UTI Mutual Fund

NURTURING INVESTMENT

UTI Asset Management Company Limited

Annual Report 2019-20

UTI Asset Management Company Limited

17TH ANNUAL REPORT 2019-20

04 UTI ASSET MANAGEMENT COMPANY LIMITED

FINANCIAL STATEMENT OF SUBSIDIARY COMPANIES

122 UTI VENTURE FUNDS MANAGEMENT COMPANY PRIVATE LIMITED

154 UTI INTERNATIONAL LIMITED

CONSOLIDATED FINANCIAL STATEMENTS OF UTI ASSET MANAGEMENT COMPANY LTD.

UTI ASSET MANAGEMENT COMPANY LIMITED

DIRECTORS

Mr. Dinesh Kumar Mehrotra
Mr. Ashok Shah
Mr. Deepak Kumar Chatterjee
Ms. Dipali Sheth
Mr. Edward Cage Bernard
Mr. Flemming Madsen
Mr. Imtaiyazur Rahman
Ms. Jayashree Vaidhyanathan
Mr. Narasimhan Seshadri
Mr. Rajeev Kakar
Ms. Uttara Dasgupta

CHIEF EXECUTIVE OFFICER

Mr. Imtaiyazur Rahman

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Arvind Patkar

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.

OUR BOARD OF DIRECTORS

Dinesh Kumar Mehrotra

Non-Executive Chairman and Independent Director

Dinesh Kumar Mehrotra [DIN 00142711] is the Non-Executive Chairman and Independent Director of our Company. He holds a B.Sc. (Honours) degree from University of Patna. 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 was appointed as an Independent Director of our Company with effect from August 23, 2017.

Imtaiyazur Rahman

Whole-time Director and Chief Executive Officer

Imtaiyazur Rahman [DIN 01818725] is the Whole-time Director and Chief Executive Officer of our Company. He holds a B.Sc. degree from Lalit Narayan Mithila University, Darbhanga, and a Post Graduate Diploma in Computer Application from Institute of Modern Management, Calcutta. He also completed the executive programme conducted by Indian School of Business and Kellogg School of Management. He is also a fellow member of the Institute of Company Secretaries of India and the Institute of Cost and Works Accountants of India. He has also passed the certified public accounting examination from the California Board of Accountancy in the USA. He has over 30 years of experience in management, business leadership and forming strategic alliance. Recently, he was a member of the working group for risk management in liquid schemes constituted by SEBI. He is associated with our Company since 2003. He was appointed as the Whole-time Director of our Company with effect from August 23, 2019. Further, he has been appointed as the Chief Executive Officer of our Company for a period of two years with effect from June 13, 2020. He has also served as the Acting Chief Executive Officer of our Company with effect from August 14, 2018 to June 12, 2020.

Ashok Shah

Independent Director

Ashok Shah [DIN 01194846] is an Independent Director of our Company. He holds an M.A. degree in Economics from Kumaon University. Prior to joining our Company, he was associated with LIC as the executive director. Presently, he is also the chairman and independent director of 3i Infotech Limited. He was appointed as an Independent Director of our Company with effect from August 22, 2019.

Deepak Kumar Chatterjee

Independent Director

Deepak Kumar Chatterjee [DIN 03379600] is an Independent Director of our Company. 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 degree from University of Delhi. He is also a certificated associate of the Indian Institute of Bankers. Prior to joining our 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 general manager. He was also associated with IIFCL Projects Limited as its chief executive officer and IIFCL Asset Management Company Limited as a director. He was appointed as an Independent Director of our Company with effect from September 25, 2018.

Dipali H Sheth

Independent Director

Dipali H Sheth [DIN 07556685] is an Independent Director of our Company. She holds a B.A. (Honours) degree in Economics from University of Delhi. Prior to joining our Company, she was associated with RBS Business Services Private Limited as a country head of human resources, Standard Chartered Bank, Procter & Gamble Distribution Company Limited and DCM Limited. She was appointed as an Independent Director of our Company with effect from December 16, 2019.

Edward Cage Bernard

Non-Executive Director

Edward Cage Bernard [DIN 08243277] is a Non-Executive Director of our Company pursuant to the terms of the Shareholders' Agreement. He holds a B.A. degree in Religious Studies from Brown University and an MBA degree in finance from New York University Leonard N. Stern School of Business. Prior to joining our Company, he was associated with the TRP group as a vice chairman, T Rowe Price Group Inc as a director on the board. Currently, he is also associated with T Rowe Price Group Inc as a senior advisor. He was appointed as a Non-Executive Director of our Company pursuant to the terms of the Shareholders' Agreement with effect from August 22, 2019.

Flemming Madsen

Non-Executive Director

Flemming Madsen [DIN 02904543] is a Non-Executive Director of our Company. He is head of global financial intermediaries and an interim global head of product at T. Rowe Price. He is a vice president of T. Rowe Price Group, Inc., T. Rowe Price International Ltd and member of the Global Distribution Executive Committee. He has been associated with T. Rowe Price for 19 years. His experience in the financial industry includes capital markets transactions, investment banking, and asset management. He was appointed as a Non-Executive Director of our Company with effect from January 20, 2010.

Jayashree Vaidhyanathan

Independent Director

Jayashree Vaidhyanathan [DIN 07140297] is an Independent Director of our Company. She holds a B.E. degree in Computer Science Engineering from University of Madras and an MBA degree from Cornell University. She is also a chartered financial analyst from the Association for Investment Management and Research. Prior to joining our Company, she was associated with Scope International Private Limited as head of Chennai technology and Accenture Services Private Limited. Presently, she is associated with Bahwan CyberTek Private Limited as president of banking and financial services institutions. She was appointed as an Independent Director of our Company with effect from December 16, 2019.

Narasimhan Seshadri

Independent Director

Narasimhan Seshadri [DIN 03486485] is an Independent Director of our Company. He holds an M. Com. degree from Bangalore University and an MBA degree in Banking and Finance from Indira Gandhi National Open University, New Delhi. He is also a certificated associate of the Indian Institute of Bankers. Prior to joining our Company, he was associated with Bank of India as executive director. He was appointed as an Independent Director of our Company with effect from August 23, 2017.

Rajeev Kakar

Independent Director

Rajeev Kakar [DIN 01888608] is an Independent Director of our Company. He holds a B. Tech. degree in Mechanical Engineering from Indian Institute of Technology, Delhi and a Post Graduate Diploma in Management from Indian Institute of Management, Ahmedabad. He currently serves on the board of directors 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 he 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 was appointed as an Independent Director of the Company with effect from December 16, 2019.

Uttara Dasgupta

Independent Director

Uttara Dasgupta [DIN 06570950] is an Independent Director of our Company. She holds a B.A. (Honours) degree in History and an M.A. degree in Archaeology from University of Calcutta. Prior to joining our Company, she was associated with SBI for 37 years and retired as chief general manager. She was also associated with Adhunik Metaliks Limited as nominee director of SBI and Bandhan Financial Services Private Limited as a consultant. She was appointed as an Independent Director of our Company with effect from August 23, 2017.

Chairman's Message

Dear Shareholders,

I hope you are well, staying safe and healthy, as *Covid*-19 still continues to impact communities in India and across the globe.

Your company is credited as India's first mutual fund. Over the period of time, we have developed a strong brand recognition amongst investors as a pure-play independent asset manager which distinguishes us from most of our major competitors. These attributes clubbed with diverse products and services, consistent long term track record of delivering a stable investment performance and AUM growth have facilitated our company in sailing seamlessly through adversities arising from the spread of Covid pandemic and subsequent lockdown.

Our Response to Covid-19

In response to COVID-19 pandemic outbreak, we promptly strategized a remote engagement model and enabled full spectrum of our existing digital initiatives – online platforms & mobile applications, to ensure business continuity during the lockdown period. For employees, whose safety and well-being has been our topmost priority, remote working facilitated by us ensured their working in a productive and efficient manner.

For distributors, we initiated training and investor education programs on various subjects, such as understanding the economic impact of COVID-19, client engagement tools, working from home and yoga. We also initiated monthly "live" market outlook sessions on our social media channels that assisted us in sustaining client relationship during the period. In addition to business continuity measures, we also focused on optimizing operational cost through cost reduction measures on discretionary spending and by initiating workforce based savings.

I am pleased to inform you that as on date, there has been no adverse material impact in our overall investor services, as we ensured majority customers seamlessly transit to online transactions and uninterrupted delivery of services during the lock down period.

Business Performance:

Your company's legacy has been centered on our continuous effort to strengthen the existing multichannel distribution network, increasing share in B30 cities and improving our operating metric. Our client services catered to a diverse group of individual and institutional investors through a wide variety of funds and services. Our bouquet of service includes – managing the domestic mutual funds of UTI Mutual Fund, providing portfolio management services ("PMS") to institutional clients and high net worth individuals ("HNIs"), and retirement funds, offshore funds and alternative investment funds.

As on March 31, 2020, our total AUM of all business – MF, PMS and Advisory services grew 2.45 times Y-o-Y to ₹ 9,798 billion. We manage Rs. 1,515 billion as QAAUM as of March 2020 under our Mutual Funds, Rs. 6,891 billion under Portfolio Management Services, Rs. 13 billion under UTI Capital, Rs. 1,222 billion under UTI Retirement Solutions and Rs. 157 billion under UTI International.

(i) Domestic Mutual Fund:

We manage 172 (180 including 8 Segregated portfolio) domestic mutual fund schemes, comprising equity, balanced / hybrid, income, ETFs / Index, liquid and money market funds as of March 31, 2020.

Within domestic mutual funds, AUM for the quarter in respect of equity funds including ETFs / Index funds increased by 17.43% Y-o-Y to ₹ 634 billion as on March 31, 2020, driven primarily by passive equity funds (50.63% Y-o-Y increase in total average AUM as on March 31, 2020)

(ii) Other Businesses:

Our AUM other than domestic mutual funds reported a growth of 3.45 times Y-o-Y amounting to ₹ 8,283 billion as on March 31, 2020. The growth was led by PMS which grew 5.2 times Y-o-Y to ₹ 6,891 billion as on March 31, 2020 and contributed around 83.2%. The growth in PMS has been assisted by direct outsourcing of pension and retirement funds by institutions. UTI AMC is amongst the two fund managers appointed to manage the EPFO corpus and has been appointed as a fund manager for CMPFO, ESIC and NSDF.

Operational Highlights:

Your company enjoys brand recognition and goodwill across its customers, which has assisted in the following operational development during the current fiscal

a) With approximately 24% of its AUM in B30 geographies, UTI AMC has a high concentration of AUM in B30 markets.

b) As of March 31, 2020, our distribution network includes - 163 (153 as on March 2019) UTI Financial Centres (“**UFCs**”); 283 (304 as on March 2019) Business Development Associates (“**BDAs**”) and Chief Agents (“**CAs**”) 40 (38 as on March 2019) of whom operate Official Points of Acceptance (“**OPAs**”)); 43 (38 as on March 2019) other OPAs and MFDs channel includes approximately 52,000 (49000 as on March 2019) Mutual Fund Distributors (“**MFDs**”).

c) As of March 31, 2020, there has been 172 Schemes / Plans offered by the UTI MF (195 as of March 31, 2019), out of which 23 (23 as on March 2019) were equity funds; 129 (153 as on March 2019) were Debt funds; 4 (3 as on March 2019) were liquid funds; 7 (7 as on March 2019) were ETFs / Index funds, and 9 (9 as on March 2019) were balanced/hybrid funds.

d) During the FY 2020, 7 Debt Schemes were launched. The total funds mobilized by these Schemes are Rs. 3.32 billion.

e) Gross SIP inflow increased by 4.6% on Y-o-Y basis to ₹ 29.6 billion in FY 2020 and SIP Live folios increased from 1.1 million in FY 2019 to 1.2 million in FY 2020.

f) With Total Live Folios amounting to ₹10.9 million as on March 31, 2020, our client base accounted for 12.2% of total 89.7 million approx. folios that were managed by the Indian mutual fund industry.

g) We have the lowest complaints against folios (0.002%) compared to other AMC players in the industry as of 31st March 2020 (Source CRISIL report, SEBI).

Digital Initiative:

Digital adoption has been our primary objective towards constant business development which has also started to reflect in our growing online business. Our client engagement model is focused on automated and integrated basis, which improves our cost structure and efficiency. Our digital presence has been increasingly important in the promotion of our funds and client retention. Our ongoing digital marketing activities, which include our email campaigns, digital marketing platform, presence in social media, mobile applications for clients and mutual fund distributors and our website have assisted in increasing our overall digital contribution to sales during the year.

(i) **Digital performance:**

Sales through the UTI AMC website, registered a growth of 51% Y-o-Y generating gross sales of ₹12.3 billion in FY 2020; "UTI MF App", registered 58.8% growth Y-o-Y generating gross sales of approximately ₹4.6 billion in FY 2020. UTI Buddy App", registered a growth of 72.9% Y-o-Y generating gross sales ₹ 3.4 billion FY 2020.

(ii) **Digital contribution:**

The number of digital purchase transactions has increased from 2.0 million representing gross inflows of ₹ 17,411 billion for FY 2019 to 2.6 million representing gross inflows of ₹ 11,349 billion FY 2020.

Corporate Social Responsibility:

We have adopted a CSR policy in compliance with the requirements of the Companies Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014. Our CSR activities are mainly in the areas of Health and Education. The total amount invested on CSR for the fiscal years ended March 31, 2020 has been ₹ 55 million. We have contributed ₹ 10 million to PM Citizen Assistance and Relief in Emergency Situations Fund ("PM Cares") following the outbreak of the COVID-19 pandemic.

Financial Highlights:

Our consolidated total income has been ₹ 8.90 billion in FY 2020 compared to ₹10.81 billion in FY 2019. Our consolidated profit after tax was ₹ 2.71 billion in FY 2020 compared to ₹ 3.57 billion in FY 2019. The decrease in Total Income primarily reflected decrease in our management fee revenue due to a reduction in our AUM, primarily in our credit funds, resulting from adverse Indian credit market conditions. The effects of the COVID - 19 pandemic and associated measures has also impacted the profitability of the company.

Our Standalone Total Income has been ₹ 8.61 billion in FY 2020 as compared to ₹10.08 billion in FY 2019. The Standalone Profit after Tax has been ₹ 3.09 billion in FY 2020 as compared to ₹ 3.48 billion in FY 2019.

Future Outlook:

Given our size, diverse client base coupled with strong product portfolio, presence in B30 cities, extensive distribution network and widely recognized brand, we are well-poised to capitalize on the growing Indian mutual fund industry, going forward. We believe that our Business Development Associates (BDA) and Chief Agents (CA), who are engaged by us on an exclusive basis primarily in B30 cities, allow us to efficiently and effectively develop, maintain and service our relationships with our distributors and investors.

We shall continue to sharpen our growth strategy by driving superior investment performance across our categories of funds, enhancing our customer base through geographical reach, exploring new partnership opportunities and expanding distribution channels, leveraging technology and digitisation to enhance organisational efficiency and cost optimisation, improve customer acquisition and experience and ensure data security.

Conclusion:

I would like to take this opportunity to appreciate the efforts taken by each and every employee of our company in ensuring quality services and advisory to our investors during the lockdown period. I would like to thank all our shareholders, who are part of UTI family, for having confidence in the management. I wish good health for all and look forward to meet you again next year.

Warm regards

Dinesh Kumar Mehrotra
Non – Executive Chairman

CEO's Message

Dear Shareholders,

The year 2019-20 has been an exceptional year and the events that unfolded towards the end of the year was unprecedented in many ways. We learnt new ways of working and started valuing those aspects of life, about which we perhaps did not give much thought earlier. These events brought in challenges as well as opportunities. At UTI, we believe in adapting to situations to improving our processes, productivity and investor servicing, without losing sight of our long term goals. Throughout history, as the first mutual fund in the country, UTI has strived to be with its investors & stakeholders and we are with you even in these times.

The year 2019-20:

While the circumstances prevailing at the financial year end were not what we would have liked it to be, it was also satisfying for us that we were able to take many progressive initiatives during the year. We closed our year 2019-20 with an Average AUM of Rs.1515 billion in our domestic mutual fund business and a total group AUM of Rs.9798 billion. Our domestic mutual fund market share stood at 5.6% at the year end. Your company earned a standalone Profit after Tax (PAT) of Rs.3.09 billion and a consolidated PAT of Rs.2.71 billion.

During the year, new mandates were received from Employees State Insurance Corporation (ESIC), The Coal Mines Provident Fund Organisation (CMPFO) and Employees' Provident Fund Organisation (EPFO) under our PMS division. Our group companies, UTI Capital, UTI Retirement Solutions and UTI International continued to work for growing their business and enhancing visibility.

Driving growth consistently:

We believe that, notwithstanding the external situations, we are appropriately positioned to remain competitive in the market, reach out to new geographies and further consolidate our position in B-30 centres. I am happy to inform you that your company continues its business operations seamlessly and the collective contribution of employees along with robust business model played a crucial role in ensuring that our investors continue to enjoy uninterrupted services during the pandemic and lock down period.

Early on, your company started initiatives for enhancing our reach in distribution. Restructuring of sales channels, segregation of distributors, automation of the sales force, increased focus on Fintech companies, increasing the number of SIPs, additional 4500 mutual fund distributors, conducting 535 outreach programmes covering 20000 participants and increased interaction of Fund Managers with sales team & distributors are some of the measures that we took during the year. We launched several marketing campaigns, including a pilot project for Bihar region called Adarsh Bihar, and used social media extensively. The campaign "Power of Three" garnered sales of around Rs.40 billion.

We initiated measures for revamping our portfolio with profitable products by focusing on Equity (other than ETF & Index funds) and Hybrid funds. Over the last five years, the AAUM of Equity and Hybrid Funds increased from Rs. 413 billion for the quarter ended March 2015 to Rs. 592 billion for the quarter ended March 2020 showing a CAGR growth of 7.43% over 5 years. Within this category of funds, Hybrid funds witnessed the CAGR growth of 13.16% from Rs.113 billion for the quarter ended March 2015 to Rs. 210 billion for the quarter ended March 2020. We launched a unique UTI Debt Forum and Equity Symposia across several cities engaging with more than 700 partners on UTI's investment philosophy and process. We also conducted four large UTI Equity symposia at different important cities to showcase our investment process and strength of investment team.

Investment performance:

The core of the mission of any asset management company is to improve the investment performance and it is a vital aspect on which we remain completely focussed. For bringing consistent performance, we strengthened the investment team, brought in changes in strategy and other improvements which yielded good results.

Adopting Digital:

The significant progress made by your company in implementation of Enterprise Architecture transformation enabled remote handling of all critical functions in the organisation during the lockdown in the country in addition to improving efficiency and cost reduction. The Marketing team launched several campaigns and used social media extensively to make ourselves agile.

The first phase of transition process was towards building a robust IT infrastructure for (i) ensuring adequate security governance and operating model; (ii) Optimising IT Infrastructure towards reducing ownership cost along with fulfilling IT Governance and (iii) Preparing a complete customer database that shall assist in customer retention. The second phase of digital transformation has been initiated to build efficacy, capacity, resilience and cost effectiveness with focus on application modernization, hybrid cloud architecture adoption, business process digitisation, enterprise data platform adoption and cyber security enhancement. We implemented the Bloomberg Asset and Investment Manager software to improve the efficiency of our investment team. Our electronic document management system helps to streamline processes and move towards a "paperless" organization, thereby optimising costs in the long run. We have also adopted a "cloud first" vision to reduce time-to-market and ensure high availability, scalability, security and the cost-optimized deployment of applications and services.

The company has registered growth in digital transactions, sales through third-party digital platforms, UTI AMC website and UTI MF App. The number of digital purchase transactions have increased from 2.0 million representing gross inflows of ₹17,411 billion for FY 2019 to 2.6 million representing gross inflows of ₹ 11,349 billion FY 2020.

As we move forward, we aim to adopt world class technology to provide customer delight with innovative experiences for our investors.

Entrenching in investors' journey:

To become much more customer-centric, it is our priority to be a part of our investors' journey in wealth creation. We have a sustained focus on investors and endeavour to make it easier for our investors to access our products as well as services at all times. Towards this, we are developing strategies that facilitate our presence across the nation, be it large cities, B-30 cities or rural areas. We believe that our reach across the country, along with strong recognition, supports investor confidence in our ability to provide them consistent quality services wherever they are located.

Result oriented approach:

We invest time and resources to bring visible results in expanding our distribution reach, acquiring and retaining business, improving efficiency, increasing productivity, bringing better cost-income ratio, sharpening business analytics etc. Going forward, we believe these efforts will bring in positive outcomes and help us in achieving our mission of being the "most preferred mutual fund"

CSR initiatives and concern for environment:

Your company strives for bringing in financial inclusion as well as benefits to the society at large. We believe that inclusiveness makes us stronger. Your company contributed a total amount of Rs. 55 million during the fiscal year ended March 31, 2020 towards CSR activities and an amount of Rs. 10 million to PM Citizen Assistance and Relief in Emergency Situations Fund ("PM Cares") following the outbreak of the COVID-19 pandemic. We have also taken initiatives under ESG framework at our group level, especially in our international business.

As a responsible company committed towards environment, we have adopted paperless document management system and smart e-approval systems to avoid use of paper to the maximum extent possible.

Culture and values of our people:

The people working your company endeavour to maintain a professional conduct upholding the principles of integrity that have guided UTI since its inception. We endeavour to be the most preferred employer with equal opportunity to all, in an environment of learning and development where we can acquire and retain talent for fulfilling our objective of serving the investors in the best possible manner. We believe that our success depends on our value system, commitment and excellence.

Following the outbreak of the pandemic, our employees have been working remotely, using virtual private network based connectivity. We intend to invest in the human resources for enhancing efficiency across functions in the company with a blend of experience and young talent.

Way forward:

Your company is open to accept changes as it happens and will adapt to changing business environment and regulatory reforms. Our focus will continue to be on long term growth supported by capability building and deepening of distribution reach. Adding value for our stakeholders is paramount to us and our mission of helping our investors achieve their financial goals will be steadfast.

The times could be challenging but we remain hopeful of growth in the financial sector, benefitting the mutual fund industry and investors alike. The team at UTI will continue to work in the best interest of the nation and our investors and do all that it can to remain resilient to support all stakeholders of the company.

Warm regards

Imtaiyazur Rahman
Chief Executive Officer & Whole Time Director

Enabling the business digitally

Our Digital platforms are built on new-age technologies which are highly scalable and available 24x7 for both Investors and Partners.

Focus Areas:

Simplified way of Investing through Digital Channels.	Enabling Partners with Digital solutions.
Personalized and Contextual Journeys for investors.	Building Communities of Investors and Partners with 24x7 Assistance

Channels available for Investors and Partners:

Investors

UTI MF Online Portal

UTI MF Mobile Application

Contact Centre

Ocean Fax and DTS App

Fax and Email Based Digital platform

Partners

utiBuddy

Buddy web and Mobile App

API Integration with Aggregators

Key Initiatives during 2019-2020:

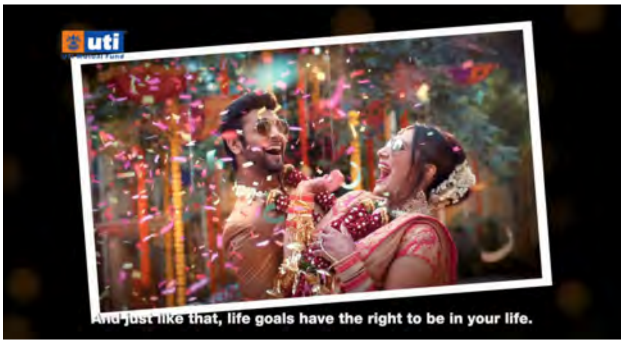
- Multilingual Support at Contact Centre- Investors can now interact with Agents in 6 languages.
- Net Promoter Score- Introduced NPS for contact centre channel for better monitoring.Achieved NPS score of 91.7% for Fy 19-20.
- Digital KYC- Enabled Investors to complete Digital KYC through Web portal and Mobile App (both Investor and Partner).
- Multi-media marketing platform- Relevant and contextual communication through Email, SMS and Push Notifications (Web and Mobile App).
- One-click Investment- e-OTM based investments through website, Mobile App and Partner platforms.
- Dynamic links for Investors-Allowing partners to create pre-filled transaction links for their investors to complete the transaction with a single click

Success Stories:

- 1 transaction is done every 19 secs through UTI's own Digital platforms.
- Transactions through Digital platforms grew from 10.3% infy 18-19 to 14% in FY 19-20
- Every fifth purchase transactions on UTI's own Digital platforms isthrough Mobile.
- 23% growth in Investor case using Digital platforms

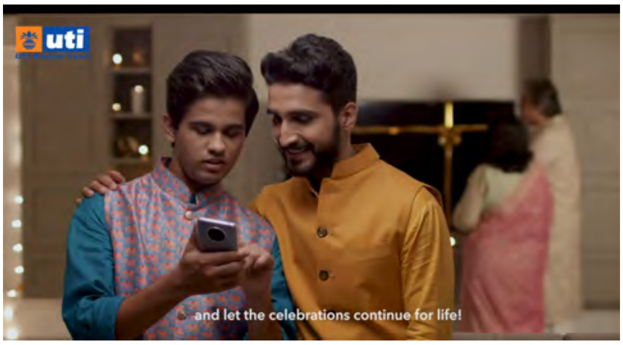
Consumer focused initiative

Our endeavour to create credible, continuous and consistent messaging by targeting specific audience cohorts with strong insights that help build understanding of Mutual Funds in that segment.



#SIPtoday

We at UTI MF believe in our brand promise 'HaqEkBehtarZindagiKa', and with that created this campaign that focused on the fact that everyone has the right to a better life. Bringing alive goals that one might have at any life stage starting from giving your child a good foreign education, being able to fullfill passions that have been missed out in the everyday life, buying a car, planning a vacation or enjoying the dream wedding one always wanted. The campaign ran across TV channels in 9 languages and the channel mix was realigned as per changes in viewing patterns during the pandemic. This was also pushed across digital platforms and overall across platforms had a reach of over 14mn views.



#CelebrationUnlimited

India is a country of many festivals and the festive period brings with it a sense of togetherness with family to celebrate. These celebrations are heightened when they come along with surprises. For Diwali the brand told the story of a young jobber who with his investments in Mutual Funds through SIPs has brought joy to his parents with a large TV as a gift. In all of this, he teases and then teaches his elder brother the benefits and ease of starting an SIP.

#FirstEasyStep - Index Fund

In our efforts to reach out to specific audience cohorts, we started by targeting the First time Jobbers. Our research and deep dive into the first jobber segment brought out the understanding that while regular on-going communication about the Mutual Fund category has been creating awareness, the paradox of choice between 2000+ schemes in the market causes drop outs at the decision making stage. Resolving this confusion, the campaign of First Easy step was rolled out with Index Fund as the simple choice to make as an entry point into the mutual fund category. A TV campaign in nine languages was done with digital activities, including various explainer videos on what are Index funds and how they work.

#WIP – Weekend Investment Plan

Another campaign targeting the younger cohort with the insight around the fact that while the youth of today does not think twice before spending regularly on a cup of coffee worth Rs.500 and on experiences that are 'instagramable', they are also always aspiring for more and immediate gratifications. Here we introduced the concept of Weekend Investment Plan, which encouraged the thought of a small sacrifice today that can help achieve the aspiration in the near future. This has been an ongoing property on which communication is built regularly via social media posts, newspapers and branch branding. The objective of this campaign has been to build relevance for the brand amongst the younger audiences by using aspirations that are commonly seen like international travel, passions like photography, gaming, music concerts, etc.

Stay Safe. Access our Services from Home

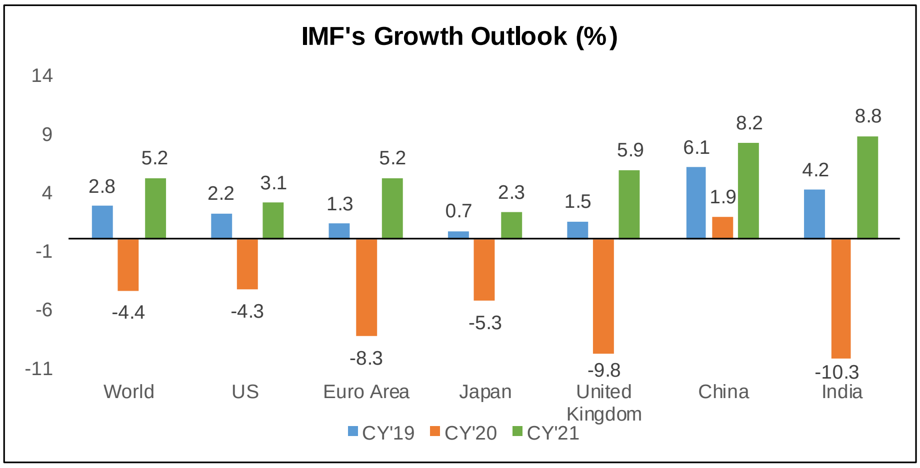
In the unprecedented times of the pandemic, we ensured that our investors were always informed of our priorities, Safety reassurance for both the investor and staff andour commitment to provide access to all services digitally while maintaining all standards of safety.

MANAGEMENT DISCUSSION AND ANALYSIS

I Global Economic Outlook

Major part of FY2019-20 was dominated by downside factors such as escalation of US-China trade tensions,growing probability of a disorderly Brexit,subdued demand scenario, economic slowdown of global economies, volatility in crude oil prices and a risk-on risk-off sentiment in financial markets on geo-political and economic events.In August 20, the world was grabbed with US recession fear as "inversion of the yield curve" of US bond became a reality. By December '20, positive news surfaced as U.K. looked more likely to achieve a negotiated exit from the EU versus a hard one and trade tensions eased with the phase one deal between the U.S. and China. However, the positives were short lived as Q4-FY2019-20, turned-out to be the worst quarter as global economies were overcast with Covid-19 pandemic which resulted in massive dislocations in global production, supply chains, trade and tourism. Financial markets across the world were experiencing extreme volatility, global commodity prices -- especially crude oil declined sharply.

With reference to CY2020, IMF in its World Economic Outlook (WEO) update – June 2020 had revised the growth rate of Global GDP growth to be downwards at -4.9 percent in CY 2020. On the back drop of negative impact of Covid-19 pandemic in the first half of 2020 than anticipated and the recovery is projected to be more gradual than previously forecasted. However it later revised its global growth projection with a less severe contraction of -4.4 percent in CY 2020 than forecasted in June 2020, WEO updatereflecting better-than anticipated second quarter GDP outturns mostly in advanced economies, where activity began to improve sooner than expected after lockdowns were scaled back in May and June, as well as indicators of a stronger recovery in the third quarter. Global growth is projected at 5.2 percent in CY 2021, a little lower than in the June 2020 WEO update, reflecting the more moderate downturn projected for CY 2020 and consistent with expectations of persistent social distancing. The growth projections imply wide negative output gaps and elevated unemployment rates in CY2020 and in CY021 across both advanced and emerging market economies.



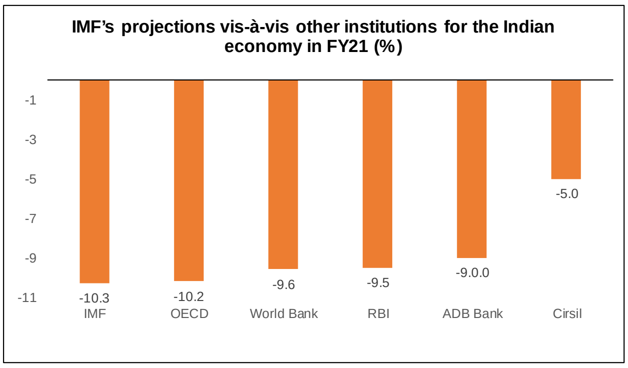
Source: WEO Economic Outlook Update – October 2020

II Indian Economic Outlook

Compared to other economies, IMF's revision for India's economy is much larger due to severe contraction recorded in Q1FY21. India's economy is projected to contract by (-10.3%) in FY21 which is (5.8%) lower than the June projections. The economy is expected to recover to (8.8%) in FY22. In June 2020, IMF had projected the Indian economy to contract by (4.5%) in FY21.

IMFs projection Vs Other Institutions:

IMF's projections on the Indian economic contraction in 2021 has been much sharper than estimates provides by other multilateral institutions like OECD (-10.2%), World Bank (-9.6%) and Asian Development Bank (-9%). The RBI has projected the fall in GDP to be around (-9.5%) in FY21 with the risks tilted to the downside.



Source: IMF, OECD, WORLD BANK, RBI and ADB Bank

Impact of the COVID-19 Pandemic on the Indian Economy

India's financial sector, which is experiencing significant corrections in credit quality following the recent Infrastructure Leasing & Financial Services (IL&FS) and non-banking financial institution (NBFC) crises, caused a domino effect on the Indian economy as liquidity squeeze led to consumption slow down and decline in GDP growth. A broad-based recovery of the Indian economy was expected in the last quarter of Fiscal 2020, following the Government of India's fiscal and monetary measures, but was stalled by the outbreak of the COVID-19 pandemic, which has further disrupted the Indian economy on a scale not seen in recent years.

On March 24, 2020, the Government of India imposed a nationwide lockdown which lasted until May 31, 2020, and was followed by several state-imposed lockdowns. The associated restrictions on the movement of people and goods and their impact on business operations across the country have severely impacted supply and demand across the Indian economy. As a result, according to CRISIL, real GDP in India is projected to contract by 5% in Fiscal 2021. The non-agricultural sector of theeconomy has been particularly affected during the first quarter of Fiscal 2021 and employment and income levels across severalservice sectors, including education, travel and tourism are expected to continue to be acutely affected in the coming quarters.

RBI Policies to counteract the effects of the COVID-19 pandemic

The RBI and several other key institutions of the Government of India have taken aggressive measures to alleviate financialmarket stress in the wake of the COVID-19 pandemic, including:

1] **Rate cuts and liquidity enhancements**: On March 27, 2020, the Monetary Policy Committee ("**MPC**") of the RBI cut the repo rate under the liquidity adjustment facility by 75 bps to address the stress in the financial markets in thewake of the COVID-19 pandemic and the subsequent imposition of the nationwide lockdown. On March 27, 2020, the MPC also cut the reverse repo rate by 90 bps, followedby further 25 bps. On March 27, 2020, the RBI also reduced the cash reserve ratio ("**CRR**") requirement of all banks by 100 bps to 3% of net demand and time liabilities ("**NDTL**").

2] **Broad market liquidity measures**: On March 27, 2020, the RBI announced targeted long-term repo operations of upto three years for a total of up to Rs1 trillion. Liquidity availed under the scheme by banks may only be invested ininvestment-grade corporate bonds, commercial paper, or non-convertible debentures.

3] **Debt servicing moratoria**: Lending institutions are permitted to allow a moratorium of six months on the repaymentof instalments for term loans outstanding as of March 1, 2020 (the moratorium was initially for three months. However, banks are instructed to provide10% additional provisioning on all loans that were overdue as of March 1, 2020 and classified under moratorium,which could be later adjusted against the provisioning requirements for actual slippages. Lending institutions werealso permitted to defer payment of interest on working capital facilities outstanding as of March 1, 2020 by threemonths. In addition, the RBI has clarified that these measures will not result in asset quality downgrades, nor will theyaffect the credit history of affected borrowers.

4] **Credit growth policies**: The RBI postponed the implementation of a net stable funding ratio from April 1, 2020 to October 1, 2020 and deferred the implementation of the last tranche of the capital conservation buffer from March 31,2020 to September 30, 2020.

Falling commodity prices, including those of crude oil and the substantial increase in public and private debt risks have affectedreal economic activity in India by tightening credit and investment channels in recent quarters. CRISIL expects the contraction to be confined to the first half of Fiscal 2021, with a mild recovery taking in the second half of Fiscal 2021. However,CRISIL expects a permanent loss of up to 10% of the pre-pandemic real GDP in India. In addition, CRISIL forecasts a V-shaped recovery from Fiscal 2022 onwards, with real GDP expanding at an approximate 5% compound annual growth rate("CAGR") from Fiscal 2020 to Fiscal 2025.

CRISIL's expectations are generally in line with those of the Reserve Bank of India:

Macro variable	FY19	FY20	FY21P	Rationale for outlook
Real GDP (%, Y-on-Y)	6.1	4.2	-5.0	Higher-than-expected economic costs of the pandemic have outweighed weaker-than-expected effects of mitigating government policies and actions, muting a near-term recovery and weighing on the Fiscal 2021outlook.
CPI inflation (%, Y-on- Y)	3.4	4.8	4.0	Lockdown-induced demand reduction puts pressure on core inflation, partly offset by a sharp drop in crude oil prices while food inflation limits downside to core inflation.
10-year Government Security (%, March-end)	7.5	6.2	6.5	Higher borrowings rates amid fiscal slippage may overcompensate for lower inflation and softer policy rates, pushing up market yields.
CAD / GDP (%)	2.1	1.0	0.2	CAD likely to remain low on the back of low commodity prices while rupee expected to be volatile due to sell-off by foreign portfolio investors and risk-off scenario
₹/$ (March average)	69.2	74.4	74.0	

Note: P – Projected, CPI: consumer price index, CAD: current account deficit. Data as of March 31 of the relevant calendar years.

Source: Reserve Bank of India ("***RBI***"), National Statistical Office ("***NSO***"), CRISIL.

The main risks related to these projections are-

1. Further reduction in global economic growth in case of uneven recovery and premature austerity in the face ofconsiderable rise in public debt in many leading economies
2. Successive waves of COVID-19 infections adding to uncertainty, thereby further reducing consumer confidence
3. Setbacks to agricultural activity due to either monsoon failure and/or supply disruptions

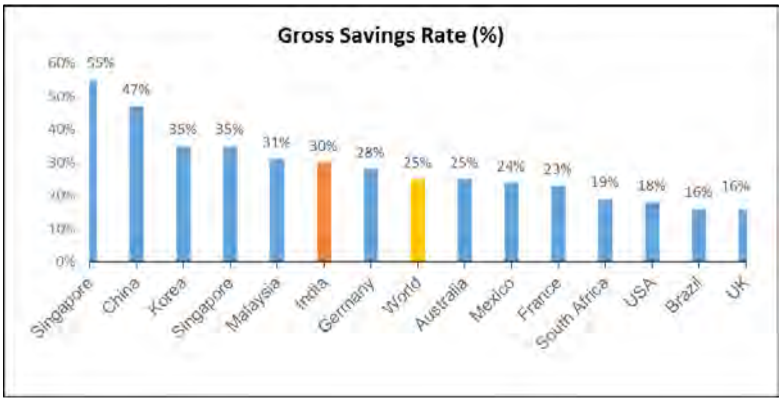
CRISIL expects Consumer Price Index ("CPI") inflation of 4.0% in Fiscal 2021, compared to approximately 4.8% in Fiscal 2020, primarily due to soft crude oil prices and core inflation on account of a subdued economy. If the COVID-19 pandemic iscontrolled in the current quarter, CPI inflation may fall further.

Household Savings

1.] **Gross Domestic Savings Rate**

India has historically been and is expected to continue to be a high savings economy. High savings can be used tofinance investments which can further ease supply-side constraints in the economy and drive long-term economic growth. India also has a high savings rate compared to other large economies.

Going forward, benign inflationary pressures should reduce the attractiveness of gold and real estate (which represent physical savings of households) as investment alternatives. Considering this, along with an expected increase in financial literacy, the share of financial savings within household savings in India is likely to increase in the medium term. The Government of India's measures to curb black money should also help increase the share of financial savings.



Note: Data as of March 31, 2019

GDS are calculated as GDP less final consumption expenditure (total consumption); Data for China, US States and world include data for 2017.

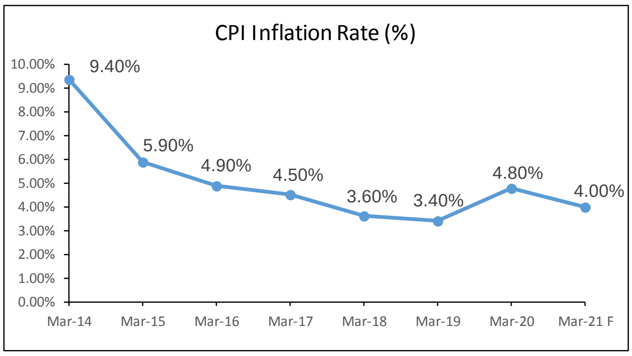
Source: World Bank, Handbook of Statistics on Indian Economy 2018-19, RBI, Ministry of Statistics and Programme

Implementation ("***MOSPI***"), CRISIL.

As ofFiscal 2019, the quantum of gross household financial savings was approximately ₹20 trillion. Going forward, with stable inflation, rising disposable income levels and robust GDP growth following the recovery from the COVID-19 pandemic, CRISIL expects the growth in household savings of the past few years to continue in FY 2021.

1.1] **CPI Inflation:**

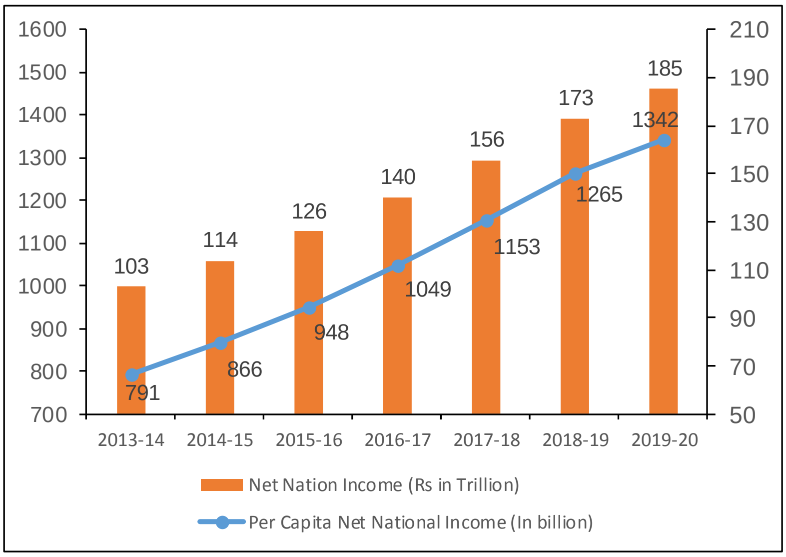
Over the past five years, CPI inflation has continued to decline, from a high of 9.4% as of Fiscal 2014 to 4.8% as of Fiscal 2020. CRISIL estimates CPI inflation for Fiscal 2021 to be at 4.0%. The demand reduction due to the COVID- 19 pandemic and low commodity prices have put significant downward pressure on core inflation for Fiscal 2021.



CRISIL expects lower inflation to decrease the relative attractiveness of gold and real estate (Indian household's favourite physical assets) as investment options. Coupled with an expected increase in financial literacy, the relative outperformance of financial assets over recent years and the Government of India's efforts to fight shadow economy activity, CRISIL expects the share of financial assets as a proportion of net household savings to increase over the next five years.

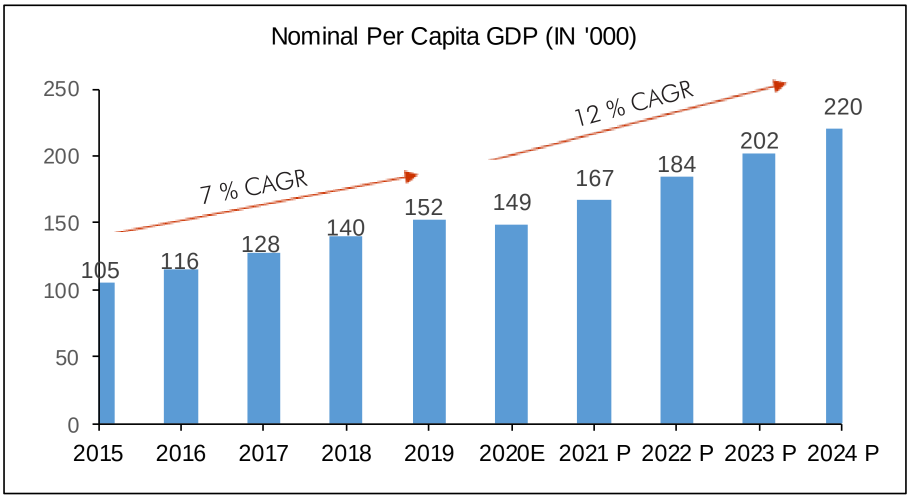
1.2] **Rising Disposable Income:**

Over the past 7 years, Net National Income has increased by 7.8% CAGR during the period FY 2014 and FY 2020. Per Capita Net National Income over the same period has increased by 8.73% CAGR. In the last one year, Net National Income has grown by 6.93% from Rs. 173trillion in FY 2018-19 to Rs. 185 trillion FY 2019-20. Per Capita Net National Income has also increased from Rs. 1,265 billion in FY 2018-19 to Rs. 1,342 billion in FY 2019-20 reporting a growth of 6.09%.



Source: RBI, Handbook of Statistics on Indian Economy

1.3] **Nominal Per capita GDP**



Note: E - Provisional estimates, P – Projected. Data as of December 31 of the relevant calendar years.Source: CRISIL.

2] **Financial Savings**

The share of mutual funds in overall household savings has increased steadily since Fiscal 2013 and stood at 2.9% asof Fiscal 2019. With the financial sector being particularly sensitive to improved economic conditions and given theexpected changes in saving patterns, CRISIL expects an increase in the share of financial assets (direct and through mutual funds and insurance) in total financial savings.Share of Savings in Shares, Mutual Funds and Deposits Increased Post Demonetisation.

Share of Savings in Shares, Mutual Funds and Deposits Increased Post-Demonetisation

(₹ billion)	Mar-13	Mar-14	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19
Gross financial household savings	10,640	11,908	12,572	14,962	16,147	20,610	19,957
Currency	1,115	995	1,333	2,005	-3,329	4,837	2,814
Deposits	6,062	6,670	6,124	6,445	9,778	5,309	7,825
Shares and debentures	170 (1.6%)	189 (1.6%)	204 (1.6%)	284 (1.9%)	1,745 (10.8%)	1,773 (8.6%)	778 (3.9%)
Mutual funds	82 (0.8%)	150 (1.3%)	145 (1.2%)	189 (1.3%)	1,510 (9.4%)	1,382 (6.7%)	576 (2.9%)
Insurance funds	1,799	2,045	2,993	2,642	3,543	3,440	2,585
Provident and pension funds	1,565	1,778	1,909	2,907	3,255	3,694	3,963
-D Others	(71)	231	10	679	1,155	1,557	1,992

Note: Others include claims on Government and provident and pension funds; data are as of March 31 of the relevant fiscal years.
Source: National Account Statistics 2019, MOSPI, RBI, CRISIL.

As per RBI's quarterly forecast, gross financial assets of mutual funds in outstanding positions of household financialassets have continuously increased until the third quarter of Fiscal 2020, indicating increasing preference of Indianhouseholds to park their savings in this class, but have decreased in the last quarter of Fiscal 2020.

As per RBI's preliminary estimates, household financial savings have improved to 7.6% per cent of gross nationaldisposable income ("**GNDI**") in Fiscal 2020, from 6.4% in Fiscal 2019. This improvement has occurred due to asharper moderation in household financial liabilities than in financial assets. The economic disruptions arising as a result of the COVID-19 pandemic, however, caused a sharper decline in household financial assets in the last quarterof Fiscal 2020.

Gross Financial Assets

(₹ trillion)	FY18				FY19				FY20			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Bank Deposits	74.1	76.5	75.9	79.9	79.2	82.2	82.3	87.3	86.8	89.6	90.6	94.4
Life Insurance Funds	29.4	30.4	31.7	32.1	32.7	33.6	34.1	35.6	36.5	36.9	37.9	38.8
Currency Funds	13.8	14.2	15.3	16.7	17.8	17.5	18.5	19.5	20.1	19.8	20.7	22.3
Mutual Funds	9.5	10.2	10.6	10.7	11.9	11.5	11.9	12.4	12.7	12.8	13.9	11.6

*Note: The outstanding position for household investments in pension and provident funds is not published, as the latest available data from the Employee's Provident Fund Organization ("**EPFO**"), which constitutes around 70% of this segment, pertains to Fiscal 2017.*
Source: RBI Bulletin, June 2020.

Share of mutual funds in outstanding position of total gross financial household assets*

(₹ trillion)	FY18				FY19				FY20			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total gross financial household assets*	126.7	131.3	133.6	139.3	141.7	144.8	146.9	154.8	156.1	159.1	163.1	167.2
Held by mutual funds^	9.5	10.2	10.6	10.7	11.9	11.5	11.9	12.4	12.7	12.8	13.9	11.6
Mutual funds as % of total financial household assets (%)	7.5%	7.8%	7.9%	7.7%	8.4%	7.9%	8.1%	8.0%	8.1%	8.0%	8.5%	7.0%

** The outstanding position for gross financial assets includes data only for bank deposits, life Insurance funds, currency funds, and mutual funds.*
^ Includes only retail mutual funds.
Source: RBI Bulletin, June 2020, CRISIL.

III MUTUAL FUND INDUSTRY OVERVIEW:

Aggregate AUM of the Indian mutual fund industry have grown at a healthy pace over the past ten years , against thebackdrop of an expanding domestic economy, robust inflows and rising investor participation, particularly fromindividual investors. Average AUM grew at a CAGR of 13% from Rs. 7.6 trillion as of March 31, 2010 to Rs. 27.0 trillion as of March 31, 2020. As on March 2020, there are around 41 or 44 fund houses.

AUM (₹ trillion)

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

1] Equity Markets and Retail Participation

Aggregate industry AUM grew at a CAGR of approximately 17.86%, from Rs.11.9 trillion as of March 31, 2015 to Rs.27.0trillion as of March 30, 2020, driven by increasing aggregate financial savings combined with growing investor awareness of mutual fund products. Between March 2015 (Including Fiscal 2015) and March 2020, the industry witnessed a net inflow of Rs. 10.49 trillion.

Average AUM of equity-oriented funds grew at a CAGR of approximately 25.45%, from Rs. 3.7 trillion as of March 31, 2015 to Rs. 11.3 trillion as of March 30, 2020, while average AUM of debt-oriented funds grew at a CAGR of approximately 7.08%, from Rs. 5.3 trillion as of March 31, 2015 to Rs. 7.4 trillion as of March 31, 2020, primarily driven by the IL&FS default and the ensuing NBFC crisis and subsequently exacerbated by the COVID-19 global pandemic. This had a negative impact on investor confidence in debt markets and resulted in a considerable drop in demand for mutual fund debt products, a trend CRISIL expects to see continuing in the wake of the COVID-19 pandemic.

However, as the effects of the COVID-19 pandemic subside, credit quality is expected to improve through the longer term. AUM of multi cap, large cap, large and mid-cap, mid-cap, value/contra and ELSS together accounted for 77.87% of the industry's open ended growth/equity-oriented scheme AUM as on March 31, 2020. Average AUM of other category of funds (including ETFs, index funds and FoF investing overseas) saw robust growth of approximately 62.54% CAGR over a lower base as institutional investors (such as the Employees' Provident Fund Organisation or EPFO) began investing a portion (currently 15%) of their incremental deposits into equities via passively managed funds, an industry trend CRISIL expects to continue long term.

Average AUM of liquid/money market funds logged grew at a CAGR of approximately 17.93% from March 2015 to March 2020, supported by corporate investments, stable returns, and a high level of aggregate re-allocations from long-term debt instruments.

Growth Trend in Various Mutual Fund Segments (AUM in ₹ billion)

Segment	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20
Equity	3,652	4,183	5,927	9,582	10,210	11,348
Debt	5,292	5,871	7,982	8,134	7,152	7,449
Liquid/money market	2,774	3,269	3,940	4,562	5,916	6,327
Others	169	212	446	773	1,206	1,913
Total	11,887	13,534	18,296	23,052	24,484	27,037

Notes: (1) Equity funds include ELSS, arbitrage and balanced funds. Debt funds include gilt, income and infrastructure debt funds. Others include gold ETFs, other ETFs and FoFs investing overseas.
(2) After March 31, 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/overnight fund. Others include index funds, gold ETF, other ETF and FoFs investing overseas.
Source: AMFI, CRISIL.

The share of debt funds decreased from 45% in the last quarter of Fiscal 2015 to 28% in the Fiscal 2020. The initial decrease was primarily driven by the IL&FS default and the ensuing NBFC crisis and subsequently exacerbated by the COVID-19 global pandemic, which negatively impacted investor confidence in debt markets,resulting in a considerable drop in demand for mutual fund debt products

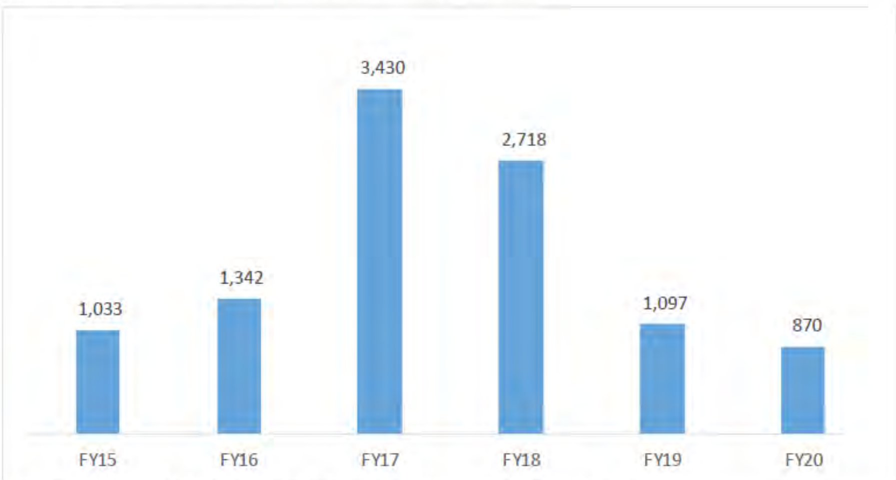
During the same month, however, the industry saw net inflows ofapproximately Rs 3,553billion backed by liquid funds. Inflows into liquid/money market funds have remained stable fromFiscal 2015 to Fiscal 2020. The share of equity funds increased to from 31% in the last quarter of Fiscal 2015 to 42% in theFiscal 2020, due to steady inflows and strong growth of the equity markets in the previous years across the industry. The share of other category of funds grew from 1% to 7% over the same period.

Going forward, CRISIL expects increased financial savings as well as improving investor awareness to drive industrygrowth following a broader economic recovery from the effects of the COVID-19 pandemic starting in Fiscal 2021.

Net Inflows Driven by Equity

Net inflows declined from ₹3,430 billion in FY2016-17 to ₹870 billion in Fiscal 2020 after major outflows in the lastmonth of FY2019-20. In the long term, an increasing share of mutual funds in the financial savings of households,driven by expectations of higher and stable returns, is one of the key factors that are expected to contribute to fundinflows, especially into passive and equity fund categories.

Trends in Net Inflows in the Mutual Fund Industry (₹ billion)

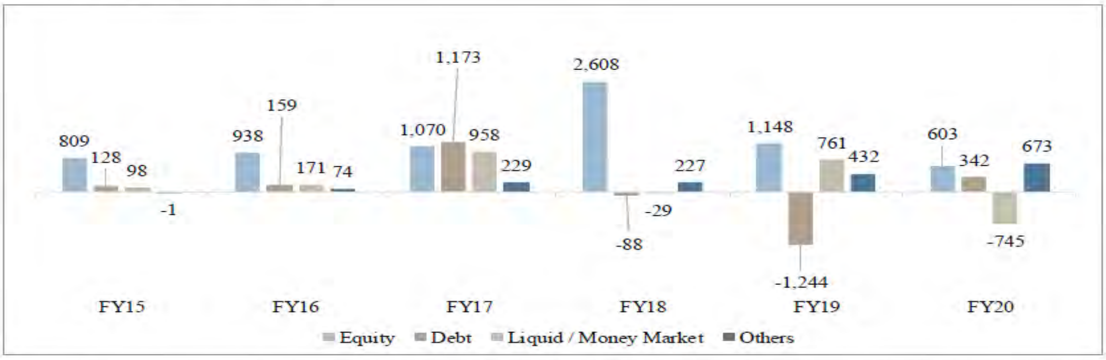


Note: Data are as of March 31 of the relevant fiscal years, unless indicated otherwise.
Source: AMFI, CRISIL.

Prior to the recent credit crisis, AMCs saw robust and consistent net inflows across asset classes with a peak of Rs. 3,430billion as of FY2016-17. As of FY2017-18, non-equity inflows declined sharply, as Rs. 2,608 billion in equity net inflowsaccounted for 95% of aggregate inflows across all asset classes. This was aided by the high number of primary marketissuances in equity (201 issuances) accounting for ₹837 billion raised in Fiscal 2018. At the height of the impact ofthe recent credit crisis as of FY 2018-19, debt outflows of Rs. 1,244 billion more than offset equity inflows of Rs. 1,148billion. The last quarter of FY2019-20 saw a net outflow of Rs. 943 billion, driven by outflows from liquid fundsfollowing the outbreak of the COVID-19 pandemic.

The 'others' segment, comprising ETFs and FoFs, rose steadily over a smaller base in inflows. Further aiding thiscategory was SEBI's decision to allow gold ETFs to invest up to 20% of their assets in the gold monetisation scheme,which saw a rise in inflows in this segment.

Net Inflows by Segment (₹ billion)



Notes: (1) Equity funds include: ELSS, arbitrage and balanced funds. Debt funds include: gilt, income, and infrastructure debt funds. "Others" include gold ETFs, other ETFs, and FoFs investing overseas.
(2) After March 31, 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.

2.] **Mutual Fund Industry Outlook:**

CRISIL expects the mutual fund QAAUM growth to be near-flat for Fiscal 2021. After growing at a CAGR of approximately 18% between March 31, 2015 and March 31, 2020, from Rs. 11.9 trillion to Rs. 27.0 trillion, respectively, the QAAUM as March 31, 2021is expected to stay at approximately Rs. 27.0 trillion, mainly due to the effects of the COVID-19 pandemic. In an environment where there is no clear visibility on corporate earnings growth or disposableincome levels, fund flows into the mutual fund industry are likely to be limited and the capital markets returns are also expectedto remain range-bound.

However, CRISIL expects QAAUM to grow at an 18% CAGR between March 31, 2021 and March 31, 2025, to totalapproximately Rs. 52 trillion as of March 31, 2025, driven by improved overall economic growth, a growing investor base, higherdisposable income levels and investable household surplus, increases in aggregate household and financial savings, increasesin geographical penetration as well as better awareness, ease of investing, digitalisation, and perception of mutual funds as longtermwealth creators. CRISIL's forecasts assume a gradual pick up in corporate earnings, inflation rates within targets, stablepolitical environment, consistent growth in mutual fund inflows and an approximate nominal GDP growth of 9% after Fiscal2021.

