

**RELIANCE NIPPON LIFE ASSET
MANAGEMENT LIMITED**

ANNUAL REPORT

2016-17

Directors' Report

*To the Members,
Reliance Nippon Life Asset Management Limited
(Formerly known as Reliance Capital Asset Management Limited)*

Your Directors take pleasure in presenting their Twenty Second Annual Report on the business and operations of your Company, together with the audited financial statements, for the year ended March 31, 2017.

At the outset, your Directors wish to reiterate your Company's commitment to the highest standards of corporate governance in order to enhance the trust of all its stakeholders. Strong and robust corporate governance practices have facilitated your Company in standing up to the continued scrutiny of domestic & international investors and that of the Regulatory authorities.

Your Company endeavors to remain one of the leading players in the Asset Management business in India and enhance its global footprint as well.

FINANCIALS

The standalone and consolidated financial statements of the Company for the year ended March 31, 2017, have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles in India and in line with the provisions of the Companies Act, 2013 (Act). The financial highlights (on a consolidated and standalone basis) of the Company for the year ended March 31, 2017 are as follows:

(In Rs.)

Description	Consolidated		Standalone	
	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2017	Year ended March 31, 2016
Gross Income	14,359,148,829	13,138,198,886	14,004,372,147	12,710,696,654
Profit before exceptional item and tax	5,813,129,696	5,023,996,209	5,821,090,313	4,962,743,794
Exceptional Items	-	-	-	4,028,535
Profit Before Tax	5,813,129,696	5,023,996,209	5,821,090,313	4,958,715,259
Provision for taxation	1,744,999,424	1,275,869,007	1,727,093,206	1,257,800,000
Provision for Deferred Tax Asset/	48,489,352	16,273,942	46,246,393	(838,962)

Description	Consolidated		Standalone	
	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2017	Year ended March 31, 2016
(Liability)				
Profit After Tax before share of minority shareholders	4,019,640,921	3,764,401,144	4,047,750,714	3,701,754,221
Share of Minority Shareholders	-	66,056	-	-
Net Profit	4,019,640,921	3,764,335,088	4,047,750,714	3,701,754,221
Balance carried to Balance Sheet	11,116,795,338	10,099,836,996	11,266,005,325	10,220,937,190
Basic EPS of Rs.10 each	348.93	326.77	351.37	321.33
Diluted EPS of Rs.10 each	348.93	326.77	351.37	321.33

The Consolidated Financial Statements of the Company, along with that of its subsidiaries, for the year ended March 31, 2017 (duly audited by their respective statutory auditors) are forming part of this Annual Report.

The annual accounts of all the subsidiary companies and the related detailed information will be made available to the Shareholders of the Company seeking such information at any point of time. The annual accounts of all the subsidiary companies will also be kept at the Corporate Office of the Company, for inspection by the Shareholders. The Company shall furnish a hard copy of details of accounts of subsidiaries to any Shareholder on demand.

DETAILS OF MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company since the date of the financial statements i.e. March 31, 2017.

DIVIDEND

EQUITY SHARES:

Your Directors are pleased to recommend the payment of dividend of Rs. 215/- (Rupees Two Hundred Fifteen Only) per equity share of Rs. 10/- each, thereby entailing the total payout of Rs. 2,981,018,202 /- (including dividend distribution tax and other applicable taxes/surcharges).

PREFERENCE SHARES:

Your Directors are pleased to recommend the declaration and payment of dividend of Rs. 6/- (Rupees Six only) on each 6% Non-Cumulative, Non Convertible, Redeemable Preference Shares of the Company, for the year under review, thereby entailing the total payout of Rs. 21,664,377/- (including dividend distribution tax and other applicable taxes/surcharges).

AMOUNT TO BE CARRIED TO RESERVES

In view of the declaration and payment of dividend to the Shareholders of the Company and in accordance with the provisions of Section 123 of the Act, your Directors do not propose any amount to be transferred to the General Reserves of the Company.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENT

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are provided as part of the notes to the Financial Statements.

MATERIAL DEVELOPMENTS

CHANGE OF NAME OF THE COMPANY

Pursuant to an Agreement entered into amongst the major Shareholders of your Company i.e. Reliance Capital Limited and Nippon Life Insurance Company, during the year the name of the Company was changed from 'Reliance Capital Asset Management Limited' to '**Reliance Nippon Life Asset Management Limited**'.

ACQUISITION OF SCHEMES OF GOLDMAN SACHS MUTUAL FUND

During the year, your company consummated the transaction to take over the asset management rights of the schemes of Goldman Sachs Mutual Fund in India ("**GSMF**"), from the asset management company and the trustee Company of GSMF. Overall 12 (twelve) schemes were transferred to your Company. The said transfer of schemes was also accompanied with taking over a team of 20 people/ employees of GSMF. With the acquisition of the said schemes, along with human capital of a cumulative work experience of 290 years, your Company has augmented its strength in exchange traded fund space and your Company hopes to grow from strength to strength in this niche space.

COMPLIANCE CULTURE & RISK MANAGEMENT

Your Company is essentially Compliance centric and has a huge focus in this direction. The Compliance function is manned by a dedicated and experienced team of professionals. The Compliance team regularly conducts various educative training programs for various segments within the organization. Your Company thrives towards a culture of 'Total Compliance' and it has a 'Zero Tolerance' policy for non-compliances.

Your Company has a comprehensive Risk Management Policy that envisages an enterprise risk management framework and clearly sets out the objectives & elements of risk management within the organization, including the constitution of a Risk Management department (reporting directly to the CEO and to the Board of Directors), a Risk Management Committee (RMC) and the underlying mechanisms & processes to be used for identification, monitoring and reporting of various categories of risks including credit, market, liquidity and operational risks. There are well documented & Board approved policies & processes which are in place. In addition, proper & adequate Insurance Policies and business continuity planning have also been adequately put into place.

You will note that the basic revenue model of an asset management company is charging of management fees on assets under management provided by the investors. In case of an eventuality where the Company repeatedly fails to comply with regulatory norms with regard to investment restrictions and/ or code of conduct, or if there are repeated & glaring instances of fraud/ front-running then the same may be a catastrophic risk for the enterprise. However, your Directors would like to assure you that such risks are being mitigated by putting into place robust & time tested policies & processes, qualified & professional manpower to run these processes under the aegis & guidance of your Board of Directors, Board Committees and various other internal committees, consisting of its senior employees.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditor reports to the Audit Committee.

The Internal Auditor monitors and evaluates the efficacy and adequacy of the internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Based on the report of the Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls.

The Risk Management department follows up on pending audit issues and ensures that corrective actions are timely taken. Audit observations, if any, and corrective actions thereon, are also presented to the Audit Committee of the Board.

OPERATIONAL HIGHLIGHTS

ASSET MANAGEMENT:

In terms of the authorization from SEBI, your Company acts as the asset manager to Reliance Mutual Fund ("RMF"), which is the third largest Mutual Fund in India, in terms of the Quarterly Average Assets under Management (QAAUM) as on March 31, 2017.

The QAAUM of RMF as on March 31, 2017 was approx. Rs.210,891 Crores comprising of Rs. 57,011 Crores of Equity, Rs. 103,137 Crores of Debt, Rs. 37,995 Crores of Liquid Funds and Rs. 12,748 Crores of ETF assets. It may be noted that the QAAUM of RMF as on March 31, 2016 was approx. Rs. 158,408 Crores comprising of Rs. 47,668 Crores of Equity, Rs. 75,422 Crores of Debt, Rs. 33,543 Crores of Liquid Funds; and Rs. 1,775 Crores of ETF assets.

Overall QAAUM of RMF has shown positive growth of around 33.1% during the financial year 2016-17, while the Indian Mutual Fund Industry witnessed an overall positive growth of approx 35.2% in terms of QAAUM (Source: AMFI).

NEW SCHEMES LAUNCHED:

During the year under review, RMF launched the following new schemes:

Scheme Name	Type	Structure
Reliance Fixed Horizon Fund – XXXI	Debt	Close - ended
Reliance Fixed Horizon Fund – XXXII	Debt	Close - ended
Reliance Fixed Horizon Fund - XXXXIII	Debt	Close - ended
Reliance Dual Advantage Fixed Tenure Fund X	Debt	Close - ended
Reliance ETF Long Term Gilt	ETF	Open - ended

As on March 31, 2017, RMF has a well rounded portfolio of 90 schemes under various categories such as Equity, Debt, Exchange Traded Fund, Fixed Maturity Plans and Interval Funds.

PORTFOLIO MANAGEMENT:

Your Company has been rendering Portfolio Management Services ("PMS") since August 2004. It currently offers discretionary and advisory portfolio management services to various categories of clients. The PMS business continued its positive performance through the year. As at the year end, the total AUM of the PMS business (including discretionary and advisory services and also including EPFO and CMPFO portfolio) stood at Rs.1,42,510 Crores as against Rs. 1,23,631 Crores for the last financial year.

Going forward, the PMS division of your Company will endeavor to identify suitable opportunities for launching equity portfolios and rendering investment advisory services. Our focus on providing customized offerings to high net-worth individuals & corporates will continue via PMS in Financial Year 2017-18.

Your Company is one of the four fund houses who are managing the prestigious Employees Provident Fund Organization (EPFO) mandate since last few years. As on March 31, 2017, the EPFO portfolio stood at Rs. 1,21,748 Crores and CMPFO stood at Rs. 20,762 Crores.

ALTERNATIVE INVESTMENT BUSINESS:

Alternative Assets remains an area of great interest in investment management space. The term Alternative Assets, is generally used to describe all assets other than the conventional listed equity and investment grade debt. Hence, this includes non-conventional/ non-benchmarked strategies in equities, non-investment grade debt/ high yield debt, assets like real estate, commodities, distress debt, etc. Reliance AIF Management Company Limited ("RAIF"), which is a subsidiary of your Company, is engaged in this business of managing alternative investment funds. During the year, RAIF has undertaken final closure of Reliance Yield Maximiser AIF Scheme III, its third scheme in the Secured Real Estate space. To date, a total commitment of ~ Rs. 1,300 Crores has been raised across all offerings. During the year, RAIF has aimed to diversify across asset classes and have launched two additional schemes in the Sector Agnostic Debt and Commercial Real Estate space respectively. Going forward, RAIF will continue to focus on profitable growth and include more asset classes.

RELIANCE INFRASTRUCTURE INVIT FUND:

We are pleased to inform you that during the year, the Company has been appointed as the Investment Manager for Reliance Infrastructure InvIT Fund, an infrastructure investment trust registered with the Securities & Exchange Board of India. Reliance Infrastructure InvIT Fund is proposing to raise funds by way of public offer and shall make investments in the

infrastructure assets. In this regard, your Company has secured the requisite approval of SEBI regarding the Investment management activity in respect of Infrastructure Investment Trust.

NATIONAL PENSION SYSTEM:

Reliance Capital Pension Fund Limited ("RCPFL"), a subsidiary of your Company is acting as one of the Pension Fund Managers for managing the pension assets under the National Pension System ("NPS").

NPS industry witnessed a rapid growth during the current year, both in terms of subscriber base as well as in respect of the assets under management. The subscribers under NPS schemes as of March 31, 2017 were in excess of 1.54 crores as compared to 97.50 Lakhs during the previous year. Further, the subscribers under private sector of NPS schemes as of March 31, 2017 were 10.22 Lakhs as compared to 6.88 Lakhs as of previous year i.e. March 31, 2016.

The overall assets managed by the NPS industry, as of March 31, 2017, were Rs. 1,74,558.15 Crores as compared to around Rs. 1,18,303.78 Crores as at the end of the last year. Further, the assets under management related to Private sector grew from Rs. 3,564 Crores last year to Rs. 7,069 Crores as of March 31, 2017. The assets under management of RCPFL during the current fiscal year has gone up to Rs. 168.97 Crores as compared to Rs. 111.22 Crores in the last year.

INTERNATIONAL BUSINESS:

Global Economic Environment

Year 2016-17 has been an eventful year from the Global social and economic perspective. From concerns around hard landing of the Chinese economy to Brexit event to a rise in the negative yield-bearing assets globally to the stupendous demonetization drive in India to the US presidential election victory of Donald Trump, the year has been action-packed to say the least.

Despite the volatility, Indian economy appears well primed to continue its journey towards a sustainable recovery with the Nifty starts recovering in the last quarter of the year 2016-17.

After a lackluster out-turn in the year 2016-17, economic activity is projected to pick up pace in 2017-18, especially in emerging markets and developing economies. The economic recovery in India is strongly supported by favorable factors like fiscal stability, lower inflation, policy reforms like demonetization, passage of the GST bill, modification in FDI policy and continued Government spending.

Offshore Opportunities

Foreign Portfolio investor ("FPI") flows in Indian equities stood at a 5 years low of INR 187Bn in 2016-17. Further, FPIs remained net sellers to the extent of INR 443Bn in fixed income markets during the calendar year 2016. Interestingly, Domestic Institutional Investors ploughed in INR 372bn into Indian equities during the year surpassing the net flows from FPIs. However, with clarity in the Union Budget on capital gain taxation and indirect transfers, FPIs turned net buyers.

Other Opportunities

The international subsidiaries of your Company manage a wide range of India investment funds through which overseas investors can participate in the India growth story. Your Company extends its services through offices in Singapore, Mauritius and Dubai.

Non-Binding Advisory Services

Under its non-binding advisory mandate, your Company provides advisory services to various offshore entities and the assets under the advisory business as on March 31, 2017 is Rs 5,576 crores

Singapore

Your Singapore subsidiary, Reliance Asset Management (Singapore) Pte Ltd. ('RAMS'), which established its business in Singapore in the year 2006 has closed the financial year 2016-17 with 238,925,148 USD assets under management.

After having successful launch of UCITS equity fund in Luxembourg which is being advised by your Company, RAMS continued its efforts through the launch of new products with over 127,432,306 USD raised from offshore investors this year.

Mauritius

The Mauritian subsidiary of your Company, Reliance Asset Management (Mauritius) Limited ('RAMM') continued its focus on rendering of investment management services to India focused collective investment schemes i.e. Emergent India Investments Limited.

CORPORATE SOCIAL RESPONSIBILITY

As part of its initiatives under "Corporate Social Responsibility ("CSR"), the Company has undertaken projects in the areas of promoting preventive health care in accordance with Schedule VII of the Act.

The Annual Report on CSR activities is annexed herewith as **Annexure - A**.

AWARDS AND RECOGNITION

During the year, your Company and the Reliance Mutual Fund have been bestowed with the following awards and recognitions:

- **Stevie Award** in the following categories:
 - Innovation in Customer Service - Financial Services Industries (Status: Silver Stevie Winner)
 - National Sales Team of the Year (Status: Bronze Stevie Winner);
- Reliance Mutual Fund featured in Best BFSI Brands 2016 by Economic Times;
- Finnoviti Award 2017 for 'Simply Save & Instant Redemption' mobile solutions;
- National Awards for Excellence in Digital Marketing & Social Media - Best Progressive Digital Marketing Company;
- National Awards to Reliance Mutual Fund for Excellence in Digital Marketing & Social Media - Simply Save - Digital Application of the year;
- BBC Knowledge - National Digital Marketing Awards - Best Financial Website to Reliance Mutual Fund;
- BBC Knowledge - National Digital Marketing Awards - Best Consumer Mobile App to Reliance Mutual Fund;
- Asset Benchmark Research Awards - Top Investment Houses in Asian Local Currency Bonds, India, Rank 3;

- The Company featured in Economic Times Coffee Table Book as Mumbai's Trending Workplaces for Organization Creating an Enabling Culture of the employees.

FUTURE OUTLOOK

During the year under review, the Indian Mutual Fund Industry witnessed an overall positive growth of approx 35% in terms of QAAUM, from an amount of approx. Rs. 13,53,444 Crores as at March 31, 2016 to an amount of approx. Rs. 18,29,583 Crores as at March 31, 2017 (Source: AMFI) with following:

- 34.37 Lakh Net New SIPs registered during the Financial Year (as on February 2017)
- Around 48 Lakh Equity folios have been added this year so far (as on February 2017)

Government led various measures (e.g. Demonetization, GST) have already started showing positive impact in the economy. The Mutual Fund Industry has reflected stronger growth this year.

It has been a good year for your Company, as well. Your Company continues to be amongst the largest AMCs managing assets of around Rs. 3,55,800 Cr (USD 55 Billion) across Mutual Funds, PMS, Pension Funds and Offshore strategies. Your Company continues to aggressively pursue growth opportunities in the fund management and investment advisory space, both at domestic as well as at the international level.

There is significant growth potential for mutual fund Industry. There are only 5.4 Cr investor folios reflecting deep under penetration in adoption of mutual fund products in India. We continue to focus on geographical and retail penetration. Our Industry first initiative "Mutual Fund Day" is directed effort to increase retail participation across the country. As per latest data available on AMFI, over 85% of the Industry AUM originates from the Top 15 cities. This provides opportunities for expansion in smaller locations. Your Company has been focusing on bringing new investors to unlock untapped potential. In line with the SEBI regulations, we intend to improve penetration levels in Tier III, Tier IV locations and increase use of technology to improve the investor experience.

The smart phone user base in India is growing rapidly and provides us an opportunity to connect with large investor base through our digital interfaces. The digital space has the potential to significantly improve the service quality and also help ease in first-time investors to the Industry. Your Company has one of the most integrated Digital platforms in the

Industry, and we intend to continue building on it to further improve the investors' experience. Being one of the largest players in the Industry, your Company will continue investing in growing the market size, achieving product innovation, educating the investors, increasing the distribution reach and enhancing customer service infrastructure with aggressive expansion strategies.

SUBSIDIARIES

As of March 31, 2017, your Company had four (4) subsidiaries. Two of such subsidiaries are overseas, being one each in Singapore and Mauritius and two subsidiaries being in India. All the subsidiaries of the Company are engaged in financial services and related activities.

During the year under review, the subsidiary of your Company at United Kingdom i.e. Reliance Capital Asset Management (UK) Limited (formerly known as Reliance Capital Asset Management (UK) Plc.) had been stricken off from the Register maintained by the Companies House, United Kingdom.

A statement w.r.t. the performance and the financial position of the subsidiaries of the Company is forming a part of the Consolidated Financial Statements of the Company.

KEY MANAGERIAL PERSONNEL

In terms of the requirements of Section 203 of the Act, during the year under review, the following officials/ employees acted as the 'Key Managerial Personnel' of the Company:

- a) Mr. Sundeep Sikka – Executive Director & Chief Executive Officer;
- b) Mr. Ajay Patel - Manager;
- c) Mr. Prateek Jain - Chief Financial Officer;
- d) Mr. Yogesh Sachdeva - Company Secretary (up to October 25, 2016); and
- e) Mr. Deepak Mukhija - Company Secretary (effective from December 20, 2016).

DIRECTORS

During the year, Mr. Shinichi Okamoto, Director on the Board of the Company has resigned w.e.f. April 22, 2016. Further, Mr. Soumen Ghosh, Director on the Board of the Company has also resigned w.e.f. March 31, 2017.

In order to further broad base the constitution of the Board, during the year, General Ved Prakash Malik (Retd.), Mr. Kazuhide Toda and Mr. Tomonao Gotoda were appointed as Directors and Mr. Sundeep Sikka was appointed as a Whole-time Director (designated as Executive Director & Chief Executive Officer) on the Board of your Company.

In accordance with the provisions of Section 152 of the Act, Mr. Kazuhide Toda (Director) is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, has offered himself for re-appointment, as such. The Board recommends the re-appointment of Mr. Kazuhide Toda as a Director of the Company.

Further, since the closure of the financial year 2016-17, following changes have taken place in respect of your Company's Board:

- Mr. Tomonao Gotoda, Director on the Board of the Company, resigned w.e.f. April 22, 2017.
- Mr. Takayuki Murai has been appointed as the Additional Director of the Company on April 22, 2017. Mr. Takayuki Murai shall hold office as Directors, upto the date of ensuing Annual General Meeting and are eligible to be appointed as Director thereat. In terms of Section 160 of the Act, your Company has received a notice in writing from one of the members, along with the requisite deposit proposing the candidature of Mr. Takayuki Murai for his appointment as Director

All the Independent Directors of your Company i.e. Mr. Kanu H. Doshi, General Ved Prakash Malik (Retd.), Mr. Sushil Chandra Tripathi and Ms. Ameeta Chatterjee, have duly furnished the required declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act.

During the Year, in terms of the requirements of the Act, the Independent Directors held their separate meeting, wherein the performance of the Board and that of the non-independent Directors were evaluated. In this very meeting itself, the Independent Directors of the Company also thoroughly discussed the quantity, quality & the timelines of the flow of information between the Company's management and the Board and arrived at a view that the same is adequate and sufficient to enable effective decision making by the Board. The Nomination & Remuneration Committee of the Company also undertook the evaluation of the Directors' performance.

During the year under review, Nine (9) Board meetings and Three (3) meetings of the Committee of Directors were held.

Your Directors wish to inform that the functioning of the Board is supplemented by various committees (Board sub – committees and management committees), which have been constituted from time to time, such as Audit Committee, Committee of Directors, CSR Committee, Nomination & Remuneration Committee, Valuation Committee, Investment Committee, InvIT Committee, Risk Management Committee, Broker Empanelment Committee, Operating Committee, Compliance Committee, Proxy Voting Committee, Information Security Risk Management Committee, etc. to name a few. Each of the aforesaid Committees has been constituted in order to ensure due compliance with the applicable laws and to ensure the highest levels of corporate governance. The minutes of the meetings of each of these Committees are duly placed before the Board for noting and confirmation.

AUDIT COMMITTEE

In terms of the requirements of Section 177 of the Act, the Audit Committee of the Company consists of majority of Independent Directors. As on date of this report, it comprises Mr. Kanu H. Doshi [Independent Director], Mr. Sushil Chandra Tripathi [Independent Director], Ms. Ameeta Chatterjee [Independent Director], General Ved Prakash Malik (Retd.) [Independent Director] and Mr. Takayuki Murai [Associate Director].

During the year, Seven (7) meetings of the Audit Committee were held.

NOMINATION & REMUNERTION COMMITTEE

In terms of the requirements of Section 178 of the Act, the Nomination & Remuneration Committee of the Company consists of majority of Independent Directors. As on date of this report, it comprises Mr. Kanu H. Doshi [Independent Director], Mr. Sushil Chandra Tripathi [Independent Director], Ms. Ameeta Chatterjee [Independent Director], General Ved Prakash Malik (Retd.) [Independent Director] and Mr. Kazuhide Toda [Associate Director].

During the year, 2 meetings of the Nomination & Remuneration Committee were held.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In terms of the requirements of Section 135 of the Act, the Corporate Social Responsibility ("CSR") Committee of the Company consists of seven members. As on date of this report, it

comprises Mr. Kanu H. Doshi [Independent Director], Mr. Sushil Chandra Tripathi [Independent Director], Ms. Ameeta Chatterjee [Independent Director], General Ved Prakash Malik (Retd.) [Independent Director], Mr. Sundeep Sikka [Associate Director], Mr. Kazuhide Toda [Associate Director] and Mr. Takayuki Murai [Associate Director].

