

THIS PROSPECTUS IS NOT AN ADVERTISEMENT UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (MUTUAL FUNDS) REGULATIONS, 1996, AS AMENDED AND IS NOT INTENDED TO INFLUENCE INVESTMENT DECISIONS OF ANY CURRENT OR PROSPECTIVE INVESTORS OF THE SCHEMES OF ADITYA BIRLA SUN LIFE MUTUAL FUND

Aditya Birla Sun Life AMC Ltd.

(A part of Aditya Birla Capital Ltd.)



ADITYA BIRLA SUN LIFE AMC LIMITED

Our Company was originally incorporated as 'Birla Capital International AMC Limited' at Mumbai, Maharashtra as a public company under the Companies Act, 1956, pursuant to a certificate of incorporation dated September 5, 1994, issued by the RoC and commenced operations pursuant to a certificate for commencement of business dated November 10, 1994, issued by the RoC. Further, the name of our Company was changed from 'Birla Capital International AMC Limited' to 'Birla Sun Life Asset Management Company Limited' pursuant to which a revised certificate of incorporation was issued by the RoC dated June 29, 1999. Subsequently the name of our Company was changed from 'Birla Sun Life Asset Management Company Limited' to 'Aditya Birla Sun Life AMC Limited' and a revised certificate of incorporation dated July 17, 2017 pursuant to change of name was issued by the RoC. For further details in relation to the changes in the name and registered office of our Company, see "History and Certain Corporate Matters" beginning on page 172.

Registered and Corporate Office One World Center, Tower 1, 17th Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai, 400 013, Maharashtra, India;

Telephone: +91 22 4356 8008; **Contact Person:** Hemanti Wadhwa, Head - Compliance, Legal and Secretarial, Company Secretary and Compliance officer

E-mail: ABSLAMC.CS@adityabirlacapital.com; **Website:** https://mutualfund.adityabirlacapital.com

Corporate Identity Number: U65991MH1994PLC080811

PROMOTERS OF OUR COMPANY: ADITYA BIRLA CAPITAL LIMITED AND SUN LIFE (INDIA) AMC INVESTMENTS INC.

INITIAL PUBLIC OFFER OF 38,880,000* EQUITY SHARES OF FACE VALUE OF ₹5 EACH ("EQUITY SHARES") OF ADITYA BIRLA SUN LIFE AMC LIMITED ("COMPANY") FOR CASH AT A PRICE OF ₹712 PER EQUITY SHARE ("OFFER PRICE") AGGREGATING TO ₹27,682.56 MILLION (THE "OFFER") THROUGH AN OFFER FOR SALE OF 2,850,880* EQUITY SHARES AGGREGATING TO ₹2,029.83 MILLION BY ADITYA BIRLA CAPITAL LIMITED ("ABCL") AND 36,029,120* EQUITY SHARES AGGREGATING TO ₹25,652.73 MILLION BY SUN LIFE (INDIA) AMC INVESTMENTS INC. ("SUN LIFE AMC") TOGETHER WITH ABCL, THE "SELLING SHAREHOLDERS" AND SUCH EQUITY SHARES OFFERED BY THE SELLING SHAREHOLDERS, THE "OFFERED SHARES").

THE OFFER INCLUDES A RESERVATION OF 1,944,000* EQUITY SHARES, FOR SUBSCRIPTION BY ABCL SHAREHOLDERS (AS DEFINED HEREINAFTER) (THE "ABCL SHAREHOLDERS RESERVATION PORTION"). THE OFFER LESS THE ABCL SHAREHOLDERS RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER", AGGREGATING TO 36,936,000 EQUITY SHARES. THE OFFER AND THE NET OFFER SHALL CONSTITUTE 13.50% AND 12.83% OF THE POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY, RESPECTIVELY.

THE FACE VALUE OF EQUITY SHARES IS ₹5 EACH. THE OFFER PRICE AND THE ANCHOR INVESTOR OFFER PRICE IS 142.40 TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WERE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS, IN CONSULTATION WITH THE GLOBAL COORDINATORS AND BOOK RUNNING LEAD MANAGERS AND THE BOOK RUNNING LEAD MANAGERS AND WERE ADVERTISED IN ALL EDITIONS OF ENGLISH NATIONAL DAILY NEWSPAPER, FINANCIAL EXPRESS, ALL EDITIONS OF HINDI NATIONAL DAILY NEWSPAPER, JANSATTA AND MUMBAI EDITIONS OF THE MARATHI DAILY NEWSPAPER NAVSHAKTI (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED AND CORPORATE OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND WERE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE"), AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

***Subject to finalisation of the Basis of Allotment**

The Offer was made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"). The Offer was made in accordance with Regulation 6(1) of the SEBI ICDR Regulations and through a Book Building Process wherein not more than 50% of the Net Offer was made available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs"), and such portion, the "QIB Portion"). Our Company and the Selling Shareholders, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), out of which at least one-third was made available for allocation to domestic Mutual Funds only, subject to valid Bids having been received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the Net QIB Portion was made available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion was made available for allocation on a proportionate basis to all QIB Bidders other than Anchor Investors, including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. Further, not less than 15% of the Net Offer was made available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer was made available for allocation to Retail Individual Bidders ("RIBs") in accordance with SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price. All potential Bidders, other than Anchor Investors, were required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective bank account (including UPI ID (defined hereinafter) in case of RIBs) which was blocked by the SCSBs, to participate in the Offer. Anchor Investors were not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "Offer Procedure" beginning on page 326.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹5. The Offer Price (determined and justified by our Company and the Selling Shareholders in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, in accordance with the SEBI ICDR Regulations), and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process as stated in "Basis for Offer Price" beginning on page 81 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, Bidders must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have neither been recommended, nor approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the Bidders is invited to "Risk Factors" beginning on page 25.

COMPANY'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms only statements expressly made by such Selling Shareholder in this Prospectus solely in relation to itself and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. The Selling Shareholders assume no responsibility for any other statements, including, inter alia, any of the statements made by or relating to our Company, or the other Selling Shareholder or in relation to our Company's business in this Prospectus.

LISTING

The Equity Shares offered through the Red Herring Prospectus and this Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated May 31, 2021 and June 4, 2021, respectively. For the purposes of the Offer, the Designated Stock Exchange is NSE. A signed copy of the Red Herring Prospectus has been and a signed copy of this Prospectus shall be filed with the RoC in accordance with Section 26(4) and Section 32 of the Companies Act. For details of the material contracts and documents which were made available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "Material Contracts and Documents for Inspection" beginning on page 390.

GLOBAL COORDINATORS AND BOOK RUNNING LEAD MANAGERS

BOOK RUNNING LEAD MANAGERS

Kotak Mahindra Capital Company Limited 1 st Floor, 27 BKC, Plot No. 27 G Block, Bandra Kurla Complex Bandra (East) Mumbai 400 051 Maharashtra, India Tel: +91 22 4336 0000 E-mail: ABSLAMC.ip@kotak.com Website: www.investmmbank.kotak.com Investor Grievance ID: kmccredressal@kotak.com Contact Person: Ganesh Rane SEBI Registration No.: INM000008704	BofA Securities India Limited Ground Floor, "A" Wing One BKC, "G" Block Bandra Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra, India Tel: +91 22 6632 8000 E-mail: dg.absl.ip@bofa.com Website: www.ml-india.com Investor Grievance ID: dg.india_merchbanking@bofa.com Contact Person: Abhay Agarwal SEBI Registration No.: INM000011625	Citigroup Global Markets India Private Limited 1202, First International Financial Center Bandra Kurla Complex, Bandra (East) Mumbai 400 098 Maharashtra, India Tel: +91 22 6175 9999 E-mail: dg.absl.ip@citici.com Website: www.online.citibank.co.in/whm/citigroupglobal Investor Grievance ID: investors.cgmib@citici.com Contact Person: Siddharth Sharma SEBI Registration No.: INM000010718	Axis Capital Limited 1 st floor, Axis House C-2 Wadia International Centre P.B. Marg, Worli Mumbai 400 025 Maharashtra, India Tel: +91 22 4325 2183 E-mail: absl.ip@axiscap.in Website: www.axiscapital.co.in Investor Grievance ID: complaints@axiscap.in Contact Person: Simran Gadh SEBI Registration Number: INM000012029	HDFC Bank Limited Investment Banking Group Unit No. 401 & 402, 4th Floor Tower B, Peninsula Business Park, Lower Parel Mumbai 400 013 Maharashtra, India Tel: +91 22 3395 8233 E-mail: abslamc.ip@hdfcbank.com Website: www.hdfcbank.com Investor Grievance ID: investor.redressal@hdfcbank.com Contact Person: Harsh Thakkar / Ravi Sharma SEBI Registration No.: INM000011252	ICICI Securities Limited* ICICI Venture House Appasaheb Marathe Marg Prabhadevi Mumbai 400 025 Maharashtra, India Tel: +91 22 6807 7100 E-mail: abslamc.ip@icicisecurities.com Website: www.icicisecurities.com Investor Grievance ID: customercare@icicisecurities.com Contact Person: Vaibhav Saboo/ Nidhi Wangoor SEBI Registration Number: INM000011179

BOOK RUNNING LEAD MANAGERS

REGISTRAR TO THE OFFER

IIFL Securities Limited 10th Floor, IIFL Centre Kamala City, Senapati Bapat Marg Lower Parel (West) Mumbai 400 013 Maharashtra, India Tel: +91 22 4646 4600 E-mail: abslamc.ip@iiflcap.com Website: www.iiflcap.com Investor Grievance E-mail: ig.iifl@iiflcap.com Contact Person: Ujjawal Kumar / Harshvardhan Jain SEBI Registration No.: INM000010940	JM Financial Limited 7th Floor, Cnergy Appasaheb Marathe Marg Prabhadevi, Mumbai, Maharashtra - 400025, India Tel: +91 22 6630 3030 E-mail: absl.ip@jmf.com Website: www.jmf.com Investor Grievance E-mail: grievance.ibd@jmf.com Contact Person: Prachee Dhuri SEBI Registration No.: INM000010361	Motilal Oswal Investment Advisors Limited Motilal Oswal Tower, Rahimtullah, Savani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai - 400 025 Maharashtra, India Tel: +91 22 7193 4380 E-mail: abslamc.ip@motilaloswal.com Website: www.motilaloswalgroup.com Investor Grievance E-mail: moaplredressal@motilaloswal.com Contact Person: Subodh Malviya SEBI Registration No.: INM000011005	SBI Capital Markets Limited 2 nd Maker Tower 'E' Curfew Parade Mumbai 400 005 Maharashtra, India Tel: +91 22 2217 8300 E-mail: absl.ip@sbicaps.com Website: www.sbicaps.com Investor Grievance ID: investor.relations@sbicaps.com Contact Person: Samit Rath / Janardhan Wagle SEBI Registration No.: INM000003531	YES Securities (India) Limited 2nd Floor, YES Bank House, Off Western Express Highway, Santacruz East Mumbai 400 055 Maharashtra, India Tel: +91 22 6507 8131 E-mail: abslamc.ip@ysil.in Website: www.yesinvest.in Investor Grievance E-mail: igc@ysil.in Contact Person: Sachin Kapoor/Lalit Phatak SEBI Registration No.: INM000012227	KFin Technologies Private Limited (formerly known as Karry Fintech Private Limited) Selenium, Tower B, Plot No. - 31 and 32 Financial District Nanakramguda, Serilingampally Hyderabad, Rangareddy 500 032 Telangana, India Tel: +91 40 6716 2222 Toll free number: 1800 309 4001 E-mail: absl.ip@kfinetech.com Website: www.kfinetech.com Investor Grievance ID: einward.ris@kfinetech.com Contact Person: M Murali Krishna SEBI Registration Number: INR000000221

BID/OFFER OPENED ON*

BID/OFFER PROGRAMME

Wednesday, September 29, 2021

BID/OFFER CLOSED ON

Friday, October 1, 2021

* In compliance with the proviso to Regulation 21A of the SEBI Merchant Banker Regulations and Regulation 23(3) of the SEBI ICDR Regulations, ICICI Securities Limited has been involved only in marketing of the Offer. ICICI Securities has signed the due diligence certificate and has been disclosed as a BRLM for the Offer.

* The Anchor Investor Bid/Offer Period was one Working Day prior to the Bid/Offer Opening Date i.e. September 28, 2021.

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislations, acts, regulations, rules, directions, guidelines, circulars, notifications, clarifications or policies shall be to such legislations, acts, regulations, rules, guidelines or policies as amended, updated, supplemented, re-enacted or modified, from time to time, and any reference to a statutory provision shall include any subordinate legislation made, from time to time, under such provision.

The words and expressions used in this Prospectus, but not defined herein shall have the meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, and the Depositories Act and the rules and regulations made thereunder.

The terms not defined herein but used in “Statement of Special Tax Benefits”, “Industry Overview”, “Key Regulations and Policies in India”, “Basis of Offer Price”, “History and Certain Corporate Matters”, “Our Group Companies”, “Restated Consolidated Financial Information”, “Outstanding Litigation and Material Developments”, “Main Provisions of Articles of Association” and “Offer Procedure” beginning on pages 84, 86, 161, 81, 172, 203, 213, 290, 343 and 326, respectively, shall have the meanings ascribed to such terms in these respective sections.

General Terms

Term	Description
“our Company” or “the Issuer” or “the Company”	Aditya Birla Sun Life AMC Limited, a public limited company incorporated under the Companies Act, 1956 and having its Registered and Corporate Office at One World Center, Tower 1, 17 th Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai, 400 013, Maharashtra, India
“we” or “us” or “our”	Unless the context otherwise indicates or implies, our Company together with its Subsidiaries, on a consolidated basis

Company Related Terms

Term	Description
ABCL	Aditya Birla Capital Limited
BG Holdings	BG Holdings Private Limited
“Articles of Association” or “AoA” or “Articles”	Articles of association of our Company, as amended from time to time
Audit Committee	Audit committee of our Board, as described in “Our Management – Committees of the Board” beginning on page 189
“Board” or “Board of Directors”	Board of Directors of our Company or a duly constituted committee thereof
Chairman	Non-Executive Chairman of our Board, namely, Kumar Mangalam Birla
“Chief Financial Officer” or “CFO”	Chief financial officer of our Company, namely, Parag Joglekar
Committee(s)	Duly constituted committee(s) of our Board of Directors
“Corporate Social Responsibility Committee” or “CSR Committee”	Corporate social responsibility committee of our Board, as described in “Our Management – Committees of the Board” beginning on page 189
CRISIL or CRISIL Research	CRISIL Limited
CRISIL Report	Report titled ‘Assessment of mutual fund industry in India’ of September 2021 issued by CRISIL
Director(s)	Director(s) on the Board of our Company
Equity Shares	Unless otherwise stated, equity shares of our Company bearing face value of ₹5 each
ESOP Scheme	Aditya Birla Sun Life AMC Limited Employee Stock Option Scheme 2021
Executive Director	Executive director of our Company, namely, A Balasubramanian. For details of the Executive Director, see “Our Management” beginning on page 181
Existing Shareholders Agreement	Shareholders agreement dated May 19, 1999 entered between Birla Global Finance Limited, BG Holdings (formerly Birla Group Holdings Limited), Sun Life AMC, Sun Life Assurance Company of Canada and our Company, subsequently amended and restated pursuant to an agreement dated October 10, 2012 and further amended pursuant to amendment agreements dated December 24, 2015 and January 14, 2021
Head - Compliance, Legal and Secretarial, Company Secretary and Compliance officer	Head - Compliance, Legal and Secretarial, Company Secretary and Compliance officer of our Company, namely, Hemanti Wadhwa
Group Companies	Companies as identified in “Our Group Companies” beginning on page 203
Independent Director(s)	Independent director(s) on our Board. For details of the Independent Directors, see “Our Management” beginning on page 181
IPO Committee	The IPO committee of our Board

Term	Description
Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, as described in “ <i>Our Management – Key Managerial Personnel</i> ” beginning on page 195
Managing Director and Chief Executive Officer	Managing Director and Chief Executive Officer of our Company, namely, A Balasubramanian
Materiality Policy	The policy adopted by our Board on April 14, 2021 and September 8, 2021, as applicable, for identification of Group Companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations
“Memorandum of Association” or “MoA”	Memorandum of association of our Company, as amended from time to time
“Nomination, Remuneration and Compensation Committee” or “NRC Committee”	Nomination, remuneration and compensation committee of our Board, as described in “ <i>Our Management – Committees of the Board</i> ” beginning on page 189
Non-Executive Directors	The Non-Executive Directors of our Company namely, Kumar Mangalam Birla, Ajay Srinivasan, Sandeep Asthana and Colm Freyne
Promoters	Promoters of our Company, being, ABCL and Sun Life AMC
Promoter Group(s)	Entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as described in “ <i>Our Promoter and Promoter Group</i> ” beginning on page 198
Registered and Corporate Office	The registered and corporate office of our Company located at One World Center, Tower 1, 17 th Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai, 400 013, Maharashtra, India
“Registrar of Companies” or “RoC”	Registrar of Companies, Maharashtra at Mumbai
Restated Amendment and Termination Agreement	Restated amendment and termination agreement entered into between ABCL, Sun Life AMC and our Company dated September 9, 2021
Restated Consolidated Financial Information	Our restated consolidated statements of assets and liabilities as at and for the three months period ended June 30, 2021 and June 30, 2020 and financial year ended March 31, 2021, March 31, 2020 and March 31, 2019 and the restated consolidated statements of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity and the restated consolidated cash flow statement as at and for the three months period ended June 30, 2021, June 30, 2020 and financial year ended March 31, 2021, March 31, 2020 and March 31, 2019 of our Company together with the summary statement of significant accounting policies, and other explanatory information thereon, derived from audited consolidated financial statements as at and for the three months period ended June 30, 2021 and June 30, 2020 prepared in accordance with Ind AS 34, and financial year ended March 31, 2021, March 31, 2020 and March 31, 2019, together with the annexures and notes thereto prepared in accordance with Ind AS and restated in accordance with requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the ICAI
Restated Inter-se Agreement	The amended and restated inter-se agreement entered into between ABCL and Sun Life AMC dated September 9, 2021
Risk Management Committee	Risk management committee of our Board, as described in “ <i>Our Management - Committees of the Board</i> ” beginning on page 189
Selling Shareholders	ABCL and Sun Life AMC
Shareholder(s)	Equity shareholder(s) of our Company from time to time
Stakeholders’ Relationship Committee	Stakeholders’ relationship committee of our Board, as described in “ <i>Our Management - Committees of the Board</i> ” beginning on page 189
Statutory Auditors	The present statutory auditors of our Company, being S R Batliboi & Co. LLP
Subsidiaries	The subsidiaries of our Company as described in “ <i>History and Certain Corporate Matters – Our Subsidiaries</i> ” beginning on page 177
Sun Life AMC	Sun Life (India) AMC Investments Inc.
Sun Life Group	Those companies in which Sun Life Financial Inc., or any of its successors, has a direct or indirect controlling interest (it being understood that these companies include, without limitation, Sun Life Assurance Company of Canada and Sun Life AMC)

Offer Related Terms

Term	Description
ABCL Shareholders	Individuals and HUFs who are the public equity shareholders of ABCL (being one of our Promoters), excluding depository receipt holders of ABCL and such other persons not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines, as on the date of the Red Herring Prospectus
ABCL Shareholders Reservation Portion	Reservation of 1,944,000* Equity Shares aggregating to ₹ 1,384.13 million, available for allocation to ABCL Shareholders *Subject to finalisation of the Basis of Allotment
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form

Term	Description
Addendum	The addendum dated August 17, 2021 to the Draft Red Herring Prospectus dated April 19, 2021 filed with SEBI
Allot, Allotment or Allotted	Unless the context otherwise requires, transfer of the Equity Shares pursuant to the Offer to the successful Bidders
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹100 million
Anchor Investor Allocation Price	₹712.00 per Equity Share
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and this Prospectus
Anchor Investor Bid/Offer Period	September 28, 2021, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors were submitted and allocation to Anchor Investors was completed
Anchor Investor Offer Price	₹712.00 per Equity Share The Anchor Investor Offer Price was decided by our Company and the Selling Shareholders, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), the Anchor Investor Bid/Offer Period, i.e., September 28, 2021
Anchor Investor Portion	60% of the QIB Portion or 11,080,800* Equity Shares which were allocated by our Company and the Selling Shareholders, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price <i>*Subject to finalisation of the Basis of Allotment</i>
“Application Supported by Blocked Amount” or “ASBA”	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account and which includes amounts blocked by the SCSB upon acceptance of UPI Mandate Request by RIBs and ABCL Shareholders Bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) using the UPI Mechanism
ASBA Account	A bank account maintained by ASBA Bidder with an SCSB for blocking the Bid Amount mentioned in the ASBA Form and which includes a bank account of RIBs linked with UPI ID, which is blocked upon acceptance of a UPI Mandate Request made by the RIB and ABCL Shareholders Bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) using the UPI Mechanism
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which was considered as the application for Allotment in terms of the Red Herring Prospectus and this Prospectus
Banker(s) to the Offer	Collectively, the Escrow Collection Bank, Refund Bank, Public Offer Bank and Sponsor Bank
Basis of Allotment	The basis on which Equity Shares will be Allotted to successful Bidders under the Offer. For details, see “Offer Procedure” beginning on page 326
Bid	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Offer Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and paid by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case may be, upon submission of the Bid
Bid cum Application Form	Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	20 Equity Shares and in multiples of 20 Equity Shares thereafter
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, October 1, 2021
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, September 29, 2021
Bid/Offer Period	Except in relation to Anchor Investors, the period between September 29, 2021 and October 1, 2021, inclusive of both days
Bidder/Applicant	Any investor who made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor

Term	Description
Bidding Centres	The centres at which the Designated Intermediaries accepted the Bid cum Application Forms, being the Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer was made
“Book Running Lead Managers” or “BRLMs”	The book running lead managers to the Offer namely, Axis Capital Limited, HDFC Bank Limited, ICICI Securities Limited*, IIFL Securities Limited, JM Financial Limited, Motilal Oswal Investment Advisors Limited, SBI Capital Markets Limited, and YES Securities (India) Limited <i>*In compliance with the proviso to Regulation 21A of the SEBI Merchant Banker Regulations and Regulation 23(3) of the SEBI ICDR Regulations, ICICI Securities Limited has been involved only in marketing of the Offer. ICICI Securities has signed the due diligence certificate and has been disclosed as a BRLM for the Offer</i>
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders could have submitted the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Cap Price	₹712 per Equity Share
Client ID	The client identification number maintained with one of the Depositories in relation to demat account
“Collecting Depository Participant” or “CDP”	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who was eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
“Confirmation of Allocation Note” or “CAN”	A notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who were allocated Equity Shares, after the Anchor Investor Bid/Offer Period
Corrigendum	The corrigendum dated August 30, 2021 to the Draft Red Herring Prospectus dated April 19, 2021 filed with the SEBI and the corrigendum dated September 30, 2021 to the Red Herring Prospectus dated September 22, 2021 filed with the RoC
Cut-off Price	The Offer Price being ₹712.00 per Equity Share, finalised by our Company and the Selling Shareholders, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers. Only RIBs and ABCL Shareholders bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) were entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors), Non-Institutional Bidders and ABCL Shareholders submitting Bid Amount of more than ₹200,000 under the ABCL Shareholders Reservation Portion were not entitled to Bid at the Cut-off Price
Demographic Details	The demographic details of the Bidders including the Bidders’ address, name of the Bidders’ father or husband, investor status, occupation, bank account details, PAN and UPI ID, where applicable
Designated Branches	Such branches of the SCSBs which collected the ASBA Forms from relevant Bidders, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where relevant ASBA Bidders submitted the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Offer Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIBs and ABCL Shareholders Bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account, in terms of the Red Herring Prospectus and this Prospectus, following which the Equity Shares will be Allotted in the Offer
Designated Intermediary(ies)	Collectively, the members of the Syndicate, sub-syndicate or agents, SCSBs (other than in relation to RIBs and ABCL Shareholders Bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the relevant Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where relevant ASBA Bidders submitted the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	National Stock Exchange of India Limited

Term	Description
“Draft Red Herring Prospectus” or “DRHP”	The draft red herring prospectus dated April 19, 2021 filed with SEBI and issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, read with the Addendum and the Corrigendum dated August 30, 2021
Eligible FPI(s)	FPI(s) eligible to participate in the Offer in terms of applicable law and from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constituted an invitation to purchase the Equity Shares
Eligible NRI(s)	NRI(s) eligible to invest under Schedule 3 and Schedule 4 of the FEMA Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constituted an invitation to purchase the Equity Shares
Escrow Account(s)	The ‘no-lien’ and ‘non-interest bearing’ account(s) opened with the Escrow Collection Bank and in whose favour the Bidders (excluding the ASBA Bidders) transferred money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid
Escrow and Sponsor Bank Agreement	The escrow and sponsor bank agreement dated September 22, 2021 entered into between our Company, the Selling Shareholders, the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers, the Registrar to the Offer, the Banker(s) to the Offer and the Syndicate Members for, <i>inter alia</i> , collection of the Bid Amounts from the Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from the Anchor Investors, on the terms and conditions thereof, in accordance with the UPI Circulars
Escrow Collection Bank	Bank, which are clearing members and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account was opened, in this case being, Axis Bank Limited
First Bidder/Sole Bidder	The Bidder whose name is mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name also appeared as the first holder of the beneficiary account held in joint names
Floor Price	₹695.00 per Equity Share
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
“GCBRLMs” or “Global Coordinators and Book Running Lead Managers”	The global coordinators and book running lead managers, namely, Kotak Mahindra Capital Company Limited, BofA Securities India Limited and Citigroup Global Markets India Private Limited
“General Information Document” or “GID”	The General Information Document for investing in public issues, prepared and issued in accordance with the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 and the UPI Circulars. The General Information Document is available on the websites of the Stock Exchanges, Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Mutual Fund Portion	5% of the Net QIB Portion or 369,360* Equity Shares which was made available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids having been received at or above the Offer Price <i>*Subject to finalisation of the Basis of Allotment</i>
Net Offer	The Offer less the ABCL Shareholders Reservation Portion
Net Proceeds	Proceeds of the Offer less Offer expenses. For details in relation to use of the Net Proceeds and the Offer expenses, see “Objects of the Offer” beginning on page 79
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
“Non-Institutional Bidders” or “NIBs”	All Bidders that are not QIBs or RIBs or ABCL Shareholders and who have Bid for Equity Shares, for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Net Offer comprising 5,540,400* Equity Shares which was made available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids having been received at or above the Offer Price <i>*Subject to finalisation of the Basis of Allotment</i>
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
“Non-Resident Indians” or “NRI(s)”	A non-resident Indian as defined under the FEMA Rules
Offer / Offer for Sale	The initial public offer of 38,880,000* Equity Shares for cash at a price of ₹712.00 each, aggregating to ₹27,682.56 million, comprising an Offer for Sale of 2,850,880* Equity Shares by ABCL aggregating to ₹2,029.83 million and 36,029,120* Equity Shares by Sun Life AMC aggregating to ₹25,652.73 million. The Offer comprises the Net Offer and the ABCL Shareholders Reservation Portion <i>*Subject to finalisation of the Basis of Allotment</i>
Offer Agreement	The offer agreement dated April 19, 2021 entered into between our Company, the Selling Shareholders, Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer Price	₹712.00 per Equity Shares, being the final price at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and this Prospectus. Equity Shares will be Allotted

Term	Description
	to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus and this Prospectus. The Offer Price was decided by our Company and the Selling Shareholders in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus and this Prospectus
Offered Shares	38,880,000* Equity Shares aggregating to ₹27,682.56 million offered by the Selling Shareholders in the Offer for Sale <i>*Subject to finalisation of the Basis of Allotment</i>
Price Band	The price band of a minimum price of ₹695.00 per Equity Share (Floor Price) and the maximum price of ₹712.00 per Equity Share (Cap Price)
Pricing Date	October 4, 2021, the date on which our Company and the Selling Shareholders, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, finalised the Offer Price being ₹712.00
Prospectus	This prospectus dated October 4, 2021 to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Offer Price has been determined at the end of the Book Building Process, the size of the Offer and certain other information including any addenda or corrigenda thereto
Public Offer Account	The 'no-lien' and 'non-interest bearing' account opened, in accordance with Section 40(3) of the Companies Act with the Public Offer Bank to receive monies from the Escrow Account and the ASBA Accounts on the Designated Date
Public Offer Bank	Bank which are a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Offer Account for collection of Bid Amounts from Escrow Accounts and ASBA Accounts has been opened, in this case being HDFC Bank Limited
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer comprising 18,468,000* Equity Shares which were made available for allocation to QIBs (including Anchor Investors), subject to valid Bids having been received at or above the Offer Price <i>*Subject to finalisation of the Basis of Allotment</i>
"QIBs" or "QIB Bidders" or "Qualified Institutional Buyers"	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
"Red Herring Prospectus" or "RHP"	The red herring prospectus dated September 22, 2021 issued by our Company in accordance with Section 32 of the Companies Act, and the provisions of the SEBI ICDR Regulations, which did not have complete particulars of the price at which the Equity Shares were offered and the size of the Offer, read with the Corrigendum dated September 30, 2021
Refund Account(s)	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made
Refund Bank	The Banker to the Offer which are a clearing member and registered with SEBI as a banker to an issue, and with whom the Refund Account(s) has been opened and in this case being, State Bank of India
Registered Brokers	The stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids from relevant Bidders in terms of SEBI circular number CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar Agreement	Registrar agreement dated April 16, 2021 entered into between our Company, the Selling Shareholders and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
"Registrar to the Offer" or "Registrar"	KFin Technologies Private Limited
"Retail Individual Bidder(s)" or "Retail Individual Investor(s)" or "RII(s)" or "RIB(s)"	Individual Bidders submitting Bids, who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta) and Eligible NRIs
Retail Portion	The portion of the Offer being not less than 35% of the Net Offer comprising 12,927,600* Equity Shares, which were made available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price <i>*Subject to finalisation of the Basis of Allotment</i>
Revision Form	The form used by Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIB Bidders, Non-Institutional Bidders and ABCL Shareholders bidding under the ABCL Shareholder Reservation Portion for a Bid Amount more than ₹200,000 were not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs and ABCL Shareholders bidding under the ABCL Shareholder Reservation Portion (subject to the Bid Amount being up to ₹200,000) could revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date
"RTAs" or "Registrar and Share Transfer Agents"	The registrar and share transfer agents registered with SEBI and eligible to procure Bids from relevant Bidders at the Designated RTA Locations in terms of SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and available on the websites of the Stock Exchanges at www.nseindia.com and www.bseindia.com
SCORES	Securities and Exchange Board of India Complaints Redress System

Term	Description
“Self-Certified Syndicate Bank(s)” or “SCSB(s)”	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI Mechanism), a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement namely, KFin Technologies Private Limited
Share Escrow Agreement	Share escrow agreement dated September 16, 2021, entered into between our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer for Sale by the Selling Shareholders for the purposes of credit of such Equity Shares to the demat accounts of the Allottees in accordance with the Basis of Allotment
Specified Locations	The Bidding centres where the Syndicate accepted Bid cum Application Forms from relevant Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in), and updated from time to time
Sponsor Bank	HDFC Bank Limited, being a Banker to the Offer registered with SEBI, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the RIBs and ABCL Shareholders Bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) using the UPI Mechanism, in terms of the UPI Circulars
Syndicate Agreement	Syndicate agreement dated September 22, 2021 entered into between our Company, the Selling Shareholders, the Registrar and the members of the Syndicate in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Members	The intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely HDFC Securities Limited, Kotak Securities Limited, Motilal Oswal Financial Services Limited, JM Financial Services Limited, SBICAP Securities Limited and Investec Capital Services (India) Private Limited.
“Syndicate” or “members of the Syndicate”	The Global Coordinators and Book Running Lead Managers, Book Running Lead Managers and the Syndicate Members
Underwriters	The Global Coordinators and Book Running Lead Managers, Book Running Lead Managers and the Syndicate Members
Underwriting Agreement	Underwriting agreement dated October 4, 2021, entered into between our Company, the Selling Shareholders and the Underwriters
UPI	Unified payments interface which is an instant payment mechanism, developed by NPCI
UPI Circulars	SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI in this regard
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the RIB and ABCL Shareholders Bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) by way of a notification on the UPI application and by way of a SMS for directing the RIB and ABCL Shareholders Bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) to such UPI mobile application) to the RIB and ABCL Shareholders Bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	Process for applications by RIBs and ABCL Shareholders Bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) submitted with intermediaries with UPI as mode of payment, in terms of the UPI Circulars
Wilful Defaulter	A company or person, as the case may be, categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI
Working Day	All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of

Term	Description
	the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI, including the UPI Circulars

Technical, Industry Related Terms or Abbreviations

Term	Description
AAAUM	Annual average assets under management
AIF	Alternative investment fund
AMC	Asset management company
AMFI	Association of Mutual Funds of India
AUM	Assets under management
B-30 cities	Beyond the top 30 cities of India
ELSS	Equity linked saving schemes
ETF	Exchange traded funds
EM	Emerging market
FoF	Fund of fund
HNI	High net worth investors
IMF	International Monetary Fund
MAAUM	Monthly average assets under management
MFD	Mutual fund distributor
PMS	Portfolio management services
QAAUM	Quarterly average assets under management
SIP	Systematic investment plan
STP	Systematic transfer plan
SWP	Systematic withdrawal plan
TER	Total expense ratio
T-30 cities	The top 30 cities of India
UTI	Unit Trust of India

Conventional and General Terms or Abbreviations

Term	Description
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupees
“AS” or “Accounting Standards”	Accounting standards issued by the ICAI
“Bn” or “bn”	Billion
BSE	BSE Limited
“CAD” or “C\$”	Canadian Dollar
CAGR	Compound annual growth rate
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Civil Code	Code of Civil Procedure, 1908
Companies Act	Companies Act, 2013, as applicable, along with the relevant rules, regulations, clarifications and modifications made thereunder
Consolidated FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT under DPIIT File Number 5(2)/2020-FDI Policy dated the October 15, 2020, effective from October 15, 2020
Depositories	Together, NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant’s Identification
“DP” or “Depository Participant”	A depository participant as defined under the Depositories Act
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as Department of Industrial Policy and Promotion)
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EGM	Extraordinary general meeting
EPS	Earnings per share
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations thereunder

Term	Description
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
“Financial Year” or “Fiscal” or “Fiscal Year” or “FY”	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
GAAR	General anti-avoidance rules
GDP	Gross domestic product
“GoI” or “Government” or “Central Government”	Government of India
GST	Goods and services tax
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Income Tax Act	The Income-tax Act, 1961
Ind AS	Indian Accounting Standards notified under Section 133 of the Companies Act and referred to in the Companies (Indian Accounting Standards) Rules, 2015, as amended
India	Republic of India
“Indian GAAP/IGAAP”	Accounting Standards notified under Section 133 of the Companies Act and referred to in the Companies (Accounting Standards) Rules, 2014, as amended
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time
IT	Information Technology
IT Act	The Information Technology, 2000
KYC	Know Your Customer
KYD	Know Your Distributor
MCA	Ministry of Corporate Affairs, Government of India
“Mn” or “mn”	Million
NACH	National Automated Clearing House
National Investment Fund	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India
NBFC	Non-Banking Financial Companies
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
Negotiable Instruments Act	The Negotiable Instruments Act, 1881
NPCI	National Payments Corporation of India
NR	Non-Resident
NRE	Non- Resident External
NRI	An individual resident outside India, who is a citizen of India.
NRO	Non- Resident Ordinary
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
“OCB” or “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
p.a.	Per annum
P/E Ratio	Price to Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PMLA	Prevention of Money Laundering Act, 2002
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934
Regulation S	Regulation S under the U.S. Securities Act
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000

Term	Description
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI Portfolio Regulations	Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
State Government	The government of a state in India
Stock Exchanges	BSE and NSE
STT	Securities Transaction Tax
Systemically Important NBFC	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
TAN	Tax deduction account number
U.S. Securities Act	U.S. Securities Act of 1933, as amended
“U.S.” or “USA” or “United States”	United States of America
“USD” or “US\$”	United States Dollars
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references to “India” contained in this Prospectus are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable. All references to the “U.S.”, “US”, “U.S.A” or “United States” are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Prospectus are to the page numbers of this Prospectus.

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Prospectus have been derived from our Restated Consolidated Financial Information. For further information, see “*Restated Consolidated Financial Information*” beginning on page 213.

The Restated Consolidated Financial Information of our Company, which comprises the restated consolidated statements of assets and liabilities as at and for the three months period ended June 30, 2021 and June 30, 2020 and the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 and the restated consolidated statements of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity and the restated consolidated cash flow statement as at and for the three months period ended June 30, 2021 and June 30, 2020 and the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 of our Company together with the summary statement of significant accounting policies, and other explanatory information thereon, has been derived from (i) audited consolidated financial statements as at and for the three months period ended June 30, 2021 and June 30, 2020 prepared in accordance with Ind AS 34, (ii) as at and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, together with the annexures and notes thereto prepared in accordance with Ind AS and restated in accordance with requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the ICAI, as approved by the Board of Directors of our Company at their meeting held on August 17, 2021 for the purpose of inclusion in this Prospectus.

The financial statements of our Company as at and for the year ended March 31, 2021 and March 31, 2020 and as at and for each of three months period ended June 30, 2021 and June 30, 2020 were audited by the present Statutory Auditors, being S R Batliboi & Co. LLP. The financial statements of our Company as at and for the year ended March 31, 2019 were audited by the previous auditors of our Company, being Deloitte Haskins & Sells, LLP, Chartered Accountants.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references in this Prospectus to a particular FY, Financial Year, Fiscal or Fiscal Year, unless stated otherwise, are to the 12 month period ended on March 31 of that particular calendar year.

There are significant differences between Ind AS, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Prospectus should, accordingly, be limited. For risks relating to significant differences between Ind AS and other accounting principles, see “*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to investors’ assessments of our financial condition*” on pages 49-50.

Unless the context otherwise indicates, any percentage amounts or ratios (excluding certain operational metrics), relating to the financial information of our Company in this Prospectus have been calculated on the basis of our Restated Consolidated Financial Information.

Non-Generally Accepted Accounting Principles Financial Measures

Certain non-GAAP measures such as, EBITDA, return on net worth, and net asset value per equity share (“**Non-GAAP Measures**”) presented in this Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a

measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardised term, hence a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance. See *“Risk Factors - Certain non-GAAP financial measures and other statistical information relating to our operations and financial performance have been included in this Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable with those presented by other companies”* on page 50.

Currency and Units of Presentation

All references to:

- “CAD” are to Canadian Dollar, the official currency of Canada.
- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India;
- “SGD” are to Singapore Dollar; and
- “USD” or “US\$” are to United States Dollar, the official currency of the United States.

Our Company has presented certain numerical information in this Prospectus in “million” units. One million represents 1,000,000 and one billion represents 1,000,000,000.

However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions, such figures appear in this Prospectus in such denominations as provided in the respective sources.

In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Restated Consolidated Financial Information in decimals have been rounded off to the two decimal place. However, where any figures may have been sourced from third-party industry sources, such figures may be rounded off to such number of decimal places as provided in such respective sources.

Exchange Rates

This Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the US\$ (in Rupees per US\$), CAD (in Rupee per CAD) and SGD (in Rupee per SGD):

(Amount in ₹, unless otherwise specified)

Currency	As of June 30, 2021	As of June 30, 2020	As of March 31, 2021	As of March 31, 2020	As of March 31, 2019*
1 US\$	74.35	75.53	73.50	75.39	69.17
1CAD	59.92	55.46	58.20	53.39	51.93
1SGD	55.25	54.16	54.43	52.96	50.72

(Source: www.rbi.org.in, www.fbil.org.in and www.xe.com)

* Exchange rate as on March 29, 2019, as March 30, 2019 being a Saturday and March 31, 2019 being a Sunday.

Industry and Market Data

Unless stated otherwise, the industry-related information contained in this Prospectus is derived from the CRISIL Report dated September, 2021 which has been commissioned and paid for by our Company for an agreed fee for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. We officially engaged CRISIL Research, a division of CRISIL Limited, in connection with the preparation of the CRISIL Report on March 24, 2021.

The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that have been left out or changed in any manner. Industry publications generally state that the information contained in such publications has

been obtained from publicly available documents from various sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be based on such information. The data used in these sources may have been re-ordered by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which the market and industry data used in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate. Accordingly, investment decision should not be based solely on such information.

Disclaimer of CRISIL

*“CRISIL Research, a division of CRISIL Limited (**CRISIL**) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions or for the results obtained from the use of Data / Report. This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of this Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Aditya Birla Sun Life AMC Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Limited/ CRISIL Risk and Infrastructure Solutions Ltd (**CRIS**), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not of CRISIL's Ratings Limited/ CRIS. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval.”*

For details of risks in relation to CRISIL Report, see “Risk Factors – Statistical and industry data in this document is derived from the CRISIL Report commissioned by us for such purpose for an agreed fee.” on pages 42-43.

In accordance with the SEBI ICDR Regulations, “Basis for Offer Price” beginning on page 81 includes information relating to our peer group companies. Such information has been derived from publicly available sources specified herein, and neither we, the Selling Shareholders, the Global Coordinators and Book Running Lead Managers nor the Book Running Lead Managers have independently verified such information. Accordingly, no investment decision should be made solely on the basis of such information. Such industry sources and publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base this information on estimates and assumptions that may prove to be incorrect. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in “Risk Factors” beginning on page 25.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) pursuant to Section 4(a) of the U.S. Securities Act and (b) outside the United States in offshore transactions as defined in and in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “are likely”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “seek”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. All statements in this Prospectus that are not statements of historical fact are ‘forward – looking statements’.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India and other overseas jurisdictions in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Effect of COVID-19;
- Dependence on the value and composition of the AUM of the schemes managed by us;
- Underperformance of investment products in respect of which we provide asset management services could lead to a loss of investors and/or a reduction in AUM;
- Unavailability of appropriate investment opportunities;
- Credit risks related to the debt portfolio of our funds;
- Inability to manage our growth or successfully implement our business plan;
- The regulatory environment in which we operate is subject to change

For further details regarding factors that could cause actual results to differ from expectations, see “*Risk Factors*”, “*Industry Overview*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 25, 86, 135 and 270 respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect current views as of the date of this Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Selling Shareholders, the Syndicate nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company, the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges for the Offer.

In accordance with regulatory requirements including requirements of SEBI and as prescribed under applicable law, each of the Selling Shareholders shall, severally and not jointly, ensure that the Bidders in India are informed of material developments, in relation to statements and undertakings specifically undertaken or confirmed by it in relation to itself as a Selling Shareholder and its respective portion of the Offered Shares in this Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. Only statements and undertakings which are specifically confirmed or undertaken by each Selling Shareholder in relation to itself as a Selling Shareholder and its respective portion of the Offered Shares, in this Prospectus shall be deemed to be statements and undertakings made by such Selling Shareholder.

SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of the terms of the Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including “Risk Factors”, “The Offer”, “Capital Structure”, “Objects of the Offer”, “Industry Overview”, “Our Business”, “Offer Procedure”, “Outstanding Litigation and Material Developments” and “Main Provisions of Articles of Association” beginning on pages 25, 53, 68, 79, 86, 135, 326, 290 and 343, respectively.

Primary Business of our Company

We are ranked as the largest non-bank affiliated AMC in India by QAAUM since March 31, 2018, and among the four largest AMCs in India by QAAUM since September 30, 2011, according to the CRISIL Report. As of June 30, 2021 and March 31, 2021, 2020 and 2019, we managed total AUM of ₹2,936.42 billion, ₹2,707.51 billion, ₹2,152.70 billion and ₹2,556.15 billion, respectively, under our suite of mutual fund (excluding our domestic FoFs), portfolio management services, offshore and real estate offerings. We managed 118 schemes comprising 37 equity schemes, 68 debt schemes, two liquid schemes, five ETFs and six domestic FoFs, as of June 30, 2021. Since our inception in 1994, we have established a geographically diversified pan-India distribution presence covering 284 locations spread over 27 states and six union territories. Our distribution network is extensive and multi-channelled with a significant physical as well as digital presence.

Industry in which our Company Operates

The Indian mutual fund industry has a history of over 50 years, starting with the passing of an act for the formation of UTI, a joint initiative of the Government and the RBI in 1963. The mutual fund industry and asset management companies are regulated by SEBI, primarily pursuant to the SEBI Mutual Fund Regulations. The mutual fund industry has seen increased participation due to growing awareness, financial inclusion, and improved access to banking channels. The aggregate AUM of the Indian mutual fund industry has grown at a healthy pace over the past 10 years, against the backdrop of an expanding domestic economy, robust inflows, and rising investor participation, particularly from individual investors. Average AUM grew at a CAGR of 16.4% to ₹33.18 trillion as of June 2021 from ₹7.01 trillion as of 2011. The industry-related information contained in this Prospectus is derived from the CRISIL Report dated September, 2021 which has been commissioned and paid for by our Company for an agreed fee for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. We officially engaged CRISIL Research, a division of CRISIL Limited, in connection with the preparation of the CRISIL Report on March 24, 2021.

Our Promoters

Our Promoters are ABCL and Sun Life AMC. For details, see “Our Promoters and Promoter Group” beginning on page 198.

Offer Size

Offer for Sale of 38,880,000* Equity Shares for cash at a price of ₹712.00 per Equity Share aggregating to ₹27,682.56 million. The Offer includes a reservation of 1,944,000* Equity Shares for subscription by ABCL Shareholders. The Offer comprises the Net Offer and the ABCL Shareholders Reservation Portion. The Offer and the Net Offer shall constitute 13.50% and 12.83% of the post-Offer paid-up Equity Share capital of our Company, respectively. For further details, see “Offer Structure” beginning on page 323.

*Subject to finalisation of the Basis of Allotment

Objects of the Offer

The Selling Shareholders will be entitled to the entire proceeds of the Offer after deducting the Offer expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer. The objects of the Offer are to (i) achieve the benefits of listing the Equity Shares on the Stock Exchanges; and (ii) carry out the Offer for Sale of 38,880,000* Equity Shares by the Selling Shareholders. For further details, see “Objects of the Offer” beginning on page 79.

*Subject to finalisation of the Basis of Allotment

Aggregate pre-Offer shareholding of our Promoters, (also the Selling Shareholders) and, the Promoter Group

Category of Shareholders	No. of Equity Shares	% of total paid up Equity Share capital
Promoters (also the Selling Shareholders) (A)		
ABCL*	146,879,680	51.00 [#]
Sun Life AMC	141,120,000	49.00
Sub-Total (A)	287,999,680	100.00[#]
Promoter Group (B)		
Kumar Mangalam Birla	160	Negligible

Category of Shareholders	No. of Equity Shares	% of total paid up Equity Share capital
Neerja Birla	160	Negligible
Sub-Total (B)	320	Negligible
Total (A+B)	288,000,000	100.00[#]

*512 Equity Shares, 416 Equity Shares and 192 Equity Shares each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, as nominees of ABCL.

[#] approximate percentages

Select Financial Information

The following details of our Equity Share capital, total equity, net asset value per Equity Share net worth for equity shareholders, return of net worth for equity shareholders and total borrowings as at June 30, 2021 and June 30, 2020, March 31, 2021, March 31, 2020 and March 31, 2019 and total income, restated profit after tax and earnings per Equity Share (basic and diluted) for three months period ended June 30, 2021 and June 30, 2020 and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 are derived from the Restated Consolidated Financial Information.

Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12-month period ended March 31 of that year. The financial information for the three months ended June 30, 2021 and June 30, 2020 are not indicative of full year results and are not comparable with annual financial statements presented in this Prospectus:

(in ₹ million)					
Particulars	As at and for the three months ended June 30, 2021	As at and for the three months ended June 30, 2020	As at and for the Financial Year ended March 31, 2021	As at and for the Financial Year ended March 31, 2020	As at and for the Financial Year ended March 31, 2019
Equity Share capital [#]	1,440.00	180.00	180.00	180.00	180.00
Total equity	18,021.57	14,156.58	17,046.13	13,168.73	12,205.65
Total income	3,362.45	2,607.47	12,058.41	12,347.68	14,072.50
Restated profit after tax for the period/year	1,549.44	973.51	5,262.80	4,944.02	4,467.99
Basic earnings per share (Face Value of ₹5/- each) [#] (in ₹)	5.38	3.38	18.27	17.17	15.51
Diluted earnings per share (Face Value of ₹5/- each) [#] (in ₹)	5.36	3.38	18.27	17.17	15.51
Return on net worth for equity shareholders (%)	8.60	6.88	30.87	37.54	36.61
Net Asset Value per share (Face value of ₹5/- each) [#] (in ₹)	62.57	49.15	59.19	45.72	42.38
Net worth for equity shareholders as restated as at (₹ in Million)	18,021.57	14,156.58	17,046.13	13,168.73	12,205.65
Total borrowings (as per balance sheet)	-	-	-	-	-

Notes:

A The ratios have been computed as follows:

- Earning Per Share (Basic) = Restated net profit after tax and adjustments, available for equity shareholders/Weighted average number of equity shares outstanding during the period/year
- Earning Per Share (Diluted) = Restated profit for the period/year / Weighted average number of diluted potential equity shares outstanding during the period/year
- Return on Net worth (%) = Restated net profit after tax and adjustments, available for equity shareholders/ Restated net worth at the end of the period/year
- Net Asset Value per Share (in ₹) = Restated net worth at the end of the period/year / Number of equity shares outstanding at the end of the period/year

B Accounting and other ratios are derived from the Restated Consolidated Financial Information.

C Net worth for calculating ratios = Equity share capital + Other equity (including Securities premium, General reserve and Retained earnings)

D Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year

E Earnings per share calculations are in accordance with Indian Accounting Standard 33 (Ind AS 33) - Earnings per share

F Basic and Diluted EPS and Return on net worth numbers for the three months ended June 30, 2021 and June 30, 2020 have not been annualised

[#] Pursuant to a resolution passed by our Board on April 5, 2021 and a resolution of shareholders dated, April 6, 2021, each equity share of face value of ₹10 each has been split into two equity shares of face value of ₹5 each. Accordingly, the issued, subscribed and paid up capital of our Company was subdivided from 180,00,000 equity shares of face value of ₹10 each to 360,00,000 equity

shares of face value of ₹5 each. Stock split of shares are retrospectively considered for the computation of EPS in accordance with Ind AS 33 for all periods presented and for the computation of Net Asset Value per share for all periods presented.

- \$ The Board of Directors pursuant to a resolution dated April 5, 2021 and the shareholders special resolution dated April 6, 2021 have approved the issuance of seven bonus shares of face value ₹5 each for every one existing fully paid up equity share of face value ₹5 each and accordingly 25,20,00,000 bonus shares were issued and allotted. Bonus shares are retrospectively considered for the computation of EPS in accordance with Ind AS 33 for all periods presented and for the computation of Net Asset Value per share for all periods presented. As of the date of this prospectus, 288,000,000 Equity Shares are outstanding.

Qualifications of the Statutory Auditors which have not been given effect to in the Restated Consolidated Financial Information

There are no qualifications in the statutory audit reports and hence no effect is required to be given in the Restated Consolidated Financial Information.

Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, Directors and against ABCL (one of our Promoters) as of the date of this Prospectus, is provided below:

Types of proceedings	Number of cases	Amount (in ₹ million)
Litigation involving Aditya Birla Real Estate Fund (“ABREF”) one of the schemes managed by our Company in which our Company is representing ABREF as its investment manager.		
Criminal cases	2	2,500.00*
Material civil litigation above the materiality threshold	1	219.83
Litigation against our Company		
Direct tax proceedings involving our Company	11	72.77
Litigation against our Directors		
Criminal proceedings	9	-
Litigation against ABCL (one of our Promoters)		
Direct tax proceedings involving ABCL	1	1

* To the extent ascertainable

For further details of the outstanding litigation proceedings, see “Outstanding Litigation and Material Developments” beginning on page 290.

Risk Factors

For details in relation to certain risks applicable to us, see “Risk Factors” beginning on page 25.

Summary of Contingent Liabilities

The details of our contingent liabilities as per Ind AS 37 are set forth in the table below:

(₹ in million)						
No	Particulars	As at		As at		
		June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
	Claims against the group not acknowledged as debts in respect of;					
i)	Income tax matters	328.43	282.78	328.43	261.41	40.20
ii)	Sales tax matters (including interest and penalty)	-	-	-	-	15.13
iii)	Other matters	8.42	8.31	8.42	8.31	8.31

For details, of contingent liabilities for the three months period ended as at June 30, 2021 and June 30, 2020 and for the financial year ended March 31, 2021, March 31, 2020 and March 31, 2019, as per Ind AS 37, see “Restated Consolidated Financial Information – Notes to Restated Consolidated Financial Information – Contingent Liabilities” on page 242.

Summary of Related Party Transactions

A summary of related party transactions as per the requirements under Ind AS 24 - Related Party Disclosures read with the SEBI ICDR Regulations entered into by our Company with related parties as at and for the three months ended June 30, 2021 and June 30, 2020 and as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 are as follows:

a. List of Related Parties:

A	Parent of the Entity having Joint Control	F	The entities in respect of which Funds are managed by the Group
	Grasim Industries Limited		India Advantage Fund Limited
B	Entity having Joint Control		International Opportunities Fund SPC
	Aditya Birla Capital Limited (ABCL)		Global Clean Energy Fund (wound up on March 31, 2020)
	Sun Life (India) AMC Investments Inc., Canada		New Horizon Fund SPC
C	Subsidiaries	G	Directors and Key Management Personnel
	Aditya Birla Sun Life AMC (Mauritius) Limited		Kumar Mangalam Birla (Non-Executive Director)
	Aditya Birla Sun Life AMC Pte. Limited, Singapore		Ajay Srinivasan (Non-Executive Director)
	Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai		A. Balasubramanian (Managing Director and Chief Executive Officer from July 25, 2019)
D	Other Related Party		Sandeep Asthana (Non-Executive Director)
	Sun Life Global Investments (Canada) Inc		Colm Freyne (Non-Executive Director)
	Aditya Birla Management Corporation Private Limited		Bobby Parikh (Independent Director)
	Idea Cellular Limited (Up to 30 August 2018)		Bharat Patel (Independent Director)
	Green Oak India Investment Advisors Private Limited		Alka Bharucha (Independent Director)
	Aditya Birla Capital Foundation		Harish Engineer (Independent Director from 21 June 2019)
E	Fellow Subsidiaries of Entity having Joint Control		Sushobhan Sarker (Independent Director from 04 September 2019 upto April 6, 2021)
	Aditya Birla Health Insurance Company Limited		Navin Puri (Independent Director from 04 September 2019)
	Aditya Birla Sun Life Insurance Company Limited		Pankaj Razdan (Non-Executive Director up to July 08, 2019)
	Aditya Birla Sun Life Trustee Private Limited		N.N. Jambusaria (Independent Director up to August 24, 2019)
	Aditya Birla Money Mart Limited		N. C. Singhal (Independent Director up to August 24, 2019)
	Aditya Birla Finance Limited		R. Vaidyanathan (Independent Director up to August 24, 2019)
	Aditya Birla Money Limited		Claude Accum (Non-Executive Director up to February 24, 2020)
	Aditya Birla Financial Shared Services Limited		
	Aditya Birla Insurance Brokers Limited		
	Aditya Birla Money Insurance Advisory Services Limited		
	Aditya Birla Commodities Broking Limited		
	Aditya Birla PE Advisors Private Limited		
	Aditya Birla ARC Limited		
	ABCAP Trustee Company Private Limited		
	Aditya Birla Sun Life Pension Management Limited		
	Aditya Birla Housing Finance Limited		
	ABCSL-Employee Welfare Trust		
	Aditya Birla Wellness Private Limited		
	ABNL Investment Limited		
	Aditya Birla Capital Technology Services Limited (formerly known as Aditya Birla MyUniverse Services Limited)		

Related Parties with whom the Group has entered into transactions during the three months period ended June 30, 2021 and June 30, 2020 and the financial year ended March 31, 2021, March 31, 2020 and March 31, 2019:

(₹ in million)

Sr. No.	Particulars	Category	For the three months period ended		For the year ended		
			June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
1	Interim Dividend Paid						
	Aditya Birla Capital Limited	B	359.86	-	714.02	1,683.00	1,530.00
	Kumar Mangalam Birla	G	0.00*	-	0.00*	0.00*	0.00*
	Sun Life (India) AMC Investments Inc	B	345.74	-	686.02	1,617.00	1,470.00
	Sub-total		705.60	-	1,400.04	3,300.00	3,000.00
2	Reimbursements of						

(₹ in million)

Sr. No.	Particulars	Category	For the three months period ended		For the year ended		
			June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
	Costs Paid						
	Aditya Birla Capital Foundation (Other Expenses)	D	-	-	0.09	-	-
	Aditya Birla Capital Limited (Employee benefit expenses)	B	53.45	58.38	225.09	328.04	462.30
	Aditya Birla Capital Limited (Other Expenses)	B	12.94	13.00	56.25	70.25	66.69
	Aditya Birla Finance Limited (Employee benefit expenses)	E	0.41	0.04	0.49	0.30	0.87
	Aditya Birla Finance Limited (Other Expenses)	E	-	-	-	-	0.19
	Aditya Birla Finance Limited (Rent)	E	0.22	-	0.43	8.61	8.70
	Aditya Birla Financial Shared Services Limited (Employee benefit expenses)	E	15.77	9.16	57.46	88.87	88.58
	Aditya Birla Financial Shared Services Limited (Other Expenses)	E	61.58	56.03	171.65	189.50	153.60
	Aditya Birla Health Insurance Company Limited (Employee benefit expenses)	E	-	-	1.69	0.59	1.50
	Aditya Birla Housing Finance Limited (Rent)	E	0.10	0.10	0.38	0.38	-
	Aditya Birla Management Corporation Private Limited (Employee benefit expenses)	D	-	-	0.49	-	2.23
	Aditya Birla Management Corporation Private Limited (Other Expenses)	D	-	-	0.51	-	-
	Aditya Birla Money Limited (Employee benefit expenses)	E	-	-	0.75	-	0.02
	Aditya Birla Sun Life Insurance Company Limited (Employee benefit expenses)	E	-	-	1.56	1.00	0.92
	Aditya Birla Sun Life Insurance Company Limited (Other Expenses)	E	0.26	-	-	0.01	0.54
	Aditya Birla Sun Life Insurance Company Limited (Rent)	E	0.16	0.04	0.33	0.12	0.18
	Aditya Birla Sun Life Trustee Private Limited (Employee benefit expenses)	E	0.37	-	0.42	-	-
	Sun Life Global Investments (Canada) Inc (Employee benefit expenses)	D	1.42	2.25	7.06	14.88	7.75
	Sub-total		146.68	139.00	524.65	702.55	794.07

(₹ in million)

Sr. No.	Particulars	Category	For the three months period ended		For the year ended		
			June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
3	Expenses						
	Business Promotion Expenses						
	Aditya Birla Health Insurance Company Limited	E	-	-	0.19	0.27	26.85
	Aditya Birla Sun Life AMC Pte Limited, Singapore#	C	1.63	1.59	5.07	7.58	3.59
	Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai#	C	30.02	24.87	104.87	90.24	110.41
	Aditya Birla Sun Life Insurance Company Limited	E	2.65	90.90	99.14	69.26	71.64
	Sub-total		34.30	117.36	209.27	167.35	212.49
	Software & Technology Expenses						
	Aditya Birla Capital Technology Services Limited	E	8.27	6.38	27.60	-	-
	Sub-total		8.27	6.38	27.60	-	-
	Advisory Services						
	Greenoak India Investment Advisors Private Limited	D	2.89	2.98	17.48	8.41	-
	Sub-total		2.89	2.98	17.48	8.41	-
	Fees and Commission						
	Aditya Birla Capital Technology Services Limited	E	-	-	-	-	0.47
	Aditya Birla Finance Limited	E	2.15	2.05	8.86	4.84	12.30
	Aditya Birla Money Limited	E	0.00*	-	-	-	-
	Sub-total		2.15	2.05	8.86	4.84	12.77
	Rent						
	Aditya Birla Capital Limited	B	-	1.51	3.52	6.04	1.51
	Grasim Industries Limited	A	1.59	1.94	8.77	9.17	9.20
	Sub-total		1.59	3.45	12.29	15.21	10.71
	Contribution to Group Mediclaim/Insurance Premium/Gratuity						
	Aditya Birla Health Insurance Company Limited	E	-	2.56	2.56	6.89	7.03
	Aditya Birla Sun Life Insurance Company Limited	E	-	-	37.05	41.80	38.97
	Sub-total		-	2.56	39.61	48.69	46.00
	Employee Benefit Expenses						
	Aditya Birla Wellness Private Limited	E	-	-	0.07	-	-
	Sub-total		-	-	0.07	-	-
	Telephone and Internet						
	Idea Cellular Limited	D	-	-	-	-	0.72
	Sub-total		-	-	-	-	0.72
4	Managerial Remuneration						

(₹ in million)

Sr. No.	Particulars	Category	For the three months period ended		For the year ended		
			June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
	Managing Director and Chief Executive Officer	G	24.19	9.37	55.03	60.55	189.14
	Sub-total		24.19	9.37	55.03	60.55	189.14
5	Reimbursements of Costs Received						
	Aditya Birla ARC Limited (Employee benefit expenses)	E	-	-	-	0.11	-
	Aditya Birla Capital Limited (Other Expenses)	B	-	-	0.02	0.02	14.14
	Aditya Birla Finance Limited (Employee benefit expenses)	E	-	0.11	0.22	-	0.48
	Aditya Birla Finance Limited (Other Expenses)	E	-	-	-	1.81	-
	Aditya Birla Finance Limited (Rent)	E	0.19	-	0.41	-	-
	Aditya Birla Financial Shared Services Limited (Employee benefit expenses)	E	-	-	-	0.05	0.04
	Aditya Birla Health Insurance Company Limited (Employee benefit expenses)	E	-	-	1.27	-	0.06
	Aditya Birla Health Insurance Company Limited (Other Expenses)	E	-	-	0.04	0.04	8.52
	Aditya Birla Housing Finance Limited (Employee benefit expenses)	E	-	-	-	0.06	0.03
	Aditya Birla Housing Finance Limited (Rent)	E	0.09	-	0.13	-	-
	Aditya Birla Insurance Brokers Limited (Employee benefit expenses)	E	-	-	0.08	-	-
	Aditya Birla Management Corporation Private Limited (Employee benefit expenses)	D	0.03	-	0.43	0.63	-
	Aditya Birla Money Insurance Advisory Services Limited (Rent)	E	0.04	-	-	-	-
	Aditya Birla Money Limited (Employee benefit expenses)	E	-	-	-	-	0.29
	Aditya Birla Sun Life AMC Limited , Dubai (Employee benefit expenses)	C	0.85	-	-	-	-
	Aditya Birla Sun Life AMC (Mauritius) Limited (Employee benefit expenses)	C	0.05	-	-	-	-
	Aditya Birla Sun Life AMC Pte Ltd, Singapore (Employee benefit expenses)	C	0.62	-	-	-	-

(₹ in million)

Sr. No.	Particulars	Category	For the three months period ended		For the year ended		
			June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
	Aditya Birla Sun Life Insurance Company Limited (Employee benefit expenses)	E	0.04	-	0.30	0.90	0.08
	Aditya Birla Sun Life Insurance Company Limited (Other Expenses)	E	-	-	0.08	0.02	0.02
	Grasim Industries Limited (Other Expenses)	A	-	-	0.30	-	-
	Idea Cellular Limited (Employee benefit expenses)	D	-	-	-	-	0.08
	Sub-total		1.91	0.11	3.28	3.64	23.74
6	Director's Sitting Fees						
	Director's Sitting Fees paid	G	1.00	0.46	2.18	2.29	2.74
	Sub-total		1.00	0.46	2.18	2.29	2.74
7	CSR Contribution						
	Aditya Birla Capital Foundation	D	-	-	106.20	-	-
	Sub-total		-	-	106.20	-	-
8	Income						
	Dividend Income						
	Aditya Birla Sun Life AMC (Mauritius) Limited#	C	-	-	-	-	53.12
	Sub-total		-	-	-	-	53.12
9	Software Development (CWIP/Capitalised - Intangible)						
	Aditya Birla Capital Technology Services Limited	E	-	2.31	9.35	-	-
	Sub-total		-	2.31	9.35	-	-
10	Sale of Fixed Assets						
	Aditya Birla Financial Shared Services Limited	E	-	-	-	-	-
	Aditya Birla Health Insurance Company Limited	E	-	-	1.00	-	-
	Aditya Birla Management Corporation Private Limited	D	-	-	0.93	-	-
	Aditya Birla Sun Life Insurance Company Limited	E	-	-	2.53	0.01	-
	Sub-total		-	-	4.46	0.01	-
11	Deposit Paid						
	Aditya Birla Capital Limited	B	-	-	-	-	2.52
	Grasim Industries Limited	A	-	-	-	-	0.95
	Sub-total		-	-	-	-	3.47
12	Refund of Security Deposit Received						
	Aditya Birla Capital Limited	B	-	-	2.52	-	-
	Sub-total		-	-	2.52	-	-
13	Purchase of Fixed Assets						
	Aditya Birla Finance	E	-	-	-	-	1.14

(₹ in million)

Sr. No.	Particulars	Category	For the three months period ended		For the year ended		
			June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
	Limited						
	Aditya Birla Financial Shared Services Limited	E	-	-	-	-	1.03
	Aditya Birla Health Insurance Company Limited	E	-	-	0.64	-	-
	Aditya Birla Management Corporation Private Limited	D	-	-	0.91	-	-
	Sub-total		-	-	1.55	-	2.17

*Figures are below rounding off norms.

#These tables contain the intercompany transactions which got eliminated in the consolidated financial statement. Such information has been shown separately in compliance with SEBI ICDR Regulations.

All the above figures are inclusive of GST wherever applicable.

For details of the related party transactions, see “*Related Party Transactions*” on page 268.

Issuances of Equity Shares made in the last one year for consideration other than cash

Except as disclosed below, our Company has not issued Equity Shares through bonus issue or for consideration other than cash in the one year preceding the date of this Prospectus.

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (in ₹)	Issue price per Equity Share (in ₹)	Reason for allotment	Benefits accrued to our Company
April 9, 2021	252,000,000	5	-	Bonus issue ⁽¹⁾	-

⁽¹⁾Bonus issue of 252,000,000 Equity Shares in the ratio of seven Equity Shares for every one Equity Share held by the existing shareholders as of the record date. Accordingly, allotment of 128,518,740 Equity Shares to ABCL, allotment of 123,480,000 Equity Shares to Sun Life AMC, allotment of 140 Equity Shares to Kumar Mangalam Birla, allotment of 140 Equity Shares to Neerja Birla, allotment of 448 Equity Shares to Parag Joglekar as nominee of ABCL, allotment of 364 Equity Shares to A Balasubramanian as nominee of ABCL and allotment of 168 Equity Shares to Pinky Mehta as nominee of ABCL.

For details, see “*Capital Structure – Equity Share capital history of our Company*” on pages 68-69.

Split or consolidation of Equity Shares in the last one year

Except as disclosed below, our Company has not undertaken split or consolidation of the equity shares of our Company in the last one year preceding the date of this Prospectus.

Pursuant to a resolution passed by our Board on April 5, 2021 and a resolution passed by our Shareholders in the EGM held on April 6, 2021, our Company has sub-divided its authorised share capital, such that 20,000,000 equity shares of ₹10 each aggregating to ₹200,000,000 were sub-divided and reclassified as 40,000,000 Equity Shares of ₹5 each aggregating to ₹200,000,000. For details, see “*Capital Structure – Equity Share capital history of our Company*” on pages 68-69.

Financing Arrangements

There have been no financing arrangements whereby the Promoters, members of our Promoter Group, our Directors or any of their relatives, or directors of our Promoters have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus.

Weighted average price at which the Equity Shares were acquired by the Promoters (also the Selling Shareholders) in the one year preceding the date of this Prospectus

Nil*

*As certified by G.P Kapadia & Co, Chartered Accountants, by way of their certificate dated September 22, 2021.

Except for the bonus allotment made on April 9, 2021, none of the Promoters (also the Selling Shareholders) have acquired any Equity Shares in the one year preceding the date of this Prospectus.

For further details, see “*Capital Structure – Equity share capital history of our Company*” on pages 68-69.

Average cost of acquisition for Promoters (also the Selling Shareholders)

The average cost of acquisition per Equity Share acquired by the Promoters (also the Selling Shareholders), as of the date of this Prospectus is:

Shareholders	Number of Equity Shares	Average cost of Acquisition per Equity Share (in ₹) [#]
ABCL*	146,879,680	2.30
Sun Life AMC	141,120,000	2.77

* 512 Equity Shares, 416 Equity Shares and 192 Equity Shares each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, as nominees of ABCL.

[#] As certified by G.P Kapadia & Co, Chartered Accountants, by way of their certificate dated September 22, 2021.

SECTION II: RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares and the industry in which we currently operate or to India. Additional risks and uncertainties, not currently known to us or that we currently deem immaterial may also impair our businesses, results of operations, financial condition and cash flows. If any of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our business, results of operations, financial condition and cash flows could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 86, 135 and 270, respectively, as well as the financial, statistical and other information contained in this Prospectus. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Offer including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.

This Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. See “Forward-Looking Statements” on page 14.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from our Restated Financial Information.

The industry-related information contained in this Prospectus is derived from the CRISIL Report dated September 2021 which has been commissioned and paid for by our Company for an agreed fee for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. We officially engaged CRISIL Research, a division of CRISIL Limited, in connection with the preparation of the CRISIL Report on March 24, 2021.

Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12-month period ended March 31 of that year. Financial information for the three months ended June 30, 2021 and June 30, 2020 are not indicative of full year results and are not comparable with the annual financial statements presented in this Prospectus.

Unless otherwise specified in this section, reference to quarterly average assets under management (“QAAUM”) and monthly average assets under management (“MAAUM”) as of a given date refers to the average assets under management of our mutual fund schemes, excluding our domestic FoFs, for the quarter or month ended on the specified date.

Internal Risk Factors

Risks Relating to our Business

1. The extent to which the Coronavirus disease (COVID-19) may affect our business and operations in the future is uncertain and cannot be predicted.