3.] **Key Challenges:**

The Indian economy has faced its first contraction in more than four decades due to the impact of the COVID-19pandemic and associated governmental responses. The impact of this pandemic will likely to widen India's fiscal deficits,which would exacerbate the structural risk factors that were visible even before the pandemic and make India's economy even more vulnerable to further downside risk and volatility.As of July 1, 2020, the Government of India charges stamp duty of 0.005% on all mutual fund purchases, which isexpected to have an adverse impact on large corporates, which invest large amounts in liquid fund products for shortperiods of time thus resulting in a proportionately higher impact on their returns compared to other investors.

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

Insurance products, such as unit-linked investment products that provide the dual benefits of protection and long-term savings are competing for market share, and their relative attractiveness may have an adverse effect on aggregatedemand for mutual fund products.

Low financial literacy and the lack of awareness, unless addressed properly, will continue to hinder the mutual fund industry from capitalising on the full potential of the Indian economy. Mutual funds and other market-linked products remain push products in India and thus regular interaction will play a critical role in building trust, retaining investorsand increasing penetration. A majority of the population should be given fundamental financial education, which can help them develop basic skills of financial planning. Only then will mutual funds be able to move investors away fromtraditional investment products such as fixed deposits, gold and real estate and attract them to more sophisticatedcapital market products such as mutual funds. Development of new distribution channels, regulatory and governmentsupport, education initiatives and greater focus on retirement planning will be critical for the mutual fund industry torealise its full potential.

Expanding into B30 markets will require substantial investments in marketing and distribution which will put pressure on profit margins of fund houses. As a result, AMCs should adopt innovative mobile/online interfaces to reach out toconsumers in B30 markets. This will lower the cost of customer acquisition, compliance and other processes. Inaddition, optimising the utilisation of the branch network of strategic partners will play an important part in findingthe right balance between online interfacing and in-person interaction. As the recent reductions in Total Expense Ratio (TERs) have madesourcing of new business from retail investors more challenging, AMCs will need to focus on developing alternativesourcing strategies and improving distributor management.

IV] COMPANY OVERVIEW:

1] Business Overview:

UTI AMC is the second largest asset management company in India in terms of Total AUM and the eighth largest asset managementcompany in India in terms of mutual fund QAAUM as of March 31, 2020. As of March 31, 2020, we also hadthe largest share of our monthly average AUM attributable to B30 cities out of the top ten Indian asset management companies by QAAUM. We cater to a diverse group of individual and institutional investors througha wide variety of funds and services.

2) Operational Performance Review:

(i) Mutual Fund

UTI AMC manages 154 domestic mutual fund schemes, comprising equity, hybrid, income, liquid and money market funds as of March 31, 2020. Our Domestic Mutual Fund QAAUM was Rs. 1,515 billion as of March 31, 2020, which accounted for approximately5.6%, or the eighth largest amount, of the total QAAUM invested in all mutual funds in India as of March 31, 2020, according toCRISIL. Set forth below is the breakdown of our Domestic Mutual Fund QAAUM (in absolute amounts and as a percentage ofthe total) by category of mutual funds:

(ii) PMS Services:

Our PMS business provides portfolio management services to institutional clients and HNIs. The company provides Discretionary PMSto the Employees' Provident Fund Organization ("**EPFO**"), the Coal Mines Provident Fund Organisation ("**CMPFO**"), theEmployees' 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 were approved to manage 55.0% of the total corpus on October 31, 2019 of the Central Board of Trustees, EPF ("**CBT, EPF**"), accounting for Rs. 5940 billion, or 86% of our PMS AUM as of March 31, 2020. AUM for our PMS business increased from ₹1,158.5 billion as of March 31, 2018 to ₹6,890.6 billion as of March 31, 2020, representing a CAGR of 143.9%.

UTI AMC also manage retirement funds (in retirement solutions business, which manages the National Pension System ("NPS") funds), offshore funds (including the Shinsei UTI India Fund, a co-branded fund with Shinsei Bank of Japan) and alternativeinvestment funds. These other businesses (excluding our domestic mutual funds and our PMS business) had an aggregate closing AUM of Rs.1392 billionas of March 31, 2020.

(iii) Financial Performance Review:

(a) Total Income

Total income for the fiscal year ended March 31, 2020 was Rs. 8,899.65million, a decrease of ₹1,911.68 million, or 17.68%, from Rs. 10,811.33 million for the fiscal year ended March 31, 2019. This decrease was primarily due to a reduction in revenue from thesale of services and lower net gains on fair value changes

(b) Revenue from Operations:

Revenue from operations decreased by Rs.1,967.15 million, or 18.72%, from Rs.10,507.48 million in thefiscal year ended March 31, 2019 to Rs.8,540.33 million in the fiscal year ended March 31, 2020, primarily reflecting a reductionin revenue from sales of services and lower net gains on fair value changes. Revenue from operations as a percentage of totalincome was 96.0% for the fiscal year ended March 31, 2020 compared to 97.2% for the fiscal year ended March 31, 2019.

(c) Other Income:

Other income increased by Rs. 55.47 million, or 18.23%, from Rs. 303.85 million in the fiscal year ended March 31, 2019 to Rs. 359.32 million in the fiscal year ended March 31, 2020. This increase was primarily due to higher support service fees for inter-branch billing relating to GST following the introduction of the new Indian GST with effect from July 1, 2017 and positive foreign exchange differences. Other income as a percentage of total income was 4.0% for the fiscal year ended March 31, 2020 compared to 2.8% for the fiscal year ended March 31, 2019.

(d) Expenses:

(i) **Fees and Commission Expenses**: Fees and commission expenses increased by Rs. 8.02 million, or 38.0%, from Rs. 21.09 million in the fiscal year ended March 31, 2019 to Rs. 29.11 million in the fiscal year ended March 31, 2020. This was primarily a result of the incremental commission paid for the new fund raised in UTI Structured Debt Opportunities Fund by UTI Capital.

(ii) **Finance Cost**: Finance cost for the fiscal year ended March 31st 2020 is Rs. 93.54 million compared to March 31st 2019 is Nil, Due to the Implementation of New standard IND AS 116 during the financial year.

(iii) **Employee Benefit Expenses:** Employee benefit expenses increased by Rs. 332.26 million, or 10.8%, from Rs. 3,066.50 million in the fiscal year ended March 31, 2019 to ₹3,398.76 million in the fiscal year ended March 31, 2020. This increase was primarily dueto expenses incurred in respect of the employee stock option scheme and an increase in salaries and wages of non–managerialemployees due to the wage settlement we entered into with our employees on March 6, 2020, pursuant to which arrears onsalaries for the period from January 2019 to December 2019 were paid in March 2020. Employee benefit expenses as apercentage of total income was 38.18% for the fiscal year ended March 31, 2020 compared to 28.36% for the fiscal year endedMarch 31, 2019, primarily as result of the fall in our total income.

(iv) **Depreciation and Amortisation Expenses:** Depreciation and amortisation expenses increased by Rs. 174.2 million, or 107.72%, from Rs. 161.71 million in the fiscal year ended March 31, 2019 to Rs. 335.91 million in the fiscal year ended March 31, 2020. This increasewas primarily due to increase in amortisation of right-of-use assets as a result of our entry into new leases relating to UFCs.Depreciation and amortisation expenses as a percentage of total income were 1.49% for the fiscal year ended March 31, 2019compared to 3.77% for the fiscal year ended March 31, 2019.

(v) **Other Expenses:** Other expenses decreased by Rs.966.42 million, or 37.23%, from Rs. 2,595.67 million in the fiscal year endedMarch 31, 2019 to ₹1,629.25 million in the fiscal year ended March 31, 2020. This decrease was primarily due to a decrease inscheme expenses following the introduction of new SEBI regulations in October 2018 generally prohibiting the reimbursementof scheme-related expense initially borne by mutual fund asset managers, as well as decreases in advertisement and businesspromotion expenses, legal and professional fees and membership and subscription charges, partially offset by an increase intrail fees. Other expenses as a percentage of total income were 18.30% for the fiscal year ended March 31, 2020 compared to24.00% for the fiscal year ended March 31, 2019.

(vi) **Profit Before Tax:** Profit before tax for the fiscal year ended March 31, 2020 was Rs. 3.413.08 million, a decrease of Rs.1,553.28 million, or 31.27%, from Rs. 4,966.36 million for the fiscal year ended March 31, 2019. This decrease was primarily due to reductions in revenue from thesale of services and lower net gains on fair value changes, partly offset by a decrease in scheme expenses and management fees.As a percentage of total income, profit before tax was 38.35% in the fiscal year ended March 31, 2020 and 45.93% in the fiscalyear ended March 31, 2019.

(vii) **Tax Expenses:**

In the fiscal year ended March 31, 2020, our tax expenses decreased by ₹ 783.06 million, or 54.11%, to ₹ 663.87 million from Rs. 1446.93 million in the fiscal year ended March 31, 2019. Current tax decreased by Rs. 664.02 million, or 47.14%, from Rs. 1,408.35 million in the fiscal year ended March 31, 2019 to Rs. 744.33 million in the fiscal year ended March 31, 2020, primarilydue to a reduction in our profit before tax and a reduction in the corporate tax rate.

(viii) **Profit After Tax**

Profit after tax decreased by Rs. 770.22 million, or 21.88%, from Rs. 3,519.43 million in the fiscal year ended March 31, 2019 to Rs. 2749.21million in the fiscal year ended March 31, 2020. This decrease was primarily due to the decrease in total income compared tothe fiscal year ended March 31, 2019.

Investment Policy

We, as Pure play independent asset manager, offer a diverse portfolio of domestic funds, including equity, hybrid, income, liquid and money market funds, as well as portfolio management services, retirement solutions, and offshore and alternative investment funds. We have strong brand name as one of the leading asset managers, supported by comprehensive multi-channel distribution network (with both in-house capabilities and external distribution channels), experienced & professional investment team and long-term performance track record.

We believe that the most effective strategy for growing our businesses is aligning our economic interests with those of our clients and delivering strong investment performance. We evaluate the performance of our fund management teams based on the performance of our funds against the relevant benchmarks as well as competing funds over different time periods.

Our **investment philosophy** endeavors to deliver investment outperformance against benchmarks and competitors. We follow a disciplined and rigorous investment process, which is supported by our in-house fundamental research, a comprehensive data-supported framework for disciplined portfolio construction and detailed internal risk management processes. The fund managers construct their portfolios in light of investment objectives and investment strategies with an emphasis on risk, diversification and performance.

Our investment strategy is to have a balanced and well-diversified portfolio within each of our funds, which are subject to internal norms governing asset allocation, sectoral allocation and security selection. We believe that professional and disciplined investment approach contributes to the efficient management of the funds. We have a rigorous internal control structure with emphasis on risk management, internal audit systems and regulatory compliance.

For each of our active **equity funds**, our fund managers construct the portfolio in light of the fund's objectives, size, internal guidelines, prudential exposure norms and regulatory requirements, as well as the liquidity required for income distribution. Each portfolio is proactively monitored based on various factors, including company research, market conditions, valuations, outlook of the economy and individual sectors, and fresh inflows and outflows in the fund. Our investment process supports diverse strategies, each of which is implemented in a disciplined fashion. The fund manager's strategy and its implementation are also reviewed internally on an ongoing basis based on a comprehensive data-supported framework and internal risk guidelines. We have automated order management and execution system, where the orders placed by fund managers are checked for compliance with applicable regulatory and internal investment limits, before flowing to dedicated equity dealers for execution.

The investment process for our **income funds** combines top-down and bottom-up approaches for yield and duration management. Our rigorous investment research processes take into account both qualitative (management, track record, competitive advantage, feedback from other lenders, etc.) and quantitative factors (Annual Report, Growth, Group level performance/issues, Growth, leverage, peers' holding, promoters' pledge etc.), proprietary ratings and research methodologies to arrive at a universe of issuers in which to invest. Our rigorous investment research processes take into account both qualitative and quantitative factors, and includes proprietary ratings systems and research methodologies with an emphasis on risk and performance through comprehensive review procedures to arrive at an investment universe, which drives investment and divestment decisions. Based on our view on inflation, growth and interest rates, we actively manage the duration on the portfolio, within the prescribed range for each product category, to add value on our debt portfolio. In case stressed assets, we try to engage actively with the issuers on a proactive manner to maximize the recovery, and incorporate the learning in the research and investment process to mitigate the risks in future.

Risk management is one of our key focus areas and we have established processes and systems to ensure robust firm-wide risk management. The Board of Directors of UTI AMC (the "Board") formulates and 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 Board also reviews the performance of funds against the relevant benchmark and competing funds. Our risk management structure also includes Board Risk Management Committee, Equity and Debt Steering Committees, Investment Committee, Department of Internal Audit and Department of Risk Management.

As a result of the COVID-19 pandemic and associated responses, we have reinforced our operational risk management and enhanced our business continuity program to scale beyond the physical office premises and enable our employees to work from home with secure remote access (including, by using virtual private networks and two-factor authentication for software as a service-based applications);

Effective risk management is critical to the operation of our business. We have adopted certain policies and procedures in managing the various risks applicable to our operations, including Investment Risk, Market Risk, Credit Risk, Liquidity Risk and Operational Risk.

DIRECTORS' REPORT

To the Members,

We are pleased to present the Directors' Report on the business and operations of your Company along with the audited Financial Statements of Account for the financial year ended 31st March, 2020.

Financial Highlights

The financial statements of your Company is 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.

The Company's financial performance for the financial year ended 31st March, 2020 as compared to the previous financial year ended is summarised below:

(Rs. In Million)

Particulars	Standalone		Consolidated	
	Year Ended March 31, 2020	Year Ended March 31, 2019	Year Ended March 31, 2020	Year Ended March 31, 2019
Gross Income	8,617.91	10,082.52	8,899.65	10,811.33
Gross Expenses	4,855.07	5,159.64	5,486.57	5,844.97
Profit Before Tax	3,762.84	4,922.88	3,413.08	4,966.36
Tax	671.25	1,439.30	663.87	1,446.93
Profit After Tax and Others	3,091.59	3,483.58	2,714.66	3,568.47
Dividend	692.30	764.24	692.30	764.24
Paid up Capital	1,267.87	1,267.87	1,267.87	1,267.87
Net Worth	25,946.34	24,078.55	27,723.04	26,158.48

As on 31st March, 2020, your Company has 4 (four) direct subsidiaries and 3 (three) step-down subsidiaries. The synopsis of performance of our subsidiaries is provided as under:

UTI International Limited:

UTI International Limited ("UTI International") was incorporated as a limited liability company under the laws of Guernsey on 30th January, 1996 pursuant to an Act of the Royal Court of the Guernsey Island. UTI International is engaged in the business of investment management of equity and debt funds as authorized by its memorandum of incorporation.

UTI International looks after the administration and marketing of offshore funds managed by UTI AMC. It also acts as Management Company for these funds as required under the Guernsey Law. UTI International is also responsible for developing new products as well as new business opportunities for the Company's offshore activities. The UTI International has two subsidiaries – UTI Investment Management Company (Mauritius) Limited and UTI International (Singapore) Private Limited.

The Gross Income of UTI International (consolidated) for the FY 2019-20 was GBP 13,07,841 as compared to GBP 11,069,221 in the previous financial year and Net Loss for the financial year ended 31st March, 2020 was GBP 57,69,234 as compared to Net Profit of GBP 4,638,722 in the previous financial year.

UTI Retirement Solutions Limited:

UTI Retirement Solutions Limited ("UTI RSL") was incorporated on December 14, 2007 under the Companies Act, 1956 at Mumbai, Maharashtra. UTI RSL manages the pension funds and assets of Central and State Government Employees and employees of the private sector. UTI RSL is engaged in the business of 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, and to undertake wholesale asset management as prescribed by the Government or PFRDA as authorized by its memorandum of association.

The Gross Income of UTI RSL for the FY 2019-20 was Rs. 14.25 Crore as compared to Rs. 10.30 Crore in the previous financial year. The Net Profit for the financial year ended 31st March, 2020 was Rs. 4.36 crore as compared to Rs. 2.61 crore during the previous financial year.

UTI Venture Funds Management Company Private Limited:

UTI Venture Funds Management Company Private Limited ("UTI VF") was incorporated on 27th March, 2001 under the Companies Act, 1956 at Bangalore, 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 them 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 the business of investment holding as authorised by the Financial Services Commission.

The Gross Income of UTI VF for the FY 2019-20 was Rs. 74.38 lakhs as against Rs.77.04 lakhs in the previous financial year and Net Loss for the year ended 31st March, 2020 was Rs. 47.44 lakhs as against Net Loss of Rs.86.59 lakhs in the previous financial year.

UTI Capital Private Limited:

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

The Gross Income of UTI CPL for the FY 2019-20 was Rs. 8.04 crore as compared to Rs.9.00 crore in the previous financial year. The Net Loss for the financial year ended 31st March, 2020 was Rs.1.43 crore as against profit of Rs.0.77 crore in the previous financial year.

The audited statements of accounts of the subsidiary companies together with the Reports of their Directors and Auditors for the period ended on 31st March, 2020 are attached to this Annual Report.

None of the Companies have become or ceased to be Subsidiary during the FY 2019-20. The Company does not have any Associate or Joint Venture Company as on 31st March, 2020.

Share Capital

There is no change in Authorised and Paid-up Share Capital of your Company during the FY 2019-20. The paid-up equity share capital of your Company as at the end of the FY 2019-20 stood at Rs.126,78,72,540 (One Hundred & 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 only) equity shares of face value of Rs. 10 each.

Dividends

The Board of Directors are pleased to recommend a Final Dividend of Rs.7/- per equity share (70%) of face value of Rs.10/- each amounting to Rs.887.511 million for the FY 2019-20. The Final Dividend, subject to the approval of Members at the Annual General Meeting to be held on Friday, 27th November, 2020 will be paid to those equity shareholders: -

a) whose name appears as beneficial owners as at the end of business hours on Friday, 20th November, 2020 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 Friday, 20th November, 2020.

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 Saturday, 21st November, 2020 to Friday, 27th November, 2020 (both days inclusive) for determining the entitlement of the members to the dividend, if declared, for the FY 2019-20.

Pursuant to the changes 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.

The Board of Directors has adopted the Dividend Distribution Policy in accordance with the provisions of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The dividend recommended by the Board is in accordance with the criteria set out in the Dividend Distribution Policy.

The Dividend Distribution Policy is enclosed as Annexure I to this Report.

Transfer to Reserves

During the FY 2019-20, no amount has been transferred to the General Reserves of your Company.

Particulars of loans, guarantees or investments

The details of loans, guarantees and investments, if any, covered under Section 186 of the Companies Act, 2013 has been provided under Note No. 5, 6 and 7 to the financial statements.

Particulars of Contracts or Agreements with Related Party

In accordance with the provisions of Section 188 of Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions was approved by the Board of Directors at its meeting held on 16th December, 2019, which was further amended pursuant to the resolution passed by the Board at its meeting held on 28th October, 2020.

During the FY 2019-20, your Company has entered into transactions with related parties as defined under Section 2 (76) of the Companies Act, 2013 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. No Material Related Party Transactions, i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statement, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013, 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 with such related party have been provided under Note No. 31 of the Standalone financial statements.

Deposits

During the FY 2019-20, your Company has not accepted any deposits under Sections 73 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

Auditors

Statutory Auditor

In accordance with Section 139 of Companies Act, 2013, M/s. G D Apte, Chartered Accountants (FRN: 100515W) was appointed as Statutory Auditor of the Company. The Auditors' Report on financial statements for FY 2019-20 is enclosed with the financial statements in this Annual Report.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read together with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Vishal N Manseta, Practicing Company Secretaries (ACS 25183 and CP No. 8981) as Secretarial Auditor of the Company. The Report of the Secretarial Audit is enclosed as Annexure II.

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 Companies Act, 2013.

Auditors 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 Board of your 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 Control

Your Company has put in place adequate internal financial controls with reference to the financial statements, some of which are outlined below.

Your 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 Auditors.

The policies to ensure uniform accounting treatment are also followed by the subsidiaries of your Company. The accounts of the subsidiary companies are audited by their respective Statutory Auditors for consolidation.

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

Your Company operates a centralized accounts department which handles all payments. This ensures adherence to all policies laid down by the management.

Your Company in 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 are also approved by the Statutory Auditors and Audit Committee.

The Management periodically reviews the financial performance of your Company against the approved plans across various parameters and takes necessary action, wherever necessary.

Human Resources

Your Company believes that the key to building an Organization is it's employees and nurturing people capability is the core of driving business excellence. As an Organization, we are committed to maintaining an environment that values their contributions and provides opportunities for personal and professional growth. UTI AMC ended the year with a workforce strength of 1361 employees.

Each and every employee is expected to work with all stakeholders viz. clients, other employees, distributors, investors etc. in a respectful manner. Every employee is expected to strictly adhere to Company's Rules, Code of Conduct and any violation is appropriately addressed. We encourage culture that promotes the highest ethical standards, employee Relations in the Organization continued to be healthy, cordial and progressive.

Your Company recognizes its responsibility and continues to strive to provide a safe working environment for its employees, free from sexual harassment and discrimination. We have defined Policy on Prevention of Sexual Harassment which is reviewed by the Internal Complaints Committee (ICC) at regular intervals. There are no pending complaints and no fresh complaints have been received at the end of the year.

During the Financial Year 2019-20, some key focus areas and initiatives taken up were

Promote Performance Culture and Reinforce Meritocracy

We have a Performance Management System that is very transparent, objective and strength of our System. The Performance Management System aligns Organization goals with key objectives. Role based scorecards at the employee level coupled with Managerial feedback provide clarity and support to help employees excel. Development of our employees, recognizing and rewarding their performance is of prime importance to us. The primary objective of our Performance Management System is to drive a high-performance culture.

Growth @ UTI AMC

Career progression is based on merit & 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 all our Employees are made aware of and have the opportunity to apply for open positions before consideration of external candidates for employment for specific openings. 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

Your Company continues to hire laterally for specialised positions. To boost our brand and increase customer engagement, your Company has turned to digital marketing and has recently assembled a well-rounded Digital Marketing Team.

Campus Program

Campus Recruitment has been one of the major recruitment channels during the FY 2019-20. This initiative will allow your Company an opportunity to identify talent at an early stage and nurture the same. Your Company also visits specialised campuses like ICAI for Chartered Accountants. The assignments offered to this group is specialized and domain specific. The hiring in this space is need based and as per requirements by the business. We have aesthetically designed Induction Kits for New Recruits with information included in digital format.

HR Digitization

The HRMS System helps us be in line with the latest technology trends and have a platform that is more interactive, user friendly and one that integrates various HR functions and processes. This enhances our ability to manage employees in a more flexible, agile and customized manner. In addition, we have also taken up an initiative that will improve our service delivery and payroll data quality.

Employee Engagement and Communication

We strive to strengthen our connect with employees. We are highly enthused to wipe out any dull moment in the work-life of our employees. UTI AMC also conducts several employee engagement events, both at local and national level. With the objective of encouraging an atmosphere of fun, camaraderie and to provide our employees a platform to showcase their talent and creativity, participation activities around three broad themes – Social, Culture and Sports were organized such as – Festivities & celebrations for Navaratri, Diwali, Republic Day, Independence Day etc., Quizzes through the year, a well stocked in-house library, programs on wellness and health initiatives including Yoga & Meditation by experts, in-house teams of several indoor and outdoor sports and opportunities to participate in all external & internal corporate sports activities.

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 chats, town halls, intranet, internet, mass mailers, messages from Top / Senior Team etc. 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 2019-20, Employees were appreciated under our recognition program - 'Achievers Club' for their performance, efforts and excellence at UTI AMC and in turn create a 'Culture of Appreciation'. There are Spot Rewards for immediate gratification and instant recognition. There are separate category of awards for the 'Best Sales Team' and 'Best Fund Manager'. Reporting Managers can nominate their team members for 'Employee of the Quarter' award.

Learning & Development

An extensive bouquet of training programmes have been delivered covering on-boarding, functional and behavioural training. The on-boarding training ensures that new Employees are trained comprehensively and equipped with necessary know-how required for the role. Functional training programs enable skill development, regular updates and build expertise. We focus on role specific learning plan and ensure effective use of blended learning methods. Our Learning & Development team partners with business leaders and managers to focus on developing employees and carving leaders out of our own Employees. Specific programs are planned so as to ensure one builds expertise in her / his own chosen career. During the pandemic situation, your Company has been focusing on different ways of enhancing knowledge within the organisation by arranging trainings, interactions, reading materials, research reports etc. In addition, your Company also introduced a new initiative – Quiz Up – a learning and engagement initiative which enables increase the Employee's 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 programs / certification programs etc.

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

Looking Ahead

We look forward to a stronger focus on meritocracy, change management, increase efficiencies and build an effective Organization. HR principles and policies will be further sharpened. We will retain, develop and continue to attract talent with requisite skills to help shape a better UTI AMC Ltd. and foster employee engagement, productivity and motivation. Your Company aims at developing a culture that enables Employees to develop their leadership capabilities.

The total number of employees of your Company as on 31st March, 2020 is 1361. The Employee Benefit Expenses for the year Ended 31st March, 2020 was Rs. 3,398.6 million as compared to Rs. 3,066.5 million for the year ended 31st March, 2019. This increase was primarily due to expenses incurred in respect of the employee stock option scheme and an increase in salaries and wages of non-managerial employees, pursuant to wage settlement entered into with them.

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 the provisions of section 136 of the 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 Companies Act, 2013, your Company has adopted 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

Your Company has in place an Anti-Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All the 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.

Your Company has constituted 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 31st March, 2020, the Board comprised of 11 (eleven) members, consisting of 8 (eight) Independent Directors [including 3 (three) 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. During the FY 2019-20, 5 (five) new directors have been inducted on the Board of your Company.

Mr. Imtaiyazur Rahman was appointed as an Additional Director and Whole Time Director of the Company with effect from 28th April, 2019. The appointment was approved by the shareholders at Annual General Meeting of the Company held on 22nd August, 2019 for a period of three years with effect from 23rd August, 2019 till 22nd August, 2022, not liable to retire by rotation. Further, the Board of Directors at its meeting held on 12th June, 2020, based on the recommendation of Nomination & Remuneration Committee, appointed Mr. Imtaiyazur Rahman as Chief Executive Officer of the Company with effect from 13th June, 2020.

Mr. Ashok Shah was appointed as an Additional Director (Independent Category) of the Company with effect from 7th May, 2019. The appointment was approved by the shareholders at Annual General Meeting of the Company held on 22nd August, 2019 for a period of three years with effect from 22nd August, 2019 until the conclusion of AGM to be held in 2022, not liable to retire by rotation.

Ms. Dipali Sheth, Ms. Jayashree Vaidhyanathan and Mr. Rajeev Kakar were appointed as Additional Directors (Independent Category) with effect from 20th November, 2019. The appointments were approved by the shareholders at the Extra-Ordinary General Meeting held on 16th December, 2019 for a period of five years with effect from 16th December, 2019 till 15th December, 2024, not liable to retire by rotation.

Mr. Edward Bernard was appointed as an Additional Director (Non-Executive Category) with effect from 1st October, 2018. The appointment was approved by the shareholders at Annual General Meeting of the Company held on 22nd August, 2019, liable to retire by rotation.

Key Managerial Personnel

In terms of Section 2 (51) and Section 203 of the Companies Act, 2013, the following are the Key Managerial Personnel (KMP) of your Company:

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

Mr. Imtaiyazur Rahman relinquished the position of Chief Financial Officer of the Company with effect from close of office hours on 16th December, 2019. Subsequently, the Board of Directors at its meeting held on 16th December, 2019, appointed Mr. Surojit Saha as Chief Financial Officer of the Company with effect from close of office hours on 16th December, 2019.

Mr. Kiran Vohra ceased to be the Company Secretary of the Company with effect from 11th December, 2019. Subsequently, the Board of Directors, at its meeting held on 16th December, 2019, appointed Mr. Arvind Patkar as Company Secretary of the Company with effect from 16th December, 2019.

The Board of Directors at its meeting held on 12th June, 2020, based on the recommendation of Nomination & Remuneration Committee, appointed Mr. Imtaiyazur Rahman as Chief Executive Officer of the Company with effect from 13th June, 2020.

Number of Board Meetings

The Board met 9 (nine) times during the FY 2019-20. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013. The details of the composition of the Board and its Committees and of the meetings held and attendance of the Directors at such meetings, have been disclosed in the Corporate Governance Report forming part of this Annual Report.

Declaration of Independence

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

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

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.

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.

Corporate Social Responsibility

Your Company gives utmost importance to CSR Initiatives in order to operate in an economically, socially and environmentally sustainable manner, while recognizing the interest of stakeholders. The Company believes in the philosophy of compassionate care, generosity and compassion, characterised by a willingness to build a society that works for everyone.

In terms of Section 135 of Companies Act, 2013, your Company had constituted Corporate Social Responsibility (CSR) Committee of directors comprising of Ms. Uttara Dasgupta, Chairperson, Mr. Dinesh Kumar Mehrotra, Member and Mr. Edward Cage Bernard, Member. A CSR sub-Committee of officials was also constituted to identity the projects, carry out the ground work, empanelling the agencies/NGOs/Organisations and other related activities and recommend the projects to be undertaken.

The CSR Committee recommends the amount of expenditure to be incurred on the activities related to CSR and monitors the CSR Policy from time to time.

The Company has 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.

In accordance with the provisions of the Companies Act, 2013, the targeted CSR Expenditure for the FY 2019-20 was Rs. 9.52 crore. Total amount sanctioned during the FY 2019-20 was Rs. 9.01 crore, disbursements against the same are being made in installments as per the progress of the project. The disbursement of funds depends upon the pace of implementation of the projects.

The annual report on our CSR activities is provided as Annexure III to this report.

Risk Management

Risk management is one of our key focus areas and we have established processes and systems to ensure robust firm-wide risk management. The Board of Directors formulates and 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 Board also reviews the performance of funds against the relevant benchmark and competing funds.

Our risk management structure also includes:

1. Risk Management Committee: consists 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, and undertakes risk management in respect of critical projects or activities;
2. Equity and Debt Steering Committees: Equity Steering Committee consists of four members, and our 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: consists of seven members and reviews portfolio risks affecting our 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;
4. Investment Committee: consists of four members and meets on a monthly basis to review, among other things, the performance of our funds, top securities transactions and exceptions, if any, to establish investment norms or scheme limits; and
5. Department of Internal Audit: consists of four members who oversee the work of the chartered accountancy firm appointed to carry out our 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 Board Risk Management Committee are effectively implemented.

Effective risk management is critical to the operation of our business. Your Company have adopted certain policies and procedures in managing the various risks applicable to our operations, including:

1. Investment risk: 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. The measures are taken to address and mitigate such risks include prudential investment limits, well-documented investment policies and procedures (including 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 we take to address and mitigate liquidity risk include reviewing our portfolio positions in light of average trading volumes and historical redemption of funds, regularly reviewing illiquid equity positions, observing concentration limits for single positions, issuers and sectors, and prudential issuer and sector norms, having a high proportion of the fixed income investments of our relevant funds in highly-rated fixed income securities, and having a line of credit available to address our liquidity shortfalls;
3. Operational risk: Operational risk 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 we take 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 for our sales team, an independent compliance officer supported by experienced officers, and insurance coverage;
4. Market risk: Market 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 we take 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: Credit risk 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 are taken to address and mitigate credit risk include establishing counterparty exposure limits and placing restrictions on investments in unrated or low-rated debt securities; and
6. Regulatory risk: Our business is highly regulated and we may be impacted by new laws, rules and regulations or changes in existing ones, which may affect our ability to operate. The measures we take to address and mitigate regulatory risk include following regulatory limits and carrying on compliance audits on a monthly basis.

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 Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.

Initial Public Offer (IPO)

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

The Company had successfully completed the IPO process during the FY 2020-21 and the equity shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited on 12th 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 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 number of equity share granted of the Company having face value of Rs 10/- each for an exercise price of Rs.728/- during the exercise period. Vesting of the options shall take place over a maximum period of 3 (three) years with a minimum vesting period of 1 (one) year from the date of grant i.e. 16th December 2019. The exercise period would be maximum of 4 (four) years from the date of vesting of options. Grant was made based on parameters such as Tenure, Performance, Role, Total Cost to Company etc.

Conservation of Energy & Technology absorption

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

Since your 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 Companies Act, 2013 and Rule 8(3) of Companies (Accounts) Rules, 2014, the details of foreign exchange earnings and outgo are mentioned below:

(Rs. in crore)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Foreign Exchange Earnings	4.85	4.32
Foreign Exchange Outgo	6.85	7.72

Your company spent foreign exchange for undertaking foreign business tours, training of employees and payment towards professional fees.

Extract of Annual Return

Pursuant to Section 134(3)(a) read with Section 92(1) of the Act, Annual Return of the Company is available on our website at www.utimf.com.

Secretarial Standards

Your Company has 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.

Significant and Material Orders

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

Material changes and commitments affecting financial position between the end of the financial year and date of the report

There has been no material changes and commitments affecting the financial position of the Company between the end of the FY 2019-20 and the date of this Report.

Other Disclosures

In terms of the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, your Company additionally discloses that, during the FY 2019-20:

- There was no change in the nature of business of the Company;
- There was no revision in the financial statements or Board Report of the Company;
- 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.
- 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 Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) in the preparation of the annual accounts for the FY 2019-20, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

(ii) the accounting policies have been selected and applied consistently and judgments and estimates have been 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 financial year i.e. 31st March, 2020 and of the profit and loss of the company for that period;

(iii) the proper and sufficient care have been 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 have been prepared on a going concern basis;

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

(vi) that 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, co-operation 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 major Shareholder of your Company and the Association of Mutual Funds in India. We are also thankful to our Shareholders, Investors of UTI Mutual Fund schemes, Auditors, Custodians, Registrar and Transfer Agents, Banks, Distributors, Merchant Bankers, Law Firms and all other service providers for their valued support. We would also like to thank the employees for their commitment, collaboration and partnership demonstrated by them during the year.

For and on behalf of the Board of Directors

Dinesh Kumar Mehrotra
(Chairman)
(DIN: 00142711)

Date: 28th October, 2020
Place: Mumbai

Annexure I

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 March 31, 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 there under 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 16th December, 2019 and was amended pursuant to the resolution of the Board passed at its meeting held on 12th 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 maybe applicable from time to time.

Financial Factor

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

External Factors

- Shareholder expectations, including individual shareholders;
- Significant changes in the Macro-economic & Market conditions;
- 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. <u>CONFLICT IN POLICY</u>

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

8. <u>DISCLOSURE OF POLICY</u>

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

9. <u>AMENDMENTS</u>

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. <u>REVIEW OF POLICY</u>

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

Annexure II

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED March 31, 2020

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

To,

The Members,
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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 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 list of forms filed and date on which meeting was held is given in Annexure – I to this report. 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;

The Company has remitted dividend outside India during the period under review in respect of which FEMA Compliances are done.

(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;

→ Not Applicable

(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;

This regulation became applicable to the company from December 19, 2019 since the Company has filed DRHP in accordance with SEBI (ICDR) Regulations, 2018.

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

The provisions became applicable from the date of filing DRHP. The company has complied with the regulations to the extent applicable.

(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 the Company has complied with the Regulations. Bi-Monthly Compliance Test Report consisting of Exceptions are submitted to the SEBI on timely basis as per SEBI guidelines. The Company has paid interest in case of delayed redemption and dividend payment to investor and are the part of Exception CTR submitted to SEBI. During the year, SEBI has neither given any directions to the Company nor imposed any penalty on the Company in regards of this regulations.

- Provident Fund and other Employee Benefit related Statutes

  The Company has taken Policy of LIC for pension of the Employees which is sufficiently funded for the cause it is taken. The Company has separate gratuity Fund, PF and management for leave encashment for which the fund management is done by the company and as per information and explanation given it is sufficiently funded. The company has made separate trust for each activity and balance sheet of the same is made on March 31, of every year.

- TDS and Indirect Tax related statutes

  The Company has regularly deposited Tax under respective Statutes within time and returns were also periodically filed. The calculation of Tax is considered upon as given by the Company relying upon the Internal Control and Internal Audit System of the Company. In case of delay the tax is paid with interest. The company has done requisite compliance under Goods and Service Tax Act from the time to time. The table disclosing date of deposit of tax is annexed to this report as Annexure – II & Annexure – III for TDS and GST respectively.

- The Maharashtra Shops and Establishment Act, 1948.
- Prevention of Money Laundering Act
- The Information Technology Act, 2000.
- The Indian Stamp Act, 1899/Bombay Stamp Act.
- Negotiable Instruments Act, 1881.
- Registration of any property purchase/sale/long lease.
- Maharashtra Profession Tax under various state level legislations
- Indian Contract Act, 1872

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.
- 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 March 31, 2020 are registered 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 with the consent of majority of directors present and voting and 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 Board of Directors at their meetings held on August 22, 2019 and October 23, 2019 had approved the Initial Public Offer through offer for sale of equity shares of the Company by State Bank of India, Life Insurance Corporation of India, Punjab National Bank, Bank of Baroda and T. Rowe Price International Ltd.

2. At the Extra-Ordinary General Meeting of the Company held on December 16, 2019, the members approved the following special resolutions:

   - Adoption of New Articles of Association; and
   - Amendments to the UTI AMC Employee Stock Option Scheme – 2007.

   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.

   I further report that after the end of Financial Year March 31, 2020 the Company has come up with Initial Public Offer ("IPO") through offer for sale. The shares of the company were listed on both the exchanges namely National stock exchange of India Limited and BSE Limited on October 12, 2020.

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

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

Place : Mumbai
Date : October 28, 2020
UDIN : A025183B001084274

Annexure – I

Form Name	Purpose	Date
DIR – 12	Appointment of Mr. Imtaiyazur Rahman and Mr. Ashok Shah as Additional Directors	13-05-2019
MR – 1	Return of appointment of Mr. Imtaiyazur Rahman as Whole Time Director	29-05-2019
INC – 22A	Active Company Compliance	14-06-2019
MGT – 14	Approval of Accounts for the year ended 31st March, 2019	25-06-2019
DPT-3	Form filed for acceptance of deposit – Annual	26-06-2019
DPT-3	Form filed for acceptance of deposit – Onetime	26-06-2019
DIR – 12	Continuation of Mr. Imtaiyazur Rahman as Acting Chief Executive Officer	13-09-2019
DIR – 12	Appointment of Mr. Imtaiyazur Rahman, Mr. Ashok Shah and Mr. Edward Cage Bernard as Directors	13-09-2019
AOC-4	Filing financial statement for the year ended 31st March, 2019 in XBRL mode	23-09-2019
ADT – 1	Appointment of M/s G D Apte as Statutory Auditor	05-11-2019
MGT – 14	Appointment of Mr. Imtaiyazur Rahman as Whole Time Director	26-11-2019
MR-1	Return of appointment of Mr. Imtaiyazur Rahman as Whole Time Director	27-11-2019
MGT – 7	Annual Return for year ended 31st March, 2019	10-12-2019
DIR – 12	Appointment of Mrs. Dipali Sheth, Mrs. Jayashree Vaidhyanathan and Mr. Rajeev Kakar as Additional Directors	17-12-2019
DIR – 12	Appointment of Mrs. Dipali Sheth, Mrs. Jayashree Vaidhyanathan and Mr. Rajeev Kakar as Directors	17-12-2019
DIR – 12	Cessation of Mr. Imtaiyazur Rahman and Mr. Kiran Vohra as Chief Financial Officer and Company Secretary respectively. Appointment of Mr. Surojit Saha and Mr. Arvind Patkar as Chief Financial Officer and Company Secretary respectively.	17-12-2019
MGT – 14	Appointment of Mr. Surojit Saha and Mr. Arvind Patkar as Chief Financial Officer and Company Secretary respectively.	17-12-2019
MGT – 14	Approval for adoption of Articles of Association and Amendments to the Employee Stock Option Scheme	17-12-2019
MGT – 14	Approval for adoption of Articles of Association	15-01-2020
MGT – 14	Extension of appointment of Mr. Imtaiyazur Rahman as Acting Chief Executive Officer	27-02-2020
MGT – 14	Extension of appointment of Mr. Imtaiyazur Rahman as Acting Chief Executive Officer	04-03-2020

Annexure – II

Details of TDS deposited during the year			
Sr. No.	Period	Date of depositing Tax	whether payment made within due date
1	Apr – 19	May 03, 2019	Yes
2	May – 19	June 06, 2019	Yes
3	Jun – 19	July 04, 2019	Yes
4	JUL – 19	Aug – 06 & 07, 2019	Yes
5	Aug – 19	September 06, 2019	Yes
6	Sep – 19	October 07, 2019	Yes
7	Oct – 19	November – 07, 2019	Yes
8	Nov – 19	December 07, 2019	Yes
9	Dec – 19	January 07, 2020	Yes
10	Jan – 20	February 05, 2020	Yes
11	Feb – 20	March 06, 2020	Yes
12	Mar – 20	April 07 & 30 , 2020	Yes

TDS Returns (quarterly)

Sr. No.	Quarter Ended	Date of Submission	Whether filled within Due Date
1	26Q for Quarter Ended June 2019	July 25, 2019	Yes
2	26Q for Quarter Ended September 2019	October 30, 2019	Yes
3	26Q for Quarter Ended December, 2019	January 30, 2020	Yes
4	26Q for Quarter Ended March, 2020	June 09, 2020	Yes

Annexure III

Details of GST deposited during the year			
Sr. No.	Period	Date of depositing Tax	whether payment made within due date
1	Apr-19	17th May 2019	Yes
2	May-19	17th June 2019	Yes
3	Jun-19	18th July 2019	Yes
4	Jul-19	19th August 2019	Yes
5	Aug-19	18th &19th September 2019	Yes
6	Sep-19	14th, 15th, 16th & 17th October 2019	Yes
7	Oct-19	18th November 2019	Yes
8	Nov-19	16th December 2019	Yes
9	Dec-19	16th January 2020	Yes
10	Jan-20	17th February 2020	Yes
11	Feb-20	16th &17th March 2020	Yes
12	Mar-20	20th & 21st April 2020	Yes

Annexure III

Annual Report on CSR Activities for the financial year 2019-20

1. UTI Asset Management Company Limited constantly strives to broaden its Triple Bottom Line – creating an economically, socially and environmentally sustainable development for the business, while recognizing the interests of all its stakeholders and is committed to conduct its business adhering to rigorous ethical, professional and legal standards while recognizing their direct as well as indirect impact on the society.
2. UTI AMC believes in the philosophy if empathetic care, generosity and compassion; characterized by a willingness to build a society that works for everyone. In line with this, the CSR Initiatives of UTI supplement its contribution in environment protection, development of healthy and enlightened citizens, social upliftment and sustainable community development.
3. The Board of Directors of UTI AMC at their meeting held on October 23, 2013 constituted the Corporate Social Responsibility (CSR) Committee and had decided to undertake CSR activities under the broad areas of 'Health' and 'Education'.
4. 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).
5. The Composition of the CSR Committee.
   i. Ms. Uttara Dasgupta, Chairperson of the Committee
   ii. Mr. Edward Cage Bernard, Director
   iii. Mr. Dinesh Kumar Mehrotra, Director
6. Average net profit of the company for the last three financial years:

Financial Year	Net Profit (Rs. In crores)
2016-17	398.52
2017-18	536.97
2018-19	492.29
Total	1427.48
Average Net Profit	475.82

7. Prescribed CSR Expenditure (two percent of the amount as in item 6 above) – Rs. 9.52 crores.
8. Details of CSR spent for the financial year
   i. Total amount to be spent for the financial year - Rs. 9.52 crores
   ii. Amount unspent, if any; - Rs. 4.11 crores

iii. Manner in which the amount spent during the financial year is detailed below.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or Programs 1 Local Area or other 2 Specify the state and district where the project was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads; 1 direct expenditure on project or programs	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency - Amount spent through implementing agency
1	Akanksha Foundation	Education	Natwar Nagar Mumbai Public School, Mumbai, Maharashtra	6,763,383.00	5,072,538.00	5,072,538.00	5,072,538.00
			Wadibunder Mumbai PublicSchool, Mumbai, Maharashtra	9,836,617.00	7,377,463.00	7,377,463.00	7,377,463.00
			Last Year's Sanction ***		(1,099,501.00)	(1,099,501.00)	(1,099,501.00)
2	Lifeline Foundation	Health	Basic Life Support Ambulances, across Gujarat & Rajasthan	3,700,000.00	2,691,000.00	2,691,000.00	2,691,000.00
3	Victoria Memorial School for the Blind	Education	Education, Lodging & boarding of visually impaired students, Mumbai, Maharashtra	4,219,075.00	4,162,449.00	4,162,449.00	4,162,449.00
4	Institute of Handicapped & Backward People	Education	Education to differently abled children from low socio-economic background, Kolkata, West Bengal	13,826,830.00	13,826,830.00	13,826,830.00	13,826,830.00
5	Ashoka University	Education	Sponsorship for Education of undergraduate students from underprivileged background at Sonipat, Haryana	15,000,000.00	7,500,000.00	7,500,000.00	7,500,000.00
6	Swades Foundation	Health	SM Program, Raigad, Maharashtra (Last Year's Sanction) *		1,537,133.00	1,537,133.00	1,537,133.00
			Eyecare Program, Raigad Maharashtra (Last Year's Sanction) *		5,468,323.00	5,468,323.00	5,468,323.00
			SM Program, Raigad, Maharashtra **	7,625,930.00	-	-	-
			Eyecare Program, Raigad Maharashtra **	13,601,800.00	-	-	-
7	Ummeed Child Development Center	Health	Clinical sessions for children with developmental disabilities, Mumbai, Maharashtra **	15,000,000.00	-	-	-
8	Shree Bhagwan Mahaveer Viklang Sahayata Samiti	Health	Fitment of artificial limbs, Jaipur, Rajasthan (Last Year's Sanction) *		2,491,250.00	2,491,250.00	2,491,250.00
9	Habitat for Humanity India	Health	Construction of School Sanitation Blocks, Guwahati, Assam (Last Year's Sanction) *		2,044,027.00	2,044,027.00	2,044,027.00
			Construction of School Sanitation Blocks, Chennai, Tamil Nadu (Last Year's Sanction) *		2,909,952.00	2,909,952.00	2,909,952.00
10	UTI Canserve	Health	St Jude ChildCare Center, Mumbai, Maharashtra	573,797.27	573,797.27	573,797.27	573,797.27
11	Indian Cancer Society	Health	Free Screening Camps, Mumbai, Maharashtra & Delhi ***		(463,071.00)	(463,071.00)	(463,071.00)
		TOTAL		90,147,432.27	54,092,190.27	54,092,190.27	54,092,190.27

* Sanctioned in financial year 2018-19
** Sanctioned amount yet to be disbursed
*** Unutilized sanctioned amount in financial years 2018-19 and 2017-18 refunded by the NGOs

1) Akanksha Foundation

Akanksha Foundation works primarily in the field of education, addressing formal education thrcalccaough Akanksha Schools with a mission to provide children from low-income communities with high-quality education, enabling them to maximize their potential and transform their lives. UTI renewed this partnership and has extended financial support of Rs. 1.66 crores towards the cost of running classrooms at Natwar Nagar Mumbai Public School in Jogeshwari and Wadibunder Mumbai Public School in Mazgaon for the financial year 2019-20.

2) Lifeline Foundation

Established by Dr. Subroto and Sushmita Das, Lifeline Foundation is credited with pioneering Emergency Medical Services in India and establishing pre-hospital trauma care for Road Traffic Accidents. The network is spread across five states of the country – Gujarat, West Bengal, Rajasthan, Maharashtra and Kerala with 612 ambulances. UTI has provided financial support of Rs.37 lakhs for the purchase of two basic Life Support Ambulances which run across Gujarat and Rajasthan.

3) Victoria Memorial School for Blind (VMSB)

Over the last 116 years, VMSB has been in the forefront of development and empowerment of the visually challenged children by encouraging, nurturing them to be confident, productive adults in the society. These students from low socio-economic background are provided with free of cost education, nutritious food, comfortable accommodation, sports facilities, skill training and career guidance to ensure a smoother and more self-reliant future. UTI has provided financial support of Rs. 0.42 crores towards the education and boarding and lodging of the students at VMSB for the period from May 2019 to April 2020.

4) Institute for Handicapped and Backward People (IHBP)

IHBP was founded by Dr. M A Hasan Sahani, a differently abled individual with over 20 years of experience in the field of helping people with disabilities, in 2001 for the upliftment and development of the differently-abled and people from the low socio-economic background. They run an inclusive special school for the differently-abled children and also provide placement oriented vocational training and workshops for the students and their families along with women from backward section of society. UTI has extended financial assistance of Rs. 1.38 crores towards the cost of running the school at Kolkata for the period 1st July 2019 to 30th June 2020.

5) Ashoka University

Founded in 2014 by several industry leaders and entrepreneurs Ashoka University is the country's first not-for-profit Liberal Arts and Sciences University built on the principles of collective, public philanthropy and a pioneering initiative in higher education landscape here. UTI has provided financial support to Ashoka University towards Sponsorship of Education of 31 undergraduates students from financially and underprivileged backgrounds aggregating to Rs.1.5 crores for the first year of their programme ie 1st July 2019 until 30th June, 2020.

6) Swades Foundation

Swades Foundation has been working to empower rural communities and enable them to take charge and lift themselves out of poverty, in Maharashtra for the past 15 years. They are committed towards creating a scalable model for Rural Empowerment through holistic, 360-degree development across five key verticals: Water & Sanitation, Agriculture & Livelihood, Health & Nutrition, Education and Community Mobilization. UTI has provided financial supportto the extent of Rs. 2.12 crores for the Swades Mitra (Community Health Worker Volunteer) program and the Eye Care Program which includes Mobile Vision Center Vansin 7 blocks of Raigad district in Maharashtra viz. Mahad, Mangaon, Tala, Shrivardhan, Poladpur, Mhasala and Sudhagad for a period of 15 months from September 2019 to December 2020.

7) Ummeed Child Development Center

'Ummeed', which means 'hope', was founded in 2001, by Dr. Vibha Krishnamurthy as a not-for-profit organization with the vision of helping children with developmental disabilities (such as Autism, ADD, Cerebral Palsy and others) reach their full potential and be included in the society. They cater through four major areas of work: Clinical Services, Training & Capacity Building, Research and Awareness & Advocacy. UTI has extended financial support of Rs. 1.5 crores towards clinical sessions for numerous children with Developmental Disabilities from low/mid socio-economic background for a period of 1 year i.e. January to December 2020.

8) Shree Bhagwan Mahaveer Viklang Sahayata Samiti (BMVSS)

BMVSS is a non-political, non-sectarian, non-religious, pan-India NGO with 23 branches, serving the differently-abled from all over the country and is also the parent body of the world-famous Jaipur Foot/Limb. The institution provides amputees, polio patients with artificial limbs, calipers and other aids and appliances needed, totally free of charge. In financial year 2018-19, UTI had extended the financial support to BMVSS for fitment of artificial limbs/ Calipers and distribution of crutches, hand paddled tricycles, wheelchairs, earning aids to 1285 disabled totally free of charge.

9) Habitat for Humanity India (HFH India)

Habitat for Humanity India, which began in 1983, is today one of HFH International's largest programs in the Asia Pacific region. HFH builds homes and provides housing related services to low-income, marginalized families across India. Under its 'Sensitize to Sanitize' project, it aims to build 1 lakh sanitation units and raise awareness on the needs of proper sanitization in India and also bring about a behavioral change in sanitization and hygiene practices. In 2018-19, UTI had provided financial assistance to the extent of Rs. 81.76 lakhs and Rs.58.19 lakhs for the construction of School Sanitization blocks at Guwahati, Assam and Chennai, Tamil Nadu respectively.

10) 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 Centers. 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 as donation for needy and underprivileged young children battling cancer. In the financial year 2019-20, the contribution was Rs. 5.73 lakhs.

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

It is hereby confirmed that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

(Chief Executive Officer and Whole Time Director) (Chairperson, CSR Committee)

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2019-20

- **Company's Philosophy on Corporate Governance**

UTI Asset Management Company Limited ("the Company") operates its business in an environment which is governed by SEBI (Mutual Funds) Regulations, 1996. Accordingly, the Company continuously endeavors to adhere and adopt the best corporate governance practices since its foundation in accordance with SEBI (Mutual Funds) Regulations, 1996.

The Company is focused on enhancement of long-term value for all its stakeholders by adopting good corporate governance practices which are guided by the principles of transparency, compliances, ethical conduct, accountability and the commitment. These principles are key to ensure that the trust of all the stakeholders are gained retained at all times. Our actions are governed by our values and principles, which are reinforced at all levels of the organization.

The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has in place an Information Security Policy that ensures proper utilisation of IT resources.

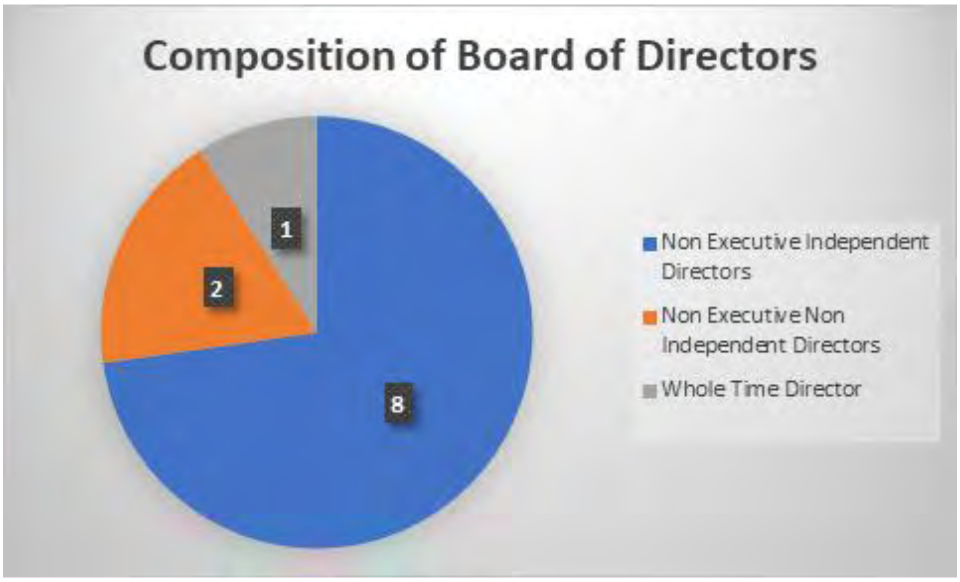
- **Board of Directors**

The Board plays an important role in ensuring effective implementation of corporate governance practices in the Company. The Board comprises of optimum combination of Executive, Non-Executive Non Independent and Independent Directors in accordance with requirements of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other statutory, regulatory and contractual obligations of the Company.

The Company recognises the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. The Company believes that a truly diverse Board will leverage differences in thought, 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.

The Company further believes that a diverse Board will contribute towards driving business results, make corporate governance more effective, enhance quality and decision making capability, ensure sustainable development and enhance the reputation of the Company.

As on 31st March, 2020, the Board comprised of 11 (eleven) directors, consisting of 8 (eight) Independent Directors (including 3 [three] 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 not related to the Whole Time Director and CEO.



(a) **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 31st March, 2020 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)		Directorship in listed entities
				Chairperson	Member	
Mr. Dinesh Kumar Mehrotra	Non-executive Chairman and Independent Director	Nil	7	-	6	1. V L S Finance Limited 2. Indostar Capital Finance Limited(9) 3. SBI Cards and Payment Services Limited 4. Computer Age Management Services Limited(11)
Mr. Ashok Shah(3)	Independent Director	Nil	1	1	2	1. 3i Infotech Ltd.
Mr. Deepak Kumar Chatterjee	Independent Director	Nil	-	-	-	-
Ms. Dipali Sheth(4)	Independent Director	Nil	2	-	2	1. DFM Foods Limited
Mr. Edward Cage Bernard(5)	Non-Executive Non Independent Director	Nil	-	-	-	-
Mr. Flemming Madsen	Non-Executive Non Independent Director	Nil	-	-	-	-
Mr. Imtaiyazur Rahman(6)	Whole-time Director and Chief Executive Officer	Nil	2	-	-	-
Ms. Jayashree Vaidhyanathan(7)	Independent Director	Nil	-	-	-	-
Mr. Narasimhan Seshadri	Independent Director	Nil	3	-	3	-
Mr. Rajeev Kakar(8)	Independent Director	Nil	1	-	-	1. Satin Creditcare Network Limited (10)
Ms. Uttara Dasgupta	Independent Director	Nil	-	-	-	-

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. Ashok Shah was appointed as an Additional Director (Independent Category) of the Company with effect from 07th May, 2019. The appointment was approved by the shareholders at the Annual General Meeting of the Company held on 22nd August, 2019.

(4) Ms. Dipali Sheth was appointed as an Additional Director (Independent Category) with effect from 20th November, 2019. The appointment was approved by the shareholders at the Extra-Ordinary General Meeting of the Company held on 16th December, 2019.

(5) Mr. Edward Bernard was appointed as an Additional Director (Non-Executive Category) with effect from 01st October, 2018. The appointment was approved by the shareholders at the Annual General Meeting of the Company held on 22nd August, 2019.

(6) Mr. Imtaiyazur Rahman was appointed as an Additional Director and Whole Time Director of the Company with effect from 28th April, 2019. The appointment was approved by the shareholders at Annual General Meeting of the Company held on 22nd August, 2019. Further, the Board of Directors at its meeting held on 12th June, 2020, based on the recommendation of Nomination & Remuneration Committee, designated Mr. Imtaiyazur Rahman as Chief Executive Officer of the Company with effect from 13th June, 2020.

(7) Ms. Jayashree Vaidhyanathan was appointed as an Additional Director (Independent Category) with effect from 20th November, 2019. The appointment was approved by the shareholders at Extra-Ordinary General Meeting of the Company held on 16th December, 2019.

(8) Mr. Rajeev Kakar was appointed as an Additional Director (Independent Category) with effect from 20th November, 2019. The appointment was approved by the shareholders at Extra-Ordinary General Meeting of the Company held on 16th December, 2019.

(9) Mr. Dinesh Kumar Mehrotra ceased to be Director on the Board of Indostar Capital Finance Limited with effect from 10th July, 2020.

(10) Mr. Rajeev Kakar ceased to be Director on the Board of Satin Creditcare Network Limited with effect from 30th April, 2020.

(11) Computer Age Management Services Limited was listed during FY 2020-21.

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.