During the year, 2 meetings of the CSR Committee were held.

AUDITORS' OF THE COMPANY - STATUTORY AND INTERNAL

In accordance with the applicable provisions of law, the Company has appointed Statutory and Internal Auditors, who periodically submit their reports, which are placed before the Audit committee for discussion, review and implementation of their recommendations.

STATUTORY AUDITORS:

In terms of Section 139 of the Act read with Companies (Audit and Auditors) Rules, 2014, at the Nineteenth Annual General Meeting of the Company, M/s. B S R & Co. LLP, Chartered Accountants were appointed as the Statutory Auditors of the Company in the Annual General Meeting held on June 24, 2014, for a period of Four (4) years subject however to ratification by members at every Annual General Meeting of the Company.

The Board recommends ratification of their appointment, as such, at the ensuing Twenty Second Annual General Meeting of the Company.

INTERNAL AUDITORS:

M/s. NMAH & Associates LLP, Chartered Accountants were appointed as the Internal Auditors' of your Company for the year 2016-17. Your Directors approved their re-appointment as such for the financial year 2017-18.

AUDITORS OF THE SCHEMES OF RELIANCE MUTUAL FUND - STATUTORY AND INTERNAL

In accordance with the applicable provisions of law, the Company has appointed Statutory and Internal Auditors for the various Schemes of Reliance Mutual Fund, who periodically submit their reports, which are placed before the Audit Committee for discussion, review and implementation of their recommendations.

STATUTORY AUDITORS:

M/s. Haribhakti & Co. LLP, Chartered Accountants held office as Statutory Auditors of the Schemes of Reliance Mutual Fund for the financial year 2016-17. Your Directors recommend their re-appointment as such for the financial year 2017-18.

INTERNAL AUDITORS:

During the year, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants were appointed as Internal Auditors of the Scheme of Reliance Mutual Fund and the portfolio management services division of the Company, for the financial year 2016-17. Your Directors recommend their re-appointment as such for the financial year 2017-2018.

AUDITORS' REPORT

The notes to the Annual Accounts of the Company, referred to in the Auditors' Report are self-explanatory and do not require any clarification from the Board.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Directors had appointed M/s. M. Siroya and Company, Mumbai, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2016-17. In this regard, the Report submitted by the Secretarial Auditor is annexed herewith as **Annexure - B**.

Your Directors are pleased to inform that the report from the Secretarial Auditors does not contain any qualifications or negative remarks.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as **Annexure - C**.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

CONSERVATION OF ENERGY:

The operations of the Company do not consume high levels of energy. Adequate measures have been taken to conserve energy wherever feasible. Your Company uses latest technology and energy efficient equipments. As energy cost forms a very small part of the total costs, the impact on cost is not material.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

(i) The efforts made towards technology absorption:

During the financial year 2016-17, Digital strategy of your Company was focused providing the simplified processes to the customer and keeping in view the interests of the distributors. Along with this, there was a strong agenda to acquire a new customer online without any paper work. In line with the above objective, your Company launched various initiatives in this direction and many of these initiatives were first time in the Industry. Some of those initiatives are as follows:

- Launch of Instant redemption on Simply Save app for customers
- Revamped website for the distributor to provide ease of transactions, campaigns and other such transactions & add-on features
- E-mandate for Axis and HDFC Bank customers, which enables customers to register regular payments like SIP etc. seamlessly
- Paperless eKYC process to acquire customers who are new to Mutual Fund industry by connecting with Aadhar ecosystem

(ii) Benefits derived out of the above initiatives:

Financial year 2016-17 has seen phenomenal increase in business through our digital Assets, as follows:

- >100% growth in purchase Volume, up from 12% to 25%
- Digital is >1.3 times bigger than largest distributor in Purchases...6 times bigger than 2nd
- Every 4th Purchase is Digital, Mobile App contributing > 40% to Digital
- Total Digital Purchases have crossed 40,000 per month
- 135% growth in unique customers during the year.

RESEARCH AND DEVELOPMENT:

It's evident that digital has become a critical asset in many companies' quest for growth. We as a Company are very much committed to this and are looking continuously to provide simplified process and product over the digital platform to the online customers. This approach is being led by various research and innovative products designed for the online customers. The team and management keep on participating in various discussions, conclave, summits, forum to stay connected and updated on the digital movement in the world & industry.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year, the Company effected exports worth Rs Nil.

During the year under review, the Company earned foreign exchange equivalent to Rs. 262,344,770/- The Company spent foreign exchange equivalent to Rs. 65,598,782/-

DIRECTORS' RESPONSIBILITY STATEMENT

As per the requirements of Sub Section (5) of Section 134 of the Act, the Directors confirm that -

- (i) In the preparation of the annual accounts for the financial year ended March 31, 2017, the applicable accounting standards have been followed and that there are no material departures;
- (ii) The Directors have selected such accounting policies in consultation with the Statutory Auditors' and have applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for the year under review;
- (iii) The Directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The Directors have prepared the annual accounts of the Company on a 'going concern' basis.

- (v) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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. Related Party Transactions are being placed before the Audit Committee and/ or the Board, for approval/ noting, as appropriate. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are foreseen or repetitive in nature. Your Directors have already approved a Related Party Transactions Policy for the purpose of identification and monitoring of such transactions.

PARTICULARS OF FRAUDS REPORTED BY THE AUDITORS'

In terms of Section 143(12) of the Act, M/s. B S R & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company have not reported any instance of fraud having taken place during the year under review, in their Audit Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

OUR PEOPLE

Your Company as an organization is committed towards creation of knowledge for the benefit of all the stakeholders. It is our firm belief that the growth of an organization is largely dependent on the growth of its individuals. Policies in your Company are employee oriented and devised with our 'People First' philosophy in mind.

Your Company had 915 numbers of employees as at March 31, 2017.

Your Company had 915 numbers of employees as at March 31, 2017.

As required by the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of the employees are set out in 'Annexure – D' to this Directors' Report.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. Following is a summary of sexual harassment complaints received and disposed off during the year:

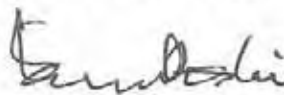
- No. of complaints received: Nil
- No. of complaints disposed of: N.A.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere appreciation for the co-operation received from various regulatory and governmental authorities including SEBI, RBI, Registrar of Companies, Maharashtra at Mumbai, PFRDA, NPS Trust, EPFO, CMPFO, Custodians, Bankers, Registrars, Shareholders, Investors and all other business constituents during the year under review. We believe all of them have contributed to our continued growth.

Your Directors also wish to place on record their deep appreciation for the total commitment displayed by all the executives, officers and staff, resulting in yet another eventful performance for the year.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF RELIANCE NIPPON LIFE ASSET MANAGEMENT LIMITED
(Formerly known as Reliance Capital Asset Management Limited)**



Kanu Doshi

Director

(DIN: 00577409)



Sundeep Sikka

Executive Director & CEO

(DIN: 02553654)

Place: Mumbai

Dated: April 22, 2017

ANNUAL REPORT ON CSR ACTIVITIES

1. **A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy.**

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the web link for the same is:

<https://www.reliancemutual.com/AboutUs/CompanyProfile/Documents/Group-CSR-Policy-Document.pdf>

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

- Mr. Kanu Doshi (Independent Director)
- Mr. S. C. Tripathi (Independent Director)
- Ms. Ameeta Chatterjee (Independent Director)
- General Ved Prakash Malik (Retd.) (Independent Director)
- Mr. Kazuhide Toda
- Mr. Sundeep Sikka
- Mr. Takayuki Murai

3. **Average net profit of the Company for last three financial years: Rs. 4,444,472,032/-**

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):
Rs. 88,889,441/-**

5. **Details of CSR spend for the financial year:**

- a. **Total amount spent for the financial year: Rs. 90,000,000/-**
- b. **Amount unspent, if any: Nil**

Manner in which the amount spent during the financial year is enclosed as Appendix (i)

Appendix (i)

1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project/ Activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (Budget) Project or Programs wise	Amount Spent on the project or programs Sub-heads: (1) Direct expenditure on projects and program (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency*
1.	Mandke Foundation Kokilaben Dhirubhai Ambani hospital & Medical Research Institute	Health Care	Maharashtra	4,00,00,000	4,00,00,000	14,94,27,000	4,00,00,000
2.	Ujjain Charitable Trust Hospital & Research Center	Health Care	Madhya Pradesh	4,00,00,000	4,00,00,000	4,00,00,000	4,00,00,000
3.	Himalayan Institute Hospital Trust	Health Care	Uttarakhand	1,00,00,000	1,00,00,000	4,67,30,000	1,00,00,000

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF RELIANCE NIPPON LIFE ASSET MANAGEMENT LIMITED
(Formerly known as Reliance Capital Asset Management Limited)**

Place: Mumbai
Dated: April 22, 2017


Kanu Doshi
Director
(DIN: 00577409)


Sundeep Sikka
Executive Director & CEO
(DIN: 02553654)

M Siroya and Company
Company Secretaries

A-103, Samved Building (Madhukunj), Near EktaBhoomi Gardens, Rajendra Nagar, Borivali (E), Mumbai - 400 066
Tel.:+91 22 28706523/24; 28546523(D); Cel.:+91 9324310151; E-mail: siroyam@gmail.com; www.msiroya.com

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

*[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,
Reliance Nippon Life Asset Management Limited
(Formerly known as Reliance Capital Asset Management Limited)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Reliance Nippon Life Asset Management Limited (hereinafter referred to as the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the relevant and applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder, as may be applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; and
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.

Based on the representation made by the Company and its officers and our verification of the relevant records on test check basis, the Company has adequate system and process in place for compliance under the following laws applicable specifically to the Company:

- (i) SEBI (Mutual Funds) Regulations, 1996; and
- (ii) Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993.



M Siroya and Company *Company Secretaries*

A-103, Samved Building (Madhukunj), Near EktaBhoomi Gardens, Rajendra Nagar, Borivali (E), Mumbai - 400 066
Tel.:+91 22 28706523/24; 28546523(D); Cel.:+91 9324310151; E-mail: siroyam@gmail.com; www.msiroya.com

Other statutes, Acts, laws, Rules, Regulations, Guidelines and Standards etc., as applicable to the Company are given below:

1. Labour Laws and other incidental laws related to employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
2. Acts as prescribed under Direct Tax and Indirect Tax;
3. Stamp Acts and Registration Acts of respective States;
4. Labour Welfare Act of respective States; and
5. Such other Local laws etc. as may be applicable in respect of various offices of the Company.

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India, and
2. Listing Agreement: The Company is an unlisted Company and therefore compliance with listing agreement is not applicable.

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.

We further report that the Board of the Company is duly constituted with proper balance of Executive Director, 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.

Adequate notice was given to all the 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 & deliberations at these meeting.

During the period under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

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

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

- (i) At the Extra-ordinary General Meeting of the members held on April 22, 2016, inter-alia, the following resolutions were passed:
 - (a) Adoption of the amended and restated Articles of Association of the Company;
 - (b) Appointment of Mr. Sundeep Sikka as a Whole-Time Director for a period of 5 years commencing from April 22, 2016;

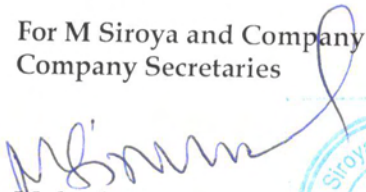


M Siroya and Company
Company Secretaries

A-103, Samved Building (Madhukunj), Near EktaBhoomi Gardens, Rajendra Nagar, Borivali (E), Mumbai - 400 066
Tel.:+91 22 28706523/24; 28546523(D); Cel.:+91 9324310151; E-mail: siroyam@gmail.com; www.msiroya.com

- (c) Appointment for General Ved Prakash Malik (Retd.) as an Independent Director; and
- (d) Appointment of Mr. Kazuhide Toda and Mr. Tomonao Gotoda as the Directors of the Company.
- (ii) At the Annual General Meeting of the members held on June 27, 2016, inter-alia, the following resolutions were passed:
- (a) Declaration of Final Dividend of Rs. 215 per equity share; and
- (b) Declaration of Dividend on Preference Share @ 6% p.a.
- (iii) At the Board Meeting held on October 20, 2016 the Board accepted the Resignation of Mr. Yogesh Sachdeva as the Company Secretary of the Company w.e.f. October 25, 2016;
- (iv) At the Extra-ordinary General Meeting of the members held on October 20, 2016, inter-alia, the following resolution was passed:
- (a) Revision of Remuneration of Mr. Sundeep Sikka, Whole-time Director of the Company.
- (v) At the Board Meeting held on December 20, 2016, Mr. Deepak Mukhija was appointed as Company Secretary and Key Managerial Personnel of the Company.

For M Siroya and Company
Company Secretaries


Mukesh Siroya
Proprietor
FCS No.: 5682
CP No.: 4157



Date: April 22, 2017
Place: Mumbai

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

M Siroya and Company
Company Secretaries

A-103, Samved Building (Madhukunj), Near EktaBhoomi Gardens, Rajendra Nagar, Borivali (E), Mumbai - 400 066
Tel.:+91 22 28706523/24; 28546523(D); Cel.:+91 9324310151; E-mail: siroyam@gmail.com; www.msiroya.com

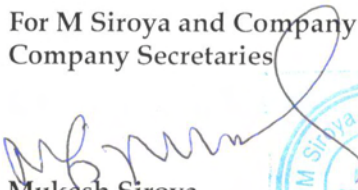
'Annexure A'

To,
The Members,
Reliance Nippon Life Asset Management Limited
(Formerly known as Reliance Capital Asset Management Limited)

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For M Siroya and Company
Company Secretaries


Mukesh Siroya
Proprietor
FCS No.: 5682
CP No.: 4157



Date: April 22, 2017
Place: Mumbai

ANNEXURE C

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
As on the financial year ended on March 31, 2017

[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	U65910MH1995PLC220793
Registration Date	February 24, 1995
Name of the Company	Reliance Nippon Life Asset Management Limited (Formerly known as Reliance Capital Asset Management Limited)
Category / Sub-Category of the Company	Public Company
Address of the Registered office and contact details	Registered Office: 'H' Block, 1st Floor, Dhirubhai Ambani Knowledge City, Koparkhairne, Navi Mumbai, Mumbai - 400 710 Corporate Office: Reliance Centre, 7 th Floor (South Wing), Off Western Express Highway, Santacruz (East), Mumbai - 400 056 Contact: +91 22 3303 1000 e-mail: deepak.mukhija@relianceada.com Website: www.reliancecmutual.com
Whether listed company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Pvt. Ltd. Plot No. 17 TO 24, Vithalrao Nagar, Madhapur Hyderabad- 500 081, Tel.: +91 40 23420815 - 24

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	Fund Management Activities as per NIC Code 2008	6630	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Reliance Capital Limited	L65910MH1986PLC165645	Holding Company	51	2(46)
2	Reliance Asset Management (Mauritius) Limited	Not Applicable	Subsidiary	100	2(87)
3	Reliance Asset Management (Singapore) Pte Limited	Not Applicable	Subsidiary	100	2(87)
4	Reliance AIF Management	U74999MH2000PLC127497	Subsidiary	100	2(87)

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) FIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Other (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.									
i) Indian	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii) Overseas	56,44,800	-	56,44,800	49.00	56,44,800	NIL	56,44,800	49.00	NIL
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 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)	56,44,800	-	56,44,800	49.00	56,44,800	-	56,44,800	49.00	NIL
Total Public Shareholding (B)=(B)(1)+ (B)(2)	56,44,800	-	56,44,800	49.00	56,44,800	-	56,44,800	49.00	NIL
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total	1,15,19,400	600	1,15,20,000	100	1,15,19,400	600	1,15,20,000	100	0

(A+B+C)								
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(ii) Shareholding of Promoters

S r N o	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the compan y	%of Shares Pledged / encumbe red to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbe red to total shares	
1	Reliance Capital Limited	58,74,600	51.00	NIL	58,74,600	51.00	NIL	NIL
	Total	58,74,600	51.00	NIL	58,74,600	51.00	NIL	NIL

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

There is no change in the Promoters holding during the year.

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	-	-	-	-
2.	Date wise Increase / (Decrease) in Promoters Share holding during the year due to transfer of Shares to Nippon Life Insurance	-	-	-	-
		-	-	-	-
3.	At the End of the year	-	-	-	-

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

Sl. 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 the company

1	Nippon Life Insurance Company	51,34,800	44.57	51,34,800	44.57
2	EP Global Markets (Cayman) Limited	5,10,000	4.43	5,10,000	4.43

(v) *Shareholding of Directors and Key Managerial Personnel:*

Sl. No.	For Each of the Directors and KMP	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
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL

(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	NIL	NIL	NIL	NIL
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
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 the end of the financial year	NIL	NIL	NIL	NIL
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
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:

The said details are separately annexed herewith as "Annexure C1".

B. Remuneration to other directors:

Independent Directors						
Particulars of Remuneration	Name of Directors				Total Amount	
	Kanu Doshi	S.C. Tripathi	Ameeta Chatterjee	General Ved Prakash Malik (Retd.)		
1. Independent Directors - Fee for attending board / committee meetings - Commission - Others, please specify	8,80,000	7,90,000	7,60,000	6,80,000	31,10,000	
Total (1)					31,10,000	

Non-Executive Directors				
Particulars of Remuneration	Name of Directors			Total Amount
	Kazuhide Toda	Tomonao Gotoda	Soumen Ghosh	
2. Other Non-Executive Directors				
- Fee for attending board committee meetings	410,000	620,000	NIL	10,30,000
- Commission				
- Others, please specify				
Total (2)				10,30,000
Total (B)=(1+2)		41,40,000		41,40,000
Total Managerial Remuneration		41,40,000		41,40,000
Overall Ceiling as per the Act				

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

The said details are separately annexed herewith as "Annexure C1".

(vii) PENALTIES / PUNISHMENT/ 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					
Penalty	NIL	N.A.	N.A.	N.A.	N.A.
Punishment	NIL	N.A.	N.A.	N.A.	N.A.
Compounding	NIL	N.A.	N.A.	N.A.	N.A.
B. DIRECTORS					
Penalty	NIL	N.A.	N.A.	N.A.	N.A.
Punishment	NIL	N.A.	N.A.	N.A.	N.A.
Compounding	NIL	N.A.	N.A.	N.A.	N.A.
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	N.A.	N.A.	N.A.	N.A.
Punishment	NIL	N.A.	N.A.	N.A.	N.A.
Compounding	NIL	N.A.	N.A.	N.A.	N.A.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF RELIANCE NIPPON LIFE ASSET MANAGEMENT LIMITED
(Formerly known as Reliance Capital Asset Management Limited)**

Place: Mumbai

Dated: April 22, 2017


Kanu Doshi

Director

(DIN: 00577409)



Sundeep Sikka

Executive Director & CEO

(DIN: 02553654)

B S R & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

Telephone +91 (22) 4345 5300
Fax +91 (22) 4345 5399

Independent Auditors' Report

To the Members of Reliance Nippon Life Asset Management Limited

(Formerly known as Reliance Capital Asset Management Limited)

Report on the financial statements

We have audited the accompanying standalone financial statements of Reliance Nippon Life Asset Management Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2017, the Statement of profit and loss and the Cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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.

Auditors' responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control over financial reporting relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

Independent Auditors' Report (Continued)
Reliance Nippon Life Asset Management Limited
(Formerly known as Reliance Capital Asset Management Limited)

Auditors' responsibility (Continued)

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraph 3 and 4 of the Order.

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 Cash flow statement dealt with by this Report are in agreement with the Books of Account;
- d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
- g) with respect to the other matters to be included in the Auditors' 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 has disclosed the impact of pending litigation on its financial position in financial statement – refer note 3.23 (a) to the financial statements;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

Independent Auditors' Report (Continued)
Reliance Nippon Life Asset Management Limited

(Formerly known as Reliance Capital Asset Management Limited)

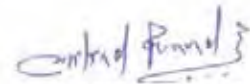
Report on Other Legal and Regulatory Requirements (Continued)

- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. the Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with Books of Account maintained by the Company and as produced to us by the Management – Refer Note 3.32

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Milind Ranade

Partner

Membership No: 100564

Mumbai
22 April 2017

Reliance Nippon Life Asset Management Limited

(Formerly known as Reliance Capital Asset Management Limited)

Annexure A to the Independent Auditors' Report – 31 March 2017

(Referred to in our report of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner over a period of three years. 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) The Company does not have any immovable properties. Accordingly paragraph 3 (i) (c) of the Order is not applicable.
- ii. The Company is a service company primarily rendering asset management services, portfolio management services and advisory services. Accordingly, it does not hold any inventories. Thus paragraph 3 (ii) of the Order is not applicable.
- iii. According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms 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 complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or other relevant provisions of the Act and rules framed there under. Thus, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under sub-section 1 of section 148 of the Act, for any of the services rendered by the Company. Accordingly paragraph 3(vi) of the Order is not applicable.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the Books of Account, amounts deducted/ accrued in the Books of Account in respect of undisputed statutory dues including provident fund, income tax, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, wealth tax, employees' state insurance, duty of customs, duty of excise and value added tax. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, service tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of provident fund, income tax, service tax, cess and other material statutory dues which have not been deposited by the Company on account of disputes.

Reliance Nippon Life Asset Management Limited

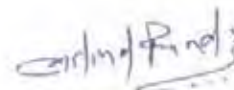
(Formerly known as Reliance Capital Asset Management Limited)

Annexure A to the Independent Auditors' Report – 31 March 2017 (Continued)

- viii. In our opinion and according to the information and explanations given to us, the Company has not taken any loan or borrowing from financial institution, bank, Government or debenture holders. Thus, paragraph 3 (viii) of the Order is not applicable.
- 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. Thus, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as per the Act. Thus, 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 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 accounting standards.
- xiv. According to the information and explanation given to us, the Company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Thus, paragraph 3 (xiv) of the Order is not applicable.
- xv. According to the information and explanation given to us, the Company has not entered into non-cash transactions with directors or person connected with him. Thus, paragraph 3 (xv) of the Order is not applicable.
- xvi. According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Thus, paragraph 3 (xvi) of the Order is not applicable.