During the first half of calendar year 2020, COVID-19 spread to a majority of countries across the world, including India. The COVID-19 pandemic has had, and may continue to have, significant repercussions across local, national and global economies and financial markets and affect the income and savings of investors. In particular, a number of governments and organizations have revised GDP growth forecasts downward in response to the economic slowdown caused by the spread of COVID-19.

The global impact of the COVID-19 pandemic has been rapidly evolving and public health officials and governmental authorities have responded by taking measures, including in India where our operations are based, such as prohibiting people from assembling in large numbers, instituting quarantines, restricting travel, issuing “stay-at-home” orders and restricting the types of businesses that may continue to operate, among many others. On March 14, 2020, India declared COVID-19 as a “notified disaster” for the purposes of the Disaster Management Act, 2005 and imposed a nationwide lockdown beginning on March 25, 2020. The lockdown lasted until May 31, 2020, and has been extended periodically by varying degrees by state governments and local administrations. The lifting of the lockdowns across various regions has been regulated with limited and progressive relaxations being granted for movement of goods and people in other places and calibrated re-opening of businesses and offices. Subsequently, from March 2021 to date, due to an increase

in the number of daily COVID-19 cases, several state governments in India re-imposed lockdowns, curfews and other restrictions to curb the spread of the virus. As a result of the detection of new strains and subsequent waves of COVID-19 infections in several states in India as well as throughout various parts of the world, we may be subject to further reinstatements of lockdown protocols or other restrictions, which may adversely affect our business operations.

There remains significant uncertainty regarding the duration and long-term impact of the COVID-19 pandemic, as well as possible future responses by the Government, which makes it impossible for us to predict with certainty the impact that COVID-19 will have on our business, results of operations, financial condition and cash flows in the future. Further, one or more states have imposed or may impose additional regional or local lockdowns. The COVID-19 pandemic has affected and may continue to affect our business, results of operations, financial condition and cash flows in a number of ways such as:

- it resulted in a significant decline and increased volatility in the Indian equity markets which could cause investors to avoid higher risk assets such as equity funds and reduce their investments in such funds through withdrawals or fund exits, and consequently reduce the AUM managed by us and have an adverse effect on our revenue from operations. For example, we witnessed a decline in our total closing AUM under our mutual fund (excluding our domestic FoFs), portfolio management services, offshore and real estate offerings, which decreased from ₹2,556.15 billion as of March 31, 2019 to ₹2,152.70 billion as of March 31, 2020, before increasing to ₹2,707.51 billion as of March 31, 2021. Our inflows from our equity-oriented mutual fund schemes decreased from ₹264.01 billion during the financial year 2019 to ₹236.62 billion during the financial year 2020 and further to ₹211.43 billion during the financial year 2021, and our inflows from our fixed income-oriented mutual fund schemes (including ETFs) decreased from ₹22,689.07 billion during the financial year 2019 to ₹17,713.11 billion during the financial year 2020 and further to ₹8,213.76 billion during the financial year 2021. Our outflows from our equity-oriented mutual fund schemes increased from ₹194.44 billion during the financial year 2019 to ₹293.37 billion during the financial year 2020, before decreasing to ₹289.24 billion during the financial year 2021, and our outflows from our fixed income-oriented mutual fund schemes (including ETFs) decreased from ₹22,789.15 billion during the financial year 2019 to ₹17,898.55 billion during the financial year 2020 and further to ₹8,046.13 billion during the financial year 2021;
- it may require us to shut our offices or operate them with few personnel as state and local authorities may impose lockdowns; we shut our offices at the commencement of the lockdown and were able to resume operations at our front offices in a gradual manner from May 2020 onwards in accordance with guidelines issued by government authorities;
- increased risks emanating from process changes being implemented, such as technology and oversight challenges due to an increase in number of individuals working from home;
- increased vulnerability to cyber-security threats and potential breaches, including phishing attacks, malware and impersonation tactics;
- an increase in operational costs as a result of installing work-from-home technology systems and frequent cleaning of office premises;
- uncertainty as to what conditions must be satisfied before government authorities fully remove the “stay-at-home” orders and when such orders would be fully removed; and
- the potential negative impact on the health of our personnel, particularly if a significant number of them are afflicted by COVID-19, which could result in a deterioration in our ability to ensure business continuity during this disruption.

We have assessed and considered the impact of the COVID-19 pandemic on our operations and assets including the value of our investments, asset management rights and trade receivables. Since our revenue is ultimately dependent on the value of the assets we manage, changes in market conditions and the trend of flows into mutual funds may have an impact on our operations. We continue to closely monitor the impact that the pandemic might have on our business and the performance of our schemes. While COVID-19 has thus far marginally affected our business, there is significant uncertainty regarding the duration and impact of the COVID-19 pandemic, as well as possible future responses, which makes it impossible for us to predict with certainty the impact that COVID-19 will have on us at this time. Given the rapidly changing implications of the spread of COVID-19, it is difficult to assess its impact on our business and results of operations at this time and we may not be able to quantify or accurately predict the same. Please see “*Management’s Discussions and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations – Current COVID-19 Pandemic*” on pages 275-276.

Any intensification of the COVID-19 pandemic or any future outbreak of another highly infectious or contagious disease may adversely affect our business, results of operations, financial condition and cash flows. In the event that

the impact of the pandemic is prolonged or more severe than anticipated, this may have an impact on the carrying value of our investments, asset management rights and financial position. Further, as COVID-19 adversely affects our business, results of operations and cash flows, it may also have the effect of exacerbating many of the other risks described in this “*Risk Factors*” section such as those relating to adverse changes in the value and composition of our AUM, our dependence on third-party distribution channels and other intermediaries, the adequate functioning of our information technology systems, our compliance with data privacy laws, rules and regulations and the potential loss or misuse of customer data, and deficiencies or interruptions in services provided by certain third parties for our operations.

2. *Our revenue and profit are largely dependent on the value and composition of the AUM of the schemes managed by us and any adverse change in our AUM may result in a decline in our revenue and profit.*

The significant majority of our revenue comes from management fees charged by us on the assets we manage. Our revenue from operations – fees and commission income for the three months ended June 30, 2021 and the financial years 2021, 2020 and 2019 was ₹3,031.69 million, ₹10,679.07 million, ₹11,596.70 million and ₹13,267.74 million, respectively, representing 90.16%, 88.56%, 93.92% and 94.28% of our total income, respectively. Our fees are usually calculated and charged to investors as a percentage of the AUM of the schemes managed by us. As of June 30, 2021 and March 31, 2021, 2020 and 2019, our equity-oriented QAAUM amounted to ₹1,026.78 billion, ₹969.34 billion, ₹875.59 billion and ₹890.62 billion, respectively, and our debt-oriented QAAUM amounted to ₹1,296.47 billion, ₹1,285.38 billion, ₹1,101.91 billion and ₹978.46 billion, respectively. As of the same dates, we managed a closing AUM amounting to ₹18.28 billion, ₹17.59 billion, ₹20.55 billion and ₹29.49 billion, respectively, under our portfolio management services. Any decrease in such AUM will cause a decline in our fees and therefore our revenue from operations and, consequently, net profit. The AUM may decline or fluctuate for various reasons, many of which are outside our control. Further, these factors may inhibit our ability to grow our AUM which will adversely affect our revenue from operations and net profit.

Factors that could cause the AUM of the schemes managed by us to decline include the following:

- *Declines in the Indian equity markets:* A large number of the schemes managed by us include significant equity investments in Indian equity markets and as such they make up a significant portion of our AUM. Such equity investments are concentrated in Indian equity markets. As of June 30, 2021, 38.03% of our mutual fund closing AUM (excluding our domestic FoFs) amounting to ₹1,072.85 billion was invested in domestic equity securities. As such, declines in Indian equity markets would cause AUM managed by us to decline directly as the value of the securities declines, and indirectly as securities investment becomes less attractive for investors resulting in net AUM outflows or redemptions. The equity markets in India have been and may continue to be volatile, including as a result of the ongoing COVID-19 pandemic, and any such volatility will contribute to fluctuations in the AUM managed by us.
- *Changes in interest rates and defaults:* Many of the schemes managed by us invest in fixed income securities of various issuers, including short-term money market instruments. As of June 30, 2021, 61.97% of our mutual fund closing AUM (excluding our domestic FoFs) amounting to ₹1,748.42 billion was invested in domestic fixed income securities. The value of fixed income securities may decline as a result of changes in interest rates, policies of the RBI, an issuer’s actual or perceived creditworthiness or an issuer’s inability to meet its obligations. Such declines would also result in a decline in our AUM.
- *Withdrawals or redemptions:* In response to market conditions, inconsistent or poor investment performance, the pursuit of other investment opportunities (including similar opportunities provided by competitors) or other factors, investors may reduce their investments in mutual funds or the market segments in which related investments are concentrated. Such reductions may lead to a decrease in our AUM. In a declining market, withdrawals or redemptions may accelerate rapidly, potentially more quickly than we can sell assets to meet such redemptions. This could also cause us to temporarily suspend redemptions or borrow money to meet redemption requirements. Some mutual fund schemes do not have an exit load, meaning investors can redeem/withdraw/exit these funds at any time without any additional exit charges. Investors may choose not to reinvest with us after making redemptions and seek alternative forms of savings or investment avenues.
- *Changes in the composition of our AUM:* The rate of fees we charge differs between fund types and products. For example, the fee levels for equity and hybrid funds are generally higher than the fee levels for debt and liquid funds. In general, equity funds are able to charge relatively stable fees, whereas debt funds fees vary depending on market conditions, fund duration and the competitive environment, and could be lower than the maximum limits imposed by SEBI. Accordingly, the composition of AUM of the schemes managed by us also substantially affects the level of our revenue and profitability.
- *Declines in systematic investment plans:* A significant portion of the AUM managed by us is obtained through systematic investment plans made by investors. Volatile market conditions on account of adverse economic factors

in India or globally could result in a decline of individual customers investing in mutual funds, systemically or otherwise. Further, any decline in the rate of savings in India, particularly in relation to systematic investment plans could result in a decrease in our AUM and consequently our revenues.

- *Decline in portfolio management services, offshore funds and real estate AUM.* As of June 30, 2021, we managed total AUM of ₹115.15 billion as part of our portfolio management services and investment advisory services businesses. Increased competition for such services or the loss of PMS mandates could result in a decline in our AUM and, consequently, our revenues.

3. *Underperformance of investment products in respect of which we provide asset management services could lead to a loss of investors, reduction in AUM and adversely affect our results of operations and reputation.*

The investment products in respect of which we provide asset management services may not outperform either their relevant benchmarks, or similar investment products provided by our competitors. The investments held by the mutual funds for which we provide asset management services may be illiquid or volatile which may result in losses. Many other investments, including in particular investments in equity, are subject to potential capital losses. Other than our investment strategies, the performance of such investment products will depend on a number of factors, the majority of which are outside our control and include market, economic and other conditions. Further, certain of our investment management contracts contain restrictions relating to our investment policies, for example limiting exposure concentrations in respect of certain asset classes, issuers or industries. Such restrictions may prevent us from implementing what may be the best investment strategies, which could restrict the performance of our investments.

Such underperformance may have an adverse effect on our business, including:

- existing investors may withdraw funds in favor of better performing products offered by our competitors, which would reduce the AUM of the schemes managed by us, resulting in reduced revenue from management fees;
- our ability to attract funds from new investors or incremental funds from existing investors may diminish; and
- negative absolute investment performance will directly reduce the value of AUM of the schemes managed by us, resulting in reduced revenue from management fees.

In addition, we may periodically review our investment management fees, or limit total expenses, on certain products or services for particular time periods to improve portfolio performance, manage portfolio expenses, and to help retain or increase managed assets, or for other reasons. If our revenue declines without a commensurate reduction in our expenses, our profit after tax will decline.

Some of the funds in respect of which we provide asset management services have not delivered strong or consistent investment performance, on a relative basis, compared to relevant industry benchmarks and our competitors. 48 of our schemes, representing ₹1,475.37 billion or 54.65% of our total QAAUM (including our domestic FoFs) as of June 30, 2021, have underperformed their respective benchmarks during the three months ended June 30, 2021. Underperformance by such funds may hinder our ability to grow AUM of the schemes managed and in some cases, may contribute to a reduction in AUM managed by us. Consequently, underperformance by any of these funds may adversely affect our results of operations and reputation.

4. *The growth of our AUM may be affected due to the unavailability of appropriate investment opportunities or if we close or discontinue some of our schemes or services.*

Our ability to deliver strong investment performance depends largely on our ability to identify appropriate investment opportunities. If we are not able to identify favorable investment opportunities in a timely manner, or at all, our investment performance and consequently our results of operations may be adversely affected. If we do not have sufficient investment opportunities for new funds, we may limit the growth of such funds by reducing the rate at which they receive new investments or delay or cancel the proposed launch of new funds. Further, any delay in the deployment of investor funds beyond any relevant commitment period may lead to investors withdrawing funds. Our inability to continue to grow our AUM, maintain our overall growth levels while enhancing our customer's product portfolio, or discontinue some of our investment products, may adversely affect our market position and profitability. Certain of our funds and businesses have had relatively large increases in their AUM in recent years. If we are unable to identify sufficient investment opportunities for such funds, our investment performance may decline and we may have to change the investment objectives of affected funds. Further, our investment style and strategy may fall out of favor for various reasons including underperformance and competition which could lead to a decline in assets managed by us. Any inability to promptly re-calibrate or formulate new strategies for investments will adversely affect the growth of our AUM and have an adverse impact on our revenue and profit.

5. *Credit risks related to the debt portfolio of our funds may expose our funds to losses, which may have an adverse effect on our business, results of operations, financial condition and cash flows.*

Our schemes are exposed to credit risks in relation to their investments, as issuers of the fixed income securities owned by such schemes may default on their obligations, including in respect of principal and interest payments. As of June 30, 2021, the value of our debt portfolio (including investments in debt through our equity-oriented schemes) invested in sovereign-rated debt, AAA-rated debt and A1+ or equivalent-rated debt amounted to ₹351.73 billion, ₹604.72 billion and ₹438.31 billion, respectively, representing 12.47%, 21.43% and 15.54%, respectively, of our total mutual fund closing AUM (excluding our domestic FoFs). As of the same date, the value of the remainder of our debt portfolio (including investments in debt through our equity-oriented schemes), which was invested in debt with ratings lower than sovereign-rated debt, AAA-rated debt and A1+ or equivalent-rated debt, amounted to ₹105.55 billion, representing 3.74% of our total mutual fund closing AUM (excluding our domestic FoFs). The value of the debt portfolio of our schemes could be affected by changes in the credit rating or actual or perceived creditworthiness of an issuer of fixed income securities that they own, or a deterioration of credit markets as a whole. In addition, through our alternative investment offerings, we invest in debt securities which are exposed to credit risks. During the last three years, the fixed income securities of eight issuers held across our schemes were downgraded to below investment grade. Two such issuers defaulted on a total outstanding amount (including interest) of ₹18.23 billion in respect of their securities. Issuers of debt securities that our funds hold may also default on their obligations to our funds due to bankruptcy, lack of liquidity, economic downturns, operational failure, fraud or other reasons, including as a result of the ongoing COVID-19 pandemic.

We are also exposed to the risk that the rights of our schemes against such issuers may not be enforceable in all circumstances. For example, in September 2018, a non-banking financial institution and some of its group companies defaulted on their loan repayment obligations. Further, based on the moratorium granted by NCLAT to such non-banking financial institution and to its group companies, these companies stopped making payments. Due to the financial stress the group was undergoing and then the various defaults following the moratorium placed on payments, some of our investee companies belonging to this group were successively downgraded by respective rating agencies over this period to non-investment grades and then to default grade. Consequently, valuations of our investments in these companies were changed to reflect our assessment of the fair value of the investments at each stage basis the then fast evolving situation. This situation further resulted in difficulties for other non-banking financial institutions to secure new financing or refinance their existing financial indebtedness, leading to successive defaults. Issuers of other debt securities owned by our funds may default on principal and interest payments, thereby creating an impairment in the realizable value of the assets.

We cannot assure you that we will be able to identify and mitigate credit risks successfully. Losses sustained by our schemes as a result of defaults by, or a decline in the credit rating or actual or perceived creditworthiness of, issuers of fixed income securities owned by our schemes may result in decreases in our AUM, revenue and profit, which may have an adverse effect on our business, results of operations, financial condition and cash flows.

6. *Our historical growth rates may not be indicative of our future growth and if we do not manage our growth or successfully implement our business plan, our business, results of operations, financial condition and cash flows may be adversely affected.*

Our business and AUM of the schemes managed by us have grown consistently in the recent past. Our total QAAUM (excluding our domestic FoFs) grew from ₹1,365.03 billion as of March 31, 2016 to ₹2,754.54 billion as of June 30, 2021. The historical returns of our investment products should not be considered indicative of the future results of these products or the results of any other products we may develop in the future. We cannot assure you that our growth strategy will continue to be successful or that we will be able to continue to grow further, or at the same rate.

The growth in our business has been based on a variety of factors, which may not continue including:

- our ability to retain key investment professionals and investing necessary resources to maintain existing products and develop new investment products;
- growth in the Indian economy resulting in increased wealth that can be converted into savings and investments;
- high growth rates in savings in India, in particular in relation to certain types of investment products, which has increased AUM of the schemes managed by us;
- the pursuit of favorable regulatory policies and financial literacy programs that have facilitated and encouraged savings in financial assets, such as mutual funds; and
- favorable macro-economic conditions that promote saving such as positive real interest rates, low inflation, and projected continued growth.

However, any favorable trends may not continue in the future or could reverse, which could lead to a corresponding decrease or reversal of the growth of our business in recent years, including the QAAUM of the schemes managed by

us. In addition, continued growth also presents risks to our business as we may not be able to maintain our systems, policies and practices, or hire personnel, in order to operate a larger organization with equivalent success.

Further, as we plan to expand our geographic footprint in India, our business may be exposed to additional challenges, including obtaining additional governmental or regulatory approvals, identifying and collaborating with local business partners with whom we may have no existing relationship, successfully marketing our products in markets in which we have no familiarity, attracting customers in a market in which we do not have significant experience or visibility, maintaining standardized systems and procedures, and adapting our marketing strategy and operations to new markets in India in which different languages are spoken. To address these challenges, we may have to make investments that may not yield desired results or incur costs that we may not be able to recover.

7. *We depend on third-party distribution channels and other intermediaries, and problems with these distribution channels and intermediaries or failure to continue to expand our current third -party distribution channels and intermediaries could adversely affect our business and financial performance.*

As of June 30, 2021, we had 194 branches in India (and three outside India), spread over 27 states and six union territories, which were supplemented by 90 EMs. As of the same date, we had 50 branches and 23 EMs (representing 25.70% of our total locations) located across North India, 46 branches and 24 EMs (representing 24.65% of our total locations) located across South India, 40 branches and 20 EMs (representing 21.13% of our total locations) located across East India, and 58 branches and 23 EMs (representing 28.52% of our total locations) located across West India. Our distribution network included over 66,000 KYD-compliant mutual fund distributors, over 240 national distributors and over 100 banks/financial intermediaries, as of June 30, 2021. Of our total equity, debt and liquid QAAUM as of June 30, 2021, our direct marketing efforts contributed to ₹1,290.32 billion or 46.86%, MFDs contributed to ₹830.86 billion or 30.18%, national distributors contributed to ₹395.64 billion or 14.37%, and banks/financial intermediaries contributed to ₹236.61 billion or 8.59%. As of the same date, our direct marketing efforts contributed to ₹194.13 billion or 18.91% of our equity-oriented QAAUM and ₹811.46 billion or 62.23% of our debt-oriented QAAUM, MFDs contributed to ₹519.32 billion or 50.58% of our equity-oriented QAAUM and ₹278.09 billion or 21.33% of our debt-oriented QAAUM, national distributors contributed to ₹192.89 billion or 18.79% of our equity-oriented QAAUM and ₹116.41 billion or 8.93% of our debt-oriented QAAUM, and banks/financial intermediaries contributed to ₹120.44 billion or 11.73% of our equity-oriented QAAUM and ₹97.91 billion or 7.51% of our debt-oriented QAAUM. In addition, as of the same date, our top five distributors contributed to ₹231.50 billion or 8.40% of our QAAUM (excluding our domestic FoFs) and our top 10 distributors contributed to ₹331.14 billion or 12.02% of our QAAUM (excluding our domestic FoFs).

We are committed to growing our distribution network by expanding our geographical reach and deepening our existing presence, in order to increase our AUM. However, we cannot assure you that we will be able to do so within anticipated timelines, or at all.

Our ability to access investors is dependent on the distribution systems and investor bases of these distributors. Our ability to access investors through distributors is subject to a number of risks, including:

- The arrangements we have with distributors may generally be terminated by the distributors for any reason (or no reason) on short notice;
- Generally, distributors also offer similar products of our competitors to our existing and prospective investors and do not provide services for us on an exclusive basis. Any inability to secure new distribution relationships or in maintaining our existing relationships may adversely affect our competitiveness;
- Distributors may provide better service to our competitors and promote their products to prospective investors instead of ours because of a more attractive compensation arrangement, or as a result of closer relationships with our competitors, or for other reasons; and
- We may be unable to prevent “mis-selling” of our products and services by our distributors resulting in such products and services being purchased by customers without an informed understanding of associated risks, which may adversely affect our business (including AUM) and reputation.

We also depend on referrals from investment consultants, financial planners and other professional advisors, as well as from our existing investors and employees. Maintaining good relations with these intermediaries is key to attracting and retaining investors. Loss of any of the distribution channels afforded by distributors, and the inability to access investors through new distribution channels, could decrease AUM of the schemes managed by us and adversely affect our management fees and revenue.

We rely on distributors to maintain good relations with our investors as they are often the link between us and existing or prospective investors and therefore the manner in which such intermediaries conduct themselves, and market and

service our products, may affect our reputation and business. Any failure on our part to continue our relationship with distributors or incentivize distributors appropriately may lead to a loss of business arising from such distributors, which could adversely affect our business. During the financial year 2020, we terminated the services of seven distributors. These distributors contributed to ₹58.68 million of our AUM as of March 31, 2020. We did not terminate the services of any distributors during the financial years 2021 and 2019. Further, any misconduct or negligent behavior on the part of any of our distributors while marketing our products, or while providing any after-sales services may adversely affect our reputation and brand, which may lead to a decrease in AUM of the schemes managed by us and adversely affect our results of operations and cash flows.

8. *Our business is subject to extensive regulation, including periodic inspections by SEBI and our non-compliance with existing regulations or SEBI's observations or our failure or delay to obtain, maintain or renew regulatory approvals could expose us to penalties and restrictions.*

As an asset management company, we are regulated by SEBI through a variety of regulations, guidelines, circulars and notifications issued from time to time as applicable for mutual funds, PMS and AIFs. For instance, the SEBI Mutual Fund Regulations govern a wide range of issues in connection with a mutual fund, including the constitution and management of a mutual fund. The SEBI Mutual Fund Regulations also provide that any change of control, as defined therein, with respect to our Company would require, among other things, prior approval of SEBI and the Trustee and we would be required to provide the unitholders an option to exit on the prevailing NAV without any exit load.

In addition, SEBI has issued separate regulations governing portfolio managers and alternative investment funds (which includes venture capital and private equity funds). If we fail to comply with any regulations or guidelines, we may be subject to fines, sanctions and court proceedings. Compliance or other costs may rise due to changes in regulations, which may reduce our profit or put us at a competitive disadvantage.

We are subject to regular scrutiny and supervision by SEBI, such as periodic inspections. SEBI has the power to inspect our books from time to time to ensure that we are in compliance with regulations, based on which SEBI may take such action as it may deem fit, including under the SEBI Act, SEBI Mutual Fund Regulations, and other regulations issued by SEBI, which includes fines and sanctions and, in certain circumstances, could also lead to revocation of our license to function as an asset management company or a portfolio manager, as applicable. For instance, Aditya Birla Real Estate Fund, one of the funds managed by our Company, has received a letter from SEBI wherein SEBI observed certain administrative violations including non-compliance of a particular investment with its investment strategy and failure to upload its quarterly reports on the SEBI intermediary portal for certain quarters.

Every scheme we propose to introduce is required to file a draft scheme information document with SEBI for its observations. In the past, in inspection reports and in a warning letter, SEBI has, among other things, identified certain deficiencies in our systems and operations including amongst others such as ensuring: (i) applicability of proper NAV in case of Instant Access Facility ("IAF"), (ii) IAF was only applicable to individual investors, (iii) rolling over of short term deposits, (iv) compliance with regulatory guidelines which requires systems to be instituted to detect if a distributor is splitting investments to enhance the amount of transaction charges, (v) to protect interest of the unit holders by resorting the original units in earlier scheme where switch out request had been processed to invest in a NFO and the said NFO failed, (vi) failure to detect non-compliance of maximum holding per investor limits at the time of allotment, (vii) that a privately placed debt instrument in which front-end discount was not reduced from the cost of the investment.

While we have responded to such observations and addressed them, we cannot assure you that SEBI will not make similar or other observations in the future. In the event we are unable to resolve such deficiencies to SEBI's satisfaction, we may be restricted in our ability to conduct our business.

While we seek to comply with all regulatory provisions applicable to us, in the event we are unable to comply with the observations made by SEBI, we could be subject to penalties and restrictions which may be imposed by SEBI. Further, SEBI may initiate proceedings against our Company and its officials or any of the funds we are associated with for any alleged non-compliance with its regulations. Imposition of any penalty or adverse findings by SEBI during any future inspections may have an adverse effect on our business, results of operations, financial condition, cash flows and reputation.

Given the uncertainties and complexity of many of these regulatory actions, their outcome generally cannot be predicted with any reasonable degree of certainty and, accordingly, our provisions for regulatory actions may be inadequate. In addition, while we seek to comply with all regulatory provisions applicable to us, we cannot guarantee that we will be able to comply with all observations made by our regulators or obtain or renew (in a timely manner or at all) all regulatory and other approvals, licenses, registrations and permissions required for operating our business, which may result in sanctions, penalties and/or other restrictions in the form of cancellations or suspensions of registrations or approvals and therefore restrict our ability to conduct certain lines of business or otherwise affect our

ability to carry on our business. For further details, see “Government and Other Approvals” beginning on page 295.

9. Any concentration in our investment portfolio could have an adverse effect on our business, results of operations, financial condition and cash flows.

The occurrence of events that have an adverse effect on any particular industry, asset class, country or geographic region may affect the investment portfolio of our schemes to the extent that such portfolio is concentrated in such effected category. A large portion of our AUM is concentrated in a few schemes. For example, as of June 30, 2021, our top five schemes accounted for ₹1,110.17 billion, i.e. 40.30% of our total QAAUM (excluding our domestic FoFs), whereas our top five equity-oriented schemes accounted for ₹613.33 billion, i.e. 59.73% of our total equity-oriented QAAUM and our top five debt-oriented schemes accounted for ₹894.94 billion, i.e. 69.03% of our debt-oriented QAAUM. As of June 30, 2021, of our top four equity-oriented schemes in terms of QAAUM, two schemes had underperformed their respective benchmarks over a 1-year return period, all four schemes had underperformed their respective benchmarks over a 3-year return period, three schemes had underperformed their respective benchmarks over a 5-year return period, and none of the schemes had underperformed their respective benchmarks over a 10-year return period. As of the same date, of our top four debt-oriented schemes in terms of QAAUM, two schemes had underperformed their respective benchmarks over a 1-year return period, one scheme had underperformed its respective benchmark over a 3-year return period, none of the schemes had underperformed their respective benchmarks over a 5-year return period, and one scheme had underperformed its respective benchmark over a 10-year return period. See also “Our Business – Our Strengths – Diverse Product Portfolio with Fund Performance supported by Research Driven Investment Philosophy” on pages 138-139.

The performance of these schemes may have a significant impact on our AUM and consequently our revenues. Such concentrations in the investment portfolios of our schemes and products could increase the risk that, in the event we experience a significant loss in any of these investments, our results of operations, financial condition and cash flows would be adversely affected. Underperformance by any of these funds may cause increased redemptions and have a disproportionate adverse impact on our liquidity, AUM and income. Further, since the mutual funds industry significantly depends on macroeconomic conditions, such concentration could have an adverse impact especially during periods of economic volatility. In addition, if we become subject to additional restrictions in future with regard to the asset classes that we are permitted to invest in, the portfolio of our schemes and products may not be sufficiently diversified to mitigate the effects of potential concentration risk. For further details on the regulation of our investments, see “Key Regulations and Policies” beginning on page 161.

10. Our investment activities are subject to investment, liquidity and other risks and limitations in our risk management system, and our ability to effectively identify and mitigate such risks may have an adverse effect on our business, results of operations and cash flows.

Our investment activities are subject to investment, liquidity and other risks where each type of scheme or the instruments in which funds are invested have specific risks associated with them. For example, our ability to sell listed equity securities is limited by the overall trading volume on the relevant stock exchanges, which may result in funds incurring losses until the relevant security can be finally sold. Unlisted securities are generally illiquid and carry a larger amount of liquidity risk, in comparison to securities that are listed, which will impact the AUM valuation and consequently our revenues. Further, the value of debt securities and money market instruments are affected by interest rate fluctuations. Many of these instruments also lack a well-developed secondary market, which may restrict their sale. Investors who have invested in open-ended income funds can redeem their investments at any time, which investments may be in instruments with longer maturities or may not be readily saleable or liquid, and thus such funds may face liquidity challenges. In addition, we invest in certain residential real estate projects. Investments in such projects are generally illiquid and we also face the risk that such projects may not be completed in a timely manner, or at all. The development of real estate projects could also be affected by legal, political and regulatory developments. There is a risk that if we were to be faced with significant redemption pressures from our customers, we may default on redemption obligations, or may need to implement restrictions on redemptions or wind up such funds, either of which could result in reductions in our AUM, revenues and profit, and adversely affect our reputation. Further, investing in lower-rated or unrated debt securities offering higher yields is subject to greater risks. Further, with respect to risks involved in investment by schemes, SEBI has recently imposed certain obligations on asset management companies (which will come into effect from the date when the MF Amendment Regulations will come into force) to invest a minimum percentage of their AUM in the schemes of their mutual funds, on the basis of the risk value of the respective schemes.

In the event of any limitations in our risk management systems (such as internal controls, risk identification and evaluation, effectiveness of risk controls and information communication), our ability to adequately and effectively identify or mitigate our risk exposure in all market environments may be restricted. Further, our technology platforms may not be able to identify or monitor certain conditions and limits imposed on us through new rules and regulations. Our business, results of operations, financial condition and cash flows may be adversely affected by the corresponding increase in our risk exposure and actual losses experienced as a direct or indirect result of failures of our risk

management policies and internal controls. Any hedging strategies that we may utilize may also not be fully effective or may not adequately cover our liabilities and may leave us exposed to unidentified and unanticipated risks.

The information and data we rely on may become obsolete because of market and regulatory developments, and our historical data may not be able to adequately reflect risks that may emerge in the future. Any future expansion and diversification in our scheme or product offerings, investments or operations will require us to continue to enhance our risk management and internal control capabilities. Our failure to timely adapt our risk management and internal control policies and procedures to our developing business could have an adverse effect on our business, results of operations, financial condition and cash flows.

11. *Competition from existing and new market participants offering investment products could reduce our market share or put downward pressure on our fees.*

The mutual funds industry is rapidly evolving and intensely competitive and we expect competition to continue and intensify in the future. Low barriers to entry have also resulted in a large number of smaller participants entering the market. It is possible that there may in the future be consolidation in the market, amongst the smaller market participants, between such smaller participants and the larger participants, or between the larger participants. Any such consolidation may create stronger competitors in the market overall, or leave us at a competitive disadvantage.

We face significant competition from companies seeking to attract investors' financial assets, including traditional and online brokerage firms, other mutual fund companies and financial institutions. We face intense competition from other asset management companies in the market. Our competitors may offer a wide range of financial products and services, at lower investment management fee, with a wider distribution network. Our competitors may receive investor referrals from their affiliates and other departments that provide other financial services. Investors may find it convenient or reassuring to use one platform, or brand to meet all their financial services needs and may choose to give their business to our competitors on that basis. In addition, we rely on our own branches or depend on distributors for the sale of our products, which may require higher investment and operating expenses as compared to our peers. This may adversely affect our market share and ability to grow our business.

Increased competition may result either in a decrease in AUM market share, or force us to reduce our management fees so as to preserve such market share, either of which would decrease our revenue from operations.

12. *Our investment management agreement and other business commitments may generally be terminated by the counter-parties on little or no notice, making our future client and revenue base unpredictable.*

Almost all of our management fee income is derived from our role as asset manager of the Aditya Birla Sun Life Mutual Fund (administered by Aditya Birla Sun Life Trustee Company Private Limited). Therefore, the future and prospects of our business are reliant to a significant extent on maintaining that role. Our investment management agreement with Aditya Birla Sun Life Mutual Fund may be terminated by Aditya Birla Sun Life Trustee Company Private Limited, subject to prior approval of the SEBI and unit-holders, by providing a prior written notice to us of not less than 180 days and for reasons which include, *inter alia*, (i) if our Company becomes insolvent and going into liquidation or otherwise ceasing to exist, (ii) if our Company commits a material breach of its obligations under the investment management agreement, (iii) if our Company is found guilty of serious misconduct, acting fraudulently or being grossly negligent in performing its duties under the investment management agreement or the SEBI Mutual Fund Regulations and (iv) the mutual fund itself coming to an end or being dissolved or wound up by a court or in any other manner prescribed under law. Our appointment as the asset manager of the Aditya Birla Sun Life Mutual Fund can be terminated by the trustee company or with the approval of 75% of the unit-holders of our schemes under the SEBI Mutual Fund Regulations. The termination of our investment management agreement with Aditya Birla Sun Life Mutual Fund would have a significant adverse effect on our revenues, such that our business may not be able to continue. Aditya Birla Sun Life Mutual Fund (through its trustee company) may also elect to renegotiate the fees we are permitted to charge under the agreement, which could adversely affect our management fees and revenues.

Further, clients to whom we provide investment advisory services and portfolio management services may terminate their investment advisory agreements/ portfolio management agreements with us without assigning any reason by giving us prior written notice ranging from three to 90 days. Were such investment advisory agreements to which a significant amount of AUM and/or revenue relate, individually or in the aggregate, to be terminated, there could be a significant decrease in AUM managed by us and our revenues. Our portfolio management services clients may also significantly decrease the value of their investment in our funds and may choose to divert their funds to other asset managers.

13. *We may not be able to attract and retain senior investment professionals and other personnel.*

Our performance depends largely on the efforts and abilities of our senior management and other key personnel, particularly our chief executive officer, our chief investment officers, our fund managers and our other investment professionals. However, we cannot assure you that these individuals or any other members of our senior management

team will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. During the financial year 2021, none of our Key Managerial Personnel left our Company. During the financial years 2020 and 2019, two and three of our Key Managerial Personnel, respectively, left our Company, representing an attrition rate (defined as the number of Key Managerial Personnel that have left our Company during the specified year divided by the average of the opening and closing number of Key Managerial Personnel in such year) of 12.50% and 16.67%, respectively. See also “*Our Management – Key Managerial Personnel*” beginning on page 195. In addition, during the financial years 2021, 2020 and 2019, two, one and one of our fund managers, respectively, left our Company, representing an attrition rate (defined as the number of fund managers that have left our Company during the specified year divided by the average of the opening and closing number of fund managers in such year) of 12.90%, 6.25% and 6.25%, respectively. Any such loss or vacancy could affect our operations, increase expenses or lead to a decline in performance of the funds advised by us, or damage our reputation and therefore the attractiveness of our products to investors.

Further, competition for professionals with the necessary experience, reputation and relationships in our industry is intense and we may not be successful in recruiting and retaining the required personnel that perform critical functions in our Company. In addition, our investment professionals and senior sales and investor service personnel have direct contact with our investors and certain distributors. If such personnel were to leave, they may seek to solicit our investors after termination of their employment, and therefore the loss of these personnel could also create a risk that we lose AUM.

Further, SEBI has recently directed that (effective from October 1, 2021) a part of compensation of the key employees of an asset management company is required to be paid in the form of units of the scheme(s) as per the specified thresholds. We may be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. Such increases would increase our expenses, which without an equivalent increase in revenues, would reduce our profit after tax.

14. *We are dependent on the strength of our brand and reputation, as well as the brand and reputation of other Aditya Birla group entities and Sun Life group entities.*

Our revenue, results of operation, business and prospects are, to a certain extent, dependent on the strength of our brand and reputation, as well as the brand and reputation of our Promoters, Aditya Birla Capital Limited and Sun Life AMC and entities in the Aditya Birla and Sun Life groups. While we have a well-recognized brand, we may be vulnerable to adverse market and customer perception, particularly in an industry where integrity, trust and customer confidence are paramount. We are exposed to the risk that litigation, misconduct, operational failure, adverse publicity (including through social media) or press speculation could adversely affect our brand and reputation. Our reputation could also be affected if our schemes, products or services do not perform as expected, whether or not the expectations are founded. In addition, our reputation could be affected by the conduct or performance of third parties over which we have no control, such as other entities that are part of the Aditya Birla and Sun Life groups.

We are permitted to use certain word marks, trade logos and domain names including ‘Aditya Birla Capital’, and logos thereof by ABCL under the terms of a trademark license agreement dated February 20, 2018. The license with ABCL is a royalty free, non-exclusive, non-assignable and non-transferable. ABCL has the right to terminate the agreement with immediate effect, upon occurrence of certain events, including, resolution passed by our Company to voluntary wind-up, or our Company is adjudicated to be bankrupt or is taken into liquidation. We have also entered into a name license agreement dated May 19, 1999 with Sun Life Assurance Company of Canada pursuant to which our Company has been granted a non-transferable and non-exclusive right and license to use the letters “Sun Life” as part of its corporate name and trade name in India. Sun Life Assurance Company of Canada has the right to terminate the agreement upon occurrence of certain events of default, including, our Company’s breach of the terms and conditions of the agreement and failure to rectify such breach and winding up.

We may also be exposed to adverse publicity relating to the investment industry as a whole. An incident related to us, or the conduct of a competitor unrelated to us may taint the reputation of the industry as a whole and may affect the perception of customers and the attitude of market regulators. Further, adverse publicity may result in greater regulatory scrutiny of our operations and of the industry generally. If we are unable to maintain our brand name and our reputation, or there is reputational harm to other Aditya Birla or Sun Life group entities, our business, results of operations, financial condition and cash flows could be adversely affected.

15. *We have certain contingent liabilities, which, if they materialize, may adversely affect our results of operations, financial condition and cash flows.*

The following table sets forth certain information relating to our contingent liabilities as per Ind AS 37, as of June 30, 2021:

(₹ in millions)	
	As of June 30, 2021
Claims against us not acknowledged as debts in respect of:	
Income tax matters	328.43
Other matters	8.42

If a significant portion of these liabilities materialize, it could have an adverse effect on our results of operations, cash flows and financial condition. For details of our contingent liabilities as of June 30, 2021, as per Ind AS 37, see “Financial Statements – Contingent Liabilities” on page 242.

16. The regulatory environment in which we operate is subject to change.

The regulatory environment in which we operate has undergone significant changes in the recent past. The requirements imposed by regulators are designed to ensure the integrity of the financial markets and to protect customers and other third parties who deal with us. At times, these regulations serve to limit our activities and/or increase our costs, including through customer protection and market conduct requirements. For example, under the SEBI Mutual Funds Regulations, in certain circumstances, an asset management company is not permitted to undertake business activities other than in the nature of management and advisory services provided to pooled assets, including offshore funds, insurance funds, pension funds, provident funds, or such categories of foreign portfolio investor subject to such conditions, as maybe specified by SEBI from time to time, if any of such activities are not in conflict with the activities of the mutual fund. In view of such restrictions, we may not be in a position to offer our investment management and advisory services to offshore funds/pooled assets which are akin to mutual funds. Additionally, while, undertaking such business activities, we are required to ensure, among other things, that (i) the bank and securities accounts are segregated activity wise; (ii) there is no conflict of interest with the activities of the mutual fund; (iii) there exists a system to prohibit access to insider information; and (iv) interests of the customers of the scheme are protected at all times.

New laws or regulations, changes (including increasing strictness) in the enforcement of existing laws or regulations, or any consequent penalties, applicable to us, our employees and our customers may adversely affect our business. Our ability to function in this environment will depend on our ability to constantly monitor and promptly react to legislative and regulatory changes. Further, as of June 30, 2021, we employed 1,312 personnel, of which 1,002 were permanent employees, and we are required to comply with various statutory requirements in relation to payment of gratuity, minimum wages, employee state insurance and provident fund payments. Changes in the compensation requirements for our employees may increase our costs or otherwise negatively affect our business, results of operations, financial condition and cash flows.

Regulatory changes may have an adverse effect on our business as a whole. For example, on October 6, 2017, SEBI issued a circular, later amended on December 4, 2017 and further amended on September 11, 2020 (the “**SEBI Categorisation Circular**”), which categorized and rationalized mutual fund schemes into five groups (equity, debt, hybrid, solution-oriented and other schemes) in order to enable customers to better evaluate the different options available and take informed decisions to invest. Pursuant to the SEBI Categorisation Circular, subject to a few limited exceptions, only one scheme per category is permitted to continue to exist or be launched by a mutual fund, with certain exceptions and asset management companies were required to analyze their existing open-ended schemes and submit proposals for merging, winding-up or changing the fundamental attributes of their funds to SEBI. Further, SEBI has, by its circular dated September 11, 2020, partially modified the scheme characteristics of multi cap funds, and directed that multi cap funds shall invest a minimum of 75% of their total assets in equity and equity related instruments, such that a minimum of 25% of their total assets are allocated to equity and equity related instruments of each of large cap companies, mid cap companies and small cap companies, respectively. As of the date of this Prospectus, SEBI has approved the categorization of all our schemes.

SEBI has recently introduced changes to the gross exposure limits, investment pattern, procedure for changes in control of an AMC, process and procedure to be followed for change in the sponsors. SEBI has also issued a circular later modified on March 22, 2021 with respect to investments in debt instruments with special features such as subordination to equity (absorbs losses before equity capital) and /or convertible to equity upon trigger of a pre-specified event for loss absorption. Such debt instruments include additional Tier I bonds and Tier 2 bonds issued under Basel III framework. These circulars prescribe (a) exposure limits that mutual funds and its schemes can have in such bonds, (b) prescribes that debt schemes that have investments or provisions to invest in such instruments are required to ensure that the scheme information document of such schemes have provisions for segregated portfolios and (c) guidelines with respect to valuations of perpetual bonds. SEBI has also issued a circular clarifying that mutual funds shall not write options, or purchase instruments with embedded written options in goods or on commodity futures. SEBI has also by way of its circular approved setting up of limited purpose clearing corporations (“**LPCC**”) by asset management companies for clearing and settling repo transactions in corporate debt securities. The circular provides that asset management companies shall contribute an amount of ₹1,500 million towards the share capital of such LPCC in proportion to the AUM of open ended debt oriented mutual fund schemes (excluding overnight, gilt fund and gilt

fund with 10 years constant duration but including conservative hybrid schemes) managed by the asset management companies.

Further, SEBI has approved the issuance of the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 to replace the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, which introduced requirements such as heightened eligibility and net-worth criteria for portfolio managers, increased minimum investment limits for investors, restrictions on off-market transfers and restricting investments by discretionary portfolio managers to listed securities.

Our ability to function in this environment will depend on our ability to constantly monitor and promptly react to legislative and regulatory changes. For further details, please see “*Key Regulations and Policies*” beginning on page 161.

17. *Reductions of the expense limits prescribed under SEBI regulations may impact our profitability and cause us to decrease marketing and other efforts on behalf of the funds.*

Pursuant to SEBI Mutual Fund Regulations, all mutual fund scheme expenses (other than those specifically mentioned in the SEBI Mutual Funds Regulations, are required to be fully borne by the asset management company, trustee or the sponsors) must be borne by the scheme itself rather than the asset management company.

SEBI also prescribes the upper limits with respect to the total expense ratio (which excludes the issue or redemption expenses, whether initially borne by the mutual fund or by the asset management company, but includes the investment management and advisory fee) for (a) fund of funds, (b) index fund scheme or exchange traded fund (c) open ended schemes and (d) close ended and interval schemes.

From time to time these TER limits may be reviewed and revised. For example, with effect from April 1, 2019, TERs for open-ended equity-oriented schemes were reduced from a range (depending on AUM) of 2.5% to 1.75% to the current range of 2.25% to 1.05%. There is a possibility that TER limits may be reduced further in the future.

Any failure to maintain costs for our schemes is likely to reduce the amount of management fees we are able to charge such schemes in compliance with the prescribed TER limits. Further reductions in prescribed TER limits may reduce our revenues and profits and may cause us to decrease our general marketing efforts on behalf of our funds, which could adversely affect our AUM and overall demand for the services we offer.

18. *We are subject to certain risks and challenges specific to the Indian mutual fund industry.*

Our operations are affected by certain risks and challenges faced by the Indian mutual fund industry as a whole. According to the CRISIL Report, India’s mutual fund penetration (15%) is significantly lower than the world average (75%) and also lower than many developed economies such as the United States (140%), Canada (98%), France (98%) and the UK (78%) and key emerging economies such as Brazil (81%) and South Africa (62%) (figures represent mutual fund AUM as a percentage of GDP as of 2020, according to the CRISIL Report). Further, the ratio of the equity mutual fund AUM to GDP in India is considerably low at 6% compared with 89% in the United States, 78% in Canada, 50% in the United Kingdom, and 30% in Brazil, as of 2020. We are also subject to political instability in India or regions across the globe, and any harsh protectionist measures by larger economies, or faster-than-required tightening of monetary policy could impact growth and global trade. See also “– *External Risk Factors – Risks Related to India – Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.*” on page 47.

In addition, according to the CRISIL Report, low financial literacy and the lack of awareness is likely to continue to hinder the mutual funds industry from capitalizing on the full potential of the Indian economy if not addressed. Further, according to the CRISIL Report, expanding into the B-30 markets will require substantial investments in marketing and distribution, which will exert pressure on profit margins of fund houses and, as the SEBI’s recent reductions in TERs have made sourcing of new business from retail investors more challenging, AMCs will need to focus on developing alternative sourcing strategies and improving distributor management. In addition, in India, a stamp duty of 0.005% is charged on all mutual fund purchases as of July 1, 2020. According to the CRISIL Report, this is expected to have an impact on large corporates, which mostly put their money in liquid funds for shorter periods. For further details, see “*Industry Overview – Mutual Fund Industry Overview – Key Risks and Challenges*” on pages 101-102.

Our performance will depend on our ability to manage these risks and challenges adequately. In the event that we are unable to do so, or if the factors and conditions affecting the Indian mutual fund industry worsen, our business, financial condition and results of operations may be adversely affected.

19. *We are required to prioritize the interests of the unitholders of our schemes, which could conflict with the interests of our shareholders and could have an adverse effect on our business, results of operations and cash flows.*

Pursuant to the SEBI Mutual Fund Regulations, we are required to avoid conflicts of interest in managing the affairs of our mutual fund schemes and prioritize the interests of the unitholders of such schemes. Accordingly, in the event of any conflicts arising between the interests of our shareholders and the interests of the unitholders of our schemes, we are required to prioritize the interests of the latter. We cannot assure you that, going forward, actions that we may take that we believe are in the best interests of our unitholders would not conflict with the interests of our shareholders and would not have an adverse effect on our business, results of operations and cash flows.

20. We require a number of approvals, licenses, registrations and permits for our operations and any inability to obtain such approvals may adversely affect our business and results of operations.

We require several statutory and regulatory permits, licenses and approvals to operate our business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. We cannot assure you that the relevant authorities will issue any or all requisite permits or approvals in the timeframe anticipated by us, or at all. If such permits and licenses were not renewed, our business operations and reputation may be adversely affected. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot assure you that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. For instance, the approval to act as a portfolio manager, granted to our Company by SEBI, is subject to the condition that we shall take adequate steps to resolve the investor grievances within one month from the date of receipt of such complaint. We are also obligated to keep SEBI informed on a continuous basis about the number, nature and other particulars of any complaints received. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations or regulatory actions. For further details, please see “Key Regulations and Policies” and “Government and Other Approvals” beginning on pages 161 and 295, respectively, of this Prospectus.

21. There are outstanding legal proceedings involving our Company, one of the schemes managed by our Company, and ABCL (one of our Promoters) that, if determined against them, could adversely impact our reputation and may have an adverse effect on our business, results of operations, financial condition and cash flows.

We are involved in legal proceedings in our ordinary course of business, which are pending at different levels of adjudication before various courts, tribunals and statutory, regulatory and other judicial authorities in India, and, if determined adversely, could adversely affect our reputation, business, results of operations, financial condition and cash flows. We can give no assurance that these legal proceedings will be decided favorably or that no further liability may arise from these claims in the future.

The summary of outstanding matters set out below includes details of criminal proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving our Company, one of the schemes managed by our Company, and ABCL (one of our Promoters), as of the date of this Prospectus. For further details, see “Outstanding Litigation and Material Developments” beginning on page 290.

Types of proceedings	Number of cases	Amount (in ₹ million)
Litigation involving Aditya Birla Real Estate Fund (“ABREF”) one of the schemes managed by our Company in which our Company is representing ABREF as its investment manager		
Criminal cases	2	2,500.00*
Material civil litigation above the materiality threshold	1	219.83
Litigation against our Company		
Direct tax proceedings involving our Company	11	72.77
Litigation against our Directors		
Criminal proceedings	9	—
Litigation against ABCL (one of our Promoters)		
Direct tax proceedings involving ABCL	1	1

*To the extent ascertainable.

These matters may not be settled in our favor and further liability may arise from them. Any adverse orders that may be issued in any such ongoing or other potential litigation could impact our operations and financial results. Damages awarded under Indian law and by Indian courts may vary depending on the facts of the case. Our insurance coverage and any available indemnities may be inadequate. If any current or future cases are not resolved in our favor, and if our insurance coverage and any applicable indemnity is insufficient to cover the damages awarded, we may be required to make substantial payments or to modify or restrict our operations, any of which could have an adverse impact on our business and financial results.

Our Company has made provisioning for the probable liabilities arising out of direct tax matters as set out in “Outstanding Litigation and Material Developments” beginning on page 290. Further, our Company has disclosed the following amount as contingent liabilities as per Ind AS 37, as of June 30, 2021:

(₹ in million)

Particular	As of June 30, 2021
Claims against us not acknowledged as debts in respect of:	
Income tax matters	328.43
Other matters	8.42

As an asset management company, we have fiduciary duties to our investors. If our investors suffer significant losses, or are otherwise dissatisfied with our services, we could be subject to legal liabilities and actions alleging negligent misconduct, breach of a fiduciary duty and breach of contract. These risks are often difficult to assess or quantify and their existence and magnitude often remain unknown for substantial periods of time. We may incur significant legal expenses in defending against litigation. Substantial legal liability or significant regulatory action against us may adversely affect our business, financial condition or results. Involvement in such proceedings or any future litigation could also divert our management's time and attention and consume financial resources. Further, an adverse judgment in these proceedings could have an adverse impact on our business, results of operations, financial condition and cash flows.

Any new developments, such as a change in Indian law or rulings against us by appellate courts or tribunals, may require that we make provisions in our financial accounts, which could increase our reported expenses and our liabilities. Any provisions we have made for litigation may not be sufficient and further substantial litigation may be brought against us in the future. Legal cases in courts or tribunals often take a long time to be decided. For further details on the above matters, see the section titled “*Outstanding Litigation and Material Developments*”, beginning on page 290.

22. Data privacy laws, rules and regulations and the potential loss or misuse of customer data could have an adverse effect on our business, reputation, results of operations and cash flows.

Regulators in various jurisdictions are increasingly scrutinizing how companies collect, process, use, store, share and transmit personal data. This increased scrutiny may result in new interpretations of existing laws, thereby further impacting our business. In India, the Supreme Court, in a judgment delivered on August 24, 2017, has held that the right to privacy is a fundamental right. Following this judgment, the Government of India is considering enactment of Personal Data Protection Bill, 2019 (“**Data Protection Bill**”) for implementing organizational and technical measures in processing personal data and lays down norms for cross-border transfer of personal data and to ensure the accountability of entities processing personal data. The enactment of the Data Protection Bill may introduce stricter data protection norms and could require our Company to undertake additional processes which may divert management's time and attention.

We maintain significant amounts of highly sensitive investor data (both offline and online) and are subject to data privacy laws, rules and regulations that regulate the use of customer data. Despite the security measures we have put in place, there remains a risk that such data could be lost and/or misused as a result of an intentional or unintentional act by internal or external parties (including by the third-party service providers we engage), including cyber threats such as phishing and Trojans-targeting our investors, hacking and data theft. For example, in January 2021, an agent at one of our outsourced contact centers misused certain confidential investor data to execute switch transactions in certain of our equity schemes. Upon further investigation, we discovered that the agent possessed an ARN code which was not properly disclosed to us or the contact center. The unauthorized switch transactions have been reversed and we are in the process of recovering the financial impact on the schemes, which is estimated to amount to only ₹227,000 or less, from the contact center. Any security breach, data theft, unauthorized access, unauthorized usage, virus or similar breach or disruption could result in loss or disclosure of confidential information, and any actual or perceived concerns that our systems may be vulnerable to such attacks or disruptions may deter our customers from using services and cause negative publicity. Any such loss or misuse of customer data could result in increased regulatory scrutiny, fines, the need to compensate customers, remediation costs and have an adverse effect on our reputation.

Any failure, or perceived failure, by us to comply with applicable regulatory requirements, including those related to privacy, data protection, information security, or consumer protection-related privacy laws and regulations, could result in proceedings or actions against us by governmental entities or individuals, subject us to fines, penalties, and/or judgments, or otherwise adversely affect our business and reputation.

23. Our failure to comply with anti-money laundering, insider trading, anti-terrorist financing rules, regulations, circulars and guidelines applicable to us issued by regulatory and government authorities could result in criminal and regulatory fines and reputational damage.

We are required to comply with applicable anti-money laundering and anti-terrorist financing laws and other regulations in India (including the Prevention of Money Laundering Act, 2002 and rules and regulations made thereunder, SEBI (Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 and SEBI (Prevention of Insider Trading) Regulations, 2015). These laws and regulations require us to, among other things,

adopt and enforce KYC, anti-money laundering (“AML”) and counter-terrorism policies and procedures and report suspicious and large transactions to the applicable regulatory authorities in different jurisdictions.

We, in the course of our operations, run the risk of failing to comply with the prescribed KYC procedures and the consequent risk of fraud and money laundering by dishonest customers despite putting in place systems and controls to prevent the occurrence of these risks as is customary in our jurisdiction. For instance, there were suspicious transactions that we reported to the Financial Intelligence Unit – India in the months of April 2018, August 2018 and March 2019. In certain of our activities and in our pursuit of business, we risk inadvertently offering our financial products and services to unsuitable customers despite our KYC and AML policies. Such incidents may result in regulatory action or requirements to invest further in our relevant systems, either of which could result in increased expenses, or in damage to our reputation which could reduce our attractiveness to investors.

24. *Any failure or significant weakness of our internal processes or systems could cause operational errors or incidents of fraud, which would adversely affect our business and reputation.*

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that business units adhere to our policies, compliance requirements and internal guidelines. While we periodically test and update our internal processes and systems including those to monitor our employees, agents, distributors and other third parties, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances. For example, we are subject to the risk of, and have in the past experienced, human or dealing errors during the execution of manual transactions such as “fat finger” errors made by our brokers or dealers when making bids or trades. We have generally been able to rectify such errors by executing the correct transaction immediately or by the following day as well as recover any resulting financial losses by claiming compensation from the relevant broker or dealer that made the mistake. In March 2019, we made a “fat finger” error on the NSE’s electronic bidding platform which resulted in a bid variance of approximately 100 bps (or 1%) for a particular bond bid. We detected this error and communicated it to the exchange within 10 minutes, which enabled us to successfully cancel the bid. The error did not have any financial impact on our schemes, but resulted in the exchange suspending our Company from executing primary issuance bids for a one-month period. In the last three financial years, this was the only instance that a “fat finger” error led to such a suspension.

Our management information systems and internal procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal system or process weaknesses are identified, our actions may not be sufficient to correct such weakness. Failures or material errors in our internal systems may lead to inaccurate financial reporting, fraud and failure of critical systems and infrastructure. While we have taken steps to reduce instances of fraud, mis-selling and other forms of misconduct by our agents, employees and distribution partners, including taking action against malpractices, conducting training programs for employees and distributors, we cannot assure you that these measures will succeed in detecting or deterring misconduct or to provide sufficient evidence to conclude investigations of misconduct. Such instances may also adversely affect our reputation, business, results of operations and cash flows. We cannot assure you that that we would be able to prevent frauds in the future or that our existing internal mechanisms to detect or prevent fraud will be sufficient. Any fraud discovered in the future may have an adverse effect on our business, profitability and reputation.

25. *Our business operations and investor services are highly dependent on information technology.*

Our ability to operate and remain competitive depends in part on our ability to maintain and upgrade our information technology systems and infrastructure on a timely and cost-effective basis, including our ability to process a large number of transactions on a daily basis. Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our financial, accounting and other data processing systems, management information systems and our corporate website may fail to operate adequately or become disabled as a result of events beyond our control, including a disruption of electrical or telecommunications services.

Our systemic and operational controls may not be adequate to prevent frauds, errors, hacking and system failures. Further, customer applications and interfaces, may be hacked or compromised by third parties, resulting in theft and losses to our customers and to us. Some of these cyber threats from third parties include: (a) phishing and Trojans – targeting our customers, wherein fraudsters send unsolicited mails to our customers seeking account sensitive information or to infect customer machines to search and attempt ex-filtration of account sensitive information; (b) hacking – wherein attackers seek to hack into our website with the primary intention of causing reputational damage to us by disrupting services; (c) data theft – wherein cyber criminals may attempt to intrude into our network with the intention of stealing our data or information; (d) ransomware – a malware which threatens to block or publish data unless a ransom is paid and (e) advanced persistency threat – network attack in which an unauthorized person gains access to our network and remains undetected for a long period of time. In addition, due to the recent social distancing

measures and the lockdown imposed by the government, there has been a recent increase in electronic transactions which increases the risk of cyber-attacks. Further, pursuant to SEBI circular dated April 11, 2019, our Company is required to have a system audit conducted by an independent qualified certified information systems auditor/certified information security manager or equivalent auditor annually in relation to front office system with the back office system, fund accounting system for calculation of net asset values, financial accounting and reporting system, unit-holder administration and servicing systems for customer service, funds flow process, system processes for meeting regulatory requirements, prudential investment limits and access rights to systems interface. In the past, such system auditors have identified certain errors and observations.

If any of these systems (or their back-up systems and procedures) do not function properly or are disabled, we could suffer financial loss under contracts for service provision, business disruption, liability to investors, regulatory intervention or damage to our reputation. We cannot assure you that a failure will not occur, or that back-up procedures and capabilities in the event of any such failure or interruption will be adequate.

26. *We significantly depend on the services provided by certain third parties for our operations. Any deficiency or interruption in their services could adversely affect our business operations and reputation.*

We engage third party service providers from time to time for services including unit administration, fund accounting, custodians, settlement of securities, payment gateways, information technology and call center services subject to applicable regulations. We also rely on third-party custodians for settling trades. Any failure by a custodian to execute trade in a timely and efficient manner may affect our reputation and business. In the event any of these third parties were to terminate their contractual relationships with us or fail to provide the agreed services to us for any reason, our business, results of operations and cash flows may be materially disrupted and we may be held liable legally or suffer reputational damage on account of any deficiency of services on the part of such service providers. In addition, if the third-party service providers are subject to data breaches which have the effect of any leaks in customer or operational data, mismanage customer interface, or fail to operate or comply with applicable regulations or governance standards, we could suffer reputational harm and may be subjected to regulatory actions. We cannot assure you that we will be successful in continuing to receive uninterrupted and quality services from our third party service providers. Any disruption or inefficiency in the services provided by our third party service providers could interrupt our business operations and damage our reputation.

27. *We may introduce new products for our customers and we cannot assure you that such products will be profitable in the future.*

We introduce new products and services in our existing lines of business. We may incur costs to expand our range of products and cannot guarantee that such new products will be successful once offered. Such failure may be due to factors outside of our control, such as general economic conditions, competition, changing customer demands, or our own errors in judgment of customer demands and product features. Several products that we launch may also require prior approval from SEBI, which we may not obtain in a timely manner, or at all. If we fail to develop and launch these products successfully, we may lose a part or all of the costs incurred in development and promotion or discontinue these products entirely, which could in turn increase our expenses without a corresponding increase in revenue.

28. *We undertake certain business operations outside of India which are subject to risks.*

We currently provide certain advisory services to clients outside of India, through our Subsidiaries. Operating in such jurisdictions presents difficulties and risks that are different from those we face in India and our ability to effectively manage such risks may be limited. We face additional risks including:

- operations in such jurisdictions are subject to different competitive environments and regulatory regimes; and
- the customer base in such jurisdictions that may be interested in investment in Indian securities is more limited than in India.

Therefore we may not be able to grow our business outside of India at the same rate as we grow our domestic business, or at all, and it is possible that we find it difficult to maintain our operations in such jurisdictions.

29. *We may need additional capital in the future, and we cannot assure you that we will be able to obtain such capital on acceptable terms, or at all.*

We may require additional capital in the future in order for us to maintain our net worth and capital adequacy requirements, remain competitive, pay operating expenses, meet our liquidity needs and offer new products and services. Our ability to obtain additional capital from external sources in the future is subject to a variety of factors, including our future financial condition, results of operations and cash flows; our ability to obtain the necessary regulatory approvals on a timely basis; any tightening of credit markets and general market conditions for raising debt and equity; and economic, political and social conditions in the geographical markets in which we operate and

elsewhere. We cannot assure you that we will be able to obtain additional capital in a timely manner and on acceptable terms, or at all. Future debt financing could include terms that restrict our financial flexibility or restrict our ability to manage our business freely. Further, the terms and amount of any additional capital raised through issuances of equity securities may result in significant dilution to our shareholders' equity interests.

30. Our operations could be adversely affected by strikes or increased wage demands by our employees or any other kind of disputes with our employees.

As of June 30, 2021, we employed 1,312 personnel, of which 1,002 were permanent employees, across our operations. Although we have not experienced any material employee disputes in the past, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any employee unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. These actions are impossible for us to predict or control and any such event could adversely affect our business, results of operations, financial condition and cash flows.

31. Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, results of operations, financial condition and cash flows.

We believe that the insurance coverage we maintain is reasonably adequate to cover the normal risks associated with the operation of our businesses. However, we cannot assure you that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have obtained sufficient insurance to cover all potential losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, or at acceptable cost, or at all. As of June 30, 2021, the written down value of our total tangible assets was ₹105.26 million. As of such date, we had taken insurance coverage on our assets amounting to ₹628.65 million, which represented 597.23% of the written down value of our total tangible assets. To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial condition and cash flows could be adversely affected.

32. We have in the past entered into related-party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

We have entered into various transactions with related parties. While we believe that all such transactions have been conducted on an arm's length basis, in accordance with our related party transactions policy and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. It is likely that we may enter into related party transactions in the future. Although all related party transactions that we may enter into post-listing, will be subject to board or shareholder approval, as necessary under the Companies Act and the Listing Regulations, in the interest of the Company and its minority shareholders and in compliance with the Listing Regulations, we cannot assure you that such future transactions, individually or in the aggregate, will not have an adverse effect on our financial condition, results of operations and cash flows or that we could not have achieved more favorable terms if such transactions had not been entered into with related parties.

The following table sets forth a summary of the related-party transactions we entered into, as per Ind AS 24 read with the SEBI ICDR Regulations, during the periods indicated:

Particulars	For the Three Months Ended June 30,		For the Financial Years Ended March 31,		
	2021	2020	2021	2020	2019
	(₹ in millions, except percentages)				
Dividend income	—	—	—	—	53.12
Expenses:					
Fees & Commission	2.15	2.05	8.86	4.84	12.77
Contribution to Group Mediciam/Insurance Premium/Gratuity	—	2.56	39.61	48.69	46.00
Business Promotion Expenses	34.30	117.36	209.27	167.35	212.49
Rent	1.59	3.45	12.29	15.21	10.71
Telephone & Internet	—	—	—	—	0.72
Advisory Services	2.89	2.98	17.48	8.41	—
Software & Technology Expenses	8.27	6.38	27.60	—	—
Employee Benefit Expenses	—	—	0.07	—	—

Particulars	For the Three Months Ended June 30,		For the Financial Years Ended March 31,		
	2021	2020	2021	2020	2019
	<i>(₹ in millions, except percentages)</i>				
Reimbursements of Costs Paid	146.68	139.00	524.65	702.55	794.07
Reimbursements of Costs Received	1.91	0.11	3.28	3.64	23.74
Managerial Remuneration	24.19	9.37	55.03	60.55	189.14
Director's Sitting Fees	1.00	0.46	2.18	2.29	2.74
Interim Dividend Paid	705.60	—	1,400.04	3,300.00	3,000.00
CSR Contribution	—	—	106.20	—	—
Sale of Fixed Assets	—	—	4.46	0.01	—
Purchase of Fixed Assets	—	—	1.55	—	2.17
Software Development (CWIP/Capitalized – Intangible)	—	2.31	9.35	—	—
Deposit Paid	—	—	—	—	3.47
Refund of Security Deposit Received	—	—	2.52	—	—
Aggregated absolute arithmetic total (including inter-company transactions) (A)	928.58	286.03	2,424.44	4,313.54	4,351.14
Total income (B)	3,362.45	2,607.47	12,058.41	12,347.68	14,072.50
Aggregated absolute arithmetic total (including inter-company transactions) to Total income (A/B) (%)	27.62%	10.97%	20.11%	34.93%	30.92%

The above table has been derived from the table entitled “Summary of Related Party Transactions” on pages 17-23. The above table includes certain intercompany transactions which were eliminated in our Restated Consolidated Financial Statements but have been disclosed separately in “Summary of the Offer Document – Summary of Related Party Transactions” on pages 17-23. For further details of our related-party transactions, see “Related-Party Transactions” on page 268.

33. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, our ability to pay dividends may also be restricted by the terms of financing arrangements that we may enter into. Dividends distributed by us may also attract taxes at rates applicable from time to time. We cannot assure you that we will be able to pay dividends in the future. For further details, see “Dividend Policy” on page 212.

34. We may engage in strategic transactions and other business combinations that are subject to risks and may adversely affect our business, results of operations and cash flows.

We may pursue potential strategic transactions and other business opportunities, including acquisitions, consolidations, joint ventures or similar transactions in the future. Our ability to achieve benefits from such transactions will depend in large part upon whether we are able to integrate the acquired businesses with our Company in an efficient and effective manner. The integration and the achievement of synergies requires, among other things, coordination of business development and employee retention, hiring and training policies, as well as the alignment of products, sales and marketing operations, compliance and control procedures, and information and software systems. Any difficulties encountered in combining operations could result in higher integration costs and lower savings than expected. The failure to successfully integrate an acquired business or the inability to realize the anticipated benefits of such acquisitions could significantly increase our expenses, which, without a commensurate increase in total revenue, would lead to a decrease in net revenue. In addition, acquired businesses may have unknown or contingent liabilities, including liabilities for failure to comply with relevant laws and regulations, and we may become liable for the past activities of such businesses.

35. Statistical and industry data in this document is derived from the CRISIL Report commissioned by us for such purpose for an agreed fee.

The industry-related information contained in this Prospectus is derived from the CRISIL Report dated September 2021 which has been commissioned and paid for by our Company for an agreed fee for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. We officially engaged CRISIL Research, a

division of CRISIL Limited, in connection with the preparation of the CRISIL Report on March 24, 2021. The report use certain methodologies for market sizing and forecasting. While we believe such information to be true, we cannot assure you that such information is complete or reliable. Accordingly, investors should read the industry related disclosure in this Prospectus in this context. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Accordingly, investors should not place undue reliance on or base their investment decision solely on this information.

36. *We have used the term “non-bank affiliated AMC” in this Prospectus which may not be considered a common terminology for classification of AMCs in reference to our industry.*

The industry that we operate in comprises different participants including bank-affiliated AMCs and non-bank affiliated AMCs. The term “non-bank affiliated AMC” refers to an AMC that does not have promoters or associate entities that are banks or which are not otherwise related to a bank entity.

We believe that AMCs that are affiliated with banks typically benefit from their distribution network of bank branches for marketing and distribution of their mutual fund products and therefore, such bank affiliated AMCs may have an advantage over other non-bank affiliated AMCs like us in this regard. However, you should note that the term “non-bank affiliated AMC” may not be considered common classification terminology used in reference to our industry and the investors should not rely upon such classification to make their investment decision.

37. *We may be subject to pressures to reduce our investment management fees or portfolio management fees or fees from advisory services, which could reduce our revenue and profitability.*

Asset management/advisory fees tend to be low for Government-sponsored business, institutional customers managed under the portfolio management services and/or investment management and advisory services. We may encounter fee pressure as a result of the competitive pressures of the market. In order for us to maintain our fee structure in a competitive environment, we must be able to provide customers with superior investment returns and service that will encourage them to be willing to pay our fees. However, we may not be able to maintain our current fee structure, which may have an adverse effect on our business and results of operations.

38. *Our Company has not utilized the full amounts earmarked towards corporate social responsibility activities.*

During the financial years 2021, 2020 and 2019, we had earmarked an aggregate amount of ₹106.29 million, ₹86.90 million and ₹69.91 million, respectively, for corporate social responsibility (“CSR”) activities to be undertaken. During the financial years 2021, 2020 and 2019, our CSR expenditure incurred amounted to ₹106.29 million, ₹86.90 million and ₹69.90 million, respectively. As such, during the financial year 2019, we did not utilize ₹0.01 million of the earmarked amount for CSR activities and therefore spent less than the prescribed amount under the Companies Act for CSR activities. Although we have increased our focus on utilizing funds earmarked for CSR activities, we cannot assure you that we will be able to spend the amounts earmarked for CSR activities in the future.

