

Union Asset Management Company Private Limited
CIN: U65923MH2009PTC198201

Balance Sheet as at March 31, 2021

| | Notes | As at March 31, 2021 Rs. | As at March 31, 2020 Rs. |
|--|-------|--------------------------------|--------------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| (a) Share Capital | 1 | 2,625,167,700 | 2,625,167,700 |
| (b) Reserve and Surplus | 2 | (692,132,134) | (724,445,069) |
| | | 1,933,035,566 | 1,900,722,631 |
| Non-Current Liabilities | | | |
| (a) Deferred Tax Liabilities | 27 | - | - |
| (b) Long-term provisions | 3 | 20,869,640 | 12,999,616 |
| | | 20,869,640 | 12,999,616 |
| Current Liabilities | | | |
| (a) Trade Payables | 4 | 3,024,501 | 7,853,755 |
| (b) Other Current Liabilities | 5 | 9,626,117 | 12,071,945 |
| (c) Short-Term Provisions | 6 | 88,503,829 | 75,129,257 |
| | | 101,154,447 | 95,054,957 |
| TOTAL | | 2,055,059,653 | 2,008,777,204 |
| ASSETS | | | |
| Non-Current Assets | | | |
| (a) Fixed Assets | | | |
| Tangible Assets | | 14,280,871 | 22,386,339 |
| Intangible Assets | | 5,760,792 | 7,193,778 |
| Total Fixed Assets | 7 | 20,041,663 | 29,580,117 |
| (b) Non-Current investments | 8 | 86,066,550 | 76,066,550 |
| (c) Long-term loans and advances | 9 | 49,894,516 | 61,739,980 |
| | | 156,002,729 | 167,386,647 |
| Current Assets | | | |
| (a) Current Investments | 10 | 491,584,950 | 505,884,179 |
| (b) Trade Receivables | 11 | 50,846,259 | 57,027,407 |
| (c) Cash and Bank Balances | 12 | 1,284,256,262 | 1,213,758,455 |
| (d) Short-Term Loans and Advances | 13 | 72,369,453 | 64,720,516 |
| | | 1,899,056,924 | 1,841,390,557 |
| TOTAL | | 2,055,059,653 | 2,008,777,204 |
| Significant Accounting Policies | 19 | | |

The Notes referred to above form an integral part of the Balance sheet
As per our report of even date attached

For Jain Chowdhary & Co.

Chartered Accountants
FRN No: 113267W

Siddharth Jain
Partner
M.No.: 104709



For Union Asset Management Company Private Limited

Director
DIN: 00311994
Rajhu Palat

Director
DIN: 03522170
Gopal.S.Gusain

Pradeepkumar
Chief Executive Officer

Rajkamal Tiwari
Chief Financial Officer

Mudra
Mudra Bengali
Company Secretary
ACS 36622

Place: Mumbai
Date: 26th April 2021



Union Asset Management Company Private Limited
CIN: U65923MH2009PTC198201

Statement of Profit and Loss for the year ended March 31, 2021

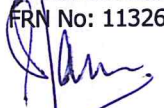
| | Notes | Year Ended March 31, 2021 Rs. | Year Ended March 31, 2020 Rs. |
|---|-----------|-------------------------------------|-------------------------------------|
| INCOME | | | |
| Revenue from operations | 14 | 401,451,137 | 367,119,181 |
| Other Income | 15 | 97,695,270 | 116,536,123 |
| Total Income | | 499,146,407 | 483,655,304 |
| EXPENSES | | | |
| Employee Benefits Expenses | 16 | 342,278,352 | 312,631,861 |
| Administrative & Other Expenses | 17 | 107,179,575 | 119,904,853 |
| Depreciation & Amortization Expenses | 7 | 17,375,545 | 21,104,307 |
| Total Expenses | | 466,833,472 | 453,641,021 |
| Profit/(Loss) Before Tax | | 32,312,935 | 30,014,283 |
| Tax Expenses | | | |
| - Current Tax | | - | - |
| - Deferred Tax | | - | - |
| Total Tax Expenses | | - | - |
| Profit/(Loss) After Tax | | 32,312,935 | 30,014,283 |
| Profit/(Loss) Account Opening Balance | | (1,422,171,449) | (1,452,185,732) |
| Profit/(Loss) After Tax Carried to Balance Sheet | | (1,389,858,514) | (1,422,171,449) |
| Basic Earnings per Share | 30 | 0.20 | 0.19 |
| Significant Accounting Policies | 19 | | |

The Notes referred to above form an integral part of the Statement of Profit & Loss

As per our report of even date attached

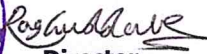
For Jain Chowdhary & Co.

