205.97)	(119.25)
Adjusted Net Debt	**221.91**	**262.94**
Total Equity	**3,225.85**	**2,772.30**
Adjusted Net Debt to Total Equity Ratio	**0.07**	**0.09**

41. INTERESTS IN OTHER ENTITIES

Subsidiaries

The group's subsidiaries as 31 March 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of equity share that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business / Country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests		Principal activities
		March 2021	March 2020	March 2021	March 2020	
		%	%	%	%	
UTI International Limited	GUERNSEY	100	100	-	-	Investment management and providing advisory services
UTI Venture Funds Management Company Private Limited	INDIA	100	100	-	-	Management of venture fund investment
UTI Retirement Solutions Limited	INDIA	100	100	-	-	Managing the funds of PFRDA
UTI Capital Private Limited	INDIA	100	100	-	-	Investment management
India Infrastructure Development Fund	INDIA	25.87	25.87	74.13	74.13	Investment management

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

42. NON-CONTROLLING INTERESTS (NCI) (IND AS 112 DISCLOSERS)

Set out below is summarised financial information for subsidiary that has non-controlling interest that are material to the group. The amounts disclosed for subsidiary are before inter – Company eliminations.

Summarised balance sheet (INR in crore)	India Infrastructure Development Fund	
	March 2021 (74.13%)	March 2020 (74.13%)
Current assets	0.02	0.02
Current liabilities	0.33	0.45
Net current assets	(0.31)	(0.43)
Non-current assets	-	-
Non-current liabilities	-	-
Net non-current assets	-	-
Net assets	(0.31)	(0.43)
Accumulate NCI	**(0.23)**	**(0.32)**

Summarised statement of profit and loss (INR in crore)	India Infrastructure Development Fund	
	March 2021 (74.13%)	March 2020 (74.13%)
Revenue	0.01	6.08
Profit for the year	0.26	4.66
Other comprehensive income	-	-
Total comprehensive income	-	-
Profit allocated to NCI	0.19	3.46
Dividends paid to NCI	-	-

Summarised cash flows s(INR in crore)	India Infrastructure Development Fund	
	March 2021 (74.13%)	March 2020 (74.13%)
Cash flow from operating activities	(0.15)	40.03
Cash flow from investing activities	0.16	0.26
Cash flow from financing activities	-	(40.28)
Net increase/(decrease) in cash and cash equivalents	0.01	0.01

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of consolidated financial statements' of Division II of Schedule III

(INR In Million)

Name of the entity in the Group (31st March 2021)	Net Asset i.e. Total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent:								
UTI Asset Management Company Limited	89.00	2,880.89	71.14	351.67	99.04	(7.19)	70.72	344.48
Subsidiaries:								
Indian								
UTI Venture Funds Management Company Private Limited	0.35	11.28	0.26	1.30	-	-	0.27	1.30
UTI Retirement Solutions Limited	1.36	44.12	0.76	3.78	-	-	0.78	3.78
UTI Capital Private Limited	0.92	29.70	0.04	0.18	0.96	(0.07)	0.02	0.11
India Infrastructure Development Fund	0.12	3.88	0.01	0.07	-	-	0.01	0.07
UTI International Limited	15.27	494.41	28.76	142.16	-	-	29.19	142.16
Non-Controlling Interest in all subsidiaries	0.34	11.12	0.04	0.19	-	-	0.04	0.19
Associates								
Eliminations	(7.37)	(238.43)	(1.02)	(5.02)	-	-	(1.03)	(5.02)
As at March 2021	**100.00**	**3,236.97**	**100.00**	**494.33**	**100.00**	**(7.26)**	**100.00**	**487.07**

Name of the entity in the Group (31 March 2020)	Net Asset i.e. Total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent:								
UTI Asset Management Company Limited	93.23	2,594.63	112.45	309.16	99.88	(63.65)	116.25	245.51
Subsidiaries:								
Indian								
UTI Venture Funds Management Company Private Limited	0.50	13.98	(0.17)	(0.47)	-	-	(0.22)	(0.47)
UTI Retirement Solutions Limited	1.43	39.89	1.58	4.36	-	-	2.06	4.36
UTI Capital Private Limited	1.03	28.70	(0.52)	(1.43)	0.12	(0.08)	(0.71)	(1.51)
India Infrastructure Development Fund	0.14	3.81	0.46	1.25	-	-	0.59	1.25
UTI International Limited	11.90	331.11	(18.92)	(52.01)	-	-	(24.63)	(52.01)
Non-Controlling Interest in all subsidiaries	0.39	10.92	1.31	3.59	-	-	1.70	3.59
Associates								
Eliminations	(8.62)	(239.95)	3.81	10.48	-	-	4.96	10.48
As at March 2020	**100.00**	**2,783.09**	**92.38**	**274.92**	**-**	**(63.73)**	**90.08**	**211.19**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

43. BUSINESS COMBINATION

UTI AMC has a 25.87 per cent investment in the India Infrastructure Development Fund where UTI Capital is the investment manager. The investment manager through the Investment management agreement (IMA) has a right to carry out all other relevant activities as per its discretion and the investment manager can only be removed with cause. The combination of zero kick out rights together with the aggregate economic interest (remuneration and other interests) creates exposure to variability of returns from the activities of the fund that is of such significance that it indicates that the Group is a principal.