39. *Certain of our Directors and Key Management Personnel may be interested in our Company other than remuneration and reimbursement of expenses.*

Certain of our Directors and Key Management Personnel are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding, direct and indirect, and stock options in our Company and benefits arising therefrom. Our Chairman, Kumar Mangalam Birla, holds 160 Equity Shares in our Company. Further, our Managing Director and Chief Executive Officer, A Balasubramanian and our Chief Financial Officer, Parag Joglekar hold 416 Equity Shares and 512 Equity Shares, respectively, in our Company as nominees of our Promoter, ABCL. Further, pursuant to the ESOP Scheme, our Key Managerial Personnel have been granted employee stock options and restricted stock units. For further details, see “Capital Structure – Notes to Capital Structure – Employee Stock Option Scheme” on pages 76-78, and “Our Management – Interests of our Director” on page 187. Our Promoters are also interested in our Company to the extent of their shareholding in our Company and any benefits arising therefrom. Some of our Directors may also be interested to the extent of any transaction entered into by our Company with any other company/firm/entity in which they are director/promoter/partner. For further details, see “Our Promoter and Promoter Group – Interests of our Promoters” on page 201.

40. *Our Promoters are selling Equity Shares in the Offer and will receive proceeds as part of the Offer for Sale.*

The Offer is an offer for sale of 38,880,000 (subject to finalisation of the basis of Allotment) Equity Shares by our Promoters. The proceeds from the Offer will be paid to the Promoters pursuant to the Offer, and we will not receive any such proceeds. For further details, see “Objects of the Offer” and “Capital Structure” beginning on pages 79 and 68, respectively.

- 41. We do not own our branch offices, including our registered office and corporate office. Any termination or failure by us to renew the lease/ leave and license agreements in a favorable and timely manner, or at all, could adversely affect our business and results of operations.**

Our branch offices including our registered office and corporate office are located on leased or licensed premises. The lease agreements can be terminated, and any such termination could result in any of our offices being shifted or shut down. Some of the lease/ leave and license agreements may have expired in the ordinary course of business and we are currently involved in negotiations for the renewal of these lease/ leave and license agreements. While we have not faced major issues renewing the leases of our offices in the past, if these lease/ leave and license agreements are not renewed or not renewed on terms favorable to us, we may suffer a disruption in our operations or increased costs, or both, which may affect our business, results of operations and cash flows.

- 42. Our Company is currently set up as a joint venture between ABCL and Sun Life AMC. ABCL and Sun Life AMC will continue to significantly influence our Company after completion of the Offer.**

ABCL (together with its nominees) and Sun Life AMC currently hold 146,879,680 and 141,120,000 of our Equity Shares, respectively, representing approximately 51% and 49%, respectively, of the pre-Offer equity share capital of our Company. Pursuant to the Articles of Association and upon receipt of approval by the shareholders of our Company by way of a special resolution in a general meeting after listing, ABCL shall have the right to nominate (i) two Directors if its shareholding in our Company is 26% or more but less than 30% and (ii) three Directors if its shareholding in our Company is 30% or more. Similarly, Sun Life AMC will have the right to nominate (i) one Director if its shareholding in our Company is 26% or more but less than 30%; and (ii) two Directors if its shareholding in our Company is 30% or more. Subject to Indian law and the shareholding thresholds as above, ABCL's right to nominate a Director and as the Chairman of our Company and of our Board shall mean to include the right available to our Promoter Group, other than those forming part of the Sun Life Group. ABCL and Sun Life AMC have also agreed on certain inter-se rights that shall come into effect upon the listing of our Equity Shares. For details, see "*History and Certain Corporate Matters – Key terms of all subsisting shareholders agreements*" on pages 174-177.

Further, ABCL and Sun Life Financial Inc., the ultimate holding company of Sun Life AMC, are both listed companies. To the extent that business or financial information relating to our Company can be derived from the annual or other public reports of ABCL and/or Sun Life Financial Inc. prepared in the ordinary course or filings made with the relevant stock exchanges in accordance with applicable standards and requirements for listed company disclosure, investors are reminded that such information has not been and will not be prepared for purposes of this Offer and does not form a part of this Prospectus. Any investment decision in connection with the Offer must be taken only on the basis of the information in this Prospectus.

- 43. Our Promoters, ABCL and Sun Life AMC, have agreed to certain inter-se arrangements that shall come into effect upon the listing of our Equity Shares. ABCL and Sun Life AMC will continue to significantly influence our Company after completion of the Offer.**

Our Promoters, ABCL and Sun Life AMC, have agreed to certain inter-se arrangements under the Restated Inter-se Agreement. These arrangements relate to:

- (a) manner of compliance of minimum public float requirements;
- (b) voting arrangements wherein our Promoters, subject to each holding at least 26% of the equity share capital of our Company, shall mutually agree on voting prior to casting votes on four critical matters which require Shareholders' approval, namely in relation to (i) material change in the nature of our Company's business / entering into new business by our Company, (ii) fundamental corporate change, including amalgamation, reorganization, dissolution, winding up, merger or liquidation of our Company, (iii) matters relating to the appointment of the chief executive officer and/or executive director, and (iv) creation of, or material changes to, any policy relating to long-term or deferred compensation plans or managements for key employees;
- (c) certain transfer related inter-se rights, including right of first refusal and piggy-back (or tag-along) rights;
- (d) certain restrictions to not engage in any undertaking in India which is competitive with any of the businesses carried on by our Company or its Subsidiaries until a prescribed time; and
- (e) right of only ABCL and our Promoter Group, other than those forming part of the Sun Life Group, to nominate the Chairman of our Company and of our Board. Sun Life AMC has agreed to cause its nominee Directors on our Board and its nominee shareholders, if any, to use their voting powers to vote in favour of the appointment of a Director nominated as Chairman by ABCL/our Promoter Group, other than those forming part of the Sun Life Group.

Such arrangements shall come into effect upon the listing of our Equity Shares. For further details, see "*History and*

Certain Corporate Matters – Key terms of all subsisting shareholders agreements” on page 174-177. In the event that ABCL and Sun Life AMC have disagreements in relation to the above arrangements or in complying with terms of the Inter-se Agreement, our business may be affected. Additionally, if ABCL and Sun Life AMC are unable to reach an agreement in relation to the voting arrangements listed in (b) above, our business plans, results of operations and financial condition may be affected.

44. *Fluctuations in the market value of our investments could adversely affect our results of operations and financial condition.*

Fluctuations in the market values of our investments could cause us to write down the value of our assets, affect our liquidity and reduce our ability to enforce our security, which could adversely affect our result of operations and financial condition. We may not accurately identify changes in the value of our investments caused by changes in market prices, and our assessments, assumptions or estimates may prove inaccurate or not predictive of actual results.

45. *Grants of stock options under our employee stock option plan may result in a charge to our profit and loss account and, to that extent, reduce our profitability and financial condition.*

Pursuant to the resolutions passed by our Board on April 5, 2021, April 14, 2021 and September 8, 2021, and by our Shareholders on April 6, 2021, April 15, 2021 and September 8, 2021, our Company approved the ESOP Scheme for issue of employee stock options and/or restricted stock units to eligible employees, which may result in issue of not more than 4,608,000 Equity Shares. As of the date of this Prospectus, our Company has granted 3,232,899 employee stock options and 951,354 restricted stock units under the ESOP Scheme. Further, our Company may grant additional options and restricted stock units under ESOP Scheme in the future. Grants of stock options result in a charge to our statement of profit and loss and reduce, to that extent, our reported profits in future periods. Any issuance of the equity or equity-linked securities by us, including through exercise of employee stock options pursuant to the ESOP Scheme or any other employee stock option scheme we may implement in the future, may dilute your shareholding in the Company, adversely affecting the trading price of the Equity Shares and our ability to raise capital through an issuance of new securities. For further details in relation to the ESOP Scheme, see “*Capital Structure – Notes to Capital Structure – Employee Stock Option Scheme*” beginning on page 76.

46. *Some of our secretarial records are not traceable.*

The secretarial records for certain past allotments of Equity Shares made by our Company, and changes in relation to the name of our Company, could not be traced as the relevant information was not available in the records maintained by our Company, at the MCA Portal maintained by the Ministry of Corporate Affairs and the RoC, despite conducting internal searches and engaging an independent practicing company secretary to conduct the search. Further, certain form filings and certain record with respect to transfer of Equity Shares among the Shareholders of our Company are not traceable.

The allotments include allotments of 800,000 Equity Shares on November 14, 1994, 2,799,930 Equity Shares on November 30, 1994, 2,400,000 Equity Shares on December 9, 1994, 1,750,000 Equity Shares on September 18, 1995, 7,250,000 Equity Shares on December 8, 1997 and 3,000,000 Equity Shares on May 21, 1999.

In addition, with respect to the allotment of (a) 2,400,000 Equity Shares on December 9, 1994, (b) 700,000 Equity Shares on September 18, 1995, (c) 290,000 zero-coupon secured fully convertible debentures on August 19, 1996, (d) allotment of 290,000 Equity Shares pursuant to the conversion of zero-coupon secured fully convertible debentures on December 8, 1997, and (e) transfer of 6,000,000 Equity Shares on May 21, 1999, our Company is not able to trace the corresponding forms filed with the RBI as then required under the Foreign Exchange Regulation Act. Further, there has been a delay in reporting requirements relating to allotment of 3,000,000 Equity Shares on May 21, 1999 with the RBI. While we have responded to the queries raised by RBI, our Company is yet to receive acknowledgement from the RBI with respect to the aforesaid allotment.

Further, with respect to the change in the name of our Company from ‘Birla Capital International AMC Limited’ to ‘Birla Sun Life Asset Management Company Limited’, we are not able to trace the shareholders’ resolution.

While certain information in relation to the allotments and changes in relation to the change in the name of our Company has been disclosed in the sections “*Capital Structure*” and “*History and Certain Corporate Matters*” beginning on pages 68 and 172, respectively, in this Prospectus, based upon the details provided in the search report dated April 18, 2021, prepared by Makarand M Joshi & Co. Company Secretaries, independent practicing company secretary, and certified by their certificate dated April 19, 2021, we may not be able to furnish any further information, other than what is already disclosed in “*Capital Structure*” and “*History and Certain Corporate Matters*”.

Our Company through Makarand M Joshi & Co. Company Secretaries, independent practicing company secretary, has undertaken an independent search/ inspection of (i) minutes of the board meetings and shareholders meetings, (ii) statutory registers; (iii) forms and its attachments available in the digital records maintained on the Ministry of

Corporate Affairs portal at www.mca.gov.in and (iv) physical search of the corporate records of the Company as maintained at the office of the Registrar of Companies to trace the above mentioned documents.

While no legal proceedings or regulatory actions have been initiated against our Company in relation to untraceable secretarial and other corporate records and documents as of the date of this Prospectus, we cannot assure you that such legal proceedings or regulatory actions will not be initiated against our Company in future.

47. *Employee fraud or misconduct could harm us by impairing our ability to attract and retain investors and subject us to significant legal liability and reputational harm.*

Our business is exposed to the risk of employee misappropriation, fraud or misconduct. Misconduct by employees could involve engaging in mis-selling, misrepresentation or fraudulent, deceptive or otherwise improper activities when marketing or selling products; binding us to transactions; unauthorized activities such as insider trading; improperly using or disclosing confidential and price-sensitive information; making illegal or improper payments; falsifying documents or data; recommending products, services or transactions that are not suitable for our customers; misappropriating funds; engaging in unauthorized or excessive transactions to the detriment of our customers or not complying with applicable laws or our internal policies and procedures, which could result in regulatory sanctions against us and reputational and financial harm. For example, there has been an instance in the recent past where an employee violated the code of conduct prescribed by AMFI by not disclosing that his relative was empaneled as a distributor for our products. The employee fraudulently stamped application forms as “direct” under the AMFI registration number of his relative. We terminated the services of this employee and reported the matter to AMFI. While we strive to monitor, detect and prevent fraud and misappropriation by our employees through various internal control measures, we may be unable to adequately prevent or deter such activities in all cases. There could be instances of fraud and misconduct by our employees, which may go unnoticed for certain periods of time before corrective action is taken. Even when we identify instances of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, we cannot assure you that we will recover any amounts lost through such fraud or other misconduct.

In connection with our PMS business, we may typically have discretion to trade client’s assets on the clients’ behalf, as per their mandate, and we must do so by acting in the best interest of the client. Our employees are subject to a number of obligations and standards, and the violation of those obligations or standards may adversely affect our clients and us. It is not always possible to deter employee misconduct, and the precautions we take to detect and prevent this activity may not be effective in all cases.

48. *The mutual fund business in India may be adversely affected by changes in the present favorable tax regime.*

Prior to the Finance Act, 2020, under the Indian income tax regime, income received by investors in respect of units held in a mutual fund was exempt from income tax, though certain mutual funds were required to pay certain additional income tax on the income distributed to their unitholders. However, the Finance Act, 2020 has amended the Income Tax Act to provide that income distributed by mutual funds after March 31, 2020 is subject to tax in the hands of the investor as per the applicable rate. Additionally, mutual funds are currently required to withhold tax at the rate of 10% on such income distributed to domestic investors, and with respect to such income distributed to non-resident investors, mutual funds are required to withhold tax at the applicable tax rates in force (which may vary depending on the relevant facts and circumstances), which tax would be required to be withheld at rates in force, where such income is distributed to non-resident investors. The Government of India, in order to provide additional funds to taxpayers to deal with the outbreak of the COVID-19 pandemic and associated responses, has issued a press release on May 13, 2020, whereby it proposed to reduce such withholding tax rate from 10% to 7.5% for the period starting on May 14, 2020 until March 31, 2021. Further, any gains in excess of ₹100,000 in a financial year made by domestic investors upon redeeming their investment in equity-oriented mutual funds, as defined in the Income Tax Act, are taxable at the rate of 10% (plus applicable surcharge and cess (i.e. additional taxes for specified purposes)), provided the investment is made for a period of more than 12 months. In the event such investment is redeemed prior to or on completion of the duration of 12 months, capital gains tax at the rate of 15% (plus applicable surcharge and cess) is charged. These beneficial rates are available subject to payment of securities transaction tax (“STT”). Investors in equity-oriented funds have to pay STT at the rate of 0.001% on the sale of units back to the mutual fund.

In relation to funds other than equity-oriented funds, any long-term gains realized by domestic investors upon redeeming their investments (which were held for more than 36 months) are taxable at 10% or 20% (depending on whether the investor takes into account the indexation benefit when calculating the taxable gain). However, where such investments are held for a period less than or equal to 36 months, the gains arising on redemption of such investments will be taxed at the marginal income tax rate of the investor’s applicable tax bracket. Various categories of investors, including non-resident investors and corporate investors, are also subject to additional or different provisions which are also subject to changes. The impact of the recent change in the mutual fund taxation regime on our business is uncertain, but may result in changes to the investment preferences of current and prospective investors, and consequential changes to our AUM and the composition thereof. Further, changes in tax laws, regulations,

interpretations of such laws or regulations or failure to comply with procedures laid down under such laws and regulations may have an adverse effect on our business, financial condition and operations. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of those transactions. We cannot predict whether any tax laws or regulations impacting mutual fund products will be enacted, or the nature and impact of the specific terms of any such laws or regulations would have an adverse effect on our business, financial condition and operations. Thus, any change or uncertainty regarding the present tax regime may adversely affect our business as it may draw mutual fund investors away from investing in mutual funds and towards other saving instruments.

External Risk Factors

Risks Related to India

49. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally. Our Company is incorporated in India, and a majority of our assets and employees are located in India. As a result, we are dependent on prevailing economic conditions in India and our results of operations are affected by factors influencing the Indian economy. Any slowdown or reversal in the growth of the Indian economy could result in a reduction in wealth in the Indian economy that can be diverted to savings and investment, a reduced interest in investment in the securities market and reduced foreign investment. Any such reductions could result in a reduction in our AUM or the investment management fees we can charge for our services. Further, the following external risks may have an adverse impact on our business and results of operations, should any of them materialize:

- increase in interest rates may adversely affect access to capital and increase borrowing costs, which may constrain our ability to grow our business and operate profitably;
- increased volatility or other perceived trends in commodity prices;
- downgrade of India's sovereign debt rating by an independent agency;
- political instability, resulting from a change in governmental or economic and fiscal policies, may adversely affect economic conditions in India;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war; and
- India has experienced epidemics, and natural calamities such as earthquakes, tsunamis, floods, and drought in recent years;
- contagious diseases such as the COVID-19 pandemic, the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine. A worsening of the current COVID-19 pandemic or any similar future outbreaks of COVID-19, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares. Our performance and the growth of our business depend on the overall performance of the Indian economy as well as the economies of the regional markets in which we operate.

50. Volatile conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.

The Indian securities markets have experienced significant volatility from time to time. The regulation and monitoring of the Indian securities market and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the United States, Europe and certain economies in Asia. Instability in the global financial markets has adversely affected the Indian economy in the past and may cause increased volatility in the future. For instance, in 2020, global capital markets have experienced significant volatility as a result of the COVID-19 pandemic and associated responses. Further, ongoing concerns relating to the United States and China trade tensions have led to increased volatility in the global capital markets. In addition, China is one of India's major trading partners, and there have been geopolitical tensions and conflicts between the countries in the recent past.

Although economic conditions vary across markets, factors specified above or loss of investor confidence in one economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, results of operations and financial condition. In response to such

developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to improve the stability of the global financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts is uncertain, and they may not have had the intended stabilizing effects. Adverse economic developments overseas in countries where we have operations or other significant financial disruptions could have an adverse effect on our business, future financial performance and the trading price of the Equity Shares.

51. *If inflation were to rise significantly in India the trend towards increased saving rates in the Indian economy may decline or reverse.*

In the recent past inflation in India has been relatively low. Such low inflation rates encourages saving, including in the form of investment in mutual funds, and the growth in our business in the recent past has been connected with this trend. Inflation can however be volatile, and is subject to many factors outside our control, including government policy, commodity prices, weather conditions and the global economy. If inflation were to rise significantly, the trend towards increased saving could decline or reverse and this may result in withdrawals from the funds for which we provide asset management services and a reduction in AUM of the schemes managed by us.

52. *Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations and prospects.*

Our business and financial performance could be adversely affected by changes in the laws, rules, regulations or directions applicable to us and the asset management industry. The regulatory and policy environment in which we operate is evolving and subject to change. The governmental and regulatory bodies may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently, or change the manner in which we conduct KYC or authenticate our investors. Any such changes and the related uncertainties with respect to the implementation of new regulations may adversely effect on our business, financial condition and results of operations. Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, turnover tax, goods and service tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. For example:

- the GAAR became effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us; and
- the Government of India has implemented a comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure. In this regard, the Constitution (One hundred and first Amendment) Act, 2016 enables the Government of India and state governments to introduce GST. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the application, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our businesses in the future.

53. *Investors may not be able to enforce a judgment of a foreign court against our Company outside India.*

Our Company is incorporated under the laws of India. Most of our assets are located in India and a majority of our Company's Directors and Key Managerial Personnel are residents of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India. Moreover, it is unlikely that a court in India would award

damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with Indian public policy.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, which includes, the United Kingdom, Singapore, UAE and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Civil Code. The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in a non-reciprocating territory, such as the United States, for civil liability, whether or not predicated solely upon the general securities laws of the United States, would not be enforceable in India under the Civil Code as a decree of an Indian court.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908. The United Kingdom, Singapore, UAE and Hong Kong have been declared by the Government of India to be reciprocating territories for purposes of Section 44A of the Civil Code. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit on the judgment under Section 13 of the Civil Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court.

However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action is brought in India. Moreover, it is unlikely that an Indian court would award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered.

54. *Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.*

Foreign ownership of Indian securities is subject to Government regulation. Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the pricing and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular term or at all.

55. *Significant differences exist between Ind AS and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition.*

The financial statements included in this Prospectus have been derived from our (i) audited financial statements as at and for the three-month periods ended June 30, 2021 and 2020, and (ii) audited financial statements as at and for the years ended March 31, 2021, 2020 and 2019, in each case, prepared in accordance with Ind AS, and restated in accordance with the SEBI ICDR Regulations and the Guidance Note. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the restated financial statements, which are restated as per the SEBI ICDR Regulations included in this Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should be limited accordingly.

56. *Certain non-GAAP measures and other statistical information relating to our operations and financial performance have been included in this Prospectus. These non-GAAP measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable with those presented by other companies.*

Certain non-GAAP measures and other statistical information relating to our operations and financial performance such as EBITDA, net worth, return on net worth and Net Asset Value per Equity Share have been included in this Prospectus. Such non-GAAP measures are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with, Ind AS. Further, these non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS. We compute and disclose such non-GAAP measures and other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. However, such information may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS.

57. *Rights of shareholders under Indian laws may differ to those under the laws of other jurisdictions.*

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be similar to the shareholders' rights under the laws of other countries or jurisdictions.

Risks Related to the Offer

58. *The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.*

The Offer Price of the Equity Shares has been determined by our Company and the Selling Shareholders in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, and through the Book Building Process. This price is based on numerous factors, as described under "Basis for Offer Price" beginning on page 81 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

59. *The Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop.*

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares has been determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of research analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;

- conditions in financial markets, including those outside India;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations or changes in laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could affect the price of the Equity Shares.

60. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.*

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results.

61. *Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by us may dilute your shareholding and adversely affect the trading price of the Equity Shares.*

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any disposal of Equity Shares by our Promoters may adversely affect the trading price of the Equity Shares. Any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares. For instance, the post-Offer shareholding of our Promoters will be greater than 75% of the issued and paid-up Equity Share capital of our Company and pursuant to the minimum public shareholding requirements prescribed under the SCRR, our Promoters will be required to reduce their shareholding in our Company within a period of three years to ensure that the public shareholding in our Company is at least 25% of the issued and paid-up Equity Share capital of our Company. We cannot assure you that our Company will not issue Equity Shares or that our Promoters will not dispose of, pledge or encumber their Equity Shares in the future.

62. *Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.*

A public company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company would be diluted.

63. *QIBs, Non-Institutional Investors and ABCL Shareholders bidding under the ABCL Shareholder Reservation Portion for a Bid Amount more than ₹200,000 are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.*

Pursuant to the SEBI ICDR Regulations, QIBs, Non-Institutional Investors and ABCL Shareholders bidding under the ABCL Shareholder Reservation Portion for a Bid Amount more than ₹200,000 are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. RIBs and ABCL Shareholders bidding under the ABCL Shareholder Reservation Portion (subject to the Bid Amount being up to ₹200,000) can revise or withdraw their Bids during the Bid/Offer Period. While our Company is required to complete Allotment pursuant to the Offer within such period as may be prescribed under applicable law, events affecting the Bidders' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

SECTION III: INTRODUCTION

THE OFFER

The following table summarizes the Offer details:

Offer of Equity Shares by way of Offer for Sale by the Selling Shareholders ⁽¹⁾⁽²⁾	38,880,000* Equity Shares aggregating to ₹27,682.56 million
<i>The Offer consists of:</i>	
ABCL Shareholders Reservation Portion ⁽³⁾	1,944,000* Equity Shares
Net Offer	36,936,000* Equity Shares
<i>Of which:</i>	
A) QIB Portion ^{(4) (5)}	Not more than 18,468,000* Equity Shares
<i>of which:</i>	
Anchor Investor Portion ⁽⁵⁾	11,080,800* Equity Shares
Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	7,387,200* Equity Shares
<i>of which:</i>	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion) ⁽⁵⁾	369,360* Equity Shares
Balance of the Net QIB Portion for all QIBs including Mutual Funds	7,017,840* Equity Shares
B) Non-Institutional Portion ⁽⁴⁾	Not less than 5,540,400* Equity Shares
C) Retail Portion ⁽⁴⁾	Not less than 12,927,600* Equity Shares
Pre-Offer and post-Offer Equity Shares	
Equity Shares outstanding prior to and after the Offer	288,000,000* Equity Shares

*Subject to finalisation of the Basis of Allotment

- (1) The Offer has been authorized by a resolution of our Board of Directors at their meeting held on April 14, 2021.
- (2) The Equity Shares being offered by the Selling Shareholders have been held for a period of at least one year immediately preceding the date of filing the Draft Red Herring Prospectus with SEBI or are otherwise eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. The Selling Shareholders have confirmed and approved their participation in the Offer for Sale as set out below:

Selling Shareholder	Number of Offered Shares	Date of consent letter	Date of corporate authorisation/ board resolution
ABCL	Up to 2,850,880* Equity Shares	April 19, 2021	April 14, 2021
Sun Life AMC	Up to 36,029,120* Equity Shares	April 19, 2021	April 9, 2021

*Subject to finalisation of the Basis of Allotment

- (3) Any unsubscribed portion remaining in the ABCL Shareholder Reservation Portion was required to be added to the Net Offer. For further details, see “Offer Structure” beginning on page 323.
- (4) Subject to valid bids having been received at or above the Offer Price, under subscription, if any, in any category, except in the QIB Portion, was allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company and the Selling Shareholders, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, and the Designated Stock Exchange, subject to applicable laws.
- (5) Our Company and the Selling Shareholders, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds only, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the Net QIB Portion was made available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion was made available for allocation on a proportionate basis to all QIB Bidders other than Anchor Investors, including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares was added to the Net QIB Portion. The Net QIB Portion was made available for allocation on a proportionate basis to all QIB Bidders other than Anchor Investors, including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. For details, see “Offer Procedure” beginning on page 326.

Allocation to Bidders in all categories except the Anchor Investor Portion and the Retail Portion, if any, was made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each RIB was not less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, was made available for allocation on a proportional basis. For further details, see “Offer Procedure” beginning on page 326.

For details of the terms of the Offer, see “Terms of the Offer” beginning on page 318.

SUMMARY OF FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Consolidated Financial Information as at and for the three months period ended June 30, 2021 and June 30, 2020 and the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019.

Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12-month period ended March 31 of that year. The financial information for the three months ended June 30, 2021 and June 30, 2020 are not indicative of full year results and are not comparable with annual financial statements presented in this Prospectus.

The Restated Consolidated Financial Information referred to above is presented under “Financial Information” beginning on page 213. The summary of financial information presented below should be read in conjunction with the Restated Consolidated Financial Information, the notes thereto and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 270.

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Summary Statement of Assets and Liabilities

(in ₹ million)

		As at				
		June 30, 2021	June30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
I	<u>ASSETS</u>					
(1)	Financial Assets					
	(a) Cash and cash equivalents	520.13	437.91	565.31	466.05	382.24
	(b) Bank balances other than (a) above	3.11	2.94	3.07	2.89	2.73
	(c) Receivables					
	(I) Trade receivables	256.89	242.47	309.54	404.64	256.77
	(d) Loans	0.27	0.85	0.32	1.25	0.69
	(e) Investments	18,520.68	14,097.15	17,262.54	12,633.58	11,380.66
	(f) Other financial assets	127.31	140.21	191.87	129.28	284.55
	Total Financial Assets	19,428.39	14,921.53	18,332.65	13,637.69	12,307.64
(2)	Non-Financial Assets					
	(a) Current tax assets (net)	64.11	246.32	168.93	274.28	159.65
	(b) Property, plant and equipment	105.26	180.49	122.45	190.64	205.24
	(c) Right of use assets	491.11	659.91	515.59	547.03	645.79
	(d) Capital work-in-progress	1.79	0.40	0.78	1.55	11.83
	(e) Intangible assets under development	7.74	10.82	10.09	8.28	11.11
	(f) Other intangible assets	124.35	127.91	132.79	124.21	95.23
	(g) Other non-financial assets	636.03	907.58	562.23	935.91	1,548.11
	Total Non-Financial Assets	1,430.39	2,133.43	1,512.86	2,081.90	2,676.96
	Total Assets	20,858.78	17,054.96	19,845.51	15,719.59	14,984.60
II	<u>LIABILITIES AND EQUITY</u>					
(1)	LIABILITIES					
	Financial Liabilities					
	(a) Payables					
	(I) Trade payables					
	(i) total outstanding dues of micro enterprises and small enterprises	0.12	-	0.06	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	421.16	517.40	373.81	474.04	755.22
	(b) Lease liabilities	569.72	739.02	593.14	620.84	718.69
	(c) Other financial liabilities	451.80	544.06	466.11	469.38	535.96
	Total Financial Liabilities	1,442.80	1,800.48	1,433.12	1,564.26	2,009.87
(2)	Non-Financial Liabilities					
	(a) Current tax liabilities (net)	155.28	0.04	94.20	0.18	0.37
	(b) Provisions	955.39	783.93	945.48	705.47	503.46
	(c) Deferred tax liabilities (net)	99.41	184.20	137.34	146.15	70.06
	(d) Other non-financial liabilities	184.33	129.73	189.24	134.80	195.19
	Total Non-Financial Liabilities	1,394.41	1,097.90	1,366.26	986.60	769.08
(3)	Equity					
	(a) Equity Share Capital	1,440.00	180.00	180.00	180.00	180.00
	(b) Other Equity	16,581.57	13,976.58	16,866.13	12,988.73	12,025.65
	Total Equity	18,021.57	14,156.58	17,046.13	13,168.73	12,205.65
	Total Liabilities and Equity	20,858.78	17,054.96	19,845.51	15,719.59	14,984.60

Summary Statement of Profit and Loss

(in ₹ million, except per share data)

Particulars	For the three months period ended		For the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Income					
Revenue from operations					
Fees and commission income	3,031.69	2,187.24	10,679.07	11,596.70	13,267.74
Net gain on fair value changes	300.73	378.94	1,231.21	741.65	792.93
Total revenue from operations	3,332.42	2,566.18	11,910.28	12,338.35	14,060.67
Other income	30.03	41.29	148.13	9.33	11.83
Total Income (A)	3,362.45	2,607.47	12,058.41	12,347.68	14,072.50
Expenses					
Fees and commission expense	61.65	160.90	470.57	750.53	1,435.01
Finance cost	13.49	15.01	55.57	54.41	57.33
Employee benefit expense	689.77	601.20	2,406.99	2,420.20	2,775.01
Depreciation and amortisation expense	89.66	95.16	374.42	365.22	324.03
Other expense	448.99	434.03	1,791.98	2,150.03	3,023.45
Total Expense (B)	1,303.56	1,306.30	5,099.53	5,740.39	7,614.83
Profit before tax (C = A-B)	2,058.89	1,301.17	6,958.88	6,607.29	6,457.67
Income tax expense					
Current tax	547.38	289.62	1,705.55	1,603.33	2,244.44
Deferred tax	(37.93)	38.04	(8.82)	66.67	(261.27)
Adjustments in respect of current income tax of previous periods / years	-	-	(0.65)	(6.73)	6.51
Income tax expense (D)	509.45	327.66	1,696.08	1,663.27	1,989.68
Profit for the period / year (E = C - D)	1,549.44	973.51	5,262.80	4,944.02	4,467.99
Other comprehensive income					
A Items that will be reclassified to profit or loss					
i) Exchange difference on translation of foreign operations	11.76	4.98	1.96	20.95	14.66
B Items that will not be reclassified to profit or loss					
i) Re-measurement gains/(losses) on defined benefit plans	4.41	12.51	16.94	(30.21)	(5.50)
ii) Income tax relating to the items that will not be reclassified to the Profit and Loss	(1.11)	(3.15)	(4.26)	7.60	1.92
Other comprehensive income for the period / year (F)	15.06	14.34	14.64	(1.66)	11.08
Total comprehensive income for the period / year (G = E+F)	1,564.50	987.85	5,277.44	4,942.36	4,479.07
Profit for the period / year					
Attributable to:					
Owners of the Company	1,549.44	973.51	5,262.80	4,944.02	4,467.99
Non-controlling interests	-	-	-	-	-
	1,549.44	973.51	5,262.80	4,944.02	4,467.99
Other comprehensive income for the period / year					
Attributable to:					
Owners of the Company	15.06	14.34	14.64	(1.66)	11.08
Non-controlling interests	-	-	-	-	-
	15.06	14.34	14.64	(1.66)	11.08
Total comprehensive income for the period / year					
Attributable to:					
Owners of the Company	1,564.50	987.85	5,277.44	4,942.36	4,479.07
Non-controlling interests	-	-	-	-	-
	1,564.50	987.85	5,277.44	4,942.36	4,479.07
Earnings per share[#]					
– basic profit for the period/year attributable to ordinary equity shareholders of the Company	5.38*	3.38*	18.27	17.17	15.51
– diluted profit for the period/year attributable to ordinary equity shareholders of the Company	5.36*	3.38*	18.27	17.17	15.51

* EPS for the three months ending June 30, 2021 and June 30, 2020 is not annualized

[#]Stock split and bonus shares are retrospectively considered for the computation of EPS in accordance with Ind AS 33 for all periods presented

Summary Statement of Cash Flows

(in ₹ million)

Particulars	For the three months period ended		For the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Cash Flow from Operating activities					
Profit Before Tax	2,058.89	1,301.17	6,958.88	6,607.29	6,457.67
Adjustments for:					
Depreciation and Amortisation	89.66	95.16	374.42	365.22	324.03
Finance cost	13.49	15.01	55.57	54.41	57.33
Profit on Sale of Investments	(24.23)	(12.86)	(399.23)	(163.57)	(279.38)
Exchange differences on translating the financial statements of a foreign operation	11.42	4.95	1.96	20.85	14.58
Loss or (Profit) on Sale of Property, Plant and Equipment	1.05	-	0.70	0.42	0.49
Fair valuation of investments	(276.50)	(366.08)	(831.98)	(578.08)	(513.55)
Actuarial Expense on Share based payments	-	-	-	-	(43.10)
Share-based payments by the Company	116.54	-	-	-	-
Interest on Tax Refund	-	-	-	-	(0.47)
Interest on Fixed Deposits and Investments	(28.81)	(19.20)	(106.24)	(7.23)	(10.52)
Rent concession	(1.21)	(19.48)	(35.39)	-	-
Operating Profit before working capital changes	1,960.30	998.67	6,018.69	6,299.31	6,007.08
Change in Receivables	52.65	162.17	95.10	(147.87)	190.16
Change in Loans	0.05	0.40	0.93	(0.56)	(0.69)
Change in Other Financial Assets	64.52	(10.98)	(62.78)	149.54	(104.63)
Change in Other Non-Financial Assets	(72.51)	28.73	372.48	609.84	444.86
Change in Payables	47.47	43.36	(100.17)	(281.18)	(692.05)
Change in Financial Liabilities	(14.31)	74.68	(3.26)	(66.58)	(63.70)
Change in Non-Financial Liabilities	9.41	85.75	311.20	111.24	(345.15)
Cash generated from Operations	2,047.58	1,382.78	6,632.19	6,673.74	5,435.88
Income Tax paid (net)	(381.87)	(264.81)	(1,509.68)	(1,703.64)	(2,282.48)
Net cash generated from Operating activities	1,665.71	1,117.97	5,122.51	4,970.10	3,153.40
Cash Flow from Investing activities					
Purchase of Property, Plant and Equipment and Intangible Assets	(14.90)	(37.59)	(115.41)	(164.07)	(204.23)
Sale proceeds from Property, Plant and Equipment and Intangible Assets	0.80	-	8.67	2.19	3.75
Interest on Fixed Deposits and Investments	27.83	2.60	85.77	11.55	5.18
Purchase of Investments	(6,046.88)	(3,790.28)	(20,396.97)	(10,535.62)	(18,853.57)
Sale of Investments	5,089.98	2,722.24	17,019.71	10,025.14	19,673.05
Net cash generated/(used) in investing activities	(943.17)	(1,103.03)	(3,398.23)	(660.81)	624.18
Cash Flow from Financing activities					
Final/Interim Dividend Paid during the period / year (including tax thereon)	(705.60)	-	(1,400.04)	(3,978.32)	(3,605.74)
Lease Liability - Interest portion	(13.49)	(15.01)	(55.57)	(54.41)	(57.33)
Lease Liability - Principal portion	(48.63)	(28.07)	(169.41)	(192.75)	(172.58)
Net cash used in financing activities	(767.72)	(43.08)	(1,625.02)	(4,225.48)	(3,835.65)
Net Increase/(Decrease) in Cash and Cash Equivalents	(45.18)	(28.14)	99.26	83.81	(58.07)
Cash and Cash Equivalents at beginning of the period / year	565.31	466.05	466.05	382.24	440.31
Cash and Cash Equivalents at end of the period / year	520.13	437.91	565.31	466.05	382.24

GENERAL INFORMATION

Our Company was originally incorporated as ‘Birla Capital International AMC Limited’ at Mumbai, Maharashtra as a public company under the Companies Act, 1956, pursuant to a certificate of incorporation dated September 5, 1994, issued by the RoC and commenced operations pursuant to a certificate for commencement of business dated November 10, 1994, issued by the RoC. Further, the name of our Company was changed from ‘Birla Capital International AMC Limited’ to ‘Birla Sun Life Asset Management Company Limited’ pursuant to which a revised certificate of incorporation was issued by the RoC dated June 29, 1999. Subsequently the name of our Company was changed from ‘Birla Sun Life Asset Management Company Limited’ to ‘Aditya Birla Sun Life AMC Limited’ and a revised certificate of incorporation dated July 17, 2017 pursuant to change of name was issued by the RoC. For details in relation to changes in our Registered and Corporate Office, see “*History and Certain Corporate Matters*” beginning on page 172. For details of the business of our Company, see “*Our Business*” beginning on page 135.

Registered and Corporate Office of our Company

One World Center, Tower 1, 17th Floor
Jupiter Mills, Senapati Bapat Marg
Elphinstone Road, Mumbai, 400 013
Maharashtra, India

Corporate Identity Number: U65991MH1994PLC080811

Company Registration Number: 080811

Filing of the Offer Documents

A copy of the Draft Red Herring Prospectus has been filed electronically on the platform provided by SEBI and at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to “Easing of Operational Procedure – Division of Issues and Listing – CFD” and has also been filed with the Securities and Exchange Board of India at:

Securities and Exchange Board of India

Corporation Finance Department
Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, ‘G’ Block
Bandra Kurla Complex
Bandra (E)
Mumbai 400 051, Maharashtra, India

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act was filed with the RoC. This Prospectus will be delivered for filing in accordance with Section 32 read with Section 26 of the Companies Act, through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do> and with the RoC at:

Registrar of Companies
100, Everest,
Marine Drive
Mumbai, Maharashtra- 400002, India

Board of Directors of our Company

Details regarding our Board as of the date of this Prospectus are set forth below:

Name	Designation	DIN	Address
Kumar Mangalam Birla	Non-Executive Chairman	00012813	Mangal Adityayan, Carmichael Road, Behind Jaslok Hospital, Mumbai 400 026, Maharashtra, India
Ajay Srinivasan	Non - Executive Director	00121181	2601 / 2603 A. Vivarea, Jacob Circle, Mahalaxmi Mumbai 400 011, Maharashtra, India
Sandeep Asthana	Non - Executive Director	00401858	1501, Glen Heights, Hiranandani Gardens, Powai, Mumbai 400 076, Maharashtra, India
A Balasubramanian	Managing Director and Chief Executive Officer	02928193	Bungalow No.18, Lakshmi Niwas, Atur Park, CHSL Sion Trombay Road, Chembur, Mumbai 400 071, Maharashtra, India
Colm Freyne	Non - Executive Director	07627357	60 Bannockburn Avenue, Toronto, Ontario, M5M2N1 Canada
Bobby Parikh	Independent Director	00019437	4, Seven on the Hill, Auxillium Convent Road, Bandra (West), Mumbai 400 050, Maharashtra, India

Name	Designation	DIN	Address
Bharat Patel	Independent Director	00060998	52, Miami Apartments, Bhulabhai Desai Road, Breach Candy, Mumbai 400 026, Maharashtra, India
Alka Bharucha	Independent Director	00114067	7E, Harbour Heights A, N.A Sawant Marg, Colaba, Mumbai 400 005, Maharashtra, India
Harish Engineer	Independent Director	01843009	B-11, Sea Face Park, 50 Bhulabhai Desai Road, Mumbai 400 026, Maharashtra, India
Navin Puri	Independent Director	08493643	39 th Floor, 3902, Omkar 1973 Tower T II Pandurang Budhkar Marg, Worli, Mumbai 400 018, Maharashtra, India

For further details of our Directors, see “Our Management” beginning on page 181.

Head Compliance, Legal and Secretarial, Company Secretary and Compliance officer

Hemanti Wadhwa is our Head - Compliance, Legal and Secretarial, Company Secretary and Compliance officer. Her contact details are as follows:

Hemanti Wadhwa

One World Center, Tower 1, 17th Floor
Jupiter Mills, Senapati Bapat Marg
Elphinstone Road, Mumbai, 400 013
Maharashtra, India
Tel: +91 22 4356 8008
E-mail: ABSLAMC.CS@adityabirlacapital.com

Statutory Auditors to our Company

S R Batliboi & Co. LLP
Address: 12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West), Mumbai - 400 028
Maharashtra, India
Tel: +91 22 6192 0000
E-mail: SRBC@srb.in
Peer Review No.: 011170
Firm Registration Number: 301003E/E300005

Pursuant to the resolution of our Shareholders passed at the AGM held on July 15, 2019, S R Batliboi & Co. LLP were appointed as the Statutory Auditors of our Company till the conclusion of the 13th AGM, to be held in 2024.

Except as disclosed above, there has been no change in the auditors of our Company during the three years preceding the date of this Prospectus.

Particulars	Date of change	Reason for change
S R Batliboi & Co. LLP Address: 12th Floor, The Ruby 29 Senapati Bapat Marg Dadar (West), Mumbai - 400 028 Maharashtra, India E-mail: SRBC@srb.in Peer Review No.: 011170 Firm Registration Number: 301003E/E300005	July 15, 2019	Appointed as Statutory Auditor
Deloitte Haskins & Sells, LLP, Chartered Accountants Address: Indiabulls Finance Centre Tower 3, 27th – 32nd Floor Senapati Bapat Marg Elphinstone Road (West) Mumbai – 400013 Maharashtra, India E-mail: sgk@deloitte.com Peer review number: 009919 Firm Registration Number: 117366W/W-100018	July 15, 2019	Resignation, as Deloitte Haskins & Sells, LLP, Chartered Accountants were appointed as the mutual fund auditor pursuant to the SEBI Mutual Fund Regulations

Global Coordinators and Book Running Lead Managers

Kotak Mahindra Capital Company Limited

1st Floor, 27 BKC, Plot No. 27
G Block, Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Maharashtra, India
Tel: +91 22 4336 0000
E-mail: ABSLAMC.ipo@kotak.com
Website: www.investmentbank.kotak.com
Investor Grievance ID: kmccredressal@kotak.com
Contact Person: Ganesh Rane
SEBI Registration No.: INM000008704

Citigroup Global Markets India Private Limited

1202, First International Financial Center
Bandra Kurla Complex, Bandra (East)
Mumbai 400 098
Maharashtra, India
Tel: +91 22 6175 9999
E-mail: absl.amc.ipo@citi.com
Website:
www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm
Investor Grievance ID: investors.cgmib@citi.com
Contact Person: Siddharth Sharma
SEBI Registration No: INM000010718

Book Running Lead Managers

Axis Capital Limited

1st floor, Axis House
C-2 Wadia International Centre
P.B. Marg, Worli
Mumbai 400 025
Maharashtra, India
Tel: +91 22 4325 2183
E-mail: absl.ipo@axiscap.in
Website: www.axiscapital.co.in
Investor Grievance ID: complaints@axiscap.in
Contact Person: Simran Gadh
SEBI Registration Number: INM000012029

ICICI Securities Limited*

ICICI Venture House
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025
Maharashtra, India
Tel: +91 22 6807 7100
E-mail: abslamc.ipo@icicisecurities.com
Website: www.icicisecurities.com
Investor Grievance ID: customercare@icicisecurities.com
Contact Person: Nidhi Wangnoo / Vaibhav Saboo
SEBI Registration Number: INM000011179

**In compliance with the proviso to Regulation 21A of the SEBI Merchant Banker Regulations and Regulation 23(3) of the SEBI ICDR Regulations, ICICI Securities Limited has been involved only in marketing of the Offer. ICICI Securities has signed the due diligence certificate and has been disclosed as a BRLM for the Offer.*

JM Financial Limited

7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400 025

BofA Securities India Limited

Ground Floor, "A" Wing
One BKC, "G" Block
Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India
Telephone: +91 22 6632 8000
E-mail: dg.absl_ipo@bofa.com
Website: www.ml-india.com
Investor Grievance ID: dg.india_merchantbanking@bofa.com
Contact Person: Abhay Agarwal
SEBI Registration No.: INM000011625

HDFC Bank Limited

Investment Banking Group
Unit No. 401 & 402, 4th Floor
Tower B, Peninsula Business Park, Lower Parel
Mumbai 400 013,
Maharashtra, India
Tel: +91 22 3395 8233
E-mail: abslamc.ipo@hdfcbank.com
Website: www.hdfcbank.com
Investor Grievance ID: investor.redressal@hdfcbank.com
Contact Person: Harsh Thakkar / Ravi Sharma
SEBI Registration No.: INM000011252

IIFL Securities Limited

10th Floor, IIFL Centre
Kamala City, Senapati Bapat Marg
Lower Parel (West), Mumbai 400 013
Maharashtra, India
Tel: +91 22 4646 4600
E-mail: absl.amc.ipo@iiflcap.com
Website: www.iiflcap.com
Investor Grievance E-mail: ig.ib@iiflcap.com
Contact Person: Ujjaval Kumar / Harshvardhan Jain
SEBI Registration No.: INM000010940

Motilal Oswal Investment Advisors Limited

Motilal Oswal Tower,
Rahimtullah Sayani Road,
Opposite Parel ST Depot, Prabhadevi,
Mumbai 400 025,

Maharashtra, India
Tel: +91 22 6630 3030
E-mail: absl.ipo@jmfll.com
Website: www.jmfll.com
Investor Grievance E-mail: grievance.ibd@jmfll.com
Contact Person: Prachee Dhuri
SEBI Registration No.: INM000010361

SBI Capital Markets Limited

202, Maker Tower 'E'
Cuffe Parade
Mumbai 400 005
Maharashtra, India
Tel: +91 22 2217 8300
E-mail: absl.ipo@sbicaps.com
Website: www.sbicaps.com
Investor Grievance ID:
investor.relations@sbicaps.com
Contact Person: Sambit Rath/ Janardhan Wagle
SEBI Registration Number: INM000003531

Maharashtra, India
Tel: +91 22 7193 4380
E-mail: abslamc.ipo@motilaloswal.com
Website: www.motilaloswalgroup.com
Investor Grievance ID: moiaplredressal@motilaloswal.com
Contact Person: Subodh Mallya
SEBI Registration No.: INM000011005

YES Securities (India) Limited

2nd Floor, YES Bank House
Off Western Express Highway
Santacruz East
Mumbai 400 055
Maharashtra, India
Tel: +91 22 6507 8131
E-mail: abslamc.ipo@ysil.in
Website: www.yesinvest.in
Investor Grievance E-mail: igc@ysil.in
Contact Person: Sachin Kapoor/Lalit Phatak
SEBI Registration No.: INM000012227

Legal Advisors to the Offer

Legal Counsel to our Company as to Indian law

Cyril Amarchand Mangaldas

5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Mumbai 400013
Maharashtra, India
Tel: +91 22 2496 4455

Legal Counsel to the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers as to Indian law

Khaitan & Co

One World Center
10th & 13th floor
841, Senapati Bapat Marg
Mumbai, 400013
Maharashtra, India
Tel: +91 22 6636 5000

International Legal Counsel to Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers

Sidley Austin LLP

Level 31
Six Battery Road
Singapore 049909
Tel: +65 6230 3900

Legal Counsel to Sun Life AMC as to Indian law

S&R Associates

One World Center
1403 Tower 2 B, 841, Senapati Bapat Marg
Lower Parel, Mumbai 400 013
Maharashtra, India
Tel: +91 22 4302 8000

Registrar to the Offer

Kfin Technologies Private Limited

(formerly known as Karvy Fintech Private Limited)

Selenium, Tower B, Plot No. - 31 and 32 Financial District
Nanakramguda, Serilingampally
Hyderabad, Rangareddi 500 032
Telangana, India
Tel: +91 40 6716 2222
E-mail: absl.ipo@kfintech.com
Toll free number: 18003094001
Website: www.kfintech.com
Investor Grievance ID: einward.ris@kfintech.com
Contact Person: M Murali Krishna
SEBI Registration Number: INR000000221

Bankers to the Offer

Escrow Collection Bank

Axis Bank Limited

Gr. Floor, Jeevan Prakash Building
Fort, Mumbai- 400001

Tel: +91 22 4086 7464/ 7371

E-mail: Kishor.Ittagoni@axisbank.com; Vivekanand.Umap@axisbank.com

Website: www.axisbank.com

Contact Person: Kishor Ittagoni/ Vivekanand Umap

SEBI Registration Number: INBI00000017

Refund Bank

State Bank of India

Capital Markets Branch

Mumbai Main Branch Building

Mumbai Samachar Marg

Fort, Mumbai- 400023

Tel: +91 22 2271 9102/ +91 22 2271 9112

E-mail: sbi.11777@sbi.co.in; nib.11777@sbi.co.in

Website: www.sbi.co.in

Contact Person: Neetha Shetty

SEBI Registration Number: INBI00000038

Public Offer Bank and Sponsor Bank

HDFC Bank Limited

FIG- OPS Department- Lodha

I Think Techno Campus O-3 Level

Next to Kanjurmarg, Railway Station

Kanjurmarg (East), Mumbai 400042

Maharashtra, India

Tel: +91 22 3075 2927/ +91 22 3075 2928/ +91 22 3075 2914

E-mail: Tushar.Gavankar@hdfcbank.com; Siddharth.Jadhav@hdfcbank.com;

Prasanna.Uchil@hdfcbank.com; Neerav.Desai@hdfcbank.com

Website: www.hdfcbank.com

Contact Person: Tushar Gavankar Siddharth Jadhav, Prasanna Uchil, Neerav Desai

SEBI Registration Number: INBI00000063

Bankers to our Company

HDFC Bank Limited

Zenith House, 2nd floor, K.K. road, Arya Nagar

Dr. Babasaheb Ambedkar colony

Mahalakshmi, Mumbai 400 034

Maharashtra, India

Tel: +91 22 3976 0070/0533

E-mail: sanket.Sali@hdfcbank.com,

poonam.raikar@hdfcbank.com

Website: www.hdfcbank.com

Contact Person: Sanket Sali, Poonam Raiker

Standard Chartered Bank

Crescenzo, 3rd Floor, C – 38 /39

G – Block Behind MCA Club

Bandra Kurla Complex, Bandra (East)

Mumbai 400 051

Maharashtra, India

Tel: +91 22 4265 8212

E-mail: Bhushan.Khairnar@sc.com

Website: www.sc.com/in

Contact Person: Bhushan Khairnar

Citibank N.A.

14th floor, FIFC, Plot Nos C-54 and C-55

G Block, Bandra Kurla Complex

Bandra East, Mumbai 400 051

Maharashtra, India

Tel: +91 22 6175 6189

E-mail: hitesh.dhawan@citi.com

Website: www.citibank.co.in

Contact Person: Hitesh Dhawan

Axis Bank Limited

Sir P.M. Road, Jeevan Prakash Building

Fort, Mumbai 400 001

Maharashtra, India

Tel: +91 22 407687371/7335

E-mail: amit.retharekar@axisbank.com,

ryan.moraes@axisbank.com

Website: www.axisbank.com

Contact Person: Amit Retharekar / Ryan Moraes

Syndicate Members

HDFC Securities Limited

iThink Techno Campus Building-B
'Alpha', 8th Floor, Opp. Crompton Greaves
Near Kanjurmarg Station,
Kanjurmarg (East), Mumbai 400 042
Maharashtra, India
Tel: +91 22 3075 3400
E-mail: sharmila.kambli@hdfcsec.com
Website: www.hdfcsec.com
Contact person: Sharmila Kambli
SEBI Registration number: INZ000186937

Motilal Oswal Financial Services Limited

Motilal Oswal Tower, Rahimtullah, Sayani Road
Opposite Parel ST Depot, Prabhadevi
Mumbai 400 025,
Maharashtra, India
Tel: +91 22 7193 4200 / +91 22 7193 4263
E-mail: ipo@motilaloswal.com;
santosh.patil@motilaloswal.com;
Website: http://www.motilaloswalgroup.com
Contact person: Santosh Patil
SEBI Registration number.: INZ000158836

SBICAP Securities Limited

Marathon Futurex, B Wing
Unit no 1201, 12th Floor
N M Joshi Marg
Lower Parel,
Mumbai 400 013
Maharashtra, India
Tel: +91 22 4227 3300
E-mail: archana.dedhia@sbicapsec.com
Website: www.sbismart.com
Contact person: Archana Dedhia
SEBI Registration number: INZ000200032

Kotak Securities Limited

4th Floor, 12 BKC, G Block
Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India
Tel: +91 22 6218 5470
E-mail: umesh.gupta@kotak.com
Website: www.kotak.com
Contact Person: Umesh Gupta
SEBI Registration No.: INZ000200137

JM Financial Services Limited

Ground Floor, 2, 3 & 4
Kamanwala Chambers, Sir P.M. Road
Fort, Mumbai 400 001
Maharashtra, India
Tel: +91 22 6136 3400
E-mail: surajit.misra@jmfl.com/deepak.vaidya@jmfl.com/
tn.kumar@jmfl.com / sona.verghese@jmfl.com
Website: www.jmflfinancialservices.in
Contact Person: Surajit Misra/ Deepak Vaidya/T N Kumar/
Sona Verghese
SEBI Registration Number: INZ000195834

Investec Capital Services (India) Private Limited

1103-04, 11th Floor, B Wing, Parinee Crescenzo
Bandra Kurla Complex
Mumbai 400 051
Maharashtra, India
Tel: +91 22 6849 7400
E-mail: kunal.naik@investec.co.in
Website: https://www.investec.com/india.html
Contact person: Kunal Naik
SEBI Registration number: INZ000007138

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RIB and ABCL Shareholders bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other websites as may be prescribed by SEBI from time to time.

SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors and ABCL Shareholders under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> as updated from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stockbroker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at <https://www.bseindia.com/> and <https://www.nseindia.com/>, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at <https://www.bseindia.com/Static/PublicIssues/RtaDp.aspx> and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of the Stock Exchanges at <https://www.bseindia.com/Static/PublicIssues/RtaDp.aspx> and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Expert to the Offer

Except as disclosed below, our Company has not obtained any expert opinions:

Our Company has received written consent dated October 4, 2021 from S R Batliboi & Co. LLP, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated August 17, 2021 on our Restated Consolidated Financial Information; and (ii) their report dated April 19, 2021 on the Statement of Special Tax Benefits in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Inter-se allocation of responsibilities among the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers to the Offer

The following table sets forth the inter-se allocation of responsibilities for various activities among the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers to the Offer:

S. No.	Activity	Responsibility	Coordinator
1.	Due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, the Red Herring Prospectus, this Prospectus, abridged prospectus and application form. The Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing	Global Coordinators and Book Running Lead Managers/ Book Running Lead Managers*	Kotak
2.	Capital structuring with the relative components and formalities such as type of instruments, size of issue, allocation between primary and secondary, etc.	Global Coordinators and Book Running Lead Managers/ Book Running Lead Managers*	IIFL
3.	Drafting and approval of all statutory advertisement	Global Coordinators and Book Running Lead Managers/ Book Running Lead Managers*	JM Financial
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report	Global Coordinators and Book Running Lead Managers/ Book Running Lead Managers*	HDFC

S. No.	Activity	Responsibility	Coordinator
5.	Appointment of intermediaries - Registrar to the Offer, advertising agency, Banker(s) to the Offer, Sponsor Bank, printer and other intermediaries, including coordination of all agreements to be entered into with such intermediaries	Global Coordinators and Book Running Lead Managers/ Book Running Lead Managers*	SBICAP
6.	Preparation of road show presentation and frequently asked questions	Global Coordinators and Book Running Lead Managers/ Book Running Lead Managers*	BofA
7.	International institutional marketing of the Offer, which will cover, <i>inter alia</i> : - marketing strategy; - Finalizing the list and division of investors for one-to-one meetings; and - Finalizing road show and investor meeting schedule	Global Coordinators and Book Running Lead Managers/ Book Running Lead Managers*	BofA
8.	Domestic institutional marketing of the Offer, which will cover, <i>inter alia</i> : - marketing strategy; - Finalizing the list and division of investors for one-to-one meetings; and - Finalizing road show and investor meeting schedule	Global Coordinators and Book Running Lead Managers/ Book Running Lead Managers*	Kotak
9.	Retail marketing of the Offer, which will cover, <i>inter alia</i> , - Finalising media, marketing and public relations strategy including list of frequently asked questions at retail road shows; - Finalising centres for holding conferences for brokers, etc.; - Follow-up on distribution of publicity and Offer material including application form, this Prospectus and deciding on the quantum of the Offer material; and - Finalising collection centres	Global Coordinators and Book Running Lead Managers/ Book Running Lead Managers*	I-Sec*
10.	Non-Institutional marketing of the Offer, which will cover, <i>inter alia</i> , - Finalising media, marketing and public relations strategy; - Finalising centres for holding conferences etc.	Global Coordinators and Book Running Lead Managers/ Book Running Lead Managers*	Motilal
11.	Managing the book and finalization of pricing in consultation with the Company and Selling Shareholders	Global Coordinators and Book Running Lead Managers/ Book Running Lead Managers*	Citi
12.	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading, payment of 1% security deposit, anchor coordination, anchor CAN and intimation of anchor allocation	Global Coordinators and Book Running Lead Managers/ Book Running Lead Managers*	YES Securities
13.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs, Sponsor Banks and other Bankers to the Offer, intimation of allocation and dispatch of refund to Bidders, etc. Other post-Offer activities, which shall involve essential follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds, payment of STT on behalf of the Selling Shareholders and coordination with various agencies connected with the post-Offer activity such as Registrar to the Offer, Bankers to the Offer, Sponsor Bank, SCSBs including responsibility for underwriting arrangements, as applicable. Coordinating with Stock Exchanges and SEBI for submission of all post-Offer reports including the final post-Offer report to SEBI and release of 1% security deposit post closure of the Offer	Global Coordinators and Book Running Lead Managers/ Book Running Lead Managers*	Axis

GCRBLMs: **Kotak:** Kotak Mahindra Capital Company Limited, **BofA:** BofA Securities India Limited and **Citi:** Citigroup Global Markets India Private Limited
BRLMs: **Axis:** Axis Capital Limited, **HDFC:** HDFC Bank Limited, **I-Sec:** ICICI Securities Limited*, **IIFL:** IIFL Securities Limited, **JM Financial:** JM Financial Limited, **Motilal:** Motilal Oswal Investment Advisors Limited, **SBICAP:** SBI Capital Markets Limited, and **YES Securities:** YES Securities (India) Limited

*In compliance with the proviso to Regulation 21A of the SEBI Merchant Banker Regulations and Regulation 23(3) of the SEBI ICDR Regulations, ICICI Securities has been involved only in marketing of the Offer. ICICI Securities has signed the due diligence certificate and has been disclosed as a BRLM for the Offer.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from bidders on the basis of the Red Herring Prospectus and the Bid Cum Application Forms and the Revision Forms within the Price Band and the minimum Bid Lot, which was decided by our Company and the Selling Shareholders in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, and which was advertised in all editions of English national daily newspaper, Financial Express, all editions of Hindi national daily newspaper, Jansatta and Mumbai editions of the Marathi daily newspaper Navshakti (Marathi being the regional language of Maharashtra, where our registered and corporate office is located, at least two Working Days prior to the Bid/Offer Opening Date and was made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Offer Price was determined by our Company and the Selling

Shareholders in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers after the Bid/Offer Closing Date. For details, see “Offer Procedure” beginning on page 326.

All Bidders (other than Anchor Investors) participated in this Offer mandatorily through the ASBA process by providing the details of their respective bank accounts in which the corresponding Bid Amount was blocked by the SCSBs. In addition to this, the RIBs participated through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount was blocked by the SCSBs; or (b) through the UPI Mechanism. ABCL Shareholders were permitted to Bid using the UPI Mechanism under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000). Anchor Investors were not permitted to participate in the Offer through the ASBA process.

In terms of the SEBI ICDR Regulations, QIBs, Non-Institutional Investors and ABCL Shareholders bidding under the ABCL Shareholder Reservation Portion for a Bid Amount more than ₹200,000 were not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of the number of Equity Shares or the Bid Amount) at any stage. RIBs and ABCL Shareholders bidding in ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) could revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid/ Offer Closing Date. Anchor Investors were not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Except for Allocation to RIBs and the Anchor Investors, allocation in the Offer was on a proportionate basis. Further, allocation to Anchor Investors was on a discretionary basis.

Each Bidder by submitting a Bid in the Offer, was deemed to have acknowledged the above restrictions and the terms of the Offer.

For further details, see “Terms of the Offer” “Offer Structure” and “Offer Procedure” on pages 318, 323 and 326, respectively.

The process of Book Building under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to submitting a Bid in the Offer.

Bidder should note that, the Offer is also subject to obtaining (i) the final approval of the RoC after this Prospectus is filed with the RoC; and (ii) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

Underwriting Agreement

Our Company and the Selling Shareholders entered into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The Underwriting Agreement is dated October 4, 2021. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters will be several and will be subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares to be Underwritten*	Amount Underwritten (₹ million)
Kotak Mahindra Capital Company Limited 27 BKC, 1st Floor, Plot No. C-27, “G” Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 Tel: +91 22 4336 0000; Email: ABSLAMC.ipo@kotak.com	3,534,446	2,516.53
BofA Securities India Limited Ground Floor, “A” Wing, One BKC, “G” Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 Tel: +91 22 6632 8000; Email: dg.absl_ipo@bofa.com	3,534,545	2,516.60
Citigroup Global Markets India Private Limited 1202, 12th Floor, First International Financial Centre, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 098 Tel: +91 22 6175 9999; Email: absl.amc.ipo@citi.com	3,534,545	2,516.60
Axis Capital Limited 1st Floor, Axis House, C-2, Wadia International Centre, P.B. Marg, Worli, Mumbai - 400 025 Tel: +91 22 4325 2183; Email: absl.ipo@axiscap.in	3,534,545	2,516.60
HDFC Bank Limited Investment Banking Group, Unit No 401 & 402, 4th Floor, Tower B, Peninsula Business Park, Lower Parel, Mumbai - 400 013 Tel: +91 22 3395 8233; Email: abslamc.ipo@hdfcbank.com	3,534,446	2,516.53
ICICI Securities Limited** ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025, Maharashtra Tel: +91 22 6807 7100; Email: abslamc.ipo@icicisecurities.com	3,534,545	2,516.60
IIFL Securities Limited 10th Floor, IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400	3,534,545	2,516.60

013, Maharashtra Tel: +91 22 4646 4600; Email: absl.amc.ipo@iiflcap.com		
JM Financial Limited 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi Mumbai - 400 025 Tel: +91 22 6630 3030; Email: absl.ipo@jmfl.com	3,534,446	2,516.53
Motilal Oswal Investment Advisors Limited Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai - 400 025 Tel: +91 22 7193 4380; Email: abslamc.ipo@motilaloswal.com	3,534,446	2,516.53
SBI Capital Markets Limited 202, Maker Tower 'E', Cuffe Parade, Mumbai - 400 005 Tel: +91 22 2217 8300; Email: absl.ipo@sbicaps.com	3,534,346	2,516.45
YES Securities (India) Limited 2 nd Floor, YES Bank House, Off Western Express Highway, Santacruz East, Mumbai - 400 055 Tel: +91 22 6507 8131; Email: dhanraj.uchil@ysil.in	3,534,545	2,516.60
HDFC Securities Limited I Think Techno Campus Building-B, "Alpha", Office 8, Opp. Crompton Greaves, Near Kanjurmarg Station, Kanjurmarg (East), Mumbai - 400 042 Tel: +91 22 3075 3400; Email: sharmila.kambli@hdfcsec.com	100	0.07
Kotak Securities Limited 27 BKC, Plot No. C-12, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 Tel: +91 22 6218 5470; Email: umesh.gupta@kotak.com	100	0.07
Motilal Oswal Financial Services Limited Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai - 400 025 Tel: +91 22 7193 4200 / +91 22 7193 4263; Email: abslamc.ipo@motilaloswal.com; ipo@motilaloswal.com; santosh.patil@motilaloswal.com;	100	0.07
SBICAP Securities Limited Marathon Futorex, 12 th Floor A & B-Wing, N. M. Joshi Marg, Lower Parel, Mumbai - 400 013 Tel: +91 22 4227 3300; Email: archana.dedhia@sbicapsec.com	100	0.07
Investec Capital Services (India) Private Limited 1103-04, 11th Floor, B Wing, Parinee Crescenzo, Bandra Kurla Complex, Mumbai - 400 051 Tel: +91 22 6849 7400; Email: kunal.naik@investec.co.in	100	0.07
JM Financial Services Limited Ground Floor, 2,3&4, Kamanwala Chambers, Sir P.M. Road, Fort, Mumbai - 400 001 Tel: +91 22 6136 3400; Email: surajit.misra@jmfl.com/deepak.vaidya@jmfl.com/tn.kumar@jmfl.com / sona.verghese@jmfl.com	100	0.07
Total	38,880,000	27,682.56

* Subject to finalisation of the Basis of Allotment.

** In compliance with the proviso to Regulation 21A of the SEBI Merchant Banker Regulations and Regulation 23(3) of the SEBI ICDR Regulations, ICICI Securities has been involved only in marketing of the Offer. ICICI Securities has signed the due diligence certificate and has been disclosed as a BRLM for the Offer.

The aforementioned underwriting commitments are indicative and will be finalised after actual allocation in accordance with provisions of the SEBI ICDR Regulations.

In the opinion of our Board of Directors (based on representations made to our Company by the Underwriters), the resources of the aforementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The aforementioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. Our Board, at its meeting held on October 4, 2021, approved the acceptance and entering into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure purchasers for or purchase the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

Updates from the Red Herring Prospectus to this Prospectus

Except for the Offer related updates included in this Prospectus, updates in relation to the other directorships of one of our Directors, Sandeep Asthana, update in relation to deletion of New Horizon Fund SPC as one of the step-down subsidiary of our Company pursuant to its dissolution effective from September 30, 2021 and update in relation to addition of ABARC-AST-009-Trust to the list of entities forming part of Promoter Group, there have been no updates in relation to our Company since the filing of the Red Herring Prospectus with the RoC.

CAPITAL STRUCTURE

The Equity Share capital of our Company as at the date of this Prospectus is set forth below:

		(in ₹, except share data)	
		Aggregate value at face value	Aggregate value at Offer Price [^] *
A	AUTHORISED SHARE CAPITAL ⁽¹⁾		
	320,000,000 Equity Shares (having face value of ₹5 each)	1,600,000,000	
B	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER		
	288,000,000 Equity Shares (having face value of ₹5 each)	1,440,000,000	205,056,000,000
C	PRESENT OFFER IN TERMS OF THIS PROSPECTUS ⁽²⁾		
	Offer for Sale of 38,880,000* Equity Shares ^{(2) (3)}	194,400,000	27,682,560,000
	Which includes:		
	ABCL Shareholders Reservation Portion of 1,944,000* Equity Shares	9,720,000	1,384,128,000
	Net Offer of 36,936,000* Equity Shares	184,680,000	26,298,432,000
D	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER		
	288,000,000* Equity Shares (having face value of ₹5 each)	1,440,000,000	205,056,000,000
E	SECURITIES PREMIUM ACCOUNT		
	Before and after the Offer		Nil

[^] The Offer Price is ₹ 712 per Equity Share.

* Subject to finalisation of the Basis of Allotment.

- (1) For details in relation to the changes in the authorised share capital of our Company, see “History and Certain Corporate Matters – Amendments to our Memorandum of Association” on page 172.
- (2) Each of the Selling Shareholders have confirmed and authorized their respective participation in the Offer for Sale. For further details, see “Other Regulatory and Statutory Disclosures” beginning on page 297.
- (3) The Equity Shares being offered by each Selling Shareholder have been held by them for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus in accordance with the SEBI ICDR Regulations, or are otherwise eligible for being offered for sale pursuant to the Offer in accordance with the provisions of the SEBI ICDR Regulations. For details of authorisations for the Offer for Sale, see “Other Regulatory and Statutory Disclosures” beginning on page 297.

Notes to the Capital Structure

(1) Equity share capital history of our Company

The history of the Equity Share capital of our Company is set forth below:

Date of allotment of Equity Shares	Number of Equity Shares allotted	Face value per Equity Share (in ₹)	Issue price per Equity Share (in ₹)	Nature of allotment	Nature of consideration	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
September 5, 1994	70	10	10	Initial subscription to the Memorandum of Association ⁽¹⁾	Cash	70	700
November 14, 1994*	8,00,000	10	10	Not available ⁽²⁾	Cash	800,070	8,000,700
November 30, 1994*	2,799,930	10	10	Not available ⁽³⁾	Cash	3,600,000	36,000,000
December 9, 1994*	2,400,000	10	10	Not available ⁽⁴⁾	Cash	6,000,000	60,000,000
September 18, 1995*	1,750,000	10	10	Rights issue ⁽⁵⁾	Cash	7,750,000	77,500,000
December 8, 1997*	7,250,000	10	10	Conversion of zero-coupon secured fully convertible debentures ⁽⁶⁾	Cash**	15,000,000	150,000,000
May 21, 1999	3,000,000	10	18.81	Private placement ⁽⁷⁾	Cash	18,000,000	180,000,000
Pursuant to a resolution passed by our Board on April 5, 2021 and a resolution passed by our Shareholders in the EGM held on April 6, 2021, our Company has sub-divided its authorised share capital, such that 20,000,000 equity shares of ₹10 each aggregating to ₹200,000,000 were sub-divided and reclassified as 40,000,000 Equity Shares of ₹5 each aggregating to ₹200,000,000. Therefore, the cumulative number of issued, subscribed and paid up Equity Shares, pursuant to sub-division was increased from 18,000,000 equity shares of ₹10 each to 36,000,000 Equity Shares of ₹5 each.							