Chartered Accountants
FRN No: 113267W



Siddharth Jain
Partner
M.No.: 104709



For Union Asset Management Company Private Limited


Director
DIN: 00311994
Rashu Palat


Rajkamal Tiwari
Chief Financial Officer


Director
DIN: 03522170
Gopal S. Gusain


Pradeepkumar
Chief Executive Officer


Mudra Bengali
Company Secretary
ACS 36622

Place: Mumbai
Date: 26th April 2021



Union Asset Management Company Private Limited
CIN: U65923MH2009PTC198201

Cash Flow Statement for the year ended March 31, 2021

| | Year Ended March 31, 2021 Rs. | Year Ended March 31, 2020 Rs. |
|---|-------------------------------------|-------------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit/(Loss) before taxation | 32,312,935 | 30,014,283 |
| Add / (Less) : Adjustment for | | |
| Depreciation | 17,375,545 | 21,104,307 |
| Interest Income | (77,091,418) | (82,151,581) |
| Investment Income | (19,300,771) | (33,692,965) |
| Operating Profit/(Loss) before working capital changes | (46,703,709) | (64,725,956) |
| (Increase) / Decrease in Loans and Advances | (5,803,474) | (37,307,543) |
| (Increase) / Decrease in Sundry Debtors | 6,181,149 | (2,809,179) |
| Increase / (Decrease) in Current Liabilities | 13,969,514 | 44,061,973 |
| Cash generated from / (used in) operations | (32,356,520) | (60,780,705) |
| Net cash from / (used in) operating activities | (32,356,520) | (60,780,705) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (7,837,091) | (5,657,435) |
| Purchase of Investments | (491,584,950) | (505,884,179) |
| Purchase of Fixed Deposits | (70,100,000) | (244,300,000) |
| Proceeds from Sale of Investments | 505,884,179 | 702,691,213 |
| Interest Income | 77,091,418 | 82,151,581 |
| Investment Income | 19,300,771 | 33,692,965 |
| Net cash from / (used in) investing activities | 32,754,327 | 62,694,145 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Net cash from / (used in) financing activities | - | - |
| Net Increase / (Decrease) in cash and cash equivalents | 397,807 | 1,913,440 |
| Cash and cash equivalents at the beginning of the Year | 2,658,455 | 745,015 |
| Cash and cash equivalents at the end of the Year | 3,056,262 | 2,658,455 |

As per our report of even date attached

For Jain Chowdhary & Co.

Chartered Accountants
FRN No: 113267W

Siddharth Jain
Partner
M.No.: 104709



For Union Asset Management Company Private Limited

Director

DIN: 00311994
Raghu Palat

Rajkamal Tiwari

Chief Financial Officer

Director

DIN: 03522170
Gopal S. Gusain

G Pradeepkumar
Chief Executive Officer

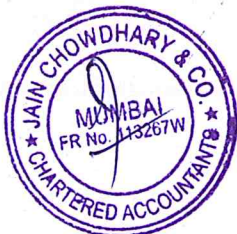
Mudra Bengali
Company Secretary
ACS 36622

Place: Mumbai
Date: 26th April 2021



Notes forming part of the Financial Statements

| Note | As at March 31, 2021 Rs. | As at March 31, 2020 Rs. |
|---|--------------------------------|--------------------------------|
| NOTE 1: SHARE CAPITAL | | |
| Authorised: | | |
| 160,000,000 Equity Shares (Previous Year 160,000,000) of Rs.10/- each | 1,600,000,000 | 1,600,000,000 |
| 130,000,000 Preference Shares (Previous Year 130,000,000) of Rs. 10 each | 1,300,000,000 | 1,300,000,000 |
| Total | 2,900,000,000 | 2,900,000,000 |
| The Company has two classes of shares referred to as equity shares & preference shares. Each holder of equity shares is entitled to one vote per share. | | |
| ISSUED SUBSCRIBED AND PAID UP: | | |
| EQUITY SHARE CAPITAL: | | |
| Equity Shares of Rs 10/- each | | |
| Holding Company - Union Bank of India (including 1 Share held by nominee shareholder - Mr. Sreenivasa Rao B) | 1,585,132,260 | 1,585,132,260 |
| Total Equity Share Capital | 1,585,132,260 | 1,585,132,260 |
| PREFERENCE SHARE CAPITAL: | | |
| Preference Shares of Rs 10/- each | | |
| 104,003,544 Participatory Non-redeemable Compulsorily Convertible Preference Shares of Rs 10/- each issued to Dai-ichi Life Holdings, Inc on May 17, 2018 for a tenure of 20 Years. | 1,040,035,440 | 1,040,035,440 |
| Total Preference Share Capital | 1,040,035,440 | 1,040,035,440 |
| Total Share Capital | 2,625,167,700 | 2,625,167,700 |
| NOTE 2: RESERVE AND SURPLUS | | |
| Securities Premium Account | 697,726,380 | 697,726,380 |
| Profit and Loss Account Balance | | |
| Debit Balance in Profit and Loss Account - Opening Balance | (1,422,171,449) | (1,452,185,732) |
| Add: Profit/(Loss) After Tax for the year | 32,312,935 | 30,014,283 |
| Debit Balance in Profit and Loss Account - Closing Balance | (1,389,858,514) | (1,422,171,449) |
| Total Reserves and Surplus | (692,132,134) | (724,445,069) |
| NOTE 3: NON CURRENT LIABILITIES | | |
| LONG TERM PROVISIONS | | |
| Provision for Accumulated Leave | 20,869,640 | 12,999,616 |
| | 20,869,640 | 12,999,616 |
| NOTE 4: CURRENT LIABILITIES | | |
| Trade Payables | | |
| - Dues to Micro and Small Enterprises | - | - |
| - Other Creditors | 3,024,501 | 7,853,755 |
| Total | 3,024,501 | 7,853,755 |
| NOTE 5: OTHER CURRENT LIABILITIES | | |
| Statutory Payables | | |
| Other Payables | 9,528,039 | 12,059,268 |
| Total | 9,626,117 | 12,071,945 |
| NOTE 6: SHORT TERM PROVISIONS | | |
| Provision for Employee Benefits | | |
| Provision for Variable Pay | 84,077,686 | 72,084,780 |
| Provision for Accumulated Leave | 4,426,143 | 3,044,477 |
| Total | 88,503,829 | 75,129,257 |