For B S R & Co. LLP
Chartered Accountants

Firm's Registration No: 101248W/W-100022



Milind Ranade
Partner

Membership No: 100564

Mumbai
22 April 2017

Reliance Nippon Life Asset Management Limited

(Formerly known as Reliance Capital Asset Management Limited)

Annexure B to the Independent Auditors' Report – 31 March 2017

(Referred to in our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Reliance Nippon Life Asset Management Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Reliance Nippon Life Asset Management Limited

(Formerly known as Reliance Capital Asset Management Limited)

Annexure B to the Independent Auditors' Report – 31 March 2017 (Continued)

(Referred to in our report of even date)

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 2017, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For B S R & Co. LLP
Chartered Accountants

Firm's Registration No: 101248W/W-100022



Milind Ranade
Partner

Membership No: 100564

Mumbai
22 April 2017

Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Balance sheet

as at 31 March 2017

(Currency: Indian rupees)

	Note	As at	
		31 March 2017	31 March 2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3.1	415,200,000	415,200,000
Reserves and surplus	3.2	18,088,325,971	14,040,575,258
		<u>18,503,525,971</u>	<u>14,455,775,258</u>
Non current liabilities			
Long - term provisions	3.3	112,114,368	74,405,485
		<u>112,114,368</u>	<u>74,405,485</u>
Current liabilities			
Trade payables			
Outstanding dues of MSMED	3.4	-	-
Outstanding dues of creditors other than MSMED	3.4	1,031,667,167	588,542,002
Other current liabilities	3.5	454,453,927	711,743,980
Short - term provisions	3.6	96,845,836	3,035,892,132
		<u>1,582,966,930</u>	<u>4,336,178,114</u>
TOTAL		<u>20,198,607,269</u>	<u>18,866,358,857</u>
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	3.7	84,771,124	83,334,502
Intangible assets	3.7	2,424,519,774	33,577,495
Non - current investments	3.8A	6,366,487,276	5,615,943,119
Deferred tax assets	3.9	75,873,129	122,119,522
Long - term loans and advances	3.10	1,368,932,843	3,771,893,458
Other non - current assets	3.11	72,908,665	77,522,821
		<u>10,393,492,611</u>	<u>9,704,390,917</u>
Current assets			
Current investments			
Current investments	3.8B	3,371,147,516	3,641,197,746
Trade receivables	3.12	406,490,714	469,947,616
Cash and bank balance	3.13	47,423,550	418,271,440
Short - term loans and advances	3.14	5,709,987,505	4,492,991,041
Other current assets	3.15	270,065,173	139,560,097
		<u>9,805,114,458</u>	<u>9,161,967,940</u>
TOTAL		<u>20,198,607,269</u>	<u>18,866,358,857</u>

The notes referred to above form an integral part of the financial statements

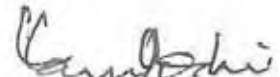
Significant accounting policies and notes to the accounts 2 and 3

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022


Milind Ranade
Partner
Membership No. 100564

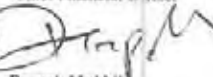
For and on behalf of the Board of Directors of
Reliance Nippon Life Asset Management Limited


Sundeep Sikka
Executive Director & CEO
DIN No. 02553654


Kanu Doshi
Director
DIN No. 00577409


Prateek Jain
Chief Financial Officer


Ajay Patel
Manager


Deepak Mukhija
Company Secretary

Mumbai, 22 April 2017

Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Statement of profit and loss

for the year ended 31 March 2017

(Currency: Indian rupees)

	Note	For the year ended 31 March 2017	For the year ended 31 March 2016
Income			
Revenue from operations - management fees	3.16	12,696,333,003	11,641,971,646
Other income	3.17	1,308,039,144	1,068,725,008
Total revenue		14,004,372,147	12,710,696,654
Expenditure			
Employee benefits expenditure	3.18	1,815,624,958	2,018,039,388
Administrative and other expenditure	3.21	2,430,945,794	2,057,423,587
Marketing and publicity expenditure	3.22	3,758,223,597	3,630,169,604
Depreciation and amortization	3.7	178,487,485	42,320,281
Total expenditure		8,183,281,834	7,747,952,860
Profit before tax and exceptional items		5,821,090,313	4,962,743,794
Exceptional items	3.36	-	4,028,535
Profit before tax		5,821,090,313	4,958,715,259
Income tax expenditure			
Current tax (Net of MAT credit entitlement)		(1,719,160,987)	(1,257,800,000)
Excess/ short provision of tax relating to earlier years		(7,932,218)	-
MAT credit asset		-	289,597,687
MAT credit utilised		-	(289,597,687)
Deferred tax		(46,246,393)	838,962
Profit after tax		4,047,750,714	3,701,754,221
Basic and diluted earning per share of Rs. 10 each		351.37	321.33

The notes referred to above form an integral part of the financial statements

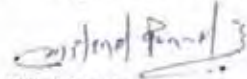
Significant accounting policies and notes to the accounts 2 and 3

As per our report of even date attached

For BSR & Co. LLP

Chartered Accountants

Firm's Registration No. 101248W/W-100022



Milind Ranade

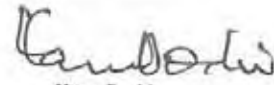
Partner

Membership No. 100564

For and on behalf of the Board of Directors of
Reliance Nippon Life Asset Management Limited



Sundeep Sikka
Executive Director & CEO
DIN No. 02553654



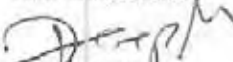
Kanu Doshi
Director
DIN No. 00577409



Prateek Jain
Chief Financial Officer



Ajay Patel
Manager



Deepak Mukhija
Company Secretary

Mumbai, 22 April 2017

Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Cash flow statement

for the year ended 31 March 2017

(Currency: Indian rupees)

Particulars	For the year ended 31 March 2017		For the year ended 31 March 2016	
A. Cash flow from operating activities				
Profit before tax as per statement of profit and loss for the year		5,821,090,313		4,958,715,259
Adjusted for:				
Depreciation	178,487,485		42,320,281	
Dividend Income	(63,372,761)		(96,733,864)	
Interest Income	(698,644,373)		(411,308,049)	
Amortisation of discount / premium on investments	(7,830,595)		(8,653,265)	
(Profit) on sale of Investment (Net)	(523,604,790)		(544,336,393)	
Net (gain) or Loss on Foreign Currency Transactions & Translations	746,252		1,688,544	
Diminution in Value of Investments	-		4,028,535	
(Profit)/Loss on sale of Fixed Assets	(299,902)	(1,124,518,683)	(541,900)	(1,013,536,111)
Operating Profit before Working Capital changes		4,696,571,630		3,945,179,148
Decrease / (Increase) in Long Term Loans & Advances	1,635,239,092		(196,902,213)	
Decrease / (Increase) in Other Non Current Assets	4,614,156		(38,148,198)	
Decrease / (Increase) in Trade Receivable	63,456,902		(314,165,816)	
Decrease in Short Term Loans & Advances	387,321,148		349,256,517	
Decrease / (Increase) in Other Current Assets	(6,147,029)		(8,739,675)	
Increase in Long term provisions	37,708,883		42,284,485	
Increase / (Decrease) in Short term provisions	63,636,283		(25,989,590)	
Increase / (Decrease) in Trade payables	442,378,912		(273,905,057)	
(Decrease) / Increase in Other Current Liabilities	(257,290,053)	2,370,918,294	256,286,504	(210,023,043)
Cash generated from Operations		7,067,489,924		3,735,156,105
Taxes Paid		(1,493,741,969)		(1,412,494,621)
Net Cash (used) / generated from operating activities		5,573,747,955		2,322,661,484
B. Cash Flow from Investing Activities				
Purchase of Fixed Assets	(2,571,141,755)		(93,506,206)	
Sale of Fixed Assets	575,273		3,804,974	
Inter Corporate Deposit received	553,000,000		42,000,000	
Inter Corporate Deposit given	(1,570,000,000)		(1,250,000,000)	
Loan repaid by ESOP Trusts (net of loan advanced)	-		601,280,052	
Purchase of Investments	(18,449,830,393)		(21,853,739,962)	
Investment in Subsidiaries	(97,212,500)		-	
Sale of Investments	18,607,984,330		21,594,576,975	
Interest Received	521,338,999		448,479,716	
Dividend Received	63,372,761		96,733,864	
Net Cash from / (used in) Investing Activities		(2,941,913,265)		(410,370,587)
C. Cash Flow from Financing Activities				
Dividend paid including dividend distribution tax	(3,002,682,580)		(1,736,889,449)	
Net Cash from / (used in) Financing Activities		(3,002,682,580)		(1,736,889,449)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		(370,847,890)		175,401,448
Opening Balance of Cash and Cash Equivalents		418,271,440		242,869,992
Opening Cash and Cash Equivalents of merged division - Azalia (refer note 3.35)		-		-
Closing Balance of Cash and Cash Equivalents		47,423,550		418,271,440
Cash and cash equivalents comprising of:				
Cash on Hand			49,248	
Balance with banks in Current Accounts		47,435,822	418,200,373	
Effect of exchange differences on balances with banks in foreign currency		(12,272)	21,819	
Total		47,423,550		418,271,440

As per our report of even date attached
For BSR & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Milind Ranade
Partner
Membership No. 160564

For and on behalf of the Board of Directors
Reliance Nippon Life Asset Management Limited

Sandeep Sanka
Executive Director & CEO
DIN No. 02553654

Prateek Jain
Chief Financial Officer

Dhenuk Mukhija
Company Secretary

Kanu Doshi
Director
DIN No. 00577409

Ajay Patel
Manager

Mumbai, 27 April 2017

Significant accounting policies and notes to the accounts

for the year ended 31 March 2017

1 Background

Reliance Nippon Life Asset Management Limited ('the Company') was incorporated on 24 February 1993.

The principal shareholder of the Company as at 31 March 2017 is Reliance Capital Limited.

The Company's principal activity is to act as an investment manager to Reliance Mutual Fund ('the Fund') and to provide Portfolio Management Services ('PMS') and advisory services to clients under Securities and Exchange Board of India (SEBI) Regulations. The Company is registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996. The Company manages the investment portfolio of the Fund and provides various administrative services to the Fund as laid down in the Investment Management Agreement dated 12 August 1997.

2 Significant accounting policies

2.1 Basis of preparation

The accompanying financial statements have been prepared and presented on the accrual basis of accounting and comply with the Accounting Standards under section 133 of Companies Act 2013, read with Rule 7 of Companies (Accounts) Rule 2014 and other accounting principles generally accepted in India, to the extent applicable. The financial statements are presented in Indian Rupees. The accounting policies set out below have been applied consistently to the periods prescribed in the financial statements except otherwise disclosed separately. The financial statements are presented in Indian Rupees.

2.2 Use of Estimates

The preparation of the financial statements, in conformity with generally accepted accounting principles (GAAP), requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities on the date of the financial statements. 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 the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Fixed assets and depreciation/Amortisation

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost includes all expenses incidental to the acquisition of the fixed assets.

Depreciation on fixed assets is provided on straight line basis at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013 which are mentioned as under:

Asset Class	Useful Life (years)
Office Equipments	5
Furniture and fixtures	10
Vehicles	8
IT Equipments - computers & printers	3

Leasehold improvements are amortised over the primary period of the lease on straight-line basis or useful life of asset, whichever is lower.

Intangible assets comprising of software purchased / developed and licensing costs are amortised over the useful life of the software up to a maximum of three years commencing from the date on which such software is first utilised.

Goodwill is amortised over estimated useful life or five years, whichever is lower.

Acquisition of rights to manage and administer the schemes of Goldman Sachs Mutual Fund has been amortised equally over a period of 10 years.

The Company provides pro-rata depreciation from the day the asset is put to use and for any asset sold, till the date of sale.

2.4 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 asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is 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 statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.5 Investments

Purchase and sale of investments are recorded on trade date.

Investments are classified as long term or current based on intention of the management at the time of purchase. Investments that are intended to be held for not more than 1 year from the date on which such investments are made, are classified as current. All other investments are classified as long term investments.

Long-term investments are stated at cost of acquisition. Provision for diminution is made to recognise a decline, other than temporary, in the value of investments.

Current investments are valued at the lower of cost or net realisable value. The comparison of cost and net realisable value is done separately in respect of each individual investment.



**Significant accounting policies and notes to the accounts
for the year ended 31 March 2017**

2.6 Revenue recognition

Revenue is recognised when there is reasonable certainty of its ultimate realisation/collection.

Revenue From Operation:

Investment Management Fees (net of service tax)

Investment Management fees are recognised on an accrual basis in accordance with Investment Management Agreement and SEBI (Mutual Fund) Regulations, 1996 based on average assets under management (AUM) of Reliance Mutual Fund schemes.

Advisory Fees (net of service tax)

Advisory fees are recognised on an accrual basis in accordance with agreement entered into with respective investment managers / advisors.

Portfolio Management Fees (net of service tax)

Portfolio Management fees are recognised on an accrual basis in accordance with Portfolio Management Agreement entered with respective clients.

Other Income:

Profit or loss on Sale of Investments

The gains/ losses on sale of investments are recognised in the statement of profit and loss on the trade day. Profit or loss on sale of investments is determined on weighted average cost basis.

Interest income is accounted on a time proportion basis.

Dividend income is recognised when the right to receive dividend is established.

2.7 Transactions in foreign currency

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transaction. Exchange differences, if any arising out of transactions settled during the year are recognised in the statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date. The exchange differences, if any, are recognised in the statement of profit and loss and related assets and liabilities are accordingly restated in the balance sheet.

2.8 Employee Benefits

Provident Fund

The Company expenses its contribution to the statutory provident fund, a defined contribution scheme, made at 12% of the basic salary of each employee.

Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Actuarial gains and losses are recognized immediately in the statement of profit and loss.

Benefits in respect of gratuity, a defined benefit scheme, and superannuation, a defined contribution scheme, as applicable to employees of the Company are annually funded with the Reliance Life Insurance Company Limited and Birla Sun Life Insurance Company Limited respectively.

Leave Encashment

Leave Encashment which is a defined benefit, is accrued based on an actuarial valuation at the balance sheet date carried out by an independent actuary.

Compensated absences

The employees of the Company are entitled to compensated absence. The employees can carry forward a portion of the unutilized accrued leave balance and utilize it in future periods. The Company records an obligation for compensated absences in the period in which the employee renders the service that increases the entitlement. The Company measures the expected cost of compensated absence as the amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date.

Phantom Shares

As a long term incentive plan to employees, the Company has initiated Phantom stock option plan which are cash settlement rights where the employees are entitled to get cash compensation based on formulae linked to fair market value of shares upon exercise of phantom stock options over notional or hypothetical shares, whereby instead of becoming entitled to buy the actual shares on vesting, they become entitled to cash payment equivalent to appreciation in the value over defined base price of shares. The present value of the obligation under such plan is determined based on actuarial valuation.



Significant accounting policies and notes to the accounts

for the year ended 31 March 2017

2.9 New fund offer expenses of mutual fund and PMS schemes

Expenses relating to new fund offer of mutual fund and PMS schemes are charged in the statement of profit and loss in the year in which such expenses are incurred except for distribution cost which is recognised over the duration or clawback period of the scheme for close ended and open ended schemes respectively.

2.10 Fund expenses

Expenses incurred on behalf of schemes of Reliance Mutual Fund are recognised in the statement of profit and loss under marketing and publicity expenses unless considered recoverable from the schemes in accordance with the provisions of SEBI (Mutual Fund) Regulations, 1996.

Expenses directly incurred for the schemes of Reliance Mutual Fund are charged to the statement of profit and loss under respective heads. Distribution cost is recognised over the duration or clawback period of the scheme for close ended and open ended schemes respectively.

2.11 Operating leases

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 recognised as an expense on straight line basis over the lease period.

2.12 Tax

Current tax

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law), deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). Provision for income tax is recognised on an annual basis under the taxes payable method, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with Indian Income Tax Act, 1961. In case of matters under appeal due to disallowance or otherwise, full provision is made when the said liabilities are accepted by the Company.

Deferred tax

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only to the extent there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable/virtually certain (as the case may be) to be realised.

2.13 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are included.

2.14 Contingencies and provisions

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed. Contingent assets are not recognised in the financial statements.



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

3. Notes to the accounts

as at 31 March 2017

(Currency: Indian rupees)

3.1 Share Capital

Particulars	As at	
	31 March 2017	31 March 2016
Authorised		
Equity shares, Rs.10 par value 12,000,000 (12,000,000) equity shares	120,000,000	120,000,000
Preference shares, Rs.100 par value 3,000,000 (3,000,000) preference shares	300,000,000	300,000,000
	<u>420,000,000</u>	<u>420,000,000</u>
Issued, subscribed and paid up		
Equity Shares, Rs.10 par value		
11,520,000 (11,520,000 shares) equity shares fully paid up	115,200,000	115,200,000
	<u>115,200,000</u>	<u>115,200,000</u>
Preference shares, Rs.100 par value		
3,000,000 (3,000,000 shares) 6% Non-Cumulative Redeemable Preference shares of Rs.100 each	300,000,000	300,000,000
	<u>300,000,000</u>	<u>300,000,000</u>
Total Share Capital	<u>415,200,000</u>	<u>415,200,000</u>



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Notes to the accounts

as at 31 March 2017

(Currency: Indian rupees)

- I. The details of equity shareholders holding more than 5% of equity share capital and shares held by holding company is set out below :

Name of the shareholder	As at			
	31 March 2017		31 March 2016	
	No. of shares	% held	No. of shares	% held
Reliance Capital Limited (Holding Company)	5,875,200	51.00	5,875,200	51.00
Nippon Life Insurance Company	5,134,800	44.57	5,134,800	44.57

- II. The reconciliation of the number of shares outstanding and the amount of share capital is set out below:

Particulars	As at			
	31 March 2017		31 March 2016	
	No. of shares	Amount	No. of shares	Amount
Equity shares at the beginning and at the end	11,520,000	115,200,000	11,520,000	115,200,000

Particulars	As at			
	31 March 2017		31 March 2016	
	No. of shares	Amount	No. of shares	Amount
Preference shares at the beginning and at the end	3,000,000	300,000,000	3,000,000	300,000,000

- III. The details of preference shareholders holding more than 5% of preference share capital is set out below :

Name of the shareholder	As at			
	31 March 2017		31 March 2016	
	No. of shares	% held	No. of shares	% held
Reliance Television Private Limited	3,000,000	100.00	3,000,000	100.00

Terms / rights attached to equity shares :

The Company has one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after the distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Schedule to Financial Statements

as at 31 March 2017

(Currency: Indian rupees)

Particulars	As at	
	31 March 2017	31 March 2016
3.2 Reserves and Surplus		
Capital Redemption Reserve		
Opening Balance	4,406,900	4,406,900
Balance at the end of the Year	<u>4,406,900</u>	<u>4,406,900</u>
Securities premium account		
Balance at the beginning of the year	5,552,850,300	5,552,850,300
Balance at the end of the year	<u>5,552,850,300</u>	<u>5,552,850,300</u>
General Reserve		
Balance at the beginning of the year	1,265,063,446	1,265,063,446
Balance at the end of the year	<u>1,265,063,446</u>	<u>1,265,063,446</u>
Surplus in Profit & Loss Account		
Balance at the beginning of the year	7,218,254,611	6,519,182,968
Add : Profit after tax for the year	4,047,750,714	3,701,754,221
Profit available for appropriations	<u>11,266,005,325</u>	<u>10,220,937,190</u>
Interim dividend on equity shares	-	-
Proposed dividend on equity shares	-	(2,476,800,000)
Proposed dividend on preference share	-	(18,000,000)
Tax on proposed dividend	-	(507,882,579)
Balance at the end of the year	<u><u>11,266,005,325</u></u>	<u><u>7,218,254,611</u></u>
Total Reserves and surplus	<u><u>18,088,325,971</u></u>	<u><u>14,040,575,257</u></u>



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Notes to the accounts

as at 31 March 2017

(Currency: Indian rupees)

Particulars	As at	
	31 March 2017	31 March 2016
3.3 Long - term provisions		
Provision for employees' benefit:		
Provision for leave encashment	39,765,368	34,616,485
Provision for phantom shares	72,349,000	39,789,000
	<u>112,114,368</u>	<u>74,405,485</u>
3.4 Trade payables		
Outstanding dues of MSMED*	-	-
Outstanding dues of creditors other than MSMED	1,031,667,167	588,542,002
	<u>1,031,667,167</u>	<u>588,542,002</u>
3.5 Other current liabilities		
Statutory liabilities	81,504,857	183,819,246
Outstanding liabilities against expenses*	372,949,070	527,924,734
	<u>454,453,927</u>	<u>711,743,980</u>
<p>(*) The Company does not have any outstanding dues towards small scale industrial undertakings as at 31 March 2017. The Company did not have any outstanding dues to any micro or small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 at any point during the year that were outstanding for a period of more than 45 days from the date of acceptance (as certified by the Management).</p>		
3.6 Short - term provisions		
Provision for employees' benefit:		
Provision for leave encashment	2,989,148	1,867,483
Provision for compensated absence cost	35,205,688	31,131,070
Provision for phantom shares	58,651,000	211,000
Proposed dividend on equity shares (including dividend distribution tax thereon)	-	2,981,018,202
Proposed dividend on preference shares (including dividend distribution tax thereon)	-	21,664,376
	<u>96,845,836</u>	<u>3,035,892,131</u>



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Notes to the accounts
as at 31 March 2017

(Currency: Indian Rupee)

3.7 Fixed assets

Assets	Gross block (at cost)			Depreciation and amortization			Net block			
	As at 1.4.2016	Additions	Deductions	As at 31.03.2017	Up to 1.4.2016	During the Year	Deductions	Addition/ Adjustments	Up to 31.03.2017	As at 31.03.2017
Tangible assets										
Computer	210,601,433	22,045,378	7,502,488	225,144,323	172,086,828	26,021,487	7,502,488	-	190,605,827	34,538,496
Vehicle	10,987,466	-	293,711	10,693,755	6,958,046	1,379,623	217,532	-	8,083,139	2,593,616
Office equipment	89,127,023	7,777,922	4,469,035	93,035,910	79,349,268	3,893,884	4,468,081	-	78,775,071	14,260,839
Furniture	29,023,633	178,752	1,812,948	28,289,437	24,344,984	1,614,341	1,614,713	-	24,344,512	3,944,925
Leasehold improvements	126,476,218	20,332,840	7,348,107	139,460,951	101,622,146	15,753,664	7,348,107	-	110,027,703	29,433,248
Sub total	467,695,773	50,334,892	21,426,289	496,604,376	364,361,272	48,622,901	21,150,920	-	411,833,252	84,771,124
Intangible assets										
Software	111,238,984	19,427,488	-	130,666,472	77,661,489	28,438,790	-	-	106,100,279	24,566,193
Asset management rights	-	2,501,379,375	-	2,501,379,375	-	101,425,794	-	-	101,425,794	2,399,953,581
Sub Total	111,238,984	2,520,806,863	-	2,632,045,847	77,661,489	129,864,584	-	-	207,526,073	2,424,519,774
Grand total	578,934,757	2,571,141,755	21,426,289	3,128,650,223	462,022,761	178,487,485	21,150,920	-	619,359,325	2,509,290,898