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

(b) The Details of attendance of Directors at each Board meeting and at the Annual General Meeting and Extra-Ordinary Meeting of the Company are as follows:

Name of Director	Board Meetings									No. of Board Meetings during FY 19-20		Attendance at AGM (22.08.2019)	Attendance at EGM (16.12.2019)
	26.04.2019	27.04.2019	22.08.2019	23.10.2019	13.11.2019	20.11.2019	20.11.2019	16.12.2019	30.01.2020	Held	Attended		
Mr. Dinesh Kumar Mehrotra	N	Y	Y	Y	Y	Y	Y	Y	Y	9	8	Y	Y
Mr. Ashok Shah	N.A.	N.A.	Y	Y	Y	Y	Y	Y	Y	7	7	Y	Y
Mr. Deepak Kumar Chatterjee	Y	Y	Y	Y	Y	Y	Y	Y	Y	9	9	Y	Y
Ms. Dipali Sheth	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	Y	Y	2	2	N.A.	Y
Mr. Edward Cage Bernard	N	N	Y	Y	Y	Y	Y	Y	Y	9	7	Y	N
Mr. Flemming Madsen	Y	Y	Y	Y	Y	Y	Y	Y	Y	9	9	Y	N
Mr. Imtaiyazur Rahman	Y	Y	Y	Y	Y	Y	Y	Y	N	9	8	Y	Y
Ms. Jayashree Vaidhyanathan	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	Y	Y	2	2	N.A.	Y
Mr. Narasimhan Seshadri	Y	Y	Y	Y	Y	Y	Y	Y	Y	9	9	Y	Y
Mr. Rajeev Kakar	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N	Y	2	1	N.A.	N
Ms. Uttara Dasgupta	Y	N	N	Y	Y	Y	N	Y	Y	9	6	N	Y

Y – Present
N – Absent
N.A. – Not Applicable

The Company has organized board and committees meetings at regular intervals to discuss and approve Company's/business strategy as well as other general matters. The Board periodically reviews the Compliance Certificate of the Company with various statutory laws, acts, rules and regulations, and steps taken by the Company to rectify the instances of non-compliance, if any. The Board met 9 (nine) times during the FY 2019-20, i.e. on 26th April, 2019, 27th April, 2019, 22nd August, 2019, 23rd October, 2019, 13th November, 2019, 20th November, 2019 (2 meetings), 16th December, 2019, and 30th January, 2020.

(c) Independent Directors

Based on the declaration submitted by all the independent directors, in the opinion of the Board, the independent directors fulfill the conditions mentioned in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and are independent of the management. The Appointment of Independent Directors on the Board of the Company is formalized through letter of appointment inter alia outlining his / her role, function, duties and responsibilities.

In a separate meeting of the independent directors, the performance of non-independent directors, the performance of board as a whole and performance of executive director was evaluated, taking into account the views of non-executive directors.

None of the Independent Directors have resigned before the expiry of their respective tenures during the FY 2019-20.

(d) Familiarisation Programme

The Board of Directors at its meeting held on 16th December, 2019 had approved the Familiarisation Programme for Independent Directors in accordance with the provisions of Section 178 of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The Company has conducted orientation programs / presentations / training sessions for Independent Directors at regular intervals to familiarize them with the Company's strategy, business model, group structure, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities, risk management strategy, governance policies and designated channels for flow of information and their roles, responsibilities and rights.

- **Board Committees**

Board committees are pillars of corporate governance. The Company has constituted various Board committees with formally established terms of reference, quorum, role and function. The Committees functions under the direct supervision of the Board. The Board Committees deliberate various matters, in accordance with its terms of reference, and if required, recommends the same to the Board for approval thereby enabling better management of the board's time and allow in-depth scrutiny and focused attention. The Company organizes the Committees meeting prior to the board meeting and the chairpersons of the respective committee's report to the Board about the deliberations and decisions taken by the Committees.

The Board has constituted various Board Committees, namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee cum Share Allotment Committee, Corporate Social Responsibility Committee and Risk Management Committee in order to effectively discharge its obligations and comply with the statutory requirements.

The Chairperson of the aforesaid Board Committees 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**

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a qualified and independent 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, development, strategy and management.

The Audit Committee met 5 (five) times during the FY 2019-20, i.e. on 27th April, 2019, 21st August, 2019, 22nd October, 2019, 16th December, 2019 and 29th January, 2020. The composition of Audit Committee as on 31st March, 2020 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	5
4	Mr. Narasimhan Seshadri (Independent Director)	Member	5	5
5	Mr. Rajeev Kakar(1) (Independent Director)	Member	1	1

Notes:

(1) Mr. Rajeev Kakar was appointed as a member of the Audit Committee w.e.f. 16th December, 2019.

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

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:
   - **(a)** 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;
   - **(b)** Changes, if any, in accounting policies and practices and reasons for the same;
   - **(c)** Major accounting entries involving estimates based on the exercise of judgment by management;
   - **(d)** Significant adjustments made in the financial statements arising out of audit findings;
   - **(e)** Compliance with listing and other legal requirements relating to financial statements;
   - **(f)** Disclosure of any related party transactions; and
   - **(g)** 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 SEBI 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 ₹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 seek information from any employee;
3. To obtain outside legal or other professional advice; and
4. 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 constituted 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 to identify persons who qualified to become directors or who may be appointed in senior management.

The Nomination and Remuneration Committee met 9 (nine) times during the FY 2019-20, i.e. on 27th April, 2019, 07th June, 2019, 21st August, 2019, 22nd October, 2019, 13th November, 2019, 20th November, 2019, 11th December, 2019, 16th

December, 2019 and 30th January, 2020.The composition of Nomination and Remuneration Committee as on 31st March, 2020 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[1] (Independent Director)	Chairman	9	9
2	Mr. Edward Cage Bernard (Non-Executive Director)	Member	9	9
3	Mr. Dinesh Kumar Mehrotra (Independent Director)	Member	9	9
4	Ms. Uttara Dasgupta (Independent Director)	Member	9	8
5	Ms. Dipali Sheth[2] (Independent Director)	Member	1	1

Notes:

(1) Mr. Narasimhan Seshadri was designated as the Chairman of Nomination and Remuneration Committee in place of Mr. Edward Cage Bernard w.e.f. 16th December, 2019.

(2) Ms. Dipali Sheth was appointed as a member of the Nomination and Remuneration Committee w.e.f. 16th December, 2019.

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

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 the directors, key managerial personnel and other employees;
2. Formulating of criteria for evaluation of the performance of the independent directors and the Board;
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 carrying out evaluations of every director's performance;
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. Analysing, monitoring and reviewing various human resource and compensation matters;
7. 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;
8. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
9. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
10. 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, as may be required for the implementation of the employees stock option scheme of the Company;
11. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
    - (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
    - (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
12. Performing 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;
13. Recommend to the board, all remuneration, in whatever form, payable to senior management; and
14. Performing such other functions as may be required for the performance of any of the above duties.

Remuneration to Non-Executive Directors

The Independent Directors are remunerated by way of payment of sitting fees for attending Board or Committee meetings either in person or through video conference/ audio means. Other than sitting fees to the Independent Directors, no fees are paid to the Non-Executive Directors by the Company. The amount paid as sitting fees is in accordance with the Companies Act, 2013 & Rules made thereunder and is approved by the Board of Directors.

Apart from the sitting fees paid to the Non-Executive Directors (Independent Category), the Company pays for the air-tickets, hotel accommodation and local conveyance incurred by in connection with the meetings of the Committees / Board.

Evaluation of Directors

Pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Board of Directors has carried out an annual evaluation of its own Performance and that of its Individual Director (Whole Time Director, Non-Executive Director and Independent Director) and Committees in accordance with the criteria set forth in the Policy for Evaluation of the Performance of the Board of Directors of your Company. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

In a separate meeting, the Independent Directors reviewed the performance of Non-Independent Directors and that of the Board as a whole as well as of the Chairperson of your Company.

The performance of directors is evaluated on various criteria's in accordance with the Policy for Evaluation of the Performance of the Board of Directors.

(c) Stakeholders Relationship Committee cum Share Allotment Committee

The Company has constituted Stakeholders Relationship Committee cum Share Allotment Committee comprising of Non-Executive Independent and Non Independent Directors in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to consider and resolve grievances of shareholders of the Company.

No meeting of the Stakeholders Relationship Committee cum Share Allotment Committee was held during the FY 2019-20. The composition of Stakeholders Relationship Committee cum Share Allotment Committee as on 31st March, 2020 is as under:

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

Note:

(1) Mr. Edward Cage Bernard was designated as a Chairman of the Stakeholders Relationship Committee cum Share Allotment Committee w.e.f. 27th April, 2019.

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

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

1. Considering and resolving 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, etc.;
2. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
3. Review of measures taken for effective exercise of voting rights by shareholders.
4. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent.
5. Review of the 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.
6. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
7. To approve, register, refuse to register transfer or transmission of shares and other securities;
8. To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
9. Allotment and listing of shares;
10. Approval of transfer or transmission of shares, debentures or any other securities;
11. To authorise affixation of common seal of the Company;
12. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
13. To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
14. To dematerialize or rematerialize the issued shares;
15. Ensure proper and timely attendance and redressal of investor queries and grievances;

16. Carrying out any other functions contained in the Companies Act, 2013, the SEBI Listing Regulations and/or equity listing agreements (if applicable), as and when amended from time to time; and
17. To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

Name and Designation of Compliance Officer

Pursuant to the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board in its meeting held on 13th November, 2019, 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 for resolution of Shareholders' / Investors' complaints. During the FY 2019-20, the Company has received nil investor grievances.

(d) Corporate Social Responsibility Committee

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted Corporate Social Responsibility (CSR) Committee comprising of Non-Executive Independent and Non Independent Directors.

The CSR Committee met once during the FY 2019-20, i.e. on 16th December, 2019. The composition of CSR Committee as on 31st March, 2020 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 (Independent Director)	Chairperson	1	1
2	Mr. Dinesh Kumar Mehrotra (Independent Director)	Member	1	1
3	Mr. Edward Cage Bernard (Non-Executive Director)	Member	1	1

Note:

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

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

1. To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act;
2. To recommend the amount of expenditure to be incurred on the activities referred to in clause(a);
3. To monitor the CSR Policy of the Company, from time to time; and
4. 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 Companies Act.

(e) Risk Management Committee

The Company has voluntarily constituted the Risk Management Committee comprising of Non-Executive Independent and Non Independent Directors. The Risk Management Committee met twice during the FY 2019-20, i.e. on 21st August, 2019 and 29th January, 2020. The composition of Risk Management Committee as on 31st March, 2020 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. Narasimhan Seshadri (Independent Director)	Chairperson	2	2
2	Mr. Flemming Madsen (Non-Executive Director)	Member	2	2
3	Mr. Deepak Kumar Chatterjee(1) (Independent Director)	Member	2	2
4	Mr. Ashok Shah(2) (Independent Director)	Member	1	1
5	Ms. Jayashree Vaidhyanathan(3) (Independent Director)	Member	1	1

Notes:

(1) Mr. Deepak Kumar Chatterjee was appointed as a member of the Risk Management Committee w.e.f. 27th April, 2019.

(2) Mr. Ashok Shah was appointed as a member of the Risk Management Committee w.e.f. 23rd October, 2019.

(3) Ms. Jayashree Vaidhyanathan was appointed as a member of the Risk Management Committee w.e.f. 16th December, 2019.

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

- **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
2016-17	23rd August, 2017 at 04:30 pm	Indian Education Society's Manik Sabhagriha, 'Vishwakarma' M. D. Lotlikar Vidya Sankul, Opp. Lilavati Hospital, Bandra Reclamation, Mumbai - 400 050	None
2017-18	25th September, 2018 at 04:30 pm	Hotel Rangsharda, near Lilavati Hospital, Bandra Reclamation, Mumbai 400 050	None
2018-19	22nd August, 2019 at 04:30 pm	St. Andrew's Auditorium, St. Dominic Road, Bandra West, Mumbai 400 050	None

(b) **Extra-Ordinary General Meeting**

During the FY 2019-20, an Extra-Ordinary General Meeting of the Company was held on 16th December, 2019 at 11:00 am at Hotel Rang Sharda Bandra Reclamation Bandra (West) Mumbai - 400 050. The following special resolutions were passed at the meeting:

1. Adoption of New Articles of Association; and
2. Amendments to the UTI AMC Employee Stock Option Scheme – 2007.

(c) **Postal Ballot**

No resolution was passed through postal ballot during the FY 2019-20.

- **General Shareholders Information**

(a) Seventeenth Annual General Meeting

Day and Date	:	Friday, 27th November, 2020
Time	:	04:00 p.m. IST
Venue	:	UTI Tower, 'Gn' Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India (through Video Conference)
E-voting period commences	:	Tuesday, 24th November, 2020
E-voting period ends	:	Thursday, 26th November, 2020
ISIN for depositories	:	INE094J01016

(b) Financial Year

The Company follows April-March as the financial year.

(c) Dividend

The Board of Directors are pleased to recommend a Final Dividend of Rs.7/- per equity share (70%) of face value of Rs.10/- each amounting to Rs.887.511 million for the FY 2019-20. The Final Dividend, subject to the approval of Members at the Annual General Meeting to be held on Friday, 27th November, 2020 will be paid to those equity shareholders: -

a) whose name appears as beneficial owners as at the end of business hours on Friday, 20th November, 2020 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 Friday, 20th November, 2020.

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 Saturday, 21st November, 2020 to Friday, 27th November, 2020 (both days inclusive) for determining the entitlement of the members to the dividend, if declared, for the FY 2019-20.

Pursuant to the changes 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) Share Transfer System

The shares of the Company are traded in dematerialized form since share transactions are simpler and faster in electronic form. The Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018 states that the requests for effecting the transfer of shares in physical form shall, except in case of transmission and transposition, not be processed unless the securities are held in dematerialized form with a Depository. Accordingly, in compliance with the aforesaid Rules, the Company has not processed any request for transfer of shares in physical form during the FY 2019-20.

(e) **Distribution of Shareholding as on 31st March, 2020:**

Sr. no.	Category	Shareholders		Face Value of Equity Shares	
		Number	%	Amount	%
1	1 - 500	1126	65.89	2218100.00	0.17
2	501 - 1000	349	20.42	2906970.00	0.23
3	1001 - 2000	137	8.02	1975590.00	0.16
4	2001 - 3000	42	2.46	1052850.00	0.08
5	3001 - 4000	17	0.99	580420.00	0.05
6	4001 -5000	11	0.64	516750.00	0.04
7	5001 - 10000	5	0.29	371500.00	0.03
8	10001 - 20000	11	0.64	1594000.00	0.13
9	20001 and above	11	0.64	1256656360.00	99.12
	Total:	**1709**	**100.00**	**1267872540.00**	**100.00**

(f) **Dematerialization of shares**

As on 31st March, 2020, 99.73 % of the share capital was held in dematerialized form. Break-up of shares held in physical and dematerialized form as on 31st March, 2020:

Shareholding	No. of holders	% of total	No. of shares	% of total
Physical Form (A)	446	26.10	346,516	0.27
Dematerialized Form				
NSDL (B)	818	47.86	126,187,413	99.53
CDSL (C)	445	26.04	253,325	0.20
Total (A+B+C)	**1,709**	**100.00**	**126,787,254**	**100.00**

(g) **Outstanding GDRs/ADRs/ Warrants or any Convertible instruments**

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

(h) **Plant Locations**

The Company is engaged in the business of financial services and as such has no plants. However, as of 31st March, 2020, our distribution network includes 163 UTI Financial Centres ("UFCs"), 282 Business Development Associates ("BDAs") and Chief Agents ("CAs") (40 of whom operate Official Points of Acceptance ("OPAs")) and 43 other OPAs, most of which are in each case located in B30 cities. Our IFAs channel includes approximately 52,634 Independent Financial Advisors ("IFAs") as of 31st March, 2020.

(i) **Registrar and Share Transfer Agent**

During the FY 2019-20, the name of the Registrar and Transfer Agent of the Company was changed from Karvy Fintech Private Limited to KFin Technologies Private Limited. Accordingly, KFin Technologies Private Limited, shall continue to act as the Registrar and Share Transfer Agent of the Company.

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

Kfin Technologies Private Limited

Karvy Selenium Tower B, Plot No. 31 & 32, Financial District, Nanakramguda Serilingampally Mandal, Hyderabad – 500 032.

(j) **Company Secretary and Compliance Officer of the Company**

Company Secretary and Compliance Officer
UTI Tower Gn Block Bandra Kurla Complex Bandra (E) Mumbai 400051 Maharashtra India
Email: cs@uti.co.in
Tel. No.: 022 6678 6666

(k) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad. – NOT APPLICABLE

- **Other Disclosures**

(a) **Material Related Party Transactions**

During the FY 2019-20, the Company has not entered into any Material Related Party Transactions, i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statement. The details of transactions entered with related party is disclosed in Note No. 31 of the financial statements.

In accordance with the provisions of Section 188 of Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions was approved by the Board of Directors at its meeting held on 16th December, 2019, which was further amended pursuant to the resolution passed by the Board at its meeting held on 28th October, 2020.

(b) **Vigil Mechanism / Whistle Blower Policy**

Pursuant to the Section 177 of Companies Act, 2013, 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 Board of Directors at its meeting held on 16th December, 2019 had approved the amendment(s) to Whistle Blower Policy in accordance with the provisions of Section 177 of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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.

(c) **Details of utilization of funds raised through preferential allotment or qualified institutions placement**

During the FY 2019-20, the Company has not raised any amount preferential allotment or qualified institutions placement.

(d) During the FY 2019-20, all recommendations made by various Committees are duly approved by the Board.

(e) **Material Subsidiary**

The Policy for Determining Material Subsidiaries was approved by the Board of Directors at its meeting held on 16th December, 2019, which was further amended pursuant to the resolution passed by the Board at its meeting held on 28th October, 2020 in accordance with the provisions of Section 177 of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

In terms of the Policy for Determining Material Subsidiaries of the Company, 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 31st March, 2020, the Company have only 1 (one) material subsidiary which is UTI International Ltd.

(f) The Company has appointed M/s G D Apte, Chartered Accountant as the Statutory Auditors of the Company for the FY 2019-20. The details of fees paid to statutory auditors during FY 2019-20, is given below:

Particulars	Amount (Rs.in lakhs)
Audit Fees	39.00
Out of Pocket Expenses	0.00
Total	39.00

(g) **Disclosures in relation to the 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 FY 2019-20 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 FY 2019-20	0
2	Number of complaints disposed off during the FY 2019-20	0
3	Number of complaints pending as on 31st March, 2020	0

(h) **Audit Qualifications**

There are no audit qualifications either in the Statutory Auditor's Report or in the Secretarial Auditor's Report of the Company for the FY 2019-20.

Date: 28th October, 2020

Place: Mumbai

CEO and CFO Certification in respect of the Financials for the financial year ended 31st March, 2020

To,

The 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 March 31, 2020 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	Surojit Saha	Imtaiyazur Rahman
Date: 29th April, 2020	Chief Financial Officer	Acting Chief Executive Officer

INDEPENDENT AUDITORS' REPORT

To
The Members of UTI Assets Management Company Limited
Report on the Standalone financial Statements

Opinion

We have audited the accompanying standalone financial statements of **UTI Assets Management Company Limited ("the Company")**, which comprise the Balance sheet as at March 31, 2020 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 March 31, 2020 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 of the standalone financial statements in accordance with the Standards on Auditing (SA) specified under section 143 (10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the 'ICAI') together with the ethical requirements that are relevant to our audit of the standalone 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 ICAI 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 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	**Accuracy of recognition, measurement, presentation and disclosures of Leases and other related balances in view of adoption of Ind AS 116 "Leases" (new Lease accounting standard)**
	The application of the new lease accounting standard involves certain key judgments relating to assessment of whether a contract contains a lease and allocation of the consideration to the lease component on the basis of their relative standalone prices.
	Lease expense being the most significant account balance in the Statement of Profit & Loss A/c. The Company has applied Ind AS 116 using the modified retrospective method wef 1st April 2019. The accounting policy adopted by the company is disclosed in Notes to financial Statements.
		We have assessed the Company's process to identify the impact of adoption of the new Lease accounting standard.
		Our audit approach consisted of following substantive audit procedures:
		• Evaluated the design of internal controls relating to implementation of the new lease accounting standard.
		• Reviewed the changes made to the accounting policy of the company to be in accordance with the requirements of Ind AS 116.
		• Analyzed the terms & conditions of various contracts entered by the company in order to classify it under the Lease contract in accordance with IND AS 116.
		• Reviewed the terms and conditions of the lease contracts based on which lease contract were classified into various types of lease such as finance lease, operating lease, short term, low value lease etc. for proper classification and recognition of lease contracts.
		• Verified the various inputs such as discounting rate, lease terms i.e. period of lease, lease payments in order to ascertain the correctness of initial recognition of "right of use assets" and "lease liabilities".
		• Verified the subsequent measurement of Right of Use assets and lease liability; to ensure whether:
		  • Right of use asset is depreciated from the date of commencement of lease to the earlier of the end of useful life of the right of use asset or end of the lease term.
		  • Lease liability is measured correctly by using discount rate by accounting for interest on lease liability, lease payments made and adjustments on account of any reassessment or modifications to lease contracts,
		• We have verified that the disclosures made in the financial statements as per the requirements of Ind AS 116.

Sr. No.	Key Audit Matter	Auditor's Response
2	**Valuation and Impairment of Investments in subsidiaries and others** Since the Company is an Asset management company, it has investments in its own Mutual fund schemes as per SEBI mutual fund regulations 1996 and also has investments in Venture Capital Funds and other entities. Further the company also has investments in its subsidiaries. As on the balance sheet date, investments are valued as per the requirements of Ind AS 109 – Financial Instruments and Ind AS 27 – Separate Financial Statements. Investments comprise of the most significant asset in the company's financial statements. At each reporting date, the Company identifies whether an impairment indication exists and performs impairment test over investments in subsidiaries and compares the carrying amount with the recoverable amount to determine whether it is impaired as per requirement of Ind AS 36 – Impairment of Assets. In view of significance of investments of the company as specified above, we consider investment valuation and impairment to be a significant key audit matter.	Our audit procedures, to assess the reasonableness of valuation of investments, includes the following: • Ensuring that the accounting policy as adopted by the company for valuation of its investments is in accordance with the requirement of the relevant Ind AS. • Verification of the valuation of investments other than investment in subsidiaries as carried out by the company is in accordance with the requirement of **Ind AS 109 – Financial Instruments,** where in investments are carried at fair value through profit and loss. • Verification of the relevant observable and unobservable inputs if any used in the valuation of investments as per requirement of **Ind AS 113 – Fair Value Measurement** such as Net Asset Value (NAV) of the Mutual fund schemes as declared on the reporting date, Valuation reports as prepared by the Independent Valuer appointed by the Company and confirmation received by the management etc. • In case of investment in subsidiaries, we have verified whether the investments are accounted for at cost less impairment, if any, as per **Ind AS 27 – Separate Financial Statements**. • We have reviewed the disclosures related to investments in the standalone financial statements as required by the relevant Ind AS. We have carried out the following procedures in respect of impairment: • Reviewed the indicators and factors which affects the recoverability of the investments and in case of existence of such indicators, whether sufficient impairment loss was provided in the books by the company. • In case of subsidiary companies, net worth were calculated based on the latest financial statement and if there is an indicator for impairment, sufficient provision for impairment was made in the books of accounts. We have performed additional audit procedure to assess the risk of COVID-19 global pandemic situation on valuation of the investments held by the company post Balance Sheet date. We held various discussions with the management of the company, carried out the required audit procedures to examine the impact of the events occurring after the balance sheet date in light of the wide spread "COVID – 19 global pandemic situation", based on which we concluded that, no adjustments were required to be made to the value of investments as reported in the standalone financial statements.

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

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the 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 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 standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's, report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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 Standards on Auditing, 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Other Matters

The Comparative financial information of the Company for the year ended March 31, 2019 are based on previously issued Standalone IND AS Financial Statements prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015, audited by predecessor auditor whose report for the year ended on March 31, 2019 dated April 27, 2019, expressed an Unmodified opinion on those Standalone Ind AS Financial Statements.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

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 March 31, 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**" to this report.

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 Companies Act, 2013, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 read with Notification No G.S.R 307(E) dated 30.03.2017, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 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.

II. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of subsection (11) of section 143 of the Companies Act, 2013, we give in the **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

III. As required under sub section (5) of Section 143 of the Act, in case of the Government Company, we give in the **"Annexure C"** a statement on the matters specified in the directions and sub –directions issued by Office of the Comptroller and Auditor General of India.

For G. D. Apte & Co.
Chartered Accountants
Firm registration number: 100515W

Chetan R. Sapre
Partner
Membership No: 116952
UDIN : 20116952AAAADX5278

Place : Mumbai
Date : April 29, 2020

ANNEXURE "A" 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 Limited on the Standalone Financial Statements for the year ended March 31, 2020)

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 March 31, 2020 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal 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 authorizations 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 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 financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For G. D. Apte & Co.
Chartered Accountants
Firm registration number: 100515W

Chetan R. Sapre
Partner
Membership No: 116952
UDIN : 20116952AAAADX5278

Place : Mumbai
Date : April 29, 2020

ANNEXURE – B to the Independent Auditors' Report on the Standalone Financial Statements of UTI Asset Management Company Limited.

(Referred to in paragraph II 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 March 31, 2020)

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 53 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 March 31, 2020 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:

(Rs. In Million)

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	52.56	-	52.56
			2011-12	12.19	12.19	0.00
			2012-13	13.28	13.28	0.00
		Commissioner of Income Tax – Appeals	2009-10	22.77	-	22.77
			Total	**100.80**	**25.47**	**75.33**

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

Chetan R. Sapre
Partner
Membership No: 116952
UDIN : 20116952AAAADX5278

Place : Mumbai
Date : April 29, 2020

ANNEXURE – C to the Independent Auditors' Report on the Standalone Financial Statements of UTI Asset Management Company Limited

(Referred to in paragraph III 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 March 31, 2020)

Directions under Section 143(5) of the Companies Act, 2013

Sr. No.	Directions	Auditors' comments including Action taken wherever required to be taken	Impact on the Accounts and financial statements
1	Whether the company has system in place to process all the accounting transactions through IT system? If NO, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The company has One Accounting System i.e. SAP. n Our Opinion, there are exit sufficient controls to maintain the integrity of the accounts.	No Impact
2	Whether there is any restructuring of an existing loan or cases of 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? If yes, the financial impact may be stated.	The Company has not availed any loan from any bank or financial institutions. Hence this clause is Not Applicable.	No Impact
3	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	The company has not received any funds from central/state agencies. Hence this clause is Not Applicable.	No Impact
4	Whether additional direction issued U/s 143(5) of Companies Act, 2013. by the Field office entrusted with the supplementary audit of the Company	The Company has not received any additional direction U/s 143(5) of the act.	No Impact

भारतीय लेखा तथा लेखापरीक्षा विभाग

कार्यालय प्रधान निदेशक वाणिज्यिक लेखापरीक्षा तथा पदेन सदस्य, लेखापरीक्षा बोर्ड-I, मुम्बई

INDIAN AUDIT AND ACCOUNTS DEPARTMENT

OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT & (SHIPPING), MUMBAI

गोपनीय/शीघ्र डाक
संख्या: जी ए/सीए-III/UTI Asset Management/लेखा/2019-20/125
दि. 16/09/2020

सेवा में,
The Chief Executive Officer
UTI Asset Management Company Limited,
UTI Tower, Ground Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai 400 051

विषय : 31 मार्च 2020 को समाप्त वर्ष हेतू यूटीआय असेट मेनेजमेट कंपनी लिमिटेड के स्टैंडअलोन एवं समेकित वित्तीय विवरणो पर कंपनी अधिनियम 2013 की धारा 143(6)(बी) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिपणियॉ ।

महोदय,

31 मार्च 2020 को समाप्त वर्ष हेतू युटीआय असेट मेनेजमेट कंपनी लिमिटेड के स्टैंडअलोन एवं समेकित वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143(6) (बी) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक के द्वारा दी गई टिपणियाँ इस पत्र के साथ संलग्न हैं । टिप्पणीयों को मुद्रित वार्षिक प्रतिवेदन के विषयसूची मे उचित सहित सांविधिक लेखापरीक्षक के प्रतिवेदन के आगे रखा जाये ।

वार्षिक सामान्य बैठक के समापन के पश्चात, स्टैंडअलोन एवं समेकित वित्तीय विवरणों, सांविधिक लेखापरीक्षक का प्रतिवेदन तथा भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियों को अपनाते हुए सामान्य वार्षिक बैठक की कार्यवाही की एक प्रतिलिपि इस कार्यालय को अविलंब अग्रेषित की जाए । मुद्रित वार्षिक रिपोर्ट की दस प्रतियाँ भी इस कार्यालय को भेजी जायें ।

कृपया इस पत्र एवं संलग्नकों की प्राप्ति की सूचना दें ।

भवदीया,

हस्ता/-

(पी. वी. हरि कृष्णा)
प्रधान निदेशक लेखापरीक्षा (नौवहन), मुंबई

संलग्न : यशोपरि ।

सातवी मंजिल, आर.टी.आई. बिल्डींग, प्लॉट नं. सी-2, जी.एन.ब्लॉक, एशियन हार्ट इन्स्टिट्युट के पीछे, बान्द्रा-कुर्ला कॉम्प्लेक्स, बान्द्रा (पूर्व), मुंबई-400 051.
Seventh Floor, R.T.I. Building, Plot No. C-2, G.N. Block, Behind Asian Heart Institute, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051.
प्रशासन : 26520873 ● प्रतिवेदन : 26502843 ● फॅक्स : 26527165 ● ई-मेल : mabMumbai1@cag.gov.in ● तार : डायरकोमिट
Admn. : 26520873 ● Report : 26502843 ● Fax : 26527165 ● E-mail : mabMumbai1@cag.gov.in ● Grams : DIRCOMIT

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF UTI ASSET MANAGEMENT COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2020.

The preparation of financial statements of UTI Asset Management Company Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the Financial Statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 April 2020.

The assets under management through various schemes managed by UTI Asset Management Company Limited are not reflected in its Balance Sheet, since these assets do not form part of the UT! Asset Management Company Limited. Therefore, I do not look into operation of these schemes including decision making regarding acquisition, management and disposal of the assets managed by the UTI Asset Management Company Limited and express no opinion on the soundness of the investments.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of UTI Asset Management Company Limited for the year ended 31 March 2020 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller and Auditor General of India

sd/-
(P. V. Hari Krishna)
Principal Director of Audit (Shipping), Mumbai

Place: Mumbai

Date: 16 September 2020

BALANCE SHEET
as at 31 March 2020

(Rs. in Million)

Particulars				Note No.	As at 31 March 2020	As at 31 March 2019
I.	ASSETS					
(1)	Financial assets					
	(a)	Cash and cash equivalents		3	5.61	88.33
	(b)	Receivable		4		
		(i)	Trade receivables		242.22	86.18
		(ii)	Other receivables		98.15	362.57
	(c)	Loans		5	438.95	287.08
	(d)	Investments in subsidiaries		6	2,119.16	2,310.72
	(e)	Investments		7	20,572.03	18,861.09
	(f)	Other financial assets			1,533.61	1,268.95
	Total Financial Assets				25,009.73	23,264.92
(2)	Non - financial assets					
	(a)	Current tax assets (Net)		9	438.88	301.18
	(b)	Deferred tax assets (Net)			-	-
	(c)	Investment property		10	107.28	112.48
	(d)	Property, plant and equipments		11	2,502.01	2,527.94
	(e)	Right of use assets		12	979.72	-
	(f)	Capital work-in-progress		13	2.84	8.78
	(g)	Intangible assets under development		14	7.56	-
	(h)	Other Intangible assets		15	116.61	33.27
	(i)	Other non financial assets		16	144.71	145.48
	Total Non Financial Assets				4,299.61	3,129.13
	TOTAL ASSETS				29,309.34	26,394.05
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		-	17.02
		(II)	Other payable			
		(i)	total outstanding dues of micro enterprises and small enterprises		7.96	8.95
		(ii)	total outstanding dues of creditors other than micro enterprises and small enterprises		529.42	569.38
	(b)	Other financial liabilities		18	1,707.83	590.29
		Total financial liabilities			2,245.21	1,185.64

BALANCE SHEET
as at 31 March 2020 (CONTD...)

(Rs. in Million)

Particulars			Note No.	As at 31 March 2020	As at 31 March 2019
(2)	Non- financial liabilities				
	(a)	Current tax liabilities (Net)	19	42.43	39.63
	(b)	Provisions	20	757.56	843.33
	(c)	Deferred tax liabilities (Net)	21	246.35	190.25
	(d)	Other non financial liabilities	22	71.45	56.65
	Total non financial liabilities			1,117.79	1,129.86
	EQUITY				
		Equity Share Capital	23	1,267.87	1,267.87
		Other Equity	24	24,678.47	22,810.68
		Total Equity		25,946.34	24,078.55
	TOTAL EQUITY AND LIABILITIES			29,309.34	26,394.05
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
Acting Chief Executive Officer & Whole Time Director
(DIN: 01818725)

CA Chetan R. Sapre
Partner
MRN: 116952
Place: Mumbai
Date: The 29th April, 2020

Surojit Saha
Chief Finance Officer

Arvind Patkar
Company Secretary

STATEMENT OF PROFIT AND LOSS
for the year ended 31 March 2020

(Rs. in Million)

Particulars			Note No.	Year ended March 31 2020	Year ended March 31 2019
Revenue from operations			25		
(i)	Interest Income			157.94	128.38
(ii)	Dividend Income			0.57	350.40
(iii)	Rental Income			82.18	67.61
(iv)	Net gain/loss on fair value changes			481.13	633.20
(v)	Sale of services			7,182.47	8,198.71
(vi)	Others - Net gain/loss on sale of investments			410.97	454.51
	(I) Total Revenue from operations	I		**8,315.26**	**9,832.81**
	(II) Other Income	II	26	302.65	249.71
	Total Income	III = (I+II)		**8,617.91**	**10,082.52**
Expenses			27		
(i)	Fees and commission expense			55.88	63.83
(ii)	Impairment on financial instruments			87.37	-
(iii)	Employee Benefits Expenses			3,089.38	2,765.08
(iv)	Finance cost			93.02	-
(v)	Depreciation, amortisation and impairment			332.09	159.72
(vi)	Other expenses			1,197.33	2,171.01
	Total Expenses	IV		**4,855.07**	**5,159.64**
	Profit/(Loss) before exceptional items and tax	V =(III-IV)		**3,762.84**	**4,922.88**
	Exceptional Items	VI		-	-
	Profit Before Tax	VII=V-VI		**3,762.84**	**4,922.88**
	Tax expenses		28		
	Current tax			726.00	1,400.00
	Tax Adjustments for earlier years			-	-
	Deferred tax			(54.75)	39.30
	Total tax expenses	VIII		**671.25**	**1,439.30**
	Profit for the year	IX=VII-VIII		**3,091.59**	**3,483.58**
	Other Comprehensive Income				
A	(i) Items that will not be reclassified to profit or loss Remeasurement of defined benefit liability (asset)		26.1	(525.68)	(467.36)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		28(A)II	(110.85)	99.55
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		**(636.53)**	**(367.81)**
	Total comprehensive Income for the year	XI =IX+X		**2,455.06**	**3,115.77**
	Earning per equity share (for continuing operation) [nominal value of share Rs.10 (31 March 2019: Rs.10)]	XII			
	Basic (in Rs.) (Refer Note 32)			24.38	27.48
	Diluted (in Rs.) (Refer Note 32)			24.38	27.48
	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

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Partner
MRN: 116952
Place: Mumbai
Date: The 29th April, 2020

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Chief Finance Officer

Arvind Patkar
Company Secretary

CASH FLOW STATEMENT
for the year ended 31 March 2020

(Rs. in Million)

	For the year ended 31 March 2020	For the year ended 31st March 2019
INDIRECT METHOD CASH FLOW FROM OPERATING ACTIVITIES		
Net profit & Loss Before Taxation	**3,762.84**	**4,922.88**
Adjustment for		
Depreciation and amortization expense	332.09	159.72
Interest income	(157.94)	(128.38)
Dividend income	(0.57)	(350.40)
Rental income	(82.18)	(67.61)
Finance cost	93.02	-
Expenses on the employee stock option scheme	105.03	-
Provision no longer required withdrawn (net)	(32.07)	(46.68)
(Gain) / Loss on sale of investment	(410.97)	(454.51)
(Gain) / Loss on fair value changes	(481.13)	(633.20)
(Gain) / Loss on impairment of financial instrument	87.37	-
(Gain) / Loss on sale of Property, plant and equipments	1.76	0.73
Operating Profit Before Working Capital Changes	**3,217.25**	**3,402.55**
Adjustment for changes in working capital		
Increase/ (Decrease) in Financial assets loans	(151.87)	53.23
(Increase)/ Decrease in Other financial assets	(24.58)	(39.89)
(Increase)/ Decrease in Financial assets trade receivable	(156.04)	166.06
(Increase)/ Decrease in Financial assets other receivable	264.42	(313.60)
Increase/ (Decrease) in Other non financials assets	0.77	(8.53)
Increase/ (Decrease) in Financial liabilities trade payable	15.05	63.70
Increase/ (Decrease) in Financial liabilities other payable	(40.96)	(823.87)
Increase/ (Decrease) in Other financial liabilities	44.80	82.03
Increase/ (Decrease) in Non financial liabilities - provisions	(611.45)	(39.88)
Increase/ (Decrease) in Other non financial liabilities	14.80	(53.92)
	(645.06)	**(914.67)**
Cash Generated from Operations	**2,572.19**	**2,487.88**
Add/(Less) : Incomce Tax Paid	(860.91)	(1,542.27)
NET CASH FLOW FROM OPERATING ACTIVITIES	**1,711.28**	**945.61**
CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase) / Sale of Property, plant and equipments/ Other Intangible assets	(387.67)	(66.08)
Interest income	157.94	128.38
Dividend income	0.57	350.40
Rental income	82.18	67.61
Investments made during the Year	(15,359.69)	(23,323.59)
Investments sold during the Year	14,401.81	22,715.12
Gain / (Loss) on sale of investments	3.16	11.38
Net cash generated from Investing Activities	**(1,101.70)**	**(116.78)**
CASH FLOW FROM FINANCING ACTIVITIES		

CASH FLOW STATEMENT
for the year ended 31 March 2020 (Contd...)

(Rs. in Million)

	For the year ended 31 March 2020	For the year ended 31st March 2019
Dividend paid previous year	(633.94)	(633.94)
Corporate Dividend Distribution Tax paid previous year	(58.36)	(130.31)
Net cash generated from Financing Activities	**(692.30)**	**(764.25)**
Net Increase/ (Decrease) in Cash and cash equivalent	**(82.72)**	**64.58**
Opening Cash and cash equivalents	88.33	23.75
Closing Cash and cash equivalents	**5.61**	**88.33**
Components of Cash and cash equivalent		
Cash and cash equivalents		
Balances with banks:		
On current accounts	5.51	88.23
Cash on hand	0.10	0.10
Other bank balances		
Deposits with original maturity for more than 12 months	-	-
	5.61	**88.33**

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
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MRN: 116952
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Date: The 29th April, 2020

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Chief Finance Officer

Arvind Patkar
Company Secretary

Statement of Changes in Equity

A. Equity Share Capital

(Rs. in Million)

Balance at the beginning of the reporting year i.e. 1st April, 2019	Changes in equity share capital during 1st April 2019 to 31st March 2020	Balance at the end of the reporting year i.e. 31st March, 2020
1,267.87	-	1,267.87

B. Other Equity

(Rs. in Million)

	Particulars	Balance at the beginning of the reporting period (01-04-2018)	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 (31-03-2019)	Figures at the beginning of the previous reporting period (01-04-2017)
		1	2	3= (1+2)	4	5	6	7	8	9 = (3+4+5-6-7-8)	10
Reserves and Surplus											
(i)	General reserve	1,505.64	-	1,505.64	-	-	-	-	-	1,505.64	1,505.64
(ii)	Security premium reserve	356.13	-	356.13	-	-	-	-	-	356.13	356.13
(iii)	Retained earnings	18,602.71	-	18,602.71	3,483.58	-	-	764.24	-	21,322.05	15,773.72
(iv)	Other comprehensive income	-5.33	-	-5.33	-	-	-367.81	-	-	-373.14	-
	Total	20,459.15	-	20,459.15	3,483.58	-	-367.81	764.24	-	22,810.68	17,635.49

(Rs. in Million)

	Particulars	Balance at the beginning of the reporting period (01-04-2019)	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 (31-03-2020)	Figures at the beginning of the previous reporting period (01-04-2018)
		1	2	3= (1+2)	4	5	6	7	8	9 = (3+4+5-6-7-8)	10
Reserves and Surplus											
(i)	General reserve	1,505.64	-	1,505.64	-	-	-	-	-	1,505.64	1,505.64
(ii)	Security premium reserve	356.13	-	356.13	-	-	-	-	-	356.13	356.13
(iii)	Share option outstanding account	-		-	-	105.03	-	-	-	105.03	-
(iv)	Retained earnings	21,322.05	-	21,322.05	3,091.59	-	-	692.30	-	23,721.34	18,602.71
(v)	Other comprehensive income	-373.14	-	-373.14	-	-	-636.53	-	-	-1,009.67	-5.33
	Total	22,810.68	-	22,810.68	3,091.59		-636.53	692.30	-	24,678.47	20,459.15

Notes forming part of the standalone "Financial Statements" for the year ended 31st March 2020:

1. Corporate Information:

UTI Asset Management Company Limited (The Company) was incorporated on 14th 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 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".

The standalone financial statements were authorized for issue in accordance with resolution of Board of Directors passed on 29thApril 2020.

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.

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 million 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:

2.2 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.

- **Use full 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 43.

- **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.

2.2 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 controlor 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, 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, interms 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, investment in Ascent India Fund, 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.

2.2 C Adoption of new accounting standard 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 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 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, 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.

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 UTIMutual 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 & 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:

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 Rs.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 amortization 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 underdevelopment".

Intangible assets are amortized on straight line basis over the estimated useful life. The method of amortization 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.

Amortization on impaired assets is provided by adjusting the amortization 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.

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.

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 dateof Ind AS, i.e. on 01.04.2017.The Advisory Committee and the Board of IIDF has approved the extension of IIDF till 12.05.2020 in the Board meeting held on 26.04.2019. Since the investment in IIDF will get matured on May 2020, therefore the investment in IIDF has been impaired to the NAV as on March 2020 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 Advisors (UPEA)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.

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 43.

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.

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 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.

2.14 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

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.

3 Cash and Cash Equivalents

(Rs. in Million)

	As at 31 March 2020	As at 31 March 2019
Cash on hand	0.10	0.10
On current accounts	5.51	88.23
	5.61	88.33

4 Receivable

(Rs. in Million)

			As at 31 March 2020	As at 31 March 2019
(i)	Trade receivables			
	Outstanding for a period exceeding six months from			
	the date they are due for payment			
	(Unsecured, considered good)		59.25	26.75
			59.25	26.75
	Others			
	(Unsecured, considered good)		182.97	59.43
			182.97	59.43
			242.22	86.18
(ii)	Other receivables			
	(a)	Others		
		Receivable from Structured Debt Opportunities Fund	-	1.64
			-	1.64
	(b)	Advances to related parties		
		(Unsecured, considered good)		
		Receivable from UTI International Limited	-	-
		Receivable from UTI Capital Private Limited	0.76	0.77
		Receivable from UTI Retirement Solutions Limited	-	-
			0.76	0.77
	(c)	Other Advances		
		(Unsecured, considered good)		
		Receivable from UTI Mutual Fund	97.39	360.16
			97.39	360.16
		Total (a)+(b)+(c)	98.15	362.57

5 Loans

(Rs. in Million)

	As at 31 March 2020	As at 31 March 2019
Loans to employees *	186.30	226.88
Provision for loans & advances	(0.56)	(0.56)
Loan to UTI Employees Co-operative Credit Society Ltd.	3.55	12.26
Short term loan to UTI Capital Ltd.	60.00	-
Security deposits	38.27	42.54
Advances recoverable in cash or kind	151.39	5.96
	438.95	287.08

* Loans are measured at amortised cost as per the requirement of IND AS 109

6 Investments In equity shares of wholly owned subsidiaries

(Rs. in Million)

Details of Investments	As at 31 March 2020			As at 31 March 2019		
	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)	2,081.05	-	2,081.05	2,081.05	-	2,081.05
b. Investments units of Venture Fund	-	125.48	125.48	229.67	-	229.67
Total gross Investments (A)	**2,081.05**	**125.48**	**2,206.53**	**2,310.72**	**-**	**2,310.72**
Investments In equity shares of wholly owned subsidiaries outside India	1,647.52	-	1,647.52	1,647.52	-	1,647.52
Investments In equity shares of wholly owned subsidiaries in India	433.53	125.48	559.01	663.20	-	663.20
Total (B)	**2,081.05**	**125.48**	**2,206.53**	**2,310.72**	**-**	**2,310.72**
Less: Allowance for Impairment (C)	-	87.37	87.37	-	-	-
Total net Investments (D=A-C)	**2,081.05**	**38.11**	**2,119.16**	**2,310.72**	**-**	**2,310.72**

7 Investments

(Rs. in Million)

Structured entities	-	26.35	26.35	-	19.45	19.45
Units of Mutual Fund schemes	-	17,710.53	17,710.53		16,805.79	16,805.79
Units of Venture Fund	-	2,835.15	2,835.15		2,035.85	2,035.85
Total gross Investments (A)	**-**	**20,572.03**	**20,572.03**	**-**	**18,861.09**	**18,861.09**
Investments outside India	-	-	-			-
Investments in India	-	20,572.03	20,572.03	-	18,861.09	18,861.09
Total (B)	**-**	**20,572.03**	**20,572.03**	**-**	**18,861.09**	**18,861.09**
Less: Allowance for impairment (C)	**-**	**-**	**-**	-	-	-
Total net Investments (D=A-C)	**-**	**20,572.03**	**20,572.03**	**-**	**18,861.09**	**18,861.09**

8 Other Financial Assets

(Rs. in Million)

	As at 31 March 2020	As at 31 March 2019
Other Financial Assets		
Receivable from UTI Mutual Fund	0.66	0.66
VSS Liability Fund	255.61	251.01
Investor Education Fund	134.62	120.22
Offshore Development Fund	260.48	218.24
(a)	651.37	590.13
Other Bank balances		
Deposits pledged with bank	854.57	614.50
(b)	854.57	614.50

Deposits pledged with bank against Bank overdraft and Bank guarantee.
Short term deposits with a carrying amount of Rs.500 million (in previous financial year one of the fixed deposit of Rs. 100 million has been renewed with accrued interest of Rs. 6.00 million.) (Previous year Rs.500 million) are held as pledge for overdraft account, Performance bank guarantee to Employees Provident Fund Organisation(EPFO) Rs.200 million (Previous year Rs.100 million), Pension Fund Regulatory and Development Authority (PFRDA) Rs.4.00 million (Previous year Rs.4.00 million), Employee State Insurance Corporation (ESIC) Rs. 100 million (Previous year NIL) and Coal Mines Provident Fund Organization (CMPFO) Rs. 10 million (Previous year NIL) .

(Rs. in Million)

	As at 31 March 2020	As at 31 March 2019
Others		
Application money - UTI Liquid Cash Fund/FMPs	-	-
Interest accrued on fixed deposits	26.59	64.32
Interest accrued on investments	-	-
Interest accrued on loan to UTI Capital Ltd.	1.08	-
Gratuity benefits - assets	-	-
(c)	27.67	64.32
Total = (a)+(b)+(c)	1,533.61	1,268.95

9 Current tax assets (Net)

(Rs. in Million)

	As at 31 March 2020	As at 31 March 2019
Advance Income-tax (Net of provision for tax)	438.88	301.18
	438.88	301.18

10 Investment Property

(Rs. in Million)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening cost (As at 31 March 2018)	Additions during the year	Deductions during the year	Closing Total cost (As at 31 March 2019)	Opening accumulated depreciation (As at 31 March 2018)	For the year	Deductions/ Adjustments during the year	Closing accumulated depreciation (As at 31 March 2019)	As at 31 March 2019	As at 31 March 2018
Buildings	122.88	-	-	122.88	5.20	5.20	-	10.40	112.48	117.68
	122.88	**-**	**-**	**122.88**	**5.20**	**5.20**	**-**	**10.40**	**112.48**	**117.68**

(Rs. in Million)

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	122.88	-	-	122.88	10.40	5.20	-	15.60	107.28	112.48
	122.88	**-**	**-**	**122.88**	**10.40**	**5.20**	**-**	**15.60**	**107.28**	**112.48**

i) Lease rent of Rs.11.72 million (Previous year : Rs.11.72 million) has been received during the year 01.04.2019 to 31.03.2020 for Investment property.

A. Reconciliation of carrying amount	(Rs. in Million)
Balance as at 31 March 2018	122.88
Balance as at 31 March 2019	122.88
Balance as at 31 March 2020	**122.88**
Accumulated depreciation	
Depreciation for the year ended 31 March 2018	5.20
Balance as at 31 March 2018	5.20
Depreciation for the year ended 31 March 2019	5.20
Balance as at 31 March 2019	10.40
Depreciation for the year ended 31 March 2020	5.20
Balance as at 31 March 2020	**15.60**
Carrying amounts	
As at 31 March 2018	117.68
As at 31 March 2019	112.48
As at 31 March 2020	**107.28**
Fair value	
As at 31 March 2018	323.24
As at 31 March 2019	323.24
As at 31 March 2020	**364.10**

B. 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 22.10.2019 as at 31.03.2020 is Rs.364.10 million (31 March 2019: Rs.323.24 million). 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.

11 Property, Plant and Equipments

(Rs. in Million)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening cost (As at 31 March 2018)	Additions during the year	Deductions during the year	Closing Total cost (As at 31 March 2019)	Opening accumulated depreciation (As at 31 March 2018)	For the year	Deductions/ Adjustments during the year	Closing Accumulated depreciation (As at 31 March 2019)	As at 31 March 2019	As at 31 March 2018
Tangible Assets										
Buildings	2,501.66	-	-	2,501.66	66.83	66.83	-	133.66	2,368.00	2,434.83
IT Equipment - Computers & Laptops	44.85	15.56	10.12	50.29	7.86	23.79	9.91	21.74	28.55	36.99
IT Equipment - Servers & Networks	26.16	2.38	1.35	27.19	1.79	11.55	1.34	12.00	15.19	24.37
Furniture & Fixtures	26.06	12.57	4.17	34.46	1.61	6.65	3.95	4.31	30.15	24.45
Vehicles	30.11	16.20	5.68	40.63	3.12	7.21	1.74	8.59	32.04	26.99
Office Equipment	43.33	35.29	13.07	65.55	6.49	17.39	12.34	11.54	54.01	36.84
	2,672.17	**82.00**	**34.39**	**2,719.78**	**87.70**	**133.42**	**29.28**	**191.84**	**2,527.94**	**2,584.47**

(Rs. in Million)

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	2,501.66	-	-	2,501.66	133.66	66.83	-	200.49	2,301.17	2,368.00
IT Equipment - Computers & Laptops	50.29	12.50	20.60	42.19	21.74	19.92	20.43	21.23	20.96	28.55
IT Equipment - Servers & Networks	27.19	50.69	-	77.88	12.00	11.92	-	23.92	53.96	15.19
Furniture & Fixtures	34.46	15.17	6.70	42.93	4.31	8.82	6.07	7.06	35.87	30.15
Vehicles	40.63	18.08	13.51	45.20	8.59	8.57	8.81	8.35	36.85	32.04
Office Equipment	65.55	22.33	11.15	76.73	11.54	22.09	10.10	23.53	53.20	54.01
	2,719.78	**118.77**	**51.96**	**2,786.59**	**191.84**	**138.15**	**45.41**	**284.58**	**2,502.01**	**2,527.94**

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 53 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.82.90 million and Accumulated depreciation of Rs.28.46 million (Previous year : Rs.25.04 million).

iii) Lease rent of Rs.7.05 million (Previous year : Rs.6.69 million) has been received during the year 01.04.2019 to 31.03.2020 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.

12 Right of use assets

(Rs. in Million)

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	-	1,147.43	-	1,147.43	-	167.71	-	167.71	979.72	-
	-	1,147.43	-	1,147.43	-	167.71	-	167.71	979.72	-

13 Capital work-in-progress

(Rs. in Million)

	As at 31 March 2020	As at 31 March 2019
Capital work-in-progress	2.84	8.78
	2.84	8.78

14 Intangible assets under development

(Rs. in Million)

	As at 31 March 2020	As at 31 March 2019
Intangible assets under development	7.56	-
	7.56	-

15 Other Intangible assets

(Rs. in Million)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening cost (As at 31 March 2018)	Additions during the year	Deductions during the year	Closing Total cost (As at 31 March 2019)	Opening accumulated depreciation (As at 31 March 2018)	For the year	Deductions/ Adjustments during the year	Closing accumulated depreciation (As at 31 March 2019)	As at 31 March 2019	As at 31 March 2018
Computer Software	32.11	33.77	0.32	65.56	11.51	21.10	0.32	32.29	33.27	20.60
	32.11	33.77	0.32	65.56	11.51	21.10	0.32	32.29	33.27	20.60

(Rs. in Million)

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	65.56	104.37	-	169.93	32.29	21.03	-	53.32	116.61	33.27
	65.56	104.37	-	169.93	32.29	21.03	-	53.32	116.61	33.27

16 Other Non Financial Assets

(Rs. in Million)

	As at 31 March 2020	As at 31 March 2019
Capital Advances	0.64	6.99
(a)	**0.64**	**6.99**
Deferred Loans and Deposits		
Loans to employees	45.44	56.30
Loan to UTI Employees Co-operative Credit Society Ltd.	0.10	0.84
Rent deposits	24.87	24.28
(b)	**70.41**	**81.42**
Total I= (a)+(b)	**71.05**	**88.41**
Other Assets		
Prepaid expenses	73.66	57.07
Total II	**73.66**	**57.07**
Total I+ II	**144.71**	**145.48**

17 (a) Finance Liabilities

(Rs. in Million)

		As at 31 March 2020	As at 31 March 2019
	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	-	17.02
		-	**17.02**
(II)	**Other payable**		
(i)	total outstanding dues of micro enterprises and small enterprises	7.96	8.95
		7.96	**8.95**
(ii)	total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
	Accrued benefits to employees	421.71	406.70
	Payable to UTI Mutual Fund	-	49.21
	Retention money	7.80	10.39
	Other payables	99.91	103.08
		529.42	**569.38**

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.

(Rs. in Million)

Particulars	As at 31 March 2020	As at 31 March 2019
Principal amount remaining unpaid to any supplier as at the year end	7.96	8.95
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
	-	-

18 Other Financial Liabilities

(Rs. in Million)

	As at 31 March 2020	As at 31 March 2019
VSS Liability Fund	255.61	251.01
Investor Education Fund	134.62	120.22
Offshore Development Fund	260.48	218.24
Payable to SUUTI towards security deposit	0.82	0.82
Lease liability *	1,056.30	-
Total	**1,707.83**	**590.29**

* Lease liability is created on account of implementation of IND AS 116 for leased premises

19 Current tax liabilities (Net)

(Rs. in Million)

	As at 31 March 2020	As at 31 March 2019
Provision for Income Tax (Net of Advance tax)	42.43	39.63
Total	**42.43**	**39.63**

20 Provisions

(Rs. in Million)

	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
Provision for gratuity	129.42	451.00
Provision for leave encashment	99.87	150.55
Provision for pension	524.37	237.88
a	**753.66**	**839.43**
Other provisions		
Provision for litigations	**3.90**	**3.90**
b	**3.90**	**3.90**
Total a+b	**757.56**	**843.33**

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 Rs. 3.90 million (Previous year Rs.3.90 million) in case the verdict is against the company.

21 Deferred Tax Liability (Net)

(Rs. in Million)

		As at 31 March 2020	As at 31 March 2019
i)	**Deferred tax liability:**		
a)	On account of depreciation on Property, plant and equipments	288.21	379.43
	Net impact of IND - AS for investments	69.53	-
b)	Net impact of IND - AS for Loans	-	-
c)	Net impact of IND - AS for Loan to UTIECCSL	0.01	0.06
d)	Net impact of IND - AS for Deposits	-	-
	Net impact of IND - AS for gratuity expenses	-	-
	Net impact of IND - AS for leave encashment expenses	-	-
e)	Net impact of IND - AS for Pension expenses	-	-
f)	Net impact of IND - AS for Lease liability	246.58	-
	a	**604.33**	**379.49**
ii)	**Deferred tax asset:**		
a)	Net impact of IND - AS for Investments	-	102.04
b)	Net impact of IND - AS for Loans	11.54	4.92
c)	Net impact of IND - AS for Loan to UTIECCSL	-	-
d)	Net impact of IND - AS for Deposits	0.79	0.02
e)	Net impact of IND - AS for Gratuity expenses	-	-
f)	Net impact of IND - AS for Leave encashment expenses	-	4.52
g)	Net impact of IND - AS for Pension expenses	-	77.74
h)	Net impact of IND - AS for Right of use assets	265.85	-
i)	On account of Unabsorbed Losses	79.80	-
	b	**357.98**	**189.24**
	Net Deferred tax liability (a-b)	**246.35**	**190.25**

22 Other Non Financial Liabilities

(Rs. in Million)

	As at 31 March 2020	As at 31 March 2019
Service tax payable	-	-
Goods and Service Tax payable	34.43	53.55
TDS payable	37.02	3.10
Krishi Kalyan CESS payable	-	-
Swatch Bharat CESS payable	-	-
Total	**71.45**	**56.65**

23 Share Capital

(Rs. in Million)

	As at 31 March 2020	As at 31 March 2019
Authorised		
200.00 million (31 March 2019: 200.00 million) equity shares of Rs.10/- each	2,000.00	2,000.00
Issued, subscribed and fully paid up		
126.79 million (31 March 2019: 126.79 million) equity shares of Rs.10/- each	1,267.87	1,267.87

a) **Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year**

(Rs. in Million)

	As at 31 March 2020		As at 31 March 2019	
	No. of shares Million	Rs. in Million	No. of shares Million	Rs. in Million
At the beginning of the year	126.795	1,267.95	126.795	1,267.95
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	**126.795**	**1,267.95**	**126.795**	**1,267.95**

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:**

	As at 31 March 2020		As at 31 March 2019	
	No. of shares Million	% Holding	No. of shares Million	% Holding
Equity shares of Rs.10 each fully paid				
State Bank of India	23.125	18.24	23.125	18.24
Life Insurance Corporation of India	23.125	18.24	23.125	18.24
Bank of Baroda	23.125	18.24	23.125	18.24
Punjab National Bank	23.125	18.24	23.125	18.24
T. Rowe Price International Limited	32.965	26.00	32.965	26.00
	125.4647	**98.96**	**125.4647**	**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) **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, 21,91,544 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 Rs. 10 each for an exercise price of Rs. 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. 19th December 2019. The exercise period would be maximum of 4 years from the date of vesting of options. Accordingly, as per IND AS 102 – Share Based Payments, we have charged Rs. 105.30 million in Statement of Profit & Loss Account.