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Union Asset Management Company Private Limited

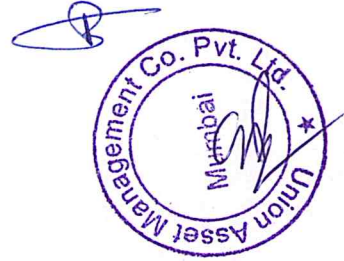
CIN: U65923MH2009PTC198201

Notes forming part of the Financial Statements

NOTE 7: FIXED ASSETS

(Amount in Rs.)

| Particulars | Gross Block | | | | Depreciation | | | Net Block | |
|----------------------------------|----------------------|-----------------------------------|----------------------------|-----------------------|----------------------|-------------------|----------------------------|-----------------------|-----------------------|
| | As on Apr 1, 2020 | Additions during the Period | Deductions/ Adjustments | As on Mar 31, 2021 | As on Apr 1, 2020 | For the Period | Deductions/ Adjustments | As on Mar 31, 2021 | As on Mar 31, 2020 |
| Intangible Assets | | | | | | | | | |
| Software | 49,369,064 | 3,673,506 | - | 53,042,570 | 42,175,285 | 5,106,493 | - | 47,281,778 | 7,193,778 |
| Intangible Assets Total | 49,369,064 | 3,673,506 | - | 53,042,570 | 42,175,285 | 5,106,493 | - | 47,281,778 | 7,193,778 |
| Tangible Assets | | | | | | | | | |
| Computers | 67,519,998 | 3,092,573 | - | 70,612,571 | 56,159,739 | 6,684,395 | - | 62,844,134 | 11,360,259 |
| Office Equipment - Mobile Phones | 1,264,476 | 689,308 | - | 1,953,784 | 755,367 | 511,733 | - | 1,267,100 | 509,109 |
| Office Equipment - Others | 10,609,194 | 353,938 | 510,178 | 10,452,954 | 8,708,066 | 1,110,854 | 510,178 | 9,308,742 | 1,901,128 |
| Furniture & Fixtures | 1,358,007 | 27,765 | - | 1,385,772 | 839,526 | 224,825 | - | 1,064,351 | 518,481 |
| Leasehold Improvements | 18,351,194 | - | - | 18,351,194 | 10,253,831 | 3,737,245 | - | 13,991,076 | 8,097,363 |
| Tangible Assets Total | 99,102,868 | 4,163,585 | 510,178 | 102,756,275 | 76,716,530 | 12,269,052 | 510,178 | 88,475,404 | 22,386,339 |
| Total | 148,471,932 | 7,837,091 | 510,178 | 155,798,845 | 118,891,815 | 17,375,545 | 510,178 | 135,757,182 | 29,580,117 |
| Previous period | 142,816,135 | 5,657,436 | 1,639 | 148,471,932 | 97,789,146 | 21,104,307 | 1,639 | 118,891,815 | 29,580,117 |