As at 31 March 2016

Assets	Gross block (at cost)			Depreciation and amortization			Net block			
	As at 1.4.2015	Additions	Deductions	As at 31.03.2016	Up to 1.4.2015	During the Year	Deductions	Addition/ Adjustments	Up to 31.03.2016	As at 31.03.2016
Tangible assets										
Computer	180,384,332	36,177,502	5,960,400	210,601,433	160,325,899	17,692,287	5,931,268	-	172,086,828	38,514,605
Vehicle	11,209,416	-	241,950	10,967,466	5,818,502	1,359,610	220,066	-	6,958,046	4,009,420
Office equipment	103,625,102	9,164,388	23,062,467	89,727,023	103,279,628	(1,695,663)	22,234,697	-	79,349,268	10,377,755
Furniture	40,043,707	1,893,021	12,013,095	29,923,633	31,788,399	2,470,311	9,913,726	-	24,344,984	5,578,649
Leasehold improvements	145,536,836	28,054,906	46,915,524	126,676,218	137,112,393	11,140,357	46,630,604	-	101,027,146	24,854,072
Sub total	480,599,393	75,289,817	88,193,436	467,695,774	438,334,731	30,986,902	84,930,361	-	384,361,272	83,334,502
Intangible assets										
Software	93,022,595	18,216,389	-	111,238,984	66,368,110	11,353,379	-	-	77,661,489	33,577,495
Sub total	93,022,595	18,216,389	-	111,238,984	66,368,110	11,353,379	-	-	77,661,489	33,577,495
Grand total	573,621,987	93,506,206	88,193,436	578,934,758	504,632,841	42,340,281	84,930,361	-	462,022,761	116,911,997



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Notes to the accounts

as at 31 March 2017

(Currency: INR, except)

Particulars	Face Value	Quantity As at 31.03.2017	Cost / Fair Value As at 31.03.2017	Quantity As at 31.03.2016	Cost / Fair Value As at 31.03.2016
3.8A Non-current investments					
A. Trade Investment (Valued at Cost unless stated otherwise)					
Unquoted Equity Instruments :					
Investment in subsidiaries (Unquoted, fully paid up)					
Reliance Asset Management (Mauritius) Limited	USD 10	196,000	87,662,225	196,000	87,662,225
Reliance Asset Management Singapore Pte Limited	SGD 1	5,742,533	220,189,388	5,742,533	220,189,388
Reliance Asset Management (U.K.) PLC			-	3,240,000	250,310,980
Reliance Capital Pension Fund Limited	INR 10	25,300,000	259,712,500	16,250,000	162,300,000
Reliance AIF Management Company Ltd.	INR 10	510,000	5,100,000	510,000	5,100,000
			572,664,113		728,762,593
Less: Provision for diminution in value of investments			-		250,310,980
			572,664,113		478,451,613
B. Non-Trade investment (valued at cost less provision for diminution)					
(I) Investments in equity shares (Quoted)					
Reliance Industries Limited	INR 10	49,964	34,254,771	49,964	34,254,771
Reliance Communications Limited	INR 5	24,923	10,518,365	24,923	10,518,365
ICICI Bank Limited	INR 2	20,750	5,005,234	20,750	5,005,234
Kotak Mahindra Bank Limited	INR 5	18,480	5,004,126	18,480	5,004,126
			54,782,496		54,782,496
Less: Provision for diminution in value of investments			8,414,692		8,414,692
			46,367,804		46,367,804
(II) Investments in equity shares (Unquoted)					
MF Utilities India Private Limited	INR 1	500,000	500,000	500,000	500,000
			500,000		500,000
(III) A. Investment in mutual fund (Unquoted)					
Reliance Growth Fund- Direct - Growth Option	INR 10	244,576	203,306,502	533,117	411,317,396
Reliance Vision Fund - Retail Plan - Dividend Plan	INR 10	0.00	0.00	2,401,851	100,000,000
Reliance Vision Fund - Direct - Growth Option	INR 10	471,273	209,207,970	418,830	178,000,000
Reliance Focustel Large Cap Fund - Direct - Growth Plan	INR 10	4,227,501	100,000,000	2,469,817	55,000,000
Reliance Equity Opportunities Fund - Direct - Growth Option	INR 10	2,647,034	179,394,402	1,984,745	129,394,402
Reliance Equity Opportunities Fund-Institutional Plan- Dividend Plan	INR 10	-	-	2,838,308	110,000,000
Reliance Top 200 Fund- Direct - Growth Plan	INR 10	9,452,279	215,378,609	5,135,907	105,378,609
Reliance Small Cap Fund - Direct - Growth Plan	INR 10	202,854	5,000,000	205,854	5,000,000
Reliance Regular Savings Fund - Equity Plan - Growth Plan	INR 10	737,754	36,831,883	2,537,754	123,992,810
Reliance Banking Fund - Direct - Growth Plan	INR 10	957,093	165,848,142	576,860	85,848,142
Reliance Long Term Equity Fund - Direct - Growth Plan	INR 10	2,648,940	111,200,000	675,761	21,200,000
Reliance Media & Entertainment Fund - Direct - Growth Plan	INR 10	343,101	17,800,000	343,101	17,800,000
Reliance Pharma Fund - Direct - Growth Plan	INR 10	149,598	20,400,000	149,598	20,400,000
Reliance Diversified Power Sector Fund - Direct - Growth Plan	INR 10	248,441	17,500,000	248,441	17,500,000
Reliance Regular Savings Fund - Balanced Plan - Growth Plan	INR 10	1,568,697	69,000,000	472,260	19,000,000
Reliance Index Fund - Nifty Plan - Direct - Growth Plan	INR 10	1,135,982	13,000,000	1,139,982	15,000,000
Reliance Index Fund - Sensex Plan - Direct - Growth Plan	INR 10	35,472	500,000	49,472	500,000
Reliance Quam Pba Fund - Direct - Growth Plan	INR 10	266,323	5,000,000	266,323	5,000,000
Reliance Arbitrage Advantage Fund-Direct Growth Plan	INR 10	360,085	5,000,000	360,085	5,000,000
Reliance Japan Equity Fund - Direct - Growth Plan	INR 10	5,000,000	50,000,000	5,000,000	50,000,000
Reliance NRI Equity Fund - Direct Plan - Growth Plan	INR 10	83,833	5,000,000	83,833	5,000,000
Reliance Tax Saver Fund-Direct Plan Growth Plan	INR 10	119,547	5,000,000	119,547	5,000,000
Reliance Money Manager Fund - Direct - Growth	INR 10	2,571	5,000,000	2,571	5,000,000
Reliance Liquid Fund - Cash Plan - Direct - Growth Option	INR 1000	2,201	5,000,000	2,201	5,000,000
Reliance Liquid Fund - Treasury Plan - Direct - Growth Option	INR 1000	1,454	5,000,000	1,454	5,000,000
Reliance Liquidity Fund - Direct - Growth Option	INR 1000	2,352	5,000,000	2,352	5,000,000
Reliance Medium Term Fund - Direct - Growth	INR 10	170,328	5,000,000	170,328	5,000,000
Reliance Floating Rate Fund - Short Term Plan - Direct - Growth Plan	INR 10	709,914	13,000,000	709,914	15,000,000
Reliance Gift Securities Fund - Direct - Growth Plan	INR 10	17,001,929	315,000,000	17,001,929	315,000,000
Reliance Short Term Fund - Direct Plan - Growth Option	INR 10	187,303	5,000,000	187,303	5,000,000
Reliance Dynamic Bond Fund - Direct Plan - Growth Plan	INR 10	259,329	5,000,000	259,329	5,000,000
Reliance Income Fund - Direct - Growth Option	INR 10	107,764	5,000,000	107,764	5,000,000
Reliance Monthly Income Plan - Direct - Growth Plan	INR 10	485,824	15,000,000	485,824	15,000,000
Reliance Regular Savings Fund - Debt Plan - Direct - Growth Plan	INR 10	818,724	15,000,000	818,724	15,000,000
Reliance Corporate Bond Fund - Direct - Growth Plan	INR 10	500,000	5,000,000	500,000	5,000,000
Reliance Retirement Fund - Income Generation Scheme-Direct - Growth	INR 10	4,500,000	45,000,000	4,500,000	45,000,000
Reliance Retirement Fund - Wealth Creation Scheme-Direct -Growth	INR 10	500,000	5,000,000	500,000	5,000,000
Reliance Equity Savings Fund - Direct - Growth Plan	INR 10	500,000	5,000,000	500,000	5,000,000
Reliance US Equity Opportunity Fund - Direct Growth Plan	INR 10	1,500,000	15,000,000	1,500,000	15,000,000
Reliance Dual Advantage Fixed Tenure Fund VIII - Plan C - Direct - Growth	INR 10	2,000,000	20,000,000	2,000,000	20,000,000
Reliance Banking & PSU Debt Fund - Direct - Growth Plan	INR 10	34,826,514	405,000,000	500,000	3,000,000
1IDFC Charity Fund for Cancer Cure - Arbitrage Plan	INR 10	1,000,000	10,000,000		
			2,346,367,589	57,751,142	1,987,821,301



(III) B. Investments in mutual fund (Quoted)

R* Shares CNX 100 Fund - Dividend Plan	INR 10	366,723	20,000,000	366,723	20,000,000
R* Shares Consumption Fund - Dividend Plan	INR 10	3,746,651	99,999,989	3,746,651	99,999,989
R* Shares Dividend Opportunities Fund - Dividend Plan	INR 10	5,817,301	99,999,986	5,817,301	99,999,986
R* Shares Sensex ETF - Dividend Plan	INR 10	373,070	99,999,938	373,070	99,999,938
R* Shares Nifty Bees	INR 10	15,303	11,964,196	150,000	11,964,808
R* Shares Bank Bees	INR 10	16,774	17,033,203	10,000	17,036,217
Reliance Close Ended Equity Fund - Series A - Direct - Dividend Plan	INR 10	10,000,000	100,000,000	10,000,000	100,000,000
Reliance Gold savings Fund - Direct - Growth Plan	INR 10	4,731,897	68,413,609	4,731,897	68,413,609
Reliance Fixed Horizon Fund - XXII Series 32 - Dividend Plan	INR 10	5,000,000	50,000,000	5,000,000	50,000,000
Reliance Fixed Horizon Fund - XXV Series 35 - Direct - Growth Plan	INR 10	1,200,000	12,000,000	1,200,000	12,000,000
Reliance Fixed Horizon Fund - XXVI Series 6 - Direct - Growth Plan	INR 10	2,300,000	25,000,000	2,300,000	25,000,000
Reliance Fixed Horizon Fund - XXVII Series 7 - Direct - Growth Plan	INR 10	2,600,000	26,000,000	2,600,000	26,000,000
Reliance Fixed Horizon Fund - XXVII Series 32 - Direct - Growth Plan	INR 10	5,000,000	50,000,000	5,000,000	50,000,000
Reliance Fixed Horizon Fund - XXVII Series 6 - Direct - Growth Plan	INR 10	6,350,000	63,500,000	6,550,000	63,500,000
Reliance Fixed Horizon Fund - XXVIII Series 2 - Direct - Growth Plan	INR 10	300,000	3,000,000	300,000	3,000,000
Reliance Fixed Horizon Fund - XXX - Series 6 - Direct - Growth Plan	INR 10	2,750,000	27,500,000	2,750,000	27,500,000
Reliance Fixed Horizon Fund - XXXVIII Series 19 - Direct - Growth Plan	INR 10	150,000	1,500,000	150,000	1,500,000
Reliance Fixed Horizon Fund - XXX - Series 4 - Direct Growth Plan	INR 10	35,000,000	350,000,000	35,000,000	350,000,000
Reliance Fixed Horizon Fund - XXX - Series 12 - Direct Growth Plan	INR 10	2,000,000	20,000,000	2,000,000	20,000,000
Reliance Fixed Horizon Fund - XXX - Series 17 - Direct Growth Plan	INR 10	3,000,000	30,000,000	3,000,000	30,000,000
Reliance Fixed Horizon Fund - XXX - Series 19 - Direct Growth Plan	INR 10	5,000,000	50,000,000	-	-
Reliance Fixed Horizon Fund - XXXII - Series 9 - Direct Growth Plan	INR 10	1,000,000	10,000,000	-	-
Reliance Fixed Horizon Fund - XXXIII - Series 7 - Direct Growth Plan	INR 10	3,000,000	30,000,000	-	-
Reliance Gold ETF	INR 10	2,173	3,023,101	2,250	5,023,219
R*Shares Intra BeEs	INR 10	10,000	2,839,903	-	-
R*Shares Junior BeEs	INR 10	32,000	7,426,032	-	-
R*Shares PSU Bank BeEs	INR 10	15,000	5,081,480	-	-
CPSE ETF	INR 10	200,000	5,051,406	-	-
R*Shares Liquid BeEs	INR 10	6,160	3,159,771	-	-
R*Shares Shariah BeEs	INR 10	1,170	228,441	-	-
R*Shares Hang Seng BeEs	INR 10	300	677,730	-	-
R*SIARES LONG TERM GILT ETF - GROWTH PLAN	INR 10	11,033,444	169,999,996	-	-
R*Shares NV20 ETF	INR 10	13,444	4,999,891	13,444	4,999,891
			1,474,404,690	91,255,338	1,187,039,777

(IV) Investments in debentures or bonds (Quoted)

6.72% IRFC Tax Free Bonds 20-Dec-2020	INR 100000	2,500	250,000,000	2,500	250,000,000
8.39% National Highways Authority Of India Bonds 25-Jan-2027	INR 1000	61,809	61,809,000	61,809	61,809,000
8.30% PFC Tax Free Bonds 01-Feb-2027	INR 1000	300,000	316,029,728	300,000	317,666,788
5.66% NTPC Tax Free Bonds 16-Dec-2023	INR 1000	94,995	94,995,000	94,995	94,995,000
8.76% NHAI Tax Free Bonds 13-Jan-2034	INR 5000	36,098	180,490,000	36,098	180,490,000
8.59% NHAI Tax Free Bonds 05-Feb-2029	INR 1000	200,000	200,000,000	200,000	200,000,000
7.11% NTPC Tax Free Bonds 05-Oct-2025	INR 1000	62,457	62,457,000	62,457	62,457,000
7.28% IRFC Tax Free Bond 20-Dec-2030	INR 1000	120,800	120,800,000	120,800	120,800,000
7.35% NHAI Tax Free Bond 10-Jan-2031	INR 1000	42,855	42,855,000	42,855	42,855,000
7.11% PFC Tax Free Bonds 17-Oct-2025	INR 1000	23,670	23,670,000	23,670	23,670,000
			1,355,105,728		1,356,742,788

(V) Investment in Preference Shares (Unquoted, Fully Paid Up)

L&T Finance Holdings Limited - 8.40% Cumulative Preference Shares	INR 100	3,010,000	302,020,324	3,010,000	304,185,547
Zee Entertainment Enterprises Limited - 6% Cumulative Preference Shares	INR 1	2980/00/00	269,057,106	298,600,000	257,424,229
			571,077,430		561,609,776
Total Non Current Investments			6,306,487,770		5,615,943,119

Notes:

1. Quoted investments					
Aggregate of Book value			2,875,878,223		2,591,050,369
Aggregate of Market value			3,208,879,327		2,794,913,568
2. Unquoted investments					
Aggregate of Book value			3,490,609,053		3,024,892,750
3. Provision for diminution in value of investments			3,414,692		328,725,672



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Notes to the accounts

as at 31 March 2017

(Currency: Indian rupees)

Particulars	Face Value	Quantity As at 31.03.2017	Cost / Fair Value As at 31.03.2017	Quantity As at 31.03.2016	Cost / Fair Value As at 31.03.2016
3.8B Current investments					
Current investments (At cost or market value whichever is less)					
(I) Investment in Mutual Fund (Unquoted)					
Reliance Liquid Fund - Treasury Plan - Direct - Growth Option	INR 1000	406,606	1,602,129,159	158,882	585,828,790
Reliance Medium Term Fund - Direct - Growth	INR 10	5,872,175	200,000,000	25,301,483	800,000,000
Reliance Money Manager Fund - Direct - Growth	INR 10	121,487	276,000,000	-	-
Reliance Short Term Fund - Growth Plan - Growth Option	INR 10	7,502,553	152,720,701	7,502,553	152,720,701
Reliance Short Term Fund - Direct Plan - Growth Option	INR 10	12,911,609	356,857,273	11,357,467	275,167,579
Reliance Income Fund - Growth Plan - Growth Option	INR 10	-	-	5,279,636	200,000,000
Reliance Dynamic Bond Fund - Direct Plan - Growth Plan	INR 10	38,184,049	621,440,382	74,192,960	1,207,480,676
			<u>3,209,147,516</u>		<u>3,221,197,746</u>
(II) Investment in mutual fund (Quoted)					
Reliance Yearly Interval Fund - Series 1 - Direct Plan - Growth Plan	INR 10	-	-	18,380,495	200,000,000
Reliance Yearly Interval Fund - Series 3 - Direct Plan - Growth Plan	INR 10	-	-	10,000,000	100,000,000
Reliance Yearly Interval Fund - Series 7 - Direct Plan - Growth Plan	INR 10	3,250,170	42,000,000	-	-
Reliance Interval Fund - II - Series 4 - Direct Plan - Growth Plan	INR 10	12,000,000	120,000,000	12,000,000	120,000,000
			<u>162,000,000</u>		<u>420,000,000</u>
			<u>3,371,147,516</u>		<u>3,641,197,746</u>
Total Current Investment					
			<u>3,371,147,516</u>		<u>3,641,197,746</u>
Notes:					
1. Quoted investments					
			162,000,000		420,000,000
			<u>201,904,450</u>		<u>520,487,735</u>
2. Unquoted investments					
			<u>3,209,147,516</u>		<u>3,221,197,746</u>

Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Notes to the accounts

as at 31 March 2017

(Currency: Indian Rupees)

Particulars	As at	
	31 March 2017	31 March 2016
3.9 Deferred tax assets		
<i>Deferred tax asset arising on account of timing differences in:</i>		
Depreciation on fixed assets	(1,546,676)	70,387,161
Employees' compensation	72,311,128	47,637,888
Straightlining of lease rentals	5,168,677	4,094,473
	<u>75,873,129</u>	<u>122,119,522</u>
3.10 Long - term loans and advances		
Capital advances	8,886,192	14,213,574
Loans and advances to related parties (Unsecured, considered good)		
Intercorporate deposits to related parties	25,000,000	123,000,000
Parties other than related parties (Unsecured, considered good)		
Intercorporate deposits	500,000,000	1,000,000,000
Loans to employees	1,500,000	1,500,000
Security deposits	195,524,715	55,166,257
Advances recoverable in cash or in kind or for value to be received	566,490	1,252,713,195
Prepaid expenses	420,664,440	938,777,905
Advance tax paid	216,801,006	386,522,527
(net of provision of income tax Rs. 3,999,630,655 (FY Rs. 3,568,193,646))		
	<u>1,368,932,841</u>	<u>3,771,893,458</u>
3.11 Other non - current assets		
Other bank balances		
Fixed deposits with residual maturity of more than 12 months	72,908,665	72,374,623
	<u>72,908,665</u>	<u>72,374,623</u>
The above deposits have been bened for business purpose (Refer Note 3.23)		
3.12 Trade receivables (Unsecured, considered good)		
Outstanding for more than six months		
Others	406,450,714	469,947,616
	<u>406,450,714</u>	<u>469,947,616</u>
3.13 Cash and bank balance		
Cash and cash equivalents		
Cash on hand		49,248
Balance with banks in current accounts	47,423,550	168,222,192
Fixed deposits		250,000,000
	<u>47,423,550</u>	<u>418,271,440</u>
3.14 Short - term loans and advances		
Loans and advances to related parties (unsecured, considered good)	12,748,392	7,653,079
Intercorporate deposits to related parties		400,000,000
Parties other than related parties (Unsecured, considered good)		
Intercorporate deposits	3,765,000,000	1,750,000,000
Loans to employees	2,910,802	7,938,777
Prepaid expenses	1,421,634,722	1,732,134,413
Security deposits		82,218,546
Service tax credit-unutilised	432,324,323	411,620,691
Advances recoverable in cash or in kind or for value to be received	75,368,766	90,743,146
Advance tax paid		10,682,389
	<u>5,709,957,505</u>	<u>4,492,991,041</u>
3.15 Other current assets		
Dividend receivable	17,915,900	17,916,000
Interest accrued	231,752,254	100,700,443
Income accrued	20,395,919	26,091,852
	<u>270,064,173</u>	<u>144,708,295</u>



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Notes to the accounts

for the year ended 31 March 2017

(Currency: Indian rupees)

Particulars	Year ended	
	31 March 2017	31 March 2016
3.16 Revenue from operations - Management fees		
Investment Management Fees (net of service tax)	12,266,984,223	11,208,782,956
Portfolio Management Fees (including advisory fees net of service tax)	429,348,780	433,188,690
	<u>12,696,333,003</u>	<u>11,641,971,646</u>
3.17 Other income		
Dividend on:		
Long term investment	63,372,761	96,733,864
Profit on sale of investments		
Long term investment	415,591,270	455,465,124
Current investment	118,013,519	88,871,269
Interest Income		
Long term investment	106,005,551	94,090,137
Current investment	-	2,343,698
Interest on Inter corporate deposit	532,733,063	306,356,094
Interest on income tax refund	52,947,327	-
Interest on others	6,958,432	8,518,120
Profit on sale of fixed assets	299,902	541,902
Others	12,117,319	15,804,802
	<u>1,308,039,144</u>	<u>1,068,725,008</u>
3.18 Employee benefits expense		
Salaries, allowances and bonus	1,648,038,841	1,867,218,361
Contribution to provident and other funds	81,598,764	73,037,522
Staff welfare expenses	85,987,353	77,783,505
	<u>1,815,624,958</u>	<u>2,018,039,388</u>
3.19 Employees Stock Option Plan (ESOP) :		
(i) a) Pursuant to the shareholder's resolution dated 20 September 2007 the Company had introduced Employee Stock Option Plan I - 2007 under which the Company may grant options to its employees from time to time. The grant of options to the employees under the ESOP scheme was on the basis of their performance and other eligibility criteria. The Plan had been amended and restated vide shareholder's resolution dated 3 February 2011		
b) On 21 December 2007, the Company issued 200,000 equity shares at a price Rs. 2,000 per equity share to Reliance Capital Asset Management Employee Benefits Trust (The Trust) pursuant to the above Plan		
(ii) a) Pursuant to the shareholder's resolution dated 3 February 2011, the Company introduced Employee Stock Option Plan II - 2011 under which the Company may grant options to its employees from time to time. The grant of options to the employees under the ESOP scheme was on the basis of their performance and other eligibility criteria.		
b) On 30 March 2011, the Company issued 50,000 equity shares at a price Rs. 3,009 per equity share to the Trust.		
(iii) All above options were planned to be settled in cash or equity at the time of exercise and had maximum period of 7 years from the date of vesting. The options existing during the year were as follows:		
a) Year 2007		
The option under ESOP I - 2007 at an exercise price of Rs. 2,000 per share and vest on a graded basis as follows:		
Grant date	28 Sept 2007	
Vesting schedule		
on completion of 3 years	30%	
on completion of 4 years	30%	
on completion of 5 years	40%	



Notes to the accounts

for the year ended 31 March 2017

3.19 b) Year 2011

The option under ESOP I - 2007 at an exercise price of Rs. 3,009 per share and vest on a graded basis as follows:

Grant date	30 March 2011
Vesting schedule	
on completion of 1 year	30%
on completion of 2 years	30%
on completion of 3 years	40%

c) Year 2011

The option under ESOP I - 2007 and Plan II - 2011 at an exercise price of Rs. 3,009 per share and vest on a graded basis as follows:

Grant date	30 March 2011
Vesting schedule	
on completion of 1 year	10%
on completion of 2 years	10%
on completion of 3 years	20%
on completion of 4 years	20%
on completion of 5 years	40%

(iv) The information concerning stock options granted, exercised, forfeited and outstanding at the year-end is as follows:

	As at 31 March 2017		As at 31 March 2016	
	Number of stock options	Weighted average exercise price (Rs.)	Number of stock options	Weighted average exercise price (Rs.)
Number of shares under option:				
a) Year 2011				
Outstanding at beginning of year	-	-	810	3,009
Granted	-	-	-	-
Exercised	-	-	650	3,009
Cancelled or expired	-	-	160	-
Outstanding at the year end	-	-	-	-
Exercisable at end of year	-	-	-	-
b) Year 2011				
Outstanding at beginning of year	-	-	70,385	3,009
Granted	-	-	-	-
Exercised	-	-	63,476	3,009
Cancelled or expired	-	-	6,909	-
Outstanding at the year end	-	-	-	3,009
Exercisable at end of year	-	-	-	3,009

The scheme was wound up on 7 March 2016

(v) During the year, the performance linked incentive of Rs. 199,992,236 was paid by the Trust out of its surplus funds.