24 Other Equity

(Rs. in Million)

		As at 31 March 2020	As at 31 March 2019
i)	**General Reserve**		
	Balance as per the last financial statements	1,505.64	1,505.64
	Add: amount transferred from surplus balance in the statement of profit and loss	-	-
	Closing Balance	**1,505.64**	**1,505.64**
ii)	**Security Premium Account**		
	Balance as per the last financial statements	356.13	356.13
	Add: Security Premium received during the year		
		356.13	**356.13**
iii)	**Share option outstanding account**		
	Balance as per the last financial statements	-	-
	Add: Share option expense during the year	105.03	-
		105.03	**-**
iv)	**Retained Earnings**		
	Balance as per the last financial statements	21,322.05	18,602.71
	Add : Net impact for fair valuation of investments	-	-
	(Less) : Net impact for fair valuation of rent deposit	-	-
	Add : Net impact for gratuity expenses	-	-
	(Less): Net impact of leave encashment expenses	-	-
	Add : Net impact of pension expenses	-	-
	(Less) : Net impact of deferred tax liability of investments	-	-
	Add : Net impact of deferred tax liability of rent deposit	-	-
	(Less) : Net impact of deferred tax liability on gratuity expenses	-	-
	Add : Net impact of deferred tax liability on leave encashment expenses	-	-
	(Less) : Net impact of deferred tax liability on pension expenses	-	-
	Restated opening balance	**21,322.05**	**18,602.71**
	Profit for the year	3,091.59	3,483.58
	Less: Appropriations		
	Final equity dividend (Note No. 46)	633.94	633.93
	(31 March 2019: Rs.5.00 per share)		
	Tax on equity dividend	58.36	130.31
	Total appropriation	692.30	764.24
	Net balance	**23,721.34**	**21,322.05**
v)	**Other Comprehensive Income (OCI)**		
	Balance as per the last financial statements	(373.14)	(5.33)
	Add: Movement in OCI (Net) during the year	(636.53)	(367.81)
		(1,009.67)	**(373.14)**
	Total Other Equity	**24,678.47**	**22,810.68**

25 Revenue from operations

(Rs. in Million)

		As at 31 March 2020	As at 31 March 2019
(i)	Interest income		
	Interest on loans to employees	12.62	14.09
	Interest income from investments	111.43	96.90
	Interest on deposit with bank	53.18	36.38
	Interest on loans to UTI Capital Ltd.	3.71	-
	Net impact of notional interest on employee loans	(17.75)	(24.97)
	Net impact of notional interest on ECCSL	0.61	0.22
	Net impact of notional interest on deposits	(5.86)	5.76
		157.94	128.38
(ii)	Dividend Income		
	Investment in subsidiaries	-	350.00
	Investments	0.57	0.40
		0.57	350.40
(iii)	Rental Income	82.18	67.61
		82.18	67.61
(iv)	Net gain/loss on fair value changes	481.13	633.20
		481.13	633.20
(v)	Sale of services		
	Details of services rendered		
	Management fees	7,174.49	8,191.69
	Advisory fees	1.77	2.12
	Other operating revenues		
	Fees relating to point of presence under New Pension Scheme	6.21	4.90
		7,182.47	8,198.71
(vi)	Others		
	Net gain/loss on sale of investments	410.97	454.51
		410.97	454.51

26 Other Income

(Rs. in Million)

	Year ended March 31 2020	Year ended March 31 2019
Exchange differences (net)	-	-
Provision no longer required withdrawn (net)	32.07	46.68
Support service fees on inter branch billing GST	262.99	200.44
Other non operating income	7.59	2.59
	302.65	249.71

26.1 Other Comprehensive Income

(Rs. in Million)

	Year ended March 31 2020	Year ended March 31 2019
Re-measurement during the year in Defined Benefit Plan	(525.68)	(467.36)
	(525.68)	(467.36)

27 Expenses

(Rs. in Million)

		Year ended March 31 2020	Year ended March 31 2019
(i)	**Fees and commission expense**		
	Marketing fees and Commission	55.88	63.83
		55.88	**63.83**
(ii)	**Impairement on financial instruments**		
	Investment in Structured entity written off	87.37	-
		87.37	**-**
(iii)	**Employee Benefits Expenses**		
	Salaries and wages	2,380.60	2,293.49
	Contribution to provident and other funds	114.94	97.05
	Expenses on the employee stock option scheme	105.03	-
	Gratuity expense	57.59	48.88
	Leave encashment expense	158.24	137.72
	Pension expense	86.68	51.81
	Staff welfare expenses	175.44	142.99
	Amortisation of employee loans	10.86	(6.86)
	Discount on housing loan benefits	-	-
		3,089.38	**2,765.08**
(iv)	**Finance costs**		
	Interest expense on lease liability	93.02	-
	Other borrowing costs	-	-
		93.02	**-**
(v)	**Depreciation, Amortisation and Impairement**		
	Depreciation of tangible assets	143.35	138.62
	Amortization of intangible assets	21.03	21.10
	Amortization of right of use assets	167.71	-
		332.09	**159.72**
(vi)	**Other Expenses**		
	Power and fuel	57.09	53.97
	Rent	8.58	169.89
	Rates and taxes	22.37	22.05
	Insurance	1.99	2.23
	Repairs and maintenance		
	Computer and office equipment	14.13	20.04
	Buildings/Office premises	144.09	137.65
	Others	0.36	0.44
	Advertising and business promotion	137.07	211.49
	Travelling and conveyance	99.00	107.81
	Communication costs	27.86	30.18
	Printing and stationery	9.88	11.26
	Legal and professional fees	451.32	362.39
	Directors sitting fees	7.20	2.75
	Payment to auditors (Refer (i) below)	3.90	4.07
	Exchange differences (net)	-	-
	Bad debts/advances written off	-	-
	Loss on sale of property, plant and equipments (net)	1.76	0.73
	Membership fees & subscription	105.50	74.62
	Scheme expenses	-	827.50
	Computer consumables	4.73	7.09
	Corporate social responsibility expenses	54.09	82.24
	Other expenses	46.41	42.61
		1,197.33	**2,171.01**
	(i) Payment to auditors		
	As auditors:		
	Audit fee	1.70	1.70
	Consolidation audit fee	0.50	0.50
	Tax audit fee	0.50	0.50
	Limited review fee	0.72	0.70
	In other capacity		
	Other services (certification fee)	0.48	0.67
	Reimbursement of expenses	-	-
		3.90	**4.07**

28 Income Tax

A. Amount recognised in Statement of Profit and Loss :

(Rs. in Million)

	Particulars	Year ended March 31 2020	Year ended March 31 2019
I.	**Tax expenses recognised in the Statement of Profit and Loss**		
	Current Tax:		
	Current Period	726.00	1,400.00
	Tax adjustment for earlier years	-	-
	Deferred Tax:		
	Relating to origination and reversal of temporary differences	(54.75)	39.30
	Income Tax reported in the statement of profit and loss	**671.25**	**1,439.30**
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	(110.85)	99.55
	Income Tax reported in the statement of profit and loss	**(110.85)**	**99.55**
B.	**Reconciliation of Current Tax**		
	Profit before tax as per books (A)	**3,762.84**	**4,922.88**
	Applicable Tax Rate (Effective Tax Rate)	25.17%	34.944%
	Computed Tax Expenses (B)	947.03	1,720.25
	Adjustment:		
	Effect of tax on Exempted Income	(98.07)	(158.85)
	Effect of tax on CSR Expenses	1.65	28.70
	Effect of concessional tax rate on income	-	(170.50)
	Effect of Depreciation	(15.74)	(19.60)
	Effect for IND AS 116 - Lease Accounting	20.12	-
	Effect for Actuarial Valuation	(128.99)	-
	Other *	-	-
	Total effect of tax adjustment (C)	**726.00**	**1,400.00**
	Effective tax rate (in Percentage) (D= C/A)	19.29	28.44

* Other Includes adjustment relating to transition from I GAAP to IND AS

* The applicable Indian corporate statutory tax rate for the year ended March 31, 2020 and March 31, 2019 is 25.168% and 34.944%, respectively.

29 Earnings in foreign currency (accrual basis)

(Rs. in Million)

	Year ended March 31 2020	Year ended March 31 2019
Management fees	48.47	43.16
	48.47	**43.16**

30 Expenditure in foreign currency (accrual basis)

(Rs. in Million)

	Year ended March 31 2020	Year ended March 31 2019
Travelling expenses	2.74	13.33
Professional fees and others	15.87	5.39
Business support service fees	49.89	58.51
	68.50	77.23

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 irrespective of whether transactions have occurred or not

Investor with significant influence	T Rowe Price International Limited (26.00%)
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 (25.896 %) ***
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 (ACEO & WTD),
	Mr. Leo Puri (Managing Director)*,
	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 Patkar (CS),
*Leo Puri has demitted from office w.e.f. close of office hours on 13th August 2018	
** Mr. Kiran Vohra ceases to be company secretary w.e.f. 11th 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.	

ii) Related parties transactions

(Rs. in Million)

Sr. No.	Name of Related Party	Nature of Transactions	Year ended 31.03.2020		Year ended 31.03.2019	
1	UTI International Limited.	Dividend Received	-	-	350.00	-
		Payable towards IPO expense	0.50	0.50	-	-
2	UTI International (Singapore) Private Limited	Business Support Service Fees (Expense)	49.89	11.13	58.51	14.14
		PMS Fees (Income)	31.05	9.17	26.58	6.18
		Reimbursement towards expenses	0.09	-	0.10	-
3	UTI Investment Company Mauritius Limited	PMS Fees (Income)	17.42	4.26	16.57	2.63
4	UTI Retirement Solutions Limited	Rent Income	1.95	-	0.01	-
		Reimbursement received towards employee benefit expenses & administrative Expenses	15.84	-	15.80	-
5	UTI Capital Private Limited	Rent Income	5.07	-	5.07	-
		Reimbursement received towards administrative Expense	3.15	0.76	3.59	0.77
		Reimbursement towards expenses	-	-	1.12	-
		Interest Income	3.71	1.08	-	-
		Payable towards IPO expense	3.59	3.59	-	-
		Loan given	60.00	60.00	-	-
6	UTI Venture Funds Management Company Private Limited	Payable towards IPO expense	1.30	1.30	-	-
7	T Rowe Price International Limited	Reimbursement towards Expenses	4.25	-	7.46	-
		Dividend Paid	164.82	-	164.82	-
8	UTI AMC Ltd Employees Provident Fund	Contribution to the fund	203.70	6.44	193.21	-
9	UTI AMC Ltd Pension Fund	Contribution to the fund	37.55	-	35.47	-

iii) Details of remuneration & Dividend paid to Company's KMPs

(Rs. in Million)

Sr. No.	Nature of Transactions	Year ended	
		31.03.2020	31.03.2019
		Tranasations for the year	Outstanding at the year end
1	Short term employee benefits(*)(**)	59.91	90.62
2	Post employee benefits(*)(**)	7.84	2.79
3	Share Based Payments	9.33	-
4	Director Sitting Fees	7.20	2.75
5	Dividend on Equity Shares	0.02	0.04

**Leo Puri has demitted from office w.e.f. close of office hours on 13th August 2018*

** Mr. Kiran Vohra ceases to be company secretary w.e.f. 20th December 2019.

(0.00 indicates amount less than Rs.0.005 Million)

32 Earnings Per Share

Earnings per share are computed in accordance with IND AS 33

(Rs. in Million)

	As at 31.03.2020	As at 31.03.2019
Profit after tax (In Million)	3,091.59	3,483.58
Weighted average number of equity shares used as denominator for calculating EPS (In Million)	126.79	126.79
Nominal value per share (Rs.)	10.00	10.00
Basic and Diluted EPS (Rs.)	24.38	27.48

*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

(Rs. in Million)

		As at 31.03.2020	As at 31.03.2019
A.	To the extent not provided for		
	Claims against the company not acknowledged as debts (i)	30.90	27.00
	Other money for which the company is contingently liable (ii)	0.10	0.10
	Bank guarantee given Rs. 4 Million (including on behalf of a subsidiary Rs. 2 Million), Employees Provident Fund Organisation (EPFO) (Rs. 200 Million) & Rs. 100 Million to Employees State Insurance Corporation (ESIC) & Rs. 10 Million to Coal Mines Provident Fund Organisation (CMPFO) (iii)	314.00	104.00

(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 Rs. 12.66 Million.

Ex-Registrars & Transfer Agents filed a recovery suit of Rs.31.95 Million 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.13.71 Million 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 Rs 18.24 Million

(ii) The orders cum demand notices for Rs. 0.10 Million (Previous Year Rs 0.10 Million) 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 Rs.4 Million issued to Pension Fund Regulatory and Development Authority (PFRDA) (including on behalf of a subsidiary Rs.2 Million), Rs.200. Million to Employees Provident Fund Organisation (EPFO), Rs. 100 Million to Employees State Insurance Corporation (ESIC) & Rs. 10 Million to Coal Mines Provident Fund Organisation (CMPFO)

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 28th 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 crystallized.

(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 Rs. 403.24 million, 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 Rs. 15.00 million 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. As a result, the company does not expect the demand to crystalise into a liability.

(v) There are 9 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 on 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 15HB 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 Rs. 52.56 Million. We are in the process of filing an appeal before ITAT against such order.

The Income Tax assessment order for Assessment Year 2010-11 have been passed raising a demand of Rs. 22.77 Million. 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 Rs. 12.19 Million. 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 Rs. 13.28 Million. An Appeal have been filed against the order before ITAT.

(iii) DCIT-TP made an upward adjustment of Rs 1,170.46 million in Assessment Year 2016-17 and directed that the income of the company be computed. Accordingly Draft Assessment Order has been passed with proposed addition of Rs 1,175.19 million. An appeal has been filed against such Draft Assessment Order before Dispute Resolution Panel.

35 Capital and other commitments

(a) Estimated amount of contracts remaining to be executed on capital accounts Rs 47.57 Million

(b) As on 31st March, 2020, the company has commitments of Rs 1,750.00 Million towards Structured Debt Opportunity Fund II and Rs 485.50 Million to LIC Housing Finance Ltd - Housing & Infrastructure Fund.

36 Dividend remitted in foreign exchange

(Rs. in Million)

	Year ended	
Year of remittance (ending on)	**March 31, 2020**	**March 31, 2019**
Period to which it relates	1 April 2018 to 31 March 2019	1 April 2017 to 31 March 2018
Number of non-resident shareholders	1	1
Number of equity shares held on which dividend was due (in Million)	32.96	32.96
Amount remitted (in INR)	164.82	164.82

37 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

(Rs. in Million)

Particulars			Note No.	As at 31 March 2020			As at 31 March 2019		
				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	5.51	0.10	5.61	88.23	0.10	88.33
	(b)	Receivable	4						
		(i) Trade receivables		228.55	13.67	242.22	84.58	1.60	86.18
		(ii) Other receivables		98.15	-	98.15	362.57	-	362.57
	(c)	Loans	5	252.85	186.10	438.95	62.79	224.29	287.08
	(d)	Investments in subsidiaries	6	-	2,119.16	2,119.16	-	2,310.72	2,310.72
	(e)	Investments	7	5,921.81	14,650.22	20,572.03	7,241.62	11,619.47	18,861.09
	(f)	Other financial assets	8	14.42	1,519.19	1,533.61	22.43	1,246.52	1,268.95
		Total Financial Assets		6,521.29	18,488.44	25,009.73	7,862.22	15,402.70	23,264.92
(2)	Non - financial assets								
	(a)	Current tax assets (Net)	9	438.88	-	438.88	301.18	-	301.18
	(b)	Deferred tax assets (Net)		-	-	-	-	-	-
	(c)	Investment property	10	-	107.28	107.28	-	112.48	112.48
	(d)	Property, plant and equipments	11	-	2,502.01	2,502.01	-	2,527.94	2,527.94
	(e)	Right of use assets	12	-	979.72	979.72	-	-	-
	(f)	Capital work-in-progress	13	2.84	-	2.84	8.78	-	8.78
	(g)	Intangible assets under development	14	7.56	-	7.56	-	-	-
	(h)	Other intangible assets	15	-	116.61	116.61	-	33.27	33.27
	(i)	Other non financial assets	16	74.29	70.42	144.71	64.06	81.42	145.48
		Total Non Financial Assets		523.57	3,776.04	4,299.61	374.02	2,755.11	3,129.13

(Rs. in Million)

Particulars				Note No.	As at 31 March 2020			As at 31 March 2019		
					Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
			TOTAL ASSETS		7,044.86	22,264.48	29,309.34	8,236.24	18,157.81	26,394.05
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		-	-	-	17.02	-	17.02
			micro enterprises and small enterprises							
		(II)	Other payable							
		(i)	total outstanding dues of micro enterprises		7.96	-	7.96	8.95	-	8.95
			and small enterprises							
		(ii)	total outstanding dues of creditors other than		513.25	16.17	529.42	544.47	24.91	569.38
			micro enterprises and small enterprises							
	(b)	Other financial liabilities		18	105.94	1,601.89	1,707.83	-	590.29	590.29
		Total Financial Liabilities			627.15	1,618.06	2,245.21	570.44	615.20	1,185.64
(2)	Non- financial liabilities									
	(a)	Current tax liabilities (Net)		19	42.43	-	42.43	39.63	-	39.63
	(b)	Provisions		20	753.66	3.90	757.56	839.43	3.90	843.33
	(c)	Deferred tax liabilities (Net)		21	-	246.35	246.35	-	190.25	190.25
	(d)	Other non financial liabilities		22	71.45	-	71.45	56.65	-	56.65
		Total non financial liabilities			867.54	250.25	1,117.79	935.71	194.15	1,129.86
			TOTAL LIABILITIES		1,494.69	1,868.31	3,363.00	1,506.15	809.35	2,315.50

Notes forming part of the standalone financial statements for the year ended 31st March, 2020

38. (a) In accordance with the requirements of the Indian Accounting Standard 19 related to Employee Benefits, in regard to any future obligation related toProvident 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, 2020	March, 2019	March, 2020	March, 2019	March, 2020	March, 2019
Discount rate (per annum)	6.65%	7.50%	6.65%	7.50%	6.65%	7.50%
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 (2006-08) 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

(Rs. Million)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March, 2020	March, 2019	March, 2020	March, 2019
Opening of defined benefit obligation	1,096.99	891.29	1,887.03	1,616.15
Current Service cost	24.52	32.17	72.59	49.03
Past Service cost	-	-	-	-
Interest on defined benefit obligation	78.23	65.54	138.33	121.84
Remeasurement due to:	-	-	-	-
Actuarial loss/ (gain) arising from change in financial assumptions	54.21	93.10	174.05	291.81
Actuarial loss/ (gain) arising from change in demographic assumptions	-	(0.47)	-	-
Actuarial loss/ (gain) arising on account of experience changes	34.49	53.40	334.02	21.27
Benefits paid	(50.85)	(38.04)	(40.19)	(213.07)
Liabilities assumed / (settled)*	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-
Closing present value of defined benefit obligation	**1,237.59**	**1,096.99**	**2,565.83**	**1,887.03**

(ii) Movement in the Fair value of Plan Assets

(Rs. Million)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March, 2020	March, 2019	March, 2020	March, 2019
Opening fair value of plan assets	645.99	636.72	1,649.15	1,530.26
Employer contributions	447.41	0.96	254.63	217.05
Interest on plan assets	48.15	50.46	124.24	119.06
Administration expenses	-	-	-	-
Remeasurement due to:	-	-	-	-
Actual return on plan assets less interest on plan assets	17.47	(4.11)	53.63	(4.15)
Benefits paid	(50.85)	(38.04)	(40.19)	(213.07)
Assets acquired / (settled)*	-	-	-	-
Assets distributed on settlements	-	-	-	-
Closing fair value of plan assets	**1,108.17**	**645.99**	**2,041.46**	**1,649.15**

(iii) Amount recognized in the Balance Sheet

(Rs. Million)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March, 2020	March, 2019	March, 2020	March, 2019
Present Value of funded / unfunded obligation	1,237.59	1,096.99	2,565.83	1,887.03
Fair value of Plan Assets	1,108.17	645.99	2,041.46	1,649.15
Net unfunded obligation	129.42	451.00	524.37	237.88
	-	-	-	-
Net defined benefit liability / (Asset) recognized in balance Sheet	129.42	451.00	524.37	237.88
	-	-	-	-
Non-Financial Liabilities	129.42	451.00	524.37	237.88

(iv) Amount Recorded in Other Comprehensive Income

(Rs. Million)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March, 2020	March, 2019	March, 2020	March, 2019
Opening amount recognized in OCI outside profit and loss account	143.46	(32.66)	617.58	40.81
Re-measurement during the period due to	-	-	-	-
Changes in financial assumptions	54.22	93.10	174.05	291.81
Changes in demographic assumptions	-	(0.47)	-	-
Experience adjustments	34.49	53.40	334.02	21.27
Actual return on plan assets less interest on plan assets	(17.47)	4.11	(53.62)	4.14
Adjustment to recognize the effect of asset ceiling	-	-	-	-
Closing amount recognized in OCI outside profit and loss account	**214.70**	**117.48**	**1,072.03**	**358.03**

(v) Components of Profit and Loss Account expense

(Rs. Million)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March, 2020	March, 2019	March, 2020	March, 2019
Current Service cost	24.52	32.17	72.59	49.03
Past Service cost	-	-	-	-
Administration expenses	-	-	-	-
Interest on net defined benefit liability / (assets)	30.07	15.08	14.09	2.78
(Gains) / losses on settlement	-	-	-	-
Total Expenses charged to profit and loss account	**54.59**	**47.25**	**86.68**	**51.81**

(vi) Reconciliation of Net Liability/ Asset:

a) Employee's Gratuity Fund:

(Rs. Million)

Particulars	March, 2020	March, 2019
Opening net defined benefit liability/ (asset)	451.00	254.57
Expenses charged to profit and loss account	54.59	47.25
Amount recognized outside profit and loss account	71.24	150.14
Employer contributions	(447.41)	(0.96)
Impact of liability assumed or (settled)*	-	-
Closing net defined benefit liability / (asset)	**129.42**	**451.00**

b) Employee's Super Annuation Fund:

(Rs. Million)

Particulars	March, 2020	March, 2019
Opening net defined benefit liability/ (asset)	237.88	85.89
Expenses charged to profit and loss account	86.68	51.81
Amount recognized outside profit and loss account	454.44	317.23
Employer contributions	(254.63)	(217.05)
Impact of liability assumed or (settled)*	-	-
Closing net defined benefit liability / (asset)	**524.37**	**237.88**

*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.

(Rs. Million)

Maturity Profile	Employee's Gratuity Fund	
	March, 2020	March, 2019
Expected benefits for year 1	154.19	107.95
Expected benefits for year 2	137.19	114.10
Expected benefits for year 3	153.09	124.00
Expected benefits for year 4	148.37	140.69
Expected benefits for year 5	176.16	135.94
Expected benefits for year 6	207.59	166.00
Expected benefits for year 7	202.76	191.89
Expected benefits for year 8	188.28	188.29
Expected benefits for year 9	144.43	180.02
Expected benefits for year 10 and above	339.01	443.75

The weighted average duration to the payment of these cash flows is 5.35 years for the year ended March 2020 and 5.75 years for the year ended March 2019.

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).

(Rs. Million)

Maturity Profile	Employee's Super Annuation Fund	
	March, 2020	March, 2019
Expected benefits for year 1	97.07	85.22
Expected benefits for year 2	142.33	100.14
Expected benefits for year 3	164.56	112.74
Expected benefits for year 4	200.86	140.83
Expected benefits for year 5	215.65	161.18
Expected benefits for year 6	284.80	168.37
Expected benefits for year 7	262.41	225.27
Expected benefits for year 8	313.59	215.88
Expected benefits for year 9	332.74	245.08
Expected benefits for year 10	370.95	261.34

The weighted average duration to the payment of these cash flows is 8.41 years for the year ended March 2020 and 8.94 years for the year ended March 2019.

(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, 2020	March, 2019
Discount rate		
Impact of increase in 50 bps on DBO	(4.04)%	(4.12)%
Impact of decrease in 50 bps on DBO	4.32%	4.42%
Pension increase rate		
Impact of increase in 100 bps on DBO	8.71%	8.64%
Impact of decrease in 100 bps on DBO	(8.71)%	(8.64)%
Life expectancy		
Impact of increase in 1 year on DBO	2.11%	1.94%
Impact of decrease in 1 year on DBO	(2.16)%	(2.01)%

b) **Employee's Gratuity Fund**

Particulars	March, 2020	March, 2019
Discount Rate		
Impact of increase in 50 bps on DBO	(2.62)%	(2.81)%
Impact of decrease in 50 bps on DBO	2.73%	2.94%
Salary Escalation Rate		
Impact of increase in 50 bps on DBO	0.77%	1.09%
Impact of decrease in 50 bps on DBO	(0.80)%	(1.17)%

the expected contribution towards the fund for next financial year i.e. FY 2020-21 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.

Characteristics of defined benefits plans and associated risks:

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 setout 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 forgratuity 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 and associated risks:

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 afixed percentage of employee's salary. Employees also contribute to the plan at a fixed percentage of their salary asa 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.

39. 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.

Trade receivables:

Major portion of trade receivables include the AMC fees receivable from UTI Mutual Fund, SUTTI and amount receivable from PLI & RPLI. Based on the past experience, management expects to receive these amounts without any default.

Trade Receivables (Rs. in Million)	March, 2020	March, 2019
0-90 Days	137.25	46.97
91-180 Days	43.04	13.49
181-270 days	34.58	21.61
271-365 Days	13.68	2.51
More than 365 Days	13.67	1.60
Total	**242.22**	**86.18**

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 Rs. 5.61 Million as on 31st March 2020. 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, 2020 (Rs. in Million)		
			Less than 1 year	1-3 years	More than 3 years
Financial Assets:					
Cash and cash equivalents	5.61	5.61	5.51	-	0.10
Receivables	340.37	340.37	326.70	13.67	-
Loans*	438.95	438.95	252.85	72.35	113.75
Investment in Subsidiaries	2,119.16	2,119.16	-	-	2,119.16
Investments	20,572.03	20,572.03	5,921.81	11,471.60	3,178.62
Other Financial assets	1,533.61	1,533.61	14.42	13.25	1,505.94
Total	**25,009.73**	**25,009.73**	**6,521.29**	**11,570.87**	**6,917.57**

Particulars	Carrying Amount	Total	Contractual Cash Flows March, 2019 (Rs. in Million)		
			Less than 1 year	1-3 years	More than 3 years
Financial Assets:					
Cash and cash equivalents	88.33	88.33	88.23	-	0.10
Receivables	448.75	448.75	447.15	1.60	-
Loans	287.08	287.08	62.79	80.26	144.03
Investment in Subsidiaries	2,310.72	2,310.72	-	-	2,310.72
Investments	18,861.09	18,861.09	7,241.62	9,083.37	2,536.10
Other Financial assets	1,268.95	1,268.95	22.43	41.89	1,204.63
Total	**23,264.92**	**23,264.92**	**7,862.22**	**9,207.12**	**6,195.58**

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, 2020(Rs. in Million)		
			Less than 1 year	1-3 years	More than 3 years
Financial Liabilities :					
VSS Liability Fund.	255.61	255.61	-	-	255.61
Investor Education & Protection Fund.	134.62	134.62	-	-	134.62
Offshore Development Fund.	260.48	260.48	-	-	260.48
Payable to SUUTI towards security deposit.	0.82	0.82	-	-	0.82
Lease liability	1,056.30	1,056.30	105.94	204.78	745.58
Payable to Micro enterprises and small enterprises	7.96	7.96	7.96	-	-
Payable to other than Micro enterprises and small enterprises	-	-	-	-	-
Accrued benefits to employees.*	421.71	421.71	421.71	-	-
Payable to UTI Mutual Fund.	-	-	-	-	-
Retention Money.	7.80	7.80	-	7.80	-
Other Payables.	99.91	99.91	91.54	-	8.37
Total	**2,245.21**	**2,245.21**	**627.15**	**212.58**	**1,405.48**

*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 Rs 121.71 million has been charged in the Profit & Loss Account.

Particulars	Carrying Amount	Total	Contractual Cash Flows March, 2019(Rs. in Million)		
			Less than 1 year	1-3 years	More than 3 years
Financial Liabilities :					
VSS Liability Fund.	251.01	251.01	-	-	251.01
Investor Education & Protection Fund.	120.22	120.22	-	-	120.22
Offshore Development Fund.	218.24	218.24	-	-	218.24
Payable to SUUTI towards security deposit.	0.82	0.82	-	-	0.82
Payable to Micro enterprises and small enterprises	8.95	8.95	8.95	-	-
Payable to other than Micro enterprises and small enterprises	17.02	17.02	17.02	-	-
Accrued benefits to employees.	406.70	406.70	406.70	-	-
Payable to UTI Mutual Fund.	49.21	49.21	49.21	-	-
Retention Money.	10.39	10.39	-	10.39	-
Other Payables.	103.08	103.08	88.56	8.11	6.41
Total	**1,185.64**	**1,185.64**	**570.44**	**18.50**	**596.70**

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:

(Rs. in Million)

Particulars	Carrying amount as on	
	March, 2020	March, 2019
Fixed Rate Instruments		
Financial assets	25,009.73	23,264.92
Financial liabilities	(2,245.21)	(1,185.64)
Total	**22,764.52**	**22,079.28**

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:

The Company has invested Rs. 24.75 Million in Institutional Investor Advisory Services India Limited & Rs.0.5 Million in MF Utilities India Private Limited which are susceptible to market price risk arising from uncertainties about future values of the investment securities.

The Investment in subsidiaries has been shown at cost.

40. 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.

(Rs. in Million)

March, 2020	Carrying Amount			Fair Value		
	FVTPL	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial Assets:*						
Other investments	20,572.03	-	20,572.03	20,545.68	-	26.35***
Loans**	-	438.95	438.95	-	438.95	-
Trade receivables	-	242.22	242.22	-	-	-
Cash &cash equivalents	-	5.61	5.61	-	-	-
Other Financial assets	-	1,631.76	1,631.76	-	-	-
Total	**20,572.03**	**2,318.54**	**22,890.57**	**20,545.68**	**438.95**	**28.35**
Financial Liabilities:						
Other Financial liabilities	-	2,245.21	2,245.21	-	-	-
Total	**-**	**2,245.21**	**2,245.21**	**-**	**-**	**-**

(Rs. in Million)

March, 2019(Rs. in Million)	Carrying Amount			Fair Value		
	FVTPL	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial Assets:*						
Other investments	18,861.09	-	18,861.09	18,841.64	-	19.45
Loans**	-	287.08	287.08	-	287.08	-
Trade receivables	-	86.18	86.18	-	-	-
Cash &cash equivalents	-	88.33	88.33	-	-	-
Other Financial assets	-	1,631.53	1,631.53	-	-	-
Total	**18,861.09**	**2,093.12**	**20,954.21**	**18,841.64**	**287.08**	**19.45**
Financial Liabilities:						
Other Financial liabilities	-	1,185.64	1,185.64	-	-	-
Total	**-**	**1,185.64**	**1,185.64**	**-**	**-**	**-**

* 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 2020.

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 31.03.2020 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.

(Rs. in Million)

Particulars	Amount
Balance as at 01st April, 2018	**15.50**
Net gain / (losses) on Financial instruments recognized in the Statement of Profit and Loss	3.95
Purchases of Financial instruments	-
Sales of Financial instruments	-
Balance as at 31st March, 2019	**19.45**
Net gain / (losses) on Financial instruments recognized in the Statement of Profit and Loss	(2.85)
Purchases of Financial instruments	9.75
Sales of Financial instruments	-
Balance as at 31st March 2020	**26.35**

41. 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

(Rs. in Million)

Particulars	March, 2020	March, 2019
Total Liabilities	3,363.00	2,315.50
Less: Cash &cash equivalents	(5.61)	(88.33)
Adjusted Net Debt	**3,357.39**	**2,227.17**
Total Equity	**25,946.34**	**24,078.55**
Adjusted Net Debt to Total Equity Ratio	**0.13**	**0.09**

42. Lease disclosures:

Company as a lessee:

Effective 01st 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 31stMarch, 2020

(Rs. in Million)

Particulars	March, 2020
Current lease liabilities	105.94
Non-current lease liabilities	950.36
Total	**1,056.30**

The following is the movement in lease liabilities during the year ended 31stMarch, 2020

(Rs. in Million)

Particulars	March, 2020
Balance as of 01st April 2019	937.05
Additions	210.39
Finance cost accrued during the year	93.01
Payment of lease liabilities	(182.59)
Adjustments	(1.56)
Balance as of 31st March, 2020	**1,056.30**

The following is the movement in right-of-use asset during the year ended 31stMarch, 2020

(Rs. in Million)

Particulars	March, 2020
Balance as of 01st April 2019	937.05
Additions	210.39
Depreciation chargeduring the year	(167.72)
Adjustments	-
Balance as of 31st March, 2020	**979.72**

The table below provides details regarding the contractual maturities of lease liabilities as at 31stMarch 2020 on an undiscounted basis.

(Rs. in Million)

Particulars	March, 2020	March, 2019
Less than one year	191.60	182.27
One to Five years	647.18	697.37
More than Five years	833.41	976.02

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 Rs.5.24 Million for theyear ended 31st March 2020.

The weighted average incremental borrowing rate applied to lease liabilities for financial year 2019-20 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:

(Rs. in Million)

Particulars (Rs. in Million)	March, 2020	March, 2019
Receivable in less than one year	90.67	82.18
Receivable in one to two year	92.44	90.67
Receivable in two to three year	20.16	92.44
Receivable in three to four year	17.79	20.16
Receivable in four to five year	17.79	17.79
Receivable after five years	9.54	27.34

ii) Amounts recognized in Profit or Loss:

(Rs. in Million)

Particulars	March, 2020	March, 2019
Lease Income	82.18	67.61

43. 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 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. 16th December 2019. The exercise period would be maximum of 4 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 March 31, 2020
Date of Grant	16/12/2019
Outstanding at the beginning of the year	0
Granted during the year	21,91,554
Exercised during the year	0
Forfeited during the year	0
Lapsed/expired during the year	0
Outstanding at the end of the year	21,91,554
Vested and exercisable	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 March 31, 2020
16/12/2019	17/12/2022	728	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 March 31, 2020 included:

Assumptions	Year ended March 31, 2020
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

(Rs. in Million)

Assumptions	Year ended March 31, 2020
Employee stock option scheme (equity settled) (Rs. In Million)	105.03

44. 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.

45. Managerial Remuneration

a) The particulars of the remuneration of the key managerial personnel are as under:

(Rs. in Million)

Particulars	March, 2020	March, 2019
Salary & Allowance (including perquisite & Contribution to Retirement benefits)	67.75	93.41
Total	**67.75**	**93.41**

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.

46. Dividend Recommendation

The Board has recommended a dividend of Rs.7 per share (Previous Year Rs.5 per share) to the shareholders for the FY 2019-20. Accordingly, an amount in accordance to provision of Companies Act 2013 will be accounted in the F Y 2020-21,which is subject to the approval of shareholders at the ensuing Annual General Meeting.

47. Corporate Social Responsibility Expenses:

(a) Gross amount required to be spent by the Company during the year

(Rs. in Million)

Particulars	March, 2020	March, 2019
Amount required to be spent during the year	91.51	85.15
Total	**91.51**	**85.15**

(b) Amount of expenditure incurred on Corporate Social Responsibility activities during the year is as follows:

(Rs. in Million)

SN	Particulars	March, 2020	March, 2019
(i)	Construction/acquisition of any asset	NIL	NIL
(ii)	On purposes other than (i) above	54.09	82.24
	Total	**54.09**	**82.24**

48. 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 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.

49. Pursuant to approval granted by shareholders, the company has initiated the Initial Public Offer by way of Offer for Sale subject to regulatory and other approvals. In this connection, the Company has filed a Draft Red Herring Prospectus with SEBI on 19th December, 2019.

50. 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
Acting Chief Executive Officer & Whole Time Director
(DIN: 01818725)

CA Chetan R. Sapre
Partner
MRN: 116952
Place: Mumbai
Date: The 29th April, 2020

Surojit Saha
Chief Finance Officer

Arvind Patkar
Company Secretary

DIRECTOR'S REPORT

To The Members

UTI Venture Funds Management Company Private Limited.

Your Directors have pleasure in presenting the Nineteenth Annual Report with the Audited Financials of the Company for the year ended March 31, 2020.

Financial Achievements

(Amounts in thousands unless otherwise stated)

	Standalone		Consolidated	
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
Total income	6,807	7,421	7,438	7,704
Loss before Tax	(2,914)	(7,669)	(4,146)	(7,565)
Provision for Taxation incl. Deferred Taxation and Other Comprehensive Income	5,98	1,094	597	1,071
Net (Loss) / Profit after Taxation	(3,512)	(8,764)	(4,743)	(8658)
Balance of Profit brought forward	17,150	25,891	16,626	25,262
Transfer from general reserve	-	-	-	-
Profit available for appropriation	13,637	17,150	16,626	16,626
Appropriations				
Capital Redemption Reserve	-	-	-	-
General Reserve	-	-	-	-
Interim Dividend	-	-	-	-
Tax on Dividend	-	-	-	-
Balance carried to Balance Sheet	13,637	17,150	16,626	16,626

Review of Operations

Income

The total income for the year was Rs. 6,807/- as against the previous year's income of Rs. 7,421/-. The income of your Company is on account of other income which comprises mainly profit on sale of current investments and treasury income.

Expenses

Your Company's total expenses for the year were Rs. 9,722/- as against Rs. 15,091/- in the previous year.

Profits

Your Company made a loss after tax for the year amounting to Rs.3,512/- as compared to Rs. 8,764/- in the previous year.

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 authorized share capital as on March 31, 2020 was Rs. 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 March 31, 2020 was Rs.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 are pleased to recommend a dividend of Rs. 8.79/- (Rupees Eight and Seventy-Nine paisa) per equity share of the face value of Rs. 10/- (Rupees Ten each) (@87.91%) for the year ended 31.03.2020 subject to the shareholders' approval in their 19th Annual General Meeting to be held on 29th June 2020. The Company has utilized the free reserves of the Company available as on 31st March 2020 to the extent required to declare dividend by complying with the provisions of the Company Act, 2013. The Company has declared a dividend of Rs. 4,00,00,000/- (Rupees Four Crore only).

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 Advisors Ltd., Mauritius, continues to be a subsidiary of the Company. 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 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.

Extract of Annual Return:

The extract of Annual Return as prescribed under Section 92(3) of the Companies Act, 2013 ("the Act") and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is enclosed herewith as Annexure -2.

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 for the year 2019-20.

Further the Auditors' Report for the financial year ended, 31st March, 2020 is annexed herewith for your kind perusal and information as **Annexure –3.**

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-5 to the Ind AS financial statements regarding fair value of investments in certain funds as at March 31, 2020 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.

Comment on Point (xi) Annexure – A to Independent Auditors Report:

The remuneration paid /provided as payable to the Managing Director for the current year and immediately preceding previous year have not been approved by the shareholders in terms of Section 196(4) of the Act. We understand that the Company will be seeking the ratification of the shareholders at the ensuing Annual General Meeting"

Board' Reply:

The Company has passed a resolution seeking member's ratification in the current Annual General Meeting.

C&AG report:

Your Company isyet to receive a certificate under Section 143(6)(b) of the Companies Act , 2013 on the Standalone and the Consolidated financial Statements of the Company for the year ended March 31, 2020.

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 – Professional Fee: Rs.41,14,252.23/-

Legal Expense: Rs.2,81,081.26/-

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 covered under the mandatory provisions of CSR under the Act, for the said financial year. The detail has been annexed in **Annexure – 4**.

Directors and Key Managerial Personnel ("KMP"):

For the financial year ended 31st March 2020, Mr. K.E.C Rajakumar (DIN: 00044539) Managing Director, Mr. I Rahman (DIN: 01818725) Nominee Director, Mr. Venkatadri Chandrasekaran (DIN: 03126243) Director and Mr. Surojit Saha (DIN: 06584521), Additional Director are on the Board of your Company.

Mr. Surojit Saha (DIN: 06584521) was appointed as Additional Director with effect from 23rd March 2020.

Subsequently, Mr. K.E.C Rajakumar (DIN: 00044539) Managing Director, has resigned from his post with effect from 24th April 2020 (i.e. after the end of financial year 2019-20).

Meetings of the Board of Directors:

The Company has held 8 (Eight) 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. Imtaiyazur Rahman	Mr. Venkatadri Chandrasekaran	Mr. Surojit Saha
22-04-2019	✓	×	✓	NA
19-08-2019	×	✓	✓	NA
09-09-2019	✓	✓	✓	NA
20-09-2019	✓	×	✓	NA
17-10-2019	✓	×	✓	NA
31-12-2019	×	✓	✓	NA
22-01-2020	✓	×	✓	NA
23-03-2020	✓	×	✓	NA

✓Present × Absent

Meetings of CSR Committee:

Date of Meeting	Attendance of Members of the Committee	
	Mr. Venkatadri Chandrasekaran	Mr. KEC Raja Kumar
23-03-2020	✓	✓

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 the financial Year 2019-20.

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 the Financial Year 2019-20.

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, 2013pertaining to the Secretarial Audit do not apply to our Company.

Cost Audit:

The provisions of Section 148 of the Companies Act, 2013pertaining to the Cost Audit do not apply to our Company.

Vigil Mechanism:

The provisions of Section 177(9) and (10) of the Companies Act, 2013do 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 beencomplied with.

Complaints of sexual harassment:

No complaints of sexual harassment have been received during the said financial year.

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 March 31, 2020 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 March 31, 20 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 extend

For and on behalf of the Board of Directors

Place: Mumbai
Date: April 24, 2020

Surojit Saha Director **(DIN: 06584521)**	**Imtaiyazur Rahman** Nominee Director **(DIN: 01818725)**

Annexure 1

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 Advisors Ltd., Mauritius	
The date since when subsidiary was acquired	September 19, 2005	
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	April 01, 2019 to March 31, 2020	
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 March 31, 2020 for Profit & loss items and for Balance sheet items Rs. 75.3859/USD (RBI Rate)	
Particulars	As on March 31, 2020 (Amounts in Rs.)	As on March 31, 2019 (Amounts in Rs.)
Share Capital	797,335	797,335
Reserves & Surplus	(18,65,273.32)	(16,20,407)
Total Assets	24,726.57	96,563
Total Liabilities	24,726.57	96,563
Investments	NIL	6,917
Turnover	6,57,741.98	2,92,110
Profit/(loss) before taxation	(99,283.23)	411,431
Provision for taxation	NIL	NIL
Profit/(loss) after taxation	(99,283.23)	411,431
Proposed Dividend	NIL	NIL
Extent of Shareholding (in percentage)	100%	100%

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	Imtaiyazur Rahaman Nominee Director DIN: 01818725

Date: April 24, 2020

Place: Mumbai

Annexure 2

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March 2020

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

I. REGISTRATION AND OTHER DETAILS:

CIN	U65991KA2001PTC028827
Registration Date	27/03/2001
Name of the Company	UTI Venture Funds Management Company Private Limited
Category of the Company	Company Limited by shares
Sub-Category of the Company	Indian Non-Government Company
Address of the registered office and contact details	No. 1, Ali Askar Road Bengaluru Bangalore - 560052
Email id of the Company	admin@utiventures.com
Whether listed company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	Not applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Management Fees	64990	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Nameand addressof the company	CIN/GLN	Holding/ subsidiary/ Associate	%of shares held	Applicable Section
1	UTI Asset Management Company Limited (including 70 shares held by their nominees)	U65991MH2002GOI137867	Holding	100%	Sec 2(46) of the Companies Act 2013
2.	UTI Private Equity Advisors Ltd., Mauritius	NA	Subsidiary	100%	Section 2(87)(ii) of the Companies Act, 2013

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF									
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.									
e) Banks/FI									
f) others									
Sub-total		45,50,000	45,50,000	100%		45,50,000	45,50,000	100%	
(A)(1): -		45,50,000	45,50,000	100%		45,50,000	45,50,000	100%	
(2) Foreign									
a) NRIs- Individuals									
b) Others– Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) others									

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Sub-total									
(A)(2): -									
Total shareholding of Promoter (A)=									
(A)(1) +(A) (2)		45,50,000	45,50,000	100%		45,50,000	45,50,000	100%	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total									
(B)(1): -									
1. Non- Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital up toRs.1lakh									
ii) Individual shareholders holding nominal share capital in excessofRs1 lakh									
c)Others(specify)									
Sub-total(B)(2): -									
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)		45,50,000	45,50,000	100%		45,50,000	45,50,000	100%	

(ii) Share holding of Promoters:

Sl. No.	Shareholders 'Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	%of total Shares of the company	%of Shares Pledged/ encumbered to total shares	No. of Shares	%of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1	UTI Asset Management Company Limited(including 70 shares held by their nominees)	45,50,000	100%	NIL	45,50,000	100%	NIL	No change
	Total	45,50,000	100%	NIL	45,50,000	100%	NIL	change

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	%of total shares of the company	No. of shares	%of total shares of the company
1	At the beginning of the year	45,50,000	100%	45,50,000	100%
2	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	NIL	NIL	NIL	NIL
3	At the End of the year			45,50,000	100%

(iv) Share holding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1	For Each of the Top10 Shareholders	No. of shares	%of total shares of the company	No. of shares	%of total shares of the company
2	At the beginning of the year				
3	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease(e.g. allotment/ transfer/ bonus/sweat equity etc.):				
4	At the End of the year(or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the Beginning of the year beginning of the year beginning of the year		Cumulative shareholding during the year	
1	For Each of the Directors and KMP Mr. KEC Raja Kumar	No. of shares	%of total shares of the Company	No. of shares	%of total shares of the Company
2	At the beginning of the year*	10	0.00022%	10	0.00022%
3	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat Equity etc.)				
4	At the End of the year	10	0.00022%	10	0.00022%

*Mr. KEC Raja Kumar holding 10 equity shares of Rs.10/- each as a nominee shareholder of UTI Asset Management Company Limited.

Sl. No.	For Each of the Directors and KMP	Shareholding at the Beginning of the year beginning of the year beginning of the year		Cumulative shareholding during the year	
1	For Each of the Directors and KMP Mr. Imtaiyazur Rahman	No. of shares	%of total shares of the Company	No .of shares	%of total shares of the Company
2	At the beginning of the year*	10	0.00022%	10	0.00022%
3	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat Equity etc):				
4	At the End of the year	10	0.00022%	10	0.00022%

*Mr. I Rahman holding 10 equity shares of Rs.10/- each as a nominee shareholder of UTI Asset Management Company Limited.

V. INDEBTEDNESS

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		K E C Raja Kumar	-	-	-	
1.	**Gross salary:** (a) Salary as per provisions containe dinsection17(1) of the Income-tax Act, 1961 (b) Value of per quisitesu /s17(2)Income-tax Act,1961 (c) Profitsinlieu of salary undersection17(3 Income- taxAct,1961	4,78,654				4,78,654
2.	Stock Option					
3.	Sweat Equity					
4.	Commission - as % of profit - Others ,specify					
5.	Others, pleases pacify					
	Total(A)	**4,78,654**				**4,78,654**
	Ceiling as per the Act					

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors		Total Amount
1		I Rahman	V Chandrashekaran	
2	Independent Directors ·Fee for at tending board committee meetings ·Commission ·Others ,please specify	NIL	NIL	NIL
	Total(1)	NIL	NIL	NIL
3	Other Non-Executive Directors ·Fee for at tending board committee meetings ·Commission ·Others,pleasespecify	NIL	4,20,000	4,20,000
	Total(2)	NIL	4,20,000	4,20,000
	Total(B)=(1+2)	NIL	4,20,000	4,20,000
	Total Managerial Remuneration			
	Overall Ceiling as per the Act			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	**Gross salary:** (a)Salary as per provisions contained in section 17(1)of the Income-tax Act,1961 (b)Value of per quisitesu/s 17(2)Income-tax Act,1961 (c) Profits in lieu of salary under section 17(3)Income-tax Act,1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit -others ,specify				
5.	Others, please specify				
	Total				

VII Penalties/Punishments/Compounding of offences:

Type	Section of the Companies Act	Brief Description	Details of penalty/ punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details
A.COMPANY-NIL					
Penalty					
Punishment					
Compounding					
B. DIRECTORS-NIL					
Penalty					
Punishment					
Compounding					
C. OTHEROFFICERSINDEFAULT-NIL					
Penalty					
Punishment					
Compounding					

By the Order of the Board

For UTI Venture Funds Management Company Private Limited

Surojit Saha
Director
(DIN: 06584521)

Imtaiyazur Rahman
Managing Director
(DIN: 01818725)

Date: April 24, 2020

Place: Mumbai

DETAILS OF SHAREHOLDERS

Sl No.	Name of the shareholder and ledger folio	Address of the shareholder	No. of equity shares of Rs.10/- each held at the end of the year (31/03/2020)	% of Shares held
1	*K E C RajaKumar & E/05	96/A, 7th cross, 2nd main, 1st block, R.M.V 2nd stage, Bangalore, Karnataka-560094	10	0.0002%
2	*Ajay Mittal & E/06	Flat no. 343, III Block, 4th Floor, Ranka park Apts, Lalbagh road, Bangalore-560027	10	0.0002%
3	UTI Asset Management Company Limited & E/11	UTI tower Gn Block, Opp ICICI Bank, Bandra Kurla Complex, Bandra East, Mumbai	45,49,930	99.9984%
4	*I Rahman & E/13	E-402, Dheeraj Heritage, Recidency II, Daulat Nagar, Santacruz West Mumbai - 400054	10	0.0002%
5	*Sunil Kumar Kolangara & E/17	R 07, Block “Ruby”, Golden enclave, Old Airport road, Bangalore-560008	10	0.0002%
6	*Vinay Lakhotia & E/18	Shiv Darshan CHS, Sector-12, Flat No.801, Sanpada, Navi Mumbai-400705	10	0.0002%
7	*Surojit Saha & E/19	A 403, Temple View, Raheja Township, Malad (East), Mumbai - 400097	10	0.0002%
8	*Vivek Maheshwari & E/20	C/o. UTI AMC Ltd. UTI tower G n Block, Opp ICICI Bank, Bandra Kurla Complex, Bandra East, Mumbai	10	0.0002%
	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)

CORPORATE SOCIAL RESPONSIBILITY

Annexure: 4

Format for the Annual Report on CSR Activities to be included in the Board's Report

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

UTI Venture Funds Management Company Private Limited ("UTI") was incorporated with a main object of managing Private Equity and Venture Funds etc.,

In accordance with the requirements under Section 135 of the Companies Act, 2013, ("Act") the Board of Directors of UTI has set up a CSR Committee during the financial year 2019-20. The CSR Committee so set-up has recommended the activities to be carried out and the spending to be done on CSR activities to the Board of Directors.

The CSR Committee has recommended to the Board to carry out any of the CSR activities as per Schedule VII of the Act, as amended from time to time, which has been approved by the Board.

1. **A Brief outline of the Company's CSR Policy:**

   UTI focuses on CSR initiatives that promote the areas identified in this policy.

2. **The Composition of CSR Committee:**

   The Current members of the CSR Committee of the Board are:

   i) Mr. Venkatadri Chandrasekaran

   ii) Mr. Raja Kumar

3. **Average net profits of the Company for last three financial years:** = Rs.4,72,50,000/-

4. **Prescribed CSR expenditure (two percent of the amount as in item above):** = Rs.9,45,000/-

5. **Details of CSR spent during the Financial Year:**

   i. Total Amount to be spent for the Financial Year: Rs.9,45,000/-

   ii. Amount unspent, if any: Nil

   iii. Manner in which the amount spent during the Financial Year is detailed below;

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No	CSR Project or Activity	Sector in which the project is covered	Projects or Programs: 1) Local Area or other Area. 2) Specify the state and district where projects or programs was undertaken	Amount Outlay project or programs wise	Amount spent on the projects or programs sub-heads: 1) Direct expenditure on projects or programs 2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Universal Social & Educational Trust	Runs a school for underprivileged children	Bengaluru	Rs.6,50,000/-	Rs.6,50,000/-	Rs.6,50,000/-	Implementing agency
2	Alva's Education Foundation	Runs a school for underprivileged with free boarding and lodging. Currently having only Kannada medium, have plans to include English medium	Bengaluru	Rs.2,45,000/-	Rs.2,45,000/-	Rs.2,45,000/-	Implementing agency
3	Centre for Wildlife Studies	It is a 36 –year- old internationally recognized centre-of- excellence in the areas of research, in situ conservation. policy & education	Bengaluru	Rs.50,000/-	Rs.50,000/-	Rs.50,000/-	Implementing agency
	Total				Rs.9,45,000/-	Rs.9,45,000/-	

6. The CSR committee hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR activities and policy of the Company.

For and on behalf of the Board of Directors

Place: Mumbai
Date: April 24, 2020

Surojit Saha
Director
DIN: 06584521

Imtaiyazur Rahman
Nominee Director
DIN: 01818725

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OFUTI VENTURE FUNDS MANAGEMENT COMPANY PRIVATE LIMITED

Qualified Opinion

We have audited the accompanying consolidatedInd 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 March 31, 2020, 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 March 31, 2020, Statement of Profit &loss, changes in equity and its cash flows for the yearended on that date.

Basis for Qualified Opinion

a. Attention of the members is invited to the footnote to note-5 to the Ind AS financial statements regarding fair value of investments in certain funds as at March 31, 2020being 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 theseInd AS financial statements for the yearended on that date.

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 annexures 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 ConsolidatedInd 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 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 March 31, 2020 taken on record by the Board of Directors, none of the directors of the Company are disqualified as on March 31, 2020 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 Rs.50 Crores and their borrowings from banks and financial institutions at any time during the year is less than Rs.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, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigations which would impact its consolidated financial statements.

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

   iii. There were no amounts outstanding as at March 31, 2020 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 March19, 2020, 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 2019-20.

   iii. There were no funds received by the Company from Central/State agencies.

Other matters

We did not audit the financial statements of UTI Private Equity Limited, Mauritius, a wholly owned subsidiary of the Company which reflect total assets of Rs.24,728 as at March 31, 2020, total revenues of Rs.6,30,631 and net cash outflows amounting to Rs.50,059, resulting in closing cash and cash equivalents being negative to the tune of Rs.17,942 for the year ended on that date. These financial statements were audited M/s Aejaz Nazir Associates & Co, Chartered Certified Accountants, Mauritius, whose report dated 10.04.2020has been furnished to us by the management and our opinion is based placing reliance on the report of the said auditors. Our opinion is not qualified in respect of this matter. The financial statements of this subsidiary have been prepared in accordance with International Financial Reporting Standards (IFRS). Management has represented to us that in view of the limited nature of operations of this company, impact of differences, if any between accounting policies followed by it and by the Parent company will not be material. We have relied on these representations.

For Chandran & Raman
Chartered Accountants
Firm Registration No. 000571S

Sd/-

P R Suresh
Partner
Membership No: 027488
UDIN: 20027488AAAAAW1149

Place: Bangalore
Date: 8th May, 2020

CONSOLIDATED BALANCE SHEET
as at March 31, 2020

Particulars	Note No.	As at March 31, 2020 (Rs.)	As at March 31,2018 (Rs.)
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	3	7,73,54,735	2,54,52,959
(b) Bank balances other than (a) above	4	-	5,00,00,000
(c) Investments	5	6,70,54,332	7,79,65,467
(d) Other financial assets	6	-	19,21,145
Total Financial Assets		14,44,09,067	15,53,39,571
(2) Non-Financial Assets			
(a) Current tax assets (net)	7	5,86,299	5,42,838
(b) Property, plant and equipment	9(a)	-	-
(c) Intangible Assets	9(b)	-	-
(d) Other Non Financial assets	8	29,855	1,30,631
Total Non-Financial Assets		6,16,154	6,73,469
TOTAL ASSETS		**14,50,25,221**	**15,60,13,040**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Trade payables			
- total outstanding dues of micro and small enterprises (Refer Note 21)		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		10,66,898	12,23,394
(b) Other Financial Liabilities	10	5,17,609	86,499
Total Financial Liabilities		15,84,507	13,09,893
(2) Non-Financial Liabilities			
(a) Deferred Tax Liability	26	30,38,161	24,48,698
(b) Provisions	11	6,48,000	77,10,517
Total Non-Financial Liabilities		36,86,161	1,01,59,215
EQUITY			
Equity Share Capital	13	4,55,00,000	4,55,00,000
Other Equity	12	9,42,54,553	9,90,43,932
		13,97,54,553	14,45,43,932
TOTAL EQUITY AND LIABILITIES		**14,50,25,221**	**15,60,13,040**

See accompanying notes forming part of the financial statements 1 to 32

For **Chandran & Raman**
Chartered Accountants
FRN 000571S

P. R. Suresh
Partner
Membership No 027488
UDIN: 20027488AAAAAW1149

Place : Bangalore
Date : 08.05.2020

For UTI Venture Funds Management Co. Pvt. Ltd.

Imtaiyazur Rahman
Director

KEC Raja Kumar
MD & CEO

Ajay Mittal
Director - PE

Place : Bangalore
Date : 24.04.2020

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the period ended March 31, 2020

Particulars	Note No.	For the year ended March 31, 2020 (Rs.)	For the year ended March 31, 2019 (Rs.)
Income			
(a) Revenue from Operations	14		
i) Interest Income		46,55,455	36,09,925
ii) Net Gain/(Loss) on fair value changes		(8,73,196)	16,03,399
iii) Others - Net gains from derecognition of financial instruments under FVTPL category		22,553	21,95,134
Total Revenue from Operations		38,04,812	74,08,458
(b) Other Income	15	36,33,191	2,96,301
Total Income		**74,38,003**	**77,04,759**
Expenses			
Employee Benefits Expenses	16	13,51,534	3,96,142
Depreciation and Amortisation expense	9	-	10,938
Other Expenses	17	1,02,32,545	1,48,62,254
Total expenses		**1,15,84,079**	**1,52,69,334**
Profit/(Loss) before exceptional items and Tax		**(41,46,076)**	**(75,64,575)**
Exceptional item		-	-
Profit/(Loss) before tax		**(41,46,076)**	**(75,64,575)**
Tax expense:	26		
- Current tax expense for current year		-	-
- Short/(Excess) tax provsion relating to earlier years		8,396	7,74,095
- Deferred tax expense/(income)		5,89,463	3,20,297
		5,97,859	**10,94,392**
Profit/(Loss) After Tax		**(47,43,935)**	**(86,58,967)**
* 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		-	31,566
Deferred tax on remeasurement of defined benefit plans		-	(8,782)
Other Comprehensive Income for the year		-	22,784
Total Comprehensive Income for the year		**(47,43,935)**	**(86,36,183)**
Basic and diluted earnings per equity share (of Rs. 10/- face value)			
- before exceptional items		(1.04)	(1.90)
- after exceptional items		(1.04)	(1.90)
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 32

For **Chandran & Raman**
Chartered Accountants
FRN 000571S

P. R. Suresh
Partner
Membership No 027488
UDIN: 20027488AAAAAW1149

Place : Bangalore
Date : 08.05.2020

For UTI Venture Funds Management Co. Pvt. Ltd.