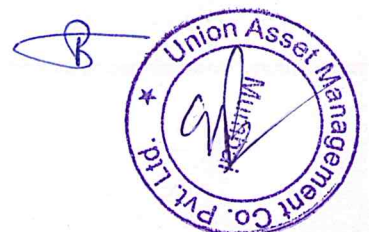


Notes forming part of the Financial Statements

| Note | As at March 31, 2021 Rs. | As at March 31, 2020 Rs. |
|--|--------------------------------|--------------------------------|
| NOTE 8: NON CURRENT INVESTMENTS | | |
| Non Trade - Unquoted Units of Mutual Fund | | |
| Investment in Mutual Fund | | |
| - 446,671.123 units of Union Small Cap Fund - Growth - Direct Plan (PY - 446,671.123) | 4,475,000 | 4,475,000 |
| - 3543.503 units of Union Liquid Fund - Growth - Direct Plan (PY - 3,543.503) | 6,286,550 | 6,286,550 |
| - 383,303.308 units of Union Dynamic Bond Fund - Growth - Direct Plan (PY - 383,303.308) | 5,000,000 | 5,000,000 |
| - 309,597.523 units of Union Multi Cap Fund - Growth - Direct Plan (PY - 309,597.523) | 5,000,000 | 5,000,000 |
| - 243,546.523 units of Union Tax Saver Fund - Growth - Direct Plan (PY - 243,546.523) | 5,000,000 | 5,000,000 |
| - 500,000.000 units of Union Largecap Fund - Growth - Direct Plan (PY - 500,000.000) | 5,000,000 | 5,000,000 |
| - 500,000.000 units of Union Balanced Advantage Fund - Growth - Direct Plan (PY-500,000.000) | 5,305,000 | 5,305,000 |
| - 500,000.000 units of Union Corporate Bond Fund - Growth - Direct Plan (PY-500,000.000) | 5,000,000 | 5,000,000 |
| - 500,000.000 units of Union Equity Saving Fund - Growth - Direct Plan (PY-500,000.000) | 5,000,000 | 5,000,000 |
| - 500,000.000 units of Union Value Discovery Fund - Growth - Direct Plan (PY-500,000.000) | 5,000,000 | 5,000,000 |
| - 500,000.000 units of Union Arbitrage Fund - Growth - Direct Plan (PY-500,000.000) | 5,000,000 | 5,000,000 |
| - 500,000.000 units of Union Overnight Fund - Growth - Direct Plan (PY-500,000.000) | 5,000,000 | 5,000,000 |
| - 500,000.000 units of Union Focused Fund - Growth - Direct Plan (PY - 500,000.000) | 5,000,000 | 5,000,000 |
| - 500,000.000 units of Union Large & Midcap Fund - Growth - Direct Plan (PY -500,000.000) | 5,000,000 | 5,000,000 |
| - 500,000.000 units of Union Midcap Fund - Growth - Direct Plan (PY - 500,000.000) | 5,000,000 | 5,000,000 |
| - 500,000.000 units of Union Medium Duration Fund - Growth - Direct Plan (PY - NIL) | 5,000,000 | - |
| - 500,000.000 units of Union Hybrid Equity Fund - Growth - Direct Plan (PY - NIL) | 5,000,000 | - |
| (Aggregate Market Value of MF Units Rs. 121,306,565.80) | | |
| | 86,066,550 | 76,066,550 |
| NOTE 9: LONG TERM LOANS & ADVANCES (Unsecured considered good unless otherwise specified) | | |
| Security Deposits | 10,061,270 | 10,127,750 |
| TDS Receivable (net of Provisions) | 39,833,246 | 51,478,229 |
| Prepaid Expenses | - | 134,001 |
| Total | 49,894,516 | 61,739,980 |
| NOTE 10: CURRENT INVESTMENTS | | |
| Non Trade - Unquoted Units of Mutual Fund | | |
| Investment in Mutual Fund | | |
| - 259,469.128 units of Union Liquid Fund - Growth - Direct Plan (PY - 275,542.722) | 491,584,950 | 505,884,179 |
| (Aggregate Market Value of MF Units Rs. 514,283,691.21) | | |
| | 491,584,950 | 505,884,179 |
| NOTE 11: TRADE RECEIVABLES | | |
| Outstanding for more than 6 months | - | - |
| Others | 50,846,259 | 57,027,407 |
| Total | 50,846,259 | 57,027,407 |
| NOTE 12: CASH AND BANK BALANCES | | |
| Cash and Cash Equivalents | | |
| Cash on Hand | 10,816 | 18,316 |
| Balances with Banks | | |
| - Current Account | 3,045,446 | 2,640,139 |
| Other Bank Balances | | |
| - Fixed Deposit Account (less than 3 months) | 383,400,000 | 19,900,000 |
| - Fixed Deposit Account (more than 3 months) | 897,800,000 | 1,191,200,000 |
| Total | 1,284,256,262 | 1,213,758,455 |
| NOTE 13: SHORT TERM LOANS AND ADVANCES (Unsecured considered good unless otherwise specified) | | |
| Advances recoverable in cash or in kind or for value to be received | | |
| - Goods and Service Tax Input Credit | 3,290,504 | 2,712,971 |
| - Prepaid Expenses | 2,903,908 | 3,678,009 |
| - Gratuity Contribution (Net) | 1,122,323 | - |
| - Others | 2,465,191 | 2,510,380 |
| Interest Accrued but not due | 62,587,527 | 55,819,156 |
| Total | 72,369,453 | 64,720,516 |



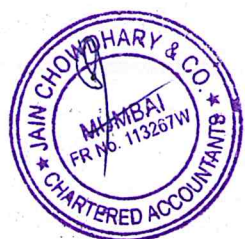
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Union Asset Management Company Private Limited
CIN: U65923MH2009PTC198201