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Notes to the accounts

for the year ended 31 March 2017

(Currency: Indian rupee)

3.20 Disclosure pursuant to Accounting Standard - 15 (Revised) " Employee Benefits" :

A Defined Contribution Plans:

Amount of Rs. 63,746,646 (PY Rs. 56,145,001) is recognised as an expense for provident fund and superannuation fund included in "Employee benefits expense" - refer note "3.18" of the Statement of profit and loss.

B Defined Benefit Plans:

i Reconciliation of opening and closing balances of the Present Value of the Defined Benefit Obligation :

	Gratuity Benefit - Funded		Leave Benefit - Unfunded	
	2017	2016	2017	2016
a. Present value of Defined Benefit Obligation at the beginning of the year	30,137,229	94,169,252	36,483,968	32,663,629
b. Interest cost	10,046,594	7,542,957	2,816,562	2,613,090
c. Current service cost	15,690,589	12,047,863	7,632,913	8,165,907
d. Actuarial Losses / (Gains)	8,274,591	33,524,596	(1,423,653)	(1,567,932)
e. Benefits paid	(7,547,672)	(17,147,439)	(2,755,274)	(5,390,726)
f. Present value of Defined Benefit Obligation at the close of the year	56,601,331	130,137,229	42,754,516	36,483,968

ii Changes in the fair value of Plan Assets and the reconciliation thereof:

	Gratuity Benefit - Funded		Leave Benefit - Unfunded	
	2017	2016	2017	2016
a. Fair value of Plan Assets at the beginning of the year	31,545,331	64,117,544	-	-
b. Add: Expected return on Plan Assets	10,155,300	5,135,815	-	-
c. Add / (Less) : Actuarial (Losses) / Gains	5,104,262	(2,412,297)	-	-
d. Add: Contributions	20,000,000	81,851,708	2,755,274	5,390,726
e. Less: Benefits Paid	(7,547,672)	(17,147,439)	(2,755,274)	(5,390,726)
f. Fair value of Plan Assets at the close of the year	59,257,221	131,545,331	-	-

iii. Amount Recognised in the Balance Sheet including a reconciliation of the present value of the defined obligation in (i) and the fair value of the plan assets in (ii) to the assets and liabilities recognised in the balance sheet:

	Gratuity Benefit - Funded		Leave Benefit - Unfunded	
	2017	2016	2017	2016
a. Present value of Defined Benefit obligation	56,601,331	130,137,229	42,754,516	36,483,968
b. Less: Fair value of Plan Assets	59,257,221	131,545,331	-	-
c. Present value of unfunded obligation	(2,655,890)	(1,408,102)	42,754,516	36,483,968
d. Net Liability/(Asset) recognised in the Balance sheet	-	-	42,754,516	36,483,968

iv. Amount recognised in the statement of profit & loss are as follows :

	Gratuity Benefit - Funded		Leave Benefit - Unfunded	
	2017	2016	2017	2016
a. Current Service Cost	15,690,589	12,047,863	7,632,913	8,165,907
b. Interest Cost	(108,706)	2,407,142	2,816,562	2,613,090
c. Expected return on Plan Assets	-	-	-	-
d. Actuarial Losses / (Gains)	3,170,329	35,936,893	(1,423,653)	(1,567,932)
e. Past service costs	-	-	-	-
f. Effect of curtailment / settlement	-	-	-	-
g. Adjustments for earlier years Recognised in the Statement of Profit and Loss	-	-	-	-
h. Total	18,752,212	50,391,898	9,025,822	9,211,065

v. Broad Categories of plan assets as a percentage of total assets

	Gratuity Benefit - Funded		Leave Benefit - Unfunded	
	2017	2016	2017	2016
a. Government of India Securities	28.14%	24.51%	UNFUNDED	UNFUNDED
b. State Government Securities	-	-		
c. Corporate Bonds	26.69%	30.39%		
d. Fixed Deposit under Special Deposit Scheme	-	-		
e. Equity Shares	18.39%	19.20%		
f. Money market instruments	13.55%	25.91%		
g. Public Sector Bonds	-	-		
h. Others	13.23%	-		
	100.00%	100.00%		



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Notes to the accounts

for the year ended 31 March 2017

(Currency: Indian rupees)

vi. Actuarial Assumptions as the Balance sheet date:

	Gratuity		Leave Benefit	
	2017	2016	2017	2016
a. Discount Rate	7.28%	7.72%	7.28%	7.72%
b. Expected rate of return on Plan Assets	7.28%	7.72%	-	-
c. Salary Escalation rate -- Management Staff	6.00%	6.00%	6.00%	6.00%
d. Attrition rate	For Service 4 yrs & below 6% p.a. & 6% thereafter	For Service 4 yrs & below 16% p.a. & 6% thereafter	For Service 4 yrs & below 16% p.a. & 6% thereafter	For Service 4 yrs & below 16% p.a. & 4% thereafter

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

vii. General Descriptions of significant defined plans:

a. **Gratuity Plan :**

Gratuity is payable to all eligible employees of the Company on superannuation, death and permanent disablement, in terms of the provisions of the Payment of Gratuity Act 1972 or as per the Company's Scheme whichever is more beneficial.

b. **Leave Plan :**

Encashment of leave can be availed by the employee for the balance in the earned account as on 1 January 2009. All carry forward earned leaves are available for availment but not encashment. Leave can be encashed subject to available balance of more than 15 days.

viii. Five-year information

Amounts for the current and the previous four years are as follows:

Gratuity	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
Defined benefit obligation	156,601,331	30,137,229	94,169,252	52,737,106	53,298,873
Fair value of plan assets	159,257,221	31,545,331	64,117,544	59,153,647	63,305,699
(Surplus) / deficit in the plan	(2,655,890)	(1,408,102)	66,519,957	(6,416,541)	(10,006,826)
Experience adjustment arising on Obligation	2,618,818	19,049,124	9,380,172	(1,436,665)	4,283,296
Experience adjustment arising on plan Assets	5,104,262	(2,412,297)	-	(565,854)	103,975

C. **Other employee benefits :**

i. Details of phantom stock/units granted subject to the term and conditions as per Phantom stock scheme:

Date of grant	01 December 2015
Appreciation as per Phantom stock Option	Excess of 'fair market value of share on the date of exercise' / 'NAV of unit on the date of exercise' determined in term of the Phantom Stock Option Scheme over 'the Base Price' / 'the Base NAV'
Exercise Period	In case of continuation of employment: Vested Phantom Stock Options can be exercised any time up to 3 year from the date of last vesting of Phantom stock Options; and In case of cessation of employment : Different periods depending on kind of cessation as per provision of the Phantom Stock Option scheme.
Settlement of Phantom Stock Options	Within 90 days from the date of exercise by cash.

ii. The fair value of the options granted was estimated on the date of grant with the following assumptions:

Particulars	31 March 2017	31 March 2016
Discount rate	6.77%	7.72%
Expected Life	5 years	5 years

iii. The Company's liability towards the scheme is accounted for on the basis of an independent actuarial valuation done at the year end. The valuation of the shares/units is done considering the intrinsic value and the progression of share/unit price up to the exercise of the option.



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Notes to the accounts
for the year ended 31 March 2017
 (Currency: Indian rupees)

Particulars	Year ended	
	31 March 2017	31 March 2016
3.21 Administrative and other expenses		
Legal and professional charges	435,113,942	317,493,725
Rent	200,361,485	152,679,550
Conveyance and travelling	98,288,995	81,613,223
Communication	129,994,767	60,537,630
Filing fees and stamp duty	23,493,000	27,333,206
Office administration	92,551,085	74,986,468
Membership and subscription	54,990,280	31,816,729
Electricity	42,746,809	31,916,726
Seminar and training	40,369,128	35,523,545
Repairs and maintenance	47,269,348	73,526,772
Printing and stationary	75,035,617	47,615,491
Software repair and maintenance	109,884,579	87,646,089
Courier charges	71,367,690	87,710,773
Insurance	8,658,415	19,536,239
Auditors remuneration:		
Audit fees	1,809,000	1,800,000
Certification matters	1,235,748	-
Other matters	4,174,525	1,553,029
Out of pocket expenses	107,535	24,000
Director sitting fees	4,272,953	3,115,801
Donation	-	634,720
Net loss on foreign currency transactions and translations	935,774	-
Outsourced business service (Refer note 2.10)	875,178,402	802,248,651
Miscellaneous expenses	15,987,485	23,229,372
Corporate social responsibility expense	90,000,000	76,730,000
Rates and taxes	7,119,232	18,151,848
	<u>2,430,945,794</u>	<u>2,057,423,587</u>
3.22 Marketing and publicity expenses		
Marketing expenses	586,151,803	378,254,504
Advertisement	602,083,764	249,466,756
Brokerage, incentives and others	2,569,988,030	3,002,448,343
	<u>3,758,223,597</u>	<u>3,630,169,603</u>
3.23 Contingent liability and commitments:		
	2017	2016
a) Contingent liability		
Guarantees to Banks and Financials Institutions (against Fixed deposits)	111,094,329	110,900,850
Claims against the Company not acknowledged as debts	58,721,656	50,576,188
	<u>169,815,985</u>	<u>161,477,038</u>
b) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided.	24,145,616	8,357,509



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management L

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for the year ended 31 March 2017

(Currency: Indian rupees)

3.24 Related Party Disclosure:

A. List of Related Parties and their relationship:

i) Holding Company

Reliance Capital Limited

ii) Subsidiary of Holding Company

Reliance Asset Management (Singapore) Pte. Limited

Reliance Asset Management (Mauritius) Limited

Reliance Capital Pension Fund Limited

Reliance AIF Management Company Limited

Reliance Capital Trustee Co. Limited

Reliance General Insurance Company Limited

Reliance Nippon Life Insurance Company Limited (formerly Reliance Life Insurance Company Limited)

Reliance Commercial Finance Limited (formerly Reliance Gilts Limited)

Reliance Money Precious Metals Private Limited

Reliance Home Finance Limited

Reliance Securities Limited

Reliance Commodities Limited

Reliance Financial Limited

Reliance Wealth Management Limited

Reliance Money Solutions Private Limited

Reliance Exchangenext Limited

Reliance Spot Exchange Infrastructure Limited

Reliance Capital AIF Trustee Company Private Limited

Quant Capital Private Limited

Quant Broking Private Limited

Quant Securities Private Limited

Quant Investment Services Private Limited

iii) Subsidiaries

Reliance Asset Management (Singapore) Pte Limited

Reliance Asset Management (Mauritius) Limited

Reliance Asset Management (UK) Limited (upto 14th June 2016)

Reliance Capital Pension Fund Limited

Reliance AIF Management Company Limited

iv) Significant Shareholders

Nippon Life Insurance Company

B. Significant Influence:

Reliance Communications Infrastructure Limited

Reliance IDC Limited

Reliance Communications Limited

Reliance Webstore Limited

Zapak Digital Entertainment Limited

C. Key Management personnel:

Sundeep Sikka (Whole Time Director) w.e.f. 22 April 2016



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Notes to the accounts
for the year ended 31 March 2017
(Currency: Indian rupee)

C. Transaction during the year with related parties:

Sr. No.	Nature of Transaction	Holding Company	Subsidiary	Fellow Subsidiary	Significant Shareholder	Significant Influence	Total
I	Transactions during the year						
A	Inter corporate deposit given						
	Reliance AIF Management Company Ltd.	-	55,000,000 (100,000,000)	-	-	-	55,000,000 (100,000,000)
	Reliance Securities Limited	-	-	(400,000,000)	-	-	(400,000,000)
B	Repayment of inter corporate deposit						
	Reliance Securities Limited	-	-	400,000,000	-	-	400,000,000
	Reliance AIF Management Company Ltd.	-	153,000,000 (42,000,000)	-	-	-	153,000,000 (42,000,000)
C	Purchase of equity shares of Reliance Capital Pension Fund Ltd						
	Reliance Commercial Finance Limited (formerly Reliance Gifts Limited)	-	-	97,212,500	-	-	97,212,500
D	Interest income						
	Reliance AIF Management Company Ltd.	-	9,534,349 (8,924,672)	-	-	-	9,534,349 (8,924,672)
	Reliance Securities Limited	-	-	20,890,412 (493,150)	-	-	20,890,412 (493,150)
E	Director sitting fees						
	Nippon Life Insurance Company	-	-	-	1,240,000 (630,000)	-	1,240,000 (630,000)
F	Rent and other expenses						
	Reliance General Insurance Company Ltd.	-	-	753,293 (530,644)	-	-	753,293 (530,644)



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Notes to the accounts
for the year ended 31 March 2017
(Currency: Indian rupees)

C. Transaction during the year with related parties:

Sr. No.	Nature of Transaction	Holding Company	Subsidiary	Fellow Subsidiary	Significant Shareholder	Significant Influence	Total
G	Insurance Charges (net of claims received)						
	Reliance General Insurance Company Ltd.	-	-	33,169,393 (31,065,757)	-	-	33,169,393 (31,065,757)
	Reliance Nippon Life Insurance Company Limited (formerly Reliance Life Insurance Company Limited)	-	-	25,933,449	-	-	25,933,449
		-	-	-	-	-	-
H	Brokerage						
	Reliance Money Solutions Private Limited	-	-	360,742 (2,085,477)	-	-	360,742 (2,085,477)
	Reliance Securities Limited	-	-	2,063,358 (764,859)	-	-	2,063,358 (764,859)
		-	-	-	-	-	-
I	Reimbursement of expenses charged						
	Reliance Capital Pension Fund Limited	-	1,191,036 (457,846)	-	-	-	1,191,036 (457,846)
	Reliance AIF Management Company Ltd.	-	18,870,074 (21,333,969)	-	-	-	18,870,074 (21,333,969)
		-	-	-	-	-	-
J	Reimbursement of expenses paid						
	Reliance Capital Limited	26,965,844 (17,407,586)	-	-	-	-	26,965,844 (17,407,586)
	Nippon Life Insurance Company	-	-	-	4,142,048 (2,409,576)	-	4,142,048 (2,409,576)
		-	-	-	-	-	-
K	Management fee expense						
	Reliance Capital Limited	60,000,000 (60,000,000)	-	-	-	-	60,000,000 (60,000,000)
		-	-	-	-	-	-



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Notes to the accounts
for the year ended 31 March 2017
(Currency: Indian rupees)

C. Transaction during the year with related parties:

Sl. No.	Nature of Transaction	Holding Company	Subsidiary	Fellow Subsidiary	Significant Shareholder	Significant Influence	Total
L	Advisory Fee Income Reliance Asset Management (Singapore) Pte Ltd	-	32,890,535 (15,339,456)	-	-	-	32,890,535 (15,339,456)
M	Networking / communication expenses Reliance Communications Infrastructure Limited Reliance Communication Limited Reliance IDC Limited Reliance Westore Limited	-	-	-	-	6,847,576 (19,759,365) 22,678,398 (28,034,470) 10,419,146 9,096,722	6,847,576 (19,759,365) 22,678,398 (28,034,470) 10,419,146 9,096,722
N	Marketing expenses Zapak Digital Entertainment Ltd	-	-	-	-	3,784,404 (28,863,392)	3,784,404 (28,863,392)
O	Key management personnel Sunjeep Sikka	-	-	-	-	84,164,600	84,164,600
II	Balances outstanding at the end of the year						
A	Loans and advances to related parties Reliance Securities Limited Reliance AIF Management Company Ltd Reliance Nippon Life Insurance Company Limited (formerly Reliance Life Insurance Company Limited) Reliance General Insurance Company Ltd.	-	- 25,000,000 (123,000,000)	(400,000,000) 11,358,811 (8,846,176) 1,389,581 (7,653,079)	-	-	(400,000,000) 25,000,000 (123,000,000) 11,358,811 (8,846,176) 1,389,581 (7,653,079)
B	Trade receivables Reliance Asset Management (Singapore) Pte Ltd	-	4,094,226	-	-	-	4,094,226

Refer note 3.8(A) for investment in subsidiaries

Note: Related Party Relationship is as identified by the Company.
(Previous year figures are in brackets)



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Notes to the accounts

for the year ended 31 March 2017

(Currency: Indian rupees)

3.25 Earning Per Share (EPS)

	2017	2016
Net profit attributable to equity shareholders (after preference dividend)	4,047,750,714	3,701,754,221
Weighted average number of equity shares outstanding	11,520,000	11,520,000
Basic and diluted EPS	351.37	321.33

3.26 Corporate social responsibility (CSR)

a) Gross amount required to be spent by the company during the year was Rs. 88,889,500 (FY Rs 76,727,003) as per calculation.

b) Amount spent during the year on :

Particulars	In Cash	Yet to be paid in Cash	Total
Construction/acquisition of any assets	-	-	-
On purposes other than above	90,000,000	-	90,000,000

3.27 Expenditure in foreign currency (including expenses incurred at Foreign Branch):

	2017	2016
Salary and benefits	33,263,416	26,981,151
Travelling	6,150,844	5,925,475
Professional fees and consultancy	14,870,317	14,890,234
Other expenses	11,314,205	4,908,942
	65,598,782	52,705,802

3.28 Earnings in foreign currency:

	2017	2016
PMS & Advisory Fees	262,344,770	199,779,200
	262,344,770	199,779,200

3.30 Segment Reporting

The Company is in the business of providing asset management services to the fund and portfolio management service to clients. The primary segment is identified as asset management services. As such the Company's financial statements is largely reflective of the asset management business and there is no separate reportable segment.

Pursuant to Accounting Standard (AS) 17 Segment Reporting, no segment disclosure has been made in these financial statements, as the Company has only one geographical segment and no other separate reportable business segment.

3.31 Dividend remittances in foreign currency:

The Company remits the dividend to all shareholders including non-resident shareholders in Indian rupees (INR).

3.32 Details of Specified Bank Notes (SBN) held and transacted during the period from 8 November 2016 to 30 December 2016 as provided in the table below

	SBNs	Other denomination notes	Total
Closing Cash in hand as on 08.11.2016	24,000	37,499	61,499
(*) permitted receipts	-	338,606	338,606
(+) permitted payments	-	332,637	332,637
(-) Amount deposited in Banks	24,000	-	24,000
Closing Cash in hand as on 31.12.2016	-	43,468	43,468

3.33 Asset Management Right:

During the previous year, the Company and Reliance Capital Trustee company Limited had jointly entered into a scheme Transfer Agreement with Goldman Sachs Asset Management (India) Private Limited, Board of Trustees of Goldman Sachs Mutual Fund and Goldman Sachs Asset Management, L P to acquire the right to manage and administer the schemes of Goldman Sachs Mutual Fund, the right to assume the trusteeship of the schemes of Goldman Sachs Trustee company (India) Private Limited and takeover of the schemes of Goldman Sachs Mutual Fund respectively. The said transaction has been approved by the relevant regulatory authorities and the Unit holders of the Schemes of Goldman Sachs Mutual Fund in the current year. The amount paid along with the incidental expenditure incurred thereon aggregating to Rs. 2501,379,375 has been treated as Asset management Right as intangible asset. The Asset management Right will be amortized over a period of 120 months. For the year ended March 31, 2017, an amount of Rs.101,425,794 has been amortized. Balance life of Asset Management Right is 115 months.



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Notes to the accounts

for the year ended 31 March 2017

(Currency: Indian rupees)

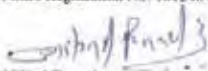
3.34 International Subsidiaries:

During the year the UK subsidiary of the Company has been struck off by the Companies House, Register of Companies London, as per the application made by the Company in previous year. The company has written off the investment cost entirely for non recoverability which was fully provided in the previous year.

3.35 The Company has developed a system of maintenance of information and documents as required by the transfer pricing legislation under section 92 – 92F of the Income Tax Act, 1961. Management is of the opinion that all relevant transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statement, particularly on the amount of tax expense and that of provision for taxation.