Date of allotment of Equity Shares	Number of Equity Shares allotted	Face value per Equity Share (in ₹)	Issue price per Equity Share (in ₹)	Nature of allotment	Nature of consideration	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
April 9, 2021	252,000,000	5	-	Bonus issue ⁽⁸⁾	-	288,000,000	1,440,000,000
Total						288,000,000	1,440,000,000

* The secretarial records, including form FC, for certain past allotments of Equity Shares made by our Company could not be traced as the relevant information was not available in the records maintained by our Company, the Ministry of Corporate Affairs at the MCA Portal and the RoC. Accordingly, we have relied on the minutes of meetings of the Board/Shareholders (where available) for details in relation to certain allotments. Further, we have been unable to determine the nature of allotment for certain issuances due to unavailability of records. We have also conducted a search at the RoC for these records and relied on the search report dated April 18, 2021 prepared by Makarand M Joshi & Co. Company Secretaries, independent practicing company secretary, and certified by their certificate dated April 18, 2021 ("**RoC Search Report**"). For details of risks arising out of missing or untraceable secretarial records of our Company, see "Risk Factors – Some of our secretarial records are not traceable" on pages 45-46.

** Consideration for such equity shares was paid at the time of issuance of the zero-coupon secured fully convertible debentures.

- (1) Allotment of 10 equity shares each to Krishna Gopal Ajmera, Adesh Kumar Gupta, Anil Phalod, Anand Rathi, B.L. Shah, Jayaram Subramaniam, and Krishan Gopal Ajmera (as authorized representative of Birla Growth Fund Limited pursuant to subscription to the Memorandum of Association.
- (2) Allotment of 800,000 equity shares to Birla Growth Fund Limited. In respect of this allotment, details of the nature of allotment of the equity shares were not available in the RoC Search Report.
- (3) Allotment of 399,930 equity shares to Indian Rayon and Industries Limited, 400,000 equity shares to Grasim Industries Limited, 400,000 equity shares to Hindalco Industries Limited and 1,600,000 equity shares to Birla Growth Fund Limited. In respect of this allotment, details of the nature of allotment of the equity shares were not available in the RoC Search Report.
- (4) Allotment of 2,400,000 equity shares to Capital Group International Incorporated. In respect of this allotment, details of the nature of allotment of the equity shares were not determinable due to unavailability of records.
- (5) Allotment of 116,646 equity shares to Indian Rayon and Industries Limited, 116,667 equity shares to Grasim Industries Limited, 116,667 equity shares to Hindalco Industries Limited, 700,000 equity shares to Birla Global Finance Limited, 7 equity shares to Birla Shares and Securities Limited, 7 equity shares to BGFL Finance and Investments Limited, 6 equity shares to Birla Securities Limited and 700,000 equity shares to Capital Group International Incorporated.
- (6) Allotment of 1,450,000 equity shares to Grasim Industries Limited, 1,450,000 equity shares to Hindalco Industries Limited, 1,450,000 equity shares to Indian Rayon and Industries Limited and 2,900,000 equity shares to Capital Group International Incorporated. pursuant to the conversion of 725,000 zero-coupon secured fully convertible debentures issued to Grasim Industries Limited, Hindalco Industries Limited, Indian Rayon and Industries Limited and Capital Group International Incorporated USA on August 19, 1996.
- (7) Allotment of 3,000,000 equity shares to Sun Life AMC.
- (8) Bonus issue of 252,000,000 Equity Shares in the ratio of seven Equity Shares for every one Equity Share held by the existing shareholders as of the record date. Accordingly, allotment of 128,518,740 Equity Shares to ABCL, allotment of 123,480,000 Equity Shares to Sun Life AMC, allotment of 140 Equity Shares to Kumar Mangalam Birla, allotment of 140 Equity Shares to Neerja Birla, allotment of 448 Equity Shares to Parag Joglekar as nominee of ABCL, allotment of 364 Equity Shares to A Balasubramanian as nominee of ABCL and allotment of 168 Equity Shares to Pinky Mehta as nominee of ABCL.

(2) Equity Shares issued for consideration other than cash or by way of bonus issue or out of revaluation reserves

Except as disclosed below, our Company has not issued Equity Shares through bonus issue or for consideration other than cash or out of revaluation reserves.

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (in ₹)	Issue price per Equity Share (in ₹)	Reason for allotment	Benefits accrued to our Company
April 9, 2021	252,000,000	5	-	Bonus issue ⁽¹⁾	-

⁽¹⁾ Bonus issue of 252,000,000 Equity Shares in the ratio of seven equity shares for every one Equity Share held by the existing shareholders as of the record date. Accordingly, allotment of 128,518,740 Equity Shares to ABCL, allotment of 123,480,000 Equity Shares to Sun Life AMC, allotment of 140 Equity Shares to Kumar Mangalam Birla, allotment of 140 Equity Shares to Neerja Birla, allotment of 448 Equity Shares to Parag Joglekar as nominee of ABCL, allotment of 364 Equity Shares to A Balasubramanian as nominee of ABCL and allotment of 168 Equity Shares to Pinky Mehta as nominee of ABCL.

Our Company does not have any preference share capital as of the date of this Prospectus.

(3) Issue of Equity Shares under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act

Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act.

(4) Issue of Equity Shares under employee stock option schemes

Our Company has not issued any Equity Shares pursuant to exercise of employee stock options under its ESOP Scheme. For details in relation to the employee stock option plan of our Company, see “*Capital Structure – Employee Stock Option Scheme*” on pages 76-78.

(5) Equity Shares issued in the preceding one year below the Offer Price

Other than the allotment of Equity Shares pursuant to the bonus issue as specified above in “- *Equity share capital history of our Company*” on pages 68-69, our Company has not issued any equity shares at a price which may be lower than the Offer Price during a period of one year preceding the date of this Prospectus.

(6) Shareholding Pattern of our Company

The table below presents the shareholding pattern of our Company as of the date of filing of this Prospectus:

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up equity shares held (IV)	Number of Partly paid-up equity shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class e.g.: Equity Shares	Class e.g.: Others	Total								
(A)	Promoter and Promoter Group	7	288,000,000	-	-	288,000,000	100	288,000,000	-	288,000,000	100	-	-	-	-	-	28,8000,000	
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total	7	288,000,000	-	-	288,000,000	100	288,000,000	-	288,000,000	100	-	-	-	-	-	288,000,000	

(7) **Details of equity shareholding of the major shareholders of our Company**

- a) Set forth below is a list of shareholders holding 1% or more of the paid-up Equity Share capital of our Company, as of the date of this Prospectus:

	Name of the shareholder	Pre-Offer	
		Number of Equity Shares	Percentage of the Equity Share capital (%)
1.	ABCL*	146,879,680	51.00 [#]
2.	Sun Life AMC	141,120,000	49.00
	Total	287,999,680	100.00[#]

*512 Equity Shares, 416 Equity Shares and 192 Equity Shares each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, as nominees of ABCL.

[#] Approximate percentages

- b) Set forth below is a list of shareholders holding 1% or more of the paid-up Equity Share capital of our Company, as of 10 days prior to the date of this Prospectus:

	Name of the shareholder	Pre-Offer	
		Number of Equity Shares	Percentage of the Equity Share capital (%)
1.	ABCL*	146,879,680	51.00 [#]
2.	Sun Life AMC	141,120,000	49.00
	Total	287,999,680	100.00[#]

*512 Equity Shares, 416 Equity Shares and 192 Equity Shares each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, as nominees of ABCL.

[#] Approximate percentages

- c) Set forth below is a list of shareholders holding 1% or more of the paid-up Equity Share capital of our Company, as of one year prior to the date of this Prospectus:

	Name of the Shareholder	Pre-Offer	
		Number of Equity Shares	Percentage of the Equity Share capital (%)
1.	ABCL*	9,179,980	51.00 [#]
2.	Sun Life AMC	8,820,000	49.00
	Total	17,999,980	100.00[#]

*32 Equity Shares, 26 Equity Shares and 12 Equity Shares each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, as nominees of ABCL.

[#] Approximate percentages

- d) Set forth below is a list of shareholders holding 1% or more of the paid-up Share Capital of our Company, as of two years prior to the date of this Prospectus:

	Name of the Shareholder	Pre-Offer	
		Number of Equity Shares	Percentage of the Equity Share capital (%)
1.	ABCL*	9,179,980	51.00 [#]
2.	Sun Life AMC	8,820,000	49.00
	Total	17,999,980	100.00[#]

*32 Equity Shares, 26 Equity Shares and 12 Equity Shares each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, as nominees of ABCL.

[#] Approximate percentages

(8) **History of the Equity Share capital held by our Promoters**

As of the date of this Prospectus, our Promoters, i.e. ABCL (together with its nominees) and Sun Life AMC hold in aggregate 287,999,680 Equity Shares, constituting approximately 100% of the issued, subscribed and paid-up Equity Share capital of our Company. The details regarding our Promoters' shareholding is set forth below.

- a) *Build-up of Promoters' equity shareholding in our Company*

The build-up of the equity shareholding of our Promoters since incorporation of our Company is set forth below.

Date of allotment/ transfer	Nature of transaction	Number of equity shares allotted/ transferred	Nature of consideration	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre- Offer capital (%)^	Percentage of fully diluted post- Offer capital (%)^s
ABCL (including its nominees)							
March 23, 2010**	Transfer from Aditya Birla Nuvo Limited	89,99,910	Cash	10	15.90	6.25	6.25
April 27, 2010	Transfer from K.G. Ajmera jointly with Aditya Birla Nuvo Limited to ABCL jointly with Manoj Kedia	32	Cash	10	15.91	Negligible	Negligible
April 27, 2010	Transfer from Sushil Agarwal jointly with Aditya Birla Nuvo Limited to ABCL jointly with Sushil Agarwal	26	Cash	10	15.88	Negligible	Negligible
April 27, 2010	Transfer from Laxminarayan Investments Limited jointly with Aditya Birla Nuvo Limited to ABCL jointly with Devendra Bhandari	12	Cash	10	15.92	Negligible	Negligible
October 10, 2012	Transfer from Sun Life AMC	180,000	Cash	10	1,077.78	0.13	0.13
October 25, 2013	Transfer from ABCL jointly with Manoj Kedia to ABCL jointly with Rajesh Shah	32*	Cash	10	10	N.A.*	N.A.
October 25, 2013	Transfer from ABCL jointly with Devendra Bhandari to ABCL jointly with Shriram Jagetiya	12*	Cash	10	10	N.A.*	N.A.
October 27, 2017	Transfer from ABCL jointly with Rajesh Shah to Parag Joglekar as nominee of ABCL	32*	Cash	10	N.A.	N.A.*	N.A.
October 27, 2017	Transfer from ABCL jointly with Sushil Agarwal to A. Balasubramanian as nominee of ABCL	26*	Cash	10	N.A.	N.A.*	N.A.
October 27, 2017	Transfer from ABCL jointly with Shriram Jagetiya to Pinky Mehta as nominee of ABCL	12*	Cash	10	N.A.	N.A.*	N.A.
Cumulative number of equity shares held by ABCL		9,179,980	-	10	-	6.38	6.38
<i>Pursuant to a resolution passed by our Board on April 5, 2021 and a resolution passed by our Shareholders in the EGM held on April 6, 2021, our Company has sub-divided its authorised share capital, such that 20,000,000 equity shares of ₹10 each aggregating to ₹200,000,000 were sub-divided and reclassified as 40,000,000 Equity Shares of ₹5 each aggregating to ₹200,000,000. Therefore, the cumulative number of Equity Shares held by ABCL, pursuant to sub-division was 18,359,960 Equity Shares.</i>							
April 9, 2021	Bonus issue	128,519,720 [#]	-	5	-	44.62	44.62
Sub-Total (A)		146,879,680	-	5	-	51.00^{##}	51.00^{##}
Sun Life AMC							
May 21, 1999**	Transfer from Capital Group International Inc.	6,000,000	Cash	10	56.33	4.17	4.17
May 21, 1999	Allotment	3,000,000	Cash	10	18.81	2.08	2.08
October 10, 2012	Transfer to ABCL	(180,000)	Cash	10	1,077.78	(0.13)	(0.13)
Cumulative number of equity shares held by Sun Life AMC		8,820,000	-	10	-	6.13	6.13
<i>Pursuant to a resolution passed by our Board on April 5, 2021 and a resolution passed by our Shareholders in the EGM held on April 6, 2021 our Company has sub-divided its authorised share capital, such that 20,000,000 equity shares of ₹10 each aggregating to ₹200,000,000 were sub-divided and reclassified as 40,000,000 Equity Shares of ₹5 each aggregating to ₹200,000,000. Therefore, the cumulative number of Equity Shares held by Sun Life AMC, pursuant to sub-division was 17,640,000 Equity Shares.</i>							
April 9, 2021	Bonus issue	123,480,000	-	5	-	42.88	42.88
Sub-Total (B)		141,120,000	-	5	-	49.00	49.00^s
Total (A+B)		287,999,680	-	5	-	100.00^{##}	100.00^{##}

[^]Adjusted for subdivision of equity shares, as appropriate.

* Since these equity shares continue to be held by ABCL and have been transferred among the nominees of ABCL only, no adjustments have been made to the total shareholding of ABCL in our Company, in respect of such transfers.

***The records for certain transfers of equity shares amongst the shareholders of our Company could not be traced as the relevant information was not available in the records maintained by our Company or Promoters. For arriving at the price at which the transfer was made from Aditya Birla Nuvo Limited, we have relied on the audited financial statements of our Promoter, ABCL. For details of risks arising out of missing or untraceable past secretarial records of our Company or Promoters, see "Risk Factors – Some of our secretarial records are not traceable" on pages 45-46.*

#This includes allotment of 448 Equity Shares, 364 Equity Shares and 168 Equity Shares, respectively to, Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, as nominees of ABCL.

##Approximate percentages.

§ This percentage does not take into account the transfer of the Offered Shares by the Promoters as part of the Offer for Sale.

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment of such Equity Shares. As of the date of this Prospectus, none of the Equity Shares held by our Promoters are subject to any pledge.

b) Shareholding of our Promoters (also the Selling Shareholders) and Promoter Group

The details of shareholding of our Promoters, Promoter Group and directors of our Promoters as of the date of this Prospectus are set forth below:

S. No.	Name of the shareholder	Pre-Offer number of Equity Shares	Percentage of the pre-Offer Equity share capital (%)	Post-Offer number of Equity Shares ^{@@§}	Percentage of the post-Offer Equity Share capital (%) ^{@@§}
A. Promoters					
1.	ABCL [*]	146,879,680	51.00 [@]	144,028,800 [§]	50.01 ^{@@§}
2.	Sun Life AMC	141,120,000	49.00	105,090,880 [§]	36.49 [§]
Sub-Total (A)		287,999,680	100.00[@]	249,119,680[§]	86.50^{@@§}
B. Promoter Group					
1.	Kumar Mangalam Birla [#]	160	Negligible	160	Negligible
2.	Neerja Birla	160	Negligible	160	Negligible
Sub-Total (B)		320	Negligible	320	Negligible
Total (A+B)		288,000,000	100.00[@]	249,120,000[§]	86.50^{@@§}

**512 Equity Shares, 416 Equity Shares and 192 Equity Shares each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, as nominees of ABCL.*

Kumar Mangalam Birla is also one of the directors of one of our Promoters, ABCL.

@ Approximate percentages

@@ As adjusted for the Offer

§ Assuming Allotment of all the Offered Shares by way of the Offer

c) Details of Promoters' Contribution and Lock-in

In accordance with Regulation 14 and Regulation 16(1) of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters, except for the Equity Shares offered pursuant to the Offer for Sale, shall be locked in for a period of three years from the date of Allotment, and our Promoters' shareholding in excess of 20% shall be locked in for a period of one year from the date of Allotment.

The details of the Equity Shares held by our Promoters, as minimum Promoters' contribution, which shall be locked-in for a period of three years from the date of Allotment are set forth below.

Name of Promoter	Number of Equity Shares locked-in ⁽¹⁾⁽²⁾	Date of allotment/transfer*	Nature of transaction	Face value (₹)	Issue/ acquisition price per Equity Share (₹)	Percentage of pre-Offer paid-up Equity Share capital	Percentage of post-Offer paid-up Equity Share capital
ABCL	34,560,000	April 9, 2021	Bonus issue	5	-	12.00	12.00
Sun Life AMC	23,040,000	April 9, 2021	Bonus issue	5	-	8.00	8.00
Total	57,600,000					20.00	20.00

(1) For a period of three years from the date of Allotment

(2) All Equity Shares were fully paid-up at the time of allotment.

Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoters' contribution in terms of Regulation 15 of the SEBI ICDR Regulations. For details of the build-up of the share capital held by our Promoters, see "- History of the Equity Share Capital held by our Promoters" on pages 72-74.

In this connection, we confirm the following:

- (i) The Equity Shares offered for Promoters' contribution do not include (a) Equity Shares acquired in the three immediately preceding years for consideration other than cash or out of revaluation of assets or capitalisation

of intangible assets; (b) Equity Shares that have resulted from bonus issue by utilisation of revaluation reserves or unrealised profits of our Company or resulted from bonus issue against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;

- (ii) The Promoters' contribution does not include any Equity Shares acquired during the immediately preceding year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
- (iii) Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a Company;
- (iv) The Equity Shares held by the Promoters and offered for Promoters' contribution are not subject to any pledge; and
- (v) All the Equity Shares held by the Promoters are held in dematerialised form.

d) *Details of Equity Shares locked-in for one year:*

In addition to 20% of the fully diluted post-Offer shareholding of our Company held by our Promoters and locked-in for three years as specified above, in terms of Regulation 16(b) of the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital of our Company will be locked-in for a period of one year from the date of Allotment, except for the Equity Shares sold pursuant to the Offer for Sale, and any other categories of shareholders exempt under Regulation 17 of the SEBI ICDR Regulations, as applicable.

In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters, which are locked-in may be transferred to and amongst the members of the Promoter Group or to any new promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable.

Our Promoters have agreed not to sell, transfer, create any charge or pledge or any other type of encumbrance on the Promoters' contribution from the date of filing this Prospectus, until the expiry of the lock-in specified above, or for such other time as required under the SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

The Equity Shares held by the Promoters which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions or Systemically Important NBFCs or housing finance companies, as collateral security for loans granted by such banks or public financial institutions or Systemically Important NBFCs or housing finance companies in terms of Regulation 21 of the SEBI ICDR Regulations, provided that pledge of the Equity Shares is one of the terms of the sanction of loans. The lock-in may continue pursuant to the invocation of pledge; however, the transferee shall not be eligible to transfer the Equity Shares until the expiry of the lock-in period.

In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters and locked-in for a period of one year from the date of Allotment in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period and compliance with the SEBI Takeover Regulations.

Any unsubscribed portion of the Offered Shares would also be locked-in as required under the SEBI ICDR Regulations.

e) *Lock-in of the Equity Shares to be Allotted to the Anchor Investors*

Any Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

- (9) Except for the allotment of Equity Shares pursuant to any grant of options and allotment of Equity Shares that may be made under the ESOP Scheme, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or otherwise.
- (10) As of the date of filing of this Prospectus, the total number of shareholders of our Company is 7.

- (11) 1,944,000 Equity Shares (subject to finalisation of basis of Allotment) were reserved for allocation to ABCL Shareholders under the ABCL Shareholders Reservation Portion, subject to valid Bids having been received at or above the Offer Price. Only ABCL Shareholders would be eligible to apply in this Offer under the ABCL Shareholders Reservation Portion.
- (12) Any unsubscribed portion remaining in the ABCL Shareholder Reservation Portion shall be added to the Net Offer. Further, subject to valid bids having been received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company and the Selling Shareholders in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers and the Designated Stock Exchange.
- (13) Our Promoters, any member of our Promoter Group, any of the Directors of our Company and their relatives, or any of the directors of our Promoters have not purchased or sold any securities of our Company during the period of six months immediately preceding the date of the Red Herring Prospectus and this Prospectus.
- (14) There have been no financing arrangements whereby members of our Promoter Group, our Directors and their relatives, or directors of our Promoters have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus.
- (15) Neither our Company, nor any of our Directors have entered into any buy-back arrangements for purchase of Equity Shares from any person. Further, the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers have not made any buy-back arrangements for purchase of Equity Shares from any person.
- (16) All Equity Shares transferred pursuant to the Offer will be fully paid-up at the time of Allotment.
- (17) Except for the options granted pursuant to the ESOP Scheme, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person any option to receive Equity Shares as of the date of this Prospectus.
- (18) There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner for a period of six months from the Bid/Offer Opening Date or all application monies have been refunded, as the case may be.
- (19) Our Company shall ensure that transactions in the Equity Shares by our Promoter and the Promoter Group between the date of filing of this Prospectus and the date of closure of the Offer shall be intimated to the Stock Exchanges within 24 hours of such transaction.
- (20) **Employee stock options scheme**

Our Company, pursuant to the resolutions passed by our Board on April 5, 2021 and April 14, 2021 and our Shareholders pursuant to a resolution passed on April 6, 2021 and April 15, 2021, have adopted the ESOP Scheme. The ESOP Scheme was amended pursuant to the resolutions passed by our Board on September 8, 2021 and our Shareholders on September 8, 2021.

The objective of the ESOP Scheme is *inter alia* to (a) to achieve sustained growth of our Company and create shareholder value by aligning the interests of the employees with the long-term interests of our Company, (b) to attract and retain talent and as well as to motivate the employees to contribute to the growth and profitability of our Company and (c) to recognise and reward the efforts of employees and their continued association with our Company and our Subsidiaries. The ESOP Scheme is in compliance with the SEBI SBEB Regulations and other applicable laws.

Pursuant to the ESOP Scheme and the resolution passed by our Board on April 14, 2021, authority has been granted to create, offer, issue and allot in one or more tranches at any time to or for the benefit of permanent employees and Directors of our Company, our holding company and/or our Subsidiaries, whether in India or elsewhere, such number of stock options (“**Stock Options**”) or restricted stock unit (“**RSUs**”), together (the “**Options**”) not exceeding 4,608,000 Equity Shares, being 1.60% of the paid-up equity share capital of our Company as of the date of the adoption of the ESOP Scheme.

The ESOP Scheme will be administered by our Nomination, Remuneration and Compensation Committee.

As of the date of this Prospectus, our Company has granted 3,232,899 Stock Options and 951,354 RSUs under the ESOP Scheme.

The details of the ESOP Scheme, as certified by G.P Kapadia & Co, Chartered Accountants, through a certificate dated September 22, 2021 are as follows:

Particulars	Details
Stock Options:	3,232,899
RSU:	951,354
Total Options granted	4,184,253
Number of employees to whom Options were granted	778
Options vested	Nil
Options exercised	Nil
Options forfeited/ lapsed/ cancelled	35,179
Options outstanding (including vested and unvested options)	4,149,074
Exercise price of Options - weighted average exercise price per Option (in ₹)	₹694 for Stock Options and ₹5 for RSU
Total number of Equity Shares that would arise as a result of full exercise of Options granted (net of forfeited/ lapsed/ cancelled options) (only for vested options)	NA
Variation in terms of Options	NA
Money realised by exercise of options (in ₹ million)	Nil
Total number of Options in force (excluding options not granted)	4,149,074
Employee wise details of options granted to	
(i) Key Managerial Personnel: Stock Options: RSU: Total:	1,243,847 292,956 1,536,803
(ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the Options granted during the year	NA
(iii) Identified employees who are granted Options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	NA
Fully diluted EPS on a pre-Offer basis pursuant to the issue of Equity Shares on exercise of Options calculated in accordance with the applicable accounting standard on 'Earnings per Share' (in ₹)	NA, as these options were issued after the date of the last audited financial statements.
Difference between employee compensation cost calculated using the intrinsic value of stock Options and the employee compensation cost that shall have been recognised if our Company had used fair value of options and impact of this difference on profits and EPS of our Company	NA, since Company has calculated the employee compensation cost using the fair value of the stock options (based on Black Scholes Valuation model)
- Reduction in compensation cost due to use of intrinsic value of Options instead of fair value of Options (in ₹ million)	NA, since Company has calculated the employee compensation cost using the fair value of the stock options (based on Black scholes valuation model)
- Increase in profit (in ₹ million)	NA, since Company has calculated the employee compensation cost using the fair value of the stock options (based on Black scholes valuation model)
- Impact on EPS	NA, since Company has calculated the employee compensation cost using the fair value of the stock options (based on Black scholes valuation model)
Impact on profits and EPS of the last three years if our Company had followed the accounting policies specified in Regulation 15 of the SEBI SBEB Regulations in respect of options granted in the last three years	NA, as no options were granted in last 3 years

Particulars	Details
Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of Options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the Option	Black scholes valuation model has been used for computation of the fair value of options
- Expected life of Options (years)	3.5 years to 6.5 years
- Volatility (% p.a.)	32.0%-34.0% for different tranches
- Risk free rate of return (%)	5.4% - 6.44% for different tranches
- Dividend yield (% p.a.)	1.4%
- Exercise price per share (₹)	₹694 for Stock Options and ₹5 for RSU
The weighted average share price on date of grant (₹):	₹671.5 per Equity Share
Intention of the Key Managerial Personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options granted under an employee stock option scheme or allotted under an employee stock purchase scheme, to sell their Equity Shares within three months after the date of listing of the Equity Shares in the Offer (aggregate number of Equity Shares intended to be sold by the holders of options), if any	NA, as no options have been vested as of date
Intention to sell Equity Shares arising out of an employee stock option scheme or allotted under an employee stock purchase scheme within three months after the date of listing, by Directors, senior managerial personnel and employees having Equity Shares issued under an employee stock option scheme or employee stock purchase scheme amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions) of our Company	NA, as no options have been vested as of date

Notes:

Employee wise details of options granted and outstanding to Key Managerial Personnel (stock options and RSU, respectively): 1. A Balasubramanian (ESOP - 456,140 and RSU - 109,427); 2. Mahesh Patil (ESOP - 307,018 and RSU - 73,653); 3. Anil Shyam (ESOP - 63,860 and RSU - 15,320); 4. Bhavdeep Bhatt (ESOP - 63,860 and RSU - 15,320); 5. Vikas Mathur (ESOP - 63,860 and RSU - 15,320); 6. Keerti Gupta (ESOP - 59,825 and RSU - 14,352); 7. Parag Yashwant Joglekar (ESOP - 59,825 and RSU - 14,352); 8. Sidharth Damani (ESOP - 48,246 and RSU - 11,574); 9. Hirak Bhattacharjee (ESOP - 48,246 and RSU - 7,583); 10. K S Rao (ESOP - 39,474 and RSU - 9,470); 11. Hemanti Wadhwa (ESOP - 17,544 and RSU - 2,757); 12. Vikas Gautam (ESOP - 15,949 and RSU - 3,828)

OBJECTS OF THE OFFER

The objects of the Offer are to (i) achieve the benefits of listing the Equity Shares on the Stock Exchanges; and (ii) carry out the Offer for Sale of 38,880,000 Equity Shares by the Selling Shareholders. Further, our Company expects that the proposed listing of its Equity Shares will enhance our visibility and brand image as well as provide a public market for the Equity Shares in India. The Selling Shareholders will be entitled to the entire proceeds of the Offer after deducting the Offer expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer.

Offer Expenses

The Offer expenses are estimated to be approximately ₹774.91 million. The Offer expenses comprise, among other things, the listing fee, underwriting fee, selling commission and brokerage, fees payable to the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, legal counsel, Registrar to the Offer, Escrow Collection Bank, processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, fees payable to the Sponsor Banks for Bids made by RIBs and ABCL Shareholders Bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) using UPI mechanism, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges. All Offer expenses will be borne by the Selling Shareholders, i.e. ABCL and Sun Life AMC, to the extent of the Equity Shares offered by each of them in the Offer and the following expenses shall be borne solely by our Company: listing fees; the audit fees of the Statutory Auditors (to the extent not attributable to the Offer); and expenses in relation to any product or corporate advertisements by our Company (other than the expenses relating to marketing and advertisements undertaken in connection with the Offer). Further, the Offer expenses to be borne by the Selling Shareholders shall be payable to our Company only upon the successful completion of the Offer (i.e., upon the listing and trading of the Equity Shares on the Stock Exchanges). In the event the Offer is not completed or is withdrawn or abandoned, our Company shall bear all the expenses.

All such expenses shall be directly deducted from the Public Offer Account and to the extent any expenses attributable to the Selling Shareholders have been paid by our Company, they will be reimbursed to our Company directly from the Public Offer Account.

The break-up for the Offer expenses is as follows:

Activity	Estimated expenses ⁽¹⁾ (in ₹ million)	As a % of total estimated Offer expenses ⁽¹⁾	As a % of the total Offer size ⁽¹⁾
Global Coordinators and Book Running Lead Managers and Book Running Lead Managers fees and commissions (including any underwriting commission)	378.35	48.83	1.37
Commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Offer. Brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs ⁽²⁾⁽³⁾⁽⁴⁾	76.41	9.86	0.28
Fees payable to Registrar to the Offer	1.20	0.16	0.00
Others			
- regulatory filing fees, book building software fees, listing fees, etc.	70.50	9.10	0.25
- printing and stationery	32.85	4.24	0.12
- fee payable to legal counsels	54.12	6.98	0.20
- advertising and marketing	55.60	7.17	0.20
- other advisors to the Offer	38.23	4.93	0.14
- miscellaneous	67.66	8.73	0.24
Total estimated Offer expenses	774.91	100.00	2.80

⁽¹⁾ Offer expenses excludes applicable taxes, where applicable.

⁽²⁾ Selling commission payable to the SCSBs on the portion for RIBs, Non-Institutional Bidders and ABCL Shareholders which are directly procured and uploaded by the SCSBs, would be as follows:

Portion for RIBs	0.35% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders	0.20% of the Amount Allotted* (plus applicable taxes)
Portion for ABCL Shareholders Reservation	0.20% of the Amount Allotted* (plus applicable taxes)

* Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

⁽³⁾ No processing fees shall be payable by our Company and the Selling Shareholders to the SCSBs on the applications directly procured by them.

Processing fees payable to the SCSBs on the portion for RIB, Non-Institutional Bidders and ABCL Shareholders which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for RIB, Non-Institutional Bidders and ABCL Shareholders	₹ 10 per valid application (plus applicable taxes)

- (4) Selling commission on the portion for RIBs and ABCL Shareholders (₹200,000) using the UPI mechanism, Non-Institutional Bidders and ABCL Shareholders which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for RIBs	0.35% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders	0.20% of the Amount Allotted* (plus applicable taxes)
Portion for ABCL Shareholders Reservation	0.20% of the Amount Allotted* (plus applicable taxes)

* Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

Uploading Charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the applications made by RIBs using 3-in-1 accounts, ABCL Shareholders and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts, would be as follows: ₹ 10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

Selling commission/ uploading charges payable to the Registered Brokers on the portion for RIBs and ABCL Shareholders (₹200,000) procured through UPI Mechanism, Non Institutional Bidders and ABCL Shareholders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

Portion for RIBs*	₹ 10 per valid application (plus applicable taxes)
Portion for Non-Institutional Bidders*	₹ 10 per valid application (plus applicable taxes)
Portion for ABCL Shareholders Reservation*	₹ 10 per valid application (plus applicable taxes)

* Based on valid applications

Uploading charges/ Processing fees for applications made by RIBs and ABCL Shareholders (₹200,000) using the UPI Mechanism would be as under:

Members of the Syndicate / RTAs / CDPs (uploading charges)	₹ 30 per valid application (plus applicable taxes)
Sponsor Bank (Processing fee)	₹3 per valid application (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement.

Monitoring Utilization of Funds

Since the Offer is an offer for sale and our Company will not receive any proceeds from the Offer, our Company is not required to appoint a monitoring agency for the Offer.

BASIS FOR OFFER PRICE

The Offer Price has been determined by our Company and the Selling Shareholders, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹5 each and the Offer Price is 142.40 times the face value of the Equity Shares.

Bidders should read “Our Business”, “Risk Factors”, “Restated Consolidated Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 135, 25 and 270, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe that some of the qualitative factors which form the basis for computing the Offer Price are as follows:

- (a) largest non-bank affiliated asset manager in India and among the four largest AMCs in India by QAAUM since September 30, 2011, according to the CRISIL Report;
- (b) well-recognized brand with experienced Promoters;
- (c) growing individual investor customer base driven by strong systematic flows and B-30 penetration;
- (d) diverse product portfolio with fund performance supported by research driven investment philosophy and disciplined risk management;
- (e) pan-India, diversified distribution network;
- (f) long-term track record of innovation in and use of technology; and
- (g) franchise led by experienced and stable management and investment teams.

For further details, see “Our Business – Our Strengths” on pages 136-141.

Quantitative Factors

Certain information presented below, relating to our Company, is derived from the Restated Consolidated Financial Information. Pursuant to a resolution of our Board dated April 5, 2021 and pursuant to the special resolution passed by our shareholders dated April 6, 2021, each equity share of face value of ₹10 each has been split into two equity shares of face value of ₹5 each. Accordingly, the issued, subscribed and paid-up capital of our Company was subdivided from 180,00,000 equity shares of face value of ₹10 each to 360,00,000 equity shares of face value of ₹5 each. Stock split of shares are retrospectively considered for the computation of EPS in accordance with Ind AS 33 for all periods presented and for the computation of Net Asset Value per share for all periods presented. The Board of Directors pursuant to a resolution dated April 5, 2021 and the shareholders special resolution dated April 6, 2021 have approved the issuance of seven bonus shares of face value ₹5 each for every one existing fully paid up equity share of face value ₹5 each and accordingly 25,20,00,000 bonus shares were issued and allotted. Bonus shares are retrospectively considered for the computation of EPS in accordance with Ind AS 33 for all periods presented and for the computation of Net Asset Value per share for all periods presented. For further details on basic and diluted earnings per share for the three months period ended June 30, 2021 and June 30, 2020 and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 as per Ind AS 33, see “Restated Consolidated Financial Information” beginning on page 213.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

1. Basic and Diluted Earnings Per Share (“EPS”), as adjusted for changes in capital:

As derived from the Restated Consolidated Financial Information:

Financial Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Financial Year 2021	18.27	18.27	3
Financial Year 2020	17.17	17.17	2
Financial Year 2019	15.51	15.51	1
Weighted Average (of the above three Financial years)	17.44	17.44	
Three-month period ended June 30, 2021 (not annualised)	5.38	5.36	

Notes:

- (1) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year. The figures disclosed above are based on the Restated Consolidated Financial Information of our Company.
- (2) Pursuant to a resolution of shareholders dated, April 6, 2021, each equity share of face value of ₹10 each has been split into two equity shares of face value of ₹5 each. Accordingly, the issued, subscribed and paid up capital of our Company was subdivided from 180,00,000 equity shares of face value of ₹10 each to 360,00,000 equity shares of face value of ₹5 each. Stock split of shares are retrospectively considered for the computation of EPS in accordance with Ind AS 33 for all periods presented. The Board of Directors pursuant to a resolution dated April 5, 2021 and the shareholders special resolution dated April 6, 2021 have approved the issuance of seven bonus shares of face value ₹5 each for every one existing fully paid up equity share of face value ₹5 each and accordingly 25,20,00,000 bonus shares were issued and allotted. Bonus shares are retrospectively considered for the computation of EPS in accordance with Ind AS 33 for all periods presented.
- (3) Earnings Per Share (Basic) = Restated net profit after tax and adjustments, available for equity shareholders/Weighted average number of equity shares outstanding during the period/year.
- (4) Earnings Per Share (Diluted) = Restated profit for the period/year / Weighted average number of diluted potential equity shares outstanding during the period/year.
- (5) The above statement should be read with Significant Accounting Policies and the Notes to the Restated Consolidated Financial Information as appearing in Restated Consolidated Financial Information.

2. Price/Earning (“P/E”) ratio in relation to the Offer Price of ₹712 per Equity Share:

Particulars	P/E at the Offer Price (no. of times)
Based on Basic EPS for Financial Year 2021	38.97
Based on Diluted EPS for Financial Year 2021	38.97

Industry P/E ratio

	P/E Ratio
Highest	50.90
Lowest	30.14
Industry Composite	39.84

Notes:

- (1) The industry high and low has been considered from the industry peer set. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.
- (2) P/E figures for the peer are computed based on closing market price as on September 3, 2021 at NSE, divided by Diluted EPS (on consolidated basis) based on the annual report of the company for the Financial Year 2021.

3. Return on Net Worth (“RoNW”)

As derived from the Restated Consolidated Financial Information of our Company:

Particulars	RoNW %	Weight
Financial Year 2021	30.87	3
Financial Year 2020	37.54	2
Financial Year 2019	36.61	1
Weighted Average (of the above three Financial years)	34.05	
Three-months period ended June 30, 2021 (not annualised)	8.60	

Notes:

- (1) Return on Net worth (%) = Restated net profit after tax and adjustments, available for equity shareholders/ Restated net worth at the end of the period/year
- (2) Net worth for calculating ratios = Equity share capital + Other equity (including Securities premium, General reserve and Retained earnings).

4. Net Asset Value per Equity Share of face value of ₹5 each

Net Asset Value per Equity Share	(₹)
As on March 31, 2021*	59.19
As on June 30, 2021	62.57
After the Offer	At floor price: 62.57
	At cap price: 62.57
At the Offer Price	62.57

*Stock split of shares and Bonus shares are retrospectively considered for the computation of Net Asset Value per share for all periods presented.

Notes:

Net Asset Value per Share (in ₹) = Restated net worth at the end of the period/year / Number of equity shares outstanding at the end of the period/year

5. Comparison of accounting ratios with listed industry peers

Name of the company	Face Value (₹ Per Share)	Total income for Financial Year 2021 (₹ million)	Basic EPS for Financial Year 2021 (₹)	Diluted EPS for Financial Year 2021 (₹)	P/E for Financial Year 2021	RONW for Financial Year 2021(%)	NAV per share As at March 31, 2021 (₹)
Aditya Birla Sun Life AMC Limited [#]	5	12,058.41	18.27	18.27	38.97	30.87	59.19*
Peer Group							
HDFC Asset Management Company Limited	5	22,017.40	62.28	62.16	50.90	27.76	224.28
Nippon Life India Asset Management Limited	10	14,193.40	11.04	10.90	38.46	21.94	50.29
UTI Asset Management Company Limited	10	11,986.30	38.97	38.97	30.14	15.27	255.31

(1) Diluted EPS for peers sourced from the annual report for the Financial Year 2021, whereas for our Company it is based on the Restated Consolidated Financial Information of Company.

(2) P/E Ratio has been computed based on the closing market price of equity shares on NSE on September 3, 2021, divided by the Diluted EPS provided under Note 1 above.

(3) RoNW is computed as net profit after tax (including profit attributable to non-controlling interest) divided by closing net worth as on March 31, 2021. Net worth has been computed as sum of paid-up share capital and other equity.

(4) NAV per share is computed as the closing net worth divided by the closing outstanding number of equity shares

* NAV per Share (in ₹) = Restated net worth at the end of the period/year / Number of equity shares outstanding at the end of the period/year.

Pursuant to a resolution passed by our Board on April 5, 2021 and a resolution of shareholders dated, April 6, 2021, each equity share of face value of ₹10 each has been split into two equity shares of face value of ₹5 each. Accordingly, the issued, subscribed and paid up capital of our Company was subdivided from 180,00,000 equity shares of face value of ₹10 each to 360,00,000 equity shares of face value of ₹5 each. Stock split of shares are retrospectively considered for the computation of EPS in accordance with Ind AS 33 for all periods presented and for the computation of NAV per share for all periods presented.

\$ The Board of Directors pursuant to a resolution dated April 5, 2021 and the shareholders special resolution dated April 6, 2021 have approved the issuance of seven bonus shares of face value ₹5 each for every one existing fully paid up equity share of face value ₹5 each and accordingly 25,20,00,000 bonus shares were issued and allotted. Bonus shares are retrospectively considered for the computation of EPS in accordance with Ind AS 33 for all periods presented and for the computation of NAV per share for all periods presented. As of the date of this prospectus, 288,000,000 Equity Shares are outstanding.

6. The Offer price is 142.40 times of the face value of the Equity Shares

The Offer Price of ₹712.00 per Equity Share was determined by our Company and the Selling Shareholders, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process and was justified in view of the above qualitative and quantitative parameters.

Bidders should read the above-mentioned information along with “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Restated Consolidated Financial Information” beginning on pages 25, 135 and 270, respectively, to have a more informed view. The trading price of Equity Shares could decline due to factors mentioned in “Risk Factors” beginning on page 25 and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE ADITYA BIRLA SUN LIFE AMC LIMITED AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

The Board of Directors

Aditya Birla Sun Life AMC Limited,

One World Centre, Tower-1, 17th Floor, Jupiter Mills

Senapati Bapat Marg, Elphinstone Road,

Mumbai 400013, India

Dear Sirs/Madams,

1. We hereby confirm that the enclosed Annexure, prepared by Aditya Birla Sun Life AMC Limited (the “**Company**”), provides the special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 (“**the Act**”) as amended by the Finance Act 2021, i.e. applicable for the Financial Year 2021-22 relevant to the assessment year 2022-23 and the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 (“**GST Act**”) as amended by the Finance Act 2021, i.e., applicable for the Financial Year 2021-22 relevant to the assessment year 2022-23, presently in force in India (together, the “**Tax Laws**”). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.
2. The benefits discussed in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company’s management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Tax Laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
3. We do not express any opinion or provide any assurance as to whether:
 - i) the Company or its shareholders will continue to obtain these benefits in future;
 - ii) the conditions prescribed for availing the benefits have been / would be met with; and
 - iii) the revenue authorities/courts will concur with the views expressed herein.
4. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.
5. This statement is issued solely in connection with proposed offering of equity shares of face value Rs 5 each of the Company and is not to be used, referred to or distributed for any other purpose.

For S R Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Jayesh Gandhi

Partner

Membership Number: 037924

Place of Signature: Mumbai

Date: April 19, 2021

Annexure

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY & ITS SHAREHOLDERS

Outlined below are the Special Tax Benefits available to the Company and its Shareholders under the applicable direct and indirect tax Laws (“**Tax Laws**”). These Special Tax Benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company and its shareholders and its material subsidiaries to derive the Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfil.

UNDER THE INCOME TAX ACT, 1961

I. Special Tax Benefits available to the Company:

As per the provisions of section 115BBD of the Act, dividend received by an Indian company from a specified foreign company, i.e., a foreign company in which the Indian company holds twenty-six per cent or more in nominal value of the equity share capital of the company is taxable at a concessional rate of 15 percent on gross basis (exclusive of applicable surcharge and cess).

II. Special Tax Benefits available to its shareholders:

There are no special tax benefits available to its shareholder for investing in the shares of the Company.

UNDER INDIRECT TAX LAWS - GOODS AND SERVICE TAX ACT, 2017 (GST Act)

I. Special Tax Benefits available to the Company:

There are no Special Tax Benefits available to the company under the GST Legislation.

II. Special Tax Benefits available to its shareholders:

There are no Special Tax Benefits available to its shareholder under the GST Legislation.

Notes:

1. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
2. The above statement covers only certain relevant direct tax law benefits and indirect tax law benefits and does not cover any benefit under any other law.
3. The above statement of special tax benefits are as per the current direct tax laws relevant for the assessment year 2022-23. Several of these benefits are dependent on the Company fulfilling the conditions prescribed under the relevant tax laws.
4. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
5. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
6. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*The industry-related information contained in this section is derived from the report titled “Assessment of mutual fund industry in India” dated September 2021 (the “**CRISIL Report**”) which has been commissioned and paid for by our Company for an agreed fee for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. We officially engaged CRISIL Research, a division of CRISIL Limited (“**CRISIL**”), in connection with the preparation of the CRISIL Report on March 24, 2021. The data included in this section includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Offer), that have been left out or changed in any manner.*

*The CRISIL Report was prepared on the basis of information as of specific dates which may no longer be current or reflect current trends and opinions in the CRISIL Report may be based on estimates, projections, forecasts and assumptions that may prove to be incorrect. CRISIL has advised that while it has taken due care and caution in preparing the CRISIL Report based on the information obtained by CRISIL from sources which it considers reliable, it does not guarantee the accuracy, adequacy or completeness of the CRISIL Report or the data therein and is not responsible for any errors or omissions or for the results obtained from the use of CRISIL Report or the data therein. Further, the CRISIL Report is not a recommendation to invest or disinvest in any company covered in the report. CRISIL especially states that it has no liability whatsoever to the subscribers, users, transmitters or distributors of the CRISIL Report. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL’s Ratings Division or CRISIL Risk and Infrastructure Solutions Ltd (“**CRIS**”), which may, in their regular operations, obtain information of a confidential nature. The views expressed in the CRISIL Report are that of CRISIL Research and not of CRISIL’s Ratings Division or CRIS. Prospective investors are advised not to unduly rely on the CRISIL Report.*

Macroeconomic Outlook

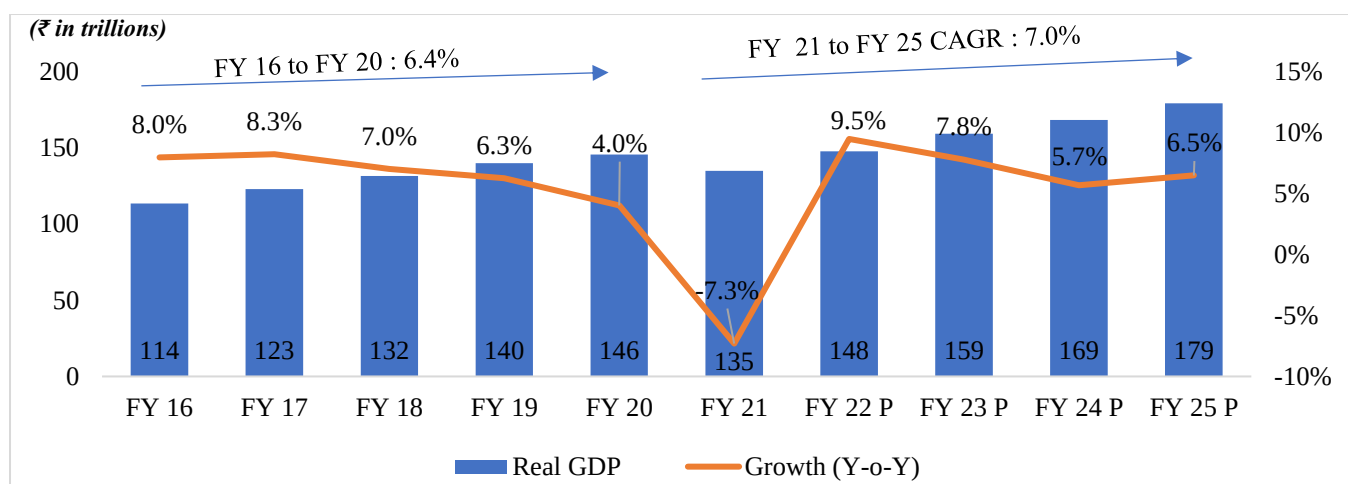
Impact of the COVID-19 Pandemic and other Recent Developments on the Indian Economy

The financial year 2020 was volatile for the global economy. The first three quarters saw various trade protectionist policies and disputes among major trading partners, volatile commodity and energy prices, and economic uncertainties arising from Brexit. Hopes of broad-based recovery in the fourth quarter were impeded by the COVID-19 pandemic, which has infected more than 207 million people in 224 countries as of August 16, 2021 and counting, leading to considerable economic disruption.

Growing restrictions on the movement of people and lockdowns in the affected countries led to demand, supply and liquidity shocks. The COVID-19 pandemic sharply slowed the Indian economy in the first quarter of the financial year 2021, but the resulting huge economic costs forced the economy to open up in the second quarter of the financial year 2021. The economy was also assisted by a sharp cutback in operating costs for corporates due to job and salary cuts, employees exercising work from home options, low input costs due to benign interest rates, as well as crude and commodity prices. The second and third quarters of the financial year 2021 showed consistent recovery in global trade activity, especially merchandise volumes.

CRISIL Research estimates the Indian economy shrank 7.3% in the financial year 2021 on account of the pandemic. The pandemic came at an unfortunate time since India had been showing signs of recovery following a slew of fiscal/monetary measures. Having said that, CRISIL Research foresees growth rebounding in the financial year 2022 on the back of a very weak base, a counter-cyclical Union Budget for the financial year 2022 pushing investments, and some benefit from a rising-global-tide-lifting-all-boats effect. The gradual increase in vaccinations against COVID-19 is also expected to boost confidence and support stronger recovery. Even after the strong rebound, CRISIL Research forecasts GDP would grow merely 1% over the pre-pandemic level of the financial year 2020.

The following diagram sets forth the historical and projected real GDP and real GDP growth of India for the financial years indicated:



Source: National Statistics Office, IMF and CRISIL Research estimates

Note: "P" means projected.

CRISIL Research forecasts India's GDP for the financial year 2022 to grow by around 9.5% in its base case scenario, assuming that COVID-19 restrictions will continue and mobility will remain affected in some form or other, at least until August 2021, and that approximately 70% of the adult population will be vaccinated by December 2021. The lockdowns imposed were less restrictive for economic activity as compared with 2020.

India was one of the fastest growing economies in the world prior to the COVID-19 pandemic, with annual growth of around 6.7% in between 2014 to 2019. While economic growth in 2020 was dented due to COVID-19, CRISIL Research expects the economy and for India to regain its position as one of the fastest growing economies globally in the medium-term. Going forward, rapid urbanization, rising consumer aspiration and increasing digitization, along with government support in the form of reforms and policies, are expected to support growth. IMF forecasts India's GDP to grow by 9.5% in the calendar year 2021 due to the lower base of the calendar year 2020 and approved vaccines and policy measures. At this pace of growth, India is forecasted to be the fastest growing economies in the world in 2021. IMF also forecasts India's GDP to grow at a faster pace than other economies going forward.

In terms of purchasing power parity, India is the third largest economy in the world, after China and the United States.

The following table sets forth the year-on-year GDP growth of India compared to other major economies for the calendar years indicated:

	2014	2015	2016	2017	2018	2019	2020	2021	2022P	2023P	2024P	2025P
India	7.4%	8%	8.3%	7.0%	6.1%	4.2%	(8.0)%	9.5%	8.5%	6.8%	6.7%	6.6%
China.....	7.3%	6.9%	6.8%	6.9%	6.7%	6.0%	2.3%	8.1%	5.7%	5.4%	5.3%	5.1%
Japan	0.4%	1.2%	0.5%	2.2%	0.3%	0.3%	(4.8)%	2.8%	3.0%	1.1%	0.7%	0.6%
United States	2.5%	3.1%	1.7%	2.3%	3.0%	2.2%	(3.5)%	7.0%	4.9%	1.4%	1.5%	1.6%
United Kingdom	2.6%	2.4%	1.9%	1.9%	1.3%	1.5%	(9.9)%	7.0%	4.8%	2.0%	1.8%	1.5%
Brazil.....	0.5%	(3.5)%	(3.3)%	1.3%	1.3%	1.4%	(4.1)%	5.3%	1.9%	2.1%	2.0%	2.0%
Russia.....	0.7%	(2.0)%	0.5%	1.8%	2.8%	2.0%	(3.1)%	4.4%	3.1%	2.1%	1.8%	1.8%
South Africa.....	1.8%	1.2%	0.4%	1.4%	0.8%	0.2%	(7.0)%	4.0%	2.2%	1.4%	1.3%	1.3%

Source: IMF (World Economic Outlook – July 2021 and April 2021 update), CRISIL Research

Note: GDP growth is based on constant prices; Data is for calendar years; "P" means projected.

Key Underlying Growth Drivers

India has the world's second largest population. As per Census 2011, India's population was at approximately 1.2 billion, comprising nearly 245 million households. The population, which grew nearly 18% between 2001 and 2011, is expected to have increased by approximately 11% between 2011 and 2021 to 1.4 billion, and is expected to reach 1.5 billion by the end of 2031 with approximately 376 million households by the same date.

Favorable demographics

As of calendar year 2020, India has one of the largest young populations in the world, with a median age of 28 years. CRISIL Research forecasts that approximately 90% of Indians is expected to still be below the age of 60 by calendar year 2021, and that 63% of them will be between 15 and 59 years. In comparison, in the calendar year 2020, the United States, China and Brazil had 77%, 83% and 86%, respectively, of their population below the age of 60.

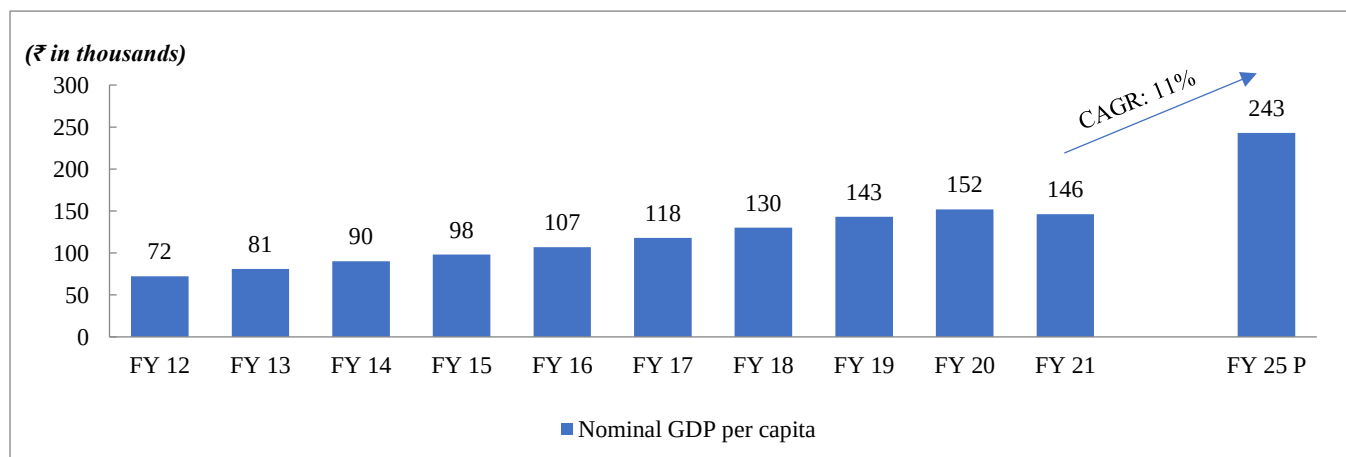
Urbanization

Urbanization is one of India's most important economic growth drivers as it is expected to drive substantial investments in infrastructure development, which are expected to create jobs, develop modern consumer services and increase the ability to mobilize savings. The country's urban population has been rising consistently over the decades. In 1950, the country's urban population comprised 17% of total population. As per the 2018 revision of World Urbanization prospects, the urban population was estimated to comprise 34.9% of total population in India. This is forecast to reach 37.4% by 2025.

Increasing per capita GDP

India's per capita income is estimated to have grown 8% in the financial year 2021 compared to a growth of 2.9% in the financial year 2020. CRISIL Research forecasts that per capita income will gradually improve with a pick-up in GDP growth and sustained low inflation. This is expected to be an enabler for domestic consumption. According to IMF estimates, India's per capita income (at constant prices) is expected to grow at a CAGR of 6.2% over between the financial years 2021 and 2025.

The following diagram sets forth the historical and forecasted nominal GDP per capita in India for the financial years indicated:



Source: Ministry of Statistics and Programme Implementation ("MoSPI"), World Bank, CRISIL Research

Note: "P" means projected.

Financial awareness and literacy

Overall literacy in India is at 77.7% according to the results of the National Sample Survey Office survey conducted in 2018, which is still below the world literacy rate of 86.5%. However, according to the National Financial Literacy and Inclusion Survey 2019, only 27% of Indian population is financially literate indicating both a large gap and potential for financial services industry growth. The survey defines financial literacy as having a combination of awareness, knowledge, skill, attitude and behavior necessary to make sound financial decisions and ultimately achieve individual financial wellbeing.

With increasing financial literacy, mobile penetration, awareness and the Prime Minister's *Jan Dhan Yojana* bank accounts scheme aimed at bringing more individuals under the formal banking system, there has been a rise in the participation of individuals from non-metro cities in banking. With more people attracted to the formal banking sector, the demand for financial products in smaller cities has seen a major uptick in recent years. Going forward, CRISIL Research expects financial penetration to increase on account of increasing financial literacy.

Digitalization

Technology is expected to play an important role by progressively reducing the cost of reaching smaller markets. India has seen a tremendous rise in fintech adoption in the past few years and has the highest fintech adoption rate globally of 87%, which is higher than the global average rate of 64% (Source: *InvestIndia*). Among the many initiatives by the Government of India, the Unified Payments Interface ("UPI") is playing a pivotal role towards financial inclusion. It provides a single-click digital interface across all systems for smartphones linked to bank accounts and facilitates easy transactions using a simple authentication method. The volume of digital transactions has also surged in the past few years, driven by an increased adoption of UPI. Apart from the financial services industry, digitization in other industries, such as retail, will also play an important role in the growth of the economy.

Resilience of rural economy

CRISIL Research believes that the rural economy is far more resilient today due to two consecutive years of good monsoon seasons, increased spending under the Government's Mahatma Gandhi National Rural Employment Guarantee Act ("MNREGA") and irrigation programs as well as the Government's various schemes including its direct benefit transfer scheme, PM-Kisan scheme, PM Ujjwala Yojana scheme for cooking gas, PM Awas Yojana scheme for housing, and Ayushman Bharat scheme for healthcare. To supplement these, there has been a continuous improvement in rural infrastructure, such as

electricity and roads. These Government initiatives have led to lesser leakages and higher incomes in the hands of the rural populace, thereby enhancing their ability and willingness to spend on discretionary products and services. These changes, combined with a positive macro-environment, is expected to improve rural business prospects, provide business opportunities for the banking and financial services sector and drive the long-term growth of the economy.

Household Savings to Increase

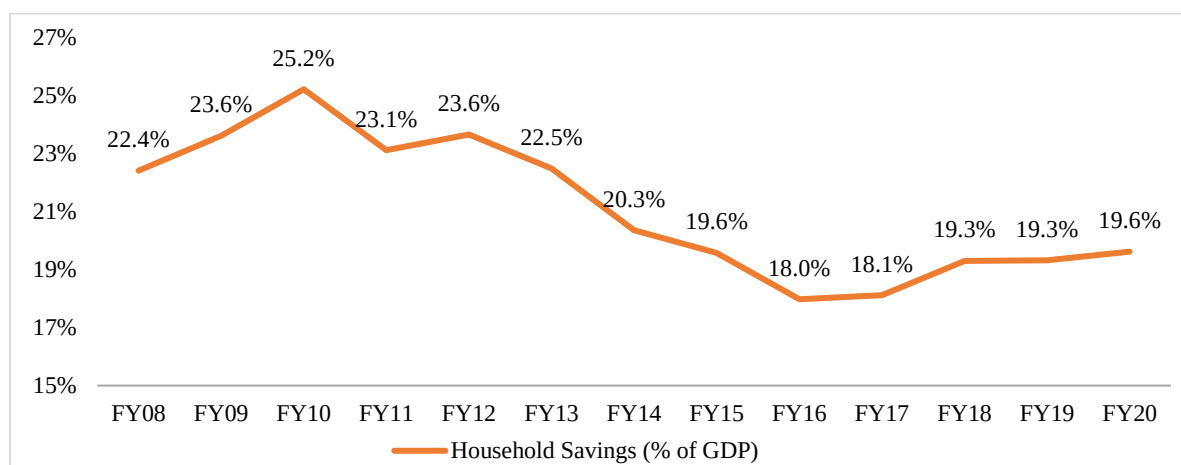
India's slowing economy also took a toll on savings, with the savings rate reaching a 15-year low, and household savings also falling. This has weakened India's macroeconomic position, which is already affected by low investment and rising external borrowing to fund capital needs. Household savings also declined as consumers spent more in purchasing durables and travelling. Indian households contribute to approximately 60% of the country's savings. However, India remains favorable compared to emerging market peers such as Brazil.

According to the World Bank, the savings rate, or the proportion of gross domestic savings ("GDS") in GDP in the Indian economy has trended down in the past decade. India's GDS peaked at 36.8% of GDP in the financial year 2008 and dipped to 32% in the financial year 2009. That was largely on account of a sharp slowdown in public savings, with the Government resorting to fiscal stimulus to address the external shock from the global financial crisis.

CRISIL Research expects India to continue being a high savings economy at least over the next decade. However, household savings as a percentage of GDP has been declining since the financial year 2012, with its share in total savings falling from 23.6% in the financial year 2012 to 18% in the financial year 2016. The household savings as a percentage of GDP rose to 19.6% in the financial year 2020. CRISIL Research expects household savings to increase further on account of an expected decline in discretionary spending during the COVID-19 pandemic. However, the absolute amount of savings may not increase at the same pace since GDP growth is expected to be negative in the financial year 2021.

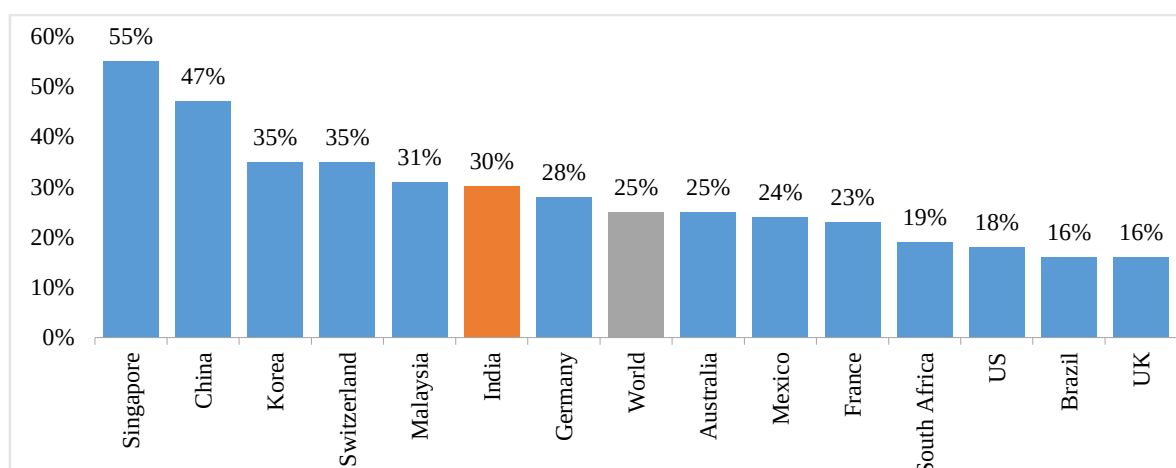
CRISIL Research expects the savings rate to increase in the medium term, as households become more focused post the COVID-19 pandemic-induced uncertainty on creating a nest egg for the future.

The following table sets forth household savings rates in India, as a percentage of GDP, for the financial years indicated:



Source: Ministry of Statistics and Programme Implementation ("MOSPI"), RBI, CRISIL Research

The following table sets forth the GDS rate of India as compared to other countries in calendar year 2019:



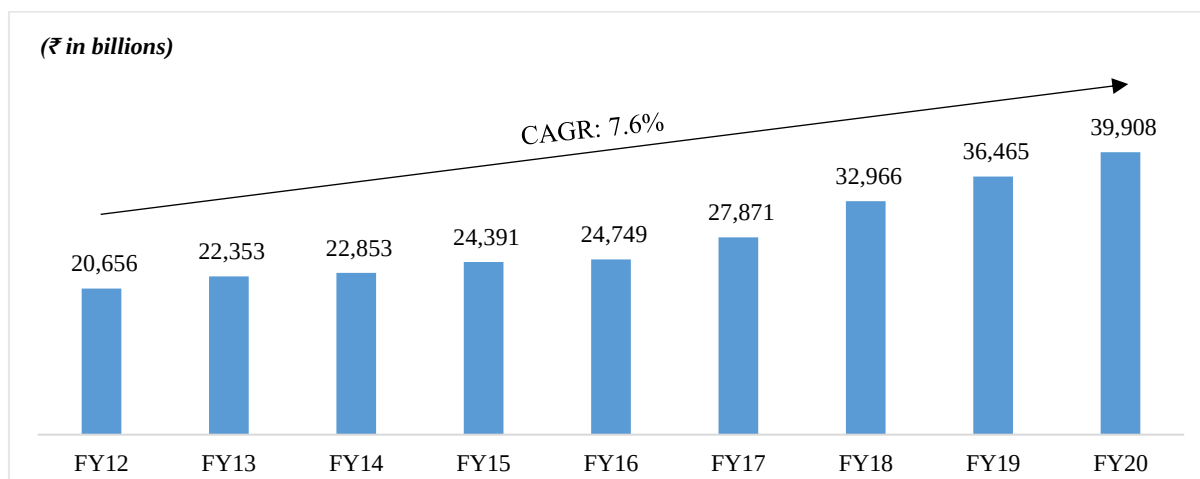
The following table sets forth certain information on GDS trends in India for the financial years indicated:

	March 2014	March 2015	March 2016	March 2017	March 2018	March 2019	March 2020
	<i>(₹ in billions)</i>						
GDS	36,082	40,200	42,823	48,251	54,807	57,770	63,860
GDP (At current prices)	112,335	124,680	137,719	153,917	170,900	188,870	203,510
Percentage of GDP	32.1%	32.2%	31.1%	31.3%	32.1%	30.6%	31.4%
Household sector savings (net financial savings, savings in physical assets and in the form of gold and silver ornaments)	22,853	24,391	24,749	27,871	32,966	36,465	39,908
Percentage of GDP	20.3%	19.6%	18.0%	18.1%	19.3%	19.3%	19.6%
Gross financial savings	11,908	12,572	14,962	16,147	20,564	21,341	22,846
Financial liabilities	3,587	3,768	3,854	4,686	7,507	7,784	6,641
Savings in physical assets	14,164	15,131	13,176	15,946	19,442	22,481	23,272
Savings in the form of gold and silver ornaments	368	456	465	465	467	427	431

Source: MOSPI, National Accounts National Accounts Statistics, CRISIL Research

Note: Physical assets are those held in physical form, such as real estate.

The following table sets forth the household savings growth in India for the financial years indicated:

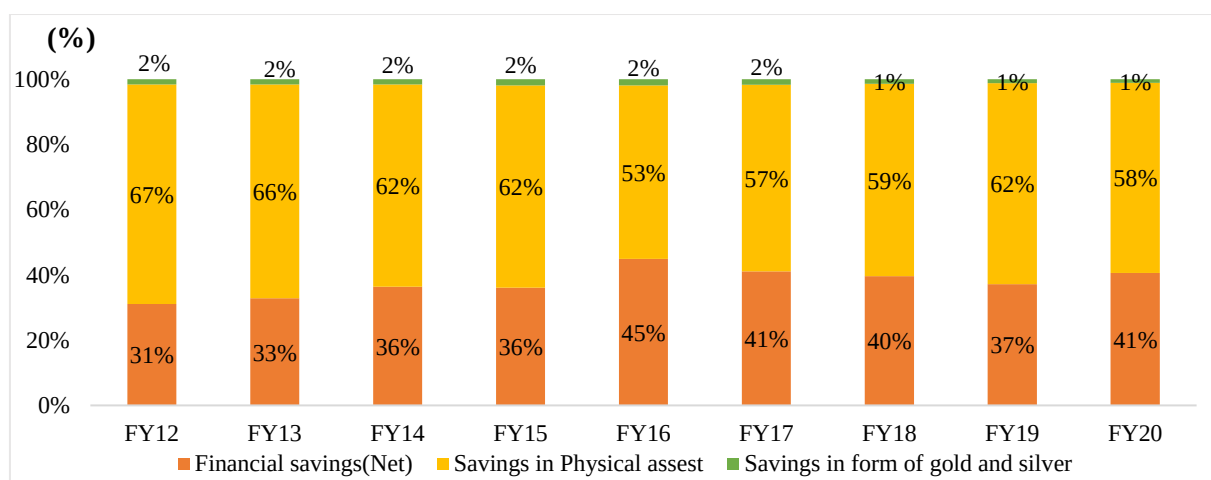


Source: MoSPI, CRISIL Research

Capital markets are expected to remain an attractive part of financial savings. While household savings in physical assets declined to 58% in the financial year 2020 from 67% in the financial year 2012, financial savings grew to 41% in the financial year 2020 from 31% in the financial year 2012.

Along with an increase in financial literacy, the relative outperformance of financial assets over recent years, and the Government's efforts to fight the shadow economy, CRISIL Research expects the share of financial assets as a proportion of net household savings to increase over the next five years. The rise in financial assets is expected to further boost investments under mutual funds.

The following table sets forth the breakdown of household savings in India by financial savings, savings in physical assets and savings in the form of gold and silver, for the financial years indicated:



Source: Handbook of Statistics on Indian Economy 2018-19, RBI, MoSPI, CRISIL Research

The share of mutual funds in overall household savings has risen steadily since the financial year 2013, and stood at 2.7% in the financial year 2019. However, the share declined in the financial year 2020. With the financial sector being particularly sensitive to improved economic conditions, and given the expected changes in saving patterns, CRISIL Research expects an increase in the share of financial assets – direct and through mutual funds and insurance – in total financial savings.

The following table sets forth the breakdown of household savings in India by asset class, for the financial years indicated:

	March 2013	March 2014	March 2015	March 2016	March 2017	March 2018	March 2019	March 2020
	<i>(₹ in billions)</i>							
Gross financial household savings ..	10,640	11,908	12,572	14,962	16,147	20,564	21,341	22,846
Currency.....	1,115	995	1,333	2,005	(3,329)	4,847	2,779	2,826
Deposits.....	6,062	6,670	6,124	6,445	9,778	5,252	8,143	8,697
With Banks	5,339	5,986	5,390	5,666	8,707	5,057	7,287	7,688
Shares and debentures	170	189	204	284	1,745	1,774	790	774
Mutual funds.....	82	150	145	189	1,510	1,382	576	444
Mutual funds – as a percentage of overall gross financial household savings.....	0.8%	1.3%	1.2%	1.3%	9.3%	6.7%	2.7%	1.9%
Insurance funds	1,799	2,045	2,993	2,642	3,543	3,440	3,588	3,178
Provident and pension funds	1,565	1,778	1,909	2,907	3,255	3,694	3,977	4,655
Others.....	(71)	231	10	679	1,155	1,557	2,064	2,715

Source: National Account Statistics 2020, MoSPI, RBI, CRISIL Research

Note: Others include claims on government and provident and pension funds.

Overall, the financial market in India is expected to continue growing at a healthy pace owing to strong demand- and supply-side drivers, such as expected growth of the Indian economy, increasing urbanization, rising consumerism because of higher per capita incomes, and favorable changes, thereby indicating market growth potential for established financial service providers in India.