Imtaiyazur Rahman
Director

KEC Raja Kumar
MD & CEO

Ajay Mittal
Director - PE

Place : Bangalore
Date : 24.04.2020

CONSOLIDATED CASH FLOW STATEMENT
for the year ended March 31, 2020

PARTICULARS	For year ended March 31, 2020 (Rs.)		For Year ended March 31, 2019 (Rs.)	
A. Cash flows from operating activities				
Net profit/(loss) after taxation		(47,43,935)		(86,58,967)
Adjustments for:				
Provision for taxation	5,97,859		10,94,392	
Depreciation	-		10,938	
Fair value gains/losses on financial instruments	8,73,196		(16,03,399)	
Distributed profit from venture fund	-		-	
Profit on sale of Current and Non Current Investments (net)	(22,553)		(21,95,134)	
Profit on sale of Fixed Assets	-		(12,205)	
Provision for onerous contract	(35,15,953)		(1,16,325)	
Provision for contingencies	-		3,63,280	
Rental expenses/(interest income) on fair valuation of security deposit	-		(51,683)	
Interest income on fixed deposits	(46,30,672)		(29,26,064)	
Foreign exchange fluctuation adjustment of investments in FCTR	(622)		(413)	
Provision for dimunition/(write back) (net)	-	(66,98,745)	-	(54,36,613)
Operating profit before working capital changes		(1,14,42,680)		(1,40,95,580)
Adjustments for changes in working capital:				
(Increase) / Decrease in Trade receivables	-		1,10,575	
(Increase) / Decrease in loans & advances	-		1,46,21,621	
(Increase) / Decrease in other financial assets	-		-	
(Increase) / Decrease in other current assset	1,00,776		7,09,153	
Increase / (Decrease) in trade payables	(1,56,496)		1,47,346	
Increase / (Decrease) in long term provisions	-		-	
Increase / (Decrease) in short term provisions	(35,46,564)		1,32,142	
Increase / (Decrease) in other current liabilities	4,31,110	(31,71,174)	(28,897)	1,56,91,941
Cash generated from operations		(1,46,13,854)		15,96,361
Income taxes paid (net of refunds)		(51,857)		(2,91,345)
Net cash from operating activities		(1,46,65,711)		13,05,016
B. Cash flows from investing activities				
Receipts from distributions from venture funds	7,700		-	
Proceeds from sale of Furnitures	-		15,000	
Proceeds from redemption of investments (mutual funds)	1,00,53,414		7,28,25,034	
Purchase of investments (mutual funds)	-		-	
Investments in fixed deposits	5,00,00,000		(5,00,00,000)	
Interest received on fixed deposits	65,51,817		10,04,919	
Net cash from investing activities		6,66,12,931		2,38,44,953
Net increase/(decrease) in cash and cash equivalents		5,19,47,220		2,51,49,969
Effect of foreign exchange rate changes		(45,444)		(15,188)
Cash and cash equivalents at the beginning of the year		2,54,52,959		3,18,178
Cash and cash equivalents at the end of the year		7,73,54,735		2,54,52,959

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
FRN 000571S

P. R. Suresh
Partner
Membership No 027488
UDIN: 20027488AAAAAW1149

Place : Bangalore
Date : 08.05.2020

For UTI Venture Funds Management Co. Pvt. Ltd.

Imtaiyazur Rahman
Director

KEC Raja Kumar
MD & CEO

Ajay Mittal
Director - PE

Place : Bangalore
Date : 24.04.2020

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

1 Background

a) UTI Venture Funds Management Co. Pvt. Ltd. ("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. March 31, 2020.

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.

c) 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 $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 Advisors as per Ind AS 110 will not be proper.

Accordingly, the financial statements of Ascent India Limited have been excluded from consolidation.

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.

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.

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.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2020

A. Equity Share Capital

Particulars	Amount (Rs.)
Equity Shares of Rs. 10/- each, Issued, Subscribed & Fully Paid Up	
As at April 1, 2018	4,55,00,000
Changes in equity share capital	-
As at March 31, 2019	4,55,00,000
As at April 1, 2019	4,55,00,000
Changes in equity share capital	-
As at March 31, 2020	**4,55,00,000**

B. Other Equity

Particulars	Reserves and Surplus					Total Other Equity
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	FCT Reserve	
Balance as at April 1, 2018	1,90,09,046	45,00,700	5,76,94,470	2,52,62,710	12,28,377	10,76,95,303
Loss for the year	-	-	-	(86,58,967)	-	(86,58,967)
Changes during the year	-	-	-	-	(15,188)	(15,188)
Other comprehensive income - Remeasurement of defined benefit obligation	-	-	-	22,784	-	22,784
Balance as at March 31, 2019	1,90,09,046	45,00,700	5,76,94,470	1,66,26,527	12,13,189	9,90,43,932
Loss for the year						
Changes during the year	-	-	-	(47,43,935)	-	(47,43,935)
Other comprehensive income - Remeasurement of defined benefit obligation	-	-	-	-	(45,444)	(45,444)
Balance as at March 31, 2020	1,90,09,046	45,00,700	5,76,94,470	1,18,82,592	11,67,745	9,42,54,553

3. Cash and Cash Equivalents

Particulars	As at March 31, 2020 (Rs.)	As at March 31, 2019 (Rs.)
Cash in Hand	-	-
Balance with bank in current account	7,73,54,735	8,90,647
Balance with bank in deposit account (less than 3 months)	-	2,45,62,312
TOTAL	**7,73,54,735**	**2,54,52,959**

4. Cash and Cash Equivalents

Particulars	As at March 31, 2020 (Rs.)	As at March 31, 2019 (Rs.)
Balance with bank in deposit account (more than 3 months)	-	5,00,00,000
TOTAL	**-**	**5,00,00,000**

5. Investments (unquoted)

Particulars	As at March 31, 2020 (Rs.)	As at March 31, 2019 (Rs.)
Investments in Equity Instruments (at cost)		
a. Investment in Ascent India Ltd, Mauritius	7,539	6,917
(100 (As at March 31, 2019, 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 March 31, 2019 - 955,239.448) units)	51,31,764	1,72,03,958
Investments in Units of Fund (at fair value through profit or loss)		
a. Investment in Ascent India Fund - III*	1,97,846	1,97,661
(1,750.050 (As at March 31, 2019 - 1,750.050) Class D Units of Rs. 100/- each)		
b. Investment in Ascent India Fund - III*	6,17,17,183	6,05,29,939
(495,770.890 (As at March 31, 2019 - 495,770.890) Class C Units of Rs. 100/- each)		
c. Investment in Ascent India Fund*	-	26,992
(Nil (As at March 31, 2019 - 1,429.570) Class C Units of Rs. 100/- each)		
TOTAL	**6,70,54,332**	**7,79,65,467**
Aggregate amount of unquoted investments	6,70,54,332	7,79,65,467

6. Other financial assets (unsecured, considered good)

Particulars	As at March 31, 2020 (Rs.)	As at March 31, 2019 (Rs.)
Interest accrued on Bank Deposit	-	19,21,145
Other loans & advances	-	-
TOTAL	**-**	**19,21,145**

7. Current tax assets

Particulars	As at March 31, 2020 (Rs.)	As at March 31, 2019 (Rs.)
Advance Income Tax (Net of provisions)	5,86,299	5,42,838
TOTAL	**5,86,299**	**5,42,838**

8. Other Non Financial Assets

Particulars	As at March 31, 2020 (Rs.)	As at March 31, 2019 (Rs.)
Prepaid Expenses	29,855	1,30,631
TOTAL	**29,855**	**1,30,631**

* Fair value of units in Ascent India Fund and Ascent India Fund III are based on unaudited statements.

9(a). Property, Plant and Equipment

	Furniture & Fixtures	Total
Cost		
As at April 1, 2019	-	-
Additions	-	-
Disposals	-	-
At March 31, 2020	**-**	**-**
Depreciation/Amortisation		
At April 1, 2019	-	-
Charge for the year	-	-
Disposals	-	-
At March 31, 2020	**-**	**-**
Net Block		
At March 31, 2020	**-**	**-**
Cost		
As at April 1, 2018	99,633	99,633
Additions	-	-
Disposals	(99,633)	(99,633)
At March 31, 2019	**-**	**-**
Depreciation/Amortisation		
At April 1, 2018	85,900	85,900
Charge for the year	10,938	10,938
Disposals	(96,838)	(96,838)
At March 31, 2019	**-**	**-**
Net Block		
At March 31, 2019	**-**	**-**

9(b). Intangible Assets - -

10. Other Financial Liabilities

Particulars	**As at March 31, 2020 (Rs.)**	**As at March 31, 2019 (Rs.)**
Statutory dues	5,17,609	86,499
TOTAL	**5,17,609**	**86,499**

11. Provisions

Particulars	**As at March 31, 2020 (Rs.)**	**As at March 31, 2019 (Rs.)**
Provision for onerous contracts (Refer Note 25)	-	35,15,953
Provision for contingencies	-	30,02,560
Provision for Income Tax (Net of advance taxes)	-	-
Other provisions (Refer Note 25)	6,48,000	6,06,000
Provision for Employee Benefits		
Provision for gratuity	-	5,86,004
TOTAL	**6,48,000**	**77,10,517**

12. Other Equity

Particulars	As at March 31, 2020 (Rs.)	As at March 31, 2019 (Rs.)
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
Retained Earnings		
Opening Balance	1,66,26,527	2,52,62,710
Add: Fair value of investments in mutual funds and venture funds over its carrying cost	-	-
Add: Fair value changes in security deposits	-	-
Add: Deferred tax (expense)/income	-	-
Add: Total Comprehensive income for the year	(47,43,935)	(86,36,183)
Closing Balance (D)	1,18,82,592	1,66,26,527
Foreign Currency Translation Reserve on Consolidation		
Opening Balance	12,13,189	12,28,377
Add: Additions during the year	(45,444)	(15,188)
Closing Balance (E)	11,67,745	12,13,189
TOTAL (A + B + C + D + E)	**9,42,54,553**	**9,90,43,932**

13. Share Capital

Particulars	As at March 31, 2020 (Rs.)	As at March 31, 2019 (Rs.)
a) Authorised Share Capital	**6,00,00,000**	**6,00,00,000**
6,000,000 Equity Shares with voting rights of Rs. 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 Rs. 10/- each fully paid-up]		
Refer Note 13A and Note 13B 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 Rs. 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.

Note 13A: Movement in the outstanding equity shares with voting rights during the year.

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	Value Rs.	Number	Value Rs.
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

Note 13B: Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at March 31, 2020		As at March 31, 2019	
	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%

14. Revenue from Operations

Particulars	For the year ended March 31, 2020 (Rs.)	For the year ended March 31, 2019 (Rs.)
(i) Interest Income		
Interest on Bank Deposit	46,30,672	29,26,064
Interest on security deposits carried at amortised cost	-	6,83,861
Interest on Income Tax Refund	24,783	-
	46,55,455	36,09,925
(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)	(8,73,196)	16,03,399
	(8,73,196)	16,03,399
(iii) Others - Net gains from Investments		
Profit on sale of Investments (net)	22,553	21,95,134
Distributed Profit from Venture Fund	-	-
	22,553	21,95,134

15. Other Income

Particulars	For the year ended March 31, 2020 (Rs.)	For the year ended March 31, 2019 (Rs.)
Excess provision written back	30,02,560	-
Other Non Operating Income	6,30,631	2,96,301
TOTAL	36,33,191	2,96,301

16. Employee Benefits Expense

Particulars	For the year ended March 31, 2020 (Rs.)	For the year ended March 31, 2019 (Rs.)
Salaries and Allowances	12,96,000	3,06,000
Gratuity	55,534	90,142
TOTAL	13,51,534	3,96,142

17. Other Expenses

Particulars	For the year ended March 31, 2020 (Rs.)	For the year ended March 31, 2019 (Rs.)
Postage and Communication	-	8,500
Travelling & Conveyance	6,18,236	15,04,907
Repairs and Maintenance - others	4,62,000	18,85,179
Legal & Professional Expenses	88,54,688	59,01,973
Rental expenses on fair valuation of security deposits	-	6,32,178
Rates & Taxes	12,52,774	6,80,416
Staffing Expenses	9,07,206	24,38,836
Other provision (Refer Note 25)	42,000	42,000
Directors Sitting Fees	4,20,000	2,00,000
Insurance Charges	1,42,532	1,73,091
Provision for /(Reversal of) Onerous Contracts (net) (Refer Note 25)	(35,15,953)	(1,16,325)
Provision for Contingencies	-	3,63,280
Corporate social responsibility expenditure (Refer Note 23)	9,45,000	9,75,000
Other General Expenses	1,04,062	1,73,219
TOTAL	1,02,32,545	1,48,62,254

18 Commitment and Contingencies

Amount in Rs.

	March 31, 2020	March 31, 2019
Contingent Liabilities		
Claims against the Company not acknowledged as debts - Disputed income tax demand towards certain adjustments by the authorities.	-	2,23,470
Towards non-registration as an NBFC with RBI as per section 45(IA) of RBI Act, 1934 up to March 31, 2018	5,00,000	-
Towards probable liability for provident fund of employees who retired on 31-08-2009 and freshly appointed on 01-09-2009, beyond Rs. 6500 salary per month threshold, covered with Ascent Capital Advisors India Pvt Ltd.	33,56,280	-

19 Related Parties

a) Names of the related parties

Holding Company	UTI Asset Management Co. Ltd.
Key Management Personnel ('KMP')	Mr. K. E. C. Rajakumar
Enterprise over which KMP has significant influence	Altius Capital India Pvt Ltd Ascent Capital Advisors India Pvt. Ltd.
Administrator and Secretary of the component	IQ EQ Fund Services (Mauritius) Ltd

b) The disclosures in respect of Related Party Transactions

Amount in Rs.

	Nature of Transaction	Key Management Personnel		Holding Company		Administrator and Secretary of the component	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
i)	**Transactions during the year**						
	Remuneration*	4,78,654	75,000	-	-		
	Interim Dividend Paid	-	-	-	-		
	Purchase of units in Ascent India Fund III	-	-	-	-		
	Redemption of units in Ascent India Fund III	-	-	-	-		
	Redemption of units in Ascent India Fund	-	-	-	-		
	Profit distribution from units in Ascent India Fund and Ascent India Fund III	-	-	-	-		
	Administration, secretarial and director fees					41,14,253	25,26,097
	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.

Name of the Fund	Balance as at April 1, 2019	Amount invested	Amount redeemed	Balance as at March 31, 2020
UTI Credit Risk Fund - Direct Growth Plan	1,49,79,396	-	1,00,30,861	49,48,535

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

The appointment of Mr.KEC Raja Kumar as Managing Director and his remuneration for the year 2018-19, 2017-18 and 2016-17 is subject to the approval of the shareholders at the annual general meeting.

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

20

Legal & Professional expense include amount paid/payable to Auditors towards:	For the year ended	
	March 31, 2020 (Rs.)	March 31, 2019 (Rs.)
Audit Fees*	9,58,418	8,00,662
Other Matters*	2,05,000	1,70,000
	11,63,418	**9,70,662**
*net of GST/service tax		

21 There were no dues outstanding to Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2020. 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.

22 All the employees of the holding Company have resigned as at March 31, 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.

23 Consequent to the requirements of section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company and in the period April to March 2020 it has recognised ₹ 9,45,000 on various CSR activities specified in Schedule VII of the Companies Act, 2013. This is in line with the provisions of the Companies Act, 2013, which requires the Company to spend minimum of ₹ 9,45,000 (two percent of average net profit of the company for last three financial years) on CSR activities.

24 Other provisions in note 11 and 17 refers to provision made for estimated compounding fees payable on delayed filing of forms Annual Performane Report (APR) and Overseas Direct Investments (ODI)

25 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 April 1, 2018	36,32,277	5,64,000
Less: Provision withdrawn on account of actual expenses incurred	(36,32,277)	-
Add: Provision made during the year	35,15,953	42,000
Balance as at March 31, 2019	35,15,953	6,06,000
Less: Provision withdrawn on account of actual expenses incurred (April 2019 to March 2020)	(35,15,953)	-
Add: Provision made during the period April 2019 to March 2020	-	42,000
Closing Balance as at March 31, 2020	-	6,48,000

26 Income taxes

The major components of income tax expense for the period ended March 31, 2020 and March 31, 2019 are:

Statement of profit and loss:

Profit or loss section

Particulars	March 31, 2020	March 31, 2019
Current income tax:		
Current income tax charge	-	-
Taxes of prior years	8,396	7,74,095
Deferred tax:		
Relating to origination and reversal of temporary differences	5,89,463	3,20,297
Income tax expense reported in the statement of profit or loss	**5,97,859**	**10,94,392**
	-	
OCI section		
Deferred tax related to items recognised in OCI during the year:		
Net loss/(gain) on remeasurement of defined benefit plans	-	(8,782)
Income tax charged to OCI	**-**	**(8,782)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for December 31, 2019 and March 31, 2019:

Particulars	March 31, 2020	March 31, 2019
Accounting profit before income tax	(41,46,076)	(75,64,575)
Less: Reduction in loss on consolidation (loss of subsidiary net of consolidation adjustments)	(12,31,399)	1,05,401
Profit of the parent company	(29,14,677)	(76,69,976)
Enacted income tax rate in India	25.17%	27.82%
Tax at the applicable tax rate	(7,33,566)	(21,33,787)
Minimum alternate tax recognised at 18.5% plus cess	-	-
Provision recognised for prior years' shortfall	8,396	7,74,095
Expenses not allowed under Income Tax Act	(5,76,834)	19,22,493
Timing differences allowed under IT Act on payment basis	12,48,034	(14,48,190)
DTL not recognised on losses on account of lack of future taxable business income	-	16,59,485
Timing differences considered for DTL	5,89,463	3,20,297
Income tax expense recorded in the books	**5,35,493**	**10,94,392**

Components of deferred tax expense(income) recognised in Statement of profit and loss and Other comprehensive income:

Particulars	March 31, 2020	March 31, 2019
Property, Plant and Equipment and Intangible assets	20,784	11,31,215
Fair valuation of financial instruments	(5,72,485)	(8,18,202)
Provision for onerous contract	9,78,138	32,361
Provision for Gratuity	1,63,026	(16,296)
Total	**5,89,463**	**3,29,079**

Deferred tax assets/(liabilities) as at March 31, 2020 is in relation to:

Particulars	As at March 31, 2019	Recognised in profit and loss	Recognised in other comprehensive income	Recognised directly in equity	As at March 31, 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)**

Deferred tax assets/(liabilities) as at March 31, 2019 is in relation to:

Particulars	As at April 1, 2018	Recognised in profit and loss	Recognised in other comprehensive income	Recognised directly in equity	As at March 31, 2019
Property, Plant and Equipment and Intangible assets	12,21,122	(11,31,215)	-	-	89,907
Fair valuation of financial instruments	(44,97,970)	8,18,202	-	-	(36,79,768)
Provision for onerous contract	10,10,499	(32,361)	-	-	9,78,138
Provision for Gratuity	1,46,730	16,296	-	-	1,63,026
	(21,19,618)	**(3,29,079)**	**-**	**-**	**(24,48,697)**

27 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.

Following is the exposure of the Company towards credit risk:

Particulars	Carrying Amount (March 31, 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**	**-**

Particulars	Carrying Amount (March 31, 2019)	Contractual Cashflows	
		Less than 1 year	1-3 years
Investments	7,79,65,467	7,79,65,467	-
Trade Receivables	-	-	-
Cash and Cash Equivalents	2,54,52,959	2,54,52,959	-
Bank balance other than cash and cash equivalents	5,00,00,000	5,00,00,000	-
Loans	-	-	-
Other Financial Assets	19,21,145	19,21,145	-
	15,53,39,571	**15,53,39,571**	**-**

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

Carrying amount of Trade payables as at	March 31, 2020	March 31, 2019
Payable within 1 year	10,66,898	12,23,394

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

Group's financial instruments subject to equity price risk are its investments in Ascent India Fund and Ascent India Fund III. Investments in Ascent India Fund are monitored by the parent company, being the manager. As per the Private Placement Memorandum of Ascent India Fund, the term of the Fund is eight years plus two years extended with the approval of super majority of the contributors, i.e up to April 14, 2014. The Fund has residual investments to be exited as on date and accordingly the parent Company has taken extension from super majority of the contributors for liquidating underlying investments and for exit of fund before September 30, 2019. Investments in Ascent India fund III are monitored by Ascent Capital Advisors India Pvt Ltd . The term of Ascent India Fund III is extended up to December 31, 2019. Both Funds have invested in equity shares of early stage investment and growth companies. Values of these investments are subject to changes in values of underlying investments.

28 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:

As at March 31, 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**

As at March 31, 2019	Carrying Amount			Fair Value		
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial Assets:						
Investments	7,79,65,467	-	7,79,65,467	1,72,03,958	6,07,61,509	-
Loans		-	-			-
Trade Receivables	-	-	-	-	-	-
Cash and cash equivalents		2,54,52,959	2,54,52,959			2,54,52,959
Bank balance other than cash and cash equivalents		5,00,00,000	5,00,00,000	-	-	5,00,00,000
Other financial assets		19,21,145	19,21,145			19,21,145
Total	**7,79,65,467**	**7,73,74,104**	**15,53,39,571**	**1,72,03,958**	**6,07,61,509**	**7,73,74,104**
Financial Liabilities						
Trade Payables	-	12,23,394	12,23,394			12,23,394
Other financial liabilities	-	86,499	86,499			86,499
Total	**-**	**13,09,893**	**13,09,893**	**-**	**-**	**13,09,893**

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 is predominently Equity financed and hence does not monitor capital by any techniques.

30 The following table shows an analysis of assets & liabilities analysed according to when they are expected to be recovered or settled

Particulars	As at March 31, 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**

Particulars	As at March 31, 2019		
	Within 12 months	After 12 months	Total
ASSETS			
Investments	-	7,79,65,467	7,79,65,467
Trade Receivables	-	-	-
Cash and Cash Equivalents	2,54,52,959	-	2,54,52,959
Bank balance other than cash and cash equivalents	5,00,00,000	-	5,00,00,000
Loans	-	-	-
Other Financial Assets	19,21,145	-	19,21,145
Current tax assets (net)	-	5,42,838	5,42,838
Property, plant and equipment		-	-
Other Non Financial assets	1,30,631	-	1,30,631
Total Assets	**7,75,04,735**	**7,85,08,305**	**15,60,13,040**
LIABILITIES			
Total outstanding dues of micro and small enterprises	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	12,23,394	-	12,23,394
Other Financial Liabilities	86,499	-	86,499
Deferred Tax Liability	-	24,48,698	24,48,698
Provisions	30,02,560	47,07,957	77,10,517
Total Assets	**43,12,453**	**71,56,655**	**1,14,69,108**

31 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 March 31, 2020

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	97.99%	(46,48,744)	-	-
Subsidiary - Overseas						
UTI Private Equity Limited	-1.83%	(25,51,710)	2.01%	(95,191)	-	-
Total	100.00%	**13,97,54,553**	100.00%	**(47,43,935)**	-	**-**

For the year ended March 31, 2019

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	101.70%	14,70,00,451	95.39%	(82,59,810)	100.00%	22,784
Subsidiary - Overseas						
UTI Private Equity Limited	-1.70%	(24,56,519)	4.61%	(3,99,157)	0.00%	-
Total	100.00%	**14,45,43,932**	100.00%	**(86,58,967)**	100.00%	**22,784**

32 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

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	UK Branch UTI International Limited 120 New Cavendish Street London W1W 6XX Tel: 020 3371 0303
Subsidiaries	UTI Investment Management Company (Mauritius) Limited Suite 450, 4th Floor, Barkly Wharf East, Le Caudan Waterfront, Port Louis, 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 Auditors	Ernst & Young LLP, Royal Chambers St. Julians Avenue, St. Peter Port, Guernsey, Channel Islands,GY1 4AF

DIRECTORS' COMMENTARY

The Directors present their report and the audited Consolidated Financial Statements for theyear ended 31 March 2020.

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 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. They consider that the Company and the Group 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. 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. Theresult of UTI International Group shows a lossof (GBP 5,769,234) (2019: profit of GBP 4,638,722).The Directors recommend the payment ofGBP Nilas dividend in respect of the current year (2019 GBP 3,850,502).

DIRECTORS

The Company's Directors who served during the period and to the date of this report are listed on page 133.

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STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing theFinancial Statements in accordance with applicable Guernsey law and International Financial Reporting Standards (IFRS).Guernsey Company Law requires the Directors to prepare Financial Statementsfor 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 theseConsolidated 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 Director

Date: 20-04-2020

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the consolidated financial statements (the "financial statements") of UTI International Limited (the "Company") and its subsidiaries (together the "Group") for the year ended 31 March 2020, 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 2020 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards; and
- have been properly prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008 and the 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 below. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the 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.

Emphasis of Matter – Effects of COVID-19

We draw attention to Notes 2 and 26 of the financial statements, which describe the economic disruption the Group and the Company are facing as a result of COVID-19, which is impacting financial markets. This includes the possibility of greater volatility in reported revenues as a result of potential volatility of assets under management, upon which the management fee income of the Group is determined.Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

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.

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 in 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 or a material misstatement of the other information. 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 Group, 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 the financial statements, are prepared in all material respects, in accordance with the applicable accounting standards and present fairly the state of the Group's affairs as at 31 March 2020, 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.

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 assurancebut 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.

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 Section 262 of 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: 6 May, 2020

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2020

	Note No.	31.03.2020 GBP	31.03.2019 GBP
Revenue			
Revenue from operations	5	6,201,311	6,523,355
Other income	5	1,194,010	1,318,784
Operating revenue		7,395,321	7,842,139
Net (losses)/gains on financial assets at fair value through profit or loss		(6,087,480)	3,227,082
Net income		**1,307,841**	**11,069,221**
Expenses			
Advisory, Management and Trailer fees	6	2,595,078	2,393,090
Other expenses	7	4,416,344	4,015,686
Total expenses		**7,011,422**	**6,408,776**
(Loss)/profit before tax		**(5,703,581)**	**4,660,445**
Income tax expense	8	(65,653)	(21,723)
(Loss)/profit for the period		**(5,769,234)**	**4,638,722**
Other comprehensive income			
Exchange differences on translation of foreign operations		124,694	600,387
Total other comprehensive income		**124,694**	**600,387**
Total Comprehensive (loss)/ income for the period (attributable to equity holders of the parent)		**(5,644,540)**	**5,239,109**

The above results are all in respect of continuing operations of the Company

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

Particulars	Note No.	31 March 2020 GBP	31 March 2019 GBP
ASSETS			
Non - current assets			
Property, plant and equipment	10	19,726	15,718
Available for sale financial assets	11	191,129	-
Financial assets at fair value through profit or loss	9	22,720,428	28,636,205
Deferred tax asset	8	93,548	71,672
		23,024,831	**28,723,595**
Current Assets			
Trade and other receivables	12	2,173,264	1,620,263
Other current financial assets	13	247,858	204,319
Cash and cash equivalents	14	11,829,683	11,880,993
		14,250,805	**13,705,575**
TOTAL ASSETS		**37,275,636**	**42,429,170**
EQUITY & LIABILITIES			
Issued capital	15	6,758,062	6,758,062
Share premium		10,391,285	10,391,285
Retained earnings		16,643,233	22,412,467
Foreign currency translation reserve		1,230,032	1,105,338
		35,022,612	**40,667,152**
Non Current Liabilities			
Lease Liabilities	18	88,375	-
		88,375	-
Current Liabilities			
Trade and other payables	16	939,334	173,330
Other current liabilities	17	1,122,332	1,588,688
Lease Liabilities	18	102,983	-
		2,164,649	**1,762,018**
TOTAL EQUITY & LIABILITIES		**37,275,636**	**42,429,170**

The financial statements on pages 158 to 176 were approved and authorised for issue to the shareholders by the Board of Directors of UTI International Limited on 20.04.2020 and signed on the Board's behalf by Praveen Jagwani and Christopher M W Hill.

The notes on pages 162 to 176 are integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019

	31.03.2020 £	31.03.2019 £
Share Capital		
As at 1 April	6,758,062	6,758,062
Issued during the year	-	-
As at 31 March 2020	**6,758,062**	**6,758,062**
Share Premium		
As at 1 April	**10,391,285**	**10,391,285**
Movement during the year	-	-
As at 31 March 2020	**10,391,285**	**10,391,285**
Retained Earning		
As at 1 April	22,412,467	14,191,181
Impact of adoption of IFRS 9	-	7,433,066
Restated opening balance under IFRS 9	**22,412,467**	**21,624,247**
(Loss)/Profit for the year	(5,769,234)	4,638,722
Dividend	-	(3,850,502)
As at 31 March 2020	**16,643,233**	**22,412,467**
Fair value reserves		
As at 1 April	-	7,433,066
Reclassification of investments from available for sale to fair value through profit or loss	-	(7,433,066)
Net gain on fair value of available for sale financial assets	-	-
As at 31 March 2020	**-**	**7,433,066**
Translation Reserve on consolidation of subsidiaries		
As at 1 April	**1,105,338**	**504,951**
Movement during the year	**124,694**	**600,387**
As at 31 March 2020	**1,230,032**	**1,105,338**
TOTAL EQUITY	**35,022,612**	**40,667,152**

The notes on pages 162 to 176 are integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

Particulars	31 March 2020 GBP	31 March 2019 Rs. Crore
Cash Flow from Operating Activities		
(Loss)/profit before tax	**(5,703,581)**	**4,660,445**
Adjustment for:		
Interest on Rights to use Assets	1,028	-
Depreciation	26,042	5,515
Fair value Exchange Loss/(Gain) on Investments	6,087,480	(3,227,082)
Interest income	(84,686)	(115,431)
Unrealised foreign exchange gain	(171,703)	-
Operating Profit Before Working Capital Changes	**154,580**	**1,323,447**
Adjustment for changes in working capital:		
Increase in other current financial assets	(43,539)	(93,422)
(Increase) / decrease in trade and other receivables	(553,001)	230,211
Increase/(decrease) in trade & other payables	766,004	(563,353)
(Decrease)/increase in other current financial liabilities	(466,356)	340,085
	(296,892)	**(86,479)**
Cash (used in)/generated from Operations	**(142,312)**	**1,236,968**
Less : Income tax paid	(87,529)	(16,982)
Net cash (used in)/generated from operating activities	**(229,841)**	**1,219,986**
Cash flow from Investing Activities		
Purchase of property, plant & equipment	(12,959)	(10,534)
Payment of principal portion of lease liabilities	(17,890)	-
Purchase of non current investment	-	(2,078,451)
Interest income	84,686	115,431
Net cash generated from/(used in) investing activities	**53,837**	**(1,973,554)**
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend distribution	**-**	**(3,850,502)**
Net cash used in financing activities	-	(3,850,502)
Net Decrease in cash and cash equivalent	**(176,004)**	**(4,604,070)**
Effect of foreign exchange fluctuations	**124,694**	**600,387**
Opening cash and cash equivalents	**11,880,993**	**15,884,676**
Closing cash and cash equivalents	**11,829,683**	**11,880,993**

The notes on pages 162 to 176 are integral part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 220

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 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 133.

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). Theconsolidated financial statements have been prepared on a historical cost basis, except for non-currentfinancial assetswhich 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

On January 30, 2020, the World Health Organization declared the outbreak of coronavirus ("COVID-19") to be a public health emergency of international concern. This coronavirus outbreak has severely restricted the level of economic activity around the world. In response to this coronavirus outbreak, the governments of many countries, states, cities and other geographic regions have taken preventative or protective actions, such as imposing restrictions on travel and business operations and advising or requiring individuals to limit or forego their time outside of their homes

The full extent to which the COVID-19 pandemic may impact the Group and Company's results, operations or liquidity is uncertain. The Group'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 Group 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, Singapore and Mauritius. 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.

Management has performed a COVID -19 impact analysis as part of their going concern assessment using information available to the date of issue of these financial statements. In their assessment of the going concern of the Directors have considered 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 utilised to meet funding requirements, if necessary. As part of its strategic planning, the Board considered financial scenarios of the next two years.The financial projections have been expanded to reflect a sluggishness in the market for the next two consecutive years and the impact this may have on AUM levels. The results of these financial projections showed that the Company would be able to withstand the impact occurring over the two year period.

Having performed this analysis management believes regulatory capital requirements continue to be met and have sufficient liquidity to meet its liabilities for the for the next 12 months 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 foreseeable future.

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 March2020and 31 March 2019.

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.

2.2. Basis of consolidation - continued

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'), 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') andUTI Spectrum Fund Limited). Ithas 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.

2.3. Summary of Significant Accounting policies - continued

2.3.1. Current versus non-current classification - continued

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 whenthe service is deliveredto 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 onprimary economic environment in which the entityoperates. 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

Leases (Policy applicable before 1 April 2019)

The Group has entered into operating lease agreements for Office premises in London and Singapore. Operating lease payments are recognized as an expense in consolidated statement of comprehensive income on a straight line basis over the lease term. The aggregate benefits of incentives provided by the lessor are recognized as a reduction of rental expense over the lease term on a straight line basis.

The Group has adopted IFRS 16 with effect from 1st April 2019 using the modified retrospective approach. The Group has entered into lease agreements for office premises in London and Singapore, lease term for London premises being for more than 2 years and Singapore premises being less than 1 year.

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 1st 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:

- 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 obligationsthat 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.

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.

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.

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.

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.

New or revised Standards	Effective for accounting period beginning on or after
IFRS 16 Leases	1 April 2019
IFRIC Interpretation 23 Uncertainty over Income Tax Treatments	1 April 2019

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 21, page 152 – Fair value Measurement therefore no judgements applied.

5. Revenue

Particulars	31 March 2020 GBP	31 March 2019 GBP
Management fees	6,151,687	5,627,966
Marketing service fees	-	844,179
Investor service fees	49,567	51,210
Advisory fees	57	-
Total revenue from operations	6,201,311	6,523,355
Bank Interest	84,686	1,15,431
Foreign exchange gain	4,71,731	5,27,574
Business support service fees	5,55,629	6,29,202
Other income	81,964	46,577
	11,94,010	13,18,784

6. **Advisory, Management and Trailer fees**

Particulars	31 March 2020 GBP	31 March 2019 GBP
Expenses relating to offshore funds:		
Investment advisory fees	387,178	361,448
Management and Trail fees	2,207,900	1,941,946
Operating expenses (IDOF)	-	89,696
Total Advisory, Management and Trailer fees	2,595,078	2,393,090

7. **Other expenses**

Particulars	31 March 2020 GBP	31 March 2019 GBP
Salaries and wages	2,295,495	2,153,700
Contribution to provident and other funds	124,504	111,172
Gratuity expense	90,172	91,727
Staff related expenses	176,181	112,335
Total Staff Cost	**2,686,352**	**2,468,934**
Office administration and secretarial expenses	464,720	403,901
Legal and professional fees	432,842	384,669
Travel expenses	241,713	196,580
Office rental costs	147,544	154,068
Audit fees	120,309	119,108
Sales promotion	106,561	96,858
Insurance	91,126	92,985
Directors' fees	51,617	51,296
Telephone expenses	46,490	41,772
Depreciation	8,951	5,515
Depreciation charge for right of use asset	17,091	-
Interest on lease liability	1,028	-
Total other expenses	**4,416,344**	**4,015,686**

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 2020. 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 2020 and 31 March 2019 UTI Mauritius has a tax expense of GBP25,452 and GBP 24,098 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 40,200 and GBP 93,548 respectively for the period ended 31 March 2020 and GBP 91350 and GBP 71,672 for the period ended 31 March 2019 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 2020 and 2019 are as follows:

Particulars	31 March 2020 GBP	31 March 2019 GBP
Tax expense attributable to profit is made up of:		
- Current income tax	147,889	154,608
- (Under)/Over provision in respect of previous year	50,766	(44,521)
- Deferred tax on temporary differences	(22,123)	7,924
- Tax credit	(110,879)	(96,288)
	65,653	**21,723**

Deferred tax asset movement for the year ended 31 March 2020 and 31 March 2019 are as follows:

Particulars	31 March 2020 GBP	31 March 2019 GBP
- Opening deferred tax asset	71,672	76,414
- Current year's impact	22,123	(7,924)
- Other (Foreign Exchange adjustment)	(247)	3,182
	93,548	**71,672**

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 blend 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 2020 and 2019 is, as follows:

Particulars	31 March 2020 (GBP)	31 March 2019 (GBP)
Profit before tax per the financial statements	(5,703,581)	4,660,445
Adjust for:		
Taxable at 0% in Guernsey	4,170,298	(4,611,511)
Deductible at 0% in Guernsey	1,635,498	970,703
Profit before tax attributable to tax in various jurisdictions	102,215	1,019,637
Tax at blended rate of (2020: 3.29%) (2019:15.64%)	3,364	159,448
Effect of:		
Expenses not deductible for tax purpose	116,000	11,612
Income not subject to taxation	(1,014)	(18,320)
Deemed foreign tax credit	(110,879)	(96,288)
Effect of partial tax exemption, tax relief & tax rebate	30,697	14,810
Benefits of previously unrecognized tax losses and capital allowances	(1,141)	(1,144)
Under/(Over) provision in respect of previous years	50,766	(44,521)
Deferred tax on temporary differences	(22,123)	7,925
Others	(17)	(11,799)
Income tax expense	65,653	21,723

9. Financial assets at fair value through profitorloss

Particulars	31March 2020 (GBP)	31 March 2019 (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 US$1.00	70	70
Wealth Creator 2 100 shares of US$1.00	70	70
Wealth Creator 3 100 shares of US$1.00	70	70
Wealth Creator 4 100 shares of US$1.00	70	70
Wealth Creator 5 100 shares of US$1.00	70	70
Wealth Creator 6 100 shares of US$1.00	70	70
UTI Spectrum Fund 100 shares of US$1.00	70	70

Particulars	31March 2020 (GBP)	31 March 2019 (GBP)
Investment in quoted securities		
UTI India Dynamic Equity Fund		
Balance as at April 1	26,655,384	23,329,559
Fair value adjustments *	(5,746,984)	3,325,825
Balance as at March 31	20,908,400	26,655,384
UTI India Balanced Fund		
Balance as at April 1	1,979,709	-
Purchase/ (Sale) during the period	-	1,984,579
Fair value adjustments *	(168,793)	(4,870)
Balance as at March 31	1,810,916	1,979,709
Total financial assets at fair value through profit or loss	**22,720,428**	**28,636,205**
* Fair value adjustments also includes foreign exchange adjustments.		

10. Property, plant and equipment

Particulars	Fixtures and Fittings GBP	Office Equipment GBP	Computer GBP	Total GBP
Cost				
At 1 April 2019	81,860	17,907	138,920	238,687
Acquired during the year	378	1,886	10,604	12,868
Translation reserve	84	30	223	337
At 31 March 2020	**82,322**	**19,823**	**149,747**	**251,892**
Depreciation				
At 1 April 2019	81,860	17,140	123,969	222,969
Charge for the year	62	556	8,333	8,951
Translation reserve	83	23	140	246
At 31 March 2020	**82,005**	**17,719**	**132,442**	**232,166**
Net Book Value – 31 March 2020	**317**	**2,104**	**17,305**	**19,726**
Net Book Value – 31 March 2019	-	767	14,951	15,718

11. Right of use asset

Particulars	Leased Premises GBP	Total GBP
Cost		
At 1 April 2019	-	-
Acquired during the year	2,08,220	2,08,220
Translation reserve	-	-
At 31 March 2020	**2,08,220**	**2,08,220**
Depreciation		
At 1 April 2019	-	-
Charge for the year	17,091	17,091
Translation reserve	-	-
At 31 March 2020	17,091	17,091
Net Book Value – 31 March 2020	**1,91,129**	**1,91,129**
Net Book Value – 31 March 2019	-	-

12. Trade and other receivables

Particulars	31March 2020 (GBP)	31 March 2019 (GBP)
Management fee receivable	6,29,141	4,20,920
Other receivables	1,36,098	1,50,519
Receivable due from related party	14,08,025	10,48,824
Total trade and other receivables	**21,73,264**	**16,20,263**

The amounts due from related party are not secured, interest free and are repayable on demand.

13. Other current financial assets

Particulars	31March 2020 (GBP)	31 March 2019 (GBP)
Prepayments	1,77,894	1,16,027
Deposits	53,994	47,076
Interest accrued	15,970	41,216
Total other current financial assets	**2,47,858**	**2,04,319**

14. Cash and cash equivalents

Particulars	31March 2020 (GBP)	31 March 2019 (GBP)
Cash at banks and on hand	66,21,813	43,61,641
Short term deposits	52,07,870	75,19,352
Total cash and cash equivalents	**1,18,29,683**	**1,18,80,993**

15. Issued Capital

Particulars	31March 2020 (GBP)	31 March 2019 (GBP)
Alloted, called and fully paid :		
6,758,062 ordinary shares of GBP 1 each	67,58,062	67,58,062
No. of shares at the beginning of the period	67,58,062	67,58,062
Add: Shares issued during the period/ year	-	-
Less: Shares redeemed during the period/ year	-	-
No. of shares at the end of the period	67,58,062	67,58,062

16. Trade and other payables

Particulars	31March 2020 (GBP)	31 March 2019 (GBP)
Management & advisory fee payable	97,550	87,283
Other accruals	6,94,781	86,047
Payable to UTI AMC Ltd.	1,47,003	-
Total	**9,39,334**	**1,73,330**

The amounts due to related party are not secured, interest free and are repayable on demand.

17. Other current liabilities

Particulars	31March 2020 (GBP)	31 March 2019 (GBP)
Tax liability	26,911	41,667
Audit fees payable	1,16,715	1,20,035
Payroll accruals	9,78,706	10,22,340
Accruals for expenses	-	4,04,646
Total other current liabilities	**11,22,332**	**15,88,688**

18. Lease liabilities

Particulars	31March 2020 (GBP)	31 March 2019 (GBP)
Current	1,02,983	-
Non Current	88,375	-
Total Lease liabilities	**1,91,358**	**-**

19. Related Party Transactions

During the current year, the Group has entered into transactions with the following related parties.

Significant Influence over the Holding Company	T Rowe Price International Ltd (26.00%) *
Holding 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)

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	Controlling Companies of the Ultimate Holding Company	Holding Company	Key Management Personnel	Total
	31-Mar-20	31-Mar-20	31-Mar-20	31-Mar-20
	31-Mar-19	31-Mar-19	31-Mar-19	31-Mar-19
	GBP	GBP	GBP	GBP
Income				
Fee income	-	5,55,629	-	5,55,629
	-	6,29,202	-	6,29,202
Bank Interest	25,024	-	-	25,024
	34,056	-	-	34,056
Expenses				
Fund Management fees	-	5,41,272	-	5,41,272
	-	4,75,510	-	4,75,510
Salary and allowances				
- Praveen Jagwani	-	-	5,23,130	5,23,130
	-	-	6,00,107	6,00,107
Directors fees	-	-	-	-
(Refer foot note below)	-	-	-	-
Dividend	-	-	-	-
	-	38,50,502	-	38,50,502

Particulars	31March 2020 (GBP)	31 March 2019 (GBP)
Director's Fees		
Christopher M W Hill	11,912	11,538
	11,912	**11,538**

No remuneration is paid to Mr. Imtaiyazur Rahman by UTI International Ltd as he is the Acting CEO (ACEO) of UTI AMC Ltd.

Details of related parties' balances included in the statement of financial position are as follows:

Nature of Transaction	Controlling Companies of the Ultimate Holding Company	Holding Company	Key Management Personnel	Total
	31-Mar-20	31-Mar-20	31-Mar-20	31-Mar-20
	31-Mar-19	31-Mar-19	31-Mar-19	31-Mar-19
	GBP	GBP	GBP	GBP
Outstanding balances				
Cash and deposits	17,26,182	-	-	17,26,182
	2,03,179	-	-	2,03,179
Trade & other receivables	9,543	1,25,860	-	1,35,403
	5,314	1,52,939	-	1,58,253
Trade & other payables	-	1,47,003	-	1,47,003
	-	81,637	-	81,637

20. Commitments

At the end of the reporting period, the Group has office rental and office equipment commitments under non-cancellable operating leases with a term within one financial year. The minimum lease payments that will become due were as follows:

Particulars	31March 2020 (GBP)	31 March 2019 (GBP)
Within one year	-	24,453

21. 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:

Particulars	Investments at fair value	Financial assets at amortised cost	Other financial liabilities	Total carrying amount
31 March 2020	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 2019	GBP	GBP	GBP	GBP
Financial assets at fair value through profit or loss	28,636,205			**28,636,205**
Trade receivables and other assets		1,667,339		**1,667,339**
Cash at bank		11,880,993		**11,880,993**
Trade and other payables			(1,762,018)	**(1,762,018)**

31 March 2020	**Level 1** GBP	**Level 2** GBP	**Level 3** GBP	**Total** GBP
Financial assets at fair value through profit or loss	22,720,428	-	-	**22,720,428**

31 March 2019	**Level 1** GBP	**Level 2** GBP	**Level 3** GBP	**Total** GBP
Financial assets at fair value through profit or loss	28,636,205	-	-	**28,636,205**

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).

22. 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 March2020and 31 March2019.

(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)

Particulars	Less than 3 months / On demand	3 to 12 months	1 to 5 years	> 5 years	Total
Yearended 31 March 2020					
Trade &other payables	2,087,110	77,539	88,375		**2,253,024**
Year ended 31 March 2019					
Trade &other payables	1,762,018	-	-	-	**1,762,018**

(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 5,207,870 as at 31 March 2020and GBP 7,519,352 as at 31 March 2019and cash at bank of GBP 6,621,813 as at 31 March 2020and GBP 4,361,641 as at 31 March 2019. 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:

Particulars	Financial exposure	
	31 March 2020 GBP	31 March 2019 GBP
United States Dollar (USD)	10,971,196	112,729
Indian Rupee (INR)	-	-
Japanese Yen (JPY)	409,274	297,900

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.

Particulars	Change in currency	Effect on profit before tax	
		31 March 2020	31 March 2019
Currency	+/-	**GBP**	**GBP**
USD	5%	443,693	431,197
INR	5%	-	-
JPY	10%	305	206

(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 GBP2,271,932as at 31 March 2020and GBP 2,863,509 as at 31 March 2019higher/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.

23. 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).The Group's total equity comprises of share capital, share premium and retained earnings which amounted to GBP33,792,580 as at 31 March 2020and GBP39,561,814as at 31 March 2019.

24. 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 are State Bank of India, Bank of Baroda, Life Insurance Corporation of India, Punjab National Bank, each with 18.24% holdingand T Rowe Price International Ltd (26%). Neither the entity owners nor any other have the power to amend the financial statements after its issuance.

25. Other Matters

SEBI has issued show cause notices dated (i) June 26, 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) September 13, 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.

26. Events after reporting date

No significant events have been identified which require adjustment within the financial statements. In reaching this assessment, we have considered the impact of the recent outbreak of the novel coronavirus (COVID-19) and included this within the Directors' report. For further discussion concerning the management assessment of COVID 19 impact on the Group and Company refer to Note 2.

DIRECTOR'S 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 31st March, 2020.

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. It was incorporated on 14th 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 effectfrom 1st 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 1st May, 2009. This is based on self defined contribution received from the citizen.

The NPS is regulated by 'Pension Fund Regulatory and Development Authority (PFRDA). 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 as on 31stMarch, 2020 of all the NPS Schemes managed by UTI Retirement Solutions Ltd. taken together stood at Rs. 1,22,200.90 Crores as compared to Rs. 93,707.88 Crore as on 31st March, 2019.

UTI Retirement Solutions Limited managed the following NPS Schemes as on 31s March, 2020:

Sr. No.	Name of Schemes	AUM (Rs. in Crore)	
		31.03.2020	31.03.2019
1.	NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme E – Tier I	370.04	378.21
2.	NPS Trust – A/C UTI Retirement Solutions Scheme E – Tier II	21.63	23.31
3.	NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme C – Tier I	299.42	216.34
4.	NPS Trust – A/C UTI Retirement Solutions Scheme C – Tier II	16.54	12.91
5.	NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme G – Tier I	479.04	329.66
6.	NPS Trust – A/C UTI Retirement Solutions Scheme G – Tier II	24.22	16.84
7.	NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme A – Tier I	1.99	1.14
8.	NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme – Central Govt.	46,101.68	36,561.28
9.	NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme – State Govt.	70,375.78	52,938.99
10.	NPS Trust – A/C UTI Retirement Solutions Ltd. – NPS Lite Scheme –Govt. Pattern	1,056.70	964.68
11.	NPS Trust – A/C UTI Retirement Solutions Pension Fund Scheme –Corporate CG	0.00	0.00
12.	NPS Trust – A/C UTI Retirement Solutions Scheme – Atal Pension Yojana	3,453.86	2,264.46
	Total	**1,22,200.90**	**93,707.82**

b. Financial Results of the Company

The Audited Balance Sheet as on 31st March, 2020, 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 annexure.

The financial highlights of the company as on 31st March, 2020 as compared to the previous year as on 31st March, 2019 are as under:

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
		Amount in Rs.
Share Capital	**22,00,00,000.00**	**22,00,00,000.00**
Income:		
Investment Management Fees	11,15,57,915	8,10,23,448
Other Income	3,09,72,480	2,19,84,482
Total Income	**14,25,30,395**	**10,30,07,930**
Expenses		
Employee Benefit Expenses	1,52,36,314	1,63,97,652
Administrative & Other expenses	7,24,31,068	4,89,90,228

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
		Amount in Rs.
Depreciation	31,76,355	14,58,979
Total	**9,08,43,737**	**6,68,46,859**
Profit before Tax	**5,16,86,658**	**3,61,61,071**
Taxes		
Current Taxes	1,24,16,481	41,58,822
Tax adjustments for earlier year	40,55,659	0
Deferred Taxes	(32,35,265)	59,02,846
MAT Credit entitlement - current year	0	0
- earlier year	(51,19,731)	0
Total Taxes	**81,17,144**	**1,00,61,668**
Profit after Tax	**4,35,69,514**	**2,60,99,403**
Prior Period Items	0	0
Profit / Loss for the year	**4,35,69,514**	**2,60,99,403**
Earnings Per Share	**1.98**	**1.19**
Net – worth	**39,89,06,842**	**35,53,37,328**

There was no change in the share capital of the company during the Financial Year 2019-20.

The net-worth of the Company has increased from Rs. 35,53,37,328 as on 31st March, 2019 to Rs. 39,89,06,842 as on 31st March, 2020.

c. Awards and Accolades

UTI RSL won following 2 prestigious award during the FY 2019-20:

- Best Pension Fund Manager of the Year by the Asia Asset Management.
- **Gold Award winner** at the Outlook Money Awards 2019 under the "Pension Manager of the Year" category.

2. Extract of the Annual Return

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the extract of the annual return for FY 2019-20 is given in Annexure I in the prescribed Form No. MGT-9. The same is available onhttps://www.utimf.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 asand number of Board meetings attended by each of them during theFinancial Year 2019-20 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	3
2	Mr. A Krishna Rao*	Independent Director	4	2
3	Mr. P. H. Ravikumar	Independent Director	4	4
4	Mr. S. Venkatraman#	Independent Director	4	2
5	Mr. Chetan Desai**	Independent Director	4	2
6	Mr. Puneet Gupta##	Independent Director	4	1
7	Mr. Balram P. Bhagat	Chief Executive Officer & Whole Time Director	4	4

*Resigned from the directorship of the company w.e.f. 09th August, 2019.

Resigned from the directorship of the company w.e.f. 09th August, 2019.

**Appointed as Director w.e.f 14th October, 2019.

Appointed as Director w.e.f 19th November 2019.

The Board of Directors met 4 times during the Financial Year 2019-20 on 25th April, 2019; 09th August, 2019; 22nd October, 2019 and 27th January, 2020.

4. Director's appointment/Reappointment and resignation

Mr. A Krishna Rao and Mr. S. Venkatraman resigned from the directorship of the company w.e.f. 09th August, 2019.

Mr. Balram P. Bhagat reappointed as Whole-Time Director and Chief Executive Officer in the Extraordinary General Meeting ("EGM") of the Company held on 16th March, 2020 with effect from 29th March 2020 for a further term of 3 years or till his age of retirement whichever is earlier.

Mr. Chetan Desai and Mr. Puneet Guptawas appointed as Director of the Company w.e.f 14th October, 2019 and 19th November 2019.

5. Statutory Auditors

M/s Bansi Lal Shah & Co, Chartered Accountants, Mumbai appointed as Statutory Auditors of the company for the FY 2019-20 by the Comptroller & Auditor General of India *vide* their letter No. CA. V/COY/CENTRAL GOVERNMENT, UTIRS (1)/295 dated 02nd August,2019. Comptroller & Auditor General of India have also fixed the Audit Fees for the FY 2019-20.

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 27th April, 2020.

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 the Financial Year 2019-20 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. A Krishna Rao*	Director	15.01.2014	4	2
2	Mr. S. Venkatraman#	Chairman of Committee	27.04.2015	4	2
3	Mr. P. H. Ravikumar	Director	21.10.2018	4	4
4	Mr. Chetan Desai	Chairman of Committee	18.10.2019	4	2
5	Mr. Puneet Gupta	Director	31.12.2019	4	1

* Resigned from the Committee w.e.f. 09th August, 2019.

Resigned from the Committee w.e.f. 09th August, 2019.

The Audit Committee met 4 times during the Financial Year 2019-20 on 25th April, 2019; 09th August, 2019; 22nd October, 2019 and 27th January, 2020.

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 (NPS) Trust.

The composition of the Investment Management Committee and number of meetings attended by its members during the Financial Year 2019-20 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. S Venkatraman#	Chairman	11.04.2008	4	2
2	Mr. P. H. Ravikumar	Chairman	18.10.2019	4	2
3	Mr. Balram P. Bhagat	Chief Executive Officer & Whole Time Director	11.04.2008	4	4
4	Ms. Silpita Guha	Chief Investment Officer	11.04.2008	4	4

Resigned from the Committee w.e.f. 09th August, 2019.

The Investment Management Committee met 4 times during the Financial Year 2019-20 on 25th April, 2019; 09th August, 2019; 22nd October, 2019 and 27th January, 2020.

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

None of the Directors is disqualified for being appointed as Director as specified inSection 164 of the Companies Act, 2013.

Pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014,all the Independent Directorshave 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 theauditor and by the company secretary in practice

There was no qualification, reservation or adverse remark or disclaimer made by theAuditors of the company in their Audit Report. Provision of the Secretarial Audit bya Company Secretary in Practice is not applicable to the company.

11. Conservation of energy, technology absorption, foreign exchangeearnings and outgo

Since the Company does not own any manufacturing facility, the particulars ofConservation 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, 20l4.

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.

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.

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 dividends for the FY 2019-20.

16. Material changes and commitments, if any

No material changes affecting the financial position of the company have occurred during the period 31st March, 2020 and the date of Board's Report.

None of the companies has become or ceased to be subsidiaries, joint venture or associate company during the Financial Year 2019 – 20.

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.

The 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 arm's length transactions under third proviso thereto are detailed inNote 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 3 Annual General Meetings are as under:

Sr. No.	AGM	Date of AGM	Special Resolution, if any
1	11th Annual General Meeting	09th August, 2019	Nil
2	10th Annual General Meeting	21st August, 2018	Nil
3	9th Annual General Meeting	22nd August, 2017	Approval of re-appointment of Balram P. Bhagat as Chief Executive Officer & Whole Time Directors for 3 years and payment of managerial remuneration to him for the FY 2016-17

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 underSection 134(3)(g) and Section 186 of the Companies Act, 2013 are set out in notes to the Financial Statements as at 31stMarch, 2020.

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 the FY 2019–20, 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. 31st March, 2020 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 provisionsof 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.

26. Acknowledgement

We acknowledge the valuable support, co-operation and guidance received from theSponsors 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 arealso thankful to our shareholders, Auditors, Bankers, Brokers and all other serviceproviders for their valued support. We would also like to thank the employees for thecommitment, collaboration and partnership demonstrated by them during the year.