Notes forming part of the Financial Statements

| | Notes | Year Ended March 31, 2021 Rs. | Year Ended March 31, 2020 Rs. |
|---|-------|-------------------------------------|-------------------------------------|
| NOTE 14: REVENUE FROM OPERATIONS | | | |
| Investment Management & Advisory Fees | | 379,244,087 | 357,870,826 |
| Investment Management & Advisory Fees - Offshore | | 22,207,050 | 9,248,355 |
| Total | | 401,451,137 | 367,119,181 |
| NOTE 15: OTHER INCOME | | | |
| Interest Income | | 77,091,418 | 82,151,581 |
| Net Gain/(Loss) on Sale of Investments | | 19,300,771 | 33,692,965 |
| Other Non Operating Income | | 653,924 | 600,000 |
| Foreign Exchange Gain | | 649,157 | 91,577 |
| Total | | 97,695,270 | 116,536,123 |
| NOTE 16: EMPLOYEE BENEFITS EXPENSES | | | |
| Salary, Allowances and Bonus | | 318,730,160 | 288,953,533 |
| Contribution to Provident and Other Funds | 25 | 13,691,125 | 14,905,058 |
| Employee Insurance & Other Staff Welfare Expenses | | 9,857,067 | 8,773,270 |
| Total | | 342,278,352 | 312,631,861 |
| NOTE 17: ADMINISTRATIVE & OTHER EXPENSES | | | |
| Rent | 29 | 21,544,098 | 23,337,526 |
| Electricity Charges | | 2,458,431 | 3,561,661 |
| Repairs & Maintenance | | 5,648,030 | 5,185,654 |
| Travelling & Conveyance | | 6,105,495 | 15,412,015 |
| Legal and Professional Fees | | 7,538,402 | 8,690,072 |
| Payment to Statutory Auditors | 28 | 769,750 | 669,450 |
| Recruitment and Training | | 3,054,564 | 3,085,977 |
| Communication Expenses | | 7,263,399 | 5,473,166 |
| Information Technology Expenses | | 8,483,849 | 8,996,337 |
| Subscription to Databases, Books & Periodicals | | 13,215,631 | 12,780,682 |
| Marketing and Sales Promotion Expenses | | 12,100,507 | 10,514,106 |
| Distributor Training & Meeting Expenses | | 1,054,901 | 2,954,354 |
| New Fund Offer (NFO) Expenses | | 9,520,865 | 9,848,169 |
| Scheme Administration Expenses | | 1,378,334 | 914,888 |
| SEBI/AMFI Fees | | 1,432,660 | 2,410,746 |
| Printing and Stationery | | 1,030,593 | 1,369,716 |
| Postage & Courier Expenses | | 850,274 | 1,413,245 |
| Insurance Charges | | 1,979,500 | 1,578,640 |
| Rates and Taxes & ROC Fees | | 591,829 | 407,896 |
| Directors Sitting Fees | | 1,080,000 | 900,000 |
| Corporate Social Responsibility Expense | 33 | 68,858 | - |
| Miscellaneous Expenses | | 9,605 | 400,553 |
| Total | | 107,179,575 | 119,904,853 |



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Union Asset Management Company Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2021

18. COMPANY OVERVIEW:

Union Asset Management Company Private Limited ('the Company') was incorporated as a Private Limited Company on December 30, 2009 under the Companies Act, 1956 ('the Act'). The Company is registered with Securities and Exchange Board of India (SEBI) under SEBI (Mutual Funds) Regulations, 1996 ('the regulation') as an Investment Manager. The Company's principal activity is to carry on the business of investment management and to act as an investment managers/administrators of one or more schemes launched by Union Mutual Fund.

19. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

The Financial Statements are prepared under historical costs convention on accrual basis and on a going concern basis. This is in accordance with the requirements of the Act to extent applicable to the Company.

b) Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions which affect the reported amount of assets and liabilities on the balance sheet date and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

c) Revenue Recognition

Investment Management Fees are recognized net of GST on an accrual basis as a percentage of the average daily net assets of the mutual fund schemes (excluding investments made by the Company in the schemes) such that it does not exceed the limit prescribed by the Regulations and any further amendments.

Investment advisory fees are recognized on accrual basis in accordance with the terms of contract with the customer.

Interest income is recognized using the time proportion method, based on the rates implicit in the transaction.

Dividend income is recognized when right to receive is established.

d) Fixed Assets and Depreciation/Amortization

Fixed Assets are stated at historical cost less accumulated depreciation and impairment loss. Cost comprises of the purchase price, applicable taxes if any and any attributable cost of bringing the asset to the working condition for its intended case. Depreciation on fixed assets is provided on straight line basis, considering the useful lives of the assets as per Schedule II to the Companies act, 2013 ('the act') or as per the management's assessment of useful life. The useful lives are as follows:



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Union Asset Management Company Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2021

| | |
|------------------------|--|
| Computers | 3 years |
| Office equipments | 4 years |
| Mobile Phones | 2 years |
| Furniture and fixtures | 5 years |
| Motor cars | 4 years |
| Leasehold Improvements | Over the period of lease agreement (not exceeding 5 years) |
| Intangible Assets | 5 years |
| Computer Software | 3 years |

Depreciation on addition / deletion during the year is provided for on pro-rata basis.
Assets individually costing less than Rs. 5,000 are fully depreciated in the year of capitalization.

e) Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the assets. If such recoverable amount of the asset less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss Account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

f) Investments

Long-term investments are valued at cost, less provision for diminution other than temporary, in value, if any. Current investments are valued at the lower of cost and fair/market/redeemable value. The diminution in the value of investments is recognized in the Profit & Loss Account.

g) Foreign Currency Transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the dates of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the profit and loss account of the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognized in the profit and loss account.

h) Employment Benefits

- Contribution to the recognized Provident Fund, a defined contribution scheme is charged to Profit & Loss Account.
- The Company's policy allow accumulation and encashment of un-availed leave balance maximum up to 45 days, on exit, subject to applicable provisions under the Shops and Establishment Act. Compensated absences are a defined benefit obligation and it is wholly unfunded. The Company accounts for the liability based on the number of days of accumulated unutilized leave at each balance sheet date on the basis of an independent actuarial valuation.



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Union Asset Management Company Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2021

- c) Gratuity liability are defined benefit obligations and are provided for on the basis of an actuarial valuation as per AS 15 (Revised) made at the end of each financial year based on the projected unit cost method as done by an independent actuary. Actuarial gains/losses are immediately taken to the profit and loss account and are not deferred.

i) Scheme Expenses

New Fund Offer Expenses - Expenses relating to new fund offer Union Mutual Fund Schemes are charged to the Profit and Loss Account in the year in which they are incurred.

j) Taxes on Income

Tax expense comprises of current and deferred tax. Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the Balance Sheet Date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future. Deferred tax assets, in case of unabsorbed losses and unabsorbed depreciation, are recognized only if there is virtual certainty that such deferred tax asset can be realized against future taxable profits.

k) Provisions, Contingent Liabilities and Contingent Assets

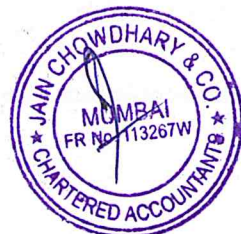
Provisions are recognized when the Company recognizes that it has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

Contingent liabilities where outflow is possible but not probable to the extent not provided are disclosed by the way of note.

Contingent assets are neither recognized nor disclosed in the financial statements.

l) Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as Operating Leases. Operating lease rentals are recognized as an expense on straight line basis over the lease period.



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Union Asset Management Company Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2021

20. Contingent Liabilities as at March 31, 2021 – Rs. Nil (March 31, 2020 – Nil).
21. Capital Commitment on account of capital expenditure as at March 31, 2021 – Rs. Nil (March 31, 2020 – Rs. Nil).
22. **Earnings in foreign Exchange:**

| Particulars | March 31, 2021 (Rs.) | March 31, 2020 (Rs.) |
|--|-------------------------|-------------------------|
| Investment Management and Advisory Fee | 22,207,050 | 9,248,355 |
| Total | 22,207,050 | 9248,355 |

23. **Expenditure in foreign currency:**

| Nature of Expense | March 31, 2021 (Rs.) | March 31, 2020 (Rs.) |
|-------------------|-------------------------|-------------------------|
| Professional Fee | - | 248,404 |
| Total | - | 248,404 |

24. There are no dues to Micro, Small and Medium Enterprises as at the year end. This has been determined on the basis of information available with the Company and relied upon by auditors. The Company has not received any intimation from their vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and therefore no such disclosure under the said Act is considered necessary.

25. **Gratuity**

The Company has taken an Insurance Policy from Star Union Dai-Ichi Insurance Company Limited for funding the Employee Group Gratuity Benefit Scheme. Gratuity benefit is a defined employee benefit scheme and are provided for on the basis of an actuarial valuation as per AS 15 (Revised) made at the end of each financial year based on the projected unit cost method as done by an independent actuary. Actuarial gains/losses are immediately taken to the profit and loss account and are not deferred.

A sum of Rs. 2,777,677 (Previous year Rs. 3,987,372) has been charged to the profit and loss account in this respect.

- 1) The principal actuarial assumptions used in determining gratuity benefit obligations for the Company are shown below:

| Actuarial Assumption | March 31, 2021 (Rs.) | March 31, 2020 (Rs.) |
|--|--|--|
| Discount rate | 5.68% | 6.11% |
| Expected rate of return on Plan assets | 5.68% | 6.11% |
| Salary Escalation Rate | 9.00% | 9.00% |
| Mortality Rate During Employment | Indian Assured Lives Mortality (2006-08) | Indian Assured Lives Mortality (2006-08) |



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Union Asset Management Company Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2021

2) Changes in the Present Value of the Defined Benefit Obligation:

| | FY 2020-21 (Rs.) | FY 2019-20 (Rs.) |
|---|---------------------|---------------------|
| Present value of benefit obligation as at start of the year | 19,165,130 | 14,970,838 |
| Interest Cost | 1,171,000 | 1,043,467 |
| Current Service Cost | 2,511,427 | 1,813,201 |
| Benefits paid from the Fund | (92,308) | (216,325) |
| Actuarial (Gains)/Losses On Obligations | 282,194 | 1,554,129 |
| Present Value Of Benefit Obligation as at the end of | 23,037,623 | 19,165,310 |