44. LEASE DISCLOSURES

Company as a lessee:

Effective 01 April 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 01 April 2019 using the modified retrospective method on the date of initial application. Consequently, the Group recorded the lease liability and right of use at the present value of the lease payments discounted at the incremental borrowing rate.

The following is the break-up of current and non-current lease liabilities as at 31 March 2021

Particulars (INR in crore)	March 2021	March 2020
Current lease liabilities	11.99	11.55
Non-current lease liabilities	96.15	95.86
Total	**108.14**	**107.41**

The following is the movement in lease liabilities during the year ended 31 March 2021

Particulars (INR in crore)	March 2021	March 2020
Opening balance	107.41	93.71
Additions	15.28	22.97
Finance cost accrued during the year	8.06	9.31
Payment of lease liabilities	(21.09)	(18.42)
Adjustments	(1.52)	(0.16)
Balance	**108.14**	**107.41**

The following is the movement in right-of-use asset during the year ended 31 March 2021

Particulars (INR in crore)	March 2021	March 2020
Opening balance	99.75	93.71
Additions	15.28	22.97
Depreciation charge during the year	(16.25)	(16.93)
Adjustments	(1.10)	-
Balance	**97.68**	**99.75**

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2021 on an undiscounted basis.

Particulars (INR in crore)	March 2021	March 2020
Less than one year	19.76	20.13
One to Five years	65.88	65.53
More than Five years	84.23	83.34

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases and low value item was INR 0.65 crore for the year ended 31 March 2021.

The weighted average incremental borrowing rate applied to lease liabilities for 2020-21 is 8.50% for UTI AMC Limited & 3.25% for UTI International Limited.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

Company as a lessor:

The Group leases out its properties of which details of the same are as follows:

i) Future minimum lease payments:

The future minimum lease payments receivable under non-cancellable leases are as follows:

(INR in crore)

Particulars	March 2021	March 2020
Receivable in less than one year	10.50	8.34
Receivable in one to two year	1.78	8.52
Receivable in two to three year	1.52	1.85
Receivable in three to four year	1.52	1.58
Receivable in four to five year	0.51	1.58
Receivable after five years	0.00	0.53

ii) Amounts recognised in Profit or Loss:

(INR in crore)

Particulars	March 2021	March 2020
Lease Income	10.26	7.52

45. EMPLOYEE SHARE BASED PAYMENTS

Employee stock option scheme (Equity settled)

The Company introduced an Employee Stock Option Scheme called the "UTI AMC Employee Stock Option Scheme -2007. Each Employee on the rolls of the Company as on 16 December 2019 and few Employees from its subsidiaries were granted options. The vesting of the options is from expiry of one year from grant date till four years from grant date as per Plan. Under the scheme, 21,91,544 equity shares have been granted to the eligible employees and each option entitles the holder thereof to apply for and be allotted no of Equity Share granted of the Company having face value of INR 10 each for an exercise price of INR 728/- during the exercise period. Vesting of the options shall take place over a maximum period of 3 years with a minimum vesting period of 1 year from the date of grant i.e. 16 December 2019. The exercise period would be maximum of 3 years from the date of vesting of options.

Details of ESOS 2007

Particulars	ESOS 2007
Date of Grant	16 December 2019
Price of Underlying Stock (In INR)	728
Exercise / Strike Price (In INR)	728
The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions:	
Risk Free Interest Rate	6.33%
Expected Dividend	INR 5 per share
Expected Life (years)	4 Years (mid - way between option vesting and expiry)
Expected Volatility	39.78%
Weighted Average Fair Value (In INR)	276

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

The information covering stock options granted, exercised, forfeited and outstanding at the year-end is as follows:

Particulars	No. of stock options as at 31 March 2021	No. of stock options as at 31 March 2020
Date of Grant	16 December 2019	16 December 2019
Outstanding at the beginning of the year	0	0
Granted during the year	21,91,554	21,91,554
Exercised during the year	0	0
Forfeited during the year	0	0
Lapsed/expired during the year	74,593	0
Outstanding at the end of the year	21,16,961	21,91,554
Vested and exercisable	7,53,478	0

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price	Outstanding as at 31 March 2021	Outstanding as at 31 March 2020
16 December 2019	17 December 2022	728	21,16,961	21,91,554

Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend per share and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended 31 March 2021 included:

Assumptions	Year ended 31 March 2021
Expected - Weighted average volatility	39.78%
Expected dividends	INR 5 per share
Expected term (In years)	4 Years (mid - way between option vesting and expiry)
Risk free rate	6.33%
Exercise price	728
Market price	728
Grant date	16 December 2019
Expiry date	17 December 2022
Fair value of the option at grant date	276

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Expense arising from share-based payment transactions

Assumptions	Year ended 31 March 2021	Year ended 31 March 2020
Employee stock option scheme (equity settled) (INR In crore)	30.53	10.50

46. SEGMENT REPORTING

The Company is primarily engaged in the investment management business and providing wealth management services. The wealth management services are not a 'reportable segment' as per the definition contained in Ind AS 108 'Operating Segments'. Hence there is no separate reportable segment.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

47. MANAGERIAL REMUNERATION

a) The particulars of the remuneration of the key managerial personnel are as under:

(INR in crore)

Particulars	March 2021	March 2020
Salary & Allowance (including perquisite & Contribution to Retirement benefits)	11.53	11.49
Total	**11.53**	**11.49**

b) The managerial remuneration paid to key managerial personnel is in accordance with the provision of section 197 of companies Act, 2013.