For and on behalf of the Board of Directors
UTI Retirement Solutions Limited

Place: Mumbai
Date: 27/04/2020

Imtaiyazur Rahman
Chairman & Director
DIN: 01818725

Annexure – 1 to Directors Report for the FY 2019–20

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2020

[Pursuant to section 92(3) of *the Companies Act, 2013* and rule 12(1) of

the Companies (Management and Administration) Rules, 2014]

I. Registration and other details:

(i)	CIN	U66020MH2007GOI176785
(ii)	Registration Date	14thDecember, 2007
(iii)	Name of the Company	UTI Retirement Solutions Ltd.
(iv)	Category / Sub-Category of theCompany	Public Company limited by shares
(v)	Address of the Registered officeand contact details	UTI Tower Gn – Block Bandra Kurla Complex Bandra East Mumbai 400 051.
(vi)	Whether listed company Yes / No	No
(vii)	Name, Address and Contact detailsof Registrar and Transfer Agent, ifany	Not Applicable

II. Principal business activities of the Company

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

Sr. No.	Name and description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	National Pension System	663 6630 66302	100%

III. Particulars of Holding, Subsidiary and Associate Companies

Sr. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	UTI Asset Management Company Ltd.	U65991MH2002PLC137867	Holding	100%	2(46)

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

i) Category-wise Share Holding

Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
A. Promoters									
(1) Indian									
a)Individual / HUF	Nil	700	700	0.0032	Nil	700	700	0.0032	Nil
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp	Nil	2,19,99,300	2,19,99,300	99.9968	Nil	2,19,99,300	2,19,99,300	99.9968	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (1):-	Nil	2,20,00,000	2,20,00,000	100.00	Nil	2,20,00,000	2,20,00,000	100.00	Nil
(2) Foreign	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) NRIs - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other – Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	Nil	2,20,00,000	2,20,00,000	100.00	Nil	2,20,00,000	2,20,00,000	100.00	Nil

Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
1. Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2. Non-Institutions									
a) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Individual shareholders holding nominal share capital uptoRs. 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Public Shareholding (B)=(B)(1)+(B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	Nil	2,20,00,000	2,20,00,000	100.00	Nil	2,20,00,000	2,20,00,000	100.00	Nil

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	UTI Asset Management Co. Ltd. and its nominees	2,20,00,000	100%	Nil	2,20,00,000	100	Nil	Nil

(iii) Change in Promoters' Shareholding

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	2,20,00,000	100	2,20,00,000	100
2.	Date wise Increase / Decrease in Promoters Share holdingduring the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3.	At the End of the year	2,20,00,000	100	2,20,00,000	100

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of totalshares of Thecompany
1.	At the beginning of the year	2,20,00,000	100	2,20,00,000	100
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3.	At the End of the year	2,20,00,000	100	2,20,00,000	100

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of Thecompany
1.	At the beginning of the year	200	0.0000	200	0.0000
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3.	At the End of the year	200	0.0000	200	0.0000

V. INDEBTEDNESS

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Chief Executive & Whole time Director	Total Amount
1	Gross salary	Balram P. Bhagat	
2	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs. 27,06,188.00	Rs. 27,06,188.00
3	Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00
4	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00
5	Stock Option	0.00	0.00
6	Commission i. - as % of profit ii. - others, specify... (PF Contribution) Others, please specify	Rs. 12,552.00	Rs. 12,552.00
7	**Total (A)**	**Rs. 27,18,740.00**	**Rs. 26,29,805.00**

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	S. Venkatraman*	Mr. P. H. Ravikumar	Mr. A Krishna Rao*	Mr. Chetan Desai#	Mr. Puneet Gupta@	Total Amount
	Independent Directors	1,80,000.00	3,60,000.00	1,80,000.00	1,80,000.00	70,000.00	9,70,000.00
(i)	Fee for attending board / committee meetings	0.00	0.00	0.00	0.00	0.00	0.00
(ii)	Commission	0.00	0.00	0.00	0.00	0.00	0.00
(iii)	Others, please specify	0.00	0.00	0.00	0.00	0.00	0.00
	Total (1)	1,80,000.00	3,60,000.00	1,80,000.00	1,80,000.00	70,000.00	9,70,000.00
	Other Non-Executive Directors	NA	NA	NA	NA	NA	NA
(i)	Fee for attending board / committee meetings	0.00	0.00	0.00	0.00	0.00	0.00
(ii)	Commission	0.00	0.00	0.00	0.00	0.00	0.00
(iii)	Others, please specify	0.00	0.00	0.00	0.00	0.00	0.00
	Total (2)	0.00	0.00	0.00	0.00	0.00	0.00
	Total (B)=(1+2)	1,80,000.00	3,60,000.00	1,80,000.00	1,80,000.00	70,000.00	9,70,000.00

* Resigned as director w.e.f 09th August, 2019.

Appointed as Director w.e.f 14th October, 2019.

@ Appointed as Director w.e.f 19th November 2019.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Company Secretary		Chief Financial Officer	
1	Gross Salary	Arvind Patkar*	Vivek Vadwana#	Shyamkumar Gupta	
2	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	Rs. 6,97,091.00	Rs. 3,40,360.00	Rs. 15,65,810.00	**Rs. 26,03,261.00**
3	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00	**0.00**
4	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00	**0.00**
5	Stock Option	0.00	0.00	0.00	**0.00**
6	Sweat Equity	0.00	0.00	0.00	**0.00**
7	Commission as % of - Profit - Others, specify...	0.00	0.00	0.00	**0.00**
8	Contribution to PF	Rs. 16,381.00	Rs. 11,419.00	Rs. 41,854.00	**Rs. 69,654.00**
9	Others, please specify	0.00	0.00	0.00	**0.00**
	Total	**Rs. 7,13,472.00**	**Rs. 3,51,779**	**Rs. 16,07,664.00**	**Rs. 26,72,915.00**

*Resigned as Company Secretary w.e.f 22nd October, 2019

Appointed as Company Secretary w.e.f 23rd October, 2019

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding feesimposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

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

Sr. No	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transaction	date(s) of approval by the Board	Amount paid as advance s, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
1.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

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

Sr. No.	(a)	(b)	(c)	(d)	(e)	(f)
	Name(s) of the related party and nature of relationship	Nature of contracts /arrangements /transactions	Duration of the contracts / arrangements/trans actions	Salient terms of the contracts or arrangements or transactions including the value, if any	date(s) of approval by the Board	Amount paid as advances, if any:
1.	Mr. Balram Bhagat	CEO & WTD	Permanent employee	CEO & WTD	11.04.2008	Nil
2.	Mr. Arvind Patkar*	Company Secretary	Permanent employee	Company Secretary	11.04.2008	Nil
3	Mr. Vivek Vadwana#	Company Secretary	Permanent employee	Company Secretary	22.10.2019	Nil
4.	Mr. Shyamkumar Gupta	Chief Financial Officer	Permanent employee	Chief Financial Officer	27.04.2015	Nil

*Resigned as Company Secretary w.e.f 22nd October, 2019

Appointed as Company Secretary w.e.f 23rd October, 2019

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' 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, 2020, the Statement of Profit and Loss (including other comprehensive Income), the statement ofCash 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, 2020, 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI'sCode 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 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.

Other Matters

The Comparative financial information of the Company for the year ended 31st March,2019 included in these Ind AS financial statements, are based on the statutory financial statements prepared in accordance with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016 audited by previous auditor G.P Kapadia & Co expressed an unmodified opinion on those financial statements.

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

d. In our opinion, the aforesaid Ind AS 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 written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2".

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirementsof 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, of the Company examined by us, and information and explanations 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 which would impact its financial position;

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

(3) As required by Section 143(5) of the Act and in pursuance of directions and sub-directions, issued by the office of the C & AG of India for the year ended March 31,2020, we report that:

Sr. No.	Directions u/s 143(5) of the Companies Act, 2013	Auditors reply on action taken on the directions	Impact on the financial statement
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company has an IT system to process all the accounting transactions on Tally ERP - 9. In our opinion, there exist sufficient controls to maintain the integrity of the accounts.	Nil
2	Whether there is any restructuring of an existing loan or cases of 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? If yes, the financial impact may be stated.	According to the information and explanation given to us, there are no cases of waiver/ write off of debts/ loans/interest etc. The Company does not have any loans. Hence, this clause is Not Applicable.	Nil
3	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	According to the information and explanation given to us, the Company has not received any funds for specific schemes from central/ state agencies.	Nil

Further,

(i) According to the information & explanations given to us, the Company has no freehold and leasehold premises.

(ii) There is no additionaldirection issued under section 143(5) of the Companies Act, 2013 by the field office entrusted with the supplementary audit of the Company

For BANSILAL SHAH & CO
Chartered Accountants
FRN.No: 000384W
Sahil Kothari
Partner
Membership No. : 137144

Place: Mumbai
Date:05th May, 2020
UDIN :20137144AAAAAJ8323

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 2020

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 LIMITEDOn the financial statements for the year ended March 31, 2020]

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, 2020 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. decided 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.000384 W

SAHIL KOTHARI
Partner
Membership No. : 137144

Place: Mumbai
Date:05th May 2020
UDIN :20137144AAAAAJ8323

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S 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 LIMITEDOn the financial statements for the year ended March 31, 2020]

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, 2020 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, 2020, 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.000384 W

SAHIL KOTHARI
Partner
Membership No. : 137144

Place: Mumbai
Date:05th May 2020
UDIN :20137144AAAAAJ8323

BALANCE SHEET
as at 31 March 2020

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Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
I. ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	23,328	3,977
(b) Receivable	4		
Trade receivables		3,31,32,242	2,41,98,882
(c) Investments	5	37,41,78,667	34,07,60,566
(d) Other financial assets	6	83,62,493	39,81,376
Total Financial Assets		**41,56,96,730**	**36,89,44,801**
(2) Non - financial assets			
(a) Current tax assets (Net)	7	65,15,861	98,97,491
(b) Property, plant and equipments	8	-	-
(c) Right of use assets	9	34,39,796	-
(d) Other Intangible assets	10	13,96,213	28,47,957
(e) Other non financial assets	11	-	-
Total Non Financial Assets		**1,13,51,870**	**1,27,45,448**
TOTAL ASSETS		**42,70,48,600**	**38,16,90,249**
II. LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(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		6,67,290	5,42,088
(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	13	35,81,690	-
Total financial liabilities		**42,48,980**	**5,42,088**
(2) Non- financial liabilities			
(a) Provisions	14	75,10,731	78,33,861
(b) Deferred tax liabilities (Net)	15	1,13,43,928	1,45,79,193
(c) Other non financial liabilities	16	50,38,119	33,97,779
Total non financial liabilities		**2,38,92,778**	**2,58,10,833**
EQUITY			
Equity Share Capital	17	22,00,00,000	22,00,00,000
Other Equity	18	17,89,06,842	13,53,37,328
Total Equity		**39,89,06,842**	**35,53,37,328**
TOTAL EQUITY AND LIABILITIES		**42,70,48,600**	**38,16,90,249**

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

For and on behalf of the Board of Directors of
UTI Retirement Solutions Limited

Sahil Kothari
Partner
Membership no.: 137144

Imtaiyazur Rahman
Chairman & Director
DIN: 01818725

Balram P. Bhagat
CEO & Whole Time Director
DIN : 01846261

Place : Mumbai
Date : 05/05/2020
UDIN NO. : 20137144AAAAAJ8323

Vivek Vadwana
Company Secretary

Shyamkumar Gupta
Chief Financial Officer
Date : 27/04/2020

MATURITY ANALYSIS OF ASSES AND LIABILITIES
as at 31 March 2020

Particulars	Note No.	As at 31 March 2020			As at 31 March 2019		
		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	23,328	-	23,328	3,977	-	3,977
(b) Receivable	4						
(i) Trade receivables		3,31,32,242	-	3,31,32,242	2,41,98,882	-	2,41,98,882
(c) Investments	5	32,01,03,167	5,40,75,500	37,41,78,667	14,96,47,416	19,11,13,150	34,07,60,566
(d) Other financial assets	6	26,67,138	56,95,355	83,62,493	14,22,178	25,59,198	39,81,376
Total Financial Assets		35,59,25,875	5,97,70,855	41,56,96,730	17,52,72,453	19,36,72,348	36,89,44,801
(2) Non - financial assets							
(a) Current tax assets (Net)	7	-	65,15,861	65,15,861	-	98,97,491	98,97,491
(b) Property, plant and equipments	8	-	-	-	-	-	-
(c) Right of use assets	9	-	34,39,796	34,39,796	-	-	-
(d) Other Intangible assets	10	-	13,96,213	13,96,213	-	28,47,957	28,47,957
(e) Other non financial assets	11	-	-	-	-	-	-
Total Non Financial Assets		-	1,13,51,870	1,13,51,870	-	1,27,45,448	1,27,45,448
TOTAL ASSETS		35,59,25,875	7,11,22,725	42,70,48,600	17,52,72,453	20,64,17,796	38,16,90,249
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		6,67,290	-	6,67,290	5,42,088	-	5,42,088
(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		-	-	-	-	-	-
(b) Other financial liabilities	13	17,17,924	18,63,766	35,81,690	-	-	-
Total financial liabilities		23,85,214	18,63,766	42,48,980	5,42,088	-	5,42,088
(2) Non- financial liabilities							
(a) Provisions	14	75,10,731	-	75,10,731	78,33,861	-	78,33,861
(b) Deferred tax liabilities (Net)	15	-	1,13,43,928	1,13,43,928	-	1,45,79,193	1,45,79,193
(c) Other non financial liabilities	16	50,38,119	-	50,38,119	33,97,779	-	33,97,779
Total non financial liabilities		1,25,48,850	1,13,43,928	2,38,92,778	1,12,31,640	1,45,79,193	2,58,10,833
TOTAL LIABILITIES		1,49,34,064	1,32,07,694	2,81,41,758	1,17,73,728	1,45,79,193	2,63,52,921
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

For and on behalf of the Board of Directors of
UTI Retirement Solutions Limited

Sahil Kothari
Partner
Membership no.: 137144

Imtaiyazur Rahman
Chairman & Director
DIN: 01818725

Balram P. Bhagat
CEO & Whole Time Director
DIN : 01846261

Place : Mumbai
Date : 05/05/2020
UDIN NO. : 20137144AAAAAJ8323

Vivek Vadwana
Company Secretary

Shyamkumar Gupta
Chief Financial Officer
Date : 27/04/2020

STATEMENT OF PROFIT AND LOSS
for the year ended 31 March 2020

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Particulars		Note No.	Year ended March 31 2020	Year ended March 31 2019
Revenue from operations		19		
(i) Interest Income			7,97,621	2,82,157
(ii) Net gain on fair value changes			-	2,09,29,688
(iii) Sale of services			11,15,57,915	8,10,23,448
(iv) Others - Net gain/loss on sale of investments			3,01,74,859	7,72,637
(I) Total Revenue from operations	I		**14,25,30,395**	**10,30,07,930**
(II) Other Income	II	20	-	-
Total Income	III = (I+II)		**14,25,30,395**	**10,30,07,930**
Expenses		21		
(i) Net loss on fair value changes			47,45,017	-
(ii) Employee Benefits Expenses			1,52,36,314	1,63,97,652
(iii) Finance Costs			5,80,373	18,297
(iv) Depreciation, amortisation and impairement			31,76,355	14,58,979
(v) Other expenses			6,71,05,678	4,89,71,931
Total Expenses	IV		**9,08,43,737**	**6,68,46,859**
Profit/(Loss) before exceptional items and tax	V =(III-IV)		**5,16,86,658**	**3,61,61,071**
Exceptional Items	VI		-	-
Profit Before Tax	VII=V-VI		**5,16,86,658**	**3,61,61,071**
Tax expenses				
Current tax			1,24,16,481	41,58,822
Tax Adjustments for earlier years			40,55,659	-
Deferred tax			(32,35,265)	59,02,846
MAT Credit entitlement - current year			-	-
- earlier year			(51,19,731)	-
Total tax expenses	VIII		**81,17,144**	**1,00,61,668**
Profit for the year	IX=VII-VIII		**4,35,69,514**	**2,60,99,403**
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		**4,35,69,514**	**2,60,99,403**
Earning per equity share	XII			
Basic (in Rs.) (Refer Note 23)			1.98	1.19
Diluted (in Rs.) (Refer Note 23)			1.98	1.19
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

For and on behalf of the Board of Directors of
UTI Retirement Solutions Limited

Sahil Kothari
Partner
Membership no.: 137144

Imtaiyazur Rahman
Chairman & Director
DIN: 01818725

Balram P. Bhagat
CEO & Whole Time Director
DIN : 01846261

Place : Mumbai
Date : 05/05/2020
UDIN NO. : 20137144AAAAAJ8323

Vivek Vadwana
Company Secretary

Shyamkumar Gupta
Chief Financial Officer
Date : 27/04/2020

CASH FLOW STATEMENT
for the year ended 31 March 2020

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	for the year ended 31st March 2020	For the year ended 31st March 2019
INDIRECT METHOD CASH FLOW FROM OPERATING ACTIVITIES		
Net profit & Loss Before Taxation	**5,16,86,658**	**3,61,61,071**
Adjustment for		
Depreciation and amortization expense	31,76,355	14,58,979
Interest income	(7,97,621)	(2,82,157)
Finance Costs	5,80,373	-
(Profit) / Loss on sale of investment	(3,01,74,859)	(7,72,637)
(Profit) / Loss on fair value changes	47,45,017	(2,09,29,688)
Operating Profit Before Working Capital Changes	**2,92,15,923**	**1,56,35,568**
Adjustment for changes in working capital		
(Increase)/ Decrease in Other non financial assets	-	65,947
(Increase)/ Decrease in financial assets trade receivable	(89,33,360)	(59,81,139)
Increase/ (Decrease) in financials liabilities	1,25,202	(17,96,547)
Increase/ (Decrease) in Other Non financial liabilties	16,40,340	30,69,158
Increase/ (Decrease) in Non financial liabilties - Provisions	(3,23,130)	6,15,047
	(74,90,948)	**(40,27,534)**
Cash Generated from Operations	**2,17,24,975**	**1,16,08,034**
Add/(Less) : Income Tax Paid	90,81,277	81,14,440
NET CASH FLOW FROM OPERATING ACTIVITIES	**1,26,43,698**	**34,93,594**
CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase) / Sale of Property, plant and equipments/ Other Intangible assets	-	-
(Purchase) / Sale of Right of use assets	(51,64,407)	-
Investment made during the Year	(51,23,28,343)	(9,20,25,247)
Investment sold during the Year	50,44,66,125	8,84,54,128
Interest income Received during the Year	4,02,278	74,516
Net cash generated from Investing Activities	**(1,26,24,347)**	**(34,96,603)**
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	-	-
Net cash generated from Financing Activities	**-**	**-**
Net Increase/ (Decrease) in Cash and cash equivalent	**19,351**	**(3,009)**
Opening Cash and cash equivalents	3,977	6,986
Closing Cash and cash equivalents	**23,328**	**3,977**
Components of Cash and cash equivalent		
Cash and cash equivalents		
Balances with banks:		
On current accounts	23,328	3,977
Cash on hand	-	-
Other bank balances		
Deposits with original maturity for more than 12 months	-	-
	23,328	**3,977**

As per our Report of even date
For : Bansilal Shah & Co.
Chartered Accountants
Firm Registration Number: 000384W

For and on behalf of the Board of Directors of
UTI Retirement Solutions Limited

Sahil Kothari
Partner
Membership no.: 137144

Imtaiyazur Rahman
Chairman & Director
DIN: 01818725

Balram P. Bhagat
CEO & Whole Time Director
DIN : 01846261

Place : Mumbai
Date : 05/05/2020
UDIN NO. : 20137144AAAAAJ8323

Vivek Vadwana
Company Secretary

Shyamkumar Gupta
Chief Financial Officer
Date : 27/04/2020

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

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. 31st March, 2019	Changes in equity share capital during 1st April, 2019 to 31st March, 2020	Balance at the end of the reporting period i.e. 31st March, 2020
22,00,00,000	-	22,00,00,000	-	22,00,00,000

B. Other Equity

Particulars		Balance at the beginning of the Reporting period (01-04-2018)	Changes in accounting policy or prior period errors	Restated balance at the beginning of the reporting period	Total comprehensive income for the year	Dividends	Transfer to retained earnings	Balance at the end of the Reporting period (31-03-2019)	Figures at the beginning of the previous Reporting period (01-04-2017)
		1	2	3= (1+2)	4	5	6	7 = (3+4-5-6)	8
(i)	General Reserve	-	-	-	-	-	-	-	-
(ii)	Security Premium Reserve	-	-	-	-	-	-	-	-
(iii)	Retained Earnings	10,92,37,925	-	10,92,37,925	2,60,99,403	-	-	13,53,37,328	8,84,94,652
	Total	10,92,37,925	-	10,92,37,925	2,60,99,403	-	-	13,53,37,328	8,84,94,652

Particulars		Balance at the beginning of the Reporting period (01-04-2019)	Changes in accounting policy or prior period errors	Restated balance at the beginning of the reporting period	Total comprehensive income for the year	Dividends	Transfer to retained earnings	Balance at the end of the Reporting period (31-03-2020)	Figures at the beginning of the previous Reporting period (01-04-2018)
		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

Notes to accounts annexed to and forming part of the financial statements for the year ended 31March, 2020:

1. **Corporate Information:**

UTI Retirement Solutions Ltd. ("the Company") is a wholly owned subsidiary of UTI Asset Management Co. Ltd. incorporated on 14th 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 14th 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 31stMarch, 2020 UTI RSL manages 12 schemes (2 Schemes under Govt. Sector and 9 Schemes under Private Sector and Atal Pension Yojana).

The registered office of the company is located at UTI Tower, GN Block, BandraKurla Complex, Bandra (East), Mumbai 400051.

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 March 31, 2019 of the Company are 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:**

2.2A: **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.

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.

2.2B: **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 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 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.

i. As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date.

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.

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 April 01, 2019 using the modified retrospective method II. 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. On transition, due to the adoption of the new Ind AS, it resulted in recognition of Right-of-Use asset (ROU) of Rs. 51,64,407 and a lease liability of Rs.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 Rs.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.

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 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.

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.

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 31st March, 2020	For Year Ended 31st March, 2019
PFRDA Annual Fees	4,68,53,911.00	3,47,41,635.00
Brokerage	1,32,83,063.00	99,33,722.00
Audit Fees	10,20,000.00	10,19,963.00
Valuation Fees – NAV	3,07,854.00	2,92,851.00
Strabus Software AMC Charges	0.00	50,000.00
Mpower Software AMC Charges	5,25,000.00	0.00
Other Expense	10,22,867.00	4,57,412.00
TOTAL	**6,30,12,695.00**	**4,64,95,583.00**

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.

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.

3 Cash and Cash Equivalents

₹

	As at 31 March 2020	As at 31 March 2019
Cash on hand	-	-
Balance with Bank	23,328	3,977
Cheques, drafts on hand	-	-
	23,328	**3,977**

4 Receivable

₹

	As at 31 March 2020	As at 31 March 2019
Trade receivables		
Outstanding for a period not exceeding six months from		
the date they are due for payment		
(Unsecured, considered good)	3,31,32,242	2,41,98,882
	3,31,32,242	**2,41,98,882**
Others		
(Unsecured, considered good)	-	-
	-	**-**
	3,31,32,242	**2,41,98,882**

5 Investments

₹

		As at 31 March 2020	As at 31 March 2019
	Investments in units of mutual fund schemes (Unquoted) Measured at Fair Value through Statement of Profit and Loss		
1	NIL (31 March 2019:95,00,000 Units of Cost Rs. 10 each) in UTI Fixed Term Income Fund Series XXIV-XI (1098 Days) - Direct Growth Plan	-	11,84,64,050
2	NIL (31 March 2019:4,50,000 Units of Cost Rs. 10 each) in UTI Fixed Term Income Fund Series XXV-V (1100 Days) - Direct Growth Plan	-	54,32,220
3	10,00,000 Units of Cost Rs. 10 each (31 March 2019:10,00,000 Units of Cost Rs. 10 each) in UTI Fixed Term Income Fund Series XXVI-I (1182 Days) - Direct Growth Plan	1,24,73,900	1,15,84,400
4	25,00,000 Units of Cost Rs. 10 each (31 March 2019:25,00,000 Units of Cost Rs. 10 each) in UTI Fixed Term Income Fund Series XXVI-VII (1140 Days) - Direct Growth Plan	3,14,89,250	2,89,70,750
5	30,00,000 Units of Cost Rs. 10 each (31 March 2019:30,00,000 Units of Cost Rs. 10 each) in UTI Fixed Term Income Fund Series XXVI-VIII (1154 Days) - Direct Growth Plan	3,71,27,100	3,44,70,300
6	5,00,000 Units of Cost Rs. 10 each (31 March 2019:5,00,000 Units of Cost Rs. 10 each) in UTI Fixed Term Income Fund Series XXVI-XIII (1124 Days) - Direct Growth Plan	62,38,250	57,38,500
7	20,00,000 Units of Cost Rs. 10 each (31 March 2019:20,00,000 Units of Cost Rs. 10 each) in UTI Fixed Term Income Fund Series XXVII - IV (1113 Days) - Direct Growth Plan	2,40,98,000	2,22,59,600
8	50,00,000 Units of Cost Rs. 10 each (31 March 2019:50,00,000 Units of Cost Rs. 10 each) in UTI Fixed Term Income Fund Series XXVII – VII (1104 Days) - Direct Growth Plan	5,98,02,500	5,51,70,000
9	10,00,000 Units of Cost Rs. 10 each (31 March 2019:10,00,000 Units of Cost Rs. 10 each) in UTI Fixed Term Income Fund Series XXVII – VIII (1117 Days) - Direct Growth Plan	1,19,42,600	1,10,36,200
10	20,00,000 Units of Cost Rs. 10 each (31 March 2019:20,00,000 Units of Cost Rs. 10 each) in UTI Fixed Term Income Fund Series XXVII-X (1118 Days) - Direct Growth Plan	2,34,75,400	2,18,83,400
11	50,00,000 Units of Cost Rs. 10 each (31 March 2019:NIL) in UTI Fixed Term Income Fund Series XXXII - I (1126 days) - Direct Growth Plan	5,40,75,500	-
12	34,894.097 Units of Cost Rs. 3249.3502 each (31 March 2019:8,413.373 Units of Cost Rs. 3057.0405 each) in UTI Liquid Cash Plan - Direct Plan - Growth	11,34,56,167	2,57,51,146
		37,41,78,667	**34,07,60,566**

5 Investments

₹

	As at 31 March 2020	As at 31 March 2019
Aggregate value of quoted investments	-	-
Aggregate value of unquoted investments	**37,41,78,667**	**34,07,60,566**
Category-wise investment		
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	37,41,78,667	34,07,60,566
Total investment	**37,41,78,667**	**34,07,60,566**

6 Other Financial Assets

₹

	As at 31 March 2020	As at 31 March 2019
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	78,95,474	33,46,726
(b)	**78,95,474**	**33,46,726**

Deposits pledged with bank against Bank guarantee.

Deposits with a carrying amount of Rs.50 Lakhs (previous year Rs.20 Lakhs) are held in pledge against Performance bank guarantee to Pension Fund Regulatory and Development Authority (PFRDA)

Others

₹

	As at 31 March 2020	As at 31 March 2019
Interest accrued on fixed deposits	4,67,019	6,34,650
(c)	**4,67,019**	**6,34,650**
Total = (a)+(b)+(c)	**83,62,493**	**39,81,376**

7 Current tax assets (Net)

₹

	As at 31 March 2020	As at 31 March 2019
Advance Income-tax (Net of provision for tax)	25,06,628	98,97,491
MAT Credit entitlement	40,09,233	-
	65,15,861	**98,97,491**

8 Property, Plant and Equipments

₹

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening Cost (As at March 31 2018)	Additions during the period	Deductions during the period	Closing Cost (As at 31 March 2019)	Opening Accumulated Depreciation (As at Mar 31 2018)	for the year	Deductions/ Adjustments during the period	Closing Accumulated Depreciation (As at 31 Mar 2019)	As at 31 March 2019	As at 31 March 2018
Tangible Assets										
Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-
Office Equipment	61,029	-	-	61,029	57,642	3,387	-	61,029	-	3,387
IT Equipment - Computers	12,52,937	-	-	12,52,937	12,45,122	7,815	-	12,52,937	-	7,815
	13,13,966	**-**	**-**	**13,13,966**	**13,02,764**	**11,202**	**-**	**13,13,966**	**-**	**11,202**

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	12,52,937	-	-	12,52,937	12,52,937	-	-	12,52,937	-	-
	13,13,966	**-**	**-**	**13,13,966**	**13,13,966**	**-**	**-**	**13,13,966**	**-**	**-**

9 Right of use assets

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
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**	**-**

10 Other Intangible assets

₹

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening Cost (As at Mar 31 2018)	Additions during the period	Deductions during the period	Closing Cost (As at 31 Mar 2019)	Opening Accumulated Depreciation (As at Mar 31 2018)	for the year	Deductions/ Adjustments during the period	Closing Accumulated Depreciation (As at 31 Mar 2019)	As at 31 March 2019	As at 31 March 2018
Computer Software	43,47,300	-	-	43,47,300	51,565	14,47,778	-	14,99,343	28,47,957	42,95,735
	43,47,300	**-**	**-**	**43,47,300**	**51,565**	**14,47,778**	**-**	**14,99,343**	**28,47,957**	**42,95,735**

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION			NET BLOCK		
	Opening Cost (As at Mar 31 2019)	Additions during the period	Deductions during the period	Closing Cost (As at 31 Mar 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
Computer Software	43,47,300	-	-	43,47,300	14,99,343	14,51,744	-	29,51,087	13,96,213	28,47,957
	43,47,300	**-**	**-**	**43,47,300**	**14,99,343**	**14,51,744**	**-**	**29,51,087**	**13,96,213**	**28,47,957**

11 Other Non Financial Assets

₹

	As at 31 March 2020	As at 31 March 2019
Other Assets		
Prepaid expenses	-	-
Goods and Service Tax receivable	-	-
Service tax credit receivable	-	-
Total	**-**	**-**

12 (a) Financial Liabilities

₹

	As at 31 March 2020	As at 31 March 2019
(I) Trade Payables		
(i) total outstanding dues of micro enterprises	-	-
and small enterprises		
(ii) total outstanding dues of creditiros other than	6,67,290	5,42,088
micro enterprises and small enterprises		
	6,67,290	**5,42,088**
(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	-	-
Other payables	-	-
	-	**-**

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 October 02, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises.

13 Other Financial Liabilities

₹

	As at 31 March 2020	As at 31 March 2019
Lease liability *	35,81,690	-
	35,81,690	**-**

* Lease Liability is created on account of implementation on IND AS 116 for leased premises

14 Provisions

₹

	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
Provision for performance bonus/incentive	55,00,000	61,00,000
	55,00,000	**61,00,000**
Other provisions		
Provision for Audit Fees	6,79,590	5,23,261
Provision for Scheme Audit Fees	11,01,600	11,01,600
Provision for Valuation Charges	1,10,541	-
Provision for Review of Internal Financial Controls over Financial Reporting	54,000	54,000
Provision for Audit Expenses	30,000	30,000
Provision for ROC Matters	30,000	25,000
Provision for Miscellaneous Expenses	5,000	-
	20,10,731	**17,33,861**
Total	**75,10,731**	**78,33,861**

15 Deferred Tax Liability (Net)

₹

		As at 31 March 2020	As at 31 March 2019
i)	**Deferred tax liability:**		
a)	On account of depreciation on Property, plant and equipments	34,086	3,05,425
b)	On account of lease liability	18,77,050	-
c)	Net impact of IND - AS for investments	1,13,49,316	1,42,73,768
	Total	**1,32,60,452**	**1,45,79,193**
ii)	**Deferred tax asset:**		
a)	On account of expenditure	-	-
b)	On account of right of use asset	19,16,524	-
	Total	**19,16,524**	**-**
	Net Deferred tax liability	**1,13,43,928**	**1,45,79,193**

16 Other Non Financial Liabilities

₹

	As at 31 March 2020	As at 31 March 2019
Goods and Service Tax payable	47,94,760	32,37,851
TDS payable	2,43,359	1,59,928
	50,38,119	**33,97,779**

17 Share Capital

₹

	As at 31 March 2020	As at 31 March 2019
Authorised		
2.50 crore (31 March 2019 & Sep 30 2018: 2.50 crore) equity shares of Rs.10/- each	**25,00,00,000**	**25,00,00,000**
Issued, subscribed and fully paid up		
2.20 crore (31 March 2019 & Sep 30 2018: 2.20 crore) equity shares of Rs.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 2020		As at 31 March 2019	
	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:

	As at 31 March 2020		As at 31 March 2019	
	No. of shares	% Holding	No. of shares	% Holding
Equity shares of Rs.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

₹

	As at 31 March 2020	As at 31 March 2019
i) **Retained Earnings**		
Balance as per the last financial statements	13,53,37,328	10,92,37,925
Add : Net impact for fair valuation of investments	-	-
(Less): Net impact of deferred tax liability of investments	-	-
Restated Opening balance	**13,53,37,328**	**10,92,37,925**
Profit for the year	4,35,69,514	2,60,99,403
Net balance	**17,89,06,842**	**13,53,37,328**
ii) **Other Comprehensive Income (OCI)**		
Balance as per the last financial statements	-	-
Add: Movement in OCI (Net) during the year	-	-
	-	-
Total Other Equity	**17,89,06,842**	**13,53,37,328**

19 Revenue from operations

₹

	Year ended March 31 2020	Year ended March 31 2019
(i) **Interest income**		
Interest on deposit with Bank	4,65,343	2,82,157
Interest on Income Tax Refund	3,32,278	-
	7,97,621	**2,82,157**
(ii) **Net gain on fair value changes**	-	2,09,29,688
	-	**2,09,29,688**
(iii) **Sale of services**		
Details of services rendered		
Management fees	11,15,57,915	8,10,23,448
	11,15,57,915	**8,10,23,448**
(iv) **Others**		
Net gain/loss on sale of investments	3,01,74,859	7,72,637
	3,01,74,859	**7,72,637**

20 Other Income

₹

	Year ended March 31 2020	Year ended March 31 2019
Provision no longer required withdrawn (net)	-	-
Other non operating income	-	-
	-	**-**

21

₹

		Year ended March 31 2020	Year ended March 31 2019
(i)	**Net loss on fair value changes**	47,45,017	-
		47,45,017	**-**
(ii)	**Employee Benefits Expenses**		
	Salaries and wages	1,48,48,251	1,60,33,534
	Contribution to provident and other funds	3,88,063	3,64,118
		1,52,36,314	**1,63,97,652**
(iii)	**Finance Costs**		
	Interest Expense	3,67,283	-
	Other Borrowing Costs	2,13,090	18,297
		5,80,373	**18,297**
(iv)	**Depreciation, Amortisation and Impairement**		
	Depreciation of tangible assets	-	11,201
	Amortization of intangible assets	14,51,744	14,47,778
	Amortization of right of use assets	17,24,611	-
		31,76,355	**14,58,979**
(v)	**Other Expenses**		
	Rent	-	6,000
	Board Meeting Expense - Traveling	1,17,129	99,599
	Board Meeting Expense - Others	1,03,050	95,545
	Printing and stationery	15,427	-
	Legal and professional fees	1,95,625	2,500
	Directors sitting fees	9,70,000	8,25,000
	Payment to auditors (Refer (i) below)	11,63,250	10,65,500
	Asset Servicing Charges	-	-
	Review of Internal Financial Controls over Financial Reporting	50,000	50,000
	ROC Filing Fees	36,290	40,300
	Data Migration Audit Fees	-	-
	Scheme expenses		
	- PFRDA Annual Fees	4,68,53,911	3,47,41,635
	- Others	1,61,58,784	1,17,53,948
	Car Hire Charges	11,15,205	1,02,874
	Other expenses	3,27,007	1,89,030
		6,71,05,678	**4,89,71,931**
	Payment to auditors		
	As auditors:		
	Audit fee	2,25,000	3,05,000
	Concurrent Audit Fees	3,16,250	2,97,000
	Internal Audit Fees	4,62,000	3,46,000
	Tax audit fee	80,000	80,000
	GST audit fee	80,000	37,500
		11,63,250	**10,65,500**

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
Key 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

a) Transaction during the period	Period ended March 31, 2020	Period ended March 31, 2019	Details
Holding Company			
UTI Asset Management Company Limited	-	6,000	Rent
UTI Asset Management Company Limited	19,50,000	-	Lease
UTI Asset Management Company Limited	1,58,36,314	1,57,97,652	Salary & Administrative Expenses
Key Personnal Management:			
Mr. Balram Bhagat	27,18,740	26,29,805	Remuneration
Mr. Arvind Patkar*	7,13,472	19,39,107	Remuneration
Mr. Vivek Vadwana**	3,51,779	-	Remuneration
Mr. Shyamkumar Gupta	16,07,664	16,37,039	Remuneration
b) Outstanding at the period end			
Holding Company	-	-	
Key Personnal Management:	-	-	

* *Mr Arvind Patkar resigned as Company Secretary w.e.f. 22nd October, 2019.*

** *Mr. Vivek Vadwana appointed as Company Secretary w.e.f. 23rd October, 2019.*

23 Earnings Per Share

Earnings per share are computed in accordance with Indian Accounting Standard 33

	31.03.2020	31.03.2019
Profit after Tax	4,35,69,514	2,60,99,403
Weighted Average number of equity shares used as denominator for calculating EPS	2,20,00,000	2,20,00,000
Nominal Value per Share	10.00	10.00
Basic and Diluted EPS	1.98	1.19

Basic Earnings Per Share and Diluted Earnings Per Share are the same.

24 Contingent liabilities:

A. **To the extent not provided for**

Claims against the company not acknowledged as debts is Rs. NIL (Previous Year Rs. NIL) & Other money for which the company is contingently liable is Rs. NIL. (Previous Year Rs. NIL)

B. Other Contingent Liabilities where financial impact is not ascertainable : NIL (Previous Year Rs. NIL)

25 Capital and Other Commitments

(a) Estimated amount of contracts remaining to be executed on capital accountis Rs NIL. (Previous Year Rs. NIL)

(b) As on 31st March 2020, the company has commitments of Rs.NIL. (Previous Year Rs. 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 corona virus 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	31.03.2020	31.03.2019
0-90 Days	3,31,32,242	2,41,98,882
91-180 Days	-	-
181-270 days	-	-
271-365 Days	-	-
More than 365 Days	-	-
Total	**3,31,32,242**	**2,41,98,882**

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 Rs. 23,328 as on 31st March, 2020. 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 counter parties.

Following is the exposure of the company towards credit risk.

Particulars	Carrying Amount	Total	Contractual Cash Flows 31.03.2020		
			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**	**-**

Particulars	Carrying Amount	Total	Contractual Cash Flows 31.03.2019		
			Less than 1 year	1-3 years	More than 3 years
Financial Assets:					
Cash And Cash Equivalents	3,977	3,977	3,977	-	-
Receivables	2,41,98,882	2,41,98,882	2,41,98,882	-	-
Investments	34,07,60,566	34,07,60,566	14,96,47,416	19,11,13,150	-
Other Financial Assets	39,81,376	39,81,376	14,22,178	25,59,198	-
Total	**36,89,44,801**	**36,89,44,801**	**17,52,72,453**	**19,36,72,348**	**-**

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 31.03.2020		
			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**	

Particulars	Carrying Amount	Total	Contractual Cash Flows 31.03.2019		
			Less than 1 year	1-3 years	More than 3 years
Financial Liabilities :					
Payable to UTI AMC	-	-	-	-	-
Lease liability	-	-	-	-	-
Other Payables.	5,42,088	5,42,088	5,42,088	-	-
Total	**5,42,088**	**5,42,088**	**5,42,088**		

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	
	31.03.2020	31.03.2019
Fixed Rate Instruments		
Financial Assets	41,56,96,730	36,89,44,801
Financial Liabilities	(42,48,980)	(5,42,088)
Total	**41,14,47,750**	**36,84,02,713**

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 currencyRisk.

Equity price risk:

The company does not have any Equity price risk.

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.

31.03.2020	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:						
Other Financial Liabilities	42,48,980	-	42,48,980	-	-	-
Total	**42,48,980**	**-**	**42,48,980**	**-**	**-**	**-**

31.03.2019	Carrying Amount			Fair Value		
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial Assets:						
Other Investments	34,07,60,566	-	34,07,60,566	34,07,60,566	-	-
Trade Receivables	2,41,98,882	-	2,41,98,882	-	-	-
Cash & Cash Equivalents	3,977	-	3,977	-	-	-
Other Financial Assets	39,81,376	-	39,81,376	-	-	-
Total	**36,89,44,801**	**-**	**36,89,44,801**	**34,07,60,566**		
Financial Liabilities:						
Other Financial Liabilities	5,42,088	-	5,42,088	-	-	-
Total	**5,42,088**	**-**	**5,42,088**	**-**	**-**	**-**

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	31.03.2020	31.03.2019
Total Liabilities	2,81,41,758	2,63,52,921
Less: Cash & Cash equivalents	(23,328)	(3,977)
Adjusted Net Debt	**2,81,18,430**	**2,63,48,944**
Total Equity	**39,89,06,842**	**35,53,37,328**
Adjusted Net Debt to Total Equity Ratio	**0.07**	**0.07**

30. **Lease disclosures:**

Company as a lessee:

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the themodified 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 31March 2020

Particulars	31.03.2020
Current lease liabilities	17,17,924
Non-current lease liabilities	18,63,766
Total	**35,81,690**

The following is the movement in lease liabilities during the year ended 31 March 2020

Particulars	31.03.2020
Balance as of 1 April 2019	51,64,407
Additions	-
Finance cost accrued during the year	3,67,283
Payment of lease liabilities	(19,50,000)
Adjustments	-
Balance as of 31st March 2020	**35,81,690**

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2020 on an undiscounted basis

Particulars	31.03.2020	31.03.2019
Less than one year	17,17,924	-
One to Five years	18,63,766	-
More than Five years	-	-
Total	**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 financial year 2019-20 is 8.50%.

31. **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'.

32. **Managerial Remuneration**

a) The remuneration to CEO & Whole Time Director during the current year isRs. 27,18,740/- (previous year Rs. 26,29,805/-).

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.

33. Previous year's figures have been regrouped/reclassified wherever necessary, to conform to current year's classification.

As per our Report of even date

For Bansilal Shah & Co. **Chartered Accountants** **Firm Registration No. 000384W**	**For and on behalf of the Board of Directors** **UTI Retirement Solutions Limited**	
Sahil Kothari **Partner** **Membership No. 137144**	**Imtaiyazur Rahman** **Chairman & Director** **DIN: 01818725**	**Balram P. Bhagat** **CEO & Whole Time Director** **DIN : 01846261**
Place : Mumbai **Date: 05/05/2020**	**Vivek Vadwana** **Company Secretary**	**Shyamkumar Gupta** **Chief Financial Officer**
UDIN NO. : 20137144AAAAAJ8323	**Date : 27/04/2020**	

Director's Report

To the Members,

We are pleased to present the report on our business and operations for the financial year ended on 31st March, 2020.

Financial Results

(Amount Rs. In Lacs)

Particulars	For the financial year ended on 31st March, 2020	For the financial year ended on 31st March, 2019
Total Income	805.01	899.12
Profit /Loss Before Tax	(200.60)	22.45
Profit /Loss After Tax	(143.17)	77.59
Net Worth	2,869.95	3,020.76

For the year ended 31 March 2020, the total income of the Company during the financial year was Rs. 805.01 Lacs (Previous year Rs.899.12 Lacs) and the Net loss after tax was Rs. 143.17 Lacs (Previous year Profit of Rs.77.59 Lacs). The net worth of the company was Rs. 2,869.95 Lacs as on 31st March, 2020 (Previous year Rs.3,020.76 Lacs). 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 March 31, 2020.

Business, Operations and Affairs of the Company

Your Company is currently acting as Investment Manager to two SEBI regulated investment funds, viz India Infrastructure Development Fund (IIDF) and UTI Structured Debt Opportunities Fund I (SDOF). IIDF is an infrastructure focused private equity fund sponsored by UTI AMC Ltd. It achieved the initial closing on May 12, 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 Rs. 405.5 (Previous Year Rs 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 Rs. 202 crore (Previous year Rs 252 crore) across two unlisted companies viz. Bumi Engineering Ltd., and Indian Oiltanking Ltd. During the year, the fund disposed off its investment held in Bharat Light & Power Private Limited.

As part of investment management, your company has been actively engaging with the management of the portfolio companies at various levels and is providing strategic advice on shaping their future business plans.

SDOF is a private debt fund registered with SEBI as a Category II AIF in August, 2017. UTI Capital is the Investment Manager of the fund and SDOF is the first scheme of the Trust. The objective of SDOF is to generate superior risk adjusted returns for its investors by investing in debt securities of various companies. SDOF announced its first close on November 15, 2017. The total commitments as on March 31, 2020 were approx. Rs 805.75 crores (Previous Year Rs 671.06 crores) and the total amount drawn down from investors as on 31 March 2020 is Rs 694.34 crores (Previous year Rs.363.54 crores) . As on 31 March 2020 SDOF has outstanding investments in nine companies aggregating Rs. 548 crores (Previous year five Companies aggregating Rs. 350 crores).

Your Company has also been appointed as Investment Advisor to a Mauritius based fund called 'Pragati India Fund Ltd'(PIFL). CDC, the Development Financial Institution of Government of UK is the majority investor in PIFL. The current assets under management by PIFL is approx Rs 93.42 crore (Previous Year Rs 93.42 crore) across three companies viz PTC Industries Ltd, Saija Finance Pvt Ltd and DCDC Health Services Pvt Ltd, Out of the three companies, the first company is listed while the remaining are unlisted. As per the advisory agreement signed with PIFL, your company will undertake monitoring of the portfolio and make best efforts to enhance value and provide advice on exit from the various companies. Your company has been actively engaging with the management of the portfolio companies at various levels and is providing timely reports to PIFL for monitoring purposes.

Your Company has also applied to SEBI for launching a new scheme (UTI Structured Debt Opportunities Fund II) under UTI Emerging India Opportunities Fund, a category 2 AIF previously approved by SEBI. SEBI approval to launch the scheme is in process.

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 and advisory fee from PIFL. UTI SDOF I has sufficient liquidity to meet its liabilities, including management fee to UTI Capital, for the remainder of its 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 except the fee for the quarter ended March 2020. Further IIDF has sufficient liquidity to meet its operational expenses for the next two years at-least. 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. Flemming Madsen, who retired by rotation was re-appointed as Director.

Mr. Deepak Vaidya was appointed as an independent director for a term of three years in the Annual General Meeting held on 19th 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 20th August 2018.

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.

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 Rs 160.97 Lacs (Rs. 210.08 Lacs). Your company spent foreign exchange amounting to Rs Nil (Nil) during the year. Regarding conservation of energy, the Company has taken the office premises on rent from UTIAMC 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.

(f) 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.

Auditors

The Statutory Auditors of the Company are appointed by the Comptroller and Auditor General of India. M/s MGB & Co LLP, Chartered Accountants, Mumbai have been appointed by the Comptroller and Auditor General of India 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 Pvt. Ltd. for their commitment, collaboration and partnership demonstrated by them for achieving the Company's goals.

For and on behalf of Board of Directors

Chairman

Date: 28th April 2020

Place: Mumbai

Annexure I

Corporate Governance Report

Board of Directors : Composition

The Board of Directors of UTI Capital Pvt. Ltd. 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 Pvt. Ltd. met 4 times during the period. The meetings were held on 26th April 2019, 21st August 2019, 23rd October 2019 and 29th January 2020. The Audit Committee meetings were held on 26th April 2019, 21st August 2019, and 23rd October 2019.

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 2019-20 are as under:-

Name of the Director	No. of Board Meetings during 2019-20		No. of Audit Committee Meetings during 2019-20		No. of directorships in other public companies	
	Held	Attended	Held	Attended	Chairman	MD/ Director
Mr Flemming Madsen	4	4	-	-	Nil	1
Mr Deepak Vaidya	4	4	3	3	Nil	7
Mr Imtaiyazur Rahman	4	4	3	3	Nil	6

Remuneration of Directors

The remuneration paid or payable to the Directors for the year ended 31st March, 2020 is as detailed below:-

Sr no	Name of Director	Sitting Fees (Rs.)	Emoluments paid by the Company (Rs.)	Total (Rs.)
1	Mr Flemming Madsen, Director	NIL	NIL	NIL
2	Mr Deepak Vaidya, Independent Director	1,65,000	NIL	1,65,000
3	Mr Imtaiyazur Rahman, Director	NIL	NIL	NIL

Annexure II

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

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:

   (d) 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)**

   b) Nature of contracts/arrangements/transactions: **RENT FOR OFFICE PREMISES**

   c) Duration of the contracts / arrangements/transactions: **12 MONTHS**

   d) Salient terms of the contracts or arrangements or transactions including the value, if any:
   RS. 5,067,504/-

   e) Date(s) of approval by the Board, if any : 17th January 2018

   f) Amount paid as advances, if any : **Nil**

For and on behalf of the Board of Directors

Chairman

Annexure IV

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

Declaration by Independent Director

[Pursuant to section 149(7) of the Companies Act, 2013]

To,
The Board of Directors of
UTI Capital Pvt. Ltd.
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 Pvt. Co. Ltd. or its holding, subsidiary or associate company;

(b) I am not related to promoters or directors in UTI Capital Pvt. Ltd., 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 Pvt. Ltd., 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 Pvt. Ltd., 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 Pvt. Ltd., of face value not exceeding fifty lakh rupees or two per cent of the paid-up capital of UTI Capital Pvt. Ltd., its holding, subsidiary or associate company or such higher sum as may be prescribed;

(*ii*) is indebted to UTI Capital Pvt. Ltd., 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 Pvt. Ltd., 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 Pvt. Ltd., 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 Pvt. Ltd. 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 Pvt. Ltd., its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;

(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 Pvt. Ltd., 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 Pvt. Ltd.

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

1. Opinion

We have audited the accompanying financial statements of UTI Capital Private Limited ('the Company'), which comprise the balance sheet as at 31 March 2020, 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 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 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 2020, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

2. Basis for opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) prescribed under Section 143(10) of the Companies Act, 2013 ("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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Emphasis of Matter

We draw attention to Note 36 to the financial statements which describes that the extent to which the COVID-19 Pandemic will impact the Company's results will depend on future developments, which are highly uncertain for which the Company will continue to monitor.

Our opinion is not modified in respect of this matter

4. Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report along with annexures, 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 in the 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.

5. 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 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) 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. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

6. 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 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 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.

7. Report on other Legal and Regulatory requirements

I. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143(11) of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order.

II. We are enclosing report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the ''Annexure B" on the directions and sub directions issued by the Comptroller and Auditor General of India.

III. As required by Section143(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 written representations received from the directors of the Company and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and

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, of the Company examined by us, and information and explanations 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 which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts having any material foreseeable losses; and

iii. There are no amounts required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

For MGB & Co. LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215

Mumbai, 28 April 2020

Annexure - A to the Independent Auditor's Report

Annexure referred to in paragraph 7(I) under "Report on other Legal and Regulatory requirements" of our report of even date to the members of UTI Capital Private Limited on the financial statements for the year ended 31 March 2020

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

(b) All the fixed assets have been 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 explanations, given to us, no discrepancies were noticed on such verification.

(c) The Company does not have any immovable property and hence clause i (c) of the Order is not applicable.

ii. Considering the nature of business, Clause (ii) of the Order is not applicable.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.

iv. In our opinion and according to the information and explanations 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 Sections 185 and 186 of the Act.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act.

vi. According to information and explanation given to us, the Central Government of India has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the activities carried on by of the Company.

vii. According to the records of the Company examined by us and information and explanations given to us:

a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and others as applicable have been generally regularly deposited with the appropriate authorities. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March 2020 for a period of more than six months from the date they became payable.

b) 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 on account of any dispute.

viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not taken any loans or borrowings from bank / financial institution / Government or issued debentures during the year.

ix. In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year.

x. 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 explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the Management.

xi. According to the records of the Company examined by us, and information and explanations given to us, the Company has not paid any managerial remuneration during the year. Hence, Clause xi of the Order is not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

xiv. According to the records of the Company examined by us, and information and explanations 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.

xv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him.

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

For MGB & Co. LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215

Mumbai, 28 April 2020
UDIN No.: 20048215AAAABK4299

Annexure B to the Independent Auditors Report

Referred to in our report of even date to the members of the UTI Capital Private Limited on the accounts for the year ended 31 March 2020

Sl No	Directions u/s 143 (5) of the Companies Act, 2013	Auditors' reply on action taken on the directions	Impact on the financial statement
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	According to the information and explanation given to us, the Company has system in place to process all the accounting transactions through IT system	Nil
2	Whether there is any restructuring of an existing loan or cases of 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? If yes, the financial impact may be stated	According to the information and explanations given to us, there are no cases of waiver/ write off of debts/ loans/ interest etc. The Company does not have any loans	Nil
3	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation	According to the information and explanation given to us, the Company has not received any funds for specific schemes from central/ state agencies	Nil

For MGB & Co. LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215

Mumbai, 28 April 2020
UDIN No.: 20048215AAAABK4299

Annexure - C to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act as referred to in paragraph 7(III)(f) under "Report on other Legal and Regulatory requirements" of our report of even date to the members of UTI Capital Private Limited on the financial statements for the year ended 31 March 2020

We have audited the internal financial controls over financial reporting of UTI Capital Private Limited ("the Company") as of 31 March 2020 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 (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 Act.

Auditor's 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing 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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For MGB & Co. LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215

Mumbai, 28 April 2020
UDIN No.: 20048215AAAABK4299

BALANCE SHEET
as at 31 March 2020

(Rs. In Crores)

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
I ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	3	0.83	0.30
(b) Receivables	4		
(i) Trade receivables		0.49	3.81
(ii) Other receivables		0.37	0.31
(c) Investments	5	27.97	21.70
Total Financial Assets		**29.66**	**26.12**
(2) Non-Financial Assets			
(a) Current tax assets (net)	6	1.47	0.89
(b) Property, plant and Equipment	12	0.28	-
(c) Other Intangible Assets	7	0.00	0.00
(d) Other non-financial assets	8	1.58	-
(e) Other Intangible Assets	8a	0.00	0.00
(f) Other non-financial assets	9	6.37	7.76
Total Non-Financial Assets		**9.70**	**8.65**
TOTAL ASSETS		**39.36**	**34.77**
II LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) (I) Trade payable	10		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		0.45	1.85
(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		0.18	0.21
(b) Borrowings		6.11	-
(c) Other financial liabilities	11	3.73	1.81
Total Financial Liabilities		**10.47**	**3.87**
(2) Non-Financial Liabilities			
(a) Deferred tax liabilities (net)	12	-	0.39
(b) Provisions	13 A	0.05	
(c) Other non-financial liabilities	13 B	0.14	0.31
Total Non-financial liabilities		**0.19**	**0.70**
(3) Equity			
(a) Equity Share Capital	14	12.00	12.00
(b) Other Equity	15	16.70	18.20
Total Equity		**28.70**	**30.20**
TOTAL EQUITY AND LIABILITIES		**39.36**	**34.77**
Notes forming part of the financial statements			

In terms of our Report attached
For MGB & Co. LLP.
Chartered Accountants
FRN: 101169W/W-100035

Sanjay Kothari
Partner
MRN: 048215

Place : Mumbai
Date : 28 April 2020

For and on behalf of the Board of Directors of
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 2020

(Rs. In Crores)

Particulars		Note	31 March 2020	31 March 2019
I. Revenue from operations		16		
(i) Interest Income			0.12	0.00
(ii) Dividend Income			0.17	0.13
(iii) Net gain on fair value changes Net			-	1.45
(iv) Sale of services			7.43	7.13
(v) Others			0.02	0.17
Total Revenue from operations			7.74	8.88
II. Other Income		17	0.30	0.12
III. Total Income	(I+II)		8.04	9.00
Expenses		18		
(i) Finance Cost			0.53	0.00
(ii) Fees and commission expense			2.30	1.58
(iii) Net Loss on Fair Value Changes			0.89	-
(iv) Employee benefits expense			5.06	5.82
(v) Depreciation, amortisation and impairment			0.46	0.00
(vi) Other expenses			0.81	1.38
IV. Total Expenses			10.05	8.78
V. Profit/(Loss) before exceptional items and tax	(III-IV)		(2.01)	0.22
VI. Exceptional Items				
VII. Profit/ (Loss) Before Tax	(V-VI)		(2.01)	0.22
VIII. Tax expenses		19		
Current Tax - Current year			-	0.22
- Earlier year			0.06	
Deferred Tax - Current year			(0.64)	(0.04)
MAT Credit Entitlement - Current Year			-	(0.22)
- Eafrlier Year			0.01	(0.51)
IX. Total tax expenses			(0.57)	(0.55)
X. Profit/ (Loss) for the year	(VIII-IX)		(1.43)	0.77
XI. Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
- Remeasurement gains/losses on defined benefit plan			(0.10)	(0.01)
- Income tax relating to items that will not be reclassified to profit or loss			0.03	0.00
Other Comprehensive Income/ (Loss) for the year			(0.07)	(0.01)
XII. Total comprehensive Income/ (Loss) for the year	(X+XI)		(1.50)	0.76
Earning per equity share of face value of Rs 10		29		
Basic (in Rs.)			0.65	0.49
Diluted (in Rs.)			0.65	0.49
Notes forming part of the financial statements		1-35		
Earning per equity share of face value of Rs 10				
Basic (in Rs.)			(1.19)	0.64
Diluted (in Rs.)			(1.19)	0.64

In terms of our Report attached
For MGB & Co. LLP.
Chartered Accountants
FRN: 101169W/W-100035

Sanjay Kothari
Partner
MRN: 048215

Place : Mumbai
Date : 28 April 2020

For and on behalf of the Board of Directors of
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 2020

(Rs. In Crores)

		31 March 2020	31 March 2019
A.	**Cash flow from operating activities**		
	Profit (loss) before tax	(2.01)	0.22
	Adjustments for:		
	Depreciation and amortization expense	0.46	0.00
	Profit on redemption of units of mutual fund	(0.02)	(0.17)
	Interest on borrowings and lease liabilities	0.53	0.00
	Interest on units of Funds	(0.12)	(0.00)
	Effect of IND AS for Fair Valuation of investments	0.89	(1.47)
	Dividend income from investments	(0.17)	(0.13)
	Remeasurement of Defined Benefit Plan Adjustment	(0.10)	(0.01)
	Operating profit before working capital changes	**(0.54)**	**(1.56)**
	Adjustments for:		
	Decrease / (increase) in Financial Assets	3.26	(1.01)
	Decrease / (increase) in Non-Financial Assets	1.39	(1.48)
	Increase / (decrease) in Financial Liabilities	(1.18)	0.61
	Increase / (decrease) in Non-Financial Liabilities	(0.12)	0.07
		3.35	(1.80)
	Cash generated from operations	2.81	(3.36)
	Direct tax paid (net of refunds)	(0.64)	(0.63)
	Net cash from/ (used in) operating activities (A)	**2.17**	**(3.99)**
B.	**Cash flow from investing activities**		
	Purchase of investments	(11.68)	(11.23)
	Redemption of investments	4.52	15.21
	Interest Income	0.12	0.00
	Dividend received	0.17	0.13
	Net cash from/ (used in) investing activities (B)	**(6.87)**	**4.11**
C.	**Cash flow from financing activities**	-	-
	Borrowings from holding company	6.00	-
	Payment of lease liabilities	(0.51)	-
	Interest paid	0.26	-
	Net cash from/ (used in) financing activities (C)	**5.23**	**0.12**
	Net changes in cash and cash equivalents (A+B+C)	0.53	0.12
	Cash and cash equivalents at the beginning of the year	0.30	0.18
	Cash and cash equivalents at the end of the year	**0.83**	**0.30**
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 transaction have not been given in the above cash flow statement details of which are given in note 32		
3.	Cash and cash equivalents consists of :		
	Balances with banks:		
	in current accounts	0.83	0.30
	Total	**0.83**	**0.30**

In terms of our Report attached
For MGB & Co. LLP.
Chartered Accountants
FRN: 101169W/W-100035

Sanjay Kothari
Partner
MRN: 048215

Place : Mumbai
Date : 28 April 2020

For and on behalf of the Board of Directors of
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
for the year ended 31 March 2020

(Rs. In Crores)

		31 March 2020
A.	Equity Share Capital	
	As at 01 April 2018	12.00
	Changes in equity share capital	-
	As at 31 March 2019	12.00
	Changes in equity share capital	-
	As at 31 March 2020	12.00
B.	Other Equity	Other Equity
		Retained Earnings
	As at 01 April 2018	17.44
	Profit/ (loss) for the year	0.77
	Other comprehensive income	(0.01)
	Total comprehensive income for the year	18.20
	As at 31 March 2019	18.20
	Profit/ (loss) for the year	(1.43)
	Other comprehensive income	(0.07)
	Total comprehensive income for the year	16.70
	As at 31 March 2020	16.70
	Notes forming part of the financial statements	

1) Retained Earnings represent the accumulated earnings net of losses being made by the company over the years.