3.36 Previous year's figures have been regrouped / reclassified, wherever required.

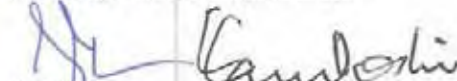
As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 10124RW/W-100022



Milind Ranade
Partner
Membership No. 100564

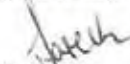
Mumbai, 22 April 2017

For and on behalf of the Board of Directors of
Reliance Nippon Life Asset Management Limited




Sundeep Wilka
Executive Director & CEO
DIN No. 02553654

Kano Doshi
Director
DIN No. 00577409



Prateek Jain
Chief Financial Officer



Ajay Patel
Manager



Deepak Mukhija
Company Secretary

**Reliance Nippon Life Asset
Management Limited**

Consolidated Financial Statements
together with the Independent Auditors' Report
for the year ended 31 March 2017

Reliance Nippon Life Asset Management Limited
Consolidated Financial Statements together with the Independent
Auditors' Report
for the year ended 31 March 2017

Independent Auditors' Report

Balance sheet

Statement of profit and loss

Cash flow statement

Notes to the financial statements

B S R & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

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Independent Auditors' Report

To the Members of Reliance Nippon Life Asset Management Limited *(Formerly known as Reliance Capital Asset Management Limited)*

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Reliance Nippon Life Asset Management Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated balance sheet as at 31 March 2017, the Consolidated statement of profit and loss, the Consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's responsibility for the consolidated financial statements

The Holding Company's Board of directors is responsible for the preparation of these consolidated financial statements in terms of requirements of the Companies Act, 2013 ("hereinafter referred to as the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting audit, we have taken into account the provisions of the Act, accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

Independent Auditors' Report (Continued)

Reliance Nippon Life Asset Management Limited

(Formerly known as Reliance Capital Asset Management Limited)

Auditors' responsibility (Continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control over financial reporting relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and 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 consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditors on separate financial statement of subsidiaries, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other matter

We did not audit the financial statements of 3 subsidiaries whose financial statements reflects total assets of Rs. 660,632,207 as at 31 March 2017, net assets of Rs. 623,834,764 as at 31 March 2017, total revenues of Rs. 149,553,960 and net cash outflows of Rs. 29,772,168 for the year ended 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, and our report in terms of sub section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors. Our opinion on the consolidated financial statements, and our report on legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of subsidiaries as furnished by the management as noted in the 'other matter' paragraph, we report, to the extent applicable, that:

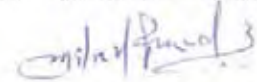
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation 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, 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 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 of the holding Company as on 31 March 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its Indian subsidiary Companies, none of the directors of the Holding Company and Indian subsidiary Companies is disqualified as on 31 March 2017 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 Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"; and
- (g) With respect to the other matters to be included in the Auditors' 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 and based on the consideration of the report of the other auditors on separate financial statements of subsidiaries as furnished by the management as noted in the 'Other matter' paragraph:
 - i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – refer note 3.25 (a) to the consolidated financial statements;
 - ii. the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

B S R & Co. LLP

- iv. the Group has provided requisite disclosures in the consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on audit procedures, standalone financial statements of the Company and the Indian subsidiaries and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Group and as produced to us by the Management – Refer Note 3.30

Mumbai
22 April 2017

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022



Milind Ranade
Partner
Membership No: 100564

Reliance Nippon Life Asset Management Limited

(Formerly known as Reliance Capital Asset Management Limited)

Annexure A to the Independent Auditors' Report – 31 March 2017

(Referred to in our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting of Reliance Nippon Life Asset Management Limited ("the Holding Company") and its subsidiary companies which are companies 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 subsidiary companies, which are companies 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 issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained 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 Company's internal financial controls system over financial reporting.

Reliance Nippon Life Asset Management Limited

(Formerly known as Reliance Capital Asset Management Limited)

Annexure A to the Independent Auditors' Report – 31 March 2017 (Continued)

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India 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 31 March 2017, 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 ICAI.

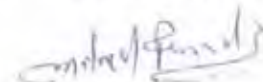
Other matter

Our aforesaid reports 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 one subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Milind Ranade

Partner

Membership No: 100564

Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Consolidated Balance sheet

as at 31 March 2017

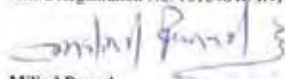
(Currency: Indian rupees)

	Note	31 March 2017	As at 31 March 2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3.1	415,200,000	415,200,000
Reserves and surplus	3.2	18,310,540,751	14,309,025,881
		<u>18,725,740,751</u>	<u>14,724,225,881</u>
Minority interest		-	88,701,535
Non current liabilities			
Other long-term liabilities	3.3	-	509,378
Long - term provisions	3.4	116,022,624	74,794,241
		<u>116,022,624</u>	<u>75,303,619</u>
Current liabilities			
Trade payables			
Outstanding dues of MSMED	3.5	-	-
Outstanding dues of creditors other than MSMED	3.5	1,083,296,067	650,248,388
Other current liabilities	3.6	488,504,325	739,436,539
Short - term provisions	3.7	95,537,514	3,037,703,394
		<u>1,671,337,906</u>	<u>4,427,388,321</u>
TOTAL		<u>20,513,101,281</u>	<u>19,315,619,356</u>
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	3.8	86,548,319	85,479,480
Intangible assets	3.8	2,424,933,280	33,798,375
Non - current investments	3.9A	5,894,770,827	5,271,568,577
Deferred tax assets (net)	3.10	97,125,780	85,615,130
Long - term loans and advances	3.11	1,488,211,522	3,788,617,377
Other non - current assets	3.12	74,125,653	78,653,647
		<u>10,065,715,381</u>	<u>9,343,732,586</u>
Current assets			
Current investments	9B	3,570,401,721	3,835,943,268
Trade receivables	3.13	431,606,702	594,205,247
Cash and bank balance	3.14	397,206,976	795,059,307
Short - term loans and advances	3.15	5,839,927,350	4,601,735,822
Other current assets	3.16	238,243,151	144,943,126
		<u>10,517,385,900</u>	<u>9,971,886,770</u>
TOTAL		<u>20,513,101,281</u>	<u>19,315,619,356</u>

The notes referred to above form an integral part of the financial statements

Significant accounting policies and notes to the accounts 2 and 3

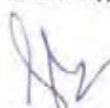
As per our report of even date attached
For BSR & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W-100022



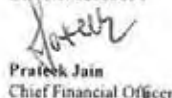
Milind Ranade
Partner
Membership No. 100564

Mumbai, 22 April 2017

For and on behalf of the Board of Directors of
Reliance Nippon Life Asset Management Limited



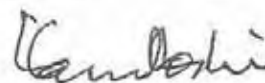
Sundeep Sikka
Executive Director & CEO
DIN No. 02553654



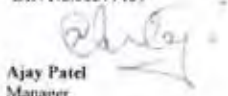
Prateek Jain
Chief Financial Officer



Deepak Mukherjee
Company Secretary



Kanu Doshi
Director
DIN No.00577409



Ajay Patel
Manager

Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Statement of consolidated profit and loss

for the year ended 31 March 2017

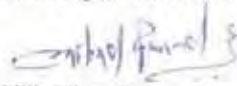
(Currency: Indian rupees)

	Note	Year Ended 31 March 2017	Year ended 31 March 2016
Income			
Revenue from operations - management fees	3.17	13,074,952,937	12,000,861,273
Other income	3.18	1,284,195,892	1,137,337,613
Total revenue		14,359,148,829	13,138,198,886
Expenditure			
Employee benefits expenditure	3.19	1,956,777,905	2,122,700,633
Administrative and other expenditure	3.20	2,559,351,163	2,159,552,799
Marketing and publicity expenditure	3.21	3,892,379,275	3,751,636,334
Depreciation and amortization	3.8	179,116,637	43,086,865
Diminution/(Write back) in value of long term investments		(41,605,847)	37,767,946
Total expenditure		8,546,019,133	8,114,202,677
Profit before tax		5,813,129,696	5,023,996,209
Income tax expenditure			
Current tax (Net of MAT credit entitlement)		(1,737,068,671)	(1,275,869,007)
Excess/ short provision of tax relating to earlier years		(7,930,752)	-
MAT credit asset		29,771,423	290,841,505
MAT credit utilisation		(29,771,423)	(290,841,505)
Deferred tax		(48,489,352)	16,273,942
Profit after tax before share of minority interest		4,019,640,921	3,764,401,144
Less: Share of minority shareholders		-	66,056
Profit after tax		4,019,640,921	3,764,335,088
Basic earning per share of Rs. 10 each		348.93	326.77
Diluted earning per share of Rs. 10 each		348.93	326.77

The notes referred to above form an integral part of the financial statements

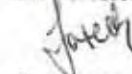
Significant accounting policies and notes to the accounts 2 and 3

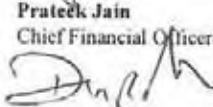
As per our report of even date attached
For BSR & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

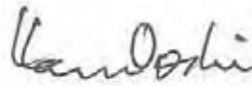

Milind Ranade
Partner
Membership No. 100564

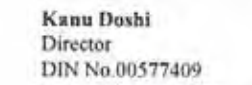
For and on behalf of the Board of Directors of
Reliance Nippon Life Asset Management Limited


Sundeep Sikka
Executive Director & CEO
DIN No. 02553654


Prateek Jain
Chief Financial Officer


Deepak Mukhija
Company Secretary


Kanu Doshi
Director
DIN No.00577409


Ajay Patel
Manager

Mumbai, 22 April 2017

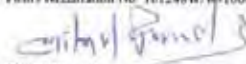
Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Consolidated cash flow statement
for the year ended 31 March 2017

(Currency: Indian rupees)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
A. Cash Flow from Operating Activities		
Profit before tax as per statement of profit and loss for the year	5,813,129,696	5,023,996,209
Adjusted for:		
Depreciation	179,116,637	43,086,865
Amortisation of discount / premiums on investments	(7,830,595)	(8,633,263)
Provision for doubtful debts	-	13,078,265
Dividend income	(63,372,761)	(96,873,058)
Interest income	(701,533,002)	(413,031,414)
(Profit) / on sale of Investment (Net)	(508,797,773)	(507,488,201)
Loss on foreign currency transactions & translations (write back) / Disposition at value of long term investments	1,735,972	2,120,534
profit / (Loss) on sale of fixed Assets / write off	(41,605,847)	37,767,946
Operating profit before working capital changes	299,902	(1,141,987,467)
	4,671,142,229	(541,897)
Decrease / (Increase) in Long Term Loans & Advances	1,644,211,698	(184,191,752)
Decrease in Other Non Current Assets	4,527,994	14,078,430
Decrease / (Increase) in Trade Receivable	162,598,545	(431,919,787)
Decrease in Short Term Loans & Advances	376,808,471	306,407,270
Decrease / (Increase) in Other current assets	9,789,159	(8,739,675)
Increase in Long term provisions	41,228,383	42,496,467
Increase / (Decrease) in Short term provisions	64,318,165	(25,765,733)
(Decrease) in Other Long-term Liabilities	(509,378)	(352,589)
Increase / (Decrease) in Trade payables	433,047,679	(283,464,605)
(Decrease) / Increase in Other Current Liabilities	(252,668,186)	2,483,552,329
Cash generated from Operations	7,154,694,569	3,664,372,048
Taxes Paid	(1,589,704,213)	(1,432,197,610)
Net Cash from Operating Activities	5,564,990,346	2,232,174,438
B. Cash Flow from Investing Activities		
Purchase of fixed assets	(2,571,595,747)	(94,409,923)
Sale of fixed assets	(24,533)	3,804,974
Inter Corporate deposit received	400,000,000	-
Inter Corporate deposit given	(1,315,000,000)	(1,350,000,000)
Loan repaid by ESOP Trust (net of loan advanced)	-	601,280,052
Purchase of investments	(18,861,744,260)	(21,933,388,818)
Drawings received from limited liability partnership	897,679	903,656
Purchase majority of stake in subsidiary	(88,701,535)	-
Sale of investments	19,062,317,771	21,743,266,328
Interest received / paid	568,443,818	448,435,994
Dividend received	63,372,761	96,873,058
Net Cash used in Investing Activities	(2,942,034,048)	(283,354,699)
C. Cash Flow from Financing Activities		
Dividend Paid including dividend distribution tax	(1,002,682,578)	(1,736,889,648)
Net Cash from Financing Activities	(3,002,682,578)	(1,736,889,649)
D. Effect of exchange fluctuation on translation reserve	(18,126,051)	33,151,300
Net increase/(decrease) in cash and cash equivalents (A+B+C+D)	(397,882,332)	245,081,590
Opening Balance of Cash and Cash Equivalents	795,059,307	549,977,717
Closing Balance of Cash and Cash Equivalents	397,206,976	795,059,307
Cash and cash equivalents comprising of:		
Cash on Hand	20,699	68,032
Balance with banks in current accounts	397,198,547	794,969,456
Effect of exchange differences on balances with banks in foreign currency	(12,271)	21,819
Total	397,206,976	795,059,307

As per our report of even date attached
For BSR & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022



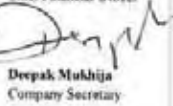
Milind Ranade
Partner
Membership No. 190564

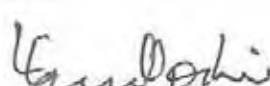
Mumbai, 22 April 2017

For and on behalf of the Board of Directors
Reliance Nippon Life Asset Management Limited


Sunjeep Sikka
Executive Director & CEO
DIN No. 02553654


Prateek Jain
Chief Financial Officer


Deepak Mukhija
Company Secretary


Kanu Doshi
Director
DIN No. 00577409


Ajay Patel
Manager

Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Significant accounting policies and notes to the consolidated financial statements for the year ended 31 March 2017

1 Background

Reliance Nippon Life Asset Management Limited ('the Company') was incorporated on 24 February 1995.

The principal shareholder of the Company as at 31 March 2017 is Reliance Capital Limited.

The Company's principal activity is to act as an investment manager to Reliance Mutual Fund ('the Fund') and to provide Portfolio Management Services ('PMS') and advisory services to clients under Securities and Exchange Board of India (SEBI) Regulations. The Company is registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996. The Company manages the investment portfolio of the Fund and provides various administrative services to the Fund as laid down in the Investment Management Agreement dated 12 August 1997.

2 Significant accounting policies

2.1 Principles of Consolidation

The consolidated financial statements have been prepared on the following basis:

The financial statements of the Company and its subsidiaries (together referred as "Group") have been combined on a line by line basis by adding together like items of assets, liabilities, income and expenses. The intra group transactions and unrealized profit and losses if any, are fully eliminated.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the company's separate financial statements. In translating the financial statements of non integral foreign operations for consolidation the following procedures have been followed:

- the assets and liabilities both monetary and non monetary, of the non integral foreign operations are translated at the closing rate;
- income and expense items of the non integral foreign operations are translated at the average exchange rates; and
- all resulting exchange differences are accumulated in a foreign currency translation reserve.

Following subsidiaries have been consolidated and the proportion of ownership thereof is as under:

Investment in Subsidiaries	Country of Incorporation	Proportion of ownership interest	
		31-Mar-17	31-Mar-16
Reliance Asset Management (Mauritius) Limited	Mauritius	100%	100%
Reliance Asset Management Singapore Pte Limited	Singapore	100%	100%
Reliance Asset Management (U.K) PLC	United Kingdom	-	100%
Reliance Capital Pension Fund Limited	India	100%	65%
Reliance AIF Management Company Ltd.	India	100%	100%

2.2 Basis of preparation

The accompanying financial statements have been prepared and presented on the accrual basis of accounting and comply with the Accounting Standards under section 133 of Companies Act 2013, read with Rule 7 of Companies (Accounts) Rule 2014 and other accounting principles generally accepted in India, to the extent applicable. The financial statements are presented in Indian Rupees. The accounting policies set out below have been applied consistently to the periods prescribed in the financial statements except otherwise disclosed separately. The financial statements are presented in Indian Rupees.

2.3 Use of Estimates

The preparation of the financial statements, in conformity with generally accepted accounting principles (GAAP), requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities on the date of the financial statements. 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 the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Significant accounting policies and notes to the consolidated financial statements

for the year ended 31 March 2017

2.4 Fixed assets and depreciation

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost includes all expenses incidental to the acquisition of the fixed assets.

Depreciation on fixed assets is provided on straight line basis at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013 which are mentioned as under:

Asset Class	Useful Life (years)
Office Equipments	5
Furniture and fixtures	10
Vehicles	8
IT Equipments - computers & printers	3

Leasehold improvements are amortised over the primary period of the lease on straight-line basis or useful life of asset, whichever is lower.

Intangible assets comprising of software purchased / developed and licensing costs are amortised over the useful life of the software up to a maximum of three years commencing from the date on which such software is first utilised.

Goodwill is amortised over estimated useful life or five years, whichever is lower.

Acquisition of rights to manage and administer the schemes of Goldman Sachs Mutual Fund has been amortised equally over a period of 10 years.

The Group provides pro-rata depreciation from the day the asset is put to use and for any asset sold, till the date of sale.

2.5 Impairment of assets

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is 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 statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.6 Investments

Purchase and sale of investments are recorded on trade date.

Investments are classified as long term or current based on intention of the management at the time of purchase. Investments that are intended to be held for not more than 1 year from the date on which such investments are made, are classified as current. All other investments are classified as long term investments.

Long-term investments are stated at cost of acquisition. Provision for diminution is made to recognise a decline, other than temporary, in the value of investments.

Current investments are valued at the lower of cost or net realisable value. The comparison of cost and net realisable value is done separately in respect of each individual investment.

2.7 Revenue recognition

Revenue is recognised when there is reasonable certainty of its ultimate realisation/ collection.

Revenue From Operation:

Investment Management Fees (net of service tax)

Investment Management fees are recognised on an accrual basis in accordance with Investment Management Agreement and SEBI (Mutual Fund) Regulations, 1996 based on average Assets Under Management (AUM) of Reliance Mutual Fund schemes.

Advisory Fees (net of service tax)

Advisory fees are recognised on an accrual basis in accordance with agreement entered into with respective investment managers / advisors.

Portfolio Management Fees (net of service tax)

Portfolio Management fees are recognised on an accrual basis in accordance with Portfolio Management Agreement entered with respective clients.



Significant accounting policies and notes to the consolidated financial statements
for the year ended 31 March 2017

Other Income:

Profit or loss on Sale of Investments

The gains/ losses on sale of investments are recognised in the statement of profit and loss on the trade date. Profit or loss on sale of investments is determined on weighted average cost basis.

Interest income is accounted on an time proportion basis.

Dividend income is recognised when the right to receive dividend is established.

Other Income

Contingent deferred sales charge and service charge is included in other income. These are recognised in accordance with the terms of the Private Placement Memorandum.

2.8 Transactions in foreign currency

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transaction. Exchange differences, if any arising out of transactions settled during the year are recognised in the statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date. The exchange differences, if any, are recognised in the statement of profit and loss and related assets and liabilities are accordingly restated in the balance sheet.

2.9 Employee Benefits

Provident Fund

The Company expenses its contribution to the statutory provident fund, a defined contribution scheme, made at 12% of the basic salary of each employee.

Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Actuarial gains and losses are recognised immediately in the statement of profit and loss.

Benefits in respect of gratuity, a defined benefit scheme, and superannuation, a defined contribution scheme, as applicable to employees of the Company are annually funded with the Reliance Life Insurance Company Limited and Birla Sun Life Insurance Company Limited respectively.

Leave Encashment

Leave Encashment which is a defined benefit, is accrued based on an actuarial valuation at the balance sheet date carried out by an independent actuary.

Compensated absences

The employees of the Company are entitled to compensated absence. The employees can carry forward a portion of the unutilized accrued leave balance and utilize it in future periods. The Company records an obligation for compensated absences in the period in which the employee renders the service that increases the entitlement. The Company measures the expected cost of compensated absence as the amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date.

Phantom Shares

As a long term incentive plan to employees, the Company has initiated Phantom stock option plan which are cash settlement rights where the employees are entitled to get cash compensation based on formulae linked to fair market value of shares upon exercise of phantom stock options over notional or hypothetical shares, whereby instead of becoming entitled to buy the actual shares on vesting, they become entitled to cash payment equivalent to appreciation in the value over defined base price of shares. The present value of the obligation under such plan is determined based on actuarial valuation.

2.10 New fund offer expenses of mutual fund and PMS schemes

Expenses relating to new fund offer of mutual fund and PMS schemes are charged in the statement of profit and loss in the year in which such expenses are incurred except for distribution cost which is recognised over the duration or clawback period of the scheme for close ended and open ended schemes respectively.



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Significant accounting policies and notes to the consolidated financial statements
for the year ended 31 March 2017

2.11 Fund expenses

Expenses incurred on behalf of schemes of Reliance Mutual Fund are recognised in the statement of profit and loss under advertisement/brokerage expenses unless considered recoverable from the schemes in accordance with the provisions of SEBI (Mutual Fund) Regulations, 1996.

Expenses directly incurred for the schemes of Reliance Mutual Fund are charged to the statement of profit and loss under respective heads. Distribution cost is recognised over the duration or clawback period of the scheme for close ended and open ended schemes respectively.

2.12 Leases

Operating leases

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 recognised as an expense on straight line basis over the lease period.

Hire purchase

Assets held under hire purchase arrangements are classified as finance leases and are recognised as assets of the company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a hire purchase liability. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

2.13 Tax

Current tax

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law), deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). Provision for income tax is recognised on an annual basis under the taxes payable method, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with Indian Income Tax Act, 1961. In case of matters under appeal due to disallowance or otherwise, full provision is made when the said liabilities are accepted by the Company.

MAT Credit entitlement is recognised where there is convincing evidence that the same can be realised in future. The company has balance of unrecognised MAT credit of Rs. 28,13,955 (P.Y. Rs. 303,602,275) as at 31 March 2017.

Deferred tax

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable/virtually certain (as the case may be) to be realised.

2.14 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are included.