3) Changes in the Fair Value Of Plan Assets:

| | FY 2020-21 (Rs.) | FY 2019-20 (Rs.) |
|---|---------------------|---------------------|
| Fair Value Of Plan Assets at the start of the Year | 19,165,310 | 14,893,548 |
| Expected Return On Plan Assets | 1,171,000 | 1,038,080 |
| Contributions | 3,900,000 | 4,064,662 |
| Benefits paid from the Fund | (92,308) | (216,325) |
| Actuarial Gains/(Losses) On Plan Assets | 15,944 | (614,655) |
| Fair Value Of Plan Assets at the end of the year | 24,159,946 | 19,165,310 |

4) Amount Recognised in the Balance Sheet

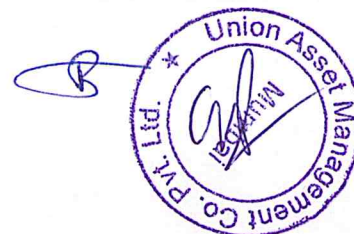
| | FY 2020-21 (Rs.) | FY 2019-20 (Rs.) |
|--|---------------------|---------------------|
| Fair Value Of Plan Assets as at the end of year | 24,159,946 | 19,165,310 |
| Present Value Of Benefit Obligation as at the end of year | (23,037,623) | (19,165,310) |
| Net (Liability)/Asset Recognized in the Balance Sheet | 1,122,323 | Nil |

5) Expenses Recognized in the Profit and Loss Statement:

| | FY 2020-21 (Rs.) | FY 2019-20 (Rs.) |
|--|---------------------|---------------------|
| Current Service Cost | 2,511,427 | 1,813,201 |
| Interest Cost | Nil | 5,387 |
| Expected Return On Plan Assets | (Nil) | (Nil) |
| Actuarial (Gains)/Losses | 266,250 | 2,168,784 |
| Expense Recognized In Income Statement for the year | 2,777,677 | 3,987,372 |



NSB



Union Asset Management Company Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2021

26. Related Party Disclosures

Disclosure as required by Accounting Standard (AS) - 18 "Related Party Disclosures" notified under the Companies (Accounting Standards) Rules, 2006:

A. List of related parties with whom transactions have taken place and relationships:

| Relationship | Name of the Related Party |
|--------------------------------------|---|
| Holding Company | Union Bank of India |
| Fellow Subsidiary | Union Trustee Company Private Limited |
| Company having significant influence | Dai-ichi Life Holdings, Inc |
| Associate Company | Star Union Dai-Ichi Insurance Company Ltd |
| Associate Company | Kashi Gombi Samyut Gramin Bank |
| Key Managerial Personnel | G. Pradeepkumar (Chief Executive Officer) |

B. Transactions during the year with related parties

| Name of the related party and nature of transaction | Income (Rs.) | Expenses (Rs.) | Asset (Rs.) | Liability (Rs.) |
|---|----------------------------|--------------------|------------------------------|-----------------|
| Holding Company – Union Bank of India | | | | |
| Fixed Deposits | | | 393,100,000 (369,900,000) | |
| Interest Income | 17,415,658 (26,218,257) | | 12,343,506 (21,708,694) | |
| Current Account Balance | | | 2,166,307 (2,233,976) | |
| Rent & Maintenance Expenses Reimbursement | | 24,000 (40,000) | | 22,200 (-) |
| Bank Charges | | 8,368 (10,244) | | - (-) |
| Company having significant influence - Dai-ichi Life Holdings, Inc | | | | |
| Investment Management & Advisory Fee from Mercury Series Union Mid and Small Cap Fund | 22,207,050 (9,450,255) | | 6,766,133 (4,588,340) | |
| Reimbursement of Payroll Cost of Management Trainee | - (1,504,838) | | - (377,419) | |



ADB



Union Asset Management Company Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2021

| Name of the related party and nature of transaction | Income (Rs.) | Expenses (Rs.) | Asset (Rs.) | Liability (Rs.) |
|--|--------------|----------------|-------------|-----------------|
| Fellow Subsidiary – Union Trustee Company Private Limited | | | | |
| Rent, Admin, Secretarial and Other Expenses Reimbursement | 600,000 | | - | |
| | (600,000) | | (-) | |
| Associate Company - Star Union Dai-Ichi Insurance Company Limited | | | | |
| Insurance Premium paid towards | | | | |
| - Employee Group Gratuity Scheme | | 3,900,000 | | - |
| | | (4,064,622) | | - |
| - Employee Group Term Life Insurance | | 743,055 | 124,530 | |
| | | (354,092) | (50,000) | |
| Key Managerial Personnel - G. Pradeepkumar, Chief Executive Officer | | | | |
| Salary, Allowances & Bonus (Note 1) | | 23,530,328 | | |
| | | (19,227,404) | | |

Notes:

- 1) Including the Company contribution towards Provident Fund but do not include the Company level contribution made towards Gratuity Fund.
- 2) Figures in brackets represent corresponding amount of previous period.
- 3) Related party relationship is as identified by the Company and relied upon by the Auditors.
- 4) There are no write off or write back in case of any related party.