In terms of our Report attached
For MGB & Co. LLP.
Chartered Accountants
FRN: 101169W/W-100035

Sanjay Kothari
Partner
MRN: 048215

Place : Mumbai
Date : 28 April 2020

For and on behalf of the Board of Directors of
UTI CAPITAL PRIVATE LIMITED

I. Rahman
Director

Deepak Vaidya
Director

Rohit Gulati
CEO

Ashutosh Binayake
CFO

Gautam Rajani
Company Secretary

Notes forming part of the Financial Statements for the year ended 31st March 2020

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 2020 were authorised for issue in accordance with a resolution of board of directors on 28 April 2020.

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 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 crores 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 and disclosed in Note 31 to 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 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.

Notes forming part of the Financial Statements for the year ended 31st March 2020

Assets costing individually Rs.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.

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

Notes forming part of the Financial Statements for the year ended 31st March 2020

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.

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.

2.10 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:

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 forming part of the Financial Statements for the year ended 31st March 2020

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 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. On transition, due to the adoption of the new Ind AS, it resulted in recognition of Right-of-Use asset (ROU) of Rs 2.04 Crores and a lease liability of Rs. 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.

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

Notes forming part of the Financial Statements for the year ended 31st March 2020

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'.

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 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 forming part of the Financial Statements for the year ended 31st March 2020

3 CASH AND CASH EQUIVALENTS

(Rs. In Crores)

	31 March 2020	31 March 2019
Balances with bank -		
- In Current accounts	0.83	0.30
Total	**0.83**	**0.30**

4 RECEIVABLES

(Rs. In Crores)

	31 March 2020	31 March 2019
(i) **Trade receivables**		
Considered good - Unsecured	0.49	3.81
Significant increase in credit risk	-	-
Total	**0.49**	**3.81**
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	0.31
Total	**0.37**	**0.31**

For transactions relating to related party refer note 29.

5 INVESTMENTS

(Rs. In Crores)

	31 March 2020	31 March 2019
Investments carried at fair Value through Profit and Loss		
Mutual funds - Quoted		
77,794 units of Rs. 1,000/- each of UTI Treasury Advantage Fund - Institutional Plan Direct Growth Option (31 March 2019 - 77,794 units)	19.33	20.24
124 units of of Rs. 1,000/- each of UTI Money Market Fund - Institutional Daily Dividend Re-investment (31 March 2019 - 119 units)	0.01	0.01
75,681 units of of Rs. 1,000/- each of UTI Money Market Fund - Institutional Direct Plan - Daily Dividend Re-investment (31 March 2019 - 4,456 units)	7.61	0.45
Other - Unquoted		
3,144,630 units of of face value Re. 1/- each of UTI Structured Debt Opportunities Fund I Class D1 - T Units (31 March 2019 - 3,795,778 units of face value Rs 0.10)	0.32	0.04
67,809 units of of face value of Rs. 100/- each of UTI Structured Debt Opportunities Fund I Class D1 - Regular Units (31 March 2019 - 93,894)	0.70	0.96
Total	**27.97**	**21.70**
Aggregate book value of quoted investments	26.95	20.70
Aggregate book value of unquoted investments	1.02	1.00
Aggregate market value of quoted investments	26.95	20.70
Aggregate market value of unquoted investments	1.02	1.00

6 CURRENT TAX ASSETS (NET)

(Rs. In Crores)

	31 March 2020	31 March 2019
Balance with government authorities -		
- Advance direct tax (net of provisions)	1.47	0.89
Total	**1.47**	**0.89**

Notes forming part of the Financial Statements for the year ended 31st March 2020

7 PROPERTY, PLANT AND EQUIPMENTS

(Rs. In Crores)

Description of Assets	Office Equipments	Total
I. At cost at 1 April 2018	0.01	0.01
Additions		
Disposals		
At cost at 31 March 2019	0.01	0.01
Additions		
Disposals		
At cost at 31 March 2020	0.01	0.01
II. Depreciation upto 01 April 2018	0.00	0.00
Depreciation charged for the year	0.00	0.00
Disposals		
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
Net book value		
As at 31 March 2020	0.00	0.00
As at 31 March 2019	0.00	0.00

8 RIGHT OF USE ASSETS

(Rs. In Crores)

Description of Assets	Leased Premises	Total
I. At cost at 1 April 2018	-	-
Additions	-	-
Disposals		-
At cost at 31 March 2019	-	-
Additions	2.04	2.04
Disposals		
At cost at 31 March 2020	2.04	2.04
II. Depreciation upto 01 April 2018	-	-
Depreciation / Amortization charged for the year	-	-
Disposals		
Upto 31 March 2019	-	-
Depreciation / Amortization charged for the year	0.46	0.46
Disposals		
Upto 31 March 2020	0.46	0.46
Net book value		
As at 31 March 2020	1.58	1.58
As at 31 March 2019	-	-

Notes forming part of the Financial Statements for the year ended 31st March 2020

8a OTHER INTANGIBLE ASSETS

(Rs. In Crores)

Description of Assets	Software	Total
I. At cost at 1 April 2018	0.00	0.00
Additions		
Disposals		
At cost at 31 March 2019	0.00	0.00
Additions		
Disposals		
At cost at 31 March 2020	0.00	0.00
II. Amortization upto 01 April 2018	0.00	0.00
Amortization charged for the year	0.00	0.00
Disposals		
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
Net book value		
As at 31 March 2020	0.00	0.00
As at 31 March 2019	0.00	0.00

9 OTHER NON-FINANCIAL ASSETS

(Rs. In Crores)

	31 March 2020	31 March 2019
Others Assets		
Defined Benefit Assets		
- Grauity	-	0.03
- Leave Encashment	-	0.05
Prepaid expenses	6.36	7.30
Indirect taxes	0.01	0.38
Total	6.37	7.76

10 FINANCIAL LIABILITIES

(Rs. In Crores)

			31 March 2020	31 March 2019
(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	0.45	1.85
		Total	0.45	1.85
	(II)	Other Payables (refer note 23)		
		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	0.18	0.21
		Total	0.18	0.21
(b)	Borrowings			
	Unsecured			
	Loans from related parties		6.11	-
	Total		6.11	-

Notes forming part of the Financial Statements for the year ended 31st March 2020

The loan carries Interest @8% p.a and is repayable on demand. Loan includes interest of Rs. 0.11 crores

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.

11 OTHER FINANCIAL LIABILITIES

(Rs. In Crores)

	31 March 2020	31 March 2019
Employee benefits payable	1.20	1.20
Lease Liabilities	1.68	-
Security deposits received	0.85	0.61
Total	**3.73**	**1.81**

12 DEFERRED TAX LIABILITY (NET)

(Rs. In Crores)

	31 March 2020	31 March 2019
i) **Deferred tax liability:**		
Fair Value of Investments	0.81	1.01
On Lease Obligations	0.62	-
Others	1.65	0.83
	3.08	**1.84**
ii) **Deferred tax asset:**		
Depreciation and amortisation	0.00	0.00
Employee retirement benefits obligation	0.03	0.01
On Lease Obligations	0.65	-
Income tax losses	1.96	0.71
	2.64	**0.72**
iii) **MAT Credit Entitlement**	**(0.72)**	**(0.73)**
Net Deferred tax liability/(assets)	**(0.28)**	**0.39**

13A PROVISIONS

(Rs. In Crores)

	31 March 2020	31 March 2019
Defined Benefit Obligation (Gratuity)	0.04	-
Defined Benefit Obligation (Leave)	0.01	-
	0.05	**-**

13B OTHER NON-FINANCIAL LIABILITIES

(Rs. In Crores)

	31 March 2020	31 March 2019
Advance Income	-	0.01
Statutory dues payable	0.14	0.30
	0.14	**0.31**

Notes forming part of the Financial Statements for the year ended 31st March 2020

14 EQUITY SHARE CAPITAL

(Rs. In Crores)

	31 March 2020	31 March 2019
Authorised		
15,000,000 (31 March 2018 - 15,000,000) (01 April 2017 - 15,000,000) Equity shares of Rs.10/- each	15.00	15.00
Issued, subscribed and fully paid up		
12,000,000 (31 March 2018 - 12,000,000) (01 April 2017 - 12,000,000) equity shares of Rs.10/- each	12.00	12.00

a) **Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year**

	31 March 2020		31 March 2019	
	Number of Equity shares	Rs.	Number of Equity shares	Rs.
At the beginning of the year	1,20,00,000	-	1,20,00,000	-
Add: Share issued during the year	-	-	-	-
Outstanding at the end of the year	**1,20,00,000**	**-**	**1,20,00,000**	**-**

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:**

	31 March 2020		31 March 2019	
	No. of shares	% Holding	No. of shares	% Holding
Equity shares of Rs.10 each fully paid				
UTI Assets Management Co. Ltd. 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.

15 OTHER EQUITY

(Rs. In Crores)

	31 March 2020	31 March 2019
i) **Retained Earnings**		
Balance as per the last financial statements	18.20	17.44
Add: Movement in Other Comprehensive Income (net) during the year	(0.07)	(0.01)
Profit/ (loss) for the year	(1.43)	0.77
Total Other Equity	**16.70**	**18.20**

Notes forming part of the Financial Statements for the year ended 31st March 2020

16 REVENUE FROM OPERATIONS

(Rs. In Crores)

		31 March 2020	31 March 2019
(i)	**Interest Income**		
	Other interest Income	0.12	0.00
		0.12	**0.00**
(ii)	**Dividend Income on Investments**	0.17	0.13
		0.17	**0.13**
(iii)	**Net gain/loss on fair value changes**		
	On Mutual Funds	-	1.45
	On other investments	-	-
		-	**1.45**
(iv)	**Sale of Services**		
	Management fees	7.26	6.80
	Setup fees	0.17	0.33
		7.43	**7.13**
(v)	**Others**		
	Net gain/loss on sale of mutual fund investments	0.02	0.17
		0.02	**0.17**

17 OTHER INCOME

(Rs. In Crores)

	31 March 2020	31 March 2019
Credit balances written back	0.25	-
Exchange differences (net)	0.00	0.01
Income from AIF Investments	0.00	0.02
Interest income on income tax refund	0.05	-
Other non operating income	0.01	0.09
	0.30	**0.12**

18 EXPENSES

(Rs. In Crores)

		31 March 2020	31 March 2019
(i)	**Finance Cost**		
	Interest on		
	Loan	0.37	-
	Interest on Lease Liability	0.15	-
	Others	0.01	0.00
	Bank and other Financial Charges	-	0.00
	Total	**0.53**	**0.00**
(ii)	**Fees and commission expense**		
	Marketing fees and Commission	2.30	1.58
	Total	**2.30**	**1.58**
(iii)	**Net Loss on fair value changes**		
	On Mutual Funds	0.89	
	Total	**0.89**	**-**
(iii)	**Employee benefits expense**		
	Salaries and wages	4.79	5.64
	Contribution to provident and other funds	0.08	0.09
	Gratuity expense	0.03	0.03
	Leave encashment expense	0.13	0.02
	Staff welfare expenses	0.03	0.04
	Total	**5.06**	**5.82**
	For transactions relating to related party payables refer note 29.		

Notes forming part of the Financial Statements for the year ended 31st March 2020

(Rs. In Crores)

		31 March 2020	31 March 2019
(iv)	**Depreciation, amortisation and impairment**		
	Depreciation of tangible assets	0.00	0.00
	Amortization of intangible assets	0.00	0.00
	Depreciation of Leased Assets	0.46	-
	Total	**0.46**	**0.00**
(v)	**Other expenses**		
	Rent	-	0.51
	Rates and taxes	0.01	0.00
	Travelling and conveyance	0.33	0.30
	Communication costs	0.01	0.01
	Printing and stationery	0.02	0.03
	Legal and professional fees	0.15	0.33
	Directors sitting fees	0.02	0.02
	Payment to auditors (Refer (i) below)	0.03	0.05
	Exchange differences	-	0.01
	Membership Fees and Subscription	-	0.05
	Committee meeting - Investment Committee	-	0.01
	Advertising and business promotion	0.02	0.06
	Balance written off	0.20	-
	Other expenses	0.02	-
	Total	**0.81**	**1.38**
	For transactions relating to related party refer note 29		
	(i) Payment to auditors		
	As auditors:		
	Audit fees	0.03	0.03
	Limited review fees	0.03	0.01
	Certification and other matters	0.09	0.01
	Less: Reimbursed by Holding Company	(0.12)	-
		0.03	**0.05**

19 TAX EXPENSE

(Rs. In Crores)

	31 March 2020	31 March 2019
The major components of income tax for the year are as under:		
Income tax related to items recognised directly in the statement of profit and loss		
Current tax – current year	-	0.22
Current tax – earlier year	0.06	
Deferred tax charge / (benefit)	(0.64)	(0.04)
MAT credit entitlement – current year	-	(0.22)
MAT credit entitlement – earlier year	0.01	(0.51)
Total	**(0.57)**	**(0.55)**
Effective Tax Rate	**28.64%**	**-251.59%**

Notes forming part of the Financial Statements for the year ended 31st March 2020

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:

(Rs. In Crores)

	31 March 2020	31 March 2019
Profit/(Loss) before Tax	(2.01)	0.22
Income Tax		
Statutory income tax rate of 26% (31 March 2019- 26%) on profit	(0.52)	0.06
Other timing difference and income tax at lower rates	(0.11)	(0.04)
Effect of current tax earlier year	0.06	-
Creation of MAT Credit entitlement-earlier year	0.01	(0.51)
Effect of exempt income and income tax at lower rates	**(0.01)**	**(0.06)**
Tax expense recognized in the statement of profit and loss	(0.57)	(0.55)

Deferred tax recognized in statement of other comprehensive income

(Rs. In Crores)

For the year ended	31 March 2020	31 March 2019
Employee retirement benefits obligation	0.03	0.00

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 2020.

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 12.

Deferred tax recognized in statement of profit and loss

(Rs. In Crores)

For the year ended	31 March 2020	31 March 2019
Depreciation and amortisation	(0.00)	0.00
Provision for Mark to Market on Open Contracts	(0.20)	0.16
Other disallowances	0.83	0.52
Deferred Tax liability on Lease Obligations	0.62	-
Deferred Tax asset on Lease Obligations	(0.65)	-
Unabsorbed losses	(1.24)	(0.71)
Total Deferred Tax Charge/(Credit)	**(0.64)**	**(0.03)**

Reconciliation of deferred tax assets / (liabilities) net:

(Rs. In Crores)

	31 March 2020	31 March 2019
Opening balance	(0.39)	(1.17)
Deferred tax (charge)/credit recognised in		
- Statement of profit and loss	0.64	0.04
- Recognised in other comprehensive income	0.03	(0.00)
Total	**0.29**	**(1.12)**
Advance MAT Credit entitlement	**(0.01)**	**0.73**
Total	**0.28**	**(0.39)**

Unused tax losses

The Company has unused tax business losses of Rs. 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 Rs 0.57 crores available with the Company.

Notes forming part of the Financial Statements for the year ended 31st March 2020

20 Operating Leases

(Rs. In Crores)

Particulars	31 March 2020	31 March 2019
Lease rental charges for the year	-	0.51
Future lease rental obligation payable (under non-cancellable lease)		
Not later than one year	-	0.51
Later than one year but not later than five years	-	2.16
Later than five years	-	2.08

21 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.

(Rs. In Crores)

Particulars	31 March 2020	31 March 2019
Opening Balance		
Additions	2.04	-
Amortisation	0.46	-
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 Rs 2.04 Crore of right-of-use assets and Rs 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%.

(b) The following is the break-up of current and non-current lease liabilities

(Rs. In Crores)

Particulars	31 March 2020	31 March 2019
Current	0.42	-
Non current lease liabilities	1.26	-
Total	**1.68**	**-**

(c) The following is the movement in lease liabilities

(Rs. In Crores)

Particulars	31 March 2020	31 March 2019
Opening Balance	-	-
Additions	2.04	-
Finance Cost incurred during the period	0.15	-
Payment of lease liabilities	(0.51)	-
Adjustements	-	-
Closing Balance	**1.68**	**-**

(d) Lease liabilities Maturity Analysis

(Rs. In Crores)

Particulars	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 at 31 March 2020	**2.05**

Notes forming part of the Financial Statements for the year ended 31st March 2020

22 (i) **Contingent Liabilities**

The Company has no contigent liabilies as at 31 March 2020 (Rs Nil as on 31 March 2019)

(ii) **Litigation**

The Company has no pending litigations as at 31 March 2020 (Rs Nil as on 31 March 2019)

(iii) **Capital Commitments**

The Company has no capital commitments as at 31 March 2020 (Rs Nil as on 31 March 2019)

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.

(Rs. In Crores)

Particulars	31 March 2020	31 March 2019
Principal amount remaining unpaid to any supplier as at the year end	0.00	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:

(Rs. In Crores)

Particulars	31 March 2020	31 March 2019
Segment revenue		
India	6.13	6.78
Outside India	1.61	2.10
Segment assets		
India	35.54	32.65
Outside India	0.49	1.22
Unallocable	3.33	0.90

There are two (31 March 2019 : three) customers accounting for more than 10% of revenue, amounting to Rs. 6.97 Crores (31 March 2019 : 6.80 Crores)

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.

Notes forming part of the Financial Statements for the year ended 31st March 2020

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.

Trade Receivables	31 March 2020	31 March 2019
More than Six months	-	1.17
Others	0.49	2.64
Total	**0.49**	**3.81**

Following is the exposure of the Company towards credit risk:

	31 March 2020		31 March 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets:				
Trade receivables	0.49	0.49	3.81	3.81
Other Receivables	0.37	0.37	0.31	0.31

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;"

	Carrying Amount	31 March 2020		
		Carrying Amount	Fair Value	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	2.46	1.27	-

	Carrying Amount	31 March 2019		
		Less than 1 year	1-3 years	More than 3 years
Financial Liabilities :				
Trade payables	1.85	1.85	-	-
Other payables	0.21	0.21	-	-
Other financial liabilities	1.81	1.81	-	-

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."

Notes forming part of the Financial Statements for the year ended 31st March 2020

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	Assets as at	
	31 March 2020	31 March 2019
United States Dollar (USD)	65,467	1,76,516

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."

Currency	Sensitive Analysis			
	31 March 2020		31 March 2019	
	Decrease by 10%	Increase by 10%	Decrease by 10%	Increase by 10%
United States Dollar (USD)	(0.05)	0.05	(0.12)	0.12

Equity price risk:
The Company has not invested in any type of equity.

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:

Financial Assets	Assets as at		Fair Value Hierarchy	Valuation technique(s) & key inputs used
	31 March 2020	31 March 2019		
Investments in Mutual Funds	26.95	20.70	Level 1	NAV declared by the funds.
Investments in AIF Units	1.02	1.00	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.

Notes forming part of the Financial Statements for the year ended 31st March 2020

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:

	31 March 2020	31 March 2019
Borrowings	6.11	-
Trade Payable	0.45	1.85
Other Payable	0.18	0.21
Other financial liabilities	3.73	1.81
Less: Cash and Cash equivalents	(0.83)	(0.30)
Adjusted Net Debt (a)	9.64	3.57
Total Equity (b)	28.70	30.20
Adjusted Net Debt to Total Equity Ratio (a/b)	**0.34**	**0.12**

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 18(iii) "Employee benefit expenses" of 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

Defined Benefit plans

I

Expenses recognised during the year	31 March 2020	31 March 2019
Current service cost	0.03	0.03
Interest cost	(0.00)	-
Benefits paid	-	-
Actuarial losses / (gains)	-	-
Total Expenses	**0.03**	**0.03**

II

Amount recognised in other comprehensive income (OCI)	31 March 2020	31 March 2019
Opening amount recognized in OCI outside profit and loss account	0.02	0.01
Remeasurements during the period due to		
- Changes in financial assumptions	0.01	0.03
- Changes in demographic assumptions	-	-
- Experience adjustments	0.09	(0.01)
- Actual return on plan assets less interest on plan assets	0.00	(0.01)
- Adjustment to recognize the effect of asset ceiling	-	-
Closing amount recognisezd in OCI outside profit and loss account	**0.12**	**0.02**

Notes forming part of the Financial Statements for the year ended 31st March 2020

III Net Asset/ (Liability) to be recognised in the Balance sheet as at

Particulars	31 March 2020	31 March 2019
Present value of obligation as at the end of the year	0.15	0.12
Fair value of plan assets as at the end of the year	0.11	0.15
Asset/ (Liability) to be recognised at the end of the year (Refer note to (IV) below)	**(0.04)**	**0.03**

IV Reconciliation of Net Liability / Assets :

Particulars	31 March 2020	31 March 2019
Opening net defined benefit liability/(assets)	(0.03)	(0.02)
Expense charged to profit and loss account	0.03	0.03
Amount recognized outside profit and loss account	0.10	0.01
Employer contributions	(0.06)	(0.04)
Closing net defined benefit liability/(assets)	0.04	(0.03)

V Reconciliation of benefit obligation during the inter-valuation period:

Particulars	31 March 2020	31 March 2019
Opening net defined benefit obligation	0.12	0.09
Current service cost	0.03	0.03
Past service cost	-	-
Interest on defined benefit obligation	0.01	-
Remeasurements due to		
- Actuarial loss/(gain) arising from change in financial assumptions	0.01	0.03
- Actuarial loss/(gain) arising from change in demographic assumptions	-	-
- Actuarial loss/(gain) arising on account of experience changes	0.09	(0.01)
Benefits paid	(0.11)	(0.02)
Closing of defined benefit obligation	**0.15**	**0.12**

VI Reconciliation of the plan assets during the inter-valuation period:

Particulars	31 March 2020	31 March 2019
Opening fair value of plan assets	0.15	0.12
Employer contribution	0.06	0.04
Interest on plan assets	0.01	-
Administration Expenses	-	-
Remeasurements due to		
- Actual return on plan assets less interest on plan assets	-	0.01
Benefits paid	(0.11)	(0.02)
Closing of defined benefit obligation	**0.11**	**0.15**

VII

The following payments are expected to defined benefit plan in future years :	31 March 2020	31 March 2019
Expected benefits for year 1	-	-
Expected benefits for year 2 to year 5	0.02	0.02
Expected benefits beyond year 5	0.30	0.26

VIII

Actuarial Assumptions	31 March 2020	31 March 2019
Discount rate	6.65%	7.45%
Expected rate of salary increase	6.00%	6.00%
Mortality	IALM (2012-14)	IALM (2012-14)

Notes forming part of the Financial Statements for the year ended 31st March 2020

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

	Discount Rate	Salary Escalation rate
Defined benefit obligation on increase in 50 bps	0.14	0.16
Impact of increase in 50 bps on DBO	-5.21%	5.60%
Defined benefit obligation on decrease in 50 bps	0.16	0.14
Impact of decrease in 50 bps on DBO	5.59%	-5.27%

Notes:

(a) The current service cost recognized as an expense is included in Note 18 '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 18 'Employee benefits expense'.

29 Related party transactions

Holding Company

UTI Asset Management Company Limited

Key Management Personnel

Mr. Leo Puri (Resigned on 13 August 2018)

Mr. I. Rahman

Mr. Kasiviswanathan Mukundan (Chief Executive Officer) (Resigned on 25 January 2019)

Mr. Rohit Gulati (Chief Executive Officer) (Appointed on 25 January 2019)

Mr. Ashutosh Binayake (Chief Financial Officer)

Mr. Gautam Rajani (Company Secretary)

Transactions with Related parties:

Particulars	31 March 2020	31 March 2019
Holding Company		
Rent Paid	0.51	0.51
Reimbursement of Expenses paid	0.31	0.36
Borrowings	6.00	-
Interest expenses	0.37	-
Key managerial personnel		
Remuneration		
Chief Executive Officer	1.93	1.26
Chief Financial Officer	0.58	0.56

Notes forming part of the Financial Statements for the year ended 31st March 2020

Balances as at	31 March 2020	31 March 2019
Borrowings		
Holding Company	6.11	-
Other current liabilities		
Holding Company	0.08	0.08
Other receivables		
Holding Company	0.36	-

30 Earnings per share

Particulars	31 March 2020	31 March 2019
Profit/(Loss) after tax (Rs. In Crores)	(1.43)	0.77
Weighted average number of equity shares (Numbers)		
- for Basic /Diluted EPS	1,20,00,000	1,20,00,000
Face value of equity share (Rs/ share)	10.00	10.00
Basic / Diluted earnings per share (Rs.)	**(1.19)**	**0.64**

31 Disclosures as required by Ind AS 115

Revenue Consist of following

Particulars	31 March 2020	31 March 2019
Interest Income	0.12	0.00
Dividend Income	0.17	0.13
Sale of Services	7.43	7.13
Net Gain/ loss on fair value changes	-	1.45
Net Gain/loss on sale of mutual fund & other investments	0.02	0.17
Total	7.74	8.88

Revenue Disaggregation by Industrial Verticle & Geography is as follows

Particulars	31 March 2020	31 March 2019
Financial Services/ India	6.13	6.78
Financial Services/ Outsude India	1.61	2.10
Total	**7.74**	**8.88**

Timing of Revenue Recoginition

Particulars	31 March 2020	31 March 2019
Services transferred at point in time	0.36	2.08
Services transferred over period in time	7.38	6.80
Total	7.74	8.88

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 2019	-
Cash inflow	6.00
Non cash changes- interest unpaid	0.11
As at 31 March 2020	6.11

Notes forming part of the Financial Statements for the year ended 31st March 2020

33 Dividend Recommendation:

The Board has not recommended any dividend to the shareholders for the Financial year 2019-20.

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 5.

35 Maturity Analysis of Assets and Liabilities

	As on 31 Mar 2020			As on 31 Mar 2019		
	Within 12 months	After 12 Months	Total	Within 12 months	After 12 Months	Total
I ASSETS						
(1) Financial Assets						
(a) Cash and cash equivalents	0.83	-	0.83	0.30	-	0.30
(b) Receivables						
(i) Trade receivables	0.49	-	0.49	3.81	-	3.81
(ii) Other receivables	0.37	-	0.37	0.31	-	0.31
(c) Investments	27.97	-	27.97	21.70	-	21.70
Total Financial Assets	**29.66**	**-**	**29.66**	**26.12**	**-**	**26.12**
(2) Non-Financial Assets						
(a) Current tax assets (net)	-	1.47	1.47	-	0.89	0.89
(b) Deferred Tax Asset	-	0.28	0.28	-	-	-
(c) Property, plant and Equipment	-	0.00	0.00	-	0.00	0.00
(d) Right to Use Asset	0.46	1.12	1.58	-	-	-
(e) Other Intangible Assets	-	0.00	0.00	-	0.00	0.00
(F) Other non-financial assets	2.08	4.29	6.37	2.25	5.51	7.76
Total Non-Financial Assets	**2.54**	**7.16**	**9.70**	**2.25**	**6.41**	**8.66**
TOTAL ASSETS	**32.20**	**7.16**	**39.36**	**28.37**	**6.41**	**34.78**
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	0.45	-	0.45	1.85	-	1.85
(II) Other payable			-			
(i) total outstanding dues of micro enterprises and small enterprises	0.00	-	0.00	-	0.00	0.00
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.18	-	0.18	0.21	-	0.21

Notes forming part of the Financial Statements for the year ended 31st March 2020

(b) Borrowings	6.11	-	6.11	-	-	-
(c) Other financial liabilities	2.46	1.27	3.73	1.81	-	1.81
Total Financial Liabilities	**9.20**	**1.27**	**10.47**	**3.87**	**0.00**	**3.87**
(2) Non-Financial Liabilities						
(a) Deferred tax liabilities (net)	-	-	-	0.39	-	0.39
(b) Provisions		0.05	0.05			
(b) Other non-financial liabilities	0.14	-	0.14	0.31	-	0.31
Total Non-financial liabilities	**0.14**	**0.05**	**0.19**	**0.70**	**-**	**0.70**

36 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."

37 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 periods.

In terms of our Report attached
For MGB & Co. LLP.
Chartered Accountants
FRN: 101169W/W-100035

Sanjay Kothari
Partner
MRN: 048215

Place : Mumbai
Date : 28 April 2020

For and on behalf of the Board of Directors of
UTI CAPITAL PRIVATE LIMITED

I. Rahman
Director

Deepak Vaidya
Director

Rohit Gulati
CEO

Ashutosh Binayake
CFO

Gautam Rajani
Company Secretary

INDEPENDENT AUDITORS' REPORT

To
The Members of UTI Assets Management Company Limited
Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **UTI Assets 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 March 31, 2020 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 March 31, 2020, 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.	**Accuracy of recognition, measurement, presentation and disclosures of Leases and other related balances in view of adoption of Ind AS 116 "Leases" (new Lease accounting standard)**
	The application of the new lease accounting standard involves certain key judgments relating to assessment of whether a contract contains a lease and allocation of the consideration to the lease component on the basis of their relative standalone prices.
	Lease expense being the most significant account balance in the Statement of Profit & Loss A/c. The Company has applied Ind AS 116 using the modified retrospective method w.e.f. April 01, 2019. The accounting policy adopted by the company is disclosed in Notes to financial Statements.
		We have assessed the Company's process to identify the impact of adoption of the new Lease accounting standard.
		Our audit approach consisted of following substantive audit procedures:
		• Evaluated the design of internal controls relating to implementation of the new lease accounting standard.
		• Reviewed the changes made to the accounting policy of the company to be in accordance with the requirements of Ind AS 116.
		• Analyzed the terms & conditions of various contracts entered by the company in order to classify it under the Lease contract in accordance with IND AS 116.
		• Reviewed the terms and conditions of the lease contracts based on which lease contract were classified into various types of lease such as finance lease, operating lease, short term, low value lease etc. for proper classification and recognition of lease contracts.
		• Verified the various inputs such as discounting rate, lease terms i.e. period of lease, lease payments in order to ascertain the correctness of initial recognition of "right of use assets" and "lease liabilities".
		• Verified the subsequent measurement of Right of Use assets and lease liability; to ensure whether:
		  • Right of use asset is depreciated from the date of commencement of lease to the earlier of the end of useful life of the right of use asset or end of the lease term.
		  • Lease liability is measured correctly by using discount rate by accounting for interest on lease liability, lease payments made and adjustments on account of any reassessment or modifications to lease contracts,
		• We have verified that the disclosures made in the financial statements as per the requirements of Ind AS 116

2	**Valuation and Impairment of Investments in subsidiaries and others** Since the Company is an Asset management company, it has investments in its own Mutual fund schemes as per SEBI mutual fund regulations 1996 and also has investments in Venture Capital Funds and Other Entities. Further the company also has investments in its subsidiaries. As on the balance sheet date, investments are valued as per the requirements of Ind AS 109 – Financial Instruments. Investments comprise of the most significant asset in the company's financial statements. At each reporting date, the Company identifies whether an impairment indication exists and performs impairment test over investments in subsidiaries and compares the carrying amount with the recoverable amount to determine whether it is impaired as per requirement of Ind AS 36 – Impairment of Assets. In view of significance of investments of the company as specified above, we consider investment valuation and impairment to be a significant key audit matter.	Our audit procedures, to assess the reasonableness of valuation of investments, includes the following: • Ensuring that the accounting policy as adopted by the company for valuation of its investments is in accordance with the requirement of the relevant Ind AS. • Verification of the valuation of investments other than investment in subsidiaries as carried out by the company is in accordance with the requirement of **Ind AS 109 – Financial Instruments,** where in investments are carried at fair value through profit and loss. • Verification of the relevant observable and unobservable inputs if any used in the valuation of investments as per requirement of **Ind AS 113 – Fair Value Measurement** such as Net Asset Value (NAV) of the Mutual fund schemes as declared on the reporting date, Valuation reports as prepared by the Independent Valuer appointed by the Company and confirmation received by the management etc. • We have reviewed the disclosures related to investments in the standalone financial statements as required by the relevant Ind AS. We have carried out the following procedures in respect of impairment: • Reviewed the indicators and factors which affects the recoverability of the investments and in case of existence of such indicators, whether sufficient impairment loss was provided in the books by the company. We have performed additional audit procedure to assess the risk of COVID-19 global pandemic situation on valuation of the investments held by the company post Balance Sheet date. We held various discussions with the management of the company, carried out the required audit procedures to examine the impact of the events occurring after the balance sheet date in light of the wide spread "COVID – 19 global pandemic situation", based on which we concluded that, no adjustments were required to be made to the value of investments as reported in the standalone financial statements.

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 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 Standards on Auditing, 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. For the other entities included in the

  Consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for expressing their opinion on whether such other entity has adequate internal financial controls system in place and the operating effectiveness of such controls. We remain solely responsible for our audit opinion
- 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 Board of Directors 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 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.

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

We communicate with those charged with governance 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:

a) The comparative financial information of the Company for the year ended on March 31, 2019 are based on previously issued Consolidated Financial Statements prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015, audited by predecessor auditor for the year ended on March 31, 2019, dated April 27, 2019, who expressed an Unmodified opinion on those Consolidated Financial Statements.

   i. The consolidated financial statements include the following Subsidiaries

      1) UTI Retirement Solutions Ltd.

      2) UTI Capital Pvt Limited

      3) UTI Venture Funds Management Company Pvt Limited

      4) UTI International Ltd.

      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 Rs. 4585.08 Million as at March 31 2020, total revenue of Rs. 409.15 Million, total net profit after tax of Rs. (447.14) Million, total comprehensive income of Rs. (485.10) Million and net cash flows amounting to Rs 1186.91 Million 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 and other financial information have been prepared in accordance with generally accepted accounting principles in its respective country. The company's 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. We have considered the converted financial statement. Our opinion, in so far as is related to the balances and affairs of such subsidiaries located outside India is based on the conversion adjustment prepared by the management.

   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 March 31, 2020 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 March 31, 2020 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 other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Companies Act, 2013, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 read with Notification No G.S.R 307(E) dated 30.03.2017, 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, incorporated in India

II. As required under sub section (5) of Section 143 of the Act, in case of the Government Company, we give in the **"Annexure B"** a statement on the matters specified in the directions and sub – directions issued by Office of the Comptroller and Auditor General of India.

For G. D. Apte & Co.
Chartered Accountants
Firm registration number: 100515W

Chetan R. Sapre
Partner
Membership No: 116952
UDIN : 20116952AAAAEA9624

Place: Mumbai
Date: May 11, 2020

ANNEXURE - A to 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 march 31, 2020.)

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 March 31, 2020, 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 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 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 statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained 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 authorizations 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 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, the respective Board of Directors of the Holding company, its subsidiary companies, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 2020 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

Chetan R. Sapre
Partner
Membership No: 116952
UDIN : 20116952AAAAEA9624

Place: Mumbai
Date: May 11, 2020

ANNEXURE – B to the Independent Auditors' Report on the Consolidated Financial Statements of UTI Asset Management Company Limited.

(Referred to in paragraph II 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 Consolidated Financial Statements for the year ended March 31, 2020)

Directions under Section 143(5) of the Companies Act, 2013

Sr. No.	Directions	Auditors' comments including Action taken wherever required to be taken	Impact on the Accounts and financial statements
1	Whether the company has system in place to process all the accounting transactions through IT system? If NO, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The company has One Accounting System i.e. SAP. In Our Opinion, there are exit sufficient controls to maintain the integrity of the accounts.	No Impact
2	Whether there is any restructuring of an existing loan or cases of 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? If yes, the financial impact may be stated.	The Company has not availed any loan from any bank or financial institutions. Hence this clause is Not Applicable.	No Impact
3	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	The company has not received any funds from central/state agencies. Hence this clause is Not Applicable.	No Impact
4	Whether additional direction issued U/s 143(5) of Companies Act, 2013. by the Field office entrusted with the supplementary audit of the Company	The Company has not received any additional direction U/s 143(5) of the act.	No Impact

भारतीय लेखा तथा लेखापरीक्षा विभाग
कार्यालय प्रधान निदेशक वाणिज्यिक लेखापरीक्षा तथा पदेन सदस्य, लेखापरीक्षा बोर्ड-I, मुम्बई
INDIAN AUDIT AND ACCOUNTS DEPARTMENT
OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT & (SHIPPING), MUMBAI

गोपनीय/शीघ्र डाक
संख्या: जी ए/सीए-III/UTI Asset Management/लेखा/2019-20/125
दि. 16/09/2020

सेवा में,
The Chief Executive Officer
UTI Asset Management Company Limited,
UTI Tower, Ground Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai 400 051

विषय : 31 मार्च 2020 को समाप्त वर्ष हेतू यूटीआय असेट मेनेजमेट कंपनी लिमिटेड के स्टैंडअलोन एवं समेकित वित्तीय विवरणो पर कंपनी अधिनियम 2013 की धारा 143(6)(बी) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिपणियॉ ।

महोदय,

31 मार्च 2020 को समाप्त वर्ष हेतू युटीआय असेट मेनेजमेट कंपनी लिमिटेड के स्टैंडअलोन एवं समेकित वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143(6) (बी) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक के द्वारा दी गई टिप्पणियाँ इस पत्र के साथ संलग्न हैं । टिप्पणीयों को मुद्रित वार्षिक प्रतिवेदन के विषयसूची मे उचित सहित सांविधिक लेखापरीक्षक के प्रतिवेदन के आगे रखा जाये ।

वार्षिक सामान्य बैठक के समापन के पश्चात, स्टैंडअलोन एवं समेकित वित्तीय विवरणों, सांविधिक लेखापरीक्षक का प्रतिवेदन तथा भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियों को अपनाते हुए सामान्य वार्षिक बैठक की कार्यवाही की एक प्रतिलिपि इस कार्यालय को अविलंब अग्रेषित की जाए । मुद्रित वार्षिक रिपोर्ट की दस प्रतियाँ भी इस कार्यालय को भेजी जायें ।

कृपया इस पत्र एवं संलग्नकों की प्राप्ति की सूचना दें ।

भवदीया,

हस्ता/-

(पी. वी. हरि कृष्णा)
प्रधान निदेशक लेखापरीक्षा (नौवहन), मुंबई

संलग्न : यशोपरि ।

सातवी मंजिल, आर.टी.आई. बिल्डींग, प्लॉट नं. सी-2, जी.एन.ब्लॉक, एशियन हार्ट इन्स्टिट्युट के पीछे, बान्द्रा-कुर्ला कॉम्प्लेक्स, बान्द्रा (पूर्व), मुंबई-400 051.
Seventh Floor, R.T.I. Building, Plot No. C-2, G.N. Block, Behind Asian Heart Institute, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051.
प्रशासन : 26520873 ● प्रतिवेदन : 26502843 ● फॅक्स : 26527165 ● ई-मेल : mabMumbai1@cag.gov.in ● तार : डायरकोमिट
Admn. : 26520873 ● Report : 26502843 ● Fax : 26527165 ● E-mail : mabMumbai1@cag.gov.in ● Grams : DIRCOMIT

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF UTI ASSET MANAGEMENT COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2020.

The preparation of consolidated financial statements of UTI Asset Management Company Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) read with section 129 (4) of the Act is responsible for expressing opinion on the Financial Statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 11 May 2020.

The assets under management through various schemes managed by UTI Asset Management Company Limited are not reflected in its Balance Sheet, since these assets do not form part of the UTI Asset Management Company Limited. Therefore, I do not look into operation of these schemes including decision making regarding acquisition, management and disposal of the assets managed by the UTI Asset Management Company Limited and express no opinion on the soundness of the investments.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of UTI Asset Management Company Limited for the year ended 31 March 2020 under section 143(6) (a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of UTI Asset Management Company Limited but did not conduct supplementary audit of the financial statements of UTI Retirement Solution Limited, UTI Capital Private Limited, UTI Venture Funds Management Company Private Limited and UTI International Limited for the year ended 31 March 2020. Further, section 139(5) and 143 (6) (a) of the Act are not applicable to UTI International Limited being private entity incorporated in Foreign country under the respective laws, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller and Auditor General of India

sd/-
(P. V. Hari Krishna)
Principal Director of Audit (Shipping), Mumbai

Place: Mumbai
Date: 16 September 2020

CONSOLIDATED BALANCE SHEET
as at 31 March 2020

(Rs. in Million)

Particulars				Note No.	As at 31 March 2020	As at 31 March 2019
I.	ASSETS					
(1)	Financial assets					
	(a)	Cash and cash equivalents		3	1,192.52	1,241.80
	(b)	Receivable		4		
		(i)	Trade receivables		456.18	275.53
		(ii)	Other receivables		97.39	361.80
	(c)	Loans		5	378.95	291.34
	(e)	Investments		6	23,557.51	22,613.70
	(f)	Other financial assets		7	1,542.38	1,278.59
	Total Financial Assets				**27,224.93**	**26,062.76**
(2)	Non - financial assets					
	Current Tax Assets (Net)			8	460.73	320.56
	Deferred Tax Assets (Net)				-	-
	Investment Property			9	107.27	112.47
	Property, Plant and Equipments			10	2,503.88	2,529.42
	Right of use assets			11	997.51	-
	Capital work in progress			12	2.84	8.78
	Intangible assets under development			13	7.56	-
	Other Intangible Assets			14	118.01	36.13
	Other Non Financial Assets			15	230.05	233.70
	Total Non Financial Assets				**4,427.85**	**3,241.06**
	TOTAL ASSETS				**31,652.78**	**29,303.82**
II.	LIABILITIES AND EQUITY					
	LIABILITIES					
(1)	Financial liabilities					
	(a)	(I)	Trade payable	16		
		(i)	total outstanding dues of micro enterprises and small enterprises		-	-
		(ii)	total outstanding dues of creditors micro enterprises and small enterprises		14.22	37.77
		(II)	Other payable			
		(i)	total outstanding dues of micro enterprises and small enterprises		7.96	9.27
		(ii)	total outstanding dues of creditors micro enterprises and small enterprises		640.06	666.25
			Borrowings			
			Other Financial Liabilities	17	1,726.16	590.39
		Total financial liabilities			**2,388.40**	**1,303.68**

CONSOLIDATED BALANCE SHEET (Contd...)
as at 31 March 2020

(Rs. in Million)

Particulars			Note No.	As at 31 March 2020	As at 31 March 2019
(2)	**Non- financial liabilities**				
	(a)	Current tax liabilities (Net)	18	44.94	43.40
	(b)	Provisions	19	830.89	916.07
	(c)	Deferred tax liabilities (Net)	20	479.65	424.02
	(d)	Other non financial liabilities	21	77.99	86.23
	Total non financial liabilities			**1,433.47**	**1,469.72**
	EQUITY			1,433.47	1,469.72
		Equity Share Capital	22	1,267.87	1,267.87
		Other Equity	23	26,455.17	24,890.61
		Equity attributable to owners of the Company		**27,723.04**	**26,158.48**
		Non-controlling interests		107.87	371.94
		Total Equity		**27,830.91**	**26,530.42**
	TOTAL EQUITY AND LIABILITIES			**31,652.78**	**29,303.82**
Summary of significant accounting policies					
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
Acting Chief Executive Officer & Whole Time Director
(DIN: 01818725)

CA Chetan R. Sapre
Partner
MRN: 116952

Surojit Saha
Chief Finance Officer

Arvind Patkar
Company Secretary

Place: Mumbai
Date: The 29th April, 2020

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
for the year ended 31 March 2020

(Rs. In Million)

Particulars	Note No	31st March 2020	31st March 2019
Income			
Revenue from Operations	24		
Interest Income		168.54	142.87
Dividend Income		2.52	4.89
Rental Income		75.16	62.54
Net Gain on Fair Value Changes		(86.61)	931.73
Sale of Services		7,878.87	8,906.26
Others - Net Gain/Loss on sale of Investments		501.85	459.19
Total Revenue from Operations		**8,540.33**	**10,507.48**
Other Income	25	359.32	303.85
Total Income		**8,899.65**	**10,811.33**
Expenses			
Fees and Commission Expense	26	29.11	21.09
Finance Cost	27	93.54	-
Employee Benefit Expenses	28	3,398.76	3,066.50
Depreciation and amortisation expenses	29	335.91	161.71
Other Expenses	30	1,629.25	2,595.67
Total Expenses		**5,486.57**	**5,844.97**
Profit/(Loss) before exceptional items and tax		**3,413.08**	**4,966.36**
Exceptional items		-	-
Gratuity provision withdrawn		-	-
Profit Before Tax		**3,413.08**	**4,966.36**
Tax Expenses			
Current Tax		744.33	1,408.35
Tax adjustments for the earlier years		4.67	0.77
Deferred Tax		(80.06)	45.11
MAT Credit entitlement		(5.07)	(7.30)
Total Tax Expenses		**663.87**	**1,446.93**
Profit for the year		**2,749.21**	**3,519.43**
Profit attributable to:			
Owners of the Company		**2,714.66**	**3,568.47**
Non-controlling interests		34.55	(49.04)
Other Comprehensive Income			
A i Items that will not be reclassified to profit & loss		-	-
ii Income Tax relating to items that will not be reclassified to profit and loss		-	-
B i Items that will be reclassified to profit & loss		(637.30)	(367.85)
ii Income Tax relating to items that will be reclassified to profit and loss		-	-
Total Other Comprehensive Income for the year		**(637.30)**	**(367.85)**
Profit for the year			
Other comprehensive income attributable to:			
Owners of the Company		(637.30)	(367.85)
Non-controlling interests		-	-
Other comprehensive income for the year			
Total comprehensive income attributable to:			
Owners of the Company		2,077.36	3,200.62
Non-controlling interests		34.55	(49.04)
Total comprehensive income for the year		**2,111.91**	**3,151.58**
Earning per Equity Share (for continuing operation)			
[Nominal value of share Rs.10 (31 March 2018 : Rs.10)]			
Basic (in Rs.)		21.41	28.15
Diluted (in Rs.)		21.41	28.15
0.00 indicates amount less than Rs.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 Chetan R. Sapre
Partner
MRN: 116952
Place: Mumbai
Date: The 29th April, 2020

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
Acting 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 2020

(Rs. In Million)

Particulars	31st March 2020	31st March 2019
INDIRECT METHOD CASH FLOW FROM OPERATING ACTIVITIES		
Net profit & Loss Before Taxation	**3,413.08**	**4,966.36**
Adjustment for		
Depreciation	335.91	161.69
Finance Cost	93.54	-
Interest Income	(168.54)	(45.98)
Dividend Income	(2.52)	(4.89)
Rental Income	(75.16)	(62.54)
Expenses on the employee stock option scheme	105.03	-
Provision no longer required withdrawn (net)	32.07	46.68
Amortisation of Other Financial Instrument	10.86	(6.86)
(Profit) / Loss on fair value changes	86.61	(931.73)
(Profit) / Loss on Sale of Investment	(501.85)	(556.08)
(Profit) / Loss on Sale of Property, Plant and Equipments	(1.76)	(0.73)
Operating Profit Before Working Capital Changes	**3,327.27**	**3,565.92**
Profit/(Loss) before exceptional items and tax		
(Increase)/ Decrease in Financial Assets Loans	(87.61)	225.73
(Increase)/ Decrease in other financial assets	(61.24)	(56.19)
(Increase)/ Decrease in Financial Assets Trade Receivable	(180.65)	2.87
(Increase)/ Decrease in Financial Assets Other Receivable	264.41	(313.10)
(Increase)/ Decrease in other Non Financial Assets	(7.21)	(18.64)
Increase/ (Decrease) in Financial Liabilities - Trade Payable	(83.12)	(857.68)
Increase/ (Decrease) in Other Financial Liabilities	59.68	81.70
Increase/ (Decrease) in Non Financial Provisions	(85.18)	419.68
Increase/ (Decrease) in Other Non Financial Liabilities	(8.24)	(27.03)
(Increase)/ Decrease in Other Comprehensive Income	(671.85)	(342.21)
	(861.01)	**(884.87)**
Cash Generated from Operations	**2,466.26**	**2,681.05**
Less : Income Tax Paid	(746.87)	(1,665.43)
Net cash generated from Operating Activities	**1,719.39**	**1,015.62**
CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase) / Sale of Property, Plant and Equipments/ other intangible assets	(217.66)	(65.36)
(Increase)/ Decrease in Investments	(1,146.36)	(1,422.40)
Distribution from IIDF	-	(565.50)
Interest Income	168.54	45.98
Rental Income	75.16	62.54
Dividend Income	2.52	4.89
Profit / (Loss) on Sale of Investment	415.24	1,487.81
Increase/ (Decrease) in Other Financial Liabilities (ROU)	(229.71)	-
Net cash generated from Investing Activities	**(932.27)**	**(452.04)**
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid Previous year	(633.94)	(633.94)
Corporate Dividend Distribution Tax Paid Previous year	(58.36)	(130.31)
Effect of foreign exchange fluctuations	74.47	0.18
(Increase)/ Decrease in Non Controlling Interest	(264.07)	(49.05)
(Increase)/ Decrease in lease liability	229.71	-
Repayment of lease liability	(184.21)	-

Consolidated Cash Flow Statement

for the year ended 31 March 2020 **(Contd...)**

Net cash generated from Financing Activities	(836.40)	(813.11)
Net Increase/ (Decrease) in cash and cash equivalent	**(49.28)**	**(249.53)**
Opening Cash and cash equivalents	1,241.80	1,491.33
Closing Cash and cash equivalents	**1,192.52**	**1,241.80**
Components of Cash and cash equivalent		
Cash and cash equivalents		
Balances with banks:		
On current accounts	707.69	486.82
Cash on hand	0.10	0.10
Other bank balances		
Deposits with Banks	484.73	754.88
	1,192.52	**1,241.80**

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
Acting Chief Executive Officer & Whole Time Director
(DIN: 01818725)

CA Chetan R. Sapre
Partner
MRN: 116952
Place: Mumbai
Date: The 29th April, 2020

Surojit Saha
Chief Finance Officer

Arvind Patkar
Company Secretary

A. Equity Share Capital

(Rs. In Million)

Balance at the beginning of the reporting year i.e. 1st April 2018	Changes in equity share capital during the FY 2018-19	Balance at the end of the reporting year i.e. 31st March 2019	Changes in equity share capital during 1st April, 2019 to 31st March 2020	Balances at the end of the reporting year i.e. 31st March 2020
1267.87	-	1267.87	-	1267.87

B. Other Equity

(Rs. In Million)

	Particulars	Balance at the beginning of the Reporting year (01-04-2018)	Change in accounting policy or prior period errors	Balance at the beginning of the reporting year (01-04-2018)	Total comprehensive income for the year	Dividends	Transfer to retained earnings	Any other change	Balance at the end of the Reporting year (31-03-2019)	Figures at the beginning of the previous Reporting year (01-04-2017)
	Reserves and Surplus									
i	General Reserve	1,560.23		1,560.23	-	-	-	-	1,560.23	1,560.23
ii	Security Premium Reserve	356.13	-	356.13	-	-	-	-	356.13	356.13
iii	Retained Earnings	19,840.25	-	19,840.25	3,568.47	764.25	-	-	22,644.47	19,840.22
iv	Foreign Currency Translation Reserve	109.16		109.16	23.17	-	-	-	85.99	109.25
v	Capital Redemption Reserve	4.50	-	4.50	-	-	-	-	4.50	4.50
		21,870.27	**-**	**21,870.27**	**3,591.64**	**764.25**	**-**	**-**	**24,651.32**	**21,870.33**
	Other Comprehensive Income								-	
i	Opening Balances	607.14	-	607.14	367.85	-	-	-	239.29	607.10
ii	Movement during the year	-		-	-	-	-	-	-	-
		607.14	**-**	**607.14**	-	-	-	-	**239.29**	607.10
		22,477.41	**-**	**22,477.41**	**3,591.64**	**764.25**	**-**	**-**	**24,890.61**	**22,477.43**

	Particulars	Balance at the beginning of the Reporting year (01-04-2019)	Change in accounting policy or prior period errors	Balance at the beginning of the reporting year (01-04-2019)	Total comprehensive income for the year	Dividends	Transfer to retained earnings	Any other change	Balance at the end of the Reporting year (31.03.2020)	Figures at the beginning of the previous Reporting year (01-04-2018)
Reserves and Surplus										
i	General Reserve	1,560.23	-	1,560.23	-	-	-	-	1,560.23	1,560.23
ii	Security Premium Reserve	356.13	-	356.13	-	-	-	-	356.13	356.13
iii	Share option outstanding account	-	-	-	105.03	-	-	-	105.03	-
iv	Retained Earnings	22,644.47	-	22,644.47	2,714.66	692.30	-		24,666.83	19,840.25
v	Foreign Currency Translation Reserve	85.99	-	85.99	74.47	-	-	-	160.46	109.16
vi	Capital Redemption Reserve	4.50	-	4.50	-	-	-	-	4.50	4.50
		24,651.32	**-**	**24,651.32**	**2,894.17**	**692.30**	**-**	**-**	**26,853.18**	**21,870.27**
Other Comprehensive Income									-	
i	Opening Balances	239.29	-	239.29	(637.30)	-	-	-	(398.01)	607.14
ii	Movement during the year	-	-	-	-	-	-	-	-	-
		239.29	-	**239.29**	-	-	-	-	**(398.01)**	**607.14**
		24,890.61	**-**	**24,890.61**	**2,894.17**	**692.30**	**-**	**-**	**26,455.17**	**22,477.41**

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

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) was incorporated on 14th 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 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 Incorporation	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 Advisors (UPEA) (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 Co. Limited. Incorporated on 14th 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.

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

UTI Capital Private Limited:

UTI Capital Private Limited is a wholly owned subsidiary of UTI Asset Management Company Limited incorporated on 13th 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 Statementhave 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 theConsolidated Financial Statement 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 Consolidated Financial Statement.

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 thatConsolidatedFinancial Statement are presented in Indian Rupees ('). All amounts have been rounded off to the nearest Million 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 Statementincorporate 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 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 combines 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.

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

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 ConsolidatedFinancial 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 recognized 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 recognized inthe Statement of Profit and Loss. The investment representing the interest retained in a former subsidiary, if any, is initially recognized at its fair value with the corresponding effect recognized 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 Limited,The financial statements of the subsidiaries are prepared for the same reporting year as the company, using consistent accounting policies.Where the company by itself or through its subsidiaries, holds management shared in underlying offshore funds (The UTI India Fund Limited ('India Fund'), The India Pharma Fund Limited ('Pharma Fund'), The India Debt Opportunities Fund Limited ('Debt Fund'), UTI Rainbow Fund Limited ('Rainbow Fund'), Shinsei UTI India Fund ('Mauritius') Limited (Shinsei Fund'), UTI International Wealth Creator Funds 1 to 6 ('Wealth Creator Funds') and UTI Spectrum Fund Limited has the power to govern their financial and operating policies but is not entitled to their economic benefits, such entities are not consolidated in these Consolidated Financial Statement.

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 $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 Advisors 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:

2.2 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.

- **Use full 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

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

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 utilize 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 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 46.

- **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.

2.2 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 recognized 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, 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, investment in Ascent India Fund, Ascent India Fund III, investment in MF Utilities and investment in Institutional Investor Advisory

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

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.

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.

2.2 C: Adoption of new accounting standard 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 1st 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 Grouprecognizes 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, and theCompany'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 amortized cost using the effective interest method.

Short-term leases and leases of low-value assets

The Group 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 equipments.

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 Group is not required to restate the comparative figures.Since the Group has adopted the modified retrospectivemethod, 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 Group 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 Group'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 Group has adopted Ind AS 115 w.e.f. 1 April 2018 using the modified retrospective method. Impact on theConsolidated Financial Statement upon adoption of Ind AS 115 is not material considering the natures and size of business of the group company. The group 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.

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 recognized 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 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 Group 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 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

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

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 Group 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 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.

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.

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

	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 recognized 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 recognized 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 recognized on an accrual basis in accordance with the terms of relevant agreements.
	E. In 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 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.

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 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.

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

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 Rs.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.

UTI International Limited:

All items of property, plant and equipment are initially recorded at cost and are recognized 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.

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 derecognized 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 derecognized.

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 amortization 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 amortization 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.

Amortization on impaired assets is provided by adjusting the amortization 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

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

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 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 group 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.

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 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) 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 (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 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 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 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 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 recognized in profit or loss. The net gain or loss recognized 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 recognized to profit and loss.

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

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 theGroup 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 recognized 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.

   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 Advisory Committee and the Board of IIDF has approved the extension of IIDF till 12.05.2020 in the Board meeting held on 26.04.2019. Since the investment in IIDF will get matured on May 2020, therefore the investment in IIDF has been impaired to the NAV as on March 2020 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 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 recognized 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 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.

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

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 Advisors (UPEA)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 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 recognized as an expense in the financial period in which the related service is performed.

For UTI Capital PrivateLimited., 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 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.

Actuarial gains and losses are recognized in the Statement of Other Comprehensive Income (OCI) in the period in which they occur. Past service cost is recognized immediately. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost.

For UTI Capital PrivateLimited.,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 46.

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.

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

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 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.

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 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 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.

In UTI Capital PrivateLimited, 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 recognized 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 withasset will be realized.

2.14 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 consolidated 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.

2.15 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.

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.

2.16 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.

2.17 Recent accounting pronouncements

Amendments to IAS 1 and IAS 8

In October 2018, the IASB issued Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to make the definition of material in IAS 1 easier to understand. The amendments are not intended to alter the underlying concept of materiality in IFRS Standards.

The concept of 'obscuring' material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'.

The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1. In addition, the IASB amended other Standards and the Conceptual Framework that contain a definition of material or refer to the term 'material' to ensure consistency.

The amendments are required to be applied prospectively for annual periods beginning on or after 1 January 2020, with earlier application permitted. The Group does not expect the amendment to have any material impact on its evaluation of materiality in relation to its financial statements.