2.15 Contingencies and provisions

The Group creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

1. Schedules to the consolidated financial statements

as at 31 March 2017

(Currency: Indian rupees)

3.1 Share Capital

Particulars	As at	
	31 March 2017	31 March 2016
Authorised		
Equity shares, Rs.10 par value		
12,000,000 (12,000,000 shares) equity shares	120,000,000	120,000,000
Preference shares, Rs.100 par value		
3,000,000 (3,000,000 shares) preference shares	300,000,000	300,000,000
	<u>420,000,000</u>	<u>420,000,000</u>
Issued, subscribed and paid up		
Equity Shares, Rs.10 par value		
11,520,000 (11,520,000 shares) equity shares fully paid up	115,200,000	115,200,000
	<u>115,200,000</u>	<u>115,200,000</u>
Preference shares, Rs.100 par value		
3,000,000 6% Non cumulative Redeemable Preference shares of Rs.100 each, fully paid up	300,000,000	300,000,000
	<u>300,000,000</u>	<u>300,000,000</u>
Total Share Capital	<u>415,200,000</u>	<u>415,200,000</u>



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Notes to the consolidated financial statements

as at 31 March 2017

(Currency: Indian rupees)

I. The details of equity shareholders holding more than 5% of equity share capital and shares held by holding company is set out below :

Name of the shareholder	As at			
	31 March 2017		31 March 2016	
	No. of shares	% held	No. of shares	% held
Reliance Capital Limited ("Ultimate Holding Company")	5,875,200	51.00	5,875,200	51.00
Nippon Life Insurance Company	5,134,800	44.57	5,134,800	44.57

II. The reconciliation of the number of shares outstanding and the amount of share capital is set out below:

Particulars	As at			
	31 March 2017		31 March 2016	
	No. of shares	Amount	No. of shares	Amount
Equity shares at the beginning and at the end	11,520,000	115,200,000	11,520,000	115,200,000

Particulars	As at			
	31 March 2017		31 March 2016	
	No. of shares	Amount	No. of shares	Amount
Preference shares at the beginning and at the end	3,000,000	300,000,000	3,000,000	300,000,000

III. The details of preference shareholders holding more than 5% of preference share capital is set out below :

Name of the shareholder	As at			
	31 March 2017		31 March 2016	
	No. of shares	% held	No. of shares	% held
Reliance Television Private Limited	3,000,000	100	3,000,000	100

Terms / rights attached to equity shares :

The Company has one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after the distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Schedules to the consolidated financial statements

as at 31 March 2017

(Currency: Indian rupees)

Particulars	As at	
	31 March 2017	31 March 2016
3.2 Reserves and surplus		
Capital redemption reserve		
Balance at the beginning and at the end of the year	4,406,900	4,406,900
Capital reserve		
Balance at the beginning and at the end of the year	3,380,705	3,380,705
Securities premium account		
Balance at the beginning and at the end of the year	5,552,850,300	5,552,850,300
General reserve		
Balance at the beginning and at the end of the year	1,265,063,446	1,265,063,446
Foreign currency translation reserve		
Opening Balance	386,170,113	353,018,813
movement during the year	(18,126,051)	33,151,300
Balance at the end of the year	368,044,062	386,170,113
Surplus		
Balance at the beginning of the year	7,097,154,417	6,335,501,908
Add : Profit after tax for the year	4,019,640,921	3,764,335,088
Profit available for appropriations	11,116,795,338	10,099,836,996
Proposed dividend on equity shares	-	(2,476,800,000)
Proposed dividend on preference share	-	(18,000,000)
Tax on proposed dividend	-	(507,882,579)
Balance at the end of the year	11,116,795,338	7,097,154,417
Total Reserves and surplus	18,310,540,751	14,309,025,881



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Schedules to the consolidated financial statements

as at 31 March 2017

(Currency: Indian rupees)

Particulars	As at	
	31 March 2017	31 March 2016
3.3 Other long-term liabilities		
Hire purchase liability	-	509,378
	<u>-</u>	<u>509,378</u>
3.4 Long - term Provisions		
Provision for employee benefits:		
Provision for leave encashment	41,729,957	34,616,485
Provision for gratuity	1,943,667	388,756
Provision for phantom shares	72,349,000	39,789,000
	<u>116,022,624</u>	<u>74,794,241</u>
3.5 Trade payables		
Outstanding dues of MSMED*		
Outstanding dues of creditors other than MSMED	1,083,296,067	650,248,388
	<u>1,083,296,067</u>	<u>650,248,388</u>
3.6 Other current liabilities		
Statutory liabilities	87,572,551	191,001,788
Outstanding liabilities against expenses*	384,043,254	533,249,171
Income received in advance	-	6,712,053
Other payables	16,888,520	8,473,527
	<u>488,504,325</u>	<u>739,436,539</u>
<p>* The Group does not have any outstanding dues towards small scale industrial undertakings as at 31 March 2017. The Group did not have any outstanding dues to any micro or small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) at any point during the year that were outstanding for a period of more than 45 days from the date of acceptance (as certified by Management).</p>		
3.7 Short - term provisions		
Provision for Employees' benefit:		
Provision for leave encashment	4,578,807	3,467,974
Provision for compensated absence cost	36,109,415	31,338,796
Provision for gratuity	198,292	1,580
Provision for Phantom shares	58,651,000	211,000
Proposed Dividend on equity shares (including dividend distribution tax thereon)	-	2,981,018,202
Proposed Dividend on preference shares (including dividend distribution tax thereon)	-	21,664,376
Provision for income tax	-	1,466
	<u>99,537,514</u>	<u>3,037,703,394</u>



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Schedules to the consolidated financial statements
as at 31 March 2017

(Currency: Indian rupees)

3.8 Fixed assets
as at 31 March 2017

Assets	Gross block (At cost)		As at 31.03.2017	Depreciation and amortization			Net block As at 31.03.2017
	As at 1.4.2016	Additions		Deductions	During the Year	Deductions / Addition / Adjustments	
Tangible assets							
Computer	211,558,882	22,264,188	226,320,582	7,502,488	26,307,478	7,502,488	191,256,008
Vehicle	12,341,355	-	12,047,644	293,711	1,366,540	217,532	9,460,940
Office equipment	89,784,328	7,777,922	93,095,215	4,469,035	3,901,669	4,468,081	78,784,729
Furniture	31,916,900	178,752	30,282,704	1,812,948	1,880,145	1,614,713	25,127,399
Leasehold improvements	126,476,219	20,332,840	134,278,734	12,530,325	15,753,664	12,530,325	104,845,484
Sub Total	472,077,684	50,553,702	496,022,879	26,608,507	49,209,496	26,333,139	409,474,560
Intangible assets							
Software	113,801,246	19,662,670	133,463,916	-	28,481,346	-	108,484,217
Asset management rights	-	2,501,379,375	2,501,379,375	-	101,425,794	-	101,425,794
Sub Total	113,801,246	2,521,042,045	2,634,843,291	-	129,907,140	-	209,910,811
Grand Total	585,878,930	2,571,595,747	3,130,866,170	26,608,507	179,116,636	26,333,139	619,384,571

As at 31 March 2016

Assets	Gross block (At cost)		As at 31.03.2016	Depreciation and amortization			Net block As at 31.03.2016
	As at 1.4.2015	Additions		Deductions	During the Year	Deductions / Addition / Adjustments	
Tangible assets							
Computer	180,774,757	36,744,535	211,558,882	5,969,400	17,965,752	5,931,268	172,451,018
Vehicle	12,583,304	-	12,341,355	241,950	1,471,805	220,066	8,311,932
Office equipment	103,625,103	9,221,692	89,784,328	23,062,467	(1,693,790)	22,234,697	79,351,141
Furniture	41,973,800	7,008,105	31,916,900	13,033,008	2,269,854	9,035,276	21,661,067
Leasehold improvements	150,519,054	28,054,906	126,476,219	52,697,742	11,140,357	51,812,823	101,622,145
Sub Total	489,424,109	76,029,228	472,077,684	93,375,654	31,653,978	90,112,580	386,598,203
Intangible assets							
Software	95,360,551	18,440,695	113,801,246	-	11,432,887	-	80,002,871
Sub Total	95,360,551	18,440,695	113,801,246	-	11,432,887	-	80,002,871
Grand Total	584,784,660	94,469,923	585,878,930	93,375,654	43,086,865	90,112,580	466,601,074



Schedule to Financial Statements (continued)

as at 31 March 2017

Particulars	Face Value	Quantity As at 31.03.2017	Cost / Fair Value As at 31.03.2017	Quantity As at 31.03.2016	Cost / Fair Value As at 31.03.2016
9A Non-current investments					
Non-Trade Investment (Valued at Cost less provision for diminution)					
(I) Investments in equity instruments (Quoted, fully paid up)					
Reliance Industries Limited	INR 10	49,964	14,254,771	49,964	14,254,771
Reliance Communications Limited	INR 5	24,923	10,518,365	24,923	10,518,365
ICICI Bank Limited	INR 10	20,750	5,005,234	20,750	5,005,234
Kotak Mahindra Bank Limited	INR 5	18,480	5,004,125	18,480	5,004,125
Prakash Industries Limited	INR 10	1,000,960	34,506,090	-	-
			<u>89,285,586</u>		<u>44,782,495</u>
Less: Provision for diminution in value of investments			<u>8,414,692</u>		<u>8,414,692</u>
			<u>80,870,894</u>		<u>46,367,803</u>
(II) Investments in equity instruments (Unquoted, fully paid up)					
Emergent India Investments Ltd	USD 1	10	649	10	662
Reliance Emergent India Fund Limited	USD 1	1,000	64,839	1,000	66,175
Teracon Limited	INR 10	400,000	65	-	-
MF Utilities India Private Limited	INR 1	500,000	500,000	500,000	500,000
			<u>868,872</u>		<u>566,837</u>
(III) A. Investments in mutual fund (Unquoted)					
Reliance Growth Fund - Direct - Growth Option	INR 10	244,576	203,366,562	533,117	311,317,399
Reliance Vision Fund - Retail Plan - Dividend Plan	INR 10	-	-	2,401,851	100,000,000
Reliance Vision Fund - Direct - Growth Option	INR 10	471,273	209,207,970	418,830	178,000,000
Reliance Focused Large Cap Fund - Direct - Growth Plan	INR 10	4,227,501	100,000,000	2,469,817	55,000,000
Reliance Equity Opportunities Fund - Direct - Growth Option	INR 10	2,643,054	170,384,402	1,084,745	129,394,402
Reliance Equity Opportunities Fund - Institutional Plan - Dividend Plan	INR 10	-	-	2,838,308	110,000,000
Reliance Top 200 Fund - Direct - Growth Plan	INR 10	9,455,279	218,378,610	5,115,907	105,378,610
Reliance Small Cap Fund - Direct - Growth Plan	INR 10	205,854	5,000,000	205,854	5,000,000
Reliance Regular Savings Fund - Equity Plan - Growth Plan	INR 10	737,754	36,831,883	2,337,754	125,992,810
Reliance Banking Fund - Direct - Growth Plan	INR 10	957,093	165,848,142	576,860	85,848,142
Reliance Long Term Equity Fund - Direct - Growth Plan	INR 10	2,948,949	111,200,000	675,761	21,567,000
Reliance Mocha & Entertainment Fund - Direct - Growth Plan	INR 10	343,101	17,800,000	343,101	17,800,000
Reliance Pharma Fund - Direct - Growth Plan	INR 10	149,598	20,400,000	149,598	20,400,000
Reliance Diversified Power Sector Fund - Direct - Growth Plan	INR 10	248,441	17,500,000	248,441	17,500,000
Reliance Regular Savings Fund - Balanced Plan - Growth Plan	INR 10	1,568,697	69,000,000	472,260	19,000,000
Reliance Index Fund - Nifty Plan - Direct - Growth Plan	INR 10	1,139,982	15,000,000	1,139,982	15,000,000
Reliance Index Fund - Sensex Plan - Direct - Growth Plan	INR 10	39,472	500,000	39,472	500,000
Reliance Quant Plus Fund - Direct - Growth Plan	INR 10	266,323	3,000,000	266,323	3,000,000
Reliance Arbitrage Advantage Fund - Direct - Growth Plan	INR 10	360,085	5,000,000	360,085	5,000,000
Reliance Japan Equity Fund - Direct - Growth Plan	INR 10	5,000,000	50,000,000	5,000,000	50,000,000
Reliance NRI Equity Fund - Direct Plan - Growth Plan	INR 10	83,833	5,000,000	83,833	5,000,000
Reliance Tax Saver Fund - Direct Plan - Growth Plan	INR 10	119,547	5,000,000	119,547	5,000,000
Reliance Money Manager Fund - Direct - Growth	INR 1000	2,571	5,000,000	2,571	5,000,000
Reliance Liquid Fund - Cash Plan - Direct - Growth Option	INR 1000	2,201	5,000,000	2,201	3,000,000
Reliance Liquid Fund - Treasury Plan - Direct - Growth Option	INR 1000	1,454	5,000,000	1,454	5,000,000
Reliance Liquidity Fund - Direct - Growth Option	INR 1000	2,352	5,000,000	2,352	5,000,000
Reliance Floating Rate Fund - Short Term Plan - Direct - Growth Plan	INR 10	709,914	15,000,000	709,914	15,000,000
Reliance Gilt Securities Fund - Direct - Growth Plan	INR 10	1,001,929	315,000,000	1,001,929	315,000,000
Reliance Short Term Fund - Direct Plan - Growth Option	INR 10	187,301	5,000,000	187,301	5,000,000
Reliance Dynamic Bond Fund - Direct Plan - Growth Plan	INR 10	259,329	5,000,000	259,329	5,000,000
Reliance Income Fund - Direct - Growth Option	INR 10	107,764	5,000,000	107,764	5,000,000
Reliance Monthly Income Plan - Direct - Growth Plan	INR 10	485,824	15,000,000	485,824	15,000,000
Reliance Regular Savings Fund - Debt Plan - Direct - Growth Plan	INR 10	818,724	15,000,000	818,724	15,000,000
Reliance Corporate Bond Fund - Direct - Growth Plan	INR 10	500,000	5,000,000	500,000	5,000,000
Reliance Retirement Fund - Income Generation Scheme - Direct - Growth	INR 10	4,500,000	45,000,000	4,500,000	45,000,000
Reliance Retirement Fund - Wealth Creation Scheme - Direct - Growth	INR 10	500,000	5,000,000	500,000	5,000,000
Reliance Equity Savings Fund - Direct - Growth Plan	INR 10	500,000	5,000,000	500,000	5,000,000
Reliance Banking & PSU Debt Fund - Direct - Growth Plan	INR 10	34,826,514	405,000,000	300,000	5,000,000
Reliance Medium Term Fund - Direct - Growth	INR 10	170,328	5,000,000	170,328	5,000,000
Reliance US Equity Opportunity Fund - Direct - Growth Plan	INR 10	1,500,000	15,000,000	1,500,000	15,000,000
Reliance Dual Advantage Fund - Temse Fund VIII - Plan C - Direct - Growth	INR 10	2,000,000	20,000,000	2,000,000	20,000,000
HDFC Charity Fund for Cancer Care - Arbitrage Plan	INR 10	1,000,000	10,000,000	-	-
			<u>2,346,367,509</u>		<u>1,087,331,360</u>

Schedule to Financial Statements (continued)

as at 31 March 2017

Particulars	Face Value	Quantity As at 31.03.2017	Cost / Fair Value As at 31.03.2017	Quantity As at 31.03.2016	Cost / Fair Value As at 31.03.2016
(H) B. Investments in mutual fund (Quoted)					
R* Shares CNX 100 Fund - Dividend Plan	INR 10	160,723	20,000,000	160,723	20,000,000
R* Shares Conservative Fund - Dividend Plan	INR 10	3,746,651	99,999,989	3,746,651	99,999,989
R* Shares Dividend Opportunities Fund - Dividend Plan	INR 10	5,817,301	99,999,989	5,817,301	99,999,989
R* Shares Sensei ETF - Dividend Plan	INR 10	373,070	99,999,958	373,070	99,999,958
R* Shares Nifty BeES	INR 10	15,303	11,964,196	150,000	11,964,196
R* Shares Bank BeES	INR 10	10,774	17,015,203	10,300	17,016,317
Reliance Close Ended Equity Fund - Series A - Direct - Dividend Plan	INR 10	10,060,000	100,000,000	10,000,000	100,000,000
Reliance Gold Savings Fund - Direct - Growth Plan	INR 10	4,731,897	68,413,612	4,731,897	68,413,609
Reliance Fixed Horizon Fund - XXII Series 32 - Dividend Plan	INR 10	5,000,000	50,000,000	5,000,000	50,000,000
Reliance Fixed Horizon Fund - XXV Series 35 - Direct - Growth Plan	INR 10	1,200,000	12,000,000	1,200,000	12,000,000
Reliance Fixed Horizon Fund - XXVI Series 35 - Direct - Growth Plan	INR 10	2,500,000	25,000,000	2,500,000	25,000,000
Reliance Fixed Horizon Fund - XXVII Series 32 - Direct - Growth Plan	INR 10	3,600,000	26,000,000	2,600,000	26,000,000
Reliance Fixed Horizon Fund - XXVIII Series 6 - Direct - Growth Plan	INR 10	5,000,000	30,000,000	5,000,000	50,000,000
Reliance Fixed Horizon Fund - XXVIII Series 7 - Direct - Growth Plan	INR 10	6,550,000	65,500,000	6,550,000	65,500,000
Reliance Fixed Horizon Fund - XXVIII Series 2 - Direct - Growth Plan	INR 10	300,000	3,000,000	300,000	3,000,000
Reliance Fixed Horizon Fund - XXVIII Series 19 - Direct - Growth Plan	INR 10	150,000	1,500,000	150,000	1,500,000
Reliance Fixed Horizon Fund - XXX - Series 6 - Direct - Growth Plan	INR 10	2,750,000	27,500,000	2,750,000	27,500,000
Reliance Fixed Horizon Fund - XXX - Series 4 - Direct Growth Plan	INR 10	15,000,000	150,000,000	15,000,000	150,000,000
Reliance Fixed Horizon Fund - XXX - Series 12 - Direct Growth Plan	INR 10	2,000,000	20,000,000	2,000,000	20,000,000
Reliance Fixed Horizon Fund - XXX - Series 17 - Direct Growth Plan	INR 10	3,000,000	30,000,000	3,000,000	30,000,000
Reliance Fixed Horizon Fund - XXXII - Series 9 - Direct Growth Plan	INR 10	100,000	10,000,000	-	-
Reliance Fixed Horizon Fund - XXXII - Series 7 - Direct Growth Plan	INR 10	1,000,000	10,000,000	-	-
R* Shares Nifty 20 ETF	INR 10	13,444	3,999,891	13,444	3,999,891
Reliance Gold ETF	INR 10	2,172	5,025,101	2,250	5,025,219
Reliance Fixed Horizon Fund - XXX - Series 19 - Direct Growth Plan	INR 10	53,000	530,000	-	-
R* SHARES LONG TERM GILT ETF - GROWTH PLAN	INR 10	11,033,414	169,999,996	-	-
R* Shares Infra BeES	INR 10	10,000	2,839,963	-	-
R* Shares Junior BeES	INR 10	32,000	7,126,032	-	-
R* Shares PSU Bank BeES	INR 10	15,000	5,083,480	-	-
CPSE ETF	INR 10	200,000	5,051,406	-	-
R* Shares Liquid Debt	INR 10	5,100	5,139,771	-	-
R* Shares Shariah BeES	INR 10	1,170	228,441	-	-
R* Shares Hang Seng BeES	INR 10	100	677,730	-	-
			1,474,404,693		1,487,939,775
(I) Investments in debentures or bonds (Quoted)					
6.75% IRFC Tax Free Bonds 28-Dec-2020	INR 100000	2,500	250,000,000	2,500	250,000,000
6.75% Seasonal High Yield Authority Of India Bonds 28-Jan-2017	INR 1000	61,806	61,809,000	61,809	61,809,000
6.75% IRFC Tax Free Bonds 01-Sep-2020	INR 1000	300,000	116,029,728	300,000	117,666,708
5.20% NIPCO Tax Free Bonds 16-Dec-2013	INR 1000	94,995	94,995,000	94,995	94,995,000
8.70% TIFM Tax Free Bonds 13-Jun-2024	INR 5000	39,708	392,540,000	39,708	499,540,000
6.90% NHAI Tax Free Bonds 05-Feb-2019	INR 1000	220,000	220,000,000	220,000	220,000,000
4.50% NHAI Tax Free Bonds 17-Mar-2028	INR 1000	17,000	10,390,000	17,000	10,000,000
7.11% NHAI Tax Free Bonds 05-Oct-2025	INR 1000	58,763	68,703,000	68,703	68,703,000
7.20% IRFC Tax Free Bond	INR 1000	132,880	132,880,000	132,880	132,880,000
7.41% PSU Tax Free Bonds 17-Oct-2025	INR 1000	25,670	25,670,000	25,670	25,670,000
7.15% NHAI Tax Free Bond 16-Jan-2011	INR 1000	42,855	42,855,000	42,855	42,855,000
			1,421,481,738		1,423,110,788
(J) Investment in Preference Shares (Unquoted, Fully Paid Up)					
L&T Finance Holdings Limited - 8.40% Cumulative Preference Shares	INR 100	3,010,000	162,026,324	3,010,000	164,185,347
Zee Entertainment Enterprises Limited - 6% Cumulative Preference Shares	INR 1	298,600,000	269,057,100	298,600,000	277,424,229
			571,077,431		561,609,776
(K) Indiabulls Property Investment Trust					
Less: Provision for diminution in value of investments	SGD 1			25,670	70,276,281
					42,165,768
					28,110,513
(L) Investments in debentures or bonds (Unquoted)					
Private Industrial Bonds					36,523,723
					36,523,723
Total Non Current Investment					
			5,294,770,827		5,271,508,577
Notes:					
1. Quoted investments					
Aggregate of Book value			2,976,760,313		2,722,068,605
Aggregate of Market value			3,387,741,327		3,521,807,617
2. Unquoted investments					
Aggregate of Book value			3,499,674,626		2,549,507,974
3. Provision for diminution in value of investments			8,414,692		50,520,461



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Schedule to Financial Statements (continued)

as at 31 March 2017

(Currency: Indian rupees)

	Face Value	Quantity As at 31.03.2017	Cost / Fair Value As at 31.03.2017	Quantity As at 31.03.2016	Cost / Fair Value As at 31.03.2016
9B Current investments					
A. Current Investment (At cost or market value whichever is less)					
(I) Investment in mutual fund (Unquoted)					
Reliance Liquid Fund - Treasury Plan - Direct - Growth Option	INR 1000	406,646	1,602,129,159	186,497	686,501,128
Reliance Medium Term Fund - Direct - Growth	INR 10	7,455,315	251,383,647	25,628,302	809,986,653
Reliance Money Manager Fund - Direct - Growth	INR 10	121,417	276,000,000	-	-
Reliance Gilt Securities Fund - Direct - Growth	INR 10	180,343	2,652,713	1,503,375	22,086,530
Reliance Short Term Fund - Growth Plan - Growth Option	INR 10	7,302,333	152,720,701	7,502,553	152,720,701
Reliance Short Term Fund - Direct Plan - Growth Option	INR 10	14,602,631	406,503,222	11,357,467	275,167,579
Reliance Regular Saving Fund - Debt - Direct - Growth Option	INR 10	2,898,617	63,571,896	1,012,002	20,000,000
Reliance Income Fund - Growth Plan - Growth Option	INR 10	215,314	10,000,000	5,495,230	210,000,000
Reliance Dynamic Bond Fund - Direct Plan - Growth Plan	INR 10	38,184,049	621,440,383	74,192,960	1,207,480,677
			3,386,401,721		3,383,943,268
(II) Investment in mutual fund (Quoted)					
Reliance Yearly Interval Fund - Series 1 - Direct Plan - Growth Plan	INR 10	-	-	18,380,495	200,000,000
Reliance Yearly Interval Fund - Series 3 - Direct Plan - Growth Plan	INR 10	-	-	10,000,000	110,000,000
Reliance Yearly Interval Fund - Series 7 - Direct Plan - Growth Plan	INR 10	3,250,170	42,000,000	-	-
Reliance Interval Fund - II - Series 4 - Direct Plan - Growth Plan	INR 10	12,000,000	120,000,000	12,000,000	120,000,000
Reliance Fixed Horizon Fund - XXVI - Series 18 - Direct Plan - Growth Plan	INR 10	2,000,000	20,000,000	-	20,000,000
Reliance Fixed Horizon Fund - XXVI - Series 32 - Direct Plan - Growth Plan	INR 10	200,000	2,000,000	2,000,000	2,000,000
			184,000,000		452,000,000
Total Current Investment			3,570,401,721		3,835,943,268
Notes:					
1. Quoted investments					
Aggregate of Book value			184,000,000		452,000,000
Aggregate of Market value			229,970,130		558,501,087
2. Unquoted investments					
Aggregate of Book value			3,386,401,721		3,383,943,267
3. Provision for diminution in value of investments					
			-		-