48. DIVIDEND DURING THE YEAR

(INR in crore)

Particulars	March 2021	March 2020
A. Dividends on equity shares declared and paid during the year		
Final dividend		
Paid for the earlier financial year	88.75	63.39
Dividend per share (INR)	7	5
Interim dividend		
Paid for the earlier financial year	-	-
Dividend per share (INR)	-	-
Total dividend paid	88.75	63.39
Dividend on Equity Shares proposed by the Board of Directors for approval at Annual General Meeting (not recognised as a liability at the respective year-end)		
Final dividend for the same financial year	215.54	88.75
Dividend per share	17	7
Dividend Distribution Tax on final dividend	-	5.84

49. CORPORATE SOCIAL RESPONSIBILITY EXPENSES:

(a) Gross amount required to be spent by the Company during the year

(INR in crore)

Particulars (INR in crore)	March 2021	March 2020
Amount required to be spent during the year	9.37	9.15
Total	**9.37**	**9.15**

(b) Amount of expenditure incurred on Corporate Social Responsibility activities during the year is as follows:

(INR in crore)

SN	Particulars	March 2021	March 2020
(i)	Construction/acquisition of any asset	NIL	NIL
(ii)	On purposes other than (i) above	14.40*	5.50
	Total	**14.40**	**5.50**

*The Company has complied with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 issued by way of notification dated 22 January 2021. An amount of INR 14.40 crore has been accounted as CSR expense for 2020-21, which includes an unspent amount of INR 5.48 crore attributable to identified CSR projects approved by the CSR committee which has been duly transferred to special bank account.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Contd.)

50. EVENTS AFTER REPORTING DATE

The outbreak of COVID - 19 pandemic has affected several countries across the world, including India. The Government is undertaking several measures to restrict the spread of virus and provide financial support to some stressed sectors. Further, while the COVID-19 vaccination efforts have gained momentum, uncertainty due to the resurgence of COVID cases across many parts of India is rising. The extent to which the second wave of COVID-19 pandemic will impact the Company's results will depend on ongoing as well as future developments, which at this juncture are highly uncertain.

It is expected that economic activity will continue to improve as the residual restrictions are eased gradually. The Company has assessed the impact of the pandemic on its operations and its assets including the value of its investments and trade receivables as at 31 March 2021. The management does not, at this juncture, believe that the impact on the value of the Company's assets is likely to be material. Business continuity plans have been invoked to help ensure the safety and well-being of staff thereby retaining the ability to maintain business operations following lockdowns in India. These actions help to ensure business resilience. Since the situation is still evolving and it seems likely that there will be a material impact on the economy, its effect on the operations of the Company may be different from that estimated as at the date of approval of these financial results. The Company continues to closely monitor material changes in markets and future economic conditions.

Further, during the quarter ended 31 March 2021, there has been no material change in the controls or processes followed in the preparation of the financial results.

51.

During the current financial year, the Company had completed the initial public offering ('IPO') through an offer for sale of 3,89,87,081 equity shares (1,04,59,949 equity shares each by State Bank India, Life Insurance Corporation of India, Bank of Baroda and 38,03,617 equity shares each by Punjab National Bank & T. Rowe Price International Limited) of face value of INR 10 each at a price of INR 554 per equity share aggregating up to INR 2,159.88 crore. The equity shares of the Company were listed on National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE') on 12 October 2020.

52.

Previous year's figures have been regrouped / reclassified wherever necessary, to confirm to current year's classification.

As per our Report of even date
For **G.D. Apte & Co.**
Chartered Accountants
FRN: 100515W

For and on behalf of the Board of Directors of UTI Asset Management Company Limited

D K Mehrotra
Non Executive Chairman
(DIN: 00142711)

Imtaiyazur Rahman
Chief Executive Officer & Whole Time Director
(DIN: 01818725)

CA C.M. Dixit
Partner
MRN: 017532
Place: Mumbai
Date: The 28 April 2021

Surojit Saha
Chief Finance Officer

Arvind Patkar
Company Secretary

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UTI Mutual Fund

Corporate Identity Number
(CIN) U65991MH2002PLC137867

Registered Office
UTI Tower, 'Gn' Block, Bandra Kurla Complex
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Twitter: https://twitter.com/utimutualfund/

Instagram: https://www.instagram.com/utimutualfund/

LinkedIn: https://www.linkedin.com/company/uti-mf

YouTube: https://youtube.com/user/utimutualfunds