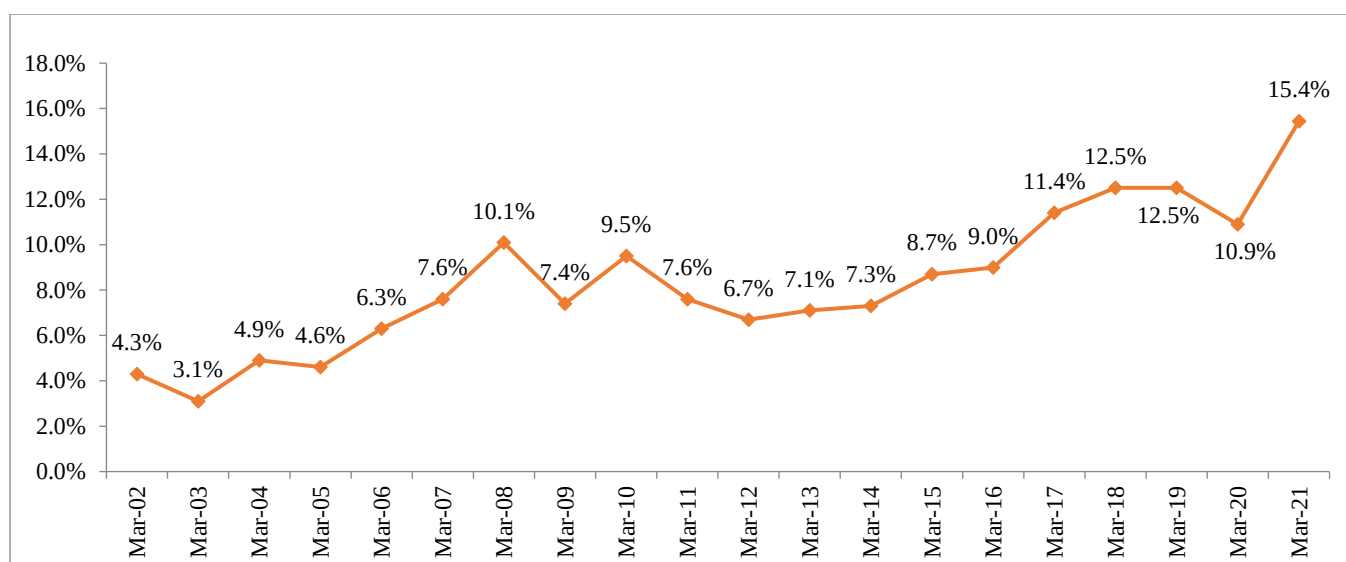
According to the MoSPI, households' net financial savings has improved to 7.8% of gross national disposable income ("GNDI") in the financial year 2020, after touching the financial year 2012 series low of 7.1% in the financial year 2019. This improvement has occurred on account of sharper moderation in household financial liabilities than that in financial assets.

Mutual Fund Industry Overview

Mutual fund assets in India have seen robust growth, especially in recent years, driven by a growing investor base due to increasing penetration across geographies, strong growth of capital markets, technological progress, and regulatory efforts aimed at making mutual fund products more transparent and investor friendly.

Although mutual fund AUM as a percentage of GDP has grown from 4.3% in the financial year 2002 to approximately 16% in the financial year 2021, penetration levels remain well below those in other developed and fast-growing peers.

The following diagram sets forth the historical mutual fund QAAUM as a percentage of GDP in India as of the end of the financial periods indicated:



Source: AMFI, IMF, RBI, CRISIL Research

Evolution of the Indian mutual fund industry

The Indian mutual fund industry has a history of over 50 years, starting with the passing of an Act for the formation of the Unit Trust of India (“**UTI**”), a joint initiative of the Government and the RBI in 1963. The Act came into force on February 1, 1964, with the formation of UTI. It was regulated and controlled by the RBI until 1978, and thereafter by the Industrial Development Bank of India. UTI launched its first scheme, Unit Scheme 1964, in 1964 and its AUM reached ₹67 billion by 1988.

In 1987, other public sector banks entered the mutual fund space. SBI Mutual Fund was set up in June 1987, followed by the launch of Canbank Mutual Fund in December 1987. Subsequently, other entities such as Life Insurance Corporation of India, Punjab National Bank, Indian Bank, Bank of India, General Insurance Corporation of India, and Bank of Baroda opened their own mutual fund houses, bringing the industry assets to ₹470 billion by 1993-end.

Following a rise in demand for mutual funds, and with the onset of economic liberalisation in the country, the industry was opened to the private sector in 1993. The year also saw the introduction of the first formal mutual fund regulations, Securities and Exchange Board of India (“**SEBI**”) (Mutual Fund) Regulations, 1993. All mutual funds, except UTI, were under the ambit of these regulations, which were later replaced by SEBI (Mutual Fund) Regulations, 1996. Similarly, SEBI introduced SEBI (Portfolio Managers) Regulations, 1993, for the regulation of portfolio management services and SEBI (Alternative Investment Funds) Regulations, 2012 for the regulation of alternative investment funds. The AMFI, a member association of the mutual fund industry, was incorporated in August 1995. It recommends and promotes best practices and the code of conduct to its members.

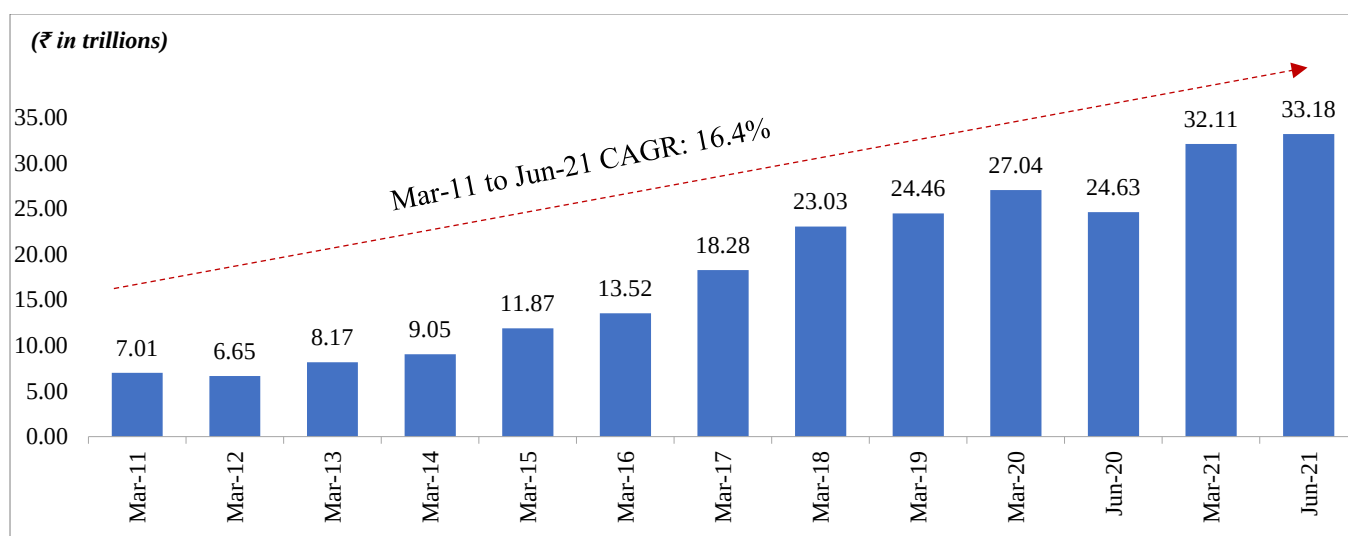
Kothari Pioneer Mutual Fund (now merged with Franklin Templeton Mutual Fund), started in July 1993, was the first private sector mutual fund in the country. This triggered the entry of various mutual fund houses, both domestic and foreign, taking the number of providers at the end of January 2003 to 33 and the total AUM to ₹1,218 billion.

In February 2003, following the repeal of the UTI Act, 1963, UTI was bifurcated into two separate entities. One is the Specified Undertaking of the UTI with an AUM of ₹298 billion as of January 2003. The Specified Undertaking of UTI, functioning under an administrator and under rules framed by the central government, is not subject to SEBI (Mutual Fund) Regulations, 1996. The other is UTI Mutual Fund, sponsored by State Bank of India (“**SBI**”), Punjab National Bank, Bank of Baroda, and Life Insurance Corporation of India, UTI Mutual Fund is registered with SEBI and functions under SEBI (Mutual Fund) Regulations, 1996. With this bifurcation, and several mergers among other private sector funds, the mutual fund industry entered its current phase of consolidation and growth.

Historical AUM Growth

The aggregate AUM of the Indian mutual fund industry has grown at a healthy pace over the past 10 years, against the backdrop of an expanding domestic economy, robust inflows and rising investor participation, particularly from individual investors. Average AUM grew at 16.4% CAGR to ₹33.18 trillion as of June 2021 from ₹7.01 trillion as of 2011.

The following diagram sets forth the QAAUM of the Indian mutual fund industry as of the end of the financial periods indicated, and the growth in QAAUM over the period:



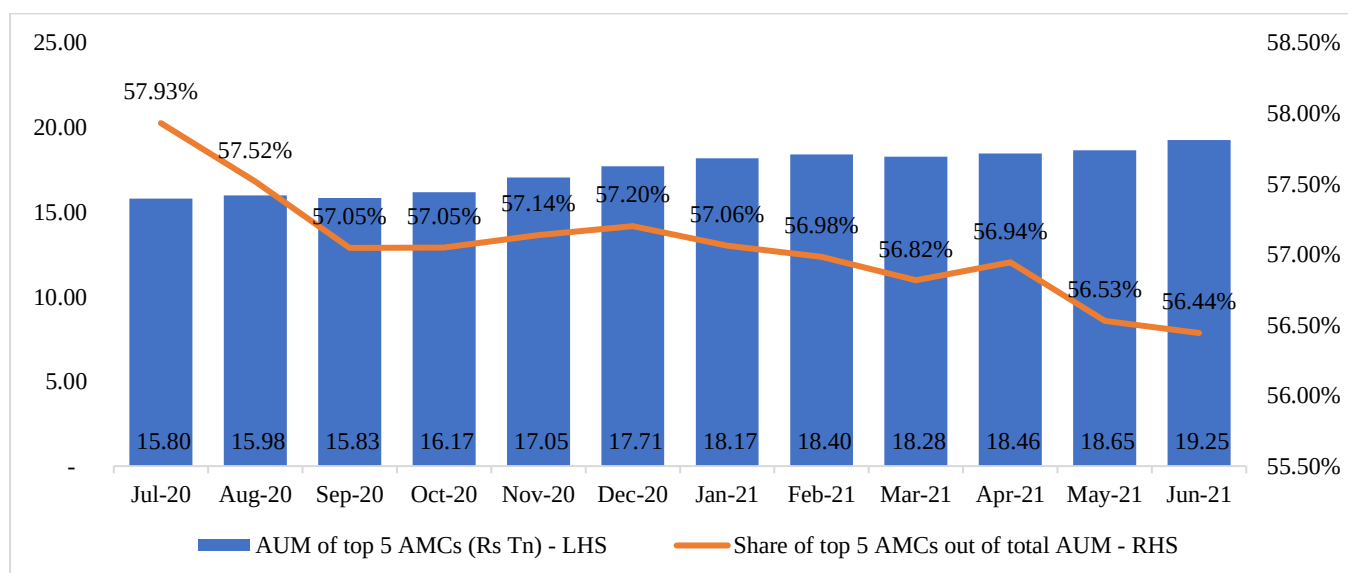
Source: AMFI, CRISIL Research

Note: Average AUM for the last quarter of the financial excluding IDFs.

Aggregate industry AUM grew 39.2% post-COVID-19 to ₹33.7 trillion as of June 2021 from ₹22.3 trillion as of March 2020, driven by recovery post the COVID-19 pandemic, increased B-30 penetration and rising popularity of SIPs as an investment vehicle. The gains came despite a sharp fall of 16.12% between January and March 2020 due to worries over the COVID-19 pandemic and nationwide lockdown.

Aggregate AUM of the top five AMCs grew to ₹19.25 trillion in June 2021 from ₹15.80 trillion in July 2020 owing to rapid recovery after the COVID-19 pandemic. The share of the top five AMCs out of the total aggregate industry AUM decreased by 1.49% to 56.44% in June 2021 from 57.93% in July 2020.

The following diagram sets forth the MAAUM and share of total MAAUM of the top five AMCs in India as of the dates indicated:



Source: AMFI, CRISIL Research

Note: Excluding Fund of Funds – Domestic, but including Fund of Funds – Overseas.

Types of Mutual Funds

Types of mutual funds based on structure

- Open-ended schemes.** Open-ended schemes can be purchased and redeemed on any transaction day. They do not have a fixed maturity period i.e., schemes are available for subscription and repurchase on a continuous basis. The number of units of an open-ended scheme can fluctuate, i.e., increase or decrease every time the fund house sells or repurchases the existing units. A mutual fund may stop accepting new subscriptions for open-ended schemes from investors, but is required to repurchase investor units at any time.

Close-ended schemes. Closed-end schemes can be purchased only during the new fund offer period and redeemed only at maturity. However, the funds are listed on stock exchanges (as mandated by regulation), where investors can sell their units to other investors. The units may trade on the exchange at a premium or discount to their issue price.

Types of mutual funds based on management style

- Passive funds. Passive funds are schemes that attempt to mimic a particular index. They include ETFs and index funds. The efficiency of these funds is generally evaluated by monitoring their tracking error. Tracking error reflects how efficiently a scheme is able to replicate the returns of its underlying total return index on a daily basis. It is measured by calculating the standard deviation of difference between the daily returns and the underlying total return index of the scheme. A low tracking error indicates efficiency in managing the scheme. Expenses for passive funds are typically lower than that for active funds due to lower fund management cost associated with the former.
- Active funds. Active funds attempt to generate higher returns than their benchmark index by actively managing the portfolio. An active fund investor relies on the expertise of a fund manager who buys and sells securities based on his/her research and judgment of the market.

Types of mutual funds based on asset class

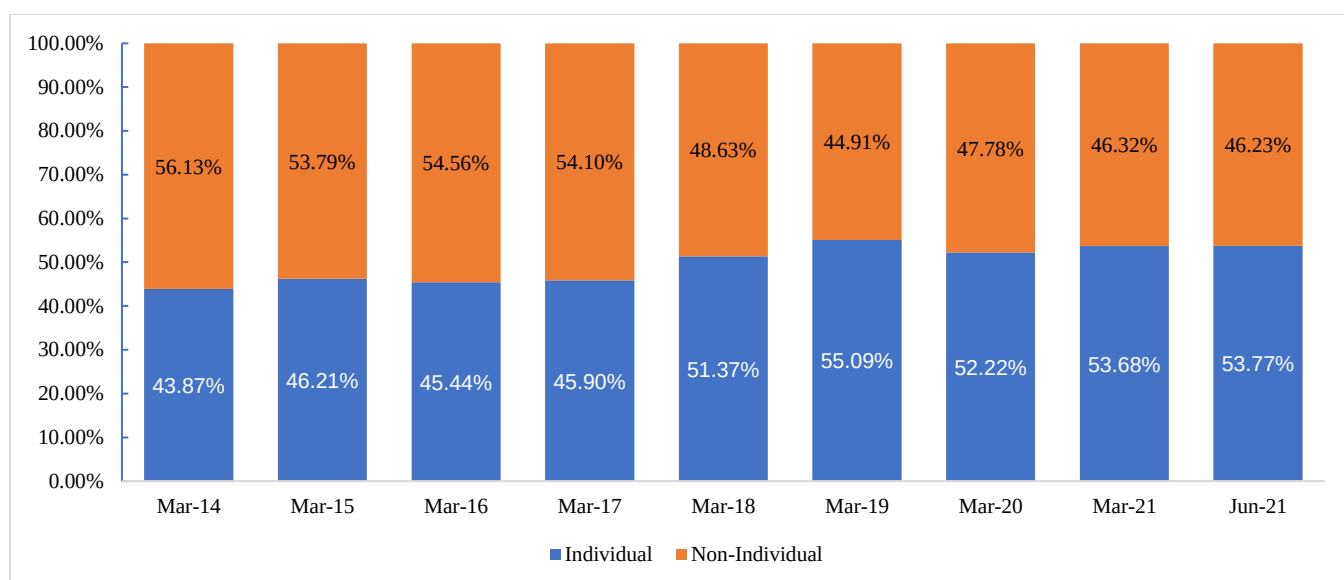
There are five broad categories of mutual fund schemes by asset class, namely equity, debt, hybrid, solution-oriented and other schemes.

- Equity schemes. The key types of equity schemes include multi-cap funds, flexi-cap funds, large cap funds, large and mid-cap funds, mid-cap funds, small-cap funds, dividend yield funds, value funds, contra funds, focused funds, sectoral/thematic funds and ELSS funds. The characteristics of these equity schemes typically vary in terms of the minimum investment in equity and equity-related instruments as a percentage of the total assets of the fund.
- Debt schemes. The key types of debt schemes include overnight funds, liquid funds, ultra-short duration funds, low duration funds, money market funds, short duration funds, medium duration funds, medium to long term duration funds, long duration funds, dynamic bonds, corporate bond funds, credit risk funds, banking and PSU funds, gilt funds and floater funds. The characteristics of these debt schemes typically vary in terms of the maturity duration of the portfolio and the type of debt assets they invest in.
- Hybrid schemes. The key types of hybrid schemes include conservative hybrid funds, balanced hybrid funds, aggressive hybrid funds, dynamic asset allocation or balanced advantage funds, arbitrage funds and equity savings funds. The characteristics of these hybrid schemes typically vary in terms of the proportion of total assets invested in equity versus debt assets.
- Solution-oriented schemes. The key types of solution-oriented schemes are retirement funds and children funds, which typically have lock-in periods for at least five years or until retirement or when the child attains age of majority, as applicable.
- Other schemes. The key types of other schemes include index funds/ETFs, which replicate or track a particular index, and funds of funds, which are typically further categorized as overseas or domestic.

Investor Profile

Individuals outpace institutional investors in terms of AUM. Historically, the majority of the industry's assets were held by institutional investors, mainly corporates. Mutual fund assets held by banks or financial institutions ("FIs") and foreign institutional investors ("FIIs") have gradually declined from 56.13% in March 2014 to 46.23% in June 2021. This was a result of individual AUM growing at a faster CAGR of 23.66% during the period on the back of rising participation, especially in equity funds, as compared to institutional AUM, which grew at a CAGR of 17.07% over the period.

The following diagram and table set forth a breakdown of MAAUM share by investor classification as of the end of the financial periods indicated:



Source: AMFI, CRISIL Research

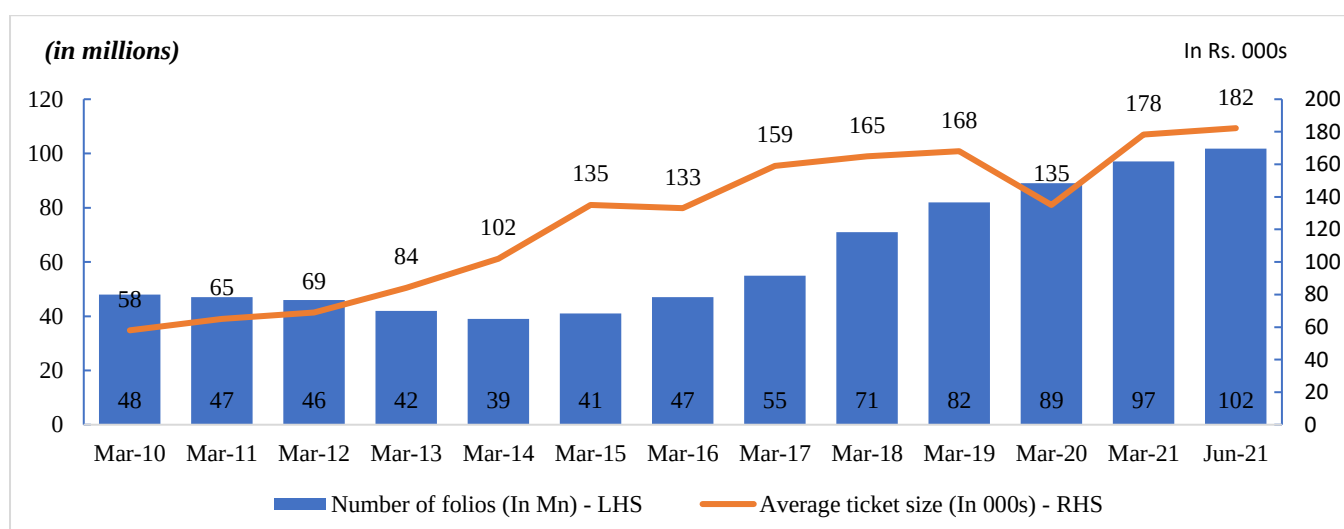
Notes: Individual investors include retail and high net worth individuals (“HNI”) investors. Institutional investors include corporates, banks/FIs, and FII / FPIs.

	March 2014	March 2015	March 2016	March 2017	March 2018	March 2019	March 2020	March 2021	June 2021	CAGR (Mar-14 to Jun-21)
<i>(₹ in trillions)</i>										
Corporates	4.49	5.67	6.44	8.81	10.05	10.10	10.98	14.27	15.02	18.12%
Banks/FIs	0.45	0.65	0.84	1.10	0.87	0.83	0.77	0.58	0.68	5.86%
FIIs/FPIs	0.08	0.16	0.11	0.13	0.13	0.11	0.05	0.06	0.07	(1.82)%
Institutional sub-total	5.02	6.48	7.39	10.05	11.04	11.04	11.81	14.90	15.77	17.10%
Retail investor	1.63	2.44	2.63	3.82	5.36	6.45	4.70	7.04	7.80	24.10%
High net worth individuals .	2.31	3.14	3.53	4.70	6.31	7.10	8.21	10.23	10.53	23.27%
Individual sub-total	3.93	5.58	6.16	8.53	11.67	13.54	12.90	17.27	18.33	23.66%
Total	8.96	12.07	13.55	18.57	22.71	24.58	24.71	32.17	34.10	20.24%

Source: AMFI, CRISIL Research

The mutual fund industry has seen increased participation from households in recent years, as a result of growing awareness, financial inclusion and improved access to banking channels. Between March 2015 and March 2021, the industry’s folios increased by approximately 61 million to approximately 103 million, representing a CAGR of approximately 15%, driven mostly by individual investors (retail and HNIs). The average ticket size increased from ₹135,000 as of March 31, 2015 to ₹182,000 as of June 30, 2021.

The following diagram sets forth the number of total individual investor folios and average ticket size in India as of the end of the financial periods indicated:

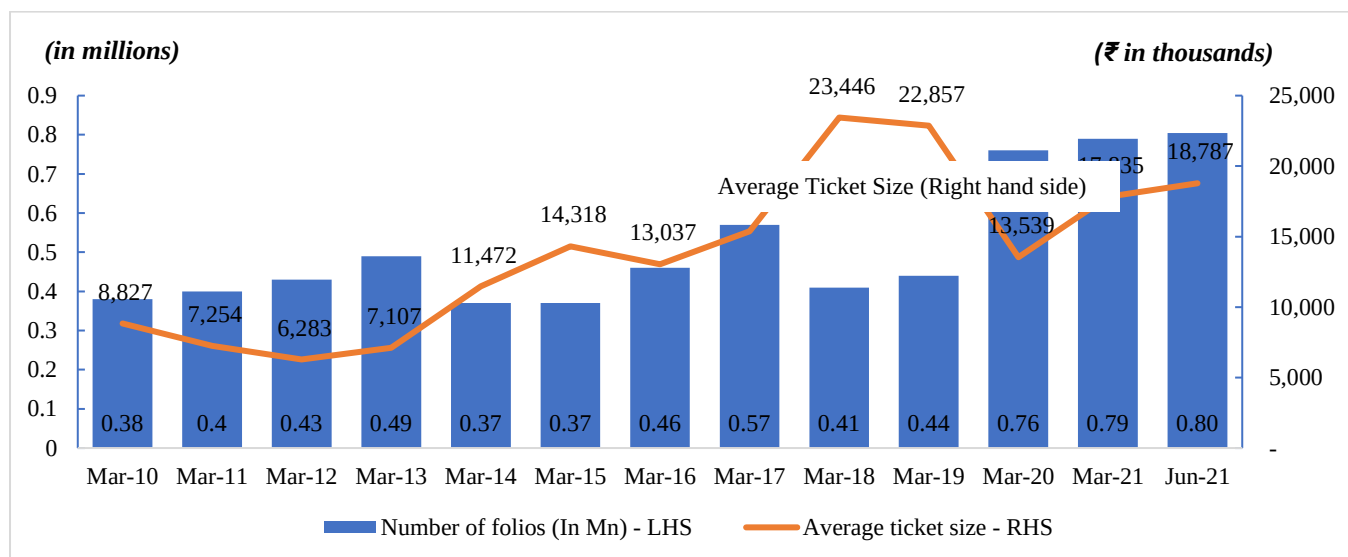


Source: AMFI, CRISIL Research

Note: Average ticket size is calculated as outstanding AUM divided by number of folios.

Institutional investor folios, on the other hand, saw no significant additions until June 2021. While the ticket size declined to ₹18.79 million as of June 2021 from a high of ₹23.45 million in March 2018. The ticket size fell due to the recent credit and liquidity crisis that affected the debt mutual fund segment, the primary investment class of institutional investors.

The following diagram sets forth the number of total institutional investor folios and average ticket size in India as of the end of the financial period indicated:



Source: AMFI, CRISIL Research

As of June 2021, 74.49% of individual investors' AUM was invested in equity-oriented funds, up from 57.46% in March 2016, which was caused by a sharp reduction in debt-oriented funds as a result of the IL&FS and NBFC crises, relative outperformance of equities over other asset classes, and higher push of equity products by AMCs and distributors owing to their relatively higher profitability and expense ratios.

Historically, retail investors have largely invested in equity-oriented funds while HNIs have actively managed allocations across debt and equity funds.

Among institutional investors, banks and FIs primarily invest in liquid/money market-oriented funds. Investments by corporate investors are spread largely across debt and liquid/money market-oriented funds. FIIs/ foreign portfolio investors ("FPIs") have investments primarily spread across debt and equity-oriented funds; in this category as well, investments in equity assets have swelled as a proportion of total mutual fund assets. Corporates and banks/FIs have been increasing exposure to ETFs in recent years.

Presence of AMCs in B-30 markets

Average Ticket Size (Right hand side)

In June 2021, the MAAUM in the top 30 ("T-30") cities stood at ₹28.54 trillion compared with ₹5.56 trillion for beyond the top 30 ("B-30") cities according to AMFI data. SEBI has reclassified top 15 ("T-15") and beyond the top 15 ("B-15") as T-30 and B-30, respectively, to encompass a wider set of cities that have lower penetration after seeing the share of B-15 cities improve regularly in previous years.

According to Computer Age Management Services ("CAMS"), the share of T-30 AUM as a proportion of aggregate industry AUM decreased to 85.79% in June 2021 from 92.94% in March 2016. Conversely, the share of B-30 AUM increased to 14.21% from 7.06% over the same period, illustrating the rising importance of higher-growth B-30 cities.

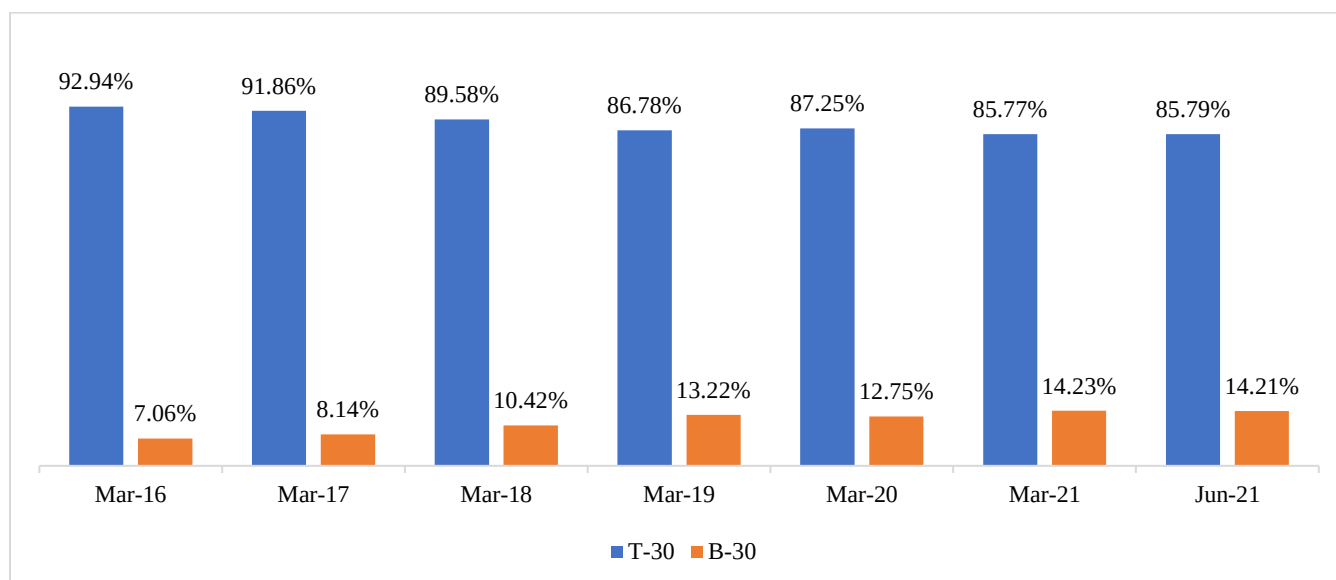
The following table sets forth MAAUM from T-15/T-30 and B-15/B-30 cities in India as of the end of the financial periods indicated:

	March 2014	March 2015	March 2016	March 2017	March 2018	March 2019	March 2020	March 2021	June 2021
					(₹ in billions)				
T-15/T-30.....	7,572	10,185	11,365	15,487	18,442	20,785	20,859	26,937	28,539
B-15/B-30	1,392	1,892	2,187	3,091	4,265	3,796	3,850	5,235	5,565

Source: AMFI, CRISIL Research

Note: Data until March 2018 represents the share of T-15 and B-15 cities in total MAAUM. Post March 2018, the classification has changed to T-30 and B-30 cities.

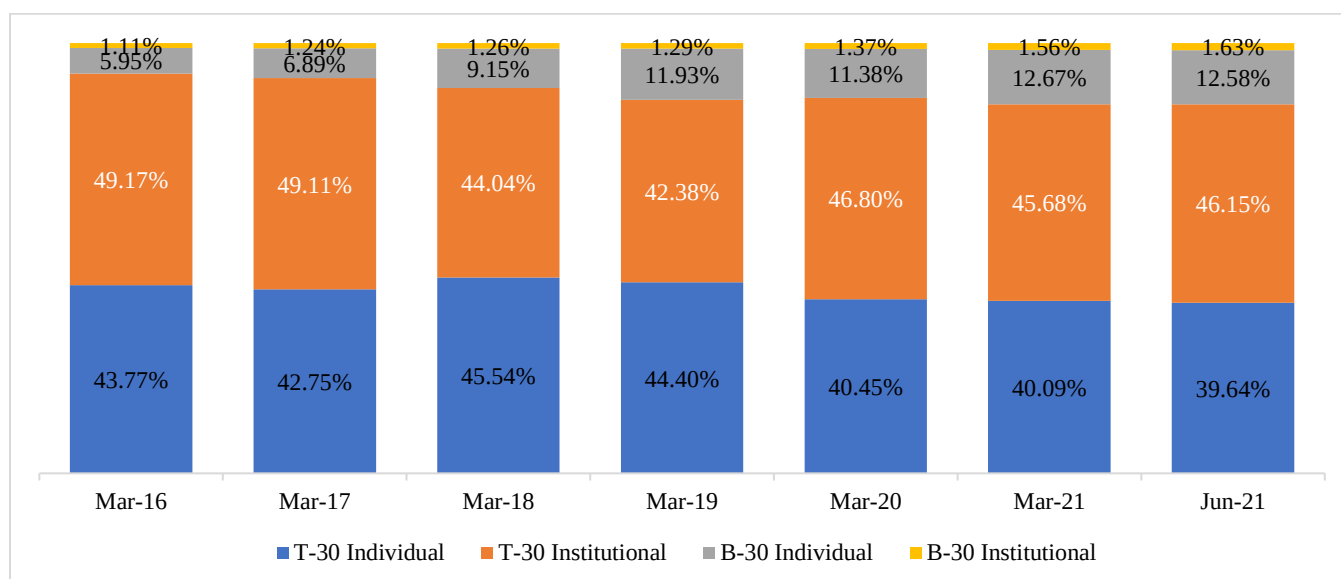
The following diagram sets forth the breakdown of total MAAUM by T-30 and B-30 cities as of the end of the financial periods indicated:



Source: CAMS database

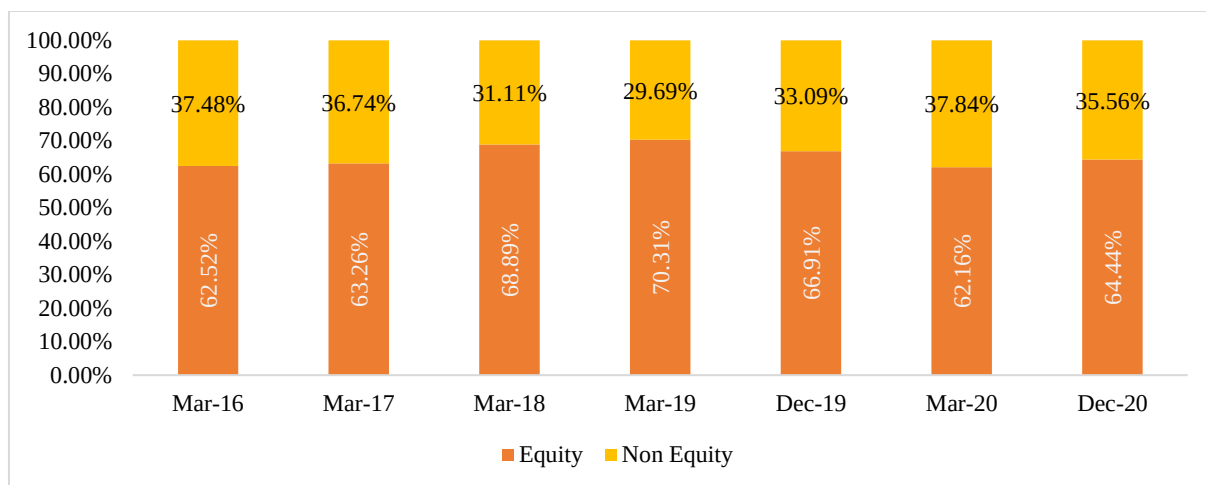
As of June 2021, 48.47% of AUM in B-30 cities were concentrated in equity schemes compared to only 33.19% in T-30 cities. This was primarily because of the larger number of institutions and corporates in T-30 cities. Given the higher concentration of individual investors in equity products, increased B-30 market penetration should further increase the overall proportion of equity AUMs in the aggregate industry AUMs. AMCs with higher AUM shares in B-30 cities are less susceptible to overall margin pressures than their T-30-focused peers, especially given the recent regulatory-induced margin pressures because of lower total expense ratios (“TER”) across the industry.

The following diagram sets forth the breakdown of total MAAUM by individual and institutional investors across T-30 and B-30 cities as of the end of the financial periods indicated:



Source: CAMS database

The following diagram sets forth the breakdown of B-30 cities MAAUM by equity and non-equity MAAUM as of the end of the financial periods indicated:



Source: CAMS database

Asset Ageing

Individual investors tend to stay invested for longer periods and prefer equity-oriented schemes, which provide predictable, committed AUMs and profitability. In equity AUM, the share of Individual AUM under >24-month bucket witnessed a sharp increase of approximately 10 percentage points from March 2016 to June 2021.

The following table sets forth investor classification by asset age bucket as of March 31, 2016 and December 31, 2019 and 2020:

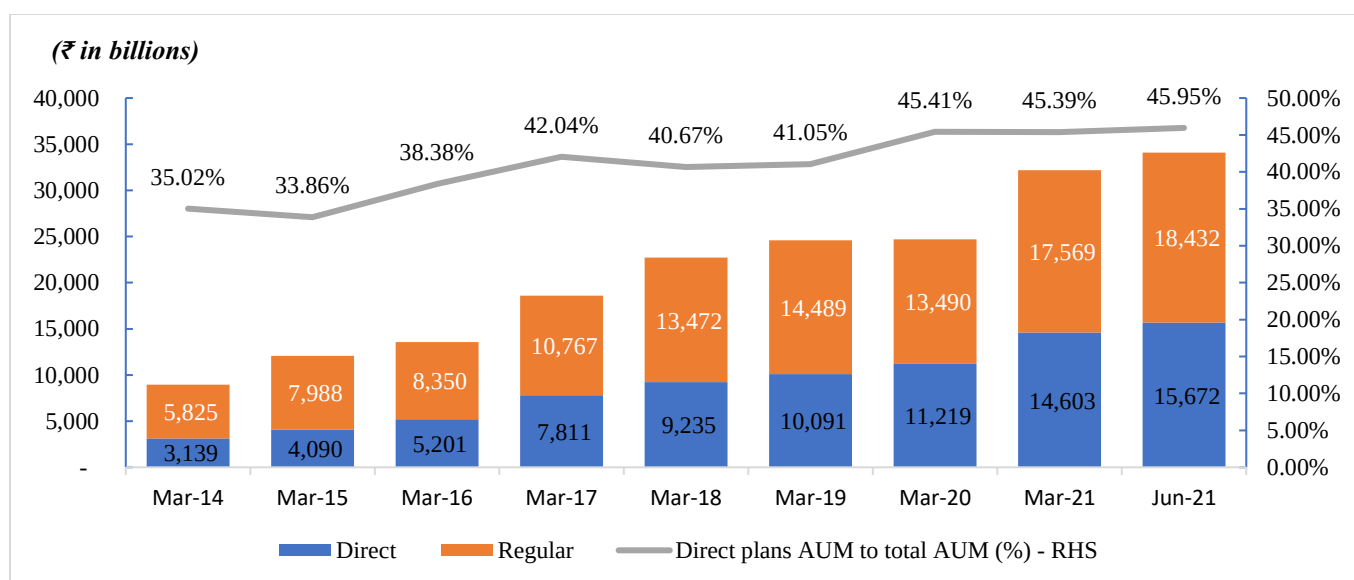
		Investor classification / (% to category bucket)	0-1 months	1-3 months	3-6 months	6-12 months	12-24 months	>24 months
March 2016								
Equity	Institutional		9.80%	9.49%	14.25%	25.71%	22.65%	18.10%
	Individual		4.31%	5.95%	7.61%	15.88%	24.69%	41.57%
Non-Equity	Institutional		35.96%	9.56%	7.14%	10.65%	17.76%	18.92%
	Individual		9.96%	7.84%	8.24%	13.87%	22.53%	37.56%
June 2021								
Equity	Institutional		7.11%	6.83%	39.81%	9.32%	15.72%	21.20%
	Individual		3.13%	5.00%	7.38%	11.56%	21.52%	51.41%
Non-Equity	Institutional		23.31%	18.84%	13.95%	19.00%	10.85%	14.06%
	Individual		5.49%	7.67%	11.66%	21.58%	22.96%	30.63%

Source: AMFI, CRISIL Research

Investment Channels

In September 2012, SEBI mandated mutual fund houses started offering products through the direct route alongside distributors. In January 2013, AMCs also began offering direct plans. As a result of the direct plans, AUMs of direct plans grew at an annualized rate of 24.83% between March 2014 and June 2021. At ₹15.67 trillion, AUMs under direct plans now represent 45.95% of aggregate industry AUM, up from a share of 35.02% as of March 2014.

The following diagram sets forth the breakdown of total MAAUM by direct plans and regular plans in India as of the end of the financial periods indicated:



Source: AMFI, CRISIL Research

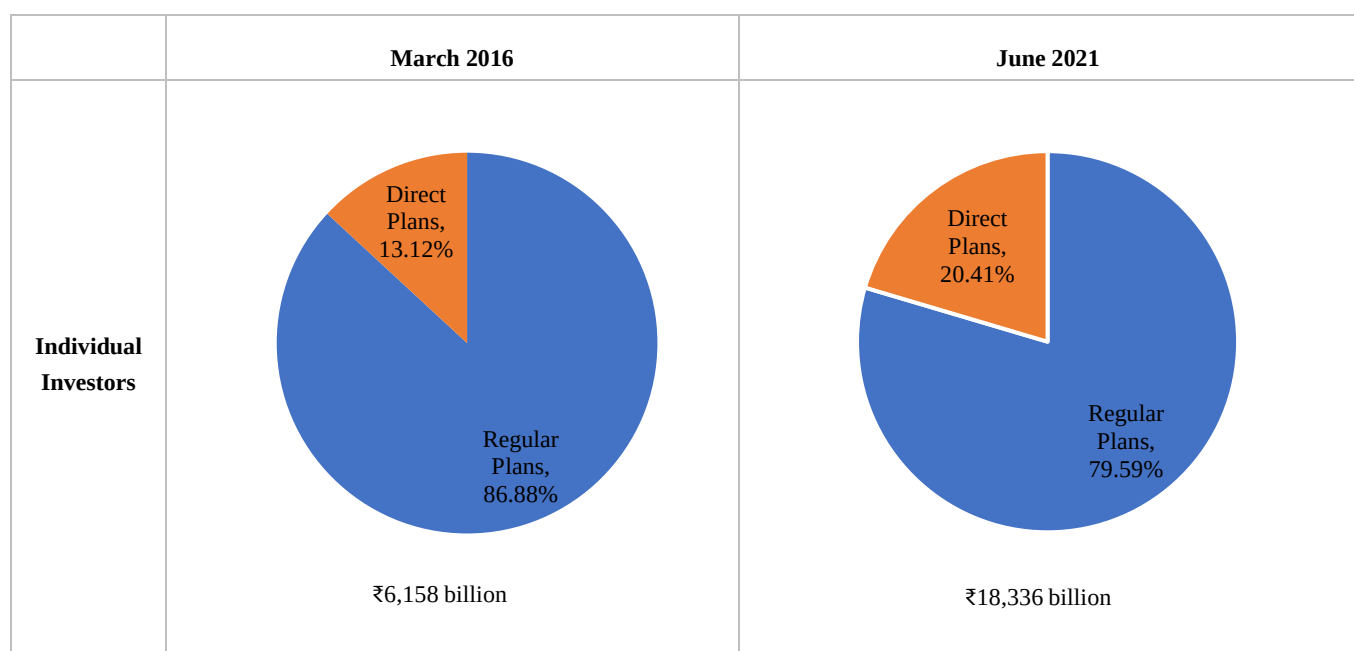
CRISIL Research expects increasing investor awareness and integration of user interfaces through digital channels to further growth in direct plan AUMs. Direct plans offer the benefit of lower expense ratios to investors compared with regular plans. They also allow AMCs to directly connect with investors without depending on intermediaries.

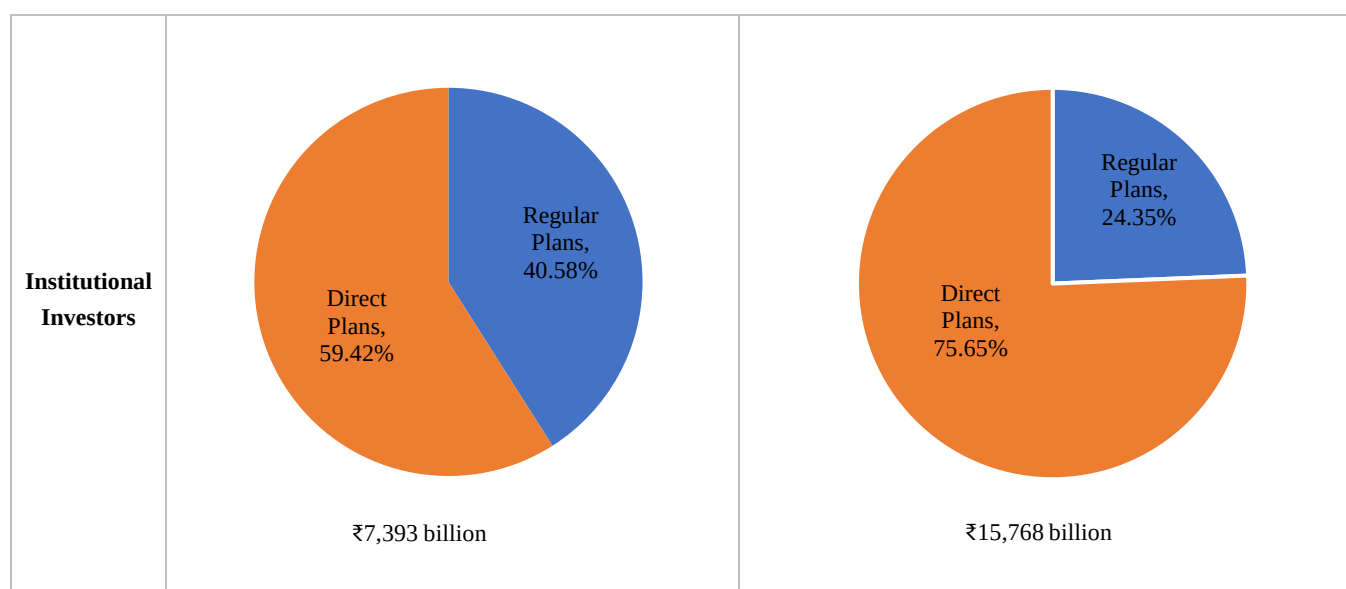
As of June 2021, institutional investors accounted for approximately 76% of aggregate direct plan monthly average AUMs (down from 84% in March 31, 2016) as compared to 24% for individual investors (up from 16% as of March 31, 2016). The rising popularity of direct plans among individual investors is attributed to various campaigns and investor education initiatives undertaken by the mutual industry.

The following table and diagrams set forth the breakdown of individual investor MAAUM and institutional investor MAAUM by regular plans and direct plans, as of the end of the financial periods indicated:

	March 2016				June 2021			
	Regular plans	Direct plans	Total	Share in total AUM	Regular plans	Direct plans	Total	Share in total AUM
	(₹ in billions)							
Individual investors.....	5,350	808	6,158	45.45%	14,593	3,743	18,336	53.76%
Institutional investors.....	3,000	4,393	7,393	54.55%	3,839	11,929	15,768	46.24%
Total	8,350	5,201	13,552	100.00%	18,432	15,672	34,104	100.00%

Source: AMFI, CRISIL Research

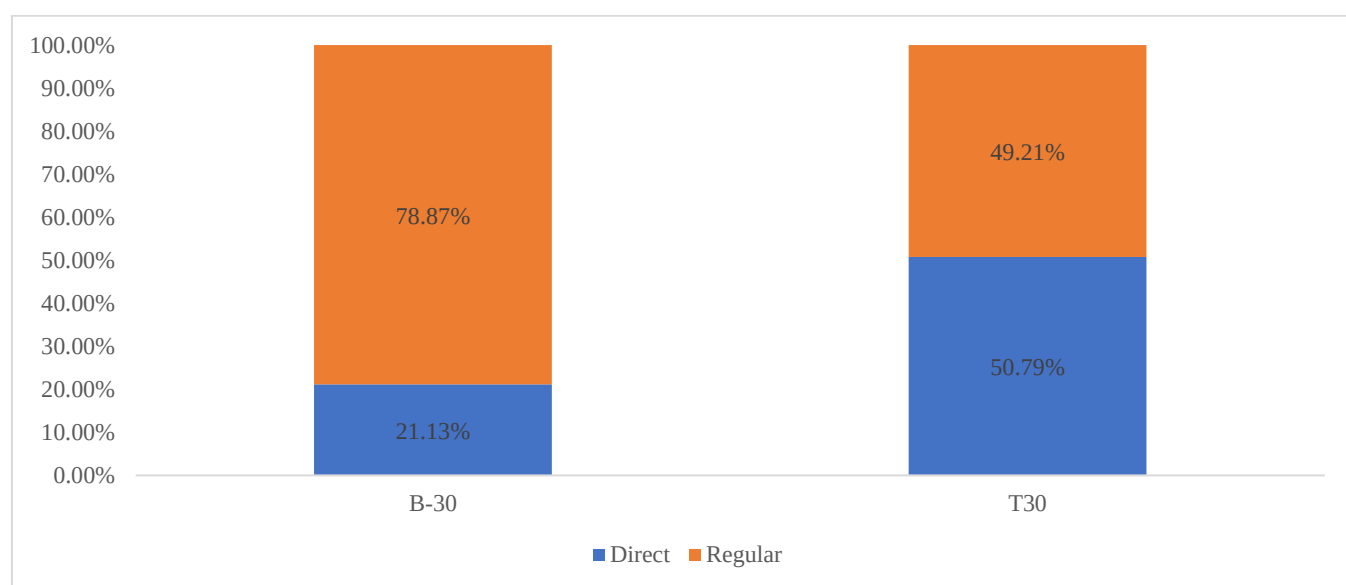




Source: AMFI, CRISIL Research

As of June 2021, regular plans accounted for a higher share of B-30 assets (78.87%) and constituted the majority of aggregate equity AUM. AMC's incur additional distribution costs to on-board retail customers, thereby mandating increased spending on infrastructure and marketing capabilities. As a result, AMC's with a robust existing presence in B-30 markets are well-placed to penetrate these markets more profitably.

The following diagram sets forth the breakdown of B-30 and T-30 MAAUM by regular plans and direct plans as of June 2021:



Source: AMFI, CRISIL Research

Consolidation in the Industry

While the industry has seen an increase in the number of mutual fund players, it has also witnessed consolidation, especially among the mid-sized and smaller AMC's. The larger players (top 10) enjoy the lion's share not only in the industry's assets, but also in revenue and profit.

The following table sets forth certain information on the consolidation of fund houses in recent years:

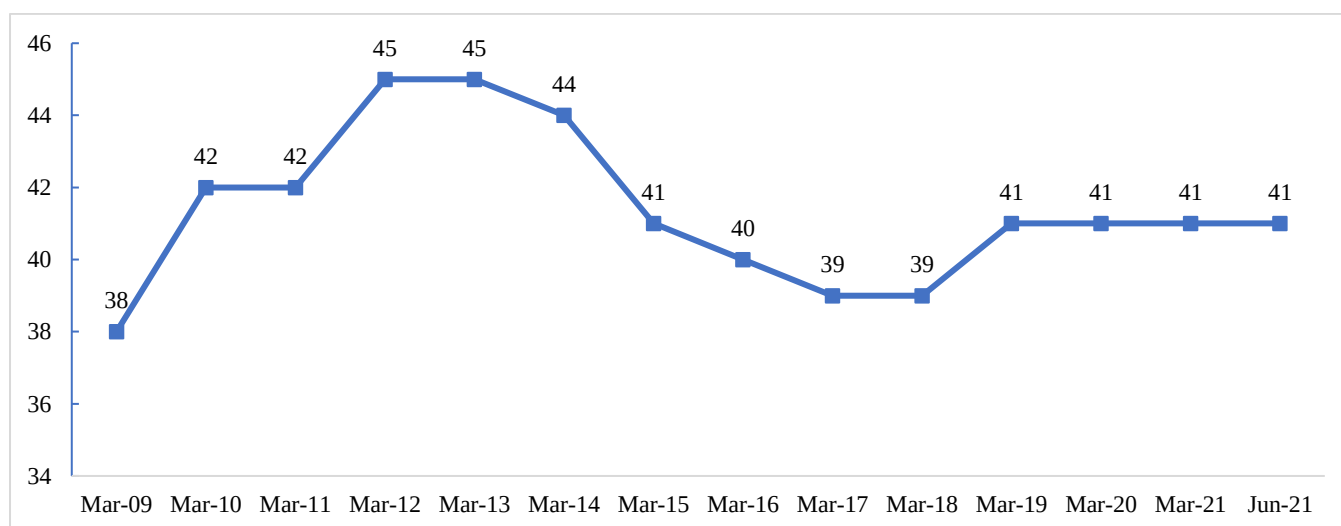
Year	Fund house exited	Merged with	AUM share in the industry on year of exit* (for the exiting entity)	Net profit/ loss (₹ million) last available (for the exiting entity)	Valuation details - deal size in ₹ billion (valuation as a % of AUM)
2012	FIL Fund Management Pvt. Ltd.	L&T Investment Management Pvt. Ltd.	1.31%	(208.1) (March 2012)	NA

2013	Daiwa Asset Management (India) Private Limited	SBI AMC	0.03%	(26.5) (March 2012)	NA
2014	ING Investment Management India Pvt. Ltd	Aditya Birla Sun Life AMC	0.06%	(117.1) (March 2014)	NA
2014	PineBridge Mutual Fund	Kotak Mahindra AMC	0.07%	(58.0) (March 2014)	NA
2014	Morgan Stanley Investment Management Pvt. Ltd.	HDFC AMC	0.28%	(88.9) (March 2013)	NA
2015	Goldman Sachs Asset Management (India) Pvt. Ltd.	Nippon India AMC	0.68%	(170.8) (March 2015)	2.43 (3.4%)
2015	Deutsche Bank Asset Management India Pvt. Ltd.	DHFL Pramerica Asset Managers	1.89%	151.9 (March 2015)	NA
2016	JP Morgan Asset Management India Pvt. Ltd.	Edelweiss Asset Management Ltd.	0.47%	(66.0) (March 2016)	NA
2019	DHFL Pramerica Asset Managers	PGIM India Asset Management Pvt. Ltd.	0.31%	(110.4) (March 2019)	NA
2021#	BNP Paribas Asset Management India Private Ltd	Baroda Asset Management India Limited	0.24%\$	(83.45) (March 2020)	NA

Source: AMFI, AMC annual reports, CRISIL Research

Note: Based on quarterly AAUM as of March (excluding fund of funds – domestic), #Merger of the entity is in progress, \$ as of June 2021.

As of June 2021, there were 41 fund houses (excluding IDFs) having non-zero mutual fund AUM. The following diagram sets forth the number of fund houses having non-zero mutual fund AUM as of the end of the financial periods indicated.



Source: AMFI, CRISIL Research

Note: Excluding IDFs.

Key Risks and Challenges

Stamp duty on mutual funds

A stamp duty of 0.005% is charged on all mutual fund purchases as of July 1, 2020. This is expected to have an impact on large corporates, which mostly put their money in liquid funds for shorter periods. As stamp duty is a one-time charge levied on purchases of mutual funds, the shorter the investment timeframe, the greater will be the impact on returns. As the holding period increases, there would be less impact on returns.

Downturn or volatility in mutual funds and other market-linked products

Retail participation and inflows into mutual funds and other market-linked products are heavily influenced by market performance and sentiment. Any downturn or volatility could make investors shy away from market-linked products and push them towards less-riskier assets.

Poor financial literacy in India

Low financial literacy and the lack of awareness is likely to continue to hinder the mutual funds industry from capitalizing on the full potential of the Indian economy if not addressed. Mutual funds and other market-linked products remain push products in India. Therefore, regular interaction will play a critical role in building trust, retaining investors and increasing penetration. A majority of the population should be given fundamental financial education, which can help them develop basic skills of financial planning. Only then can investors be wooed away from traditional investment products such as fixed deposits, gold and real estate, and towards more sophisticated capital market products such as mutual funds. Development of new distribution channels, regulatory and government support, education initiatives and greater focus on retirement planning will be critical for the mutual funds industry to realize its full potential.

Competition from other financial instruments

Investors have been gradually shifting from physical assets to financial assets. Additionally, they have also been reallocating their savings to mutual funds in recent years. However, as noted earlier, overall mutual fund penetration in the country remains low. In addition, insurance products such as unit-linked investment products, which provide dual benefits of protection and long-term savings, are competing for market share.

High cost of retail expansion

Expanding into the B-30 markets will require substantial investments in marketing and distribution, which will exert pressure on profit margins of fund houses. As a result, they should adopt innovative mobile/online interfaces to reach out to consumers in these markets. This will reduce the cost of customer acquisition, compliance and other processes. In addition, optimal utilization of the branch network of India Post and public sector banks will play an important role in finding the right balance between online interface and in-person interaction. As the recent reductions in TERs have made sourcing of new business from retail investors more challenging, AMCs will need to focus on developing alternative sourcing strategies and improving distributor management.

Political instability or shift away from the pro-growth policy

Political instability in India or regions across the globe, any harsh protectionist measures by larger economies, or faster-than-required tightening of monetary policy could impact growth and global trade.

Other Revenue Opportunities

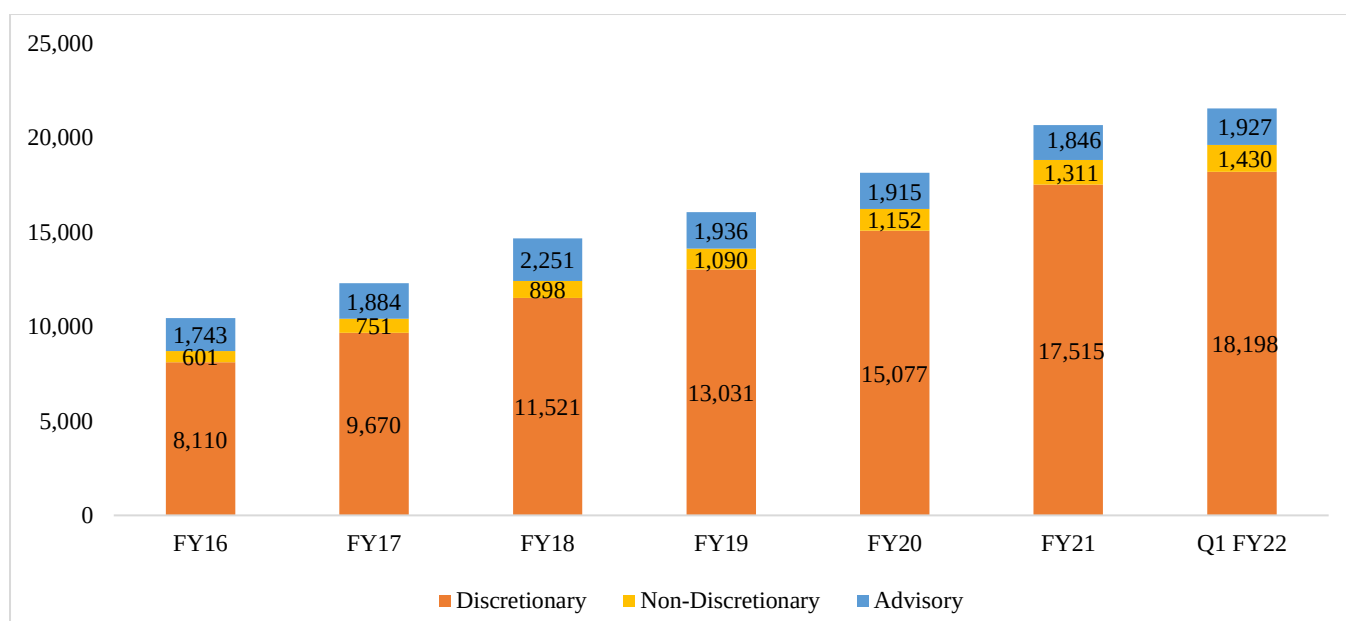
Portfolio management services

In India, portfolio management services (“PMS”) are offered by AMCs, banks, brokerages and independent investment managers. They focus primarily on customized discretionary, non-discretionary or advisory service through services offerings tailored to meet specific investment objectives through basic PMS for stocks, cash, fixed income, debt, structured products and other individual securities. Apart from managing mutual fund schemes, AMCs in India have started offering tailor made strategies with higher flexibility to investors through PMS. As of May 2021, there were 361 portfolio managers (including AMCs) registered under SEBI. As of May 2021, discretionary PMS dominated the space with an 84.4% share, followed by advisory (9.0%) and non-discretionary (6.6%) services.

Over the past five years, the industry has seen significant growth, with the market becoming more mature, an increase in the number of HNIs, greater need for customized asset allocation based on risk-return profiling, and growing awareness of PMS as a product. As of April 2021, the AUM of PMS asset managers stood at approximately ₹20.7 trillion, reflecting a CAGR of 14.7% over the past five years. In May 2020, the AUM of PMS asset managers reached ₹21.3 trillion.

However, on November 20, 2019, SEBI announced an increase in the required minimum ticket size for investing in PMS from ₹2.5 million to ₹5.0 million and the minimum net worth requirement for PMS providers from ₹20 million to ₹50 million, effective within 36 months. Along with additional changes aimed at increasing transparency for retail investors, we expect this to impact PMS AUM growth, as the market for potential investors will decrease. The increase in net worth requirement will likely limit the number of businesses that enter and retain their registrations and help bigger players, which, in turn, should lead to increased investor confidence in the product.

The following diagram sets forth the AUM for discretionary, non-discretionary and advisory PMS as of the end of the financial periods indicated, in Rupee billions:



Source: SEBI, CRISIL Research

The following table sets forth the PMS AUM of certain AMC's (arranged in descending order of total AUM as of June 2021), as of June 2021:

	Discretionary	Non – Discretionary (₹ in billions)	Advisory	Total
UTI AMC	7,560	496	105	8,161
SBI AMC.....	7,793	23	9	7,825
Nippon India AMC.....	730	505	2	1,237
Motilal Oswal AMC.....	148	0	3	151
Franklin Templeton AMC	0	0	146	146
India Infoline AMC	108	0	37	145
Invesco AMC.....	11	0	98	110
HSBC AMC	32	0	4	36
ICICI Prudential AMC	5	8	10	24
HDFC AMC	0	0	22	22
BNP Paribas AMC.....	16	0	2	18
Aditya Birla Sun Life AMC.....	16	0	0	16
LIC AMC	15	0	0	15
Kotak Mahindra AMC.....	8	0	0	9
Axis AMC	2	0	0	2
Edelweiss AMC.....	1	0	0	1
Tata AMC.....	7,793	23	9	7,825
PGIM AMC.....	730	505	2	1,237
IDFC AMC.....	148	0	3	151

Source: SEBI, CRISIL Research

PMS differ from more traditional mutual fund investment products in a number of ways:

- **Asset holdings.** Mutual fund investors are allotted units against their holding in a basket of stocks that is the same for all investors in the fund. For PMS investors, a portfolio manager creates a separate account into and out of which the portfolio manager subsequently transfers individual stocks on behalf of the client.
- **Minimum ticket size.** Minimum ticket sizes for mutual funds are ₹100, whereas regulations require PMS be offered only to investors with a minimum of ₹5 million of stocks or cash and some PMS providers have minimum ticket sizes in excess of ₹10 million.
- **Flexibility.** Discretionary PMS gives more flexibility to the fund manager than mutual funds in portfolio, reallocations, investment horizons and redemptions.
- **Fee structure.** PMS providers usually charge a fixed management fee, custodian fee and brokerage fee and many PMS providers offer flexible fee structures (e.g., lower fixed fees in exchange for higher performance fees and vice versa),

whereas mutual fund fees are generally limited by a TER for each scheme, which includes all commissions, investment management fees, administration charges and other scheme-related expenses.

- Transparency and accountability. PMS can have real-time information on every transaction in the portfolio whereas mutual fund investors get a daily NAV, monthly factsheet of final holdings and daily disclosure of TER of all mutual schemes except infrastructure debt fund schemes, by AMCs on their websites. A PMS investor can seek clarifications and the fund manager is directly accountable to the client, especially in the discretionary portfolio. However, in the case of mutual funds, the fund manager will keep investing as per the fund's mandate and is not accountable to any individual client.
- Redemption. Average annual redemptions (as a proportion of opening assets under management) in equity MFs have been higher as against key equity PMS schemes (as they usually have high exit loads and longer lock-in period).
- Taxation. Mutual fund schemes have a "pass-through" status and thus no separate tax liability, when securities are bought or sold, whereas PMS investors hold securities in their own name and are thus subject to every incidence of a capital gain/loss.
- Separate status. PMS portfolios have a separate status and thus the portfolio manager will sell the portfolio of interested clients only, which will not affect other clients who wish to stay invested. In mutual funds, the entire portfolio is impacted in instances of high redemptions, which requires mutual funds to have a constant cash allocation to manage liquidity risk.

Distribution channels

PMS providers tie up with distributors to market their product to the end-investor. Distributors account for a major chunk of PMS providers' incremental inflow compared with their internal sales team and referrals from existing customers. Wealth managers, brokerages, domestic banks and foreign banks are the major distributors of PMS products in India. They usually earn an upfront commission of 1.0-1.5% as soon as they sell an equity PMS product to their client. After that they earn trail commission, which is relatively smaller than the upfront commission until the investor withdraws his money from the scheme. Sometimes, there is also an arrangement where a higher upfront commission is paid and no trail commission is paid later. Further, AMCs having these kinds of mandates can attract various retail investors because of higher visibility and cross-selling opportunities arising out from it.

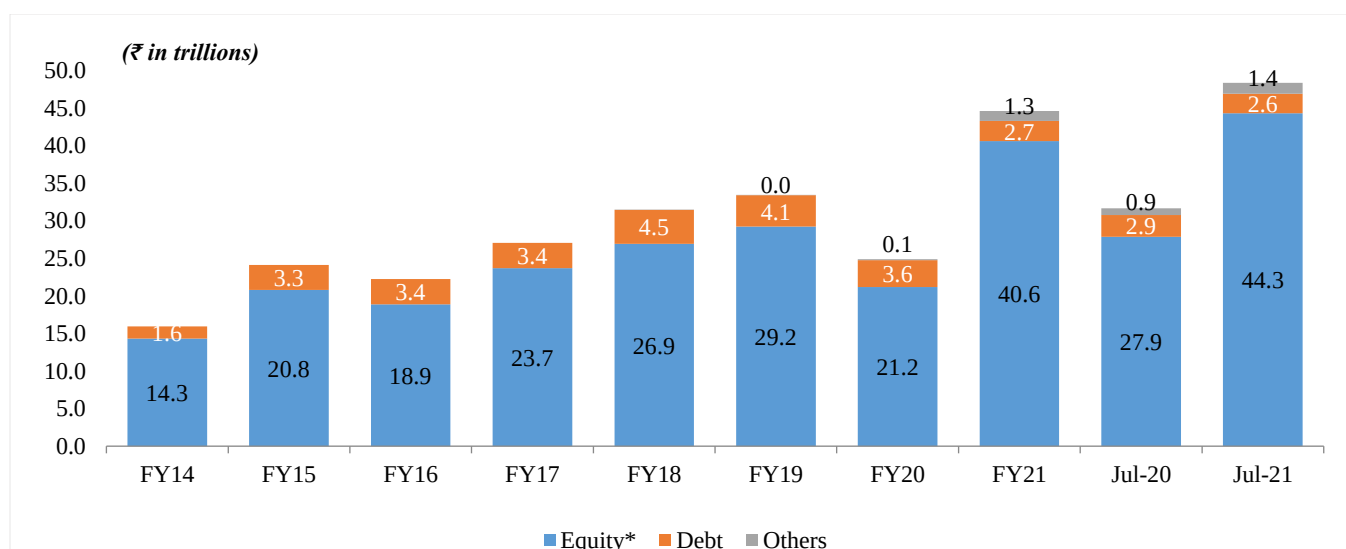
Alternative investment funds ("AIFs")

Compared with mutual funds and PMS, the AIF market in India is still emerging. Following the SEBI regulations that were introduced in 2012, the number of AIFs registered in India have grown significantly. The funds raised by AIFs increased significantly from ₹853 billion as of March 31, 2018, to ₹2,300 billion as of March 31, 2021. The investments made by AIFs rose from ₹614 billion to ₹2,005 billion during this period.

Offshore management/advisory services

Offshore advisory services cater to foreign investors, who wish to participate in the Indian markets. The assets under custody ("AUC") of FPIs/FIIs in India have increased from ₹15.9 trillion in the financial year 2014 to ₹48.4 trillion, as of July 2021. As of July 2021, equity and debt constituted 91.5% and 5.4% of the assets, respectively. Some of the AMCs generate revenue through managing or advising offshore funds, and CRISIL Research expect this to continue to modestly boost overall revenue.

The following diagram sets forth a breakdown of AUC of FPIs/ FIIs by equity and debt as of the end of the financial periods indicated:



Source: NSDL; CRISIL Research

Note: *Equity includes hybrid funds.

Mutual Fund Industry Outlook

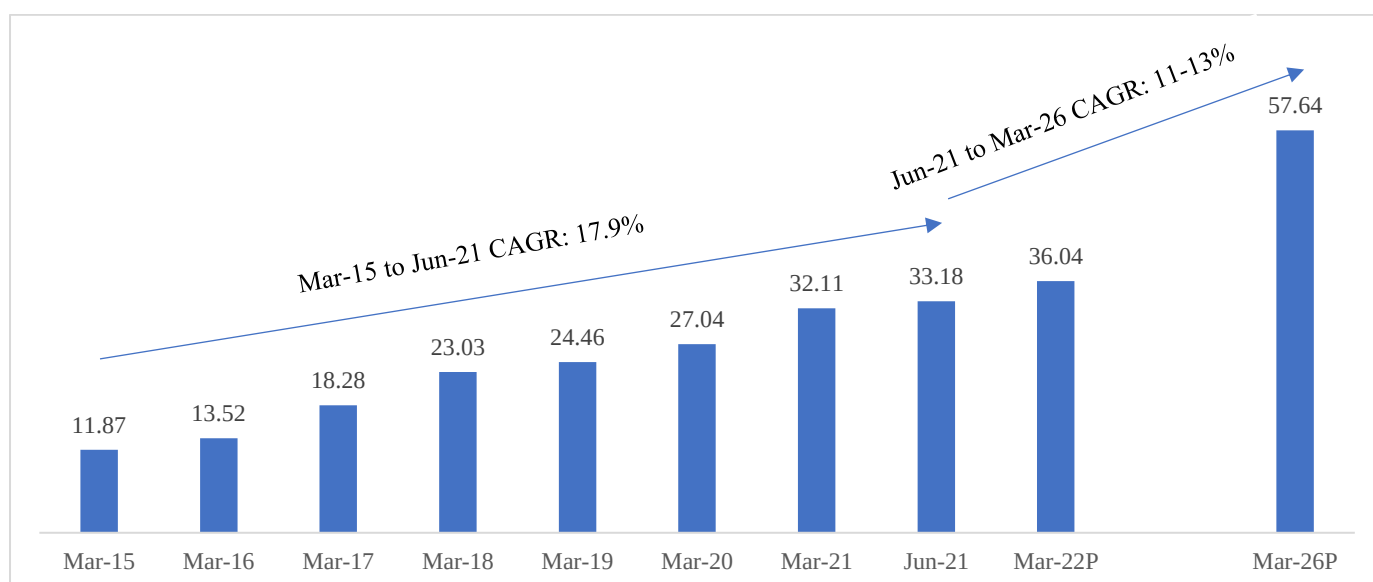
AUM Growth Outlook

The mutual fund industry's QAAUM grew approximately 19% year-on-year in the financial year 2021.