27. Deferred Tax

The major components of deferred tax arising on account of timing differences are as under:

| | March 31, 2021 (Rs.) | March 31, 2020 (Rs.) |
|---|----------------------|----------------------|
| On depreciation on fixed assets (Liability) | 4,329,528 | 3,787,183 |
| Deferred Tax Asset / (Liability) | 4,329,528 | 3,787,183 |
| Deferred Tax Asset / (Liability) Recognised in the Balance Sheet | Nil | Nil |



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Union Asset Management Company Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2021

As a measure of prudence and the fact that the Company has carried forward losses, no deferred tax assets has been recognized by the Company, in excess of deferred tax liability during the current year.

As the Company has carried forward losses (both assessed and un-assessed), which is more than the current year's profit, no provision for tax has been made during the current financial year.

28. Payment to Statutory Auditor

| | March 31, 2021 (Rs.) | March 31, 2020 (Rs.) |
|-------------------------|-------------------------|-------------------------|
| Audit Fees | 500,000 | 460,000 |
| Tax Audit Fees | 150,000 | 115,000 |
| ICFR Certification Fee | 100,000 | 75,000 |
| Other Certification Fee | 10,000 | 10,000 |
| Out of Pocket Expenses | 9,750 | 9,450 |
| Total | 769,750 | 669,450 |

29. Future Lease Payment

The Company has taken various office premises under operating lease or leave & license agreements for period generally ranging between 11 months and 5 years. Following are the details of future minimum lease payments:

| Future minimum lease payments | March 31, 2021 (Rs.) | March 31, 2020 (Rs.) |
|--|-------------------------|-------------------------|
| Not later than 1 year | 19,736,666 | 20,554,246 |
| Later than 1 year & not later than 5 years | 61,119,565 | 27,419,720 |
| Later than 5 years | 1,446,775 | 1,446,775 |

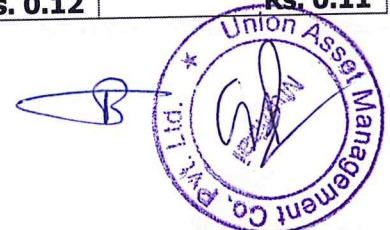
30. Earnings per Share

Basic and Diluted Earnings per Share has been calculated by dividing net Profit/(Loss) after tax for the year by number of Equity Shares outstanding during the year.

| | March 31, 2021 (Rs.) | March 31, 2020 (Rs.) |
|--|-------------------------|-------------------------|
| Profit after tax for the year | 32,312,935 | 30,014,283 |
| Number of Equity Shares outstanding during the year | 158,513,226 | 158,513,226 |
| Basic Earning Per Equity Share | Rs. 0.20 | Rs. 0.19 |
| Number of Equity Shares outstanding during the year | 158,513,226 | 158,513,226 |
| Add: Number of additional Equity Shares post dilution of CCPS Current Year 104,003,544 (Previous Year 104,003,544) | 104,003,544 | 104,003,544 |
| Total Number of Equity Shares post dilution outstanding during the year | 262,516,760 | 262,516,760 |
| Diluted Earning Per Equity Share | Rs. 0.12 | Rs. 0.11 |



ASB



Union Asset Management Company Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2021

31. Due to COVID-19 pandemic, and the subsequent lockdown announced by the Government of India, there is disruption in the business of the many industries. The Company has assessed the likely impact of COVID-19 on the financial statement and business operations of the Company and believes that currently it is not likely to have material impact on the same.

32. Segment Reporting

As per the Accounting Standard on Segment Reporting, the Company's primary business segment is the administering of Mutual Fund Schemes. As the Company has a single primary business segment, the disclosure requirements of this standard are not applicable. The company's operations being confined to India only, there is no reportable secondary segment.

33. Corporate Social Responsibility Expense

The amount required to be spent towards Corporate Social Responsibility under Companies Act, 2013 for the year ended March 31, 2021 is Rs. 68,858/- (Previous year – NIL). The actual amount spent towards Corporate Social Responsibility for the year ended March 31, 2021 is Rs. 68,858/- (Previous year – NIL).

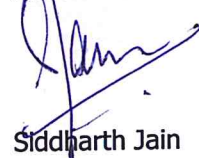
34. Figures for the previous year have been regrouped and rearranged wherever considered necessary.

As per our report of even date attached

For Jain Chowdhary & Co.

Chartered Accountants

FRN No: 113267W


Siddharth Jain
Partner

M.No.: 104709

Place: Mumbai

Date: April 26, 2021



For Union Asset Management Company Private Limited


Director

DIN: 00311994
Raghu Palat


Rajkamal Tiwari
Chief Financial Officer


Director

DIN: 03522170
Gopal S. Gusain


G. Pradeepkumar
Chief Executive Officer


Mudra Bengali
Company Secretary
ACS 36622