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Schedules to the consolidated financial statements

as at 31 March 2017

(Currency: Indian rupees)

Particulars	As at	
	31 March 2017	31 March 2016
3.10 Deferred tax assets		
<i>Deferred tax asset arising on account of timing differences in:</i>		
Depreciation on fixed assets	(1,545,675)	33,882,770
Employee compensation	73,017,275	47,637,887
Straightlining of lease rentals	5,108,677	4,094,473
Others	(39,453,497)	-
	<u>37,125,780</u>	<u>85,615,130</u>
3.11 Long - term loans and advances		
Balance with limited liability partnership in current account	12,269,089	11,723,030
Parties other than related parties (Unsecured, considered good)		
Capital advances (Unsecured, considered good)	8,885,192	14,213,574
Intercompany deposits	500,000,000	1,000,000,000
Loans to employees	1,500,000	1,500,000
Security deposits	195,534,715	55,166,257
Advances recoverable in cash or in kind or for value to be received	566,490	1,256,100,617
Prepaid expenses	527,923,309	1,053,084,594
Advance tax paid	241,531,728	396,828,405
	<u>1,488,211,522</u>	<u>3,788,617,377</u>
3.12 Other non - current assets		
Other bank balances		
Fixed deposits with residual maturity of more than 12 months (including accrued interest)	74,125,653	78,653,647
	<u>74,125,653</u>	<u>78,653,647</u>
3.13 Trade receivables		
(Unsecured, considered good)		
Outstanding for more than six months	18,555,013	11,505,924
Others	413,051,639	582,699,323
	<u>431,606,702</u>	<u>594,205,247</u>
3.14 Cash & Bank Balance		
Cash & cash equivalents		
Cash on hand	20,679	68,032
Balance with banks in current accounts	130,700,216	486,511,214
Fixed deposits	-	250,000,000
Other bank balances	266,486,031	58,480,061
	<u>397,206,916</u>	<u>795,059,307</u>
3.15 Short - term loans & advances		
Loans and advances to related parties (Unsecured, considered good)	12,874,162	7,768,245
Intercompany deposits to related parties	-	400,000,000
Parties other than related parties (Unsecured, considered good)		
Intercompany deposits	3,765,000,000	1,750,000,000
Loans to employees	2,910,892	7,938,777
Other loans and advances (Unsecured, considered good)	-	-
Prepaid expenses	1,534,583,837	1,827,569,753
Security deposits	35,000	82,238,364
Service tax credit-unutilised	437,294,397	420,603,076
Advances recoverable in cash or in kind or for value to be received	86,051,874	94,915,218
Advance tax paid	1,177,278	10,682,389
(net of provision of income tax Nil) (Previous year Rs. Nil)		
	<u>5,839,927,310</u>	<u>4,601,735,822</u>
3.16 Other current assets		
Dividend receivable	17,916,000	17,916,000
Interest receivable	2,272,204	5,383,029
Interest accrued on bonds	231,752,204	95,552,245
Income accrued	16,302,693	26,091,852
	<u>268,243,101</u>	<u>144,943,126</u>



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Schedules to the consolidated financial statements

for the year ended 31 March 2017

(Currency: Indian rupees)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
3.17 Revenue from operations - Management fees		
Investment management fees (net of service tax)	12,675,882,347	11,581,221,542
Portfolio management fees (including advisory fees net of service tax)	397,627,753	417,849,234
Share of profit in limited liability partnership	1,442,837	1,790,497
	13,074,952,937	12,000,861,273
3.18 Other income		
Dividend on:		
Long term investment	63,372,761	96,873,058
Profit on sale of investments (Net)		
Long term investment	373,190,100	493,225,316
Current investment	135,607,672	104,262,885
Interest income		
Long term investment	111,459,719	98,801,383
Current investment	6,499,332	8,168,384
Interest on inter corporate deposit	523,198,714	297,431,421
Interest on income tax refund	52,948,447	8,279
Interest on others	7,426,791	8,621,947
Profit on sale of fixed assets	299,902	541,900
Others	10,192,454	29,944,940
	1,284,195,892	1,137,337,613
3.19 Employee benefit expense		
Salaries, allowances and bonus	1,776,846,397	1,961,716,512
Contribution to provident and other funds	93,178,595	82,429,192
Staff welfare expenses	86,752,913	78,554,929
	1,956,777,905	2,122,700,633



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Schedules to the consolidated financial statements

for the year ended 31 March 2017

(Currency: Indian rupees)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
3.20 Administrative and other expenses		
Legal and professional charges	423,610,273	323,651,182
Rent	206,795,534	158,701,979
Conveyance and travelling	100,417,407	84,140,828
Communication	132,363,019	62,975,680
Filing fees and stamp duty	25,048,139	28,170,942
Office administration	92,728,860	75,175,765
Membership and subscription	56,490,320	32,057,985
Electricity	42,851,150	32,042,673
Seminar and training	40,410,526	35,549,552
Repairs and maintenance	47,323,806	73,588,355
Printing and stationary	75,374,189	47,859,252
Software repair and maintenance	110,118,545	87,773,153
Courier charges	71,465,280	87,835,180
Insurance	11,877,127	23,744,603
Auditors remuneration		
Audit fees	5,858,840	6,065,369
Certification matters	1,235,748	-
Other matters	4,280,050	1,703,029
Out of Pocket expenses	130,535	46,345
Director sitting fees	5,470,247	3,879,456
Donation	-	634,720
Net (gain) or Loss on foreign currency transactions and translations	1,735,972	2,120,534
Outsourced services	875,178,402	802,248,651
Bad debts	62,817,927	51,841,058
Miscellaneous expenses	35,513,406	41,473,884
Corporate social responsibility spends	91,127,700	77,305,000
Rates and taxes	39,128,161	18,967,624
	<u>2,559,351,163</u>	<u>2,159,552,799</u>
3.21 Marketing and publicity expenses		
Brokerage, incentives and others	2,594,268,945	3,119,953,630
Marketing expenses	695,826,566	381,713,447
Advertisement	602,283,764	249,969,256
	<u>3,892,379,275</u>	<u>3,751,636,334</u>



Schedules to the consolidated financial statements

for the year ended 31 March 2017

3.22 Employees Stock Option Plan (ESOP) :

(i) a) Pursuant to the shareholder's resolution dated 20 September 2007 the Company had introduced Employee Stock Option Plan I - 2007 under which the Company may grant options to its employees from time to time. The grant of options to the employees under the ESOP scheme was on the basis of their performance and other eligibility criteria. The Plan had been amended and restated vide shareholder's resolution dated 3 February 2011.

b) On 21 December 2007, the Company issued 200,000 equity shares at a price Rs. 2,000 per equity share to Reliance Capital Asset Management Employee Benefit Trust (The Trust) pursuant to the above Plan.

(ii) a) Pursuant to the shareholder's resolution dated 3 February 2011, the Company introduced Employee Stock Option Plan II - 2011 under which the Company may grant options to its employees from time to time. The grant of options to the employees under the ESOP scheme was on the basis of their performance and other eligibility criteria.

b) On 30 March 2011, the Company issued 50,000 equity shares at a price Rs. 3,000 per equity share to the Trust.

(iii) All above options were planned to be settled in cash or equity at the time of exercise and have maximum period of 7 years from the date of vesting. The options existing during the year were as follows:

a) Year 2007

The option under ESOP I - 2007 at an exercise price of Rs. 2,000 per share and vest on a graded basis as follows:

Grant date 28 Sept 2007

Vesting schedule

on completion of 3 years	30%
on completion of 4 years	30%
on completion of 5 years	40%

b) Year 2011

The option under ESOP I - 2007 at an exercise price of Rs. 3,000 per share and vest on a graded basis as follows:

Grant date 30 Mar 2011

Vesting schedule

on completion of 1 year	30%
on completion of 2 years	30%
on completion of 3 years	40%

c) Year 2011

The option under ESOP I - 2007 and Plan II - 2011 at an exercise price of Rs. 3,000 per share and vest on a graded basis as follows:

Grant date 30 Mar 2011

Vesting schedule

on completion of 1 year	10%
on completion of 2 years	10%
on completion of 3 years	20%
on completion of 4 years	20%
on completion of 5 years	40%

(iv) The information concerning stock options granted, exercised, forfeited and outstanding at the year - end is as follows:

	As of 31 March 2017		As of 31 March 2016	
	Number of stock options	Weighted average exercise price (Rs.)	Number of stock options	Weighted average exercise price (Rs.)
Number of shares under option:				
a) Year 2011				
Outstanding at beginning of year	-	-	810	3,000
Granted	-	-	-	-
Exercised	-	-	650	3,000
Cancelled or expired	-	-	160	-
Outstanding at the year end	-	-	-	-
Exercisable at end of period / year	-	-	-	-
b) Year 2011				
Outstanding at beginning of year	-	-	70,385	3,000
Granted	-	-	-	-
Exercised	-	-	61,476	3,000
Cancelled or expired	-	-	6,909	-
Outstanding at the year end	-	-	-	3,000
Exercisable at end of year	-	-	-	3,000

The scheme was wound up on 7 March 2016.

(v) During the year, the performance linked incentive of Rs. 199,992,236 was paid by the Trust out of its surplus funds.



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

**Schedules to the consolidated financial statements
for the year ended 31 March 2017**

(Currency: Indian rupees)

3.23 Related Party Disclosure:

A. List of Related Parties and their relationship:

i) Holding Company

Reliance Capital Limited

ii) Subsidiary of Holding Company

Reliance Asset Management (Singapore) Pte. Limited
Reliance Asset Management (Mauritius) Limited
Reliance Capital Pension Fund Limited
Reliance AIF Management Company Limited
Reliance Capital Trustee Co. Limited
Reliance General Insurance Company Limited
Reliance Nippon Life Insurance Company Limited (formerly Reliance Life Insurance
Reliance Commercial Finance Limited (formerly Reliance Gilts Limited)
Reliance Money Precious Metals Private Limited
Reliance Home Finance Limited
Reliance Securities Limited
Reliance Commodities Limited
Reliance Financial Limited
Reliance Wealth Management Limited
Reliance Money Solutions Private Limited
Reliance Exchangnext Limited
Reliance Spot Exchange Infrastructure Limited
Reliance Capital AIF Trustee Company Private Limited
Quant Capital Private Limited
Quant Broking Private Limited
Quant Securities Private Limited
Quant Investment Services Private Limited

iii) Significant Shareholders

Nippon Life Insurance Company

B. Significant Influence:

Reliance Communications Infrastructure Limited
Reliance IDC Limited
Reliance Communications Limited
Reliance Webstore Limited
Zapak Digital Entertainment Limited

C. Key Management personnel:

Sundeep Sikka (Whole Time Director) w.e.f. 22 April 2016



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Notes to the accounts

for the year ended 31 March 2017

(Amounts in Indian rupees)

C. Transaction during the year with related parties:

Sr. No.	Nature of Transaction	Holding Company	Fellow Subsidiary	Significant Shareholder	Significant Influence	Total
A	Inter corporate deposit given					
	Reliance Securities Limited	-	(400,000,000)	-	-	(400,000,000)
B	Repayment of inter corporate deposit					
	Reliance Securities Limited	-	400,000,000	-	-	400,000,000
C	Purchase of equity shares of Reliance Capital Pension Fund Ltd					
	Reliance Commercial Finance Limited (formerly Reliance G/ia Limited)	-	97,212,500	-	-	97,212,500
D	Interest income					
	Reliance Securities Limited	-	20,890,412	-	-	20,890,412
		-	(493,150)	-	-	(493,150)
E	Director sitting fees					
	Nippon Life Insurance Company	-	-	1,240,000	-	1,240,000
		-	-	(630,000)	-	(630,000)
F	Rent and other expenses					
	Reliance General Insurance Company Ltd.	-	753,292	-	-	753,292
		-	(530,644)	-	-	(530,644)
G	Insurance Charges (net of claims received)					
	Reliance General Insurance Company Ltd.	-	33,169,393	-	-	33,169,393
		-	(31,065,757)	-	-	(31,065,757)
	Reliance Nippon Life Insurance Company Limited (formerly Reliance Life Insurance Company Limited)	-	25,933,449	-	-	25,933,449
H	Travelling expenses					
	Reliance Money Express Ltd.	-	-	-	-	-
I	Brokerage					
	Reliance Money Solutions Private Limited	-	360,742	-	-	360,742
		-	(2,085,477)	-	-	(2,085,477)
	Reliance Securities Ltd.	-	2,063,358	-	-	2,063,358
		-	(764,859)	-	-	(764,859)



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Notes to the accounts
for the year ended 31 March 2017
(Current Indian rupees)

C. Transaction during the year with related parties:

Sr. No.	Nature of Transaction	Holding Company	Fellow Subsidiary	Significant Shareholder	Significant Influence	Total
K	Reimbursement of expenses paid					
	Reliance Capital Limited	26,965,844 (17,407,586)	-	-	-	26,965,844 (17,407,586)
	Reliance General Insurance Company Ltd.	-	-	-	-	-
	Nippon Life Insurance Company	-	-	4,142,048 (2,409,576)	-	4,142,048 (2,409,576)
L	Management fee expense					
	Reliance Capital Limited	60,000,000 (60,000,000)	-	-	-	60,000,000 (60,000,000)
M	Communication expenses					
	Reliance Communications Infrastructure Limited	-	-	-	6,847,576 (19,759,365)	6,847,576 (19,759,365)
	Reliance Communication Limited	-	-	-	22,678,398 (28,034,470)	22,678,398 (28,034,470)
	Reliance IDC Limited	-	-	-	10,419,146	10,419,146
	Reliance Webstore Limited	-	-	-	9,096,722	9,096,722
N	Marketing expenses					
	Zayak Digital Entertainment Ltd	-	-	-	3,784,404 (28,863,392)	3,784,404 (28,863,392)
H A	Balances outstanding at the end of the year					
	Loans and advances to related parties					
	Reliance Securities Limited	-	(400,000,000)	-	-	(400,000,000)
	Reliance Nippon Life Insurance Company Limited (formerly Reliance Life Insurance Company Limited)	-	11,358,811	-	-	11,358,811
	Reliance Communication Infrastructure Limited	-	(8,846,176)	-	-	(8,846,176)
	Reliance General Insurance Company Ltd	-	1,389,581 (7,653,079)	-	-	1,389,581 (7,653,079)

Note: Related Party Relationship is as identified by the Company.
(Previous year figures are in brackets)



Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

Schedules to the consolidated financial statements

for the year ended 31 March 2017

(Currency: Indian rupees)

3.24 SEGMENT INFORMATION

In the opinion of Management, the Group operate within a single business segment of asset management services to the fund and portfolio Management service to clients. Segment information is being presented on the basis of geographical location of entities.

Income for each segment has been specifically identified. Expenditure, assets and liabilities are either specifically identifiable with individual segments or have been allocated to segments on a systematic basis. Based on such allocations, segmental balance sheet as at 31 March 2017 and segmental statement of profit and loss for the year ended 31 March 2017 have been prepared.

A. Information about Geographical Segment - Primary

S.No. Particulars	India	Outside India	Total
	Year Ended 31 March 17	Year Ended 31 March 17	Year Ended 31 March 17
1. Segment Revenue			
External	14,271,245,046 (12,944,311,272)	94,849,948 (193,887,614)	14,366,094,994 (13,138,198,886)
Inter Segment Revenue	13,703,329 (12,232,664)	31,721,026 (15,339,456)	45,424,355 (27,572,120)
Total Revenue	14,284,948,375 (12,956,543,936)	126,570,974 (209,227,070)	14,411,519,349 (13,165,771,006)
Eliminations	-	-	45,424,355 (27,572,120)
Consolidated Total	-	-	14,366,094,994 (13,138,198,886)
2. Result			
Segment Result	5,889,914,959 (5,037,504,980)	(78,350,066) 13,508,774	5,811,564,893 (5,023,996,206)
3. Other Information			
Segment Assets	20,120,820,518 (18,822,105,261)	392,280,746 (493,514,082)	20,513,101,264 (19,315,619,343)
Segment Liabilities	1,758,025,828 (4,474,014,508)	29,334,703 (28,677,032)	1,787,360,530 (4,502,691,940)
4. Capital Expenditure during the year	2,571,141,754 (93,506,206)	453,994 (963,718)	2,571,595,748 94,469,924
5. Depreciation and amortisation	178,487,486 (42,396,353)	629,151 (690,503)	179,116,636 (43,086,865)
6. Non Cash Expenditure other than depreciation	-	(41,605,847) (37,767,946)	(41,605,847) (37,767,946)

Note : Figures in bracket indicate previous year figures



Schedules to the consolidated financial statements

for the year ended 31 March 2017

(Currency: Indian rupees)

3.25 Contingent liability and Capital commitments:

	Year ended 31 March 2017	Year ended 31 March 2016
a) Contingent liability		
Guarantees to Banks and Financial Institutions	112,094,329	111,000,850
Claims against the Company not acknowledged as debts	58,721,656	50,576,188
	<u>170,815,985</u>	<u>162,477,038</u>
b) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided	24,145,616	8,357,509

3.26 Future minimum lease payments in respect of non-cancellable operating lease for premises:

	Year ended 31 March 2017	Year ended 31 March 2016
a) Not later than one year	5,336,717	2,775,524
b) Later than one year and not later than five years	7,893,081	261,320
c) Later than five years	-	-
	<u>13,229,799</u>	<u>3,036,844</u>

3.27 Earning per share (EPS)

	Year ended 31 March 2017	Year ended 31 March 2016
Net profit attributable to equity shareholders	4,019,640,921	3,764,335,088
Weighted average number of equity shares outstanding	11,520,000	11,520,000
Basic and diluted EPS	348.93	326.77

3.28 Corporate social responsibility (CSR)

- a) Gross amount required to be spent by the company during the year was Rs 90,017,103 (PY Rs 77,236,576) as per calculation
b) Amount spent during the year on:

Particulars	In Cash	Yet to be paid in Cash	Total
Construction/acquisition of any assets	-	-	-
On purposes other than above	91,127,700	-	91,127,700

3.29 Dividend remittances in foreign currency:

The Company remits the dividend to all shareholders including non-resident shareholders in Indian rupees (INR).

3.30 Details of Specified Bank Notes (SBN) held and transacted during the period from 8 November 2016 to 30 December 2016 as provided in the table below

	SBNs	Other denomination notes	Total
Closing Cash in hand as on 08.11.2016	24,000	37,499	61,499
(+) permitted receipts	-	338,606	338,606
(+) permitted payments	-	332,637	332,637
(-) Amount deposited in Banks	24,000	-	24,000
Closing Cash in hand as on 31.12.2016	-	43,468	43,468

3.31 The Company has developed a system of maintenance of information and documents as required by the transfer pricing legislation under section 92 – 92F of the Income Tax Act, 1961. Management is of the opinion that all relevant transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statement, particularly on the amount of tax expense and that of provision for taxation.

3.32 During the previous year, the Company and Reliance Capital Trustee company Limited had jointly entered into a scheme Transfer Agreement with Goldman Sachs Asset Management (India) Private Limited, Board of Trustees of Goldman Sachs Mutual Fund and Goldman Sachs Asset Management, L.P to acquire the right to manage and administer the schemes of Goldman Sachs Mutual Fund, the right to assume the trusteeship of the schemes of Goldman Sachs Trustee company (India) Private Limited and takeover of the schemes of Goldman Sachs Mutual Fund respectively. The said transaction has been approved by the relevant regulatory authorities and the Unit holders of the Schemes of Goldman Sachs Mutual Fund in the current year. The amount paid along with the incidental expenditure incurred thereon aggregating to Rs 2501,379,375 has been treated as Asset management Right as intangible asset. The Asset management Right will be amortized over a period of 120 months. For the year ended March 31, 2017, an amount of Rs 101,425,794 has been amortized. Balance life of Asset Management Right is 115 months.



Schedules to the consolidated financial statements

for the year ended 31 March 2017

(Currency: Indian rupees)

3.33 Foreign Subsidiaries:

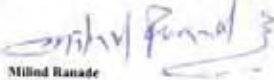
During the year the UK subsidiary of the Company has been struck off by the Companies House, Register of Companies London, as per the application made by the Company in previous year. The company has written off the investment cost entirely for non recoverability which was fully provided in the previous year.

As per our report of even date attached.

For BSR & Co. LLP

Chartered Accountants

Firm's Registration No. 101248W/W-100022



Milind Ranade

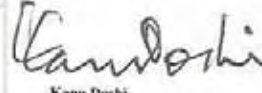
Partner

Membership No. 100564

For and on behalf of the Board of Directors of
Reliance Nippon Life Asset Management Limited



Sundeep Sikka
Executive Director & CEO
DIN No. 02553654



Kano Doshi
Director
DIN No. 00577409



Prateek Jain
Chief Financial Officer



Ajay Patel
Manager



Deepak Mahesh
Company Secretary

Mumbai, 22 April 2017

Reliance Nippon Life Asset Management Limited (formerly known as Reliance Capital Asset Management Limited)

(Currency: Indian rupees)

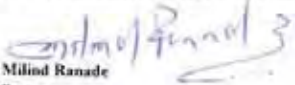
Form AOC - I

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.


Sr. No.	Name of Subsidiary Company	Reliance Asset Management (Mauritius) Ltd	Reliance Asset Management (Singapore) Pte Ltd	Reliance Capital Pension Fund Limited	Reliance AIF Management Company Limited
1	Reporting currency	USD	SGD		
2	Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	INR 64.8589	INR 46.4321	NA	NA
3	Share capital	127,123,461	266,637,730	250,000,000	5,100,000
4	Reserves & surplus	35,409,126	(66,224,423)	10,888,719	165,944,041
5	Total assets	177,881,997	214,398,601	268,351,461	290,273,178
6	Total Liabilities	15,349,409	13,985,294	7,462,742	119,229,137
7	Investments	65,572	34,506,090	265,630,205	-
8	Turnover	48,334,048	105,270,567	138,258	256,598,087
9	Profit before taxation	19,336,873	(102,879,303)	750,325	81,777,649
10	Provision for taxation	723,991	-	-	19,425,184
11	Profit after taxation	18,612,881	(102,879,303)	750,325	62,352,465
12	Proposed Dividend	-	-	-	-
13	% of shareholding	100%	100%	100%	100%

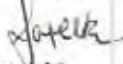
Note : Reliance Capital Asset Management (UK) Pte. has been struck off by the Companies House, Register of Companies London, as per the application made by the Company in previous year.

As per our report of even date attached
For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

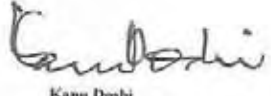

Milind Ranade
Partner
Membership No. 100564

For and on behalf of the Board of Directors of
Reliance Nippon Life Asset Management Limited


Sunleep Sikka
Executive Director & CEO
DIN No. 02553654


Prateek Jain
Chief Financial Officer


Deepak Mukhija
Company Secretary


Kanu Doshi
Director
DIN No.00577409


Ajay Patel
Manager

Mumbai, 22 April 2017