In the long term, i.e. between June 2021 and March 2026, the overall industry's AUM is projected to sustain a high growth trajectory of between 11% and 13% CAGR, reaching ₹57 trillion. Growth is expected to be driven by (i) pick-up in corporate earnings following stronger economic growth, higher disposable income and investable household surplus, (ii) increase in aggregate household and financial savings, (iii) deeper regional penetration as well as better awareness of mutual funds as an investment vehicle, (iv) continuous improvement in ease of investing, with technological innovations and expanding internet footprint, and (v) perception of mutual funds as long-term wealth creators, driven in part by initiatives like the Mutual Fund Sahi Hai campaign.

The announcement in Union Budget 2021-22 taxing contributions over ₹250,000 per annum in unit-linked insurance plans, which is in-line with equity mutual funds, is also expected to partly aid inflows into mutual funds.

The following diagram sets forth the historical and projected QAAUM, in Rupee trillions, as of the end of the financial years indicated:



Source: AMFI, CRISIL Research

Note: "E" means estimated. "P" means projected.

The industry's aggregate QAAUM grew at a CAGR of 18.98% between March 2012 and June 2021, to ₹33.18 trillion, driven by increasing aggregate financial savings combined with growing investor awareness of mutual fund products. However, AUM in the last quarter of the financial year 2020 fell on account of the nationwide lockdown and corresponding fall in capital market indices. During the financial year 2021 and the first quarter of the financial year 2022, debt funds saw inflows of approximately ₹1,904 billion, liquid/money market funds saw inflows of approximately ₹248 billion, ETFs saw inflows of approximately ₹590 billion, and equity market funds saw inflows of approximately ₹102 billion.

Since March 2012, ETFs have posted the highest growth, with assets swelling at over 43% CAGR over a low base. Institutional investors, such as the Employees' Provident Fund Organisation ("EPFO"), began investing a portion (currently 15%) of their fresh accretion/incremental deposits into equities via passively-managed funds – an industry trend, which we expect to sustain in the long term.

Average AUM of equity-oriented funds grew at a CAGR of 24.13% as of June 2021, to ₹14.62 trillion, while debt-oriented funds rose a noticeably lower CAGR of 13.36%, largely because of the IL&FS default and the ensuing NBFC crisis. These events, and the subsequent Franklin Templeton episode, had a negative impact on investor confidence in debt instruments. However, as the effects of the pandemic subside, investor appetite for debt is expected to return.

Meanwhile, average AUM of liquid/money market funds logged 15.40% CAGR from March 2012 to June 2021, supported by corporate investments, stable returns, and re-allocation from long-term debt instruments.

The following table sets forth the historical QAAUM by asset class in India as of the end of the financial periods indicated:

	March 2012	March 2013	March 2014	March 2015	March 2016	March 2017	March 2018	March 2019	March 2020	March 2021	June 2021	March 2012 to March 2021 CAGR
	<i>(₹ in trillions)</i>											
Equity	1.98	2.03	1.97	3.65	4.18	5.93	9.58	10.21	11.31	13.55	14.62	24.13%
Debt	3.05	4.08	4.52	5.31	5.88	7.99	8.13	7.15	7.97	10.22	9.73	13.36%
Liquid/ Money Market	1.51	1.92	2.45	2.77	3.27	3.94	4.56	5.92	5.96	5.54	5.78	15.40%
ETF	0.11	0.14	0.11	0.14	0.19	0.43	0.76	1.19	1.81	2.88	3.05	43.22%
Total	6.65	8.17	9.05	11.88	13.52	18.28	23.03	24.46	27.04	32.11	33.18	18.98%

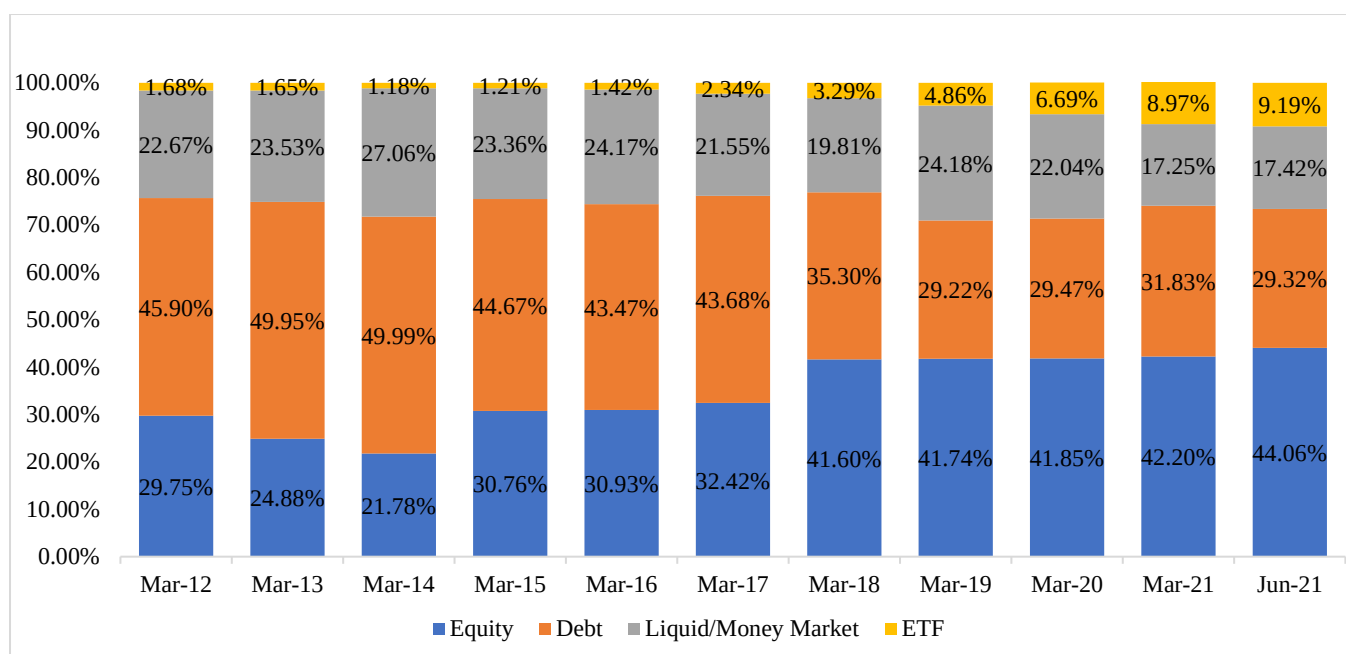
Notes: Equity includes equity funds, ELSS, index funds, solution-oriented funds, and balanced funds. Debt funds include gilt, income, conservative hybrid, floater funds, and FoFs investing overseas. ETF includes gold ETFs and other ETFs. Liquid/ money market includes liquid funds, overnight funds, and money market funds.

The share of equity funds rose from 29.75% as of March 2012 to 44.06% as of June 2021, led by sharp rise in inflows via the SIP route and mark-to-market ("MTM") gains in the underlying stocks. The other big gainer was the ETF segment, which expand from a marginal 1.68% to 9.19% during the period, supported by institutional investing, especially by the EPFO.

In contrast, the share of the debt fund category decreased to 29.32% in the June quarter of the financial year 2022 from 45.9% in the March quarter of the financial year 2012 as the Franklin Templeton episode snowballed into large scale redemptions across debt funds.

The QAAUM share of liquid and money market funds also declined, from 22.67% as of March 2012 to 17.42% as of June 2021, as the category lost out on the amortization benefit after being MTM, and as investors chased higher yields in short maturity debt funds.

The following diagram sets forth a breakdown of QAAUM share by asset class in India as of the end of the financial periods indicated:



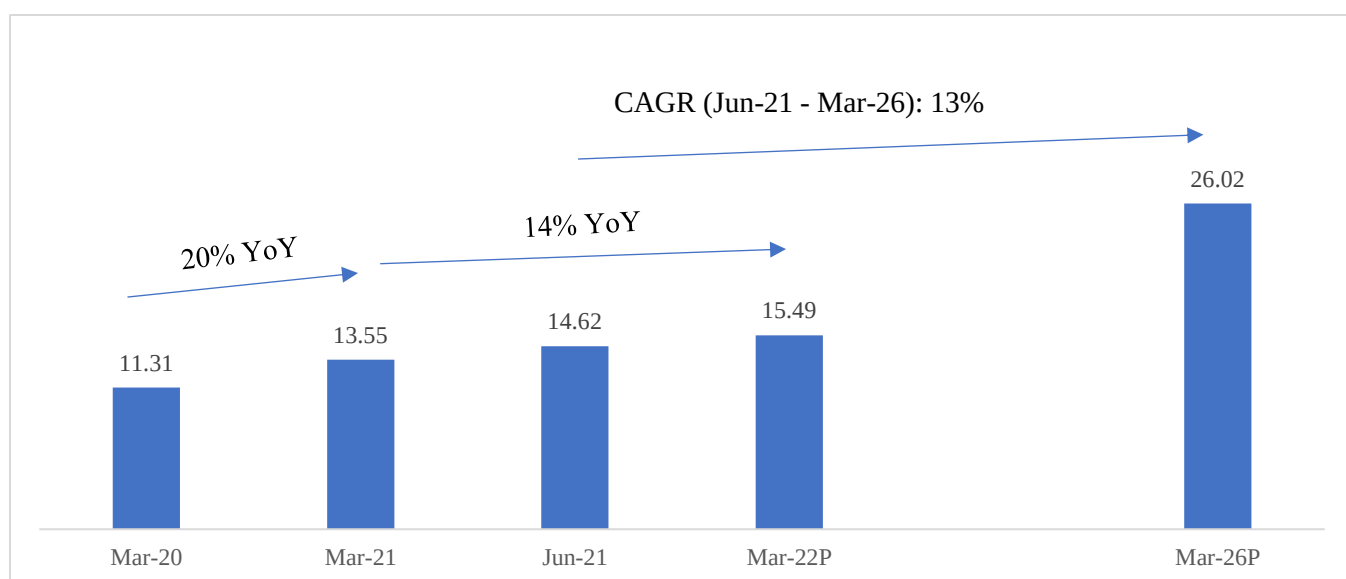
Source: AMFI, CRISIL Research

Notes: Equity includes equity funds, ELSS, index funds, solution-oriented funds, and balanced funds. Debt funds include gilt, income, conservative hybrid, floater funds, and FoFs investing overseas. ETF includes gold ETFs and other ETFs. Liquid/ money market includes liquid funds, overnight funds, and money market funds.

Strong performance of the overall industry can be attributed to increased financial savings as well as improving investor awareness about the benefits of mutual funds in the financial savings basket.

Equity AUM posted a strong growth of 20% in the financial year 2021 on account of higher MTM gains during the year. In the medium to long term, CRISIL Research expect the MTM gains in the category to moderate down to an average between 6-10% in next five years post March 2021. In the long term, CRISIL Research expect the equity AUM to grow at around 13% CAGR over June 2021 and March 2026.

The following diagram sets forth the historical and projected equity QAAUM in India, in Rupee trillions, as of the end of the financial periods indicated:



Source: AMFI, CRISIL Research

Note: “E” means estimated. “P” means projected.

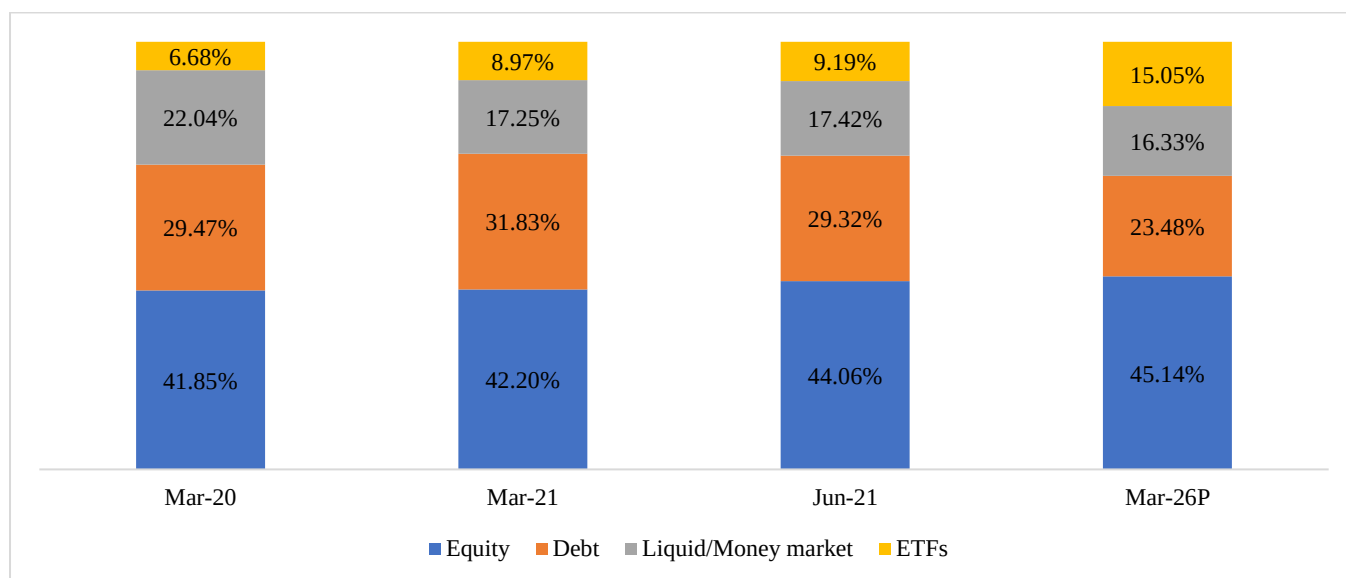
Debt mutual funds have grown around a CAGR of 13.4% between the March 2012 and June 2021. The growth was mainly led by participation by institutional investors (mainly Banks/FI and Corporates). CRISIL Research expects, inflows in the short term, to be directed towards debt funds investing in the shorter end of the yield curve on the back of rising inflation. In the long

term, the segment is expected to grow at around 7% CAGR in the next 5 years (June 2021 to March 2026) on the back of economic recovery and improving business outlook.

The liquid/money market funds' AUM has increased by around 15.4% CAGR between March 2012 and June 2021. The investor base in the segment is largely composed of corporates and banks. Pickup in economic recovery and improving business outlook post the disruption posed by COVID-19 are expected to aid inflows in liquid/money market funds going ahead. CRISIL Research expects the segment to grow at approximately 11% CAGR in the next 5 years (June 2021 to March 2026).

ETFs have witnessed a higher AUM growth rate relative to other categories between March 2012 and June 2021 (increasing by around 43% CAGR over the period). CRISIL Research expects this segment to continue to witness robust inflows due to increasing awareness about passive investment strategies, and the global trend of active fund managers finding it increasingly difficult to generate alpha. Increasing participation by institutional investors in recent years has supported the growth of this segment, and CRISIL Research expect this trend to continue. In the long term, CRISIL Research expect the segment to grow at around 25% CAGR over June 2021 to March 2026.

The following diagram sets forth the breakdown of QAAUM share in India by asset class, as of the end of the financial periods indicated:



Source: AMFI, CRISIL Research

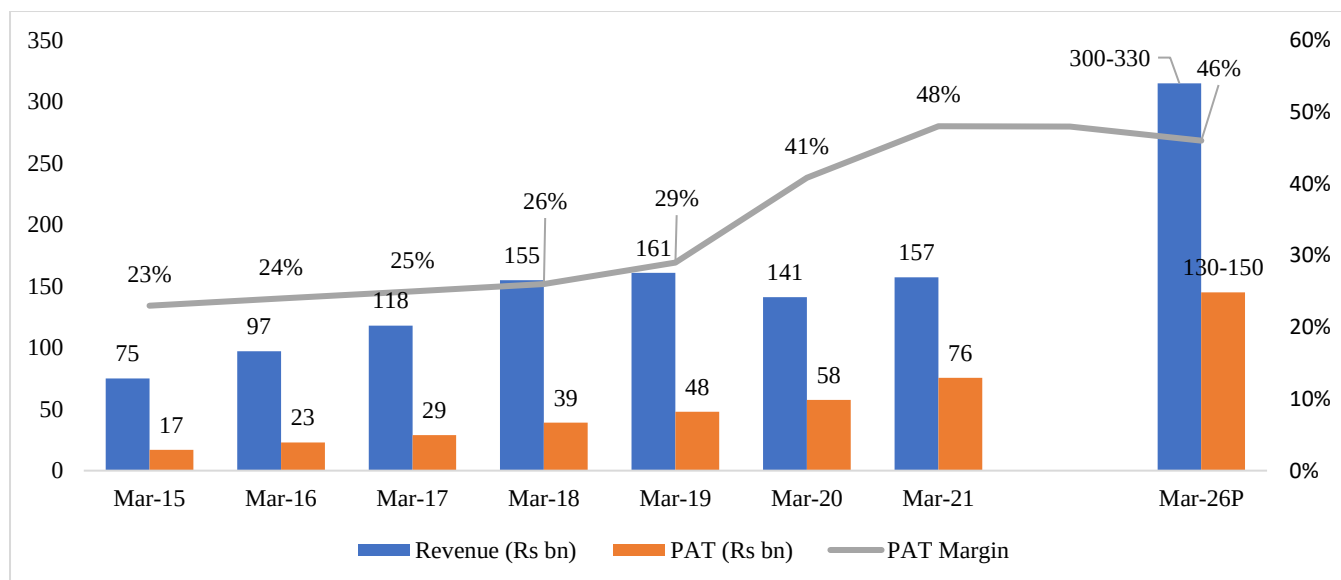
Note: "E" means estimated. "P" means projected. Equity includes equity funds, ELSS, index funds, solution-oriented funds, and balanced funds. Debt funds include gilt, income, conservative hybrid, floater funds, and FoFs investing overseas. ETF includes gold ETFs and other ETFs. Liquid/ money market includes liquid funds, overnight funds, and money market funds.

Revenue Growth Outlook

CRISIL Research estimates the industry's revenue to reach a CAGR of between 13% and 15% from the financial year 2021 from ₹157 billion to ₹300-330 billion by the financial year 2026, driven mainly by growth in AUM and incremental re-allocation of AUM from fixed income to equity-oriented funds, which usually charge higher investment management fee (on actively managed equity funds) than other categories. In addition, other revenue streams, including PMS, AIFs and offshore advisory services, are expected to supplement core growth at a healthy pace, driven by a growing appetite for high-ticket investments in the HNI segment.

CRISIL Research expects the industry's profitability to improve and net profit to grow at a CAGR of between 13% and 15% to between ₹130 billion and ₹150 billion between the financial years 2021 and 2026. Asset management fees are expected to decline as a result of an increase in fund sizes, increasing competition, tighter TER regulations and higher marketing expenses. However, higher operating leverage with AUM moving northward, increase in employee efficiency and operating efficiency with technological advancements is expected to improve profitability.

The following diagram sets forth the historical and projected growth in industry revenue and profit in India for the financial years indicated:



Source: AMC annual reports, CRISIL Research

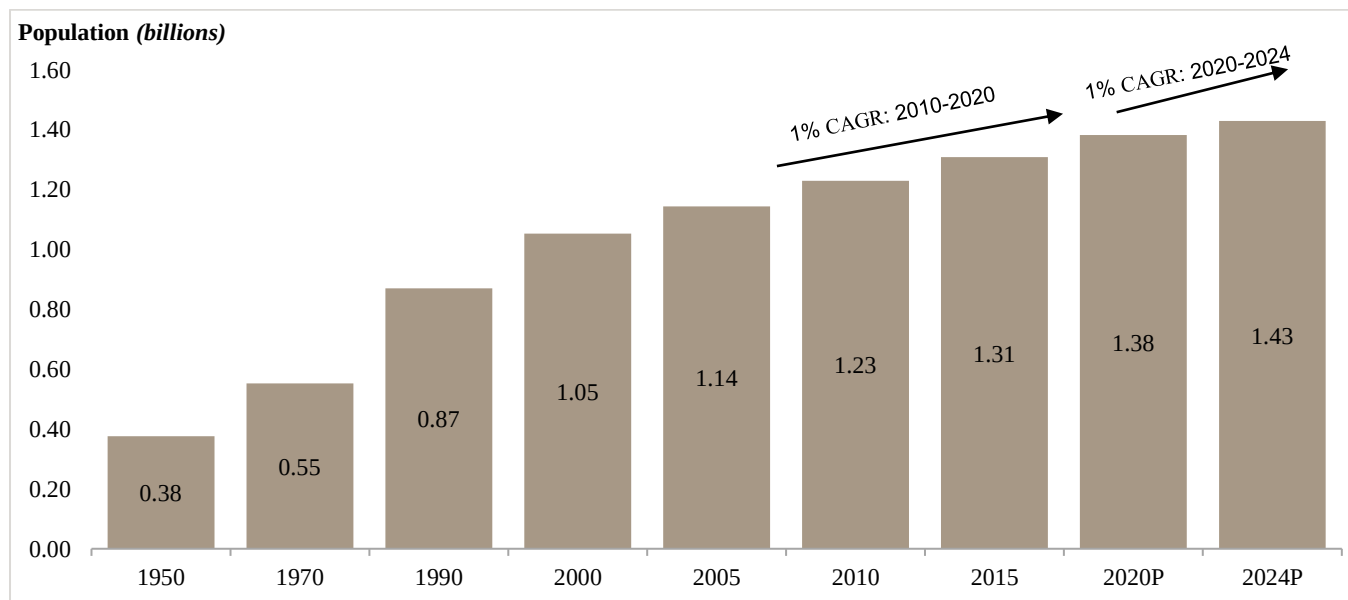
Note: "P" means projected.

Growth drivers

Population

India is the second most populated country after China. Between the end of 2001 and 2010, India's population grew nearly 15% and it is expected to continue to grow at a rate of 1% per year to 1.43 billion by 2024.

The following diagram sets forth the historical and projected population and population growth of India for the years indicated:



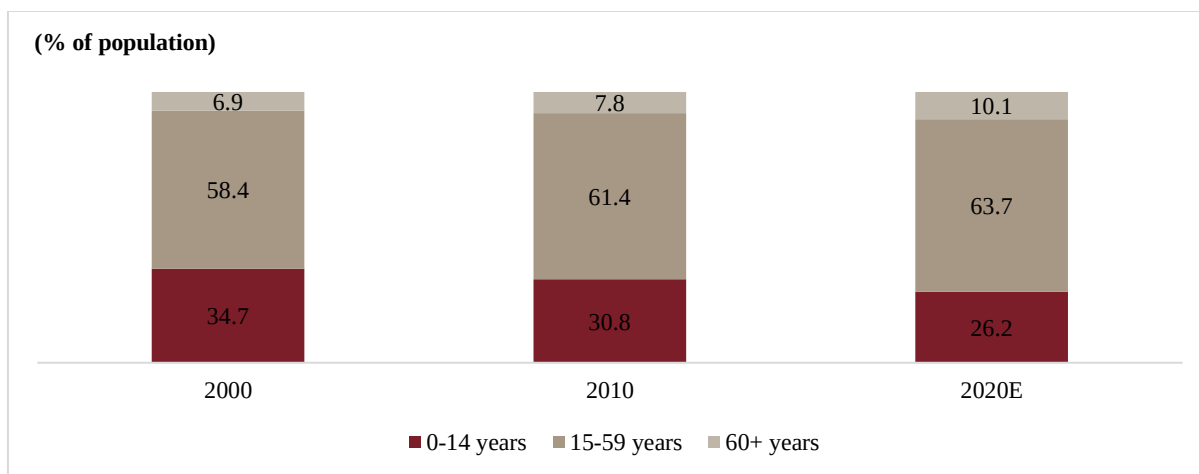
Source: United Nations Department of Economic and Social affairs, CRISIL Research

Note: "P" means projected.

Age and size of working population

According to the United Nations' World Population Prospects 2019 estimates, as many as 90% of Indians are expected to be below the age of 60 by 2020, compared with 77%, 83% and 86% in the US, China and Brazil, respectively. By 2020, India's working population (in the age bracket of 15-59) is expected to be 64% of its total population.

The following diagram sets forth the age and size of working population in India, as a percentage of total population, for the years indicated:



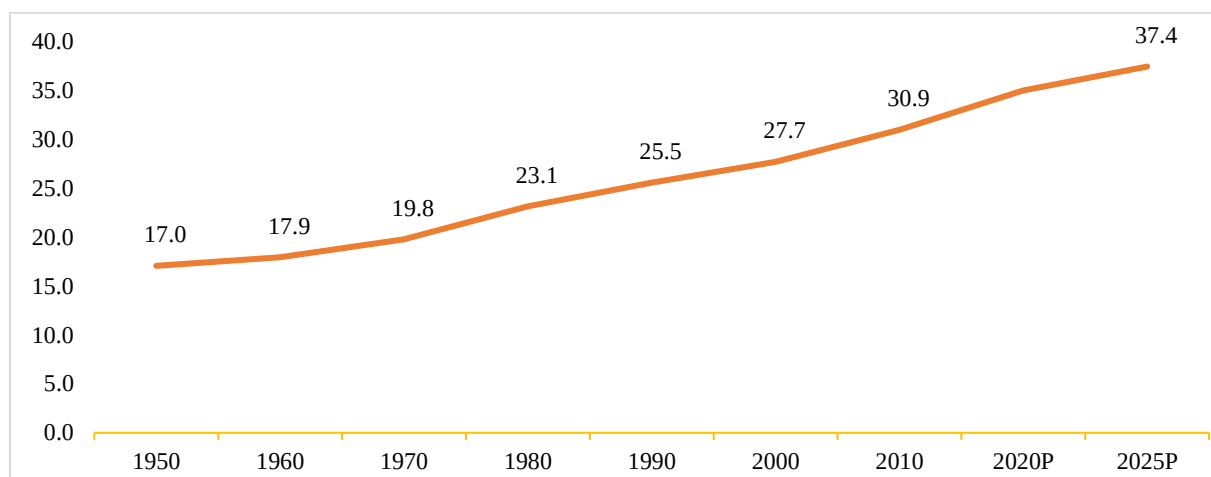
Source: United Nations Department of Economic and Social affairs, CRISIL Research

Note: "E" means estimated.

Urbanization

Urbanization is one of India's most important economic growth drivers as it is expected to drive investments in infrastructure development. Urbanization is expected to lead to job creation, development of modern consumer services and increased ability to mobilize savings. The country's urban population has been rising consistently. In 1950, it was 17% of total population. According to the UN's report *World Urbanization Prospects: The 2018 Revision*, it was estimated at 34% for India. This is expected to reach 37% by 2025.

The following diagram sets forth the projected growth in India's urban population, as a percentage of total population, for the years indicated:



Source: Census 2011, *World Urbanization Prospects: The 2018 Revision* (UN)

Note: "P" means Projected.

Financial inclusion, investor education and regulatory initiatives

- **Financial inclusion:** The low mutual fund penetration in the country is largely due to the lack of awareness about this investment vehicle. The SEBI's investor awareness survey of 2015 showed that mutual funds/ SIPs were used by only 10% of the respondents as investment and saving avenues. The Government launched the Pradhan Mantri Jan Dhan Yojana with an objective to widen financial inclusion by bringing the unbanked population into the formal banking system. Under the scheme, there were as many as 428.9 million beneficiaries as of July 30, 2021, with deposits totaling ₹1,438 billion. Over time, these new banking customers are also expected to utilize other financial sector activities such as investing in capital markets through mutual fund products. Other government and regulatory initiatives aimed at widening the formal financial system will also aid this growth.
- **Investor education:** SEBI has directed AMCs to annually set aside at least 2 bps of their daily net assets for investor-education initiatives such as boosting awareness about capital market investment products. The overall increase in advertising by the fund houses and robust market performance are likely to boost industry AUM, which, in turn, will result

in higher spending on investor awareness and assist with mutual fund penetration among new investors, particularly in B-30 markets.

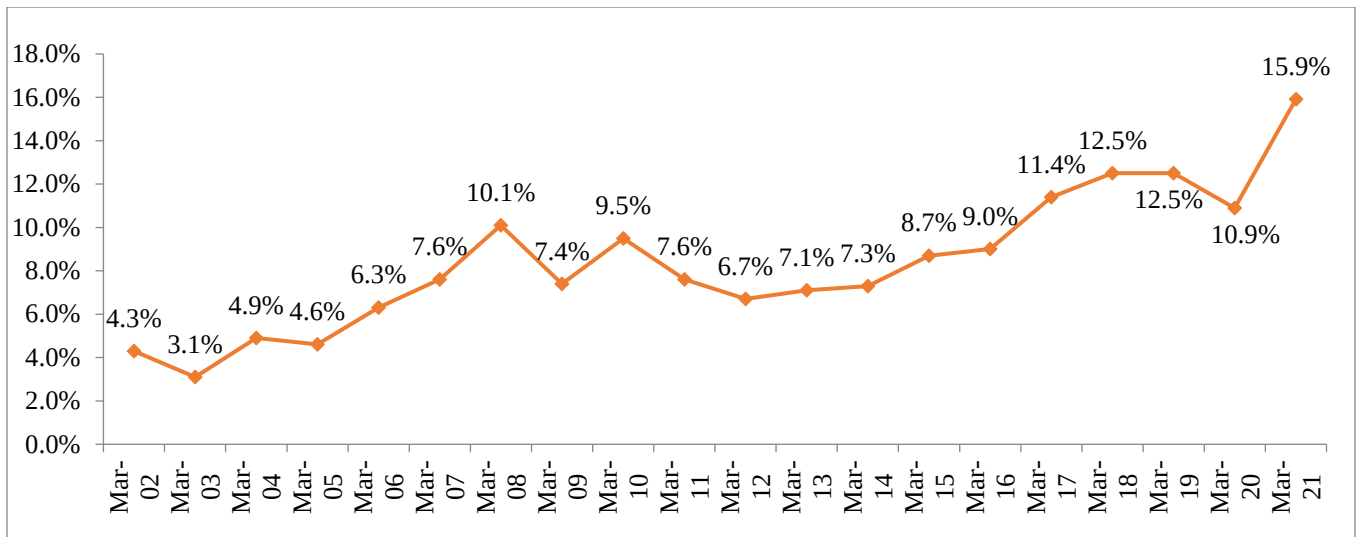
- **Retirement planning:** Retirement planning is an untapped market in India. If channeled through mutual funds, it has the potential to significantly improve penetration among households. EPFO's move to invest 15% of its fresh accretion into ETFs has boosted the industry. This illustrates how mutual funds can be promoted as a vehicle for retirement planning in India. The substantial proportion of young population offers huge potential for this.
- **Tax benefits:** The popularity of equity-linked savings schemes ("ELSS"), a mutual fund product that helps investors save income tax (under Section 80C of the Income Tax Act, 1961), has also grown. These schemes have a lock-in period of three years. Over the past five years, many of these schemes have outperformed their benchmark indices. Their aggregate AUM as of March 2019 stood at ₹1,253 billion, up from ₹416 billion in March 2016, reaching a CAGR of 24.6%. This further illustrates retail investors' rising interest in equity products.
- **Technology:** Technology is expected to play a pivotal role in taking the financial sector to the next level by helping overcome the challenges stemming from India's vast geography. Financial sector players are finding it commercially unviable to have dense physical footprints in smaller locations. India's demographic structure, with the median age at 28 years, is also favorable for technological advancement in the sector. The younger population is expected to be able to use seamless technological platforms to meet their financial requirements. Increasing smartphone penetration and improved data speed are expected to support digitalization of the sector, which, in turn, should help AMC's lower their cost and improve overall efficiency. Service providers with better mobile and digital platforms will be better positioned to acquire new customers entering the industry.
- **Easy access to mutual fund products:** In May 2017, SEBI allowed investments ₹50,000 per mutual fund per the financial year through digital wallets. Given the rise in the penetration of smartphones and greater adaption of technology platforms by the young population, measures such as these can make mutual fund products more easily available to investors. The growth in AUM through the direct route can also be partially attributed to the ease of transactions facilitated by online portals, including mobile applications. While the direct route is mainly used by institutional investors, CRISIL Research have seen a gradual increase in the share of individual investors through this route. The introduction of the mutual fund utility platform, which allows investors to transact with schemes of multiple fund houses through a single window, has also boosted the ease of access.
- **Instant access facility:** In May 2017, SEBI allowed mutual funds to offer instant access facility via online mode to individual investors in liquid schemes. People can invest ₹50,000 or 90% of the folio value, whichever is lower, via this route. The regulation will facilitate instant redemption for liquid fund investors who park money for shorter time frames. While this category of mutual funds is currently dominated by institutional investors, introduction of the facility is encouraging individual investors to park excess funds in liquid products instead of savings accounts.
- **e-KYC for retail investors:** Reintroduction of Aadhaar-based KYC will allow investors residing in India to go to any AMC website to complete their e-KYC process. This will reduce the time and cost associated with paper on-boarding processes. It will also lower the inconvenience threshold, which keeps a section of investors from entering the market. According to the latest notification on November 5, 2019, even SEBI-registered mutual fund distributors and advisors will be able to complete the e-KYC process by registering as a sub-KUA with a KYC user agency (KUA). The KUA has to be registered with the Unique Identification Authority of India.
- **Fund performance across categories:** Performance of various categories of schemes has been a key driver of the industry's growth. Despite the short-term volatility, long-term returns across segments have been robust and competitive. The availability of tax benefits and the ability to invest in different types of funds allow investors to allocate funds in keeping with their investment constraints and objectives. Overall, investor confidence in the asset class is likely to only increase over time.

Mutual Fund Penetration

Mutual fund assets in India have seen robust growth, especially in recent years, driven by a growing investor base due to increasing penetration across geographies, strong growth in capital markets, technological progress, and regulatory efforts aimed at making mutual fund products more transparent and investor-friendly.

Although mutual fund AUM (AUM is calculated in this "Industry Overview" section as excluding domestic FoFs and including overseas FoFs) as a percentage of GDP grew from 4.3% in the financial year 2002 to approximately 15% in the financial year 2021, penetration levels remained well below those in other developed and fast-growing peers.

The following diagram sets forth mutual fund AUM as a percentage of GDP as of the end of the financial periods indicated:

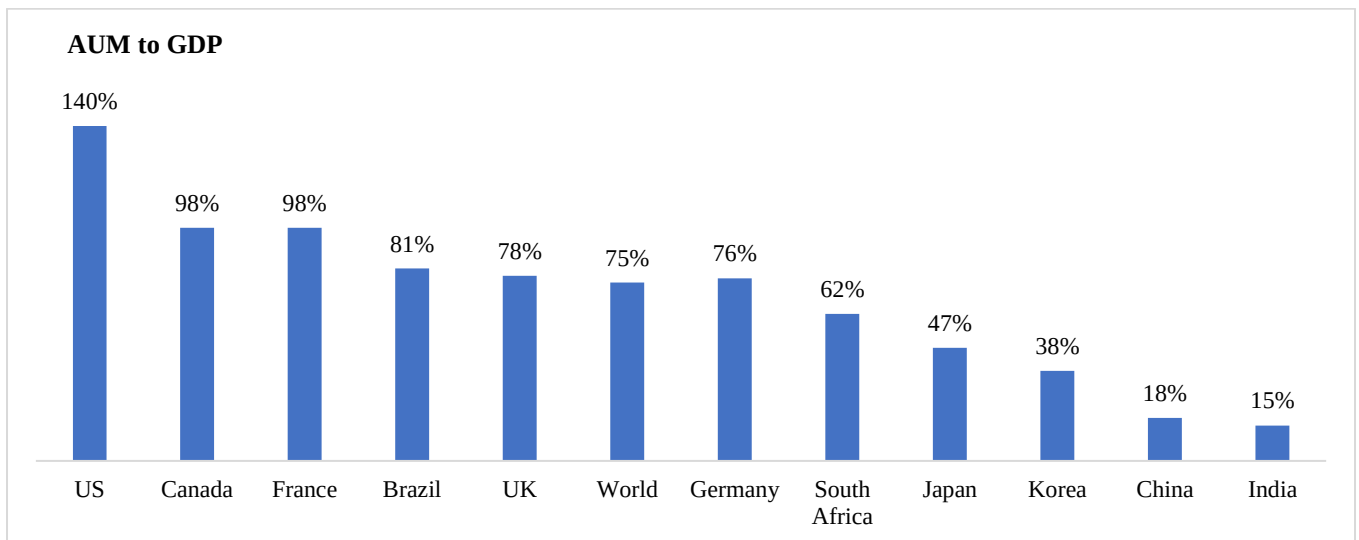


Source: AMFI, IMF, RBI, CRISIL Research

Note: Based on end of the financial year AUM and GDP at current prices.

India's (15%) mutual fund penetration (AUM-to-GDP) is significantly lower than the world average of 75% and also lower than many developed economies such as the United States (140%), Canada (98%), France (98%) and the UK (78%) and key emerging economies such as Brazil (81%) and South Africa (62%).

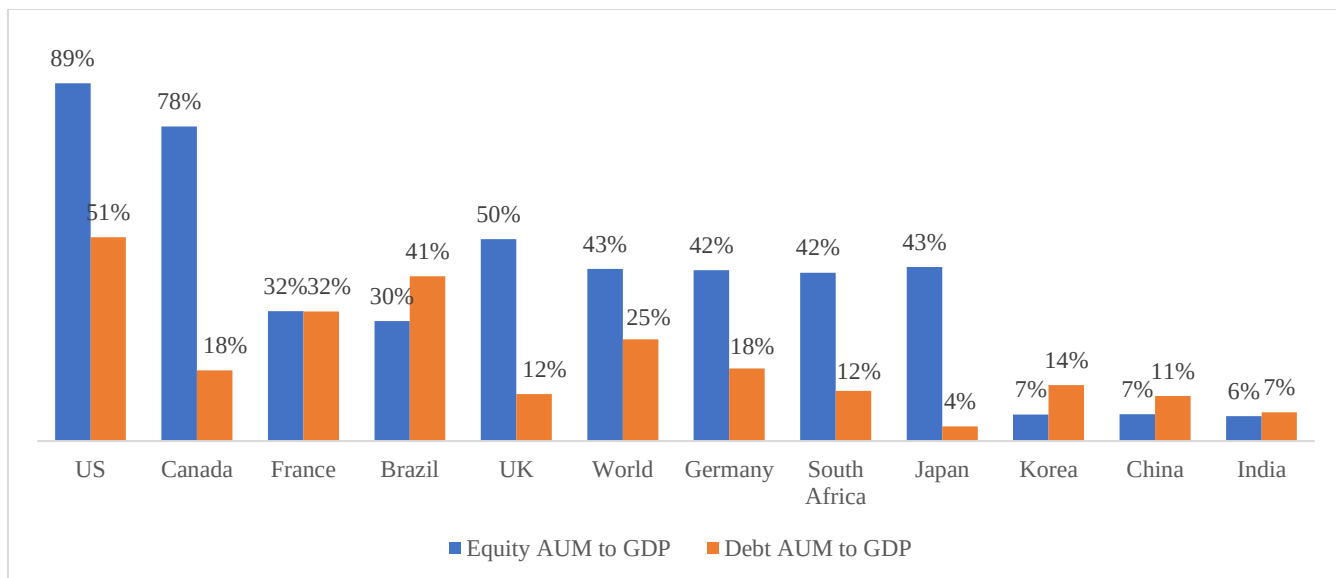
The following diagram sets forth a comparison of mutual fund AUM as a percentage of GDP of India as compared to other countries as of the calendar year 2020:



Source: IMF, IIFA, CRISIL Research

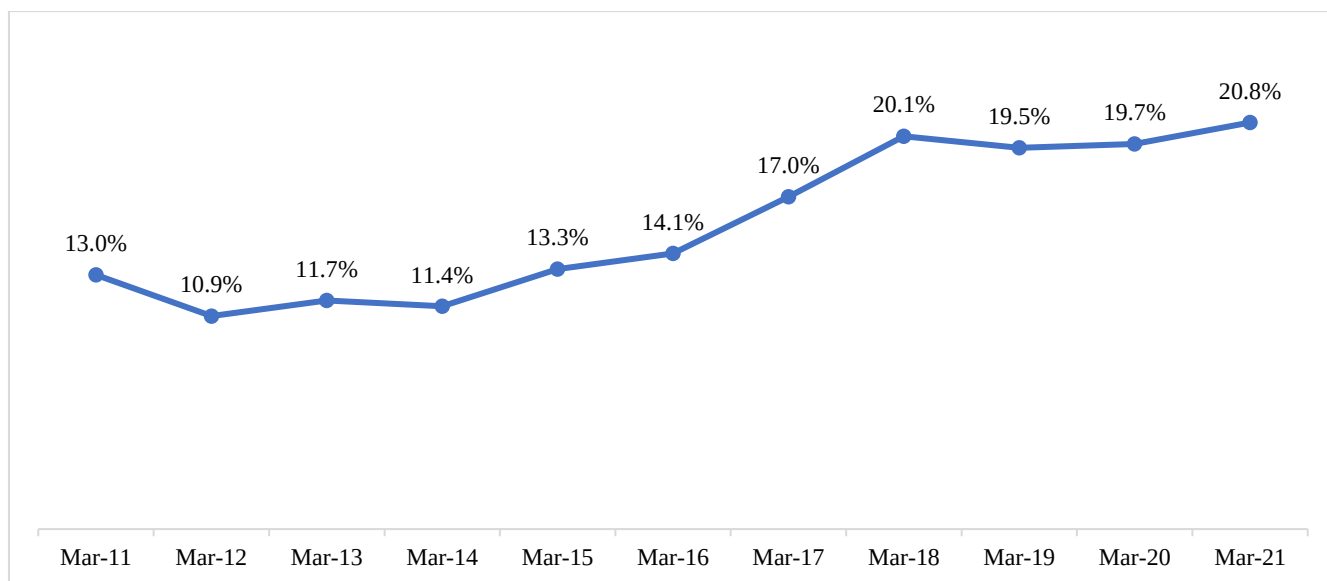
The ratio of the equity mutual fund AUM to GDP in India is considerably low at 6% compared with 89% in the United States, 78% in Canada, 50% in the United Kingdom, and 30% in Brazil.

The following diagram sets forth a comparison of mutual fund equity AUM and debt AUM as a percentage of GDP of India as compared to countries as of the fourth quarter of the calendar year 2020:



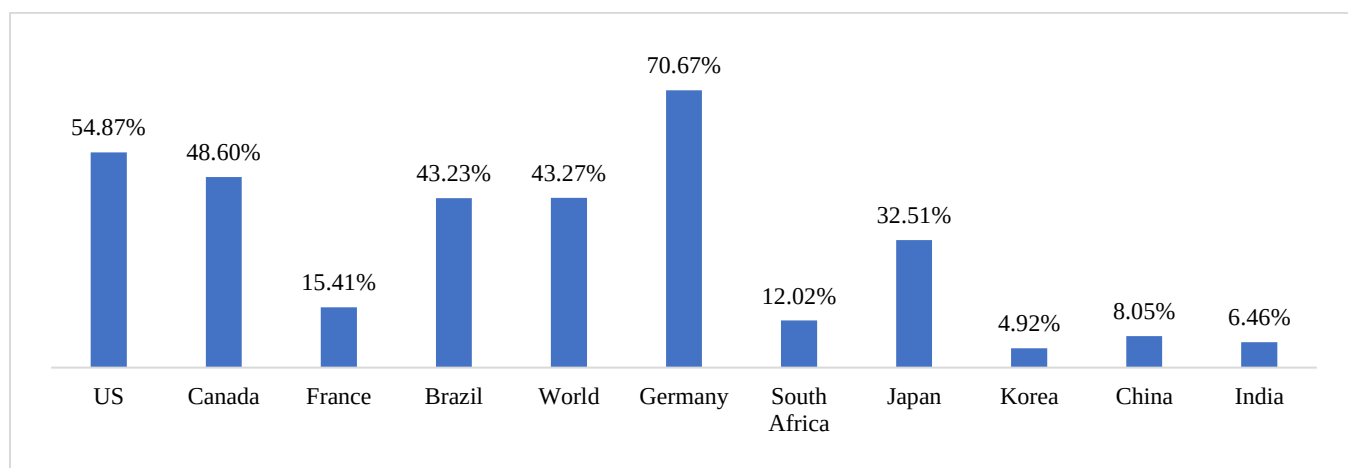
Source: IMF, IIFA, CRISIL Research

The following diagram sets forth the mutual fund QAAUM as a percentage of total banking deposits in India as of the end of the financial periods indicated:



Source: RBI, AMFI, CRISIL Research

The following diagram sets forth the equity AUM to market capitalization for India as compared to certain other countries as of the calendar year 2020:



Net inflow in mutual funds to strengthen with retail participation

Net inflow in mutual funds declined in the financial years 2019 and 2020, following two strong years (financial years 2017 and 2018), backed by equity inflows and corporate bond issuances. The NBFC crisis in the financial year 2019 slowed inflows during that year, followed by the financial year 2020, which ended with the disruption caused by the COVID-19 pandemic.

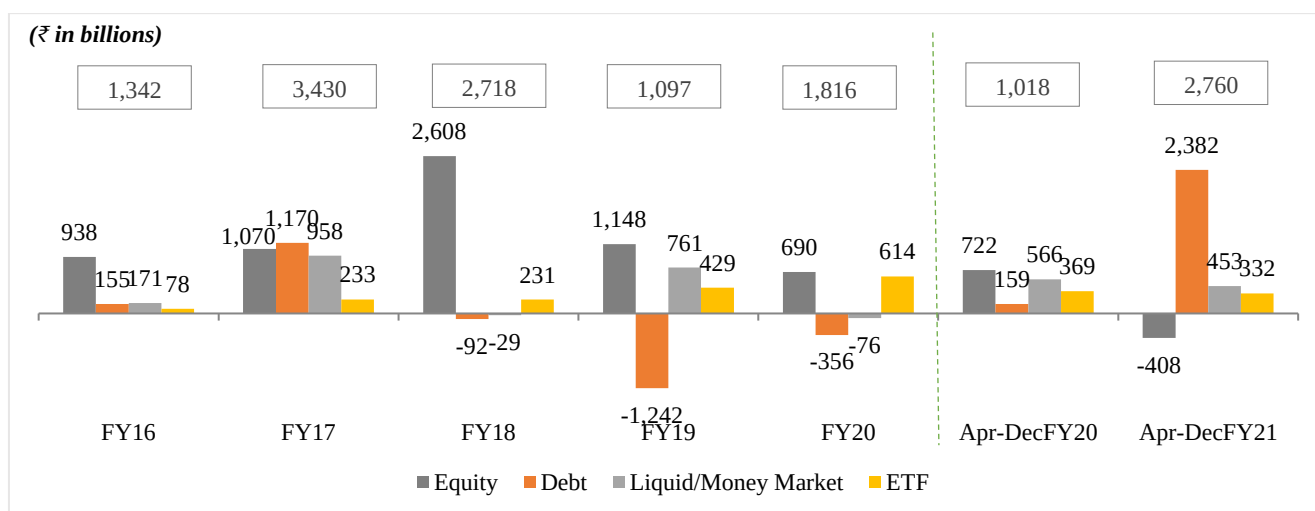
The financial year 2021 saw a resurgence of investor interest in mutual funds despite challenges caused by the COVID-19 pandemic. The industry saw aggregate inflows of ₹2,147 billion in the financial year 2021 compared with peak inflows of ₹3,430 billion in the financial year 2017. The first quarter of the financial year 2022 saw inflows of approximately ₹696 billion.

In the long term, with expectations of higher returns from the capital markets, the fund flow into equity funds is expected to be high. Increasing share of mutual funds in the financial savings of households, driven by expectations of higher and stable returns, is a key factor that will contribute to fund inflows, especially into passive and equity fund categories.

Category-wise analysis of flows into mutual funds shows that prior to the IL&FS and NBFC crises, asset management companies posted robust and consistent net inflows across asset classes, reaching ₹3,430 billion in the financial year 2017. In the financial year 2018, non-equity inflows decreased significantly, with ₹2,608 billion in equity net inflows accounting for 95% of aggregate inflows across all asset classes. This was supported by a high number of primary equity issuances (201 issuances) totaling ₹837 billion in the financial year. Thereafter, at the height of the IL&FS and NBFC crises in the financial year 2019, debt outflows amounted to ₹1,242 billion, which equity inflows of ₹1,148 billion were unable to offset.

Towards the end of the financial year 2020, concerns with regard to liquidity saw large scale redemptions in debt and liquid/money market funds, even as equity and ETFs saw inflows. In the last quarter of the financial year 2021 however, even equity funds saw outflows. However, debt funds, liquid/money market funds and ETFs have seen a resurgence in investor interest. Only debt funds saw net outflows in the first quarter of the financial year 2022 with equity funds, liquid/money market funds and ETFs seeing net inflows.

The following diagram sets forth the breakdown of QAAUM net inflows by asset class in India as of the end of the financial periods indicated:



Source: AMFI, CRISIL Research

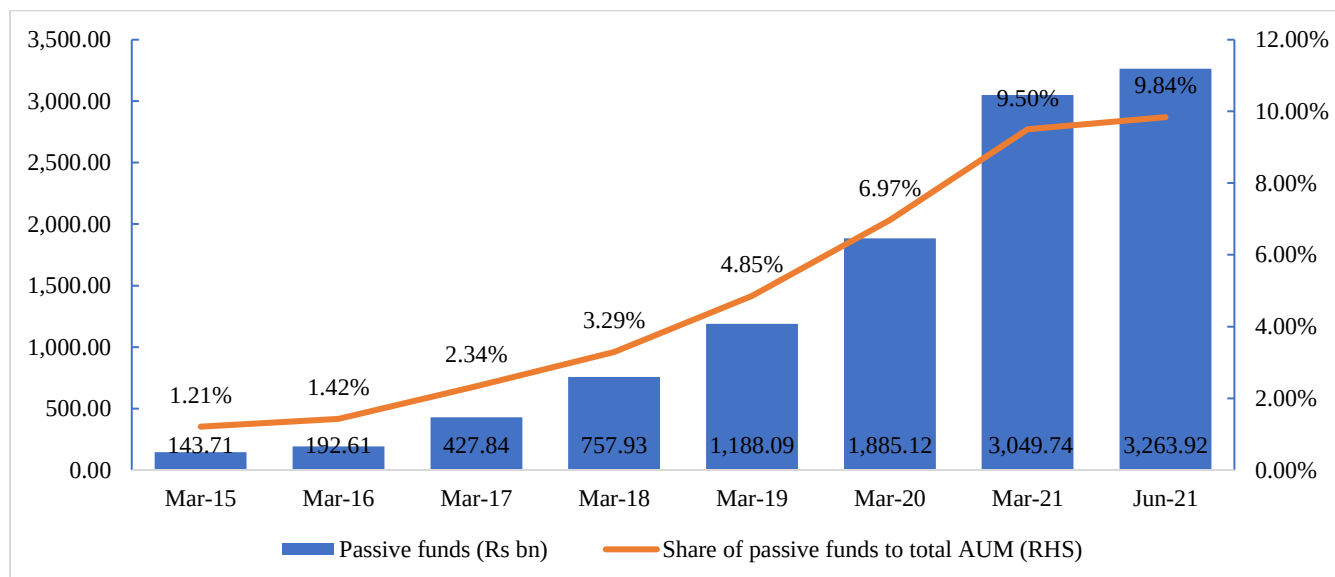
Note: Equity includes equity funds, ELSS, index funds, solution-oriented funds, and balanced funds. Debt funds include gilt, income, conservative hybrid, floater funds, and FoFs investing overseas. ETF includes gold ETFs and other ETFs. Liquid/ money market includes liquid funds, overnight funds, and money market funds.

Share of passive funds low in overall industry AUMs

Unlike the United States and other developed countries, where passive asset management garners a larger share of the investment, passively managed ETFs and index funds are yet to gain traction in India. However, the AUM share of passive funds in India has risen from 1.21% as of March 2015 to 9.84%, or approximately ₹3.26 trillion, in the June quarter of the financial year 2022.

Overall, passive funds AUM has grown approximately 64.82% CAGR from March 2015 to June 2021. ETF investments have received a boost with the EPFO investing in approximately 15% of its accretion into the category.

The following diagram sets forth the passive funds QAAUM and share of passive funds QAAUM in total QAAUM as of the end of the financial periods indicated:



Source: AMFI, CRISIL Research

Note: Passive funds include gold ETFs, other ETFs and index funds. Figures exclude index funds from March 2020.

SBI and UTI are the major AMCs in passive funds, driven by high-ticket mandates from public sector funds to manage investments in passive funds. While the space is still dominated by institutional investors, retail demand has picked up in the recent past owing to discounts provided via government disinvestment schemes (CPSE ETF and Bharat 22), aimed at increasing retail investor participation.

AMCs having higher share of these funds can better cross-sell other products to their retail base and, save on costs incurred for marketing and business acquisition of retail customers. High growth potential of this fund category also makes it an attractive segment for AMCs, and the large majority of institutional mandates makes managing the funds more profitable.

Systematic Investment Plans

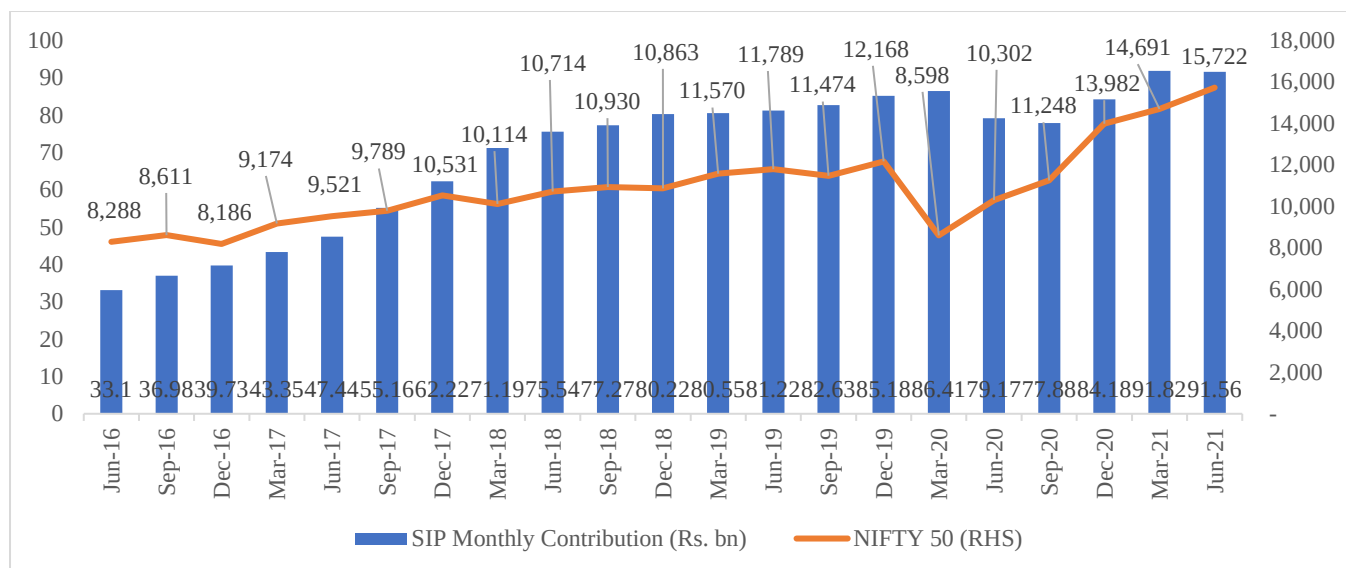
SIPs have helped further increase retail investor participation in the mutual fund space. Several benefits accrue from SIPs, such as avoidance of behavioral weakness during uncertain periods, aggregation of a high number of small amounts, and certain tax incentives. These have not only made SIPs an attractive investment option, but have also helped grow and diversify net inflow across the industry. With contribution levels set low enough to make inflows less susceptible to cycles, SIPs have also helped reduce volatility with respect to aggregate inflows.

Monthly inflows into mutual funds through the SIP route have steadily increased, from approximately ₹33 billion in June 2016 to approximately ₹92 billion in June 2021. This surge is the result of low minimum contribution, thereby increasing accessibility of mutual fund investments to lower income households. This is reflected in the increase in number of SIP accounts to 40.2 million as of June 2021 from 21.1 million as of March 2018. Owing to the rise in the number of accounts however, the average ticket size has come down from a peak of ₹3,375 in March 2018 to ₹2,277 in June 2021.

The mutual fund industry collected approximately ₹0.96 trillion through SIPs during the financial year 2021 as compared with ₹1.0 trillion during the financial year 2020. It also collected ₹0.27 trillion during the first quarter of the financial year 2022 through SIPs.

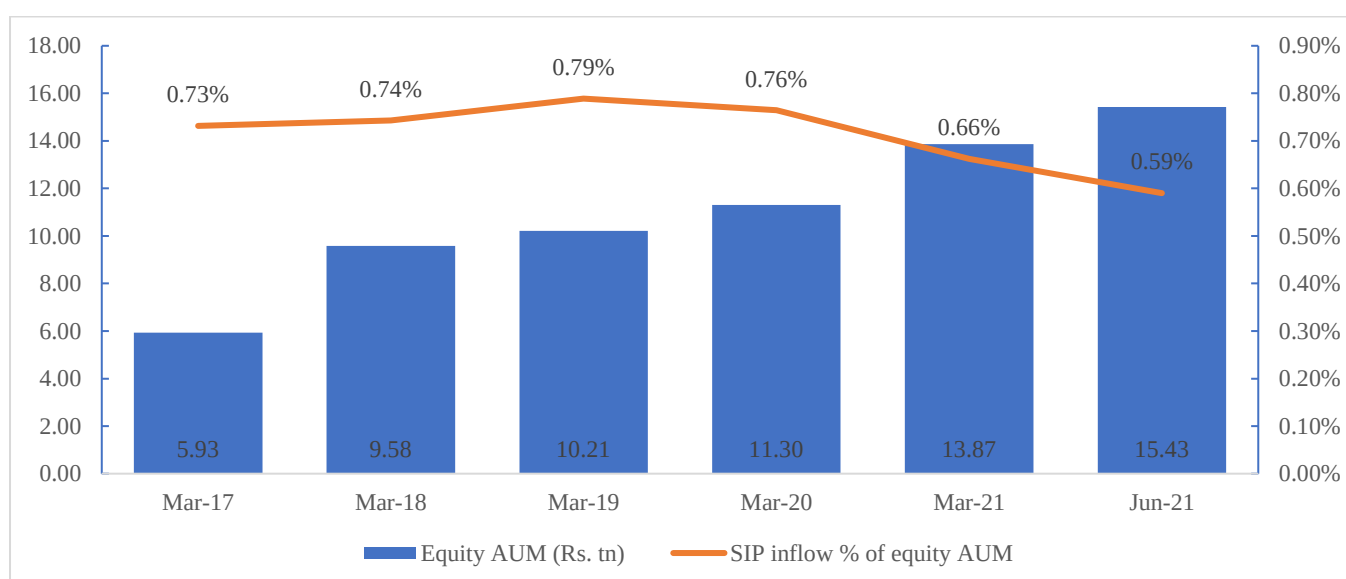
Popularity of equity funds, rising participation of investors, recent investor education initiatives, and apparent benefits of SIPs to households that traditionally did not invest in mutual funds indicate that growth in inflows from SIPs will accelerate over the foreseeable future. This would make SIPs an increasingly important component in overall AUM growth.

The following diagram sets forth the SIP monthly contribution as of the end of the months indicated:



Source: AMFI, NSE

The following diagram sets forth the SIP inflow as a percentage of equity MAAUM as of the end of the months indicated:

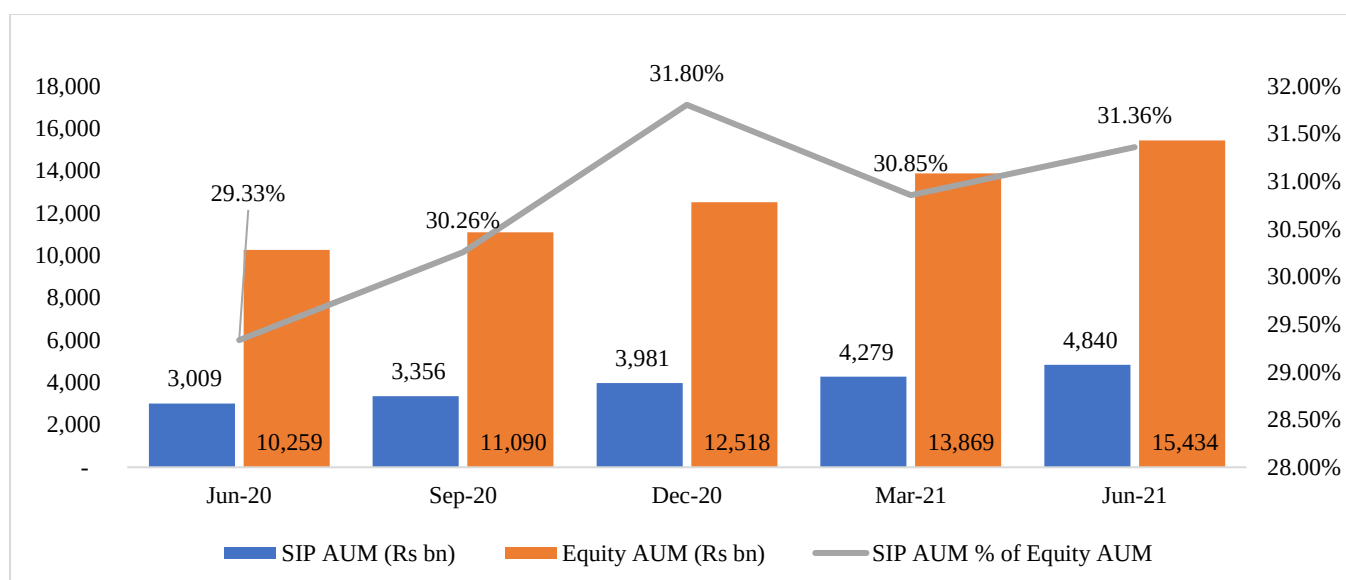


Source: AMFI, CRISIL Research

Notes: Equity includes equity funds, ELSS, index funds, solution-oriented funds, and balanced funds; SIP inflows numbers represent total SIP inflows including debt.

While aggregate monthly average equity AUM rose from ₹4,183 billion in March 2016 to ₹15,434 billion in June 2021, representing a CAGR of 28%, SIP inflow during the period increased from ₹31 billion to ₹91 billion, representing a CAGR of 24%. Between March 2017 and March 2020, SIP inflow averaged 0.76% of equity MAAUM. However, because of the COVID-19 pandemic, contributions declined, thereby lowering SIP inflow percentage of equity AUM from 0.76% in March 2020 to 0.66% in March 2021 and 0.59% in June 2021. As the economy gradually recovers from the effects of the COVID-19 pandemic, SIP contributions are expected to regain their growth momentum.

The following diagram sets forth SIP AUM as a percentage of equity AUM as of the end of the months indicated:



Source: AMFI, CRISIL Research

Notes: Equity includes equity funds, ELSS, index funds, solution-oriented funds, and balanced funds; SIP inflows numbers represent total SIP inflows including debt.

Peer Benchmarking

CRISIL Research has analyzed the top 10 AMCs in India based on QAAUM as of June 2021. SBI AMC is the largest player, followed by HDFC AMC, ICICI Prudential AMC, Aditya Birla Sun Life AMC and Kotak Mahindra AMC. These are followed by Nippon India AMC, Axis AMC, UTI AMC, IDFC AMC and DSP AMC.

The following table sets forth a summary of Aditya Birla Sun Life AMC's benchmark position as compared to other top AMCs in India:

Scale, Leadership and Performance	
QAAUM	- The share of the top 10 AMCs has increased to approximately 83% in June 2021 from approximately 73% in March 2010. - The equity segment for the top 10 players logged a CAGR of approximately 28% over March 2016 to June 2021. - Aditya Birla Sun Life AMC retained the fourth position in terms of QAAUM since September 2011.
MAAUM	- Aditya Birla Sun Life AMC has retained its market share in terms of overall AUM of approximately 10% between March 2016 and March 2019. - Aditya Birla Sun Life AMC is the largest non-bank player in terms of overall MAAUM since March 2018.
MAAUM (Excluding ETFs)	Aditya Birla Sun Life AMC has maintained its fourth position in terms of AAUM (excluding ETFs) over the past five years.
Category-wise MAAUM	- Aditya Birla Sun Life AMC witnessed an increase of approximately 14.4% in its equity mix from March 2016 to June 2021, surpassing the industry at 13.6%. This was also the second highest among the top five AMCs and the fourth highest among the top 10 AMCs. In terms of equity AUM, Aditya Birla Sun Life AMC ranked fifth among its top 10 peers as of June 2021. - Aditya Birla Sun Life AMC posted a CAGR of 25.83% between March 2016 and June 2021 in its equity AUM, which is the third highest among the top five AMCs and the fifth highest among the top 10 AMCs.

Number of folios	- Aditya Birla Sun Life AMC was at the seventh position among its peers with 7.07 million total folios as of the financial year 2021. - In terms of folio growth, Aditya Birla Sun Life AMC's total folios logged a CAGR of approximately 19% (higher than the industry growth of approximately 15% CAGR) between March 2016 and March 2021, which is the fourth highest growth among its top 10 peers and the third highest among the top five players.
Schemes	- Aditya Birla Sun Life AMC was the largest player in terms of AUM under the debt-ultra short duration category and the second-largest player in terms of AUM under the Equity–ELSS scheme as of June 2021 among top 10 peers. - Aditya Birla Sun Life AMC had the third and fourth-largest AUM in terms of corporate bond fund and large cap equity fund AUM, respectively, as of June 2021 among top 10 peers.
Market share	Aditya Birla Sun Life AMC's market share in terms of total number of folios and B-30 AUM has improved from March 2016 to June 2021. It ranked fifth in terms of individual MAAUM among the top 10 players and fourth highest among the top five players as of June 2021.
Performance	Aditya Birla Sun Life AMC ranks the highest in terms of annualized return in ultra-short duration funds (in 5 year and 10 year) among the top 10 players.
Geographical Reach and Diversification	
B-30 Share	- Aditya Birla Sun Life AMC has seen a consistent improvement in AUM share from B-30 in the last three years. Aditya Birla Sun Life AMC's proportion of B-30 MAAUM as a percentage of total MAAUM as of June 30, 2021, was 15.76% which is the highest among the top five players in terms of increase in B-30 proportion (up by approximately 230 bps) from March 31, 2019 to June 30, 2021. - Aditya Birla Sun Life AMC's MAAUM share in B-30 was the second highest among the top five players as of June 2021. - Aditya Birla Sun Life AMC had the fourth highest share of equity AUM as a percentage of its total AUM in B-30 cities as of June 2021.
State-wise concentration	- Aditya Birla Sun Life AMC had the fourth lowest concentration in the top five states in terms of equity AUM among the top 10 peers as of June 2021. - The concentration of the top five states in terms of debt AUM is the sixth lowest for Aditya Birla Sun Life AMC among top 10 peers as of June 2021.
Direct vs regular	- The share of direct plans has consistently gone up for Aditya Birla Sun Life AMC in the past five years, rising from 38.58% in March 2016 to 50.05% in June 2021. - Aditya Birla Sun Life AMC held the second position in terms of direct plans under the debt AUM category after Nippon India (72.47%) as of June 2021 among the top 10 peers. - In terms of equity AUM from direct plans, Aditya Birla Sun Life AMC held the sixth position among the top 10 peers as of June 2021.
Investor Profile	
Institutional vs individual	- Aditya Birla Sun Life AMC is the fifth largest player in terms of market share in individual AUM among the top 10 players as of June 2021. - Aditya Birla Sun Life AMC's share of individual investors increased from 39.95% as of March 2016 to 47.01% as of June 2021, which is the second highest increase among the top five AMCs. - Aditya Birla Sun Life AMC's AUM from institutional customers was ₹1,503 billion as of June 2021, which is the fourth largest among its peers. - The share of individual investors in equity AUM category for Aditya Birla Sun Life AMC has improved by approximately 5 percentage points, which is the third highest improvement among its peers between March 2016 to June 2021. - Aditya Birla Sun Life AMC's AUM from individual investors (retail investors plus HNI) recorded a CAGR of 18.54% over March 2016 to June 2021, the eighth highest growth among the top 10 peers.
Digital on-boarding	Aditya Birla Sun Life AMC ranks among the highest in terms of share of digital transactions with digital transactions contributing 85% to the overall transactions as of the financial year 2021; overall digital on-boarding for listed players ranged from 42% to 84% for the same period.