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

3 Cash and Cash Equivalents

(Rs. in Million)

	As at 31 March 2020	As at 31 March 2019
Balances with banks:		
Cash on hand	0.10	0.10
On current accounts	707.69	486.82
Cheques, drafts on hand	-	-
Deposits with Banks	484.73	754.88
Total	1,192.52	1,241.80

4 Receivables

(Rs. in Million)

	As at 31 March 2020	As at 31 March 2019
Trade Receivables		
Outstanding for a period exceeding six months from the date they are due for payment		
(Unsecured, considered good)	82.58	78.32
Significant increase in credit risk	-	1.97
Others		
(Unsecured, considered good)	373.60	195.24
	456.18	275.53
Other Receivables		
Others		
Receivable from Structures Debt Opportunities Fund	-	1.64
Advances to related parties (Unsecured, considered good)	-	-
Other Advances (Secured, considered good)		
Receivable from UTI Mutual Fund	97.39	360.16
	97.39	361.80
Total	553.58	637.33

5 Loans

(Rs. in Million)

	As at 31 March 2020	As at 31 March 2019
Loans to Employees	186.30	226.88
Provision for loans & advances	(0.56)	(0.56)
Loan to UTI Employees Credit Co-operative Society Ltd.	3.55	12.26
Security Deposits	38.27	46.80
Advances recoverable in cash or kind	151.39	5.96
Total	378.95	291.34

6 Investments

(Rs. in Million)

Details of Investments	31st March 2020			31st March 2019		
Financial Assets	Amortised Cost	At Fair Value through Profit & Loss	Total	Amortised Cost	At Fair Value through Profit & Loss	Total
Investments in Mutual Fund	-	18,375.00	18,375.00	-	17,388.49	17,388.49
Investments in Offshore Fund	-	2,114.73	2,114.73	-	2,590.87	2,590.87
Investment in Venture fund	-	2,897.07	2,897.07	-	2,096.62	2,096.62
Investments in Preference Shares	-	-	-	-	369.50	369.50
Investment in Equity Instruments	-	170.71	170.71	-	168.22	168.22
Total Gross Investments (A)	-	23,557.51	23,557.51	-	22,613.70	22,613.70
Investment outside India	-	2,114.73	2,114.73	-	2,590.88	2,590.88
Investment in India	-	21,442.78	21,442.78	-	20,022.82	20,022.82
Total (B)	-	23,557.51	23,557.51	-	22,613.70	22,613.70
Less : Allowance for Impairment (C)	-	-	-	-	-	-
Total Net Investments (D = A-C)	-	23,557.51	23,557.51	-	22,613.70	22,613.70

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

7 Other Financial Assets

(Rs. In Million)

	As at 31 March 2020	As at 31 March 2019
Receivable from UTI Mutual Fund	0.66	0.66
Investor Education & Protection Fund	134.62	120.22
Offshore Development Fund	260.48	218.24
VSS Liability Fund	255.61	251.01
	651.37	590.13
Other Bank Balances		
Deposits pledged with bank	854.57	614.50
Interest accrued on fixed deposits	28.54	70.61
Fixed Deposits with Banks	7.90	3.35
Total	891.01	688.46

Deposits pledged with bank against Bank overdraft and Bank guarantee.

Short term deposits with a carrying amount of Rs.500 million (in previous financial year one of the fixed deposit of Rs. 100 million has been renewed with accrued interest of Rs. 6.00 million.) (Previous period Rs.200 million & Previous year Rs.500 million) are held as pledge for overdraft account, Performance bank guarantee to Employees Provident Fund Organisation(EPFO) Rs.200 million (Previous period Rs.100 million & Previous year Rs.100 million) and Pension Fund Regulatory and Development Authority (PFRDA) Rs.4.00 million (Previous period Rs.2.00 million and Previous year Rs.4.00 million). Employee State Insurance Corporation (ESIC) Rs. 100 million (Previous year NIL) and Coal Mines Provident Fund Organization (CMPFO) Rs. 10 million (Previous year NIL).

Others

(Rs. In Million)

	As at 31 March 2020	As at 31 March 2019
Application money - UTI Liquid Cash Fund	-	-
Total	1,542.38	1,278.59

8 Non Financial Assets

(Rs. In Million)

	As at 31 March 2020	As at 31 March 2019
Current Tax Assets (Net)		
Advance Income Tax (Net of provision of tax)	456.72	320.56
MAT Credit entitlement	4.01	-
	460.73	320.56

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

9. Investment Property

(Rs. In Million)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening Cost 01.04.2018	Additions during the year	Deductions during the year	Closing Total Cost 31.03.2019	Opening Accumulated Depreciation 01.04.2018	For the year	Deductions during the year	Closing Accumulated Depreciation 31.03.2019	As at 31.03.2019	As at 31.03.2018
Building	122.87	-	-	122.87	5.20	5.20	-	10.40	112.47	117.68
Total	**122.87**	**-**	**-**	**122.87**	**5.20**	**5.20**	**-**	**10.40**	**112.47**	**117.68**

(Rs. In Million)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening Cost 01.04.2019	Additions during the year	Deductions during the year	Closing Total Cost 31.03.2020	Opening Accumulated Depreciation 01.04.2019	For the year	Deductions during the year	Closing Accumulated Depreciation 31.03.2020	As at 31.03.2020	As at 31.03.2019
Building	122.87	-	-	122.87	10.40	5.20	-	15.60	107.27	112.47
Total	**122.87**	**-**	**-**	**122.87**	**10.40**	**5.20**	**-**	**15.60**	**107.27**	**112.47**

i) Lease rent of Rs.11.72 million (Previous year : Rs.11.72 million) has been received during the year 01.04.2019 to 31.03.2020 for Investment property.

A. Reconciliation of carrying amount

(Rs. In Million)

Cost or Deemed Cost (gross carrying amount)	
Balance as at 31 March 2018	122.87
Balance as at 31 March 2019	122.87
Balance as at 31 March 2020	122.87
Accumulated depreciation	
Depreciation for the year ended 31 March 2018	5.20
Balance as at 31 March 2018	5.20
Depreciation for the year ended 31 March 2019	5.20
Balance as at 31 March 2019	10.40
Depreciation for the year ended 31 March 2020	5.20
Balance as at 31 March 2020	15.60
Carrying amounts	
As at 31 March 2018	117.68
As at 31 March 2019	112.48
Balance as at 31 March 2020	107.27
Fair value	
As at 31 March 2018	323.24
As at 31 March 2019	323.24
Balance as at 31 March 2020	**364.10**

B. 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 22.10.2019 as at 31.03.2020 is Rs.364.10 million (31 March 2019: Rs.323.24 million). 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 consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

10. Property, Plant and Equipments

(Rs. In Million)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK			
	Opening Cost 01.04.2019	Additions during the priod	Deductions during the year	Closing Total Cost 31.03.2020	Opening Accumulated Depreciation 01.04.2019	For the year	Deductions during the year	Closing Accumulated Depreciation 31.03.2020	As at 31.03.2020	Translation Difference	As at 31.03.2020	As at 31.03.2019
Tangible Assets												
Buildings	2,501.66	-	-	2,501.66	133.66	66.83	-	200.49	2,301.17	-	2,301.17	2,368.00
IT Equipment - Computers & Laptops	53.37	13.46	20.60	46.23	23.47	20.67	20.43	23.71	22.52	0.06	22.57	29.91
IT Equipment - Servers & Networks	27.19	50.69	-	77.88	12.01	11.92	-	23.93	53.95	-	53.95	15.18
Furniture & Fixtures	34.46	15.20	6.80	42.86	4.31	8.82	6.17	6.96	35.90	0.01	35.91	30.15
Vehicles	40.64	18.08	13.51	45.21	8.59	8.57	8.80	8.36	36.85	-	36.85	32.05
Office Equipment	65.75	22.50	11.15	77.10	11.63	22.16	10.10	23.69	53.41	0.02	53.43	54.13
Total	2,723.07	119.93	52.06	2,790.94	193.67	138.97	45.49	287.15	2,503.80	0.09	2,503.88	2,529.42

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK			
	Opening Cost 01.04.2018	Additions during the priod	Deductions during the year	Closing Total Cost 31.03.2019	Opening Accumulated Depreciation 01.04.2018	For the year	Deductions during the year	Closing Accumulated Depreciation 31.03.2019	As at 31.03.2019	Translation Difference	As at 31.03.2019	As at 31.03.2018
Tangible Assets												
Buildings	2,501.66	-	-	2,501.66	66.83	66.83	-	133.66	2,368.00	-	2,368.00	2,434.82
IT Equipment - Computers & Laptops	47.02	16.47	10.12	53.37	9.10	24.28	9.91	23.47	29.90	0.01	29.91	37.92
IT Equipment - Servers & Networks	26.16	2.38	1.35	27.19	1.80	11.56	1.35	12.01	15.18	-	15.18	24.37
Furniture & Fixtures	26.16	12.57	4.27	34.46	1.70	6.66	4.05	4.31	30.15	-	30.15	24.47
Vehicles	30.12	16.20	5.68	40.64	3.12	7.21	1.74	8.59	32.05	-	32.05	26.99
Office Equipment	43.51	35.31	13.07	65.75	6.55	17.42	12.34	11.63	54.12	0.01	54.13	36.96
Total	2,674.63	82.93	34.49	2,723.07	89.10	133.96	29.39	193.67	2,529.40	0.02	2,529.42	2,585.53

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 contructed belongs to MMRDA and the balance period of lease remaining is 53 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.82.90 million and Accumulated depreciation of Rs.28.46 million (Previous year : Rs.25.04 million).

iii) Lease rent of Rs.7.05 million (Previous year : Rs.6.69 million) has been received during the year 01.04.2019 to 31.03.2020 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.

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

11. Right of use assets

(Rs. In Million)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK			
	Opening Cost 01.04.2019	Additions during the year	Deductions during the year	Closing Total Cost 31.03.2020	Opening Accumulated Depreciation 31.03.2019	For the year	Deductions during the year	Closing Accumulated Depreciation 31.03.2020	As at 31.03.2020	Translation Difference	As at 31.03.2020	As at 31.03.2019
Leased premises	-	1,166.81	-	1,166.81	-	169.25	-	169.25	997.56	-0.05	997.51	-
Total	-	1,166.81	-	1,166.81	-	169.25	-	169.25	997.56	-0.05	997.51	-

12. Capital Work in Progress

(Rs. In Million)

Category Name	31st March 2020	31st March 2019
Capital Work in Progress	2.84	8.78
Total	**2.84**	**8.78**

13. Intangible Assets under Development

(Rs. In Million)

Category Name	31st March 2020	31st March 2019
Intangible Assets under Development	7.56	0.00
Total	**7.56**	**0.00**

14. Other Intangible Assets

(Rs. In Crore)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK			
	Opening Cost 01.04.2019	Additions during the year	Deductions during the year	Closing Total Cost 31.03.2020	Opening Accumulated Depreciation 01.04.2019	For the year	Deductions during the year	Closing Accumulated Depreciation 31.03.2020	As at 31.03.2020	Translation Difference	As at 31.03.2020	As at 01.04.2017
Computer Software	69.93	104.37	-	174.30	33.80	22.49	-	56.29	118.01	-	118.01	36.13
Total	69.93	104.37	-	174.30	33.80	22.49	-	56.29	118.01	-	118.01	36.13
	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK			
	Opening Cost 01.04.2018	Additions during the year	Deductions during the year	Closing Total Cost 31.03.2019	Opening Accumulated Depreciation 01.04.2018	For the year	Deductions during the year	Closing Accumulated Depreciation 31.03.2019	As at 31.03.2019	Translation Difference	As at 31.03.2019	As at 31.03.2018
Computer Software	36.47	33.77	0.31	69.93	11.56	22.55	0.31	33.80	36.13	-	36.13	
Total	36.47	33.77	0.31	69.93	11.56	22.55	0.31	33.80	36.13	-	36.13	

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

15 Non Financial Assets

(Rs. In Million)

Particulars	31st March 2020	31st March 2019
Capital Advances	0.64	6.99
Other Advances		
Advance to Pension Fund	-	-
	-	-
Deferred Loans and Deposits		
Loans to Employees	45.44	56.30
Loan to UTI Employee Credit Co-operative Society Ltd	0.11	0.84
Rent Deposits	29.90	24.28
	75.45	**81.42**
Other Assets		
Prepaid expenses	153.83	140.70
Defined Benefit Assets - Gratuity / Leave Encashment	-	0.79
Indirect Tax	0.13	3.80
	153.96	**145.29**
	230.05	**233.70**

16 Borrowings (Secured, considered good)

(Rs. In Million)

Particulars	31st March 2020	31st March 2019
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	14.22	37.77
Other Payables		
Total outstanding dues of micro enterises and small enterprises	7.96	9.27
Total outstanding dues of creditors other than micro enterprises and small enterprises	2.15	1.02
Loans from Related Parties	-	-
Accrued benefits to employees	473.58	466.16
Payable to UTI Mutual Fund	-	49.21
Retention money	16.27	16.51
Other payables	148.06	133.35
Total	**662.24**	**713.29**
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.

Particulars	31st March 2020	31st March 2019
Principal amount remaining unpaid to any supplier as at the year end	7.96	8.95
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

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

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

17 Other Financial Liabilities

(Rs. In Million)

	As at 31 March 2020	As at 31 March 2019
VSS Liability Fund	255.61	251.01
Investor Education & Protection Fund	134.62	120.22
Offshore Development Fund	260.48	218.24
Payable to SUUTI towards security deposit	0.82	0.82
Statutory Dues	0.52	0.10
Lease Liability *	1,074.11	-
Total	**1,726.16**	**590.39**
* Lease liability is created on account of implementation of IND AS 116 for leased premises		

18 Current Tax Liabilities

(Rs. In Million)

	As at 31 March 2020	As at 31 March 2019
Provision for Income Tax (Net of Advance Tax)	44.94	43.40
Total	**44.94**	**43.40**

19 Provisions

(Rs. In Million)

	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
Provision for performance bonus/incentive	5.50	6.10
Provision for gratuity	181.05	496.62
Provision for leave encashment	99.97	150.55
Provision for pension	524.37	237.88
	810.89	**891.15**
Others		
Provision for litigations	3.90	3.90
Provision for Contingencies	-	3.00
Provision for Professional Charges	0.19	0.08
Provision for Audit fees	12.64	12.49
Provision for ROC Matters	0.03	0.03
Provision for Postage, mobile and others	3.24	1.90
Provision for onerous contracts	-	3.52
	20.00	**24.92**
Total	**830.89**	**916.07**

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 Rs. 0.39 crore (Previous year Rs.0.39 crore) in case the verdict is against the company.

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

20 Deferred Tax Liability (Net)

(Rs. In Million)

	31st March 2020	31st March 2019
Deferred tax liability:		
On account of depreciation on Property, plant and equipments	288.19	379.65
Other disallowances	16.53	7.29
Net impact of IND-AS for investments	322.19	145.34
Net impact of IND-AS for loans to UTI ECCSL	0.01	0.06
Net impact of IND-AS for Gratuity Expenses	-	(0.16)
Net impact of IND-AS for Lease Liability	248.45	-
Total	**875.37**	**532.18**
Deferred tax asset:		
On account of expenditure	(8.71)	(6.48)
Depreciation and Amortisation	(0.00)	
On account of timing difference in recognition of exp	-	(0.00)
Income Tax losses	(19.57)	(7.15)
Net impact of IND-AS for investments	-	-
Net impact of IND-AS for loans	(11.54)	(4.92)
Net impact of IND-AS for deposits	(0.79)	(0.02)
Net impact of IND-AS for Gratuity Expenses	(0.30)	(0.03)
Net impact of IND-AS for Leave Encashment Expenses	-	(4.52)
Net impact of IND-AS for pension expenses	-	(77.74)
Net impact of IND-AS for right to use assets	(267.76)	-
Net impact of IND-AS for Lease Obligation	-	-
Provision for Mark to Market on open contracts	(79.80)	-
On account of Un absorbed Losses	**(388.47)**	**(100.86)**
Advance MAT Credit Entitlement	(7.25)	(7.30)
Net Deferred tax liability	**479.65**	**424.02**

21 Other Non Financial Liabilities

(Rs. In Million)

Particulars	As at 31 March 2019	As at 31 March 2018
Goods and Service Tax payable	40.64	59.78
Defined Benefit Obligation (Leave & Gratuity)	-	23.11
TDS payable	37.35	3.26
Income received in Advance	-	0.08
Total	**77.99**	**86.23**

22. Equity Share Capital

(Rs. In Million)

Particulars	31st March 2019	31st March 2018
Share Capital		
Authorised		
200.00 million (31 March 2019: 200.00 million) equity shares of Rs.10/- each	2,000.00	2,000.00
Issued, subscribed and fully paid up		
126.79 Million (31 March 2019: 126.79 Million) equity shares of Rs.10/- each	1,267.87	1,267.87

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

Particulars	31st March 2020		31st March 2019	
	No. of shares Crore	Rs. in Crore	No. of shares Crore	Rs. in Crore
Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year				
At the beginning of the year	126.79	1,267.87	126.79	1,267.87
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	126.79	1,267.87	126.79	1,267.87

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

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.

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

Details of shareholders holding more than 5% shares in the company:

Particulars	31st March 2020		31st March 2019	
	No. of shares Crore	Rs. in Crore	No. of shares Crore	Rs. in Crore
Equity shares of Rs.10 each fully paid				
State Bank of India	23.1250	18.24	23.1250	18.24
Life Insurance Corporation of India	23.1250	18.24	23.1250	18.24
Bank of Baroda	23.1250	18.24	23.1250	18.24
Punjab National Bank	23.1250	18.24	23.1250	18.24
T. Rowe Price International Limited	32.9647	26.00	32.9647	26.00
At the close of the year	**125.4647**	**98.96**	**125.4647**	**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.

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, 21,91,544 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 Rs. 10 each for an exercise price of Rs. 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. 19th December 2019. The exercise period would be maximum of 4 years from the date of vesting of options. Accordingly, as per IND AS 102 – Share Based Payments, we have charged Rs. 105.30 million in Statement of Profit & Loss Account.

23. Other Equity

(Rs. In Million)

Particulars	31st March 2020	31st March 2019
General Reserve		
Balance as per the last financial statements	1,560.23	1,560.23
Add: amount transferred from surplus balance in the statement of profit and loss	-	-

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

(Less): Transfer to Surplus	-	-
Closing Balance	**1,560.23**	**1,560.23**
Security Premium Account		
Balance as per the last financial statements	356.13	356.13
Add: Security Premium received during the year	-	-
	356.13	**356.13**
Share option outstanding account		
Balance as per the last financial statements	-	-
Add: Expenses on the employee stock option scheme during the year	105.03	-
	105.03	**-**
Foreign Currency Translation Reserve		
Balance as per the last financial statements	85.99	109.16
Add: Amount transferred during the year	74.47	23.17
	160.46	**85.99**
Capital Redemption Reserve	4.50	4.50
Retained Earnings		
Balance as per the last financial statements	22,644.47	19,840.25
Restated opening Balance	22,644.47	19,840.25
Add : Transfer from General Reserve	-	-
Profit for the year	2,714.66	3,568.47
Less: Appropriations		
Final equity dividend (31 March 2019: Rs.5.00 per share)	633.94	633.94
Tax on Equity dividend	58.36	130.31
Total appropriation	692.30	764.25
Net Surplus in the statement of Profit & Loss	**24,666.83**	**22,644.47**
Net balance	**26,853.18**	**24,651.32**
Other Comprehensive Income (OCI)		
Balance as per the last financial statements	239.29	607.14
Add: Movement in OCI (Net) during the year	(637.30)	(367.85)
	(398.01)	**239.29**
Total Other Equity	**26,455.17**	**24,890.61**

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

24 Revenue from Operations

(Rs. In Million)

	As at 31 March 2020	As at 31 March 2019
Interest income on		
Loans to employees	12.63	14.09
Investments	111.43	96.89
Security Deposits carried at amortised cost	-	0.68
Bank deposits	65.91	50.19
Net impact of notional interest on employee loans	(17.75)	(24.98)
Net impact of notional interest on ECCSL	0.61	0.22
Net impact of notional interest on deposits	(5.86)	5.76
Other Interest Income	1.57	0.02
	168.54	**142.87**
Dividend Income on		
Investments	2.52	4.89
Rental Income	75.16	62.54
Net Gain / Loss on Fair Value Changes	(86.61)	931.73
Sale of products		
Details of services rendered		
Management fees	7,864.72	8,813.84
Advisory fees	1.77	2.12
Marketing Fees	-	77.44
Setup Fees	1.70	3.26
Investor Service Fees	4.47	4.70
Other operating revenues		
Fees relating to point of presence under New Pension Scheme	6.21	4.90
	7,878.87	**8,906.26**
Others		
Net Gain/Loss on sale of Investments	501.85	459.19
Revenue from operations	**8,540.33**	**10,507.48**

25 Other Income

(Rs. In Million)

	As at 31 March 2020	As at 31 March 2019
Exchange differences (net)	42.54	48.45
Provision no longer required withdrawn (net)	32.07	46.68
Support service fees on inter branch billing GST	262.99	200.44
Other non operating income	21.72	8.28
	359.32	**303.85**

26 Fees and Commission Expense

(Rs. In Million)

Particulars	As at 31 March 2020	As at 31 March 2019
Marketing fees and Commission	29.11	21.09

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

27 Finance Cost

(Rs. In Million)

Particulars	As at 31 March 2020	As at 31 March 2019
Interest on Loan	0.37	-
Interest on Lease Liability	93.11	-
Interest - others	0.06	-
	93.54	-

0.00 indicates amount less than Rs.0.005 million

28 Employee Benefit Expenses

(Rs. In Million)

Particulars	As at 31 March 2020	As at 31 March 2019
Salaries and wages	2,655.96	2,566.69
Contribution to provident and other funds	130.14	110.78
Expenses on the employee stock option scheme	105.03	-
Gratuity expense	66.10	57.67
Leave encashment expense	159.57	137.92
Pension expense	86.68	51.81
Staff welfare expenses	184.42	148.49
Amortisation of employee loans	10.86	(6.86)
	3,398.76	**3,066.50**

29 Depreciation, Amortisation and Impairment

(Rs. In Million)

Particulars	As at 31 March 2020	As at 31 March 2019
Depreciation of tangible assets	144.17	139.16
Amortization of intangible assets	22.49	22.55
Amortization of rights of use assets	169.25	-
	335.91	161.71

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

30 Other Expenses

(Rs. In Million)

Particulars	As at 31 March 2020	As at 31 March 2019
Power and fuel	57.09	53.97
Rent	21.88	184.65
Rates and taxes	26.82	24.25
Insurance	10.35	10.93
Repairs and maintenance		
Computer and Office Equipment	14.13	20.04
Buildings	144.09	137.65
Others	29.76	27.39
Advertising and business promotion	146.84	221.15
Travelling and conveyance	125.81	130.38
Communication costs	32.54	34.48
Printing and stationery	11.37	13.35
Legal and professional fees	503.73	412.59
Directors sitting fees	13.41	8.66
Payment to auditors (Refer (i) below)	15.94	16.52
Exchange differences (net)	-	0.08
Loss on sale of property, plant and equipments (net)	1.76	0.73
Membership Fees & Subscription	107.64	76.10
Scheme expenses	63.01	875.41
Computer consumables	4.73	7.09
Corporate Social Responsibility Expenses	55.04	83.21
Investment Advisory Fees	34.90	33.16
Trail Fees	131.59	0.99
Provision for contingencies & onerous contracts	(3.52)	0.25
Management Fees	22.08	173.49
Other expenses	58.26	49.14
	1,629.25	**2,595.67**
(i) Payment to auditors		
As auditors:		
Audit fee	13.59	13.74
Consolidation audit fee	0.50	0.50
Tax audit fee	0.58	0.58
Limited review fee	0.72	0.83
In other capacity		
Other services (certification fee)	0.55	0.87
Reimbursement of expenses	-	-
0.00 indicates amount less than Rs.0.005 crore	**15.94**	**16.52**

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

31 Contingent liabilities & Capital and other commitments:

A UTI Asset Management Company Limited

(a) Contingent Liabilities (To the extent not provided for)

(Rs. in Million)

Particulars	31st March, 2020	March 31, 2019
Claims against the Company not acknowledged as debts (i)	30.90	27.00
Other money for which the company is contingently liable (ii)	0.10	0.10
Bank guarantee given (iii)	314.00	104.00

(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 Rs. 12.66 Million.

Ex-Registrars & Transfer Agents filed a recovery suit of Rs.31.95 Million 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.13.71 Million 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 Rs 18.24 Million

(ii) The orders cum demand notices for Rs. 0.10 Million (Previous Year Rs 0.10 Million) 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 Rs. 4 Million issued to Pension Fund Regulatory and Development Authority (PFRDA) (including on behalf of a subsidiary Rs. 2 Million), Rs.200. Million to Employees Provident Fund Organisation (EPFO), Rs. 100 Million to Employees State Insurance Corporation (ESIC) & Rs. 10 Million to Coal Mines Provident Fund Organisation (CMPFO)

(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 28th 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 crystallized.

(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 Rs. 403.24 million, 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 Rs. 15.00 million 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. As a result, the company does not expect the demand to crystalise into a liability.

(v) There are 9 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 on 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,

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

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 Rs. 52.56 Million. We are in the process of filing an appeal before ITAT against such order.

The Income Tax assessment order for Assessment Year 2010-11 have been passed raising a demand of Rs. 22.77 Million. 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 Rs 47.57 Million

(ii) As on 31st March, 2020, the company has commitments of Rs 1,750.00 Million towards Structured Debt Opportunity Fund II and Rs 485.50 Million 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 Rs. 12.19 Million. 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 Rs. 13.28 Million. An Appeal have been filed against the order before ITAT.

(iii) DCIT-TP made an upward adjustment of Rs 1,170.46 million in Assessment Year 2016-17 and directed that the income of the company be computed. Accordingly Draft Assessment Order has been passed with proposed addition of Rs 1,175.19 million. An appeal has been filed against such Draft Assessment Order before Dispute Resolution Panel.

B UTI Venture Funds Management Company Private Limited

Commitments & Contingent Liability	Year Ended	
	31st March, 2020	March 31, 2019
Claims against the Company not acknowledged as debts - Disputed income tax demand towards certain adjustments by the authorities.	-	0.22
Towards non-registration as an NBFC with RBI as per section 45(IA) of RBI Act, 1934	0.50	-
Towards probable liability for provident fund of employees who retired on 31-08-2009 and freshly appointed on 01-09-2009, beyond Rs. 6500 salary per month threshold, covered with Ascent Capital Advisors India Pvt Ltd.	3.10	-

C UTI Retirement Solutions Limited

Contingent Liabilities

The Company has no contingent liabilities as at 31 March 2020 (Rs Nil as on 31 March 2019)

Litigation

The Company has no pending litigations as at 31 March 2020 (Rs Nil as on 31 March 2019)

Capital Commitments

The Company has no capital commitments as at 31 March 2020 (Rs Nil as on 31 March 2019)

D UTI Capital Private Limited

Contingent Liabilities

The Company has no contingent liabilities as at 31 March 2020 (Rs Nil as on 31 March 2019)

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

Litigation

The Company has no pending litigations as at 31 March 2020 (Rs Nil as on 31 March 2019)

Capital Commitments

The Company has no capital commitments as at 31 March 2020 (Rs Nil as on 31 March 2019)

E UTI International Limited

At the end of the reporting period, the Group has office rental and office equipment commitments under non-cancellable operating leases with a term within one financial year.

The minimum lease payments that will become due is GBP Nil as on 31st March, 2020 (GBP 24,453 as at 31st March, 2019)

32 Net dividend remitted in foreign exchange

UTI Asset Management Company Limited

(Rs. in Million)

Year of remittance (ending on)	1 April 2019 to 31st March 2020	1 April 2018 to 31 March 2019
Number of non-resident shareholders	1	1
Number of equity shares held on which dividend was due (in Million)	32.96	32.96
Amount remitted	**164.82**	**164.82**

33 Earnings in foreign currency (accrual basis)

UTI Asset Management Company Limited

(Rs. in Million)

Particulars	31st March, 2020	March 31, 2019
Management Fees	48.47	43.16

34 Expenditure in foreign currency (accrual basis)

UTI Asset Management Company Limited

(Rs. in Million)

Particulars	31st March, 2020	March 31, 2019
Travelling Expenses	2.74	13.33
Professional fees and others	15.87	5.39
Marketing Fees	49.89	58.51
Total	**68.50**	**77.23**

35 Earnings per share

(Rs. in Million)

Particulars	31st March, 2020	March 31, 2019
Profit after tax (In Million)	2,714.66	3,568.47
Weighted average number of equity shares used as denominator for calculating EPS (In Million)	1,267.87	1,267.87
Nominal value per share (Rs.)	10.00	10.00
Basic and Diluted EPS (Rs.)	21.41	28.15

*Share under ESOP scheme are not considered in the calculations of Diluted EPS because they are antidilutive for the current year.

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

36 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 during the year

Investor with significant influence	T Rowe Price International Limited (26.00%)
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 (25.896 %) ***
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 (ACEO & WTD),
	Mr. Leo Puri (Managing Director)*,
	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 Ltd.)
	Mr. Christopher M W Hill (Non – Executive Director of UTI International Ltd.)
	Mr. Surojit Saha (CFO)
	Mr. Kiran Vohra (CS)**,
	Mr. Arvind Patkar (CS),

*Leo Puri has demitted from office w.e.f. close of office hours on 13th August 2018

** Mr. Kiran Vohra ceases to be company secretary w.e.f. 11th 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 accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

b) Related parties transactions

Sr. No.	Name of Related Party	Nature of Transactions	Year ended 2019-20		Year ended 2018-19	
			Tranasations for the year	Outstanding at the year end	Tranasations for the year	Outstanding at the year end
1	T Rowe Price International Limited	Reimbursement towards Expenses	4.25	-	7.46	-
		Dividend Paid	164.82	-	164.82	-
2	UTI AMC Ltd Employees Provident Fund	Contribution to the fund	203.70	6.44	193.21	-
3	UTI AMC Ltd Pension Fund	Contribution to the fund	37.55	-	35.47	-

*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

Sr. No.	Nature of Transactions	Year ended 2019-20	Year ended 2018-19
		Tranasations for the year	Tranasations for the year
1	Short term employee benefits	106.12	144.81
2	Post employee benefits	8.74	3.69
3	Share Based Payments	9.33	-
4	Director Sitting Fees	8.27	3.81
5	Dividend on Equity Shares	0.02	0.04

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

37. Maturity Analysis of Assets and Liabilities

(Rs in Million)

Particulars	Note No	31st March 2020 Total	31st March 2020 Within 12 Month	31st March 2020 After 12 Month	31st March 2019 Total	31st March 2019 Within 12 Month	31st March 2019 After 12 Month
I. ASSETS							
1 Financial Assets							
Cash and cash equivalents	3	1,192.52	1,192.42	0.10	1,241.80	1,241.70	0.10
Receivables	4		-	-		-	-
Trade Receivables		456.18	442.51	13.67	275.53	273.93	1.60
Other Receivables		97.39	97.39	-	361.80	361.80	-
Loans	5	378.95	192.85	186.10	291.34	62.80	228.54
Investments	6	23,557.51	6,671.46	16,886.05	22,613.70	7,268.23	15,345.47
Other Financial Assets	7	1,542.38	17.50	1,524.88	1,278.59	29.51	1,249.08
Total Financial Assets		**27,224.93**	**8,614.13**	**18,610.80**	**26,062.76**	**9,237.97**	**16,824.79**
2 Non Financial Assets							
Current Tax Assets (Net)	8	460.73	438.88	21.85	320.56	301.18	19.38
Deferred Tax Assets (Net)		-	-	-	-	-	-
Investment Property	9	107.27	-	107.27	112.47	-	112.47
Property, Plant and Equipments	10	2,503.88	-	2,503.88	2,529.42	-	2,529.42
Right of use assets	11	997.51	4.59	992.92	-	-	-
Capital work in progress	12	2.84	2.84	-	8.78	8.78	-
Intangible assets under development	13	7.56	7.56	-	-	-	-
Other Intangible Assets	14	118.01	-	118.01	36.13	-	36.13
Other Non Financial Assets	15	230.05	116.72	113.33	233.70	97.16	136.54
Total Non Financial Assets		**4,427.85**	**570.59**	**3,857.26**	**3,241.06**	**407.12**	**2,833.94**
TOTAL ASSETS		**31,652.78**	**9,184.72**	**22,468.06**	**29,303.82**	**9,645.09**	**19,658.73**
II LIABILITIES AND EQUITY							
Liabilities							
1 Financial Liabilities							
Trade Payables	16		-	-		-	-
Total outstanding dues of micro enterprises			-	-		-	-
and small enterprises			-	-		-	-
Total outstanding dues of creditors micro			-	-		-	-
enterprises and small enterprises		14.22	14.22	-	37.77	37.77	-
			-	-		-	-
Other Payables			-	-		-	-
Total outstanding dues of micro enterprises			-	-		-	-
and small enterprises		7.96	7.96	-	9.27	8.96	0.31
Total outstanding dues of creditors micro			-	-		-	-
enterprises and small enterprises		640.06	623.90	16.16	666.25	648.09	18.16
Borrowings			-	-		-	-
Other Financial Liabilities	17	1,726.16	116.03	1,610.13	590.39	0.09	590.30
Total Financial Liabilities		**2,388.40**	**762.12**	**1,626.29**	**1,303.68**	**694.91**	**608.77**
2 Non Financial Liabilities							
Current Tax Liabilities (Net)	18	44.94	44.94	-	43.40	43.40	-
Provisions	19	830.89	825.83	5.06	916.07	906.17	9.90
Deferred Tax Liabilities (Net)	20	479.65	-	479.65	424.02	3.92	420.10
Other Non Financial liabilities	21	77.99	77.99	-	86.23	63.12	23.11
Total Non Financial Liabilities		**1,433.47**	**948.76**	**484.71**	**1,469.72**	**1,016.61**	**453.11**
TOTAL LIABILITIES		**3,821.87**	**1,710.87**	**2,111.00**	**2,773.40**	**1,711.52**	**1,061.88**

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

38. Retirement Benefit

UTI Asset Management Company Limited

(a) In accordance with the requirements of theIndian 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, 2020	March, 2019	March, 2020	March, 2019	March, 2020	March, 2019
Discount rate (per annum)	6.65%	7.50%	6.65%	7.50%	6.65%	7.50%
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 (2006-08) 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.

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

(i) **Movement in the Present value of Benefit obligations**

(Rs. Million)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March, 2020	March, 2019	March, 2020	March, 2019
Opening of defined benefit obligation	1,096.99	891.29	1,887.03	1,616.15
Current Service cost	24.52	32.17	72.59	49.03
Past Service cost	-	-	-	-
Interest on defined benefit obligation	78.23	65.54	138.33	121.84
Remeasurement due to:	-	-	-	-
Actuarial loss/ (gain) arising from change in financial assumptions	54.21	93.10	174.05	291.81
Actuarial loss/ (gain) arising from change in demographic assumptions	-	(0.47)	-	-
Actuarial loss/ (gain) arising on account of experience changes	34.49	53.40	334.02	21.27
Benefits paid	(50.85)	(38.04)	(40.19)	(213.07)
Liabilities assumed / (settled)*	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-
Closing present value of defined benefit obligation	**1,237.59**	**1,096.99**	**2,565.83**	**1,887.03**

(ii) **Movement in the Fair value of Plan Assets**

(Rs. Million)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March, 2020	March, 2019	March, 2020	March, 2019
Opening fair value of plan assets	645.99	636.72	1,649.15	1,530.26
Employer contributions	447.41	0.96	254.63	217.05
Interest on plan assets	48.15	50.46	124.24	119.06
Administration expenses	-	-	-	-
Remeasurement due to:	-	-	-	-
Actual return on plan assets less interest on plan assets	17.47	(4.11)	53.63	(4.15)
Benefits paid	(50.85)	(38.04)	(40.19)	(213.07)
Assets acquired / (settled)*	-	-	-	-
Assets distributed on settlements	-	-	-	-
Closing fair value of plan assets	**1,108.17**	**645.99**	**2,041.46**	**1,649.15**

(iii) **Amount recognized in the Balance Sheet** (Rs. Million)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March, 2020	March, 2019	March, 2020	March, 2019
Present Value of funded / unfunded obligation	1,237.59	1,096.99	2,565.83	1,887.03
Fair value of Plan Assets	1,108.17	645.99	2,041.46	1,649.15
Net unfunded obligation	129.42	451.00	524.37	237.88
	-	-	-	-
Net defined benefit liability / (Asset) recognized in balance Sheet	129.42	451.00	524.37	237.88
	-	-	-	-
Non-Financial Liabilities	129.42	451.00	524.37	237.88

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

(iv) **Amount Recorded in Other Comprehensive Income**

(Rs. Million)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March, 2020	March, 2019	March, 2020	March, 2019
Opening amount recognized in OCI outside profit and loss account	143.46	(32.66)	617.58	40.81
Re-measurement during the period due to	-	-	-	-
Changes in financial assumptions	54.22	93.10	174.05	291.81
Changes in demographic assumptions	-	(0.47)	-	-
Experience adjustments	34.49	53.40	334.02	21.27
Actual return on plan assets less interest on plan assets	(17.47)	4.11	(53.62)	4.14
Adjustment to recognize the effect of asset ceiling	-	-	-	-
Closing amount recognized in OCI outside profit and loss account	**214.70**	**117.48**	**1,072.03**	**358.03**

(v) **Components of Profit and Loss Account expense**

(Rs. Million)

Particulars	Employee's Gratuity Fund		Employee's Super Annuation Fund	
	March, 2020	March, 2019	March, 2020	March, 2019
Current Service cost	24.52	32.17	72.59	49.03
Past Service cost	-	-	-	-
Administration expenses	-	-	-	-
Interest on net defined benefit liability / (assets)	30.07	15.08	14.09	2.78
(Gains) / losses on settlement	-	-	-	-
Total Expenses charged to profit and loss account	**54.59**	**47.25**	**86.68**	**51.81**

(vi) **Reconciliation of Net Liability/ Asset:**

a) Employee's Gratuity Fund:

(Rs. Million)

Particulars	March, 2020	March, 2019
Opening net defined benefit liability/ (asset)	451.00	254.57
Expenses charged to profit and loss account	54.59	47.25
Amount recognized outside profit and loss account	71.24	150.14
Employer contributions	(447.41)	(0.96)
Impact of liability assumed or (settled)*	-	-
Closing net defined benefit liability / (asset)	**129.42**	**451.00**

b) Employee's Super Annuation Fund

(Rs. Million)

Particulars	March, 2020	March, 2019
Opening net defined benefit liability/ (asset)	237.88	85.89
Expenses charged to profit and loss account	86.68	51.81
Amount recognized outside profit and loss account	454.44	317.23
Employer contributions	(254.63)	(217.05)
Impact of liability assumed or (settled)*	-	-
Closing net defined benefit liability / (asset)	**524.37**	**237.88**

*Employee benefit of Key managerial personnel are not determined for the above fund & hence, we have not separately disclose the same.

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

(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.

(Rs. Million)

Maturity Profile	Employee's Gratuity Fund	
	March, 2020	March, 2019
Expected benefits for year 1	154.19	107.95
Expected benefits for year 2	137.19	114.10
Expected benefits for year 3	153.09	124.00
Expected benefits for year 4	148.37	140.69
Expected benefits for year 5	176.16	135.94
Expected benefits for year 6	207.59	166.00
Expected benefits for year 7	202.76	191.89
Expected benefits for year 8	188.28	188.29
Expected benefits for year 9	144.43	180.02
Expected benefits for year 10 and above	339.01	443.75

The weighted average duration to the payment of these cash flows is 5.35 years for the year ended March 2020 and 5.35 years for the year ended March 2019.

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).

(Rs. Million)

Maturity Profile	Employee's Super Annuation Fund	
	March, 2020	March, 2019
Expected benefits for year 1	97.07	85.22
Expected benefits for year 2	142.33	100.14
Expected benefits for year 3	164.56	112.74
Expected benefits for year 4	200.86	140.83
Expected benefits for year 5	215.65	161.18
Expected benefits for year 6	284.80	168.37
Expected benefits for year 7	262.41	225.27
Expected benefits for year 8	313.59	215.88
Expected benefits for year 9	332.74	245.08
Expected benefits for year 10	370.95	261.34

The weighted average duration to the payment of these cash flows is 8.41 years for the year ended March 2020 and 8.94 years for the year ended March 2019.

(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

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

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, 2020	March, 2019
Discount rate		
Impact of increase in 50 bps on DBO	(4.04)%	(4.12)%
Impact of decrease in 50 bps on DBO	4.32%	4.42%
Pension increase rate		
Impact of increase in 100 bps on DBO	8.71%	8.64%
Impact of decrease in 100 bps on DBO	(8.71)%	(8.64)%
Life expectancy		
Impact of increase in 1 year on DBO	2.11%	1.94%
Impact of decrease in 1 year on DBO	(2.16)%	(2.01)%

b) **Employee's Gratuity Fund**

Particulars	March, 2020	March, 2019
Discount Rate		
Impact of increase in 50 bps on DBO	(2.62)%	(2.81)%
Impact of decrease in 50 bps on DBO	2.73%	2.94%
Salary Escalation Rate		
Impact of increase in 50 bps on DBO	0.77%	1.09%
Impact of decrease in 50 bps on DBO	(0.80)%	(1.17)%

the expected contribution towards the fund for next financial year i.e. FY 2019-20 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.

Characteristics of defined benefits plans and associated risks:

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 and associated risks:

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

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

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 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.

UTI Capital Private Limited

A) Defined Contribution Plans

"Contribution to provident and other funds" is recognized 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, 2020	March, 2019
Discount rate	6.65%	7.45%
Expected rate of salary increase	6.00%	6.00
Mortality	IALM (2012-14)	IALM (2012-14)

ii) Movement in the Present value of Benefit obligations

(Rs. Million)

Particulars	Employee's Gratuity Fund	
	March, 2020	March, 2019
Opening of defined benefit obligation	1.18	0.94
Current Service cost	0.33	0.29
Past Service cost	-	-
Interest on defined benefit obligation	0.09	-
Remeasurement due to:	-	-
Actuarial loss/ (gain) arising from change in financial assumptions	0.12	0.27
Actuarial loss/ (gain) arising from change in demographic assumptions	-	(0.00)
Actuarial loss/ (gain) arising on account of experience changes	0.86	(0.12)
Benefits paid	(1.10)	(0.20)
Closing present value of defined benefit obligation	**1.48**	**1.18**

iii) Movement in the Fair value of Plan Assets

(Rs. Million)

Particulars	Employee's Gratuity Fund	
	March, 2020	March, 2019
Opening fair value of plan assets	1.48	1.18
Employer contributions	0.63	0.43
Interest on plan assets	0.11	-
Administration expenses	-	-
Remeasurement due to:	-	-
Actual return on plain assets less interest on plan assets	(0.05)	0.07
Benefits paid	(1.10)	(0.20)
Closing fair value of plan assets	**1.07**	**1.48**

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

iv) Amount recognized in the Balance Sheet

(Rs. Million)

Particulars	Employee's Gratuity Fund	
	March, 2020	March, 2019
Present Value of obligations	(1.48)	(1.18)
Fair value of Plan assets	1.07	1.48
Net defined benefit liability / (Asset) recognized in balance Sheet	**(0.41)**	**0.30**

v) Amount recognized in other comprehensive income (OCI)

(Rs. Million)

Particulars	Employee's Gratuity Fund	
	March, 2020	March, 2019
Opening amount recognized in OCI outside profit and loss account	0.22	0.13
Re-measurement during the period due to	-	-
Changes in financial assumptions	0.12	0.28
Changes in demographic assumptions	-	(0.00)
Experience adjustments	0.86	(0.12)
Actual return on plan assets less interest on plan assets	0.05	(0.07)
Adjustment to recognize the effect of asset ceiling	-	-
Closing amount recognized in OCI outside profit and loss account	**1.25**	**0.22**

vi) Components of Profit and Loss Account expense

(Rs. Million)

Particulars	Employee's Gratuity Fund	
	March, 2020	March, 2019
Current service cost	0.33	0.28
Interest cost	(0.02)	0.48
Benefits paid	-	-
Actuarial losses / (gains)	-	-
Total Expenses	**0.31**	**0.76**

vii) Reconciliation of Net Liability / Assets

(Rs. Million)

Particulars	Employee's Gratuity Fund	
	March, 2020	March, 2019
Opening net defined benefit liability/(assets)	(0.30)	(0.25)
Expense charged to profit and loss account	0.31	0.29
Amount recognized outside profit and loss account	1.03	0.09
Employer contributions	(0.63)	(0.43)
Closing net defined benefit liability/(assets)	**0.41**	**(0.30)**

viii) Sensitivity Analysis

Particulars (Employee's Gratuity Fund)	March, 2020	March, 2019
Discount Rate		
Impact of increase in 50 bps on DBO	(5.21)%	(5.02)%
Impact of decrease in 50 bps on DBO	5.59%	5.38%
Salary Escalation Rate		
Impact of increase in 50 bps on DBO	5.60%	5.43%
Impact of decrease in 50 bps on DBO	(5.27)%	(5.11)%

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

39. 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.

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 and amount receivable from PLI & RPLI. Based on the past experience, management expects to receive these amounts without any default.

(Rs. Million)

Trade Receivables	March, 2020	March, 2019
0-90 Days	381.24	236.32
91-180 Days	43.04	13.49
181-270 days	4.55	21.61
271-365 Days	13.68	2.51
More than 365 Days	13.67	1.60
Total	**456.18**	**275.53**

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 Rs. 1,192.52Million as on 31st March, 2020. 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.

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

Following is the exposure of the Group towards credit risk

Particulars	Carrying Amount	Total	Contractual Cash Flows March, 2020 (Rs. in Million)		
			Less than 1 year	1-3 years	More than 3 years
Financial Assets:					
Cash and cash equivalents	1,192.52	1,192.52	1,192.42	-	0.10
Receivables	553.57	553.57	539.90	13.67	-
Loans	378.95	378.95	192.85	72.35	113.75
Investments	23,557.51	23,557.51	6,671.46	11,525.65	5,360.40
Other Financial assets	1,542.38	1,542.38	17.50	20.03	1,504.85
	27,224.93	**27,224.93**	**8,614.13**	**11,631.70**	**6,979.10**

Particulars	Carrying Amount	Total	Contractual Cash Flows March, 2020 (Rs. in Million)		
			Less than 1 year	1-3 years	More than 3 years
Financial Assets:					
Cash and cash equivalents	1,241.80	1,241.80	1,241.70	-	0.10
Receivables	637.33	637.33	635.73	1.60	-
Loans	291.34	291.34	62.79	84.54	144.01
Investments	22,613.70	22,613.70	7,268.24	12,809.36	2,536.10
Other Financial assets	1,278.59	1,278.59	29.51	44.45	1,204.63
Total	**26,062.76**	**26,062.76**	**9,237.97**	**12,939.95**	**3,884.84**

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

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

Following is the exposure of the Group towards liquidity risk:

Particulars	Carrying Amount	Total	Contractual Cash Flows March, 2020 (Rs. in Million)		
			Less than 1 year	1-3 years	More than 3 years
Financial Liabilities :					
VSS Liability Fund.	255.61	255.61	-	-	255.61
Investor Education & Protection Fund.	134.62	134.62	-	-	134.62
Offshore Development Fund.	260.48	260.48	-	-	260.48
Payable to SUUTI towards security deposit.	0.82	0.82	-	-	0.82
Statutory Dues	0.52	0.52	0.52	-	-
Lease liability	1074.11	1074.11	115.52	213.01	745.58
Payable to Micro enterprises and small enterprises	7.96	7.96	7.96	-	-
Payable to other than Micro enterprises and small enterprises	16.37	16.37	16.37	-	-
Accrued benefits to employees.*	473.58	473.58	473.58	-	-
Payable to UTI Mutual Fund.	-	-	-	-	-
Retention Money.	16.27	16.27	8.47	7.80	-
Other Payables.	148.06	148.06	139.70	-	8.36
Total	**2,388.40**	**2,388.40**	**762.12**	**220.81**	**1,405.47**

* 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 Rs 121.71 million has been charged in the Profit & Loss Account.

Particulars	Carrying Amount	Total	Contractual Cash Flows March, 2029(Rs. in Million)		
			Less than 1 year	1-3 years	More than 3 years
Financial Liabilities :					
VSS Liability Fund.	251.01	251.01	-	-	251.01
Investor Education & Protection Fund.	120.22	120.22	-	-	120.22
Offshore Development Fund.	218.24	218.24	-	-	218.24
Payable to SUUTI towards security deposit.	0.82	0.82	-	-	0.82
Statutory Dues	0.10	0.10	0.09	-	0.01
Lease liability	-	-	-	-	-
Payable to Micro enterprises and small enterprises	9.27	9.27	8.96	0.31	-
Payable to other than Micro enterprises and small enterprises	38.79	38.79	38.79	-	-
Accrued benefits to employees.*	466.16	466.16	466.16	-	-
Payable to UTI Mutual Fund.	49.21	49.21	49.21	-	-
Retention Money.	16.51	16.51	6.12	10.39	-
Other Payables.	133.35	133.35	125.58	1.36	6.41
Total	**1,303.68**	**1,303.68**	**694.91**	**12.06**	**596.71**

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

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

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:

(Rs. in Million)

Particulars	Carrying amount as on	
	March, 2020	March, 2019
Fixed Rate Instruments		
Financial assets	27,224.93	26,062.76
Financial liabilities	(2,388.40)	(1,303.68)
Total	**24,836.53**	**24,759.08**

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:

The Group has invested Rs. 24.75 Million in Institutional Investor Advisory Services India Limited & Rs.5 lakhs in MF Utilities India Private Limited which are susceptible to market price risk arising from uncertainties about future values of the investment securities.

The Investment in subsidiaries has been shown at cost.

40. 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.

(Rs. in Million)

March, 2020	Carrying Amount			Fair Value		
	FVTPL	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial Assets:						
Other investments	23,557.51	-	23,557.51	23,531.16	-	26.35**
Loans*	-	378.95	378.95	-	378.95	-
Trade receivables	-	456.18	456.18	-	-	-
Cash & cash equivalents	-	1,192.52	1,192.52	-	-	-
Other Financial assets	-	1,639.77	1,639.77	-	-	-
Total	**23,557.51**	**3,667.42**	**27,224.93**	**23,531.16**	**378.95**	**26.35**
Financial Liabilities:						
Other Financial liabilities	-	2,388.40	2,388.40	-	-	-
Total	**-**	**2,388.40**	**2,388.40**	**-**	**-**	**-**

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

(Rs. in Million)

March, 2019	Carrying Amount			Fair Value		
	FVTPL	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial Assets:						
Other investments	22,613.70	-	22,613.70	22,594.25	-	19.45
Loans*	-	291.34	291.34	-	291.34	-
Trade receivables	-	275.53	275.53	-	-	-
Cash & cash equivalents	-	1,241.80	1,241.80	-	-	-
Other Financial assets	-	1,640.39	1,640.39	-	-	-
Total	**22,613.70**	**3,449.06**	**26,062.76**	**22,594.25**	**291.34**	**19.45**
Financial Liabilities:						
Other Financial liabilities	-	1,303.68	1,303.68	-	-	-
Total	**-**	**1,303.68**	**1,303.68**	**-**	**-**	**-**

* Loans are carried at amortized cost which isa reasonable approximation of its fair value.

** Investment in Mutual fund utilities and IIAS valued at NAV as at 31st March 2020.

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)	-

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

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 31.03.2020 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 anilliquidity 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

(Rs. in Million)

Particulars	Amount
Balance as at 01st April, 2018	**15.50**
Net gain / (losses) on Financial Instruments recognized in the Statement of Profit and Loss	3.95
Purchases of Financial Instruments	-
Sales of Financial Instruments	-
Balance as at 31st March, 2019	**19.45**
Net gain / (losses) on Financial Instruments recognized in the Statement of Profit and Loss	(2.85)
Purchases of Financial Instruments	9.75
Sales of Financial Instruments	-
Balance as at 31st March, 2020	**26.35**

41. Capital Management:

The primary objective of the Group'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 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:

(Rs. in Million)

Particulars (Rs. in Million)	March, 2020	March, 2019
Total Liabilities	3,821.87	2,773.40
Less: Cash & cash equivalents	(1,192.52)	(1,241.80)
Adjusted Net Debt	**2,629.35**	**1,531.60**
Total Equity	**27,723.04**	**26,158.48**
Adjusted Net Debt to Total Equity Ratio	**0.09**	**0.06**

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

42. Interests in other entities:

Subsidiaries

The group's subsidiaries as 31st March, 2020 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, 2020	March, 2019	March, 2020	March, 2019	
		%	%	%	%	
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

43. Non-controlling interests (NCI) (IND AS 112 Disclosers)

Set out below is summarized 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.

(Rs. in Million)

Summarized balance sheet (Rs. in Million)	India Infrastructure Development Fund	
	March, 2020 (74.13%)	March, 2019 (74.13%)
Current assets	0.15	0.08
Current liabilities	4.49	24.40
Net current assets	(4.34)	(24.32)
Non-current assets	-	-
Non-current liabilities	-	-
Net non-current assets	-	-
Net assets	(4.34)	(24.32)
Accumulate NCI	**(3.22)**	**(18.02)**

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

(Rs. in Million)

Summarized statement of profit and loss	India Infrastructure Development Fund	
	March, 2020 (74.13%)	March, 2019 (74.13%)
Revenue	60.78	3.18
Profit for the year	46.61	(66.15)
Other comprehensive income	-	-
Total comprehensive income	-	-
Profit allocated to NCI	34.55	(49.03)
Dividends paid to NCI	-	-

(Rs. in Million)

Summarized cash flows	India Infrastructure Development Fund	
	March, 2020	March, 2019
Cash flow from operating activities	400.33	(588.04)
Cash flow from investing activities	2.55	588.11
Cash flow from financing activities	(402.81)	-
Net increase/(decrease) in cash and cash equivalents	0.07	0.07

44. 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.

45. Lease disclosures:

Company as a lessee:

Effective 01st April, 2019, the Group adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on 1st 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 31st March, 2020

(Rs. in Million)

Particulars	March, 2020
Current lease liabilities	115.52
Non-current lease liabilities	958.59
Total	**1,074.11**

The following is the movement in lease liabilities during the year ended 31stMarch, 2020

(Rs. in Million)

Particulars	March, 2020
Balance as of 01st April 2019	937.05
Additions	229.71
Finance cost accrued during the year	93.12
Payment of lease liabilities	(184.21)
Adjustments	(1.56)
Balance as of 31st March, 2020	**1,074.11**

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

The following is the movement in right-of-use asset during the year ended 31st March, 2020

(Rs. in Million)

Particulars	March, 2020
Balance as of 01st April 2019	937.05
Additions	229.71
Depreciation charge during the year	(169.25)
Adjustments	-
Balance as of 31st March, 2020	**997.51**

The table below provides details regarding the contractual maturities of lease liabilities as at 31st March 2020 on an undiscounted basis.

(Rs. in Million)

Particulars	March, 2020	March, 2019
Less than one year	201.28	182.27
One to Five years	655.25	697.37
More than Five years	833.41	976.02

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 Rs.5.24Million for the year ended 31st March, 2020.

The weighted average incremental borrowing rate applied to lease liabilities for financial year 2019-20 is 8.50% for UTI AMC Limited & 3.25% for UTI International Limited.

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:

(Rs. in Million)

Particulars	March, 2020	March, 2019
Receivable in less than one year	83.40	75.16
Receivable in one to two year	85.18	83.40
Receivable in two to three year	18.50	85.18
Receivable in three to four year	15.83	18.50
Receivable in four to five year	15.83	15.83
Receivable after five years	5.28	21.11

ii) Amounts recognized in Profit or Loss:

(Rs. in Million)

Particulars	March, 2020	March, 2019
Lease Income	75.16	62.54

46. 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 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. 16th December 2019. The exercise period would be maximum of 4 years from the date of vesting of options.

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

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 March 31, 2020
Date of Grant	16/12/2019
Outstanding at the beginning of the year	0
Granted during the year	21,91,554
Exercised during the year	0
Forfeited during the year	0
Lapsed/expired during the year	0
Outstanding at the end of the year	21,91,554
Vested and exercisable	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 March 31, 2020
16/12/2019	17/12/2022	728	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 March 31, 2020 included:

Assumptions	Year ended March 31, 2020
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.

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

Expense arising from share-based payment transactions

(Rs. in Million)

Assumptions	Year ended March 31, 2020
Employee stock option scheme (equity settled) (Rs. In Million)	105.03

47. 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.

48. Managerial Remuneration

a) The particulars of the remuneration of the key managerial personnel are as under:

(Rs. in Million)

Particulars (Rs. in Million)	March, 2020	March, 2019
Salary & Allowance (including perquisite & Contribution to Retirement benefits)	114.86	148.50
Total	**114.86**	**148.50**

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.

49. Dividend Recommendation

The Board has recommended a dividend of Rs.7 per share (Previous Year Rs.5 per share) to the shareholders for the FY 2019-20. Accordingly, an amount in accordance to provision of Companies Act 2013 will be accounted in the F Y 2020-21, which is subject to the approval of shareholders at the ensuing Annual General Meeting.

50. Corporate Social Responsibility Expenses:

(a) Gross amount required to be spent by the Company during the year

(Rs. in Million)

Particulars	March, 2020	March, 2019
Amount required to be spent during the year	91.51	85.15
Total	**91.51**	**85.15**

(c) Amount of expenditure incurred on Corporate Social Responsibility activities during the year is as follows:

(Rs. in Million)

SN	Particulars	March, 2020	March, 2019
(i)	Construction/acquisition of any asset	NIL	NIL
(ii)	On purposes other than (i) above	55.04	83.21
	Total	**55.04**	**83.21**

51. 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 and the Group. The coronavirus outbreak is a new emerging risk to the global economy. The Group'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 Group 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 both India and Mauritius. These actions help to ensure business resilience. The situation is changing so rapidly that the full impact cannot yet be understood, but the Group will continue to monitor the situation closely.

The directors consider that the Group 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.

Notes to consolidated accounts annexed to and forming part of the consolidated financial statements for the year ended 31 March, 2020:

52. Pursuant to approval granted by shareholders, the company has initiated the Initial Public Offer by way of Offer for Sale subject to regulatory and other approvals. In this connection, the Company has filed a Draft Red Herring Prospectus with SEBI on 19th December, 2019.

53. 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 and on behalf of the Board of Directors of**	
For G.D. Apte & Co.	**UTI Asset Management Company Limited**	
Chartered Accountants		
FRN: 100515W	D K Mehrotra	Imtaiyazur Rahman
	Non Executive Chairman	Acting Chief Executive Officer & Whole Time Director
	(DIN: 00142711)	(DIN: 01818725)
CA Chetan R. Sapre	Surojit Saha	Arvind Patkar
Partner	Chief Finance Officer	Company Secretary
MRN: 116952		

Place: Mumbai
Date: The 29th April, 2020