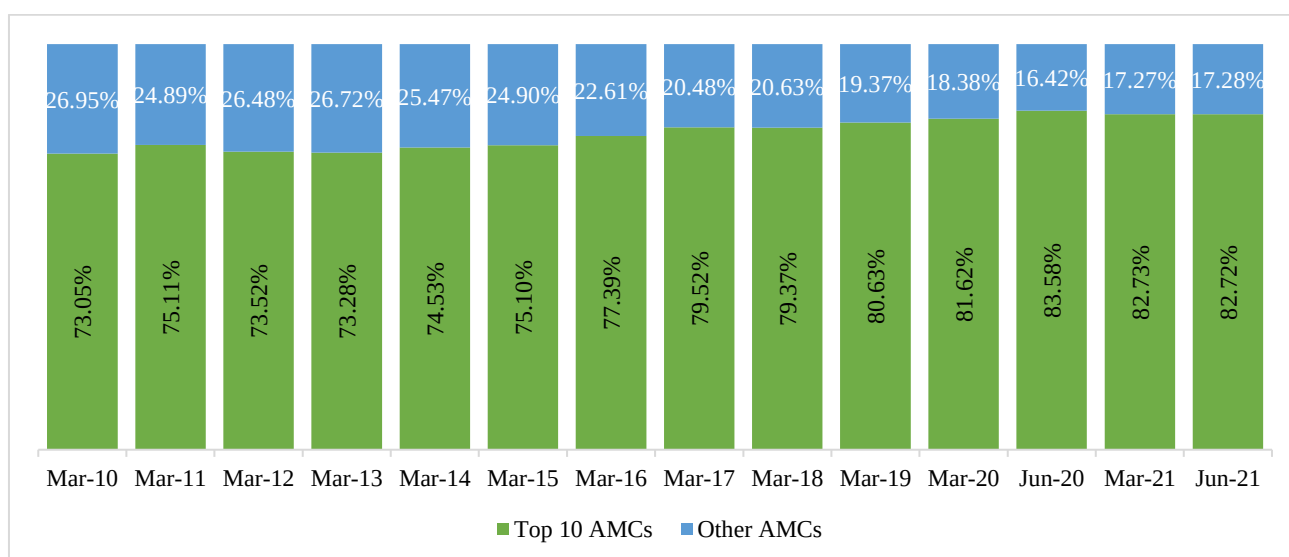
Financial Performance	
Total revenue	Aditya Birla Sun Life AMC's revenue was ₹10.5 billion in the financial year 2021, placing it fifth in terms of revenue.
Cost to income	Aditya Birla Sun Life AMC has been able to keep costs in check in comparison with its income. The total cost to income ratio for Aditya Birla Sun Life AMC dropped to 46.69% in the financial year 2021 from 49.32 % in the financial year 2020.
Revenue as % AAUM and operating margins	- In terms of total revenue as a percentage of AAUM, Aditya Birla Sun Life AMC ranks sixth in the list with a ratio of 0.43% in the financial year 2021. In terms of operating revenue as a percentage of AAUM, it is ranked fifth among peers with 0.47% in the financial year 2021. - Aditya Birla Sun Life AMC was the fourth best in terms of maintaining revenue as a percentage of AAUM (third highest in terms of change in revenue as % of AAUM from the financial year 2016 to the financial year 2021) among the top 10 players. - Aditya Birla Sun Life AMC was the second best in terms of maintaining operating revenue as a percentage of AAUM among the top 10 players over the financial years 2017 to 2021.
Operating profit	Aditya Birla Sun Life AMC's operating profit as a percentage of AAUM was the third highest among the top five and sixth highest among the top 10 players as of the financial year 2021.
Profit before tax	Aditya Birla Sun Life AMC witnessed a consistent improvement in PBT as a percentage of AAUM over the past four years. PBT as a percentage of AAUM for Aditya Birla Sun Life AMC stood at 0.28% as of the financial year 2021, which is the fifth highest among the top 10 players.
Net profit	Aditya Birla Sun Life AMC holds the sixth position among the top 10 AMCs in terms of net profit to AAUM as of the financial year 2021. It holds the fifth position among the top 10 AMCs in terms of change in net profit as a percentage of AAUM between the financial years 2016 and 2021.
Net worth and RoE	Aditya Birla Sun Life AMC is the sixth highest player in terms of RoE in the financial year 2021 among peers.

Market Share of Top 10 AMCs

The top 10 AMCs collectively command more than four-fifths of the mutual funds industry's assets and therefore reflect the industry's performance. Their growth has been higher than the industry average and they have gained a market share of ten percentage points over the last decade.

The top 10 AMCs' monthly average AUM increased at a CAGR of 22% to approximately ₹26.6 trillion as of March 2021 from approximately ₹6.7 trillion as of March 2014. The top 10 AMCs' MAAUM reached ₹28 trillion in June 2021. The share of the top 10 AMCs has increased to approximately 83% in June 2021 from 73% in March 2010.

The following diagram sets forth the market share of the top 10 AMCs as compared to other AMCs in terms of QAAUM, as of the end of the financial periods indicated:



Source: AMFI, CRISIL Research

Note: Data for March 2010 is based on MAAUM.

The share of the top 10 AMC's has increased in debt, liquid/money market and ETFs in the past five years. The highest increase has been observed in the ETFs category (which increased to approximately 87% in June 2021 from approximately 66% in March 2016). However, the share of the top 10 AMC's in the equity schemes category has remained stable over the past five years.

The following table sets forth a breakdown of the market share of the top 10 AMC's in terms of MAAUM by asset category as of the end of the financial periods indicated:

	March 2016	March 2017	March 2018	March 2019	March 2020	June 2020	March 2021	June 2021
Equity								
Top 10 AMC's	75.60%	77.37%	77.18%	76.90%	76.76%	72.86%	75.35%	74.89%
Other AMC's	24.40%	22.63%	22.82%	23.10%	23.24%	27.14%	24.65%	25.11%
Debt								
Top 10 AMC's	81.57%	82.89%	83.46%	84.08%	86.98%	85.26%	89.80%	90.98%
Other AMC's	18.43%	17.11%	16.54%	15.92%	13.02%	14.74%	10.20%	9.02%
Liquid / Money market								
Top 10 AMC's	75.26%	75.20%	74.24%	79.40%	82.16%	84.42%	85.53%	86.08%
Other AMC's	24.74%	24.80%	25.76%	20.60%	17.84%	15.58%	14.47%	13.92%
ETFs								
Top 10 AMC's	66.11%	97.05%	98.05%	98.63%	90.61%	90.93%	87.08%	86.75%
Other AMC's	33.89%	2.95%	1.95%	1.37%	9.39%	9.07%	12.92%	13.25%

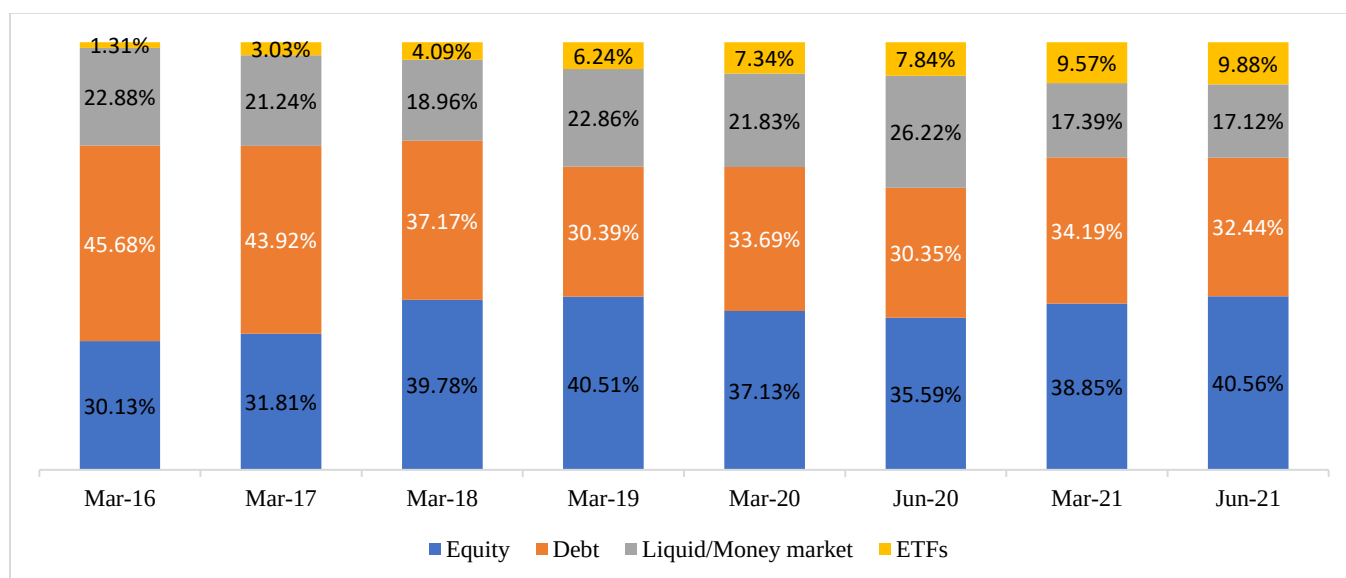
Source: AMFI, CRISIL Research

Note: Equity includes equity, balanced schemes and debt portion of solution-oriented schemes. Debt includes debt-oriented schemes – Gilt, FMP, debt (assured return), infrastructure debt funds, other debt funds and fund of funds investing overseas. ETFs includes gold ETF and other ETFs.

In the past five financial years, the share of equity funds in the portfolios of the top 10 AMC's increased from 30.13% in March 2016 to 40.56% in June 2021, because of rising retail participation, increase in market capitalization and focus from the top funds. The share of debt funds in the portfolios of the top 10 AMC's dropped from 45.68% in March 2016 to 32.44% in June 2021.

The contribution of liquid/money market funds, which has been more or less consistent over this period, declined to 17.12% in June 2021 from 21.83% as of March 2020.

The following diagram sets forth a breakdown of the top 10 AMC's market share by asset class as of the end of the financial periods indicated:

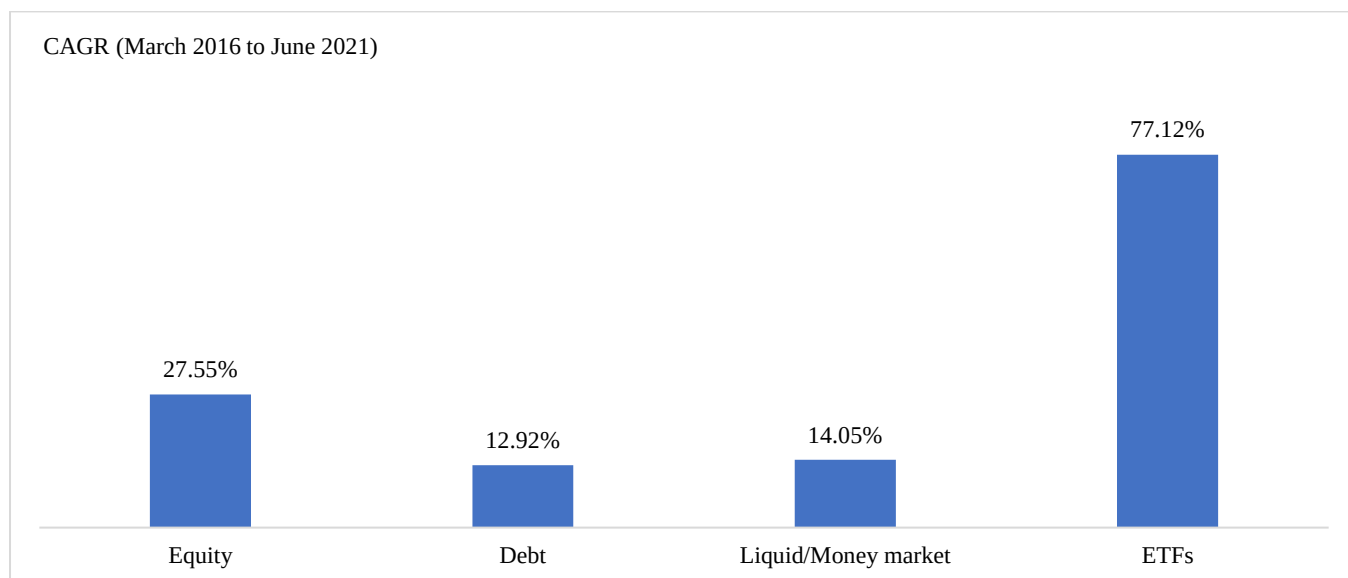


Source: AMFI, CRISIL Research

Note: Equity includes equity, balanced schemes and debt portion of solution-oriented schemes; Debt includes debt-oriented schemes - Gilt, FMP, debt (assured return), infrastructure debt funds, other debt funds and fund of funds investing overseas, ETFs includes gold ETF and other ETFs.

For the top 10 players, ETFs grew at a CAGR of approximately 77% in between March 2016 and June 2021, outpacing other segments. The equity segment for the top 10 players reached a CAGR of approximately 28% between March 2016 to June 2021.

The following diagram sets forth the CAGR of the MAAUM of the top 10 AMC's in India by asset class between March 2016 and June 2021:



Source: AMFI, CRISIL Research

Note: Equity includes equity, balanced schemes and debt portion of solution-oriented schemes; Debt includes debt-oriented schemes - Gilt, FMP, debt (assured return), infrastructure debt funds, other debt funds and fund of funds investing overseas, ETFs includes gold ETF and other ETFs.

Market Share of Top Five AMC's

During the past decade, the top five AMC's have held an average of approximately 55% of the industry's AUM. HDFC AMC, ICICI Prudential AMC and Aditya Birla Sun Life AMC have consistently featured in the list of top five AMC's by AUM, supported by their wide distribution channels and parentage of large corporate entities.

Aditya Birla Sun Life AMC was the fourth largest fund house as of June 2021. Aditya Birla Sun Life AMC's assets recorded a CAGR of approximately 15% between March 2016 and June 2021, slightly lower than the industry growth of approximately 19% CAGR during the same period. ABSL AMC retained its market share (in terms of overall AUM) of approximately 10% between March 2016 and March 2019. However, its market share, in terms of monthly average AUM, declined slightly between March 2016 and June 2021. Aditya Birla Sun Life AMC ranked as the largest non-bank affiliated AMC in India by QAAUM since March 31, 2018, and among the four largest AMC's in India by QAAUM since September 30, 2011.

The following table sets forth the MAAUM and market share of the largest AMC's in India (presented in descending order in terms of QAAUM as of June 2021) as of the end of the financial periods indicated:

	AAUM (March 2016)	AAUM market share (March 2016)	AAUM (March 2021)	AAUM market share (March 2021)	AAUM (June 2021)	AAUM market share (June 2021)
	(₹ in billions, except percentages)					
SBI AMC	1,101	8.12%	5,060	15.73%	5,377	15.77%
HDFC AMC.....	1,777	13.11%	4,098	12.74%	4,269	12.52%
ICICI Prudential AMC.....	1,789	13.20%	4,078	12.68%	4,232	12.41%
Aditya Birla Sun Life AMC.....	1,367	10.09%	2,710	8.42%	2,837	8.32%
Kotak Mahindra AMC	597	4.41%	2,333	7.25%	2,534	7.43%
Nippon India AMC	1,600	11.81%	2,303	7.16%	2,481	7.27%
Axis AMC.....	387	2.86%	1,972	6.13%	2,186	6.41%
UTI AMC.....	1,052	7.76%	1,853	5.76%	1,936	5.68%
IDFC AMC	514	3.79%	1,214	3.77%	1,263	3.70%
DSP AMC	384	2.83%	978	3.04%	1,048	3.07%
Top 10 total.....	10,567	77.97%	26,598	82.67%	28,164	82.58%
Industry total.....	13,552	100.00%	32,172	100.00%	34,104	100.00%

Source: AMFI, CRISIL Research

Aditya Birla Sun Life AMC has maintained its fourth position in terms of QAAUM since March 2012. The following table sets for certain information on Aditya Birla Sun Life AMC's QAAUM ranking in the industry as of the end of the financial periods indicated:

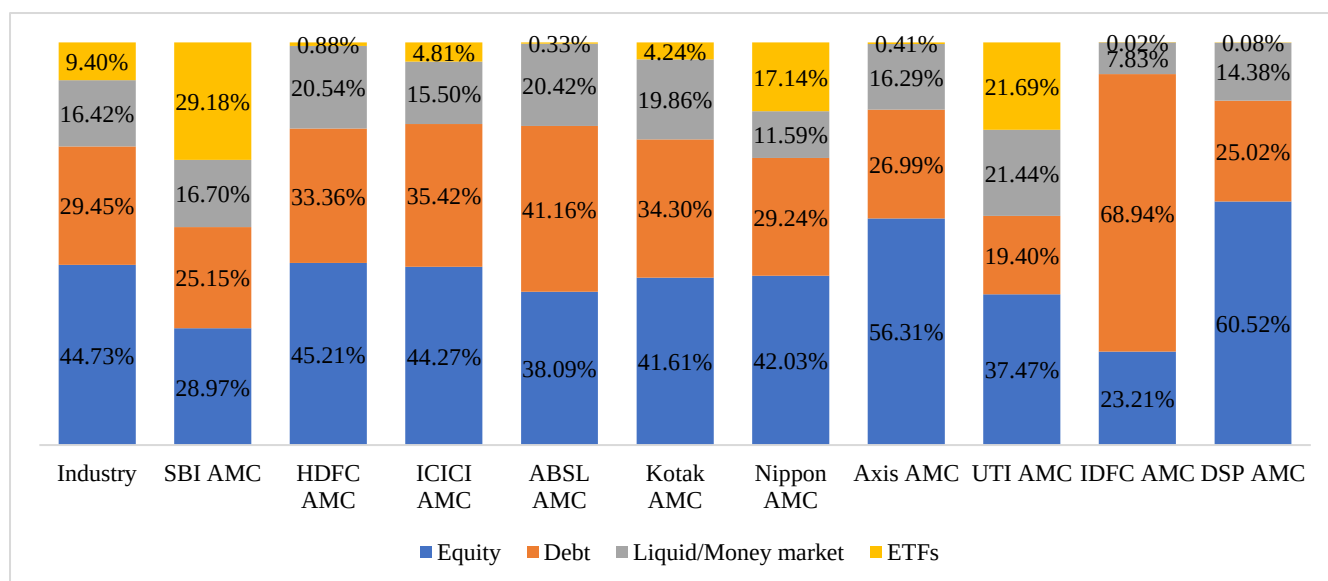
	March 2012	March 2013	March 2014	March 2015	March 2016	March 2017	March 2018	March 2019	March 2020	March 2021	June 2021
	(₹ in billions)										
Aditya Birla Sun Life AMC	611	770	896	1,198	1,365	1,950	2,475	2,465	2,475	2,693	2,755
Industry QAAUM..	6,648	8,167	9,051	11,887	13,541	18,295	23,052	24,484	27,036	32,106	33,179
Aditya Birla Sun Life AMC ranking	4	4	4	4	4	4	3	4	4	4	4

Source: AMFI, CRISIL Research

Aditya Birla Sun Life AMC's share of equity AUM has increased to 38% in June 2021 from approximately 24% in March 2016. Aditya Birla Sun Life AMC's share of equity-oriented MAAUM in total MAAUM increased from 23.66% as of March 31, 2016 to 36.34% as of March 31, 2021, and was 38.09% as of June 30, 2021. This 14.43% increase in equity mix was greater than the industry's increase of 13.65% over the same period and was the second highest increase among the five largest AMCs in India by MAAUM. At an industry level, the proportion of equity category was the highest (45%), followed by debt (29%) and liquid/ money market (16%) as of June 2021.

Aditya Birla Sun Life AMC recorded a CAGR of 25.83% between March 2016 and June 2021 in its equity AUM, which is the third highest among the top five AMCs and the fifth highest among the top 10 AMCs.

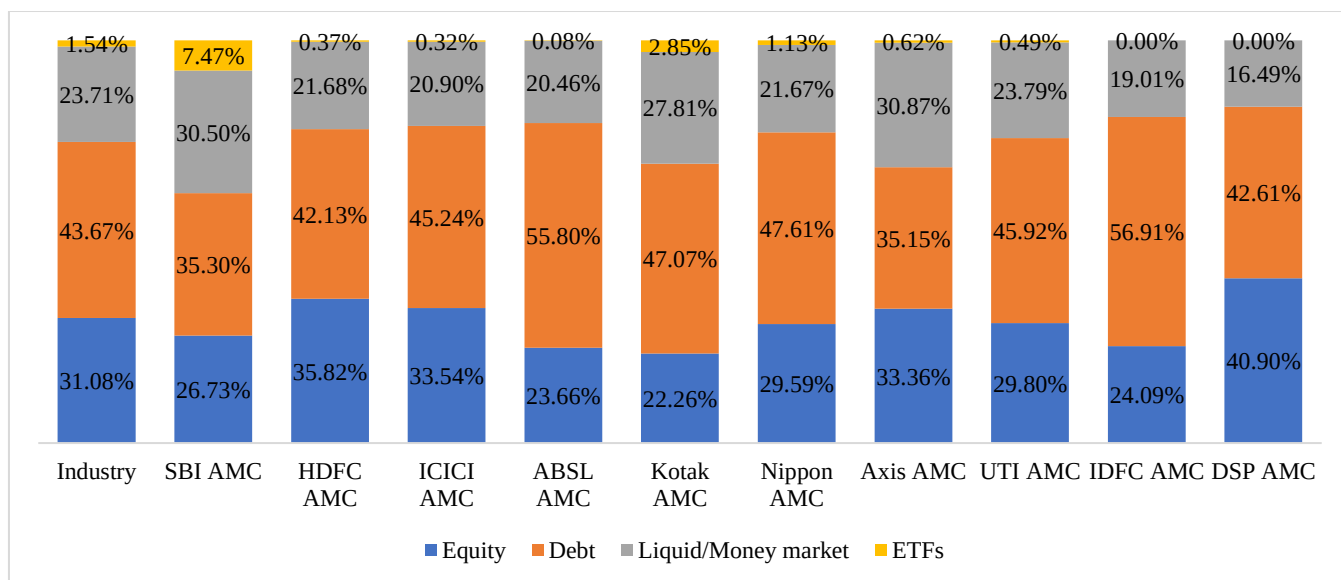
The following diagram sets forth the breakdown of MAAUM of the top 10 AMCs in India by asset class as of June 2021:



Source: AMFI, CRISIL Research

Note: Equity includes equity, balanced schemes and debt portion of solution-oriented schemes; Debt includes debt-oriented schemes - Gilt, FMP, Debt (assured return), infrastructure debt funds, other debt funds and fund of funds investing overseas, ETFs includes gold ETF and other ETFs.

The following diagram sets forth the breakdown of MAAUM of the top 10 AMCs in India by asset class as of March 2016:



Source: AMFI, CRISIL Research

Note: Equity includes equity, balanced schemes and debt portion of solution-oriented schemes; Debt includes debt-oriented schemes - Gilt, FMP, Debt (assured return), infrastructure debt funds, other debt funds and fund of funds investing overseas, ETFs includes gold ETF and other ETFs.

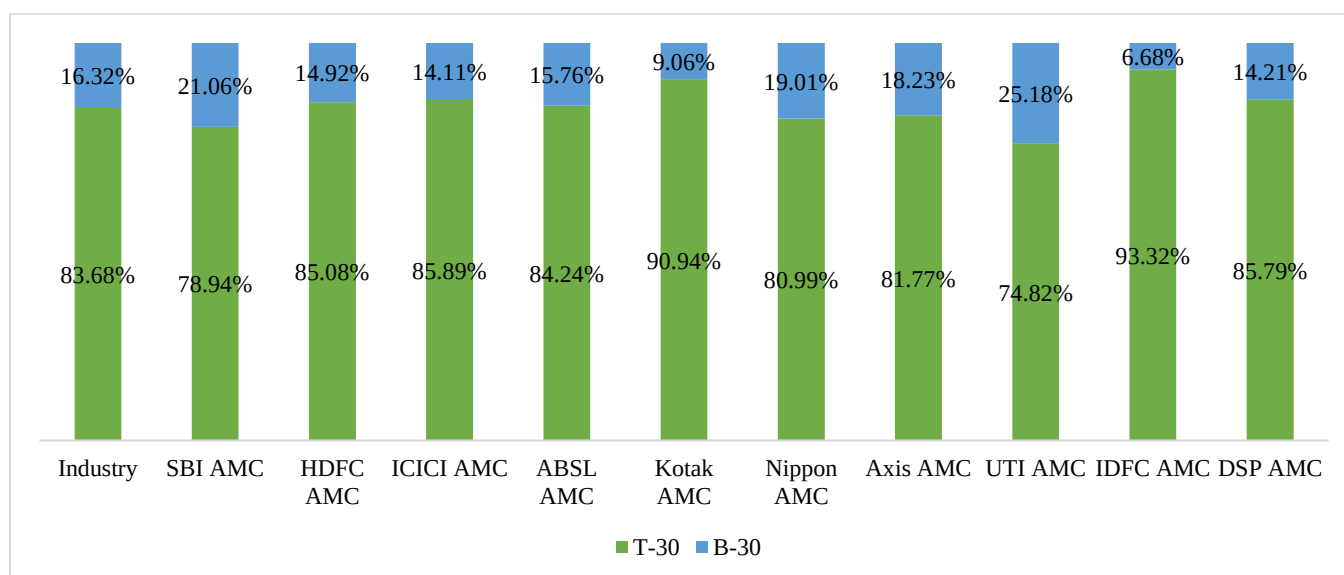
Geographical Penetration of Top 10 AMCs

Higher presence of AMCs in the B-30 regions makes them well-placed to attract new customers in these locations. This is primarily due to their established position, infrastructure and distribution capabilities, which they have already invested in. The ability to charge an additional 30 bps in expense ratios in B-30 locations reduces pressure on scheme margins.

UTI AMC and SBI AMC are the only two players having a share greater than 20% in B-30 regions. The share of B-30 regions in overall AUM of Aditya Birla Sun Life AMC was 15.76% as of June 2021.

Further, a larger part of growth in the future is expected from B-30 cities that are underpenetrated and form a very low proportion of the overall industry AUM (only 16% share as of June 2021). AMCs that have already invested in these regions will be in a better position to reap the benefits going ahead.

The following diagram sets forth the share of T-30 and B-30 AUM among the top 10 AMCs in India (presented in descending order in terms of QAAUM as of June 2021) as of June 2021:



Source: AMFI, CRISIL Research

Aditya Birla Sun Life AMC has seen a consistent improvement in AUM share from B-30 regions in the last three years. Its AUM accounted for the second-largest share in B-30 regions among the top five players as of June 2021. Aditya Birla Sun Life AMC's MAAUM in B-30 cities was ₹447.01 billion in June 2021.

The following tables sets forth, in absolute terms and percentages, the share of B-15 AUM (for periods prior to March 2018) and B-30 AUM (for periods after March 2018) in total AUM of the top 10 AMCs In India (presented in descending order in terms of QAAUM as of June 2021) as of the end of the financial periods indicated:

	March 2016	March 2017	March 2018	March 2019	March 2020	March 2021	June 2021
	(₹ in billions)						
SBI AMC.....	248.27	393.50	626.59	682.19	796.33	1,118.82	1,132.55
HDFC AMC.....	271.95	384.78	540.37	461.85	459.20	611.34	637.13
ICICI Prudential AMC.....	262.53	386.93	531.75	414.24	432.36	573.02	597.15
Aditya Birla Sun Life AMC.....	173.18	269.77	400.92	332.74	335.50	437.54	447.01
Kotak Mahindra AMC.....	54.67	87.48	129.98	113.03	160.77	209.99	229.52
Nippon India AMC.....	316.42	410.42	512.60	450.61	321.01	412.60	471.58
Axis AMC.....	90.17	132.88	182.72	188.13	233.04	357.03	398.61
UTI AMC.....	299.66	386.53	437.06	403.23	346.56	433.16	487.51
IDFC AMC.....	48.07	50.76	73.37	49.69	60.33	80.01	84.43
DSP AMC.....	51.95	88.10	127.31	87.06	93.45	133.50	148.96
	March 2016	March 2017	March 2018	March 2019	March 2020	March 2021	June 2021
SBI AMC.....	22.54%	24.18%	28.76%	23.49%	22.76%	22.11%	21.06%
HDFC AMC.....	15.31%	16.06%	18.07%	13.35%	13.58%	14.92%	14.92%
ICICI Prudential AMC.....	14.68%	15.60%	17.47%	12.87%	13.42%	14.05%	14.11%
Aditya Birla Sun Life AMC.....	12.67%	13.64%	16.36%	13.44%	14.89%	16.15%	15.76%
Kotak Mahindra AMC.....	9.16%	9.12%	10.63%	7.41%	9.39%	9.00%	9.06%
Nippon India AMC.....	19.77%	19.21%	21.34%	19.77%	17.38%	17.91%	19.01%
Axis AMC.....	23.31%	22.27%	24.21%	20.36%	17.70%	18.11%	18.23%
UTI AMC.....	28.49%	27.86%	29.58%	26.16%	25.84%	23.38%	25.18%
IDFC AMC.....	9.34%	8.63%	10.88%	6.91%	6.16%	6.59%	6.68%
DSP AMC.....	13.54%	13.36%	14.86%	11.09%	12.67%	13.66%	14.21%

Source: AMFI, CRISIL Research

Among the top five AMCs in India, Aditya Birla Sun Life AMC had the fourth largest share of equity AUM and the fifth largest share of debt AUM as a percentage of its total AUM in B-30 cities as of June 2021.

The top five AMCs accounted for approximately 55% of market share in terms of AUM outstanding in B-30 cities as of June 2021. Among the top five AMCs, SBI AMC had the highest share of B-30 AUM outstanding as of June 2021. In terms of equity AUM, the top five AMCs had a market share of approximately 49% as of June 2021.

The market share of Aditya Birla Sun Life AMC in terms of total number of folios and B-30 AUM improved from March 2016 to June 2021. It stood at the fifth position in terms of individual MAAUM amongst the top 10 AMCs as of June 2021.

The following table sets forth the market share of the top 10 AMCs (presented in descending order in terms of QAAUM as of June 2021) in India in terms of equity MAAUM, number of folios, individual AUM and B-15 MAAUM, as of March 2016:

	Equity MAAUM	No of folios	Individual AUM	B-15 MAAUM
SBI AMC.....	6.99%	8.87%	6.24%	11.35%
HDFC AMC.....	15.11%	11.35%	15.33%	12.43%
ICICI Prudential AMC.....	14.24%	8.18%	14.91%	12.00%
Aditya Birla Sun Life AMC.....	7.68%	5.92%	8.87%	7.92%
Kotak Mahindra AMC.....	3.15%	1.81%	3.03%	2.50%
Total of top five AMCs.....	47.18%	36.12%	48.37%	46.21%
Nippon India AMC.....	11.24%	11.95%	10.68%	14.47%
Axis AMC.....	3.07%	3.37%	3.39%	4.12%
UTI AMC.....	7.44%	21.27%	8.30%	13.70%
IDFC AMC.....	2.94%	1.30%	3.17%	—
DSP AMC.....	3.73%	6.60%	3.44%	2.38%
Total of next five AMCs.....	28.42%	44.49%	28.98%	34.67%
Total of top 10 AMCs.....	75.60%	80.61%	77.35%	80.88%

Source: AMFI, Company reports, CRISIL Research

Note: Market share is calculated on the basis of the company's AUM under the respective category divided by total industry AUM under the same category. For example, for deriving market share under B-15 category for Aditya Birla Sun Life AMC, total B-15 AUM of Aditya Birla Sun Life AMC is divided by B-15 industry AUM.

The following table sets forth the market share of the top 10 AMCs (presented in descending order in terms of QAAUM as of June 2021) in India in terms of equity MAAUM, number of folios, individual AUM and B-15 MAAUM, as of June 2021:

	Equity MAAUM	No of folios	Individual MAAUM	B-15 MAAUM
SBI AMC	10.21%	9.08%	12.06%	20.35%
HDFC AMC	12.65%	9.05%	13.49%	11.45%
ICICI Prudential AMC	12.28%	11.53%	12.71%	10.73%
Aditya Birla Sun Life AMC	7.08%	7.13%	7.27%	8.03%
Kotak Mahindra AMC.....	6.91%	3.74%	6.35%	4.12%
Total of top five AMCs.....	49.15%	40.53%	51.88%	54.69%
Nippon India AMC.....	6.84%	10.07%	6.74%	8.47%
Axis AMC	8.07%	8.13%	7.63%	7.16%
UTI AMC	4.76%	11.13%	4.90%	8.76%
IDFC AMC.....	1.92%	1.38%	3.23%	1.52%
DSP AMC	4.16%	6.29%	3.91%	2.68%
Total of next five AMCs	25.75%	37.00%	26.40%	28.59%
Total of top 10 AMCs.....	74.89%	77.54%	78.28%	83.28%

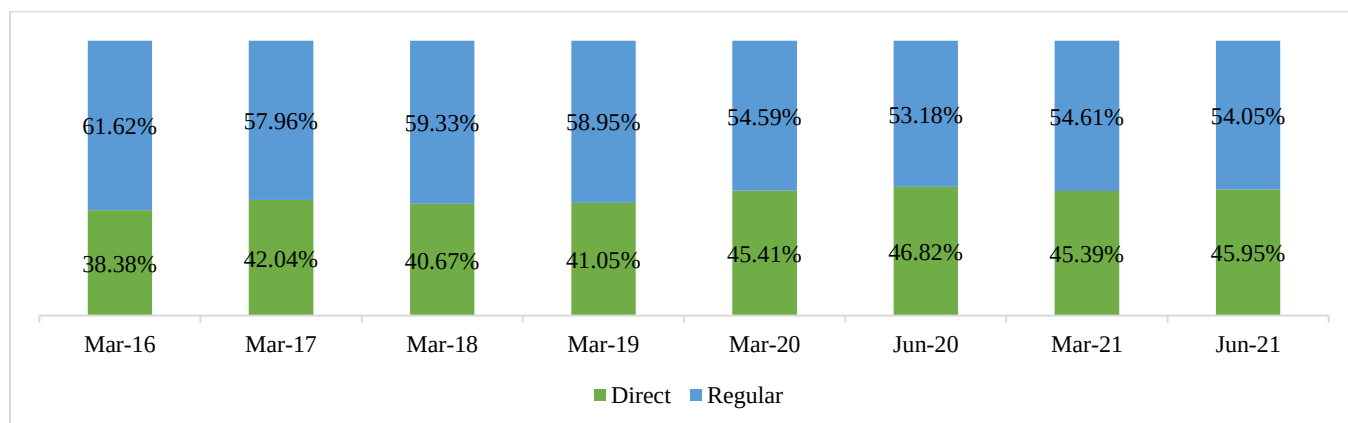
Source: AMFI, Company reports, CRISIL Research

Note: Market share is calculated on the basis of the company's AUM under the respective category divided by the total industry AUM under the same category. For example, for deriving market share under the B-30 category for Aditya Birla Sun Life AMC, total B30 AUM of Aditya Birla Sun Life AMC is divided by the B-30 industry AUM.

Share in Direct Plans

Among peers, UTI AMC has the highest proportion of AUM derived from regular plans (69.39%) followed by DSP AMC (63.67%) and Axis AMC (59.75%) as of June 2021. Higher proportion of regular plans indicate strong tie-ups with distributors and a larger retail presence. Aditya Birla Sun Life AMC derives almost half of its AUM through regular plans as of June 2021.

The following diagram sets forth the MAAUM share of regular plans and direct plans (at an overall industry level) as of the end of the financial periods indicated:



Source: AMFI, CRISIL Research

Consistent improvement in share of direct plans is observed for Aditya Birla Sun Life AMC in the past five years. The share of direct plans has increased to 50.05% in June 2021 from 38.58% in March 2016.

The following table sets forth the MAAUM share of regular and direct plans among the top 10 AMCs in India (presented in descending order in terms of QAAUM as of June 2021) as of the end of the financial periods indicated:

	March 2016		June 2020		March 2021		June 2021	
	Direct	Regular	Direct	Regular	Direct	Regular	Direct	Regular
Industry	38.38%	61.62%	46.82%	53.18%	45.39%	54.61%	45.95%	54.05%
SBI AMC	44.07%	55.93%	57.00%	43.00%	57.53%	42.47%	58.79%	41.21%
HDFC AMC	30.36%	69.64%	49.39%	50.61%	46.84%	53.16%	46.88%	53.12%
ICICI Prudential AMC.	33.85%	66.15%	45.60%	54.40%	43.82%	56.18%	44.65%	55.35%
Aditya Birla Sun Life AMC	38.58%	61.42%	49.12%	50.88%	50.62%	49.38%	50.05%	49.95%

	March 2016		June 2020		March 2021		June 2021	
	Direct	Regular	Direct	Regular	Direct	Regular	Direct	Regular
Kotak Mahindra AMC..	40.74%	59.26%	53.46%	46.54%	49.86%	50.14%	51.54%	48.46%
Nippon India AMC.....	42.23%	57.77%	52.21%	47.79%	54.23%	45.77%	54.57%	45.43%
Axis AMC.....	26.99%	73.01%	41.41%	58.59%	39.99%	60.01%	40.25%	59.75%
UTI AMC.....	48.08%	51.92%	32.73%	67.27%	31.07%	68.93%	30.61%	69.39%
IDFC AMC	42.58%	57.42%	56.05%	43.95%	52.41%	47.59%	53.92%	46.08%
DSP AMC	30.24%	69.76%	41.07%	58.93%	37.37%	62.63%	36.33%	63.67%

Source: AMFI, CRISIL Research

Aditya Birla Sun Life AMC holds the second position in terms of direct plans under debt AUM category after Nippon India (72.47%) as of June 2021 among the top 10 peers. In terms of equity AUM from direct plans, Aditya Birla Sun Life AMC holds sixth position among top 10 peers as of June 2021.

The following table sets forth the breakdown of MAAUM share of regular and direct plans among the top 10 AMCs in India (presented in descending order in terms of QAAUM as of June 2021) by asset class, as of June 2021:

	Equity		Debt		Liquid/Money market	
	Direct	Regular	Direct	Regular	Direct	Regular
SBI AMC	18.87%	81.13%	49.23%	50.77%	70.41%	29.59%
HDFC AMC	21.72%	78.28%	63.05%	36.95%	73.75%	26.25%
ICICI Prudential AMC.....	22.13%	77.87%	52.16%	47.84%	74.65%	25.35%
Aditya Birla Sun Life AMC	20.24%	79.76%	66.01%	33.99%	72.70%	27.30%
Kotak Mahindra AMC.....	26.99%	73.01%	57.99%	42.01%	81.50%	18.50%
Nippon India AMC.....	17.59%	82.41%	72.47%	27.53%	76.35%	23.65%
Axis AMC	24.66%	75.34%	54.44%	45.56%	71.68%	28.32%
UTI AMC	17.63%	82.37%	32.39%	67.61%	82.62%	17.38%
IDFC AMC	23.43%	76.57%	61.35%	38.65%	78.70%	21.30%
DSP AMC	18.30%	81.70%	60.32%	39.68%	70.09%	29.91%

Source: AMFI, CRISIL Research

Share in Associate Distributors

Share of associate distributors as a percentage of total AUM is the highest for SBI AMC (20.31%) followed by Axis AMC (13.96%) and ICICI Prudential AMC (8.10%) as of June 2021.

The following table sets forth the share of associate distributors as a percentage of total MAAUM among the top 10 AMCs in India (presented in descending order in terms of QAAUM as of June 2021) as of the end of the financial periods indicated:

	March 2016	March 2017	March 2018	March 2019	March 2020	June 2020	March 2021	June 2021
SBI AMC.....	12.88%	15.92%	24.63%	24.13%	23.69%	21.43%	21.55%	20.31%
HDFC AMC.....	6.97%	7.88%	9.43%	7.26%	5.99%	6.52%	5.57%	5.48%
ICICI Prudential AMC.....	6.63%	9.82%	11.18%	10.71%	8.57%	8.10%	8.12%	8.10%
Aditya Birla Sun Life AMC	4.25%	4.41%	2.38%	2.04%	2.08%	2.51%	1.89%	2.16%
Kotak Mahindra AMC	10.60%	9.58%	8.87%	7.02%	4.65%	4.23%	4.12%	3.80%
Nippon India AMC	0.28%	0.22%	0.42%	0.21%	0.00%	0.00%	0.12%	0.00%
Axis AMC	38.10%	34.09%	32.64%	28.08%	18.68%	16.40%	14.59%	13.96%
UTI AMC	0.63%	2.20%	0.37%	0.71%	0.66%	0.65%	0.66%	1.20%
IDFC AMC	0.00%	0.00%	0.09%	0.09%	0.11%	0.10%	0.17%	0.18%
DSP AMC.....	0.02%	0.03%	0.05%	0.02%	0.02%	0.02%	0.03%	0.05%

Source: AMFI, CRISIL Research

In terms of share of associate distributors as a percentage of regular plans, SBI AMC has the highest share (49.28%) followed by Axis AMC (23.37%) and ICICI Prudential AMC (14.63%) as of June 2021.

The following table sets forth the share of associate distributors as a percentage of regular plans MAAUM among the top 10 AMCs in India (presented in descending order in terms of QAAUM as of June 2021) as of the end of the financial periods indicated:

	March 2016	March 2017	March 2018	March 2019	March 2020	June 2020	March 2021	June 2021
SBI AMC.....	23.04%	31.81%	47.42%	49.85%	52.32%	49.83%	50.73%	49.28%
HDFC AMC	10.01%	12.03%	14.36%	12.03%	10.99%	12.88%	10.48%	10.32%
ICICI Prudential AMC	10.02%	15.43%	17.54%	16.97%	15.73%	14.89%	14.45%	14.63%
Aditya Birla Sun Life AMC.....	6.91%	7.67%	4.27%	3.70%	4.04%	4.94%	3.83%	4.32%
Kotak Mahindra AMC.....	17.88%	17.99%	16.03%	13.26%	9.84%	9.08%	8.22%	7.85%

	March 2016	March 2017	March 2018	March 2019	March 2020	June 2020	March 2021	June 2021
Nippon India AMC.....	0.49%	0.42%	0.78%	0.37%	0.00%	0.00%	0.25%	0.00%
Axis AMC	52.19%	53.31%	50.62%	42.54%	30.80%	27.99%	24.32%	23.37%
UTI AMC	1.22%	3.78%	0.59%	1.08%	1.02%	0.96%	0.96%	1.72%
IDFC AMC.....	0.00%	0.00%	0.18%	0.19%	0.25%	0.23%	0.35%	0.40%
DSP AMC	0.02%	0.06%	0.08%	0.03%	0.03%	0.03%	0.04%	0.08%

Source: AMFI, CRISIL Research

The following tables set forth the player-wise QAAUM sourced from top distributors as of the financial year 2016:

	SBI AMC		HDFC AMC		ICICI Prudential AMC		Aditya Birla Sun Life AMC		Kotak Mahindra AMC		Nippon India AMC	
	Total AUM	% of total AUM	Total AUM	% of total AUM	Total AUM	% of total AUM	Total AUM	% of total AUM	Total AUM	% of total AUM	Total AUM	% of total AUM
<i>(₹ in billions, except percentages)</i>												
Top distributor.....	127	34%	122	28%	122	14%	35	10%	55	21%	51	8%
Top 5 distributors ...	185	49%	259	59%	326	36%	149	42%	108	40%	178	26%
Top 10 distributors .	223	59%	340	77%	466	52%	171	49%	141	53%	256	37%
Top 20 distributors .	265	70%	399	90%	608	68%	193	55%	181	68%	372	54%
Total from distributors	376		441		896		352		267		682	

Source: Company reports, CRISIL Research

The following tables set forth the player-wise QAAUM sourced from top distributors as of the financial year 2021:

	SBI AMC		HDFC AMC		ICICI Prudential AMC		Aditya Birla Sun Life AMC		Kotak Mahindra AMC		Nippon India AMC	
	Total AUM	% of total AUM	Total AUM	% of total AUM	Total AUM	% of total AUM	Total AUM	% of total AUM	Total AUM	% of total AUM	Total AUM	% of total AUM
<i>(₹ in billions, except percentages)</i>												
Top distributor.....	939	60	211	16	269	18	66	8	85	11	97	16
Top 5 distributors ...	1,114	71	471	36	563	37	202	26	290	36	186	32
Top 10 distributors .	1,181	76	616	47	757	50	294	37	389	48	248	42
Top 20 distributors .	1,265	81	766	58	950	63	417	53	492	61	321	54
Total from distributors	1,559		1,320		1,518		784		802		589	

Source: Company reports, CRISIL Research

Share in Individual AUM

Individual AUM for the top 10 AMCs recorded approximately 23% CAGR between March 2016 and June 2021. The market share of top 10 AMCs in the overall individual AUM improved marginally to 78.28% in June 2021 from 77.35% in March 2016. Axis AMC witnessed the highest CAGR of approximately 44% between March 2016 and June 2021 followed by Kotak Mahindra AMC and SBI AMC.

Aditya Birla Sun Life AMC, ICICI Prudential AMC, HDFC AMC and Nippon India AMC have a good balance of individual and institutional investors in the assets they manage. At the industry level, individual investors have a slightly higher market share at approximately 54% of AUM as of June 2021. Aditya Birla Sun Life AMC is the fifth largest player in terms of market share in individual AUM among the top 10 AMCs as of June 2021.

The following table sets forth the market share of individual MAAUM of the top 10 AMCs in India (presented in descending order in terms of QAAUM as of June 2021) as of the end of the financial periods indicated:

	Individual AUM (In ₹ billions)	Market Share (In %)	Individual AUM (In ₹ billions)	Market Share (In %)	Individual AUM (In ₹ billions)	Market Share (In %)	CAGR (Mar-16 to Jun-21)
	March 2016		March 2021		June 2021		
SBI AMC	384	6.24%	2,126	12.31%	2,211	12.06%	39.57%
HDFC AMC	944	15.33%	2,361	13.67%	2,474	13.49%	20.14%
ICICI Prudential AMC	918	14.91%	2,211	12.80%	2,330	12.71%	19.41%
Aditya Birla Sun Life AMC	546	8.87%	1,270	7.35%	1,334	7.27%	18.54%
Kotak Mahindra AMC.....	186	3.03%	1,071	6.20%	1,165	6.35%	41.83%
Nippon India AMC.....	658	10.68%	1,151	6.66%	1,237	6.74%	12.77%
Axis AMC	209	3.39%	1,259	7.29%	1,398	7.63%	43.62%

UTI AMC	511	8.30%	846	4.90%	898	4.90%	11.33%
IDFC AMC	195	3.17%	574	3.32%	592	3.23%	23.56%
DSP AMC	212	3.44%	655	3.79%	716	3.91%	26.09%
Top 10 total	4,764	77.35%	13,525	78.31%	14,353	78.28%	23.38%
Industry total	6,158		17,270		18,336		23.10%

Source: AMFI, CRISIL Research

Aditya Birla Sun Life AMC's individual investor MAAUM grew at a CAGR of 18.54% from ₹546.13 billion as of March 31, 2016 to ₹1,269.82 billion as of March 31, 2021, which was the fourth highest increase among the five largest AMCs in India, and further to ₹1,333.53 billion as of June 2021.

Aditya Birla Sun Life AMC's individual investor MAAUM mix increased by 7.06% from 39.95% as of March 31, 2016 to 47.01% as of June 2021, which was the second highest increase among the five largest AMCs in India by QAAUM. Aditya Birla Sun Life AMC's AUM from institutional customers was ₹1,503.04 billion as of June 2021, which is the fourth largest among peers.

The following table sets forth the split between individual investor MAAUM and institutional investor MAAUM among the top 10 AMCs in India (presented in descending order in terms of QAAUM as of June 2021) as of the end of the financial periods indicated:

	March 2016		June 2020		March 2021		June 2021	
	Individual	Institutional	Individual	Institutional	Individual	Institutional	Individual	Institutional
SBI AMC.....	34.89%	65.11%	40.49%	59.51%	42.01%	57.99%	41.11%	58.89%
HDFC AMC	53.15%	46.85%	51.73%	48.27%	57.62%	42.38%	57.94%	42.06%
ICICI Prudential AMC	51.33%	48.67%	51.35%	48.65%	54.21%	45.79%	55.06%	44.94%
Aditya Birla Sun Life AMC.....	39.95%	60.05%	45.67%	54.33%	46.86%	53.14%	47.01%	52.99%
Kotak Mahindra AMC	31.22%	68.78%	43.24%	56.76%	45.92%	54.08%	45.96%	54.04%
Nippon India AMC	41.11%	58.89%	47.86%	52.14%	49.97%	50.03%	49.84%	50.16%
Axis AMC	53.99%	46.01%	57.33%	42.67%	63.85%	36.15%	63.95%	36.05%
UTI AMC	48.58%	51.42%	44.84%	55.16%	45.69%	54.31%	46.37%	53.63%
IDFC AMC.....	37.93%	62.07%	43.21%	56.79%	47.32%	52.68%	46.86%	53.14%
DSP AMC.....	55.26%	44.74%	61.78%	38.22%	67.02%	32.98%	68.31%	31.69%
Industry	45.44%	54.56%	50.54%	49.46%	53.68%	46.32%	53.76%	46.24%

Source: AMFI, CRISIL Research

The following table sets forth the breakdown of individual investor MAAUM and institutional investor MAAUM of the overall industry in India by asset class, as of the end of the months indicated:

	Investors	March 2016	March 2017	March 2018	March 2019	March 2020	March 2021	June 2021
Equity	Individual	83.99%	84.87%	85.16%	88.28%	87.05%	88.17%	87.65%
	Institutional	16.01%	15.13%	14.84%	11.72%	12.95%	11.83%	12.35%
Debt	Individual	39.30%	37.82%	40.36%	47.37%	44.48%	40.54%	39.11%
	Institutional	60.70%	62.18%	59.64%	52.63%	55.52%	59.46%	60.89%
Liquid/Money market	Individual	7.95%	8.11%	9.53%	14.31%	14.89%	16.45%	14.87%
	Institutional	92.05%	91.89%	90.47%	85.69%	85.11%	83.55%	85.13%
ETFs	Individual	19.18%	11.74%	7.57%	8.44%	5.13%	6.25%	6.39%
	Institutional	80.82%	88.26%	92.43%	91.56%	94.87%	93.75%	93.61%

Source: AMFI, CRISIL Research

The share of individual investors in equity AUM category for Aditya Birla Sun Life AMC has witnessed an improvement of approximately 5 percentage points, which is third highest improvement among peers between March 2016 and June 2021.

Aditya Birla Sun Life AMC was among the top three players having the lowest percentage of complaints against folios as of the financial years 2020 and 2021. UTI AMC had one of the lowest percentage of complaints against folios at 0.0006%, followed by DSP AMC (0.0012%), Aditya Birla Sun Life AMC (0.0019%) and IDFC AMC (0.0099%) as of March 2021.

In terms of number of folios, ICICI AMC has the largest number of folios (11.43 million) followed by UTI AMC (11.03 million) and Nippon India AMC (9.98 million) as of the financial year 2021. Aditya Birla Sun Life AMC was at seventh position among peers with total number of folios at 7.07 million as of the financial year 2021.

In terms of folio growth, Aditya Birla Sun Life AMC's total number of individual investor folios more than doubled from 2.93 million as of March 31, 2016 to 7.07 million as of March 2021, which was greater than the industry's increase of 15.48% over the same period and the third highest increase among the five largest AMCs in India by MAAUM.

The following table sets forth the number of folios and percentage of complaints against folios of the top 10 AMCs in India as of March 31, 2016 and March 31, 2020.

	Number of folios (in millions)						CAGR (Mar-16 to Mar-21) for no. of folios	% complaints against folios					
	March 2016	March 2017	March 2018	March 2019	March 2020	March 2021		March 2016	March 2017	March 2018	March 2019	March 2020	March 2021
SBI AMC	4.39	5.18	6.71	7.84	8.57	9	15.44%	0.04%	0.13%	0.11%	0.03%	0.01%	0.01%
HDFC AMC	5.61	6.22	8.12	9.11	9.43	8.96	9.82%	0.07%	0.05%	0.07%	0.07%	0.06%	0.04%
ICICI AMC	4.05	4.99	6.65	7.71	9.38	11.43	23.05%	0.11%	0.09%	0.08%	0.05%	0.03%	0.02%
Aditya Birla Sun life AMC	2.93	3.96	6.05	7.09	7.19	7.07	19.25%	0.04%	0.05%	0.03%	0.01%	0.00%	0.00%
Kotak AMC.....	0.89	1.22	2.05	2.48	3.16	3.7	33.00%	0.02%	0.03%	0.03%	0.02%	0.02%	0.01%
Nippon India AMC.....	5.91	6.85	8.17	9.07	8.9	9.98	11.05%	0.03%	0.02%	0.01%	0.01%	0.01%	0.01%
Axis AMC	1.67	2.1	2.72	3.89	6.01	8.05	36.98%	0.04%	0.02%	0.01%	0.02%	0.02%	0.02%
UTI AMC.....	10.52	10.77	10.71	11.02	10.92	11.03	0.95%	0.02%	0.02%	0.01%	0.00%	0.00%	0.00%
IDFC AMC.....	0.65	0.66	1.06	1.27	1.34	1.37	16.05%	0.04%	0.05%	0.04%	0.04%	0.02%	0.01%
DSP AMC	3.27	4.07	5.01	5.41	5.75	6.23	13.77%	0.00%	0.01%	0.01%	0.00%	0.00%	0.00%

Source: AMFI, CRISIL Research

Note: Data includes complaints against the respective AMC's persons, distributors and employees. Complaints against folio are calculated as total complaints raised divided by total number of folios.

13 of Aditya Birla Sun Life AMC's top open-ended schemes, forming 64.40% of its QAAUM, have outperformed peers under the 10-year return horizon, as of June 30, 2021. The following table sets forth certain information on Aditya Birla Sun Life AMC's schemes that have outperformed peers, as of June 30, 2021:

	Number of Aditya Birla Sun Life AMC schemes that have outperformed peers*	% of Aditya Birla Sun Life AMC schemes by QAAUM that have outperformed peers*
1 year absolute return	13	66.39%
3 year annual return.....	10	51.56%
5 year annual return.....	11	60.29%
10 year annual return.....	13	64.40%

Source: AMFI, CRISIL Research

Note: (*) - Peers include top 10 AMCs in India based on QAAUM as on June 2021 according to the CRISIL Report. Above analysis is done based on the top 20 open-ended schemes of Aditya Birla Sun Life AMC, which contributed to 86.72% of its QAAUM as of June 2021.

The following table sets forth peer and index benchmark mutual fund performance as of June 2021 for comparison:

	1 Year	3 Year	5 Year	10 Year
Equity Schemes *	50.69%	12.68%	12.47%	12.59%
Debt Schemes *	6.02%	7.59%	7.30%	8.41%
S&P BSE SENSEX TRI	52.38%	15.32%	15.58%	12.31%
NIFTY 50 TRI	54.58%	15.00%	15.08%	12.14%
S&P BSE Mid Cap TRI	74.42%	14.69%	15.23%	14.10%
NIFTY 10-year Benchmark G-Sec Index	3.99%	9.12%	7.07%	NA

Source: AMFI, SBI portal, NSE, SENSEX, S&P BSE Mid cap Index, NIFTY Index, CRISIL Research

Note: (*) – Based on top-10 peers scheme average; NA – Not available.

Share in Debt-Ultra Short Duration

Aditya Birla Sun Life AMC is the largest player in terms of AUM under debt-ultra short duration category and second largest player in terms of AUM under equity – ELSS scheme as of June 2021. Aditya Birla Sun Life AMC has the third largest AUM in terms of corporate bond fund and large cap equity fund AUM as of June 2021.

The following table sets forth the scheme-wise debt-ultra short duration QAAUM and market share of the top 10 AMCs in India (presented in descending order in terms of QAAUM as of June 2021) as of June 2021:

	Debt-ultra short	Market share	Equity-ELSS	Market share	Corporate bond fund	Market share	Large cap equity fund	Market share
SBI AMC	123	12.58%	107	7.97%	298	18.65%	274	14.82%
HDFC AMC.....	172	17.52%	94	7.04%	274	17.14%	193	10.42%
ICICI Prudential AMC.....	98	9.99%	86	6.45%	198	12.42%	269	14.54%
Aditya Birla Sun Life AMC	185	18.80%	142	10.58%	240	15.05%	199	10.75%
Kotak Mahindra AMC	119	12.12%	19	1.44%	94	5.91%	25	1.37%
Nippon India AMC	10	1.06%	114	8.51%	26	1.61%	102	5.49%
Axis AMC.....	62	6.28%	290	21.68%	43	2.71%	262	14.17%
UTI AMC.....	23	2.32%	48	3.58%	35	2.20%	80	4.31%
IDFC AMC	58	5.91%	32	2.36%	221	13.85%	7	0.40%
DSP AMC.....	37	3.73%	85	6.33%	26	1.63%	27	1.46%
Industry	982		1,339		1,598		1,851	

Source: AMFI, CRISIL Research

Share of Digital Onboarding

Aditya Birla Sun Life AMC ranks among the highest in terms of share of digital onboarding.

The following table sets forth the share of digital onboarding of certain AMCs as of the financial year 2021:

Players	Definitional of digital contribution	FY2021
Aditya Birla Sun Life AMC	Digital share of overall transactions	85%
HDFC AMC	Electronic transactions (non-systematic and new systematic) as a percentage of total transaction	>80%
UTI AMC	Sales through digital platforms (as a percentage of equity and hybrid mutual fund gross sales)	42.25%
Nippon India AMC.....	Contribution of digital to the lump sum and SIP purchase transactions	49% and 59%

Source: Company annual report, CRISIL Research

Aditya Birla Sun Life AMC ranks among the highest in terms of share of digital transactions, which account for 85% of the overall transactions as of the financial year 2021 while the overall digital onboarding for listed players ranges from 42% to 84% for the same period.

Growth in Revenue and Profitability

Aditya Birla Sun Life AMC held the fifth position in terms of total revenue in the financial year 2021 among peers.

HDFC AMC leads the industry in terms of revenue with approximately ₹22 billion in the financial year 2021, followed by ICICI Prudential AMC and SBI AMC with ₹20 billion and ₹16 billion, respectively. Aditya Birla Sun Life AMC's revenue was ₹10.5 billion in the financial year 2021, placing it in fifth position in the revenue list. The variation in the pecking order of various players in terms of QAAUM and revenues can be attributed to differences in the asset mix and the share of passive assets managed in the overall assets. Overall, revenues of the top 10 AMCs in the industry recorded a CAGR of 9.82% between the financial years 2016 and 2021. (Note: Financial benchmarking across CRISIL's report is based on standalone (unconsolidated) financial statements of the respective AMCs.)

The following table sets forth the total revenue of the top 10 AMCs in India (presented in descending order in terms of QAAUM as of June 2021) for the financial periods indicated:

	2016	2017	2018	2019	2020	2021	3M 2021	3M 2022	2016-2021 CAGR
					(₹ in millions)				
SBI AMC.....	5,524	7,779	12,797	15,585	13,169	16,175	NA	NA	23.97%
HDFC AMC	14,943	15,879	18,698	20,968	21,434	22,017	4,913	6,080	8.06%
ICICI Prudential AMC	10,124	13,497	18,958	20,043	20,068	22,337	NA	NA	15.03%
Aditya Birla Sun Life AMC	7,565	9,870	12,205	13,117	11,406	10,549	2,607	3,362	6.88%
Kotak Mahindra AMC.....	2,400	2,912	5,125	6,513	5,961	6,453	NA	NA	21.87%
Nippon India AMC.....	12,710	14,004	16,806	15,890	11,343	13,257	3,362	3,692	0.85%
Axis AMC	3,805	5,310	7,524	6,846	4,807	6,553	NA	NA	11.49%
UTI AMC	7,496	8,532	10,188	10,083	8,618	9,682	2,704	3,501	5.02%
IDFC AMC.....	3,256	3,096	3,171	2,794	3,051	3,711	NA	NA	2.65%
DSP AMC.....	3,867	5,115	7,568	7,220	4,534	5,806	NA	NA	8.47%
Top 10 total	71,690	85,995	113,039	119,059	104,390	114,490	NA	NA	9.82%

Source: Company annual reports, CRISIL Research

Notes: Three-month financial benchmarking numbers are based on consolidated numbers as not every listed company reports standalone numbers; Revenue includes management fees, PMS fees, research support fees, investment advisory fees, and other income. Due to change

in accounting regulation in 2018, that marketing and selling expenses are now to be borne by the schemes instead at an AMC-level earlier, and regulation in overall TER led to a drop in revenue; NA – Not available.

Among the top-10 AMCs, DSP AMC ranks highest in terms of total revenues as a percentage of AAUM in the financial year 2021 followed by Nippon India AMC (0.65%) and UTI AMC (0.60%). Aditya Birla Sun Life AMC ranks sixth in the list with a ratio of 0.43% in the financial year 2021. In terms of operating revenue as a percentage of AAUM, it is ranked fifth among peers at of 0.47% in the financial year 2021. Aditya Birla Sun Life AMC is the third best in terms of maintaining revenue as percentage of AAUM (third highest in terms of change in revenue as a percentage of AAUM from the financial year 2016 to the financial year 2021) among the top 10 AMCs.

The following table sets forth revenue as a percentage of AAUM of the top 10 AMCs in India (presented in descending order in terms of QAAUM as of June 2021) for the financial periods indicated:

	2016	2017	2018	2019	2020	2021	3M 2021	3M 2022	Change in bps (2016- 2021)	Change in bps (3M 2016- 3M2022)
SBI AMC	0.58%	0.57%	0.66%	0.60%	0.39%	0.37%	NA	NA	(20.96)	NA
HDFC AMC	0.87%	0.73%	0.67%	0.65%	0.57%	0.57%	0.53%	0.63%	(29.69)	(23.70)
ICICI Prudential AMC.....	0.61%	0.61%	0.67%	0.64%	0.57%	0.55%	NA	NA	(5.57)	NA
Aditya Birla Sun Life AMC	0.57%	0.57%	0.53%	0.53%	0.45%	0.43%	0.41%	0.55%	(13.85)	(2.00)
Kotak Mahindra AMC.....	0.44%	0.38%	0.45%	0.47%	0.34%	0.32%	NA	NA	(12.09)	NA
Nippon India AMC.....	0.83%	0.74%	0.71%	0.67%	0.54%	0.65%	0.64%	0.72%	(18.47)	(11.11)
Axis AMC	1.15%	1.09%	1.06%	0.81%	0.41%	0.39%	NA	NA	(75.56)	NA
UTI AMC	0.73%	0.67%	0.67%	0.63%	0.56%	0.60%	0.70%	0.88%	(12.87)	14.94
IDFC AMC.....	0.60%	0.54%	0.47%	0.41%	0.32%	0.32%	NA	NA	(27.68)	NA
DSP AMC	1.00%	0.94%	0.93%	0.84%	0.58%	0.68%	NA	NA	(32.22)	NA
Average of top 10.....	0.74%	0.68%	0.68%	0.63%	0.47%	0.48%	NA	NA	(25.63)	NA

Source: Company annual reports, AMFI, CRISIL Research

Note: Financials for the financial years 2021, 2020, 2019 and 2018 are under Ind AS and in IGAAP for earlier years. Due to change in accounting regulation in 2018, marketing and selling expenses now to be borne by the schemes instead of at an AMC level, and regulation in overall TER led to a drop in revenue. AAUM is the average of QAAUM for respective fiscal year. Three-month figures in above table are annualized.

Net profit and operating profit

Stable cumulative net profits as a percentage of AAUM were observed for the top 10 AMCs in the last three years. Given the high operating leverage in the business, once AMCs achieve a reasonable scale, their profits tend to grow at a much faster pace than revenues. Cumulative net profits for the top 10 AMCs registered a 23.52% CAGR between the financial years 2016 and 2021, which is faster than the 9.8% CAGR in their revenues during this period. Aditya Birla Sun Life AMC's net profit recorded a 19.8% CAGR between the financial years 2016 and 2021.

The following table sets forth the net profit of the top 10 AMCs in India (presented in descending order in terms of QAAUM as of June 2021) for the financial periods indicated:

	2016	2017	2018	2019	2020	2021	3M 2021	3M 2022	2016-2021 CAGR
	(₹ in millions)								
SBI AMC	1,654	2,243	3,354	4,290	6,056	8,628	1,880	2,440	39.15%
HDFC AMC.....	4,779	5,502	7,113	9,302	12,593	13,258	3,024	3,455	22.64%
ICICI Prudential AMC.....	3,257	4,805	6,138	6,820	10,438	12,454	2,570	3,800	30.77%
Aditya Birla Sun Life AMC.....	2,095	2,211	3,415	4,485	4,836	5,171	974	1,549	19.81%
Kotak Mahindra AMC	593	382	813	2,290	3,117	3,233	710	1,070	40.38%
Nippon India AMC	3,702	4,048	4,476	4,752	4,123	6,494	1,561	1,814	11.90%
Axis AMC.....	316	570	430	544	1,168	2,437	390	730	50.46%
UTI AMC.....	2,321	2,908	3,415	3,484	3,092	3,517	1,019	1,550	8.67%
IDFC AMC	1,100	973	1,042	455	801	1,430	NA	NA	5.39%
DSP AMC	774	852	2,098	2,486	1,160	2,592	NA	NA	27.34%
Top 10 total.....	20,590	24,494	32,293	38,906	47,384	59,214	NA	NA	23.52%

Source: Company annual reports, AMFI, CRISIL Research

Note: Financials for the financial years 2021, 2020, 2019 and 2018 are under Ind AS and in IGAAP for earlier years. Three-month figures in above table are annualized.

Aditya Birla Sun Life AMC has witnessed consistent improvement in its net profit as a percentage of AAUM. Aditya Birla Sun Life holds the sixth position among the top 10 AMCs in terms of net profit to AAUM as of the financial year 2021.

The following table sets forth the net profit as a percentage of AAUM of the top 10 AMCs in India (presented in descending order in terms of QAAUM as of June 2021) for the financial periods indicated:

	2016	2017	2018	2019	2020	2021	3M 2021	3M 2022	Change in bps (2016- 2021)	Change in bps (3M 2016- 2022)
SBI AMC	0.17%	0.16%	0.17%	0.17%	0.18%	0.20%	NA	NA	2.8	NA
HDFC AMC.....	0.28%	0.25%	0.26%	0.29%	0.34%	0.35%	0.34%	0.33%	6.5	8.1
ICICI Prudential AMC.....	0.19%	0.22%	0.22%	0.22%	0.30%	0.34%	0.32%	0.36%	14.8	14.5
Aditya Birla Sun Life AMC ..	0.16%	0.13%	0.15%	0.18%	0.19%	0.21%	0.18%	0.22%	5.1	9.5
Kotak Mahindra AMC	0.11%	0.05%	0.07%	0.17%	0.18%	0.16%	0.17%	0.17%	5.0	12.4
Nippon India AMC	0.24%	0.21%	0.19%	0.20%	0.20%	0.32%	0.35%	0.30%	7.6	9.2
Axis AMC.....	0.10%	0.12%	0.06%	0.06%	0.10%	0.15%	0.12%	0.14%	4.7	2.0
UTI AMC.....	0.23%	0.23%	0.23%	0.22%	0.20%	0.22%	0.30%	0.33%	(0.9)	10.1
IDFC AMC	0.20%	0.17%	0.15%	0.07%	0.08%	0.12%	NA	NA	(7.5)	NA
DSP AMC	0.20%	0.16%	0.26%	0.29%	0.15%	0.30%	NA	NA	10.3	NA
Average of top 10.....	0.19%	0.17%	0.18%	0.19%	0.19%	0.25%	NA	NA	6.0	NA

Source: Company annual reports, AMFI, CRISIL Research

Note: Financials for the financial years 2021, 2020, 2019 and 2018 are under Ind AS and in IGAAP for earlier years. Three-month figures in above table are annualized.

Aditya Birla Sun Life AMC's operating profit as a percentage of AAUM is the third highest among top-five players as of the financial year 2021.

The following diagram sets forth the operating profit as a percentage of AAUM of the top 10 AMCs in India (presented in descending order in terms of QAAUM as of June 2021) for the financial periods indicated:

	2016	2017	2018	2019	2020	2021	3M 2021	3M 2022	Change in bps (2016- 2021)	Change in bps (3M 2016- 2022)
SBI AMC	0.25%	0.21%	0.24%	0.22%	0.21%	0.22%	NA	NA	(3.13)	NA
HDFC AMC.....	0.38%	0.32%	0.46%	0.38%	0.41%	0.36%	0.33%	0.28%	(1.57)	(10.08)
ICICI Prudential AMC.....	0.29%	0.31%	0.33%	0.31%	0.40%	0.39%	NA	NA	9.83	NA
Aditya Birla Sun Life AMC ...	0.23%	0.16%	0.19%	0.23%	0.23%	0.22%	0.15%	0.19%	(0.58)	(3.52)
Kotak Mahindra AMC.....	0.13%	0.07%	0.10%	0.24%	0.22%	0.19%	NA	NA	5.86	NA
Nippon India AMC.....	0.25%	0.24%	0.33%	0.31%	0.29%	0.25%	0.23%	0.27%	(0.48)	2.43
Axis AMC.....	0.09%	0.11%	0.07%	0.09%	0.13%	0.17%	NA	NA	8.34	NA
UTI AMC.....	0.27%	0.24%	0.32%	0.30%	0.24%	0.14%	0.34%	0.35%	(13.43)	8.33
IDFC AMC	0.28%	0.21%	0.12%	0.10%	0.11%	0.30%	NA	NA	2.29	NA
DSP AMC	0.27%	0.18%	0.61%	0.35%	0.17%	0.24%	NA	NA	(2.72)	NA
Average of top 10.....	0.25%	0.21%	0.28%	0.25%	0.24%	0.25%	NA	NA	(0.16)	NA

Source: Company annual reports, AMFI, CRISIL Research

Note: Financials for the financial years 2021, 2020, 2019 and 2018 are under Ind AS and in IGAAP for earlier years. Operating profit as a percentage of AAUM is calculated as revenue from operations minus total expenditure as a percentage of AAUM in that year.

Return on Equity ("RoE")

Aditya Birla Sun Life AMC is the sixth largest player in terms of RoE in the financial year 2021. ICICI Prudential AMC has the highest RoE (80.28%), followed by Axis AMC (43.07%) and IDFC AMC (42.56%) as of the financial year 2021.

The following diagram sets forth the RoE of the top 10 AMCs in India (presented in descending order in terms of QAAUM as of June 2021) for the financial periods indicated:

	2016	2017	2018	2019	2020	2021	Change in bps (2016- 2021)
SBI AMC	28.60%	32.20%	36.70%	35.40%	36.10%	37.84%	924
HDFC AMC.....	42.10%	42.80%	40.30%	35.00%	35.60%	30.11%	(1,199)
ICICI Prudential AMC.....	60.50%	70.10%	76.00%	66.30%	83.10%	80.28%	1,978
Aditya Birla Sun Life AMC.....	28.90%	25.20%	33.00%	36.70%	37.24%	33.70%	480
Kotak Mahindra AMC	66.80%	27.90%	41.60%	65.30%	51.10%	35.17%	(3,163)
Nippon India AMC	27.00%	24.40%	21.40%	19.50%	16.20%	23.30%	(370)

Axis AMC.....	22.60%	30.90%	18.30%	19.30%	31.20%	43.07%	2,047
UTI AMC.....	15.90%	17.10%	17.10%	15.20%	12.40%	12.85%	(305)
IDFC AMC	102.70%	55.7037%	41.00%	15.80%	27.33%	42.56%	(6,014)
DSP AMC.....	16.50%	15.50%	28.90%	25.30%	10.00%	19.11%	261
Average of top 10	41.20%	34.20%	35.40%	33.40%	32.00%	35.80%	540

Source: Company annual reports, AMFI, CRISIL Research

Note: RoE (based on standalone number) is calculated as profit after tax of the current year divided by average net worth of current year and preceding year.

Cost Structure

On average, total cost as a percentage of income of the top 10 AMCs was 40.5% in the financial year 2021 as compared with 47.97% in the financial year 2020.

Aditya Birla Sun Life AMC has been able to keep its costs in check, relative to its income. The total cost to income ratio for Aditya Birla Sun Life AMC dropped to 46.69% in the financial year 2021 from 49.32% in the financial year 2020. HDFC AMC and ICICI Prudential had the lowest total cost to income ratio of 20.57% and 28.24%, respectively, in the financial year 2021.

For the top 10 AMCs, average employee cost as a percentage of AAUM declined from 0.14% in the financial year 2016 to 0.10% in the financial year 2021. Aditya Birla Sun Life AMC too saw its employee costs as a percentage of AAUM declining from 0.12% in the financial year 2016 to 0.09% in the financial year 2021.

The following table sets forth the employee cost as a percentage of AAUM of the top 10 AMCs in India (presented in descending order in terms of QAAUM as of June 2021) for the financial periods indicated:

	2016	2017	2018	2019	2020	2021	3M 2021	3M 2022	Change in bps (2016- 2021)	Changes in bps (2016- 2022)
SBI AMC	0.11%	0.10%	0.08%	0.08%	0.07%	0.05%	NA	NA	(6)	NA
HDFC AMC	0.08%	0.07%	0.07%	0.06%	0.06%	0.06%	0.06%	0.08%	(2)	0
ICICI Prudential AMC.....	0.09%	0.08%	0.08%	0.08%	0.08%	0.07%	NA	NA	(2)	NA
Aditya Birla Sun Life AMC.....	0.12%	0.10%	0.10%	0.11%	0.09%	0.09%	0.11%	0.10%	(3)	(2)
Kotak Mahindra AMC.....	0.10%	0.08%	0.07%	0.06%	0.05%	0.06%	NA	NA	(4)	NA
Nippon India AMC.....	0.13%	0.10%	0.10%	0.12%	0.13%	0.12%	0.16%	0.12%	(1)	(1)
Axis AMC...	0.21%	0.22%	0.18%	0.18%	0.13%	0.10%	NA	NA	(11)	NA
UTI AMC	0.24%	0.20%	0.19%	0.17%	0.20%	0.21%	0.29%	0.20%	(3)	(4)
IDFC AMC .	0.10%	0.09%	0.10%	0.13%	0.10%	0.08%	NA	NA	(2)	NA
DSP AMC ...	0.23%	0.21%	0.16%	0.17%	0.18%	0.17%	NA	NA	(6)	NA
Average of top 10	0.14%	0.13%	0.11%	0.12%	0.11%	0.10%	NA	NA	(4)	NA

The following table sets forth the admin cost (including depreciation) as a percentage of AAUM of the top 10 AMCs in India (presented in descending order in terms of QAAUM as of June 2021) for the financial periods indicated:

	2016	2017	2018	2019	2020	2021	Change in bps (2016- 2021)
SBI	0.07%	0.07%	0.06%	0.05%	0.04%	0.03%	(4)
HDFC AMC	0.08%	0.07%	0.06%	0.06%	0.04%	0.04%	(4)
ICICI Prudential AMC	0.05%	0.05%	0.05%	0.05%	0.03%	0.06%	(1)
Aditya Birla Sun Life AMC	0.07%	0.07%	0.06%	0.06%	0.05%	0.05%	(2)
Kotak Mahindra AMC.....	0.05%	0.05%	0.04%	0.04%	0.03%	0.03%	(2)
Nippon India AMC.....	0.13%	0.13%	0.12%	0.11%	0.08%	0.08%	(5)
Axis AMC	0.11%	0.06%	0.05%	0.06%	0.04%	0.08%	(3)
UTI AMC	0.08%	0.07%	0.06%	0.07%	0.07%	0.07%	(1)
IDFC AMC.....	0.16%	0.18%	0.21%	0.14%	0.07%	0.04%	(12)
DSP AMC	0.23%	0.14%	0.10%	0.09%	0.14%	0.07%	(16)
Average of top 10	0.10%	0.09%	0.08%	0.07%	0.06%	0.05%	(5)

The following table sets forth the marketing cost as a percentage of AAUM of the top 10 AMCs in India (presented in descending order in terms of QAAUM as of June 2021) for the financial periods indicated:

	2016	2017	2018	2019	2020	2021	Change in bps (2016- 2021)
SBI AMC	0.13%	0.15%	0.24%	0.21%	0.04%	0.01%	(12)
HDFC AMC	0.29%	0.22%	0.16%	0.09%	0.01%	0.00%	(29)
ICICI Prudential AMC	0.15%	0.14%	0.21%	0.17%	0.04%	0.01%	(14)
Aditya Birla Sun Life AMC	0.13%	0.20%	0.17%	0.13%	0.06%	0.02%	(11)
Kotak Mahindra AMC.....	0.14%	0.16%	0.22%	0.13%	0.03%	0.01%	(13)
Nippon India AMC.....	0.24%	0.20%	0.21%	0.15%	0.04%	0.01%	(23)
Axis AMC.....	0.72%	0.68%	0.74%	0.47%	0.08%	0.01%	(71)
UTI AMC	0.07%	0.08%	0.09%	0.07%	0.01%	0.01%	(6)
IDFC AMC	0.03%	0.02%	0.04%	0.02%	0.02%	0.01%	(2)
DSP AMC	0.21%	0.36%	0.29%	0.14%	0.03%	0.00%	(21)
Average of top 10.....	0.21%	0.22%	0.24%	0.16%	0.04%	0.01%	(20)

Source: AMFI, CRISIL Research

Note: (*) Marketing cost includes marketing, advertising and publicity fund expenses, brokerage and incentives scheme compensation expenses, schemes related expenses, entertainment and business promotion expenses; (^) – including depreciation.

List of short names used in CRISIL's report and their corresponding full names

AMC short name	Full name
SBI AMC	SBI Funds Management Private Ltd
HDFC AMC	HDFC Asset Management Company Ltd
ICICI Prudential AMC, ICICI AMC	ICICI Prudential Asset Management Company Ltd
Aditya Birla Sun Life AMC, ABSL AMC	Aditya Birla Sun Life AMC Ltd.
Kotak Mahindra AMC, Kotak AMC.....	Kotak Mahindra Asset Management Company Ltd
Nippon India AMC, Nippon AMC.....	Nippon Life India Asset Management Ltd
Axis AMC.....	Axis Asset Management Company Ltd
UTI AMC	UTI Asset Management Company Ltd
IDFC AMC	IDFC Asset Management Company Ltd
DSP AMC.....	DSP Investment Managers Private Ltd
BNP Paribas AMC	BNP Paribas AMC
Franklin Templeton AMC	Franklin Templeton Asset Management (India) Private Ltd
HSBC AMC	HSBC Asset Management (India) Private Ltd
IIFL AMC	IIFL Asset Management Ltd
Invesco AMC	Invesco Asset Management (India) Private Ltd
LIC AMC	LIC Mutual Fund Asset Management Ltd
Motilal Oswal AMC	Motilal Oswal Asset Management Company Ltd
PGIM AMC	PGIM India Asset Management Private Ltd

OUR BUSINESS

We have included various operational and financial performance indicators in this Prospectus, many of which may not be derived from our Restated Consolidated Financial Information. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculations, may vary from that used by other companies in India and other jurisdictions. For the purposes of this section, for certain analyses we have used historical methodologies and internal categorizations to enable a consistent representation of our business. Such information may vary from similar information publicly disclosed by us in compliance with applicable regulations in India. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision, and should consult their own advisors and evaluate such information in the context of the Restated Consolidated Financial Information and other information relating to our business and operations included in this Prospectus.

Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12-month period ended March 31 of that year. Financial information for the three months ended June 30, 2021 and June 30, 2020 are not indicative of full year results and are not comparable with the annual financial statements presented in this Prospectus.

Unless otherwise specified in this section, reference to quarterly average assets under management (“QAAUM”) and monthly average assets under management (“MAAUM”) as of a given date refers to the average assets under management of our mutual fund schemes, excluding our domestic FoFs, for the quarter or month ended on the specified date.

The industry-related information contained in this Prospectus is derived from the CRISIL Report dated September 2021 which has been commissioned and paid for by our Company for an agreed fee for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. We officially engaged CRISIL Research, a division of CRISIL Limited, in connection with the preparation of the CRISIL Report on March 24, 2021.

Overview

We are ranked as the largest non-bank affiliated AMC in India by QAAUM since March 31, 2018, and among the four largest AMCs in India by QAAUM since September 30, 2011, according to the CRISIL Report. We managed total AUM of ₹2,936.42 billion under our suite of mutual fund (excluding our domestic FoFs), portfolio management services, offshore and real estate offerings, as of June 30, 2021. We believe we have achieved this leadership position through our focus on consistent investment performance, extensive distribution network, brand, experienced management team and superior customer service.

Since our inception in 1994, we have established a geographically diversified pan-India distribution presence covering 284 locations spread over 27 states and six union territories. Our distribution network is extensive and multi-channelled with a significant physical as well as digital presence, and included over 66,000 KYD-compliant MFDs, over 240 national distributors and over 100 banks/financial intermediaries, as of June 30, 2021. We managed 118 schemes comprising 37 equity schemes (including, among others, diversified, tax saving, hybrid and sector schemes), 68 debt schemes (including, among others, ultra short-duration, short-duration and fixed-maturity schemes), two liquid schemes, five ETFs and six domestic FoFs, as of June 30, 2021. Our flagship schemes include Aditya Birla Sun Life Frontline Equity Fund and Aditya Birla Sun Life Corporate Bond Fund, both of which have grown to become leading funds in India under our management. Our total QAAUM (excluding our domestic FoFs) has grown over the years and was ₹2,754.54 billion, ₹2,692.78 billion, ₹2,475.22 billion and ₹2,464.80 billion as of June 30, 2021 and March 31, 2021, 2020 and 2019, respectively. In addition, we provide portfolio management services, offshore and real estate offerings and we managed total AUM of ₹115.15 billion as part of such services, as of June 30, 2021. We cater to a wide range of customers from individuals to institutions through this pan-India network and offering of customer solutions, which positions us well to attract a large segment of the Indian mutual fund market across varying customer requirements and risk profiles and to develop a broad customer franchise with a strong retail customer base. Our MAAUM from institutional investors was ₹1,503.04 billion as of June 30, 2021, which was fourth largest among our peers, according to the CRISIL Report. Similarly, our MAAUM from individual investors was ₹1,333.53 billion as of June 30, 2021.

Our leadership position, product mix, cost base and scale has contributed to our strong financial performance. For the three months ended June 30, 2021 and June 30, 2020, and the financial years 2021, 2020 and 2019, our total income was ₹3,362.45 million, ₹2,607.47 million, ₹12,058.41 million, ₹12,347.68 million and ₹14,072.50 million, respectively, our profit before tax was ₹2,058.89 million, ₹1,301.17 million, ₹6,958.88 million, ₹6,607.29 million and ₹6,457.67 million, respectively, and our profit after tax was ₹1,549.44 million, ₹973.51 million, ₹5,262.80 million, ₹4,944.02 million and ₹4,467.99 million, respectively. As a result, for the three months ended June 30, 2021 and June 30, 2020, and the financial years 2021, 2020 and 2019, our ratio of total revenue to total mutual fund AAUM was 0.49%, 0.49%, 0.49%, 0.49% and 0.57%, respectively, our ratio of profit before tax to total mutual fund AAUM was 0.30%, 0.24%, 0.28%, 0.26% and 0.26%, respectively, and our ratio of profit after tax to total mutual fund AAUM was 0.23%, 0.18%, 0.22%, 0.20% and 0.18%, respectively. For the same periods, our ratio of total cost to total mutual fund AAUM was 0.19%, 0.24%, 0.21%, 0.23% and 0.31%, respectively, and our ratio of employee cost to total mutual fund AAUM was 0.10%, 0.11%, 0.10%, 0.10% and 0.11%, respectively. For the same periods, we achieved a return on net worth of 8.60% (not annualized), 6.88% (not annualized), 30.87%, 37.54% and 36.61%, respectively.

Our focus on improving our equity-oriented scheme mix is a significant factor in enhancing our profitability, as equity-oriented schemes generally generate higher management fees compared to other schemes. Our equity-oriented MAAUM grew at a CAGR of 24.94% from ₹323.45 billion as of March 31, 2016 to ₹984.80 billion as of March 31, 2021, and further to ₹1,080.44 billion as of June 30, 2021. Correspondingly, our share of equity-oriented MAAUM in total MAAUM increased from 23.66% as of March 31, 2016 to 38.09% as of June 30, 2021. This 14.43% increase in equity mix was greater than the industry's increase of 13.65% over the same period, and was the second highest increase among the five largest AMC's in India by MAAUM, according to the CRISIL Report.

We have also achieved substantial growth in our individual investor MAAUM and customer base, which comprises both our retail and HNI investors. We are the fifth largest player in terms of market share in individual MAAUM among the top 10 AMC's as of June 30, 2021, according to the CRISIL Report. Our individual investor MAAUM grew at a CAGR of 18.38% from ₹546.13 billion as of March 31, 2016 to ₹1,269.82 billion as of March 31, 2021, and further to ₹1,333.53 billion as of June 30, 2021. Correspondingly, our individual investor MAAUM mix increased from 39.95% as of March 31, 2016 to 47.01% as of June 30, 2021, which was the second highest increase among the five largest AMC's in India by MAAUM, according to the CRISIL Report. Consistent with our leadership position in individual investor MAAUM, our number of total investor folios (including our domestic FoFs) more than doubled from 2.93 million as of March 31, 2016 to 7.07 million as of March 31, 2021, representing a CAGR of 19.27%, which was greater than the industry increase of 15.48% over the same period and the third highest increase among the five largest AMC's in India by MAAUM, according to the CRISIL Report, and further to 7.18 million folios as of June 30, 2021.

We have maintained a market leading position in B-30 penetration over the years, which we believe has further contributed to the growth of our individual investor base as well as improvement in profitability. Our B-30 cities MAAUM was ₹447.01 billion as of June 30, 2021, and our share of MAAUM from B-30 cities in total MAAUM as of June 30, 2021 was the second highest amongst the five largest AMC's in India in terms of MAAUM, according to the CRISIL Report. Our share of MAAUM from B-30 cities in total MAAUM increased from 13.44% as of March 31, 2019 to 15.76% as of June 30, 2021, which was the highest increase among the five largest AMC's in India in terms of MAAUM, according to the CRISIL Report.

Our systematic transactions have achieved similar growth, with our number of outstanding SIPs more than tripling from 0.86 million as of March 31, 2016 to 2.80 million as of June 30, 2021. Correspondingly, our AUM from SIPs grew from ₹85.23 billion (representing 25.70% of our total equity-oriented mutual fund AUM) as of March 31, 2016 to ₹456.92 billion (representing 41.70% of our total equity-oriented mutual fund AUM) as of June 30, 2021. We believe these attractive increases in equity mix, individual investor customer base and systematic transactions have been largely driven by our focus on customers, our distributors and wide channel distribution across all locations including smaller emerging markets, our development of powerful digital platforms, the consistent performance of our schemes and diversity of portfolio of schemes offered, and our dedication to providing superior customer service.

We have automated and digitized several aspects of our operations including in relation to customer onboarding, online payments and other transactions, fund management, dealing, accounting, customer service, data analytics and other functions. Our online engagement has seen continued growth in recent years, and our proportion of digital transactions in total transactions (excluding SIP and STP installments) increased from 70.92% for the financial year 2019 to 87.75% for the financial year 2021. Similarly, the number of investors that we added through digital channels increased from 63.66% for the financial year 2020 to 80.98% for the financial year 2021.

Our Company is currently set up as a joint venture between ABCL and Sun Life AMC. ABCL is the listed non-operating holding company of the financial services businesses of the Aditya Birla group, a Fortune 500 global conglomerate. Through its various subsidiaries, ABCL managed total AUM of ₹3,432.66 billion, had a consolidated lending book of over ₹571.82 billion and an active customer base of over 25 million customers, as of June 30, 2021. Sun Life Financial Inc., the ultimate holding company of Sun Life AMC, is a leading international financial services organization providing insurance, wealth and asset management solutions to individual and corporate clients. Sun Life Financial Inc. had a market capitalization of C\$37.43 billion and total AUM of C\$1,360.69 billion, as of June 30, 2021.

Our Strengths

Largest Non-bank Affiliated Asset Manager in India

We have been amongst the leaders in the Indian mutual fund industry as demonstrated by our leading position across a number of key indicators. We have maintained our position as the largest non-bank affiliated AMC in India by MAAUM since March 31, 2018 as well as among the four largest AMC's in India by MAAUM since September 30, 2011, according to the CRISIL Report. Our total MAAUM grew at a CAGR of 14.55% from ₹1,365.03 billion as of March 31, 2016 to ₹2,692.78 billion as of March 31, 2021, and further to ₹2,754.54 billion as of June 30, 2021.

Further, our equity-oriented MAAUM grew at a CAGR of 24.94% from ₹323.45 billion as of March 31, 2016 to ₹984.80 billion as of March 31, 2021, and further to ₹1,080.44 billion as of June 30, 2021. Correspondingly, our share of equity-oriented MAAUM in total MAAUM increased from 23.66% as of March 31, 2016 to 38.09% as of June 30, 2021. This 14.43% increase in equity mix was greater than the industry increase of 13.65% over the same period, and was the second highest increase among

the five largest AMC's in India by MAAUM, according to the CRISIL Report. Correspondingly, our share of SIP AUM in total equity-oriented mutual fund AUM increased from 25.70% as of March 31, 2016 to 41.70% as of June 30, 2021. In India, as equity-oriented schemes generally pay higher management fees compared to other schemes, a higher equity-oriented scheme mix helps us achieve higher revenues and profitability. We have also experienced substantial growth in our individual investor MAAUM over the years. See “– *Growing Individual Investor Customer Base Driven By Strong Systematic Flows and B-30 Penetration*” on pages 137-138. According to the CRISIL Report, individual investors prefer equity-oriented schemes and tend to stay invested for longer periods, providing relatively predictable, committed AUMs and profitability.

We believe our size and leading position provides us with a competitive advantage by increasing both investor and distributor confidence in our products and services, providing us greater access to customer data for analytics as well as allows us to make significant investments toward our growth and operational efficiency including in digital platforms and technology initiatives.

Well-Recognized Brand with Experienced Promoters

We benefit from the strong track record, reputation and experience of our Promoters, ABCL (an Aditya Birla group company) and Sun Life AMC, and their respective affiliates, which have enabled us to build a brand that our customers trust and that has a strong recall.

The Aditya Birla group is a multi-national conglomerate and, over the last seven decades, has grown to become one of India's largest and most respected corporate groups. The Aditya Birla group holds a leadership position in a variety of sectors such as metals, cement, carbon black, viscose staple fibre, mobile telecommunications, textiles, fashion retail, chemicals and financial services, among others, and employs approximately 120,000 people with operations in 36 countries around the world. ABCL, one of our Promoters and shareholders, is the listed non-operating holding company of the Aditya Birla group's financial services businesses. For the three months ended June 30, 2021 and the financial year 2021, ABCL had revenues of ₹42.99 billion and ₹192.48 billion, respectively. As of June 30, 2021, ABCL had a market capitalization of ₹283.21 billion and, through its subsidiaries and joint ventures, managed total AUM of ₹3,432.66 billion, and had a consolidated lending book of ₹571.82 billion and an active customer base of over 25 million customers. Powered by more than 22,000 employees, the subsidiaries of ABCL have a nationwide reach with over 850 branches and over 200,000 agents and channel partners as well as several bank partners. The Aditya Birla brand has strong resonance and recall with India's populace, with ABCL being awarded “Brand of the Year” at the Indian Content Marketing Awards 2020 and one of the “Top 25 Innovative Companies” in India at the CII Industrial Innovation Awards 2020. We believe that we benefit immensely from the Aditya Birla brand's association with trust, quality and reliability due to the Aditya Birla group's long established, successful and diversified business presence in India.

Sun Life is a leading international financial services organization providing insurance, wealth and asset management solutions to individual and corporate clients. Sun Life has operations in a number of markets worldwide, including Canada, the United States, the United Kingdom, Hong Kong, Australia and several countries across Asia. As of June 30, 2021, Sun Life Financial Inc. had a market capitalization of C\$37.43 billion and total AUM of C\$1,360.69 billion, which grew at a rate of 9.48% per annum over the last five years between June 30, 2016 and June 30, 2021. Sun Life Financial Inc. is the ultimate holding company of Sun Life AMC, one of our Promoters and shareholders. Sun Life AMC had revenues of C\$37.69 million (unaudited) for the calendar year 2020. Sun Life Financial Inc. and its affiliates, including MFS Investment Management, provide investment management solutions to retail and institutional clients around the world through traditional active asset management products, retirement solutions, liability driven investing, multi-asset strategies, quantitative strategies, high net worth solutions and managed portfolios. Sun Life has experience in investing across multiple asset classes around the world including equities, fixed income, real estate, infrastructure and managed funds. We believe we benefit from Sun Life's global experience including in the areas of fund management, distribution, products and offshore business development. Sun Life also provides us with support in launching new products in India and overseas as well as access to partnership opportunities and global reach for the development of our offshore funds business.

Growing Individual Investor Customer Base Driven By Strong Systematic Flows and B-30 Penetration

Our individual investor MAAUM grew a CAGR of 18.38% from ₹546.13 billion as of March 31, 2016 to ₹1,269.82 billion as of March 31, 2021, and further to ₹1,333.53 billion as of June 30, 2021. According to the CRISIL Report, we were the fifth largest player in terms of market share in individual AUM among the top 10 AMC's as of June 30, 2021. Correspondingly, our individual investor MAAUM mix increased from 39.95% as of March 31, 2016 to 47.01% as of June 30, 2021, which was the second highest increase among the five largest AMC's in India by QAAUM, according to the CRISIL Report. Consistent with our market leading position in individual investor MAAUM, our total investor folios more than doubled from 2.93 million (representing a 6.14% market share of investor folios in India) as of March 31, 2016 to 7.07 million (representing a 7.13% market share of investor folios in India) as of March 31, 2021, which was greater than the industry increase of 15.48% over the same period and the third highest increase among the five largest AMC's in India by MAAUM, according to the CRISIL Report.

We believe our growth in our individual investor MAAUM and customer base has been largely driven by development of our digital platforms, particularly in the utilization of systematic transactions by our customers, as well as our focus on building relationships with distributors and wide channel distribution across smaller emerging markets, especially through deepening our B-30 cities presence:

- **Systematic transactions.** We believe that investments through systematic transactions have become a popular form of investing in the mutual funds as it offers customers the opportunity to invest smaller amounts over longer periods and helps mitigate the risk of market timing. The cornerstone of our sales effort has been to build a strong pipeline of such systematic flows, which helps in providing a steady and predictable increase in AAUM month over month. We offer a range of systematic transaction options and add-on features including SIPs, STPs and SWPs, see “– *Description of our Business – Systematic Transactions*” on pages 150-151. Over the years, SIPs have become a material portion of our AUM, and accounted for 41.70% of our total equity-oriented mutual fund AUM and 33.99% of our total individual investor mutual fund AUM, as of June 30, 2021. Our outstanding SIPs grew from 0.86 million as of March 31, 2016 to 2.80 million as of June 30, 2021, and our SIP AUM grew from ₹85.23 billion to ₹456.92 billion over the same period. Correspondingly, our share of SIP AUM in total equity-oriented mutual fund AUM increased from 25.70% to 41.70% over the same period, higher than the industry share of 31.36% as of June 30, 2021, according to the CRISIL Report.
- **B-30 penetration.** We believe that focusing our expansion on underpenetrated B-30 cities has helped grow our retail customer acquisition and retention rates. Our MAAUM from B-30 cities was ₹447.01 billion as of June 30, 2021. Our share of MAAUM from B-30 cities in total MAAUM as of June 30, 2021 was the second highest amongst the five largest AMCs in India in terms of MAAUM, according to the CRISIL Report. Our share of individual MAAUM from B-30 cities (B-15 cities prior to March 2018) in total individual MAAUM increased from 19.32% as of March 31, 2016 to 27.35% as of June 30, 2021. Similarly, our share of equity-oriented MAAUM from B-30 cities (B-15 cities prior to March 2018) in total equity-oriented MAAUM increased from 24.51% as of March 31, 2016 to 28.82% as of June 30, 2021. As of June 30, 2021, our market share of individual MAAUM from B-30 cities was 7.80% and our market share of MAAUM from B-30 cities was 8.03%. As of June 30, 2021 and March 31, 2021, 2020 and 2019, out of the total locations we served, we had 233, 233, 228 and 196 branches and EMs, respectively, located in B-30 cities. According to the CRISIL Report, a large part of industry growth is expected to come from B-30 cities, and AMCs with an existing large presence in B-30 cities will be well placed to attract customers in these locations due to their established position, infrastructure and distribution capabilities.

We believe that we have earned a reputation as an industry leader in quality and service excellence by staying relevant to our individual investors, and by providing them with need-based product solutions to meet their financial goals as well as continued support and engagement through various channels.

Diverse Product Portfolio with Fund Performance supported by Research Driven Investment Philosophy

As of June 30, 2021, we managed 112 mutual fund schemes, several of which have recorded superior performance compared to industry averages, as well as six domestic FoFs. We also provide portfolio management services, offshore funds and alternative investments. Further, our fund offerings can be customized to meet an individual’s specific financial goals in the form of savings solutions, regular income solutions, tax saving solutions and wealth solutions. We believe our well-diversified product suite has allowed us to cater to the varying needs and risk profiles of our investors and effectively navigate through changes in economic conditions.

We consistently demonstrate strength in our variety of product offerings and have a long history and track record of innovation in schemes, with certain of our schemes being the first of their kind in India. We believe we have been able to successfully enhance our portfolio of schemes through our rigorous and research-driven product development processes and focus on identifying pockets of differentiation. Further, our disciplined and structured investment processes have led to strong performance across our schemes. Under our management, our Aditya Birla Sun Life Frontline Equity Fund, which had QAAUM of ₹198.95 billion as of June 30, 2021, has grown to become the fourth largest among the large cap equity schemes of the top 10 AMCs in India as of such date, in terms of QAAUM, according to the CRISIL Report. Our Aditya Birla Sun Life Corporate Bond Fund, which had a QAAUM of ₹240.47 billion as of June 30, 2021, was the third largest corporate bond fund in India as of such date, in terms of QAAUM, according to the CRISIL Report. For more information, see “– *Description of our Business – Product Development Cycle*” and “– *Description of our Business – Our Investment Teams and Strategy*” on page 150 and 151-153, respectively.

Further, according to Value Research, our (i) Aditya Birla Sun Life Income Fund, which we launched on October 9, 1995, is the second fund to be launched in the open-ended income category, (ii) Aditya Birla Sun Life Liquid Fund, which we launched on June 9, 1997, is the first scheme to be launched in the liquid scheme category, (iii) Aditya Birla Sun Life MNC Fund, which we launched on December 27, 1999, is the first multinational companies fund in the industry, (iv) Aditya Birla Sun Life Dividend Yield Fund, which we launched on January 23, 2003, is the first mutual fund scheme to be launched in the dividend yield category, and (v) Aditya Birla Sun Life GenNext Fund, which we launched on June 14, 2005, was the first consumption theme-focused fund.

According to the CRISIL Report, 13 of our top open-ended schemes, which accounted for 64.40% of our QAAUM as of June 30, 2021 have outperformed our peers under the 10-year annualized return horizon as of June 30, 2021. See also “– *Description of our Business – Performance of our Schemes*” on pages 149-150. The following table sets forth the performance of certain of

our key open-ended schemes relative to the performance of the relevant benchmark index and the average of the performance of comparable schemes of peers, as of June 30, 2021:

Scheme and Relevant Benchmark*	Date of Inception	Total QAAUM (₹ in billions)	1-year Return	3-year Return	5-year Return	10-year Return	Since Inception
Equity schemes							
Aditya Birla Sun Life Frontline Equity Fund.....	August 2002	198.95	54.56%	12.48%	12.46%	13.16%	19.88%
NIFTY 50 Total Return Index			54.58%	15.00%	15.08%	12.14%	
Peer average.....			52.60%	13.45%	13.56%	12.48%	
Aditya Birla Sun Life Flexi Cap Fund	August 1998	137.44	63.51%	14.57%	15.67%	15.24%	22.57%
S&P BSE AllCap Total Return Index.....			63.29%	15.22%	15.55%	12.93%	
Peer average.....			58.05%	15.08%	14.66%	14.30%	
Aditya Birla Sun Life Tax Relief 96 Fund	March 1996	136.76	35.52%	8.64%	12.15%	13.73%	23.12%
S&P BSE 200 Total Return Index			58.77%	15.40%	15.63%	12.95%	
Peer average.....			58.67%	13.54%	13.51%	13.93%	
Aditya Birla Sun Life Equity Hybrid '95 Fund.....	Feb 1995	77.36	49.53%	10.08%	10.46%	12.07%	19.19%
CRISIL Hybrid 35+65 Aggressive Total Return Index			37.86%	14.27%	13.62%	11.88%	
Peer average.....			48.30%	12.55%	12.28%	12.31%	
Debt schemes							
Aditya Birla Sun Life Corporate Bond Fund.....	March 1997	240.47	6.18%	9.28%	8.43%	9.05%	9.30%
NIFTY Corporate Bond Total Return Index.....			7.23%	9.36%	8.35%	9.04%	
Peer average.....			5.58%	8.39%	7.97%	8.51%	
Aditya Birla Sun Life Savings Fund	April 2003	184.54	4.84%	7.20%	7.36%	8.38%	7.65%
CRISIL Ultra Short Term Debt Total Return Index			4.55%	6.75%	6.93%	8.03%	
Peer average.....			4.09%	5.66%	6.16%	7.45%	
Aditya Birla Sun Life Low Duration Fund	May 1998	169.37	4.90%	7.20%	7.08%	7.90%	7.40%
NIFTY Low Duration Debt Total Return Index.....			4.63%	6.93%	6.99%	8.06%	
Peer average.....			4.77%	6.66%	6.86%	7.95%	
Aditya Birla Sun Life Banking & PSU Debt Fund	April 2002	150.28	5.42%	8.87%	8.24%	9.16%	8.61%
NIFTY Banking and PSU Debt Total Return Index			5.52%	8.62%	7.63%	8.51%	
Peer average.....			5.03%	8.34%	7.75%	8.51%	
Liquid schemes							
Aditya Birla Sun Life Liquid Fund	June 1997	316.83	3.20%	5.44%	6.03%	7.54%	7.20%
CRISIL Liquid Fund Total Return Index.....			3.71%	5.70%	6.19%	7.40%	
Peer average.....			3.16%	5.34%	5.95%	7.46%	
Aditya Birla Sun Life Overnight Fund.....	Nov 2018	105.50	3.00%	—	—	—	4.28%
CRISIL Overnight Index.....			3.18%	—	—	—	
Peer average			3.01%	—	—	—	

*Source: AMFI, CRISIL Research

Note: Returns are depicted for the regular plan, with growth option of the schemes. Peer performance is measured based on the average of the comparable schemes of our the top AMCs in India by QAAUM as of June 30, 2021 according to the CRISIL Report. Not all peers may have comparable schemes or performance information available over the presented periods.

Pan-India, Diversified Distribution Network

We have established a geographically diversified pan-India distribution presence that is not only extensive but multi-channelled, with a significant physical as well as digital presence. As of June 30, 2021, we had a presence in 284 locations, comprising 194 branches in India (and three outside India), spread over 27 states and six union territories, which were supplemented by 90 EM representatives. Of these, 143 branches and all 90 of our EM representatives were located in B-30 cities. We believe that EM areas are untapped markets in India which have a high potential of assisting us in growing our AUM and expanding to new catchment areas without material capital expenditure. Successful EM representative-led areas generally result in the establishment of branches, and in the three months ended June 30, 2021 and the financial year 2021, we converted 5 and 15 EM locations, respectively, into branch offices. We believe our hub and spoke model further enables us to more effectively leverage our extensive branch and EM representatives network as well as keep distribution costs low.

Our capability to build deep and strong relationships with distributors is demonstrated by our highly diversified distribution network, which included over 66,000 KYD-compliant MFDs over 240 national distributors and over 100 banks/financial intermediaries, as of June 30, 2021. The diversification of our distribution base has led to a reduction in the concentration of AUM sourced from the top 10 distributors (in terms of AUM sourced) from 49% in the financial year 2016 to 37% in the financial year 2021 and, according to the CRISIL Report, we had the lowest concentration of AUM sourced from the top 20 distributors (in terms of AUM sourced), among the top five AMCs in India in terms of QAAUM, as of June 30, 2021.

Our MFDs, national distributors and banks/financial intermediaries contributed to 30.18%, 14.37% and 8.59%, respectively, of our total QAAUM (excluding ETFs) as of June 30, 2021, while our direct marketing efforts contributed to 46.86%. Our investment in MFDs has led to an increase in our equity-oriented QAAUM from MFDs from ₹127.54 billion as of March 31, 2016 to ₹519.32 billion as of June 30, 2021. Our MFDs, national distributors and banks/financial intermediaries contributed to 50.58%, 18.79% and 11.73%, respectively, of our equity-oriented QAAUM as of June 30, 2021, while our direct marketing efforts contributed to 18.91%. Since 2019, we have added over 8,000 MFDs to our distribution network and, as of June 30, 2021, we derived 49.95% of our total MAAUM from regular plans as compared to direct plans. MFDs have become a significant channel for growth of our equity-oriented schemes and coupled with our competitive compensation structure, training initiatives and strong loyalty and reward programs, we believe we have the ability to not only retain them and engage new MFDs, but also to increase their sale and marketing of our schemes. We currently provide our MFDs a range of benefits through our Privilege Club channel loyalty program, and we believe the nature of our incentives and rewards for MFDs is unique and enables a strong sense of commitment and loyalty both ways.

Long-term Track Record of Innovation in and Use of Technology

We have a history of innovation in the mutual fund area in the use of technology to service our investors. We are committed to enhancing our digital platforms and expanding our online reach, as we believe technological developments play an important role in all aspects of our business and investor interaction, from onboarding to self-service, engagement and executing transactions. Our online engagement has seen significant growth in recent years, and digital transactions represented 89.10%, 87.75%, 77.01% and 70.92% of our total transactions (excluding SIP and STP installments) for the three months ended June 30, 2021 and the financial years 2021, 2020 and 2019, respectively. Between the financial year 2020 and the financial year 2021, the number of investors that we added through digital channels increased from 63.66% to 80.98%.

We utilize automation and digitization initiatives primarily towards improving scalability by ensuring superior and continuously improving customer service as well as increasing efficiency and reducing costs. We have deployed a number of technology initiatives to enhance our customers' experience including implementation of digital paperless onboarding, video facility for KYC processes, transaction processing via social media applications, data analytics to generate models for pre-approved offers, and voice-based customer services, as well as features such as optical character recognition, facial recognition, geotagging and e-signatures. In 2016, we launched our "Active Account" application, which facilitates quick and easy transactions in liquid funds. Our digital platforms also serve to provide seamless connectivity with all our key distribution channels in order to drive synergies of financial planning, efficient distribution, order processing and servicing. Our core operating platforms use hybrid multi-cloud technology that allows our distributors to not only enroll online, but also transact, service investors and manage relationships, track transactions, among other things. In 2015, we introduced online empanelment of MFDs through a single click. We also market our schemes online through our website and mobile applications. We believe that these initiatives have significantly improved the efficiency of our business processes and systems and will continue to be instrumental in decreasing costs.

The importance of technology to our operations and network has been amplified during the COVID-19 pandemic and resulting lockdown in India. Our omnichannel easy-to-use end-to-end initiatives led to an increase in AUMs and uninterrupted service during the financial year 2021, despite COVID-19 related disruptions in India and other countries. From the beginning of the COVID-19 lockdown in India in March 2020 and through the financial year 2021, we onboarded over 122,000 investors through our video KYC facility. Our robust and readily available technology solutions allowed our customers and employees to continue to function seamlessly and facilitated our continued growth despite the unprecedented complex environment created by the pandemic. We were able to ensure business continuity and continued to enhance system functionalities during this period, and all our users were able to access their systems remotely using highly secure virtual technology. Our efforts enabled over 8,000

distributors to transact digitally and support customers using our digital platforms during financial year 2021 amidst the pandemic.

Franchise Led By Experienced and Stable Management and Investment Teams

Our business is managed by a well-qualified and driven senior management team that has significant experience and deep understanding of all aspects of our business and operations. Several members of our senior management team have been with us for over 15 years and have, together, been instrumental in the growth and success of our Company thus far. We believe that the strength and quality of our senior management team and their expertise in the financial services industry has enabled us to identify and take advantage of market opportunities, as well as effectively respond to and leverage from macroeconomic changes, competitive changes and technological developments in Indian and global markets. Our investment performance is further supported by our stable and experienced investment teams with extensive industry experience and an average of 16 years in their respective fields. Our investment teams include experts and professionals with ground level knowledge of the asset management and financial services industries. The strong execution capabilities of our management and investment teams have successfully scaled our business with improving profitability over the last decade.

Over the years we have been recognized for the excellent performance and initiatives of our teams. We have received several awards and laurels including, among others, “Best Investor Education” from 2019 to 2021 and “Best Fund House” in 2018 by Asia Asset Management Best of the Best Awards, and “Equity AMC of the Year – Gold Award” and “Innovative Approach to Investor Education – Gold Award” in 2019 and “Innovative Approach to Investor Education – Gold Award” in 2020 by Outlook Money Awards. In addition, A. Balasubramanian, our Managing Director and CEO, was recognized as “CEO of the Year” in both 2018 and 2020, and our CIO, Mahesh Patil, was awarded “CIO of the Year – Equity” in 2018, by Asia Asset Management Best of the Best Awards.

Our Strategy

We believe that our leading market and financial position provides us with a robust platform for growth and efficiencies of scale, and we have adopted a customer-centric strategy that we believe will allow us to continue to grow our AUM, in particular our share of equity AUM in total AUM to current industry average levels (which was approximately 45% as of June 30, 2021, according to the CRISIL Report), expand our market reach and customer base, and increase efficiency and productivity. The core aspects of this strategy include:

- expanding our geographic reach, including through greater EM penetration and strengthening relationships with our distributors;
- continuing to focus on delivering sustained investment performance and portfolio differentiation;
- strengthening our employee value proposition to continue to attract and retain good quality talent;
- leveraging our technology and digital platforms to increase customer acquisition and enhance customer experience; and
- further developing our investment offerings, particularly our alternative investments and passive products.

Continue to Increase Geographic Reach and Strengthen Relationships with our Distributors

We are committed to growing our geographic reach by both expanding our distribution network and deepening our existing presence. We intend to continue to increase our footprint across India by focusing on growing our presence in B-30 cities and rural markets that remain underpenetrated and have less competition. We believe that entering these markets at an early stage will enable us to maximize both consumer mindshare and market share in such areas. Our focus on EM penetration began in 2016 and, since then, we have successfully established a presence in 284 locations across India, of which 90 were EM representative locations.

We believe our EM representatives channel enables us to expand our geographical reach through a low-cost structure that concentrates on untapped high potential markets. We have an established EM team dedicated towards deepening our EM presence. The team operates on a Build, Operate & Transfer (“**BOT**”) model, and evaluates each potential location meticulously in consideration of several parameters including, among others, banking deposit base, MFD base and per capita income. We plan to continue conducting regular investor education and awareness programs as well as conferences in EM areas, particularly in B-30 cities, in order to engage with our valued customers and distributors and educate them on our various core products, value-added products and value-added services.

While we continually seek to strengthen and expand our distribution network through engagements with public sector and co-operative banks and national distributors, preferably with robust online presence, our focus remains on investing in and expanding our MFD network. We plan to take a long tail approach in the development of our MFD channel, which we believe

will enable us to cost-efficiently market our products to our target customer segments. We also continue to promote the use of our digital assets, such as our distributor mobile application and portal, across our MFD channels.

Continue to Focus on Delivering Sustained Investment Performance and Portfolio Differentiation

We believe that sustained investment performance and continued innovation through pockets of differentiation are central to the growth of our business. We seek to assist our fund managers in continuing to generate superior risk-adjusted returns through the use of disciplined and structured investment processes supported by clearly defined investment objectives, fundamental proprietary research and our “hands-on” approach to asset management.

We strive to deliver best-in-class investor experience through our variety of product offerings and by consistently delivering on strong investment performance across all our schemes. As a result of our focused approach, we have achieved leadership scale and ranking in some of the major fund categories, including the large cap frontline equity and corporate bond fund categories. In the last three years, we have launched several new schemes including Aditya Birla Sun Life Nifty Next 50 ETF, Aditya Birla Sun Life Banking ETF, Aditya Birla Sun Life Retirement Fund, Aditya Birla Sun Life Bal Bhavishya Yojna, Aditya Birla Sun Life Pharma & Healthcare Fund, Aditya Birla Sun Life Special Opportunities Fund, Aditya Birla Sun Life ESG Fund, Aditya Birla Sun Life PSU Equity Fund, Aditya Birla Sun Life Nifty Midcap 150 Index Fund, Aditya Birla Sun Life Nifty Smallcap 50 Index Fund, Aditya Birla Sun Life Nifty 50 Equal Weight Index Fund and Aditya Birla Sun Life Multi-Cap Fund. We secured ₹19.22 billion under our Aditya Birla Multi Cap NFO (New Fund Offer) in May 2021. We plan to continue to further grow and diversify our fund portfolio by using market research, innovation and distributor feedback and launching funds that will continue to better position us in an increasingly crowded marketplace. We plan to continue meeting or surpassing our clients’ expectations, which we believe will lead to further growth and brand recognition.

Strengthen our Employee Value Proposition to Continue to Attract and Retain Good Quality Talent

Our employees are the cornerstone of our success and we are committed to providing them with a nurturing and balanced work environment. We believe that the strength of our senior management and investments teams have been instrumental to our growth and leading market position, and we plan to use our strong employee value proposition to continue to attract and retain high quality, result-driven people. We seek to foster a culture of ownership that better aligns the interests of our employees with our interests through employee incentives such as our proposed ESOP Scheme, which was approved by our Board and our Shareholders in April 2021.

We will continue to invest in upskilling our people to differentiate our teams from those of our peers in the rapidly evolving financial services sector. Our talent development programs are curated to develop leaders across all levels and we plan to further enhance our leadership competencies through the various capability building programs that we currently offer throughout the year. We aim to continue developing a robust pool of high potential leaders to support our business and growth.

Leverage Digital Platforms to Increase Customer Acquisition and Enhance Customer Experience

We leverage investments made in technology to drive retail customer growth, reduce marketing and operational costs and improve profitability. Our investments in technology have yielded increases in online sales of schemes, online payments, digital onboarding as well as customer interaction on digital channels, including during the COVID-19 imposed lock-down. We plan to further develop our digital platforms and to continue investing in technology and digital marketing initiatives in order to improve customer acquisition rates and customer experience. We envisage using existing and new digital platforms and analytical tools to identify and capitalize on cross-selling and upselling opportunities, facilitate customer segmentation, improve our understanding of customer behavior, develop and implement targeting and personalization strategies, and improve customer service using predictive analytics.

We intend to continue to make our services seamlessly accessible on mobile platforms and our online portals by improving and maintaining easy to use applications for our investors and distributors, whom we expect to increasingly use such digital tools to access our services. We continuously upgrade our mobile applications with the goal of transforming it into our primary form of customer interface, which we believe will greatly increase customer interaction and purchase transaction volume. Further, we continuously monitor and improve our website features with the goal of simplifying the customer onboarding process as well as improving overall customer engagement, time spent and ease of transactions. Our digital initiatives have led to marketing and operational cost optimization as our AUM has continued to grow, and we expect to continue to invest in such initiatives.

In addition, we are actively exploring potential strategic relationship opportunities with both conventional and non-conventional large digital businesses operating in the spaces of e-commerce, over-the-top (“OTT”) channels and aggregators to capture AUM growth driven by the increasing importance of digital distribution. We believe these relationships will also enable us to utilize contextual targeting to increase our customer acquisition rates. We endeavor to continue building our digital properties for employees, distributors and customers, using latest technologies available in the market, which we believe contribute to scale, fault tolerance, and security.

Enhance Product Portfolio By Developing Our Investment Offerings

We believe that product penetration is a key factor in increasing our customer base. We seek to grow our AUM through need-based and customer-centric products that address the core needs of our diversified customer base. As part of our product development strategy, we intend to continue developing products for our customers based on investment opportunities identified by our investment team and which complement our existing product suite. In addition to our existing comprehensive product development strategy, we are also focused on developing certain specific product categories including, in particular, our alternative investments and passive products. We have established a team dedicated to growing our alternative investments, and are in the process of putting in place the necessary digital tools to enable end-to-end automation for efficient operational and investment execution.

- *Alternative investments.* We believe that we can expand our customer base by increasing our offerings of alternative investment solutions. We aim to target the HNI and institutional investors who are concentration and benchmark agnostic, and seek to grow this investor base through our direct marketing efforts as well as MFDs that have significant alternative asset sales and experience. We also aim to grow our offshore equity AUM by expanding into new geographies such as the United States, the United Kingdom and Europe, and are also developing new real estate scheme launches. We have entered into a non-binding term sheet, dated June 18, 2021, with GreenOak Asia Advisor LP, an affiliate of BentallGreenOak, a global real estate investment advisor that is part of the alternatives asset management business of Sun Life, to jointly organize and/or co-sponsor a series of funds (as an alternative investment fund or such other platform as may be agreed between parties) to invest in securities of companies engaged in residential, commercial or mixed-use real estate projects in India. We are also planning to launch an open-ended AIF, AIF offerings in the fixed income asset class, as well as structured hybrid products. We plan to enhance product communication and engagements for our alternative investments offerings through joint investor meetings with our distributors, and to further increase our alternative assets brand visibility through our social media presence and digital outreach. Alternative investments are more sophisticated and complex than traditional investment vehicles, generally have higher management fees. Growth of our alternative investments AUM will allow us to achieve higher revenues and profitability.
- *Passive investments.* We plan to focus our attention on gaining market share in passive investment products such as ETFs, index funds and FoFs. Our goal is to develop a diverse product bouquet to implement differentiated and thematic investment strategies that consider long-term trends and values. Towards achieving this goal, we have launched three index funds, namely the Nifty Midcap 150 Index Fund, the Nifty Smallcap 50 Index Fund and the Nifty 50 Equal Weight Index Fund, and plan to launch another index fund, several thematic ETFs and FoFs within the next one year. We aim to target HNIs, pension trusts and insurance companies through registered investment advisors, brokers, digital distribution platforms and direct channels. We plan to increase awareness and visibility on our passive offerings through our website, distributors, social media platforms and other key forums, as well as work with fintech and other cross-border financial product distributors to launch our passive products.

We believe further diversifying our product mix will provide us with even greater flexibility to operate successfully across various market cycles and remain relevant to our customers by providing them with need-based product solutions across asset classes to meet their financial goals as well as continued customer support and engagement through various distribution channels. We are committed to diversifying and enhancing our presence in the above products markets with a focus on adding margins and scale to our AUM.

Description of our Business

We are one of the leading providers of asset management services in India and we manage the investment portfolios of the Aditya Birla Sun Life Mutual Fund. We have maintained our position as the largest non-bank affiliated AMC in India by QAAUM since March 31, 2018, and are ranked among the four largest AMCs in India by QAAUM since September 30, 2011, according to the CRISIL Report. As of June 30, 2021, we had total AUM of ₹2,936.42 billion under our suite of mutual fund (excluding our domestic FoFs), portfolio management services, offshore and real estate offerings, and approximately 7.18 million investor folios (including our domestic FoFs).

We cater to a wide range of customers from individuals to institutions through the provision of a variety of tailored investment solutions that focus on goals such as regular income, wealth creation, tax savings and savings solutions, making us well-positioned to attract a large segment of the Indian mutual fund market across varying customer requirements and risk profiles and to develop a broad individual-focused customer base. We offer a large suite of equity schemes, including diversified schemes, tax saving schemes, equity-oriented hybrid schemes and sector and thematic schemes, as well as debt schemes, including ultra short-duration schemes, short-duration schemes and fixed-maturity schemes. We also offer liquid schemes and ETFs. In addition, we provide portfolio management services, offshore and real estate offerings primarily targeted to HNI investors.

As of June 30, 2021, we had a presence in 284 locations, comprising 194 branches in India (and three outside India), spread over 27 states and six union territories, which were supplemented by 90 EM representatives. Of these, 143 branches and all 90 of our EM representatives were located in B-30 cities as of June 30, 2021.

The following table sets forth the breakdown of our closing AUM (excluding our domestic FoFs) of our respective offerings as of the dates indicated:

	Closing AUM				
	As of June 30,		As of March 31,		
	2021	2020	2021	2020	2019
			<i>(₹ in billions)</i>		
Mutual fund – Equity.....	1,072.85	779.24	963.23	656.02	941.05
Mutual fund – Fixed income.....	1,748.42	1,397.18	1,630.99	1,367.93	1,444.13
Mutual fund subtotal.....	2,821.27	2,176.42	2,594.22	2,023.96	2,385.18
Portfolio management services.....	18.28	22.34	17.59	20.55	29.49
Offshore.....	91.94	82.04	90.77	103.26	132.93
Real estate.....	4.93	4.93	4.93	4.93	8.55
Alternative assets subtotal	115.15	109.31	113.29	128.74	170.97
Total.....	2,936.42	2,285.73	2,707.51	2,152.70	2,556.15

The following table sets forth the MAAUM of our equity-oriented schemes as of the dates indicated:

	MAAUM				
	As of June 30,		As of March 31,		
	2021	2020	2021	2020	2019
			<i>(₹ in billions)</i>		
Equity-oriented schemes.....	1,080.44	768.54	984.80	754.51	914.49

The following table sets forth the breakdown of our MAAUM by individual and institutional investors as of the dated indicated:

	MAAUM				
	As of June 30,		As of March 31,		
	2021	2020	2021	2020	2019
			<i>(₹ in billions)</i>		
Individual.....	1,333.53	1,027.06	1,269.82	1,064.96	1,249.48
Institutional.....	1,503.04	1,221.76	1,440.21	1,188.90	1,226.83
Total.....	2,836.57	2,248.82	2,710.03	2,253.86	2,476.31

The following table sets forth the breakdown of our MAAUM by T-30 and B-30 cities as of the dates indicated:

	MAAUM				
	As of June 30,		As of March 31,		
	2021	2020	2021	2020	2019
			<i>(₹ in billions)</i>		
T-30 cities.....	2,389.56	1,903.80	2,272.49	1,918.36	2,143.57
B-30 cities.....	447.01	345.02	437.54	335.50	332.74
Total.....	2,836.57	2,248.82	2,710.03	2,253.86	2,476.31

The following table sets forth our number of investor folios as of the dates indicated:

	MAAUM				
	As of June 30,		As of March 31,		
	2021	2020	2021	2020	2019
			<i>(in millions)</i>		
Investor folios.....	7.18	7.25	7.07	7.19	7.09

Our Mutual Funds

We cater to a diverse group of customers through a wide variety of investment solutions with a focus on goals such as regular income, wealth creation, tax saving and saving solutions. As of June 30, 2021, we managed 118 schemes (including our six domestic FoFs). We offer a range of mutual funds to help investors achieve their financial needs and goals. We offer a combination of open and closed ended schemes. As of June 30, 2021, we offered 65 open-ended schemes, 52 close-ended schemes and one interval scheme. Open-ended schemes are perpetual with no maturity date and allow investors to subscribe and redeem investments on any transaction or business day. Closed-ended schemes on the other hand have a specified maturity date in line with the objective of that scheme and investors may only invest in such schemes during offering periods. Once an investor has invested in a closed-ended fund, the units of that fund will be listed and traded on a stock exchange.

We categorize our schemes broadly under the following four categories:

- Equity schemes;
- Debt schemes;
- Liquid schemes; and
- ETFs.

The following table sets forth a breakdown of our QAAUM by scheme category as of the dates indicated:

	QAAUM				
	As of June 30,		As of March 31,		
	2021	2020	2021	2020	2019
	<i>(₹ in billions)</i>				
Equity schemes.....	1,026.78	724.78	969.34	875.59	890.62
Debt schemes	1,296.47	940.04	1,285.38	1,101.91	978.46
Liquid schemes.....	422.33	476.57	430.57	493.02	592.58
ETFs.....	8.96	4.53	7.49	4.70	3.14
Total	2,754.54	2,145.92	2,692.78	2,475.22	2,464.80

The following table sets forth a breakdown of our mutual fund schemes in each scheme category as of June 30, 2021:

Scheme Category	QAAUM (₹ in billions)	Number of Schemes
Equity schemes		
Large cap fund.....	198.95	1
Equity-linked saving scheme (ELSS).....	141.70	2
Flexi cap fund.....	137.44	1
Sectoral/thematic	134.11	13
Aggressive hybrid fund	77.36	1
Arbitrage fund	62.82	1
Large & mid cap fund	51.83	1
Focused fund	47.25	1
Value fund.....	42.01	1
Balanced advantage.....	35.01	1
Mid cap fund	28.03	1
Small cap fund.....	26.88	1
Multi cap fund	12.93	1
Dividend yield fund.....	7.73	1
Close-ended – Equity	7.54	2
Equity savings	4.92	1
Children's fund	4.22	1
Index funds.....	3.19	4
Retirement fund – Equity plan.....	2.86	2
Subtotal	1,026.78	37
Debt schemes		
Corporate bond fund.....	240.47	1
Ultra-short term	184.54	1
Low Duration Fund	169.37	1
Banking & PSU debt fund.....	150.28	1
Floater fund	150.28	1
Money market fund	142.21	1

Fixed maturity plans (FMP)	92.26	50
Short Duration fund.....	71.25	1
Medium duration fund.....	20.83	1
Dynamic bond fund.....	17.28	1
Medium to long duration fund.....	17.14	1
Credit risk fund.....	16.67	1
Conservative hybrid	12.05	1
Gilt fund	7.64	1
FoFs – Overseas	2.70	2
Retirement fund – Debt plan	0.92	2
Close-ended – Hybrid.....	0.58	1
Subtotal	1,296.47	68
Liquid schemes		
Liquid fund.....	316.83	1
Overnight fund	105.50	1
Subtotal	422.33	2
ETFs		
Other ETFs.....	6.06	4
Gold ETF.....	2.90	1
Subtotal	8.96	5
Total	2,754.54	112

We also have six domestic FoFs that invest in a selection of the above various schemes and which had QAAUM of ₹4.50 billion as of June 30, 2021. An FoF is an investment strategy under which a scheme invests in other schemes. An FoF aims to achieve appropriate asset allocation and broad diversification with investments in various fund categories, which are all pooled into a single fund. FoFs provide smaller investors with greater protection from the risk of uncontrollable market factors such as market volatility, interest rate risk and counterparty risk.

Equity schemes

Equity schemes invest primarily in equity securities, with the main objective of providing capital appreciation over the medium-to long-term investment horizon. Equity schemes are high-risk funds and the returns are linked to the performance of the capital markets. We broadly classify our equity schemes as follows:

- **Diversified schemes.** Diversified schemes invest in companies across different sectors and market capitalization, thereby providing broad market diversification to the customer. This diversification prevents adverse events in one area to affect the entire portfolio. The allocation strategy of schemes under this category differ based on various aspects, including style, concentration and market capitalization. For example, schemes that invest predominantly in stocks with large market capitalization or large-cap stocks have a distinct risk-return profile when compared to schemes that invest in companies with small to medium sized capitalization. Schemes that invest in stocks of large companies are large-cap schemes and schemes that invest in mid-sized companies are mid-cap schemes. Schemes that invest across different stocks with no bias on the size of the underlying companies are multi-cap schemes. As of June 30, 2021, we had 11 diversified equity-oriented schemes and our QAAUM from this category was ₹560.59 billion. Some of our diversified equity-oriented schemes include Aditya Birla Sun Life Frontline Equity Fund, which is a large cap scheme, Aditya Birla Sun Life Flexi Cap Fund, which is a flexi cap scheme and Aditya Birla Sun Life Equity Advantage Fund, which is a large and mid-cap scheme.
- **Tax saving schemes.** Tax savings schemes are diversified equity schemes that offer certain tax benefits to investors under section 80C of the Income Tax Act, 1961. Investors in these schemes typically have a lock-in period of three years. As of June 30, 2021, we had two tax savings schemes, namely Aditya Birla Sun Life Tax Relief '96 and Aditya Birla Sun Life Tax plan, and our QAAUM from this category was ₹141.70 billion.
- **Equity-oriented hybrid schemes.** Equity-oriented hybrid schemes invest in a mix of equity and debt instruments, with the majority of investments comprising equity securities. These schemes aim to reduce unsystematic risks and volatility within one asset class and generally cater to customers with lower risk investment appetites as compared to pure equity schemes. Equity allocation in these schemes are typically diversified across sectors and market capitalization. Debt allocation under these schemes are constructed keeping a medium to long-term outlook for fixed income markets. Asset allocation is periodically aligned to maintain the scheme's equity-debt mix in line with market outlook. As of June 30, 2021, we had three equity-oriented hybrid schemes, namely Aditya Birla Sun Life Equity Hybrid '95 Fund, Aditya Birla Sun Life Balanced Advantage Fund and Aditya Birla Sun Life Equity Savings Fund, and our QAAUM from this category was ₹117.29 billion.

- *Sector and thematic schemes.* Sector and thematic schemes invest in equity securities of companies in a certain identified business sector or industry. For example, an investor who would like to invest in the banking sector can choose to invest in a banking fund, which in turn would invest in a portfolio of banking stocks. While sector and thematic schemes may result in higher returns during certain periods, they are riskier as compared to diversified funds given the dependence of their performance on a particular sector or industry. Our sector and thematic schemes invest in industries such as, among others, the banking, financial services and insurance (“**BFSI**”), information technology (“**IT**”), pharmacy and healthcare industries. As of June 30, 2021, we had 13 sector and thematic schemes, four of which were launched within the last three years, and our QAAUM from this category was ₹134.11 billion. Some of our sector and thematic schemes include Aditya Birla Sun Life MNC Fund, which was established in December 1999 and had a QAAUM of ₹40.26 billion as of June 30, 2021, as well as Aditya Birla Sun Life Banking and Financial Services Fund, Aditya Birla Sun Life Digital India Fund and Aditya Birla Sun Life Pharma and Healthcare Fund.
- *Arbitrage schemes.* Arbitrage schemes aim to offer liquidity to customers while generating income through arbitrage opportunities arising out of mispricing of assets across different markets due to underlying inefficiencies in market pricing. As all positions are hedged, the strategy mitigates the risk associated with market volatility. As of June 30, 2021, we had one arbitrage scheme, namely Aditya Birla Sun Life Arbitrage Fund, and our QAAUM from this category was ₹62.82 billion.
- *Solution-oriented equity schemes.* Solution-oriented equity schemes cater to customers who are looking for need-based solutions to fund specific goals or expenses in the future, such as retirement or education of children. As of June 30, 2021, we had three solution oriented equity schemes, namely Aditya Birla Sun Life Bal Bhavishya Yojna Wealth Plan in the Children’s category, Aditya Birla Sun Life Retirement Fund – The 30s Plan and Aditya Birla Sun Life Retirement Fund – The 40s Plan, and our QAAUM from this category was ₹7.08 billion.
- *Index schemes.* Index schemes invest in the same pattern (i.e. in the same securities and in the same proportion) as popular stock market indices such as CNX Nifty Index and S&P BSE Sensex, thereby allowing customers to gain passive exposure to the markets. The value of an index scheme varies in proportion to the benchmark index. As of June 30, 2021, we had four index schemes, namely Aditya Birla Sun Life Index Fund, and our QAAUM from this category was ₹3.19 billion.

Debt schemes

Debt schemes invest primarily in rated debt or fixed income securities such as corporate bonds, debentures, government securities, commercial paper and other money market instruments. Debt schemes are generally less risky when compared with equity funds. We manage a range of debt schemes that provide for a variety of duration and credit risks to cater to distinct risk-return profiles of our investors. We broadly classify our debt schemes as follows:

- *Ultra-short duration schemes.* Ultra-short duration schemes are schemes that are of a short duration, but which are not liquid, and generally invest in debt securities with maturities of less than one year. These schemes are optimal for customers looking for cash management or where the investment horizon is short-term. As of June 30, 2021, we had four ultra-short duration schemes, namely Aditya Birla Sun Life Low Duration Fund, Aditya Birla Sun Life Savings Fund, Aditya Birla Sun Life Money Manager Fund and Aditya Birla Sun Life Floating Rate Fund, and our QAAUM from this category was ₹646.40 billion. We had the largest AUM under the ultra-short duration debt category among all AMCs in India as of June 30, 2021, according to the CRISIL Report.
- *Short duration schemes.* Short duration schemes invest in corporate and government bonds with short maturities of between one and five years. These schemes cater to customers that prefer low to medium duration risk. As of June 30, 2021, we had three short duration schemes, namely Aditya Birla Sun Life Corporate Bond Fund, Aditya Birla Sun Life Banking & PSU Debt Fund and Aditya Birla Sun Life Short Term Fund, and our QAAUM from this category was ₹462.00 billion.
- *Fixed-maturity schemes.* Fixed-maturity schemes are closed-ended debt schemes that generate income through investment in debt and money market instruments as well as government securities maturing on or before the maturity date of the plan. These are best suited for customers seeking accrual of income with minimal duration risks. As of June 30, 2021, we had 50 fixed-maturity schemes, including one interval scheme, and our QAAUM from this category was ₹92.26 billion.
- *Credit risk and medium duration schemes.* Credit risk schemes aim to generate reasonable interest income and capital appreciation by investing in high income-accruing securities with relatively moderate to low credit quality. Medium duration debt schemes invest mainly in bonds maturing in about three to four years. As of June 30, 2021, we had two credit risk and medium duration schemes, namely Aditya Birla Sun Life Credit Risk Fund and Aditya Birla Sun Life Medium Term Plan, and our QAAUM from this category was ₹37.50 billion.

- *Medium- to long-duration schemes and gilt schemes.* Medium- to long-duration debt schemes invest mainly in bonds maturing in four to seven years. These schemes provide customers with the potential of earning higher returns than bank fixed deposits of a similar duration. Gilt schemes invest exclusively in central and state government securities. The objective of gilt schemes is to generate credit risk-free returns through investments in sovereign securities. As of June 30, 2021, we had two medium- to long-duration debt schemes, namely Aditya Birla Sun Life Income Fund and Aditya Birla Sun Life Government Securities Fund, and our QAAUM from this category was ₹24.78 billion.
- *Dynamic bond schemes.* Dynamic bond schemes have the freedom to invest in bonds of any duration. The investment decision is determined by our fund management team depending on where they expect to earn maximum returns. As of June 30, 2021, we had one dynamic bond scheme, namely Aditya Birla Sun Life Dynamic Bond Fund, and our QAAUM from this category was ₹17.28 billion.
- *Debt-oriented hybrid schemes.* Debt-oriented hybrid schemes aim to provide periodic returns and capital appreciation over the long-term by using a mix of debt and equity instruments, with the majority of investments comprising debt securities. These schemes generally cater to those customers who are looking for some equity allocation in a predominantly debt-oriented portfolio. Debt allocation under these schemes are constructed keeping a medium to long-term outlook for fixed income markets. Asset allocation is periodically aligned to maintain the scheme's debt-equity mix in line with market outlook. Equity allocation in these schemes are typically diversified across sectors and market capitalization. As of June 30, 2021, we had four debt-oriented hybrid schemes, namely Aditya Birla Sun Life Regular Savings Fund, Aditya Birla Sun Life Dual Advantage Fund – Series 2, Aditya Birla Sun Life Retirement Fund – The 50s Plan and Aditya Birla Sun Life Retirement Fund – The 50s Plus Plan, and our QAAUM from this category was ₹13.55 billion.
- *FoFs – Overseas.* FoF overseas schemes invest in international funds including in shares of foreign companies, mutual funds or global real estate funds. As of June 30, 2021, we had two FoF overseas schemes, namely Aditya Birla Sun Life Global Emerging Opportunities Fund and Aditya Birla Sun Life Global Excellence Equity Fund of Fund, and our QAAUM from this category was ₹2.70 billion.

Liquid schemes

Liquid schemes invest in highly liquid money market instruments and provide easy liquidity. Liquid funds are short duration funds and typically used by corporate, institutional investors and business houses for deploying surplus liquidity for a short period. Liquid schemes predominantly invest in liquid instruments and debt securities, such as certificates of deposit, commercial papers and treasury bills, with maturity profiles not exceeding 91 days, thereby providing high liquidity. Such instruments typically include treasury bills, commercial papers, certificates of deposits, and collateralized lending and borrowing obligations. These schemes may be an attractive alternative to corporate and individual customers as a means to deploy their idle funds for short periods, which could be as low as one day. As of June 30, 2021, we had two liquid schemes, namely Aditya Birla Sun Life Liquid Fund and Aditya Birla Sun Life Overnight Fund, and our QAAUM from this category was ₹422.33 billion.

ETFs

An ETF is a marketable security that tracks an index or a commodity. Unlike other schemes, an ETF trades like a common stock on a stock exchange. The price of an ETF fluctuates throughout the day. These schemes are suitable for customers that prefer a low-cost passive strategy. We have ETFs that track the SENSEX and NIFTY 50 indices. We also have an ETF that invests in gold, allowing customers to participate in returns from gold bullion. As of June 30, 2021, we had five ETFs and our QAAUM from this category was ₹8.96 billion.

Tailored solutions

The above schemes can also be customized to meet an individual's specific financial goals in the form of savings solutions, regular income solutions, tax saving solutions and wealth solutions:

- *Savings solutions.* Our savings solutions seek to preserve investors' capital and provide ready liquidity, while delivering tax efficient returns in comparison with savings accounts and fixed deposits. These solutions are suited for investors who have a low to medium propensity for risk and high liquidity requirements.
- *Regular income solutions.* Our regular income solutions seek to provide investors with regular income and tax efficient returns in comparison to savings accounts and fixed deposits. These solutions are suited for investors who seek alternative modes of regular income and have a low propensity for risk.
- *Tax savings solutions.* Our tax savings solutions seek to provide tax benefits under section 80C of the Income Tax Act, 1961, while also providing long-term capital growth through equity investments. These solutions are suitable for

investors who would like to create wealth while saving taxes. These solutions typically have a lock-in period of three years.

- **Wealth solutions.** Our wealth creation solutions seek to provide tax efficient growth of capital through equity investments over a longer term. These solutions are suitable for individuals planning for significant future expenses.

Performance of our Schemes

According to the CRISIL Report, 13 of our top open-ended schemes, which accounted for 64.40% of our QAAUM as of June 30, 2021 have outperformed our peers under the 10-year return bucket as of June 30, 2021. The following table sets forth the performance of our top 20 open-ended schemes, which accounted for 86.71% of our QAAUM as of June 30, 2021, relative to the average of the performance of comparable schemes of peers as of June 30, 2021:

	Total QAAUM (₹ in billions)	Share in Total QAAUM	1-year Return	3-year Return	5-year Return	10-year Return
Equity schemes						
Aditya Birla Sun Life Frontline Equity Fund	198.95	7.22%	54.56%	12.48%	12.46%	13.16%
Peer average.....			52.60%	13.45%	13.56%	12.48%
Aditya Birla Sun Life Flexi Cap Fund	137.44	4.99%	63.51%	14.57%	15.67%	15.24%
Peer average.....			58.05%	15.08%	14.66%	14.30%
Aditya Birla Sun Life Tax Relief 96 Fund.....	136.76	4.96%	35.52%	8.64%	12.15%	13.73%
Peer average.....			58.67%	13.54%	13.51%	13.93%
Aditya Birla Sun Life Equity Hybrid '95 Fund .	77.36	2.81%	49.53%	10.08%	10.46%	12.07%
Peer average.....			48.30%	12.55%	12.28%	12.31%
Aditya Birla Sun Life Arbitrage Fund	62.82	2.28%	3.52%	5.14%	5.51%	6.65%
Peer average.....			3.39%	5.05%	5.47%	6.86%
Aditya Birla Sun Life Equity Advantage Fund..	51.83	1.88%	65.38%	13.61%	13.74%	14.41%
Peer average.....			65.40%	14.94%	13.95%	12.78%
Aditya Birla Sun Life Focused Equity Fund	47.25	1.72%	51.67%	13.67%	13.09%	13.57%
Peer average.....			54.83%	13.05%	13.90%	12.71%
Aditya Birla Sun Life Pure Value Fund.....	42.01	1.52%	72.28%	6.30%	10.24%	14.76%
Peer average.....			70.88%	13.57%	14.15%	14.15%
Aditya Birla Sun Life MNC Fund.....	40.26	1.46%	31.07%	8.57%	9.88%	15.94%
Peer average.....			62.71%	14.62%	13.77%	12.37%
Aditya Birla Sun Life Balanced Advantage Fund	35.01	1.27%	32.09%	11.79%	11.19%	10.49%
Peer average.....			29.57%	10.50%	11.01%	11.74%
Aditya Birla Sun Life Mid Cap Fund	28.03	1.02%	72.87%	10.64%	11.88%	14.15%
Peer average.....			75.46%	17.81%	15.96%	17.60%
Debt schemes						
Aditya Birla Sun Life Corporate Bond Fund.....	240.47	8.73%	6.18%	9.28%	8.43%	9.05%
Peer average.....			5.58%	8.39%	7.97%	8.51%
Aditya Birla Sun Life Savings Fund.....	184.54	6.70%	4.84%	7.20%	7.36%	8.38%
Peer average.....			4.09%	5.66%	6.16%	7.45%
Aditya Birla Sun Life Low Duration Fund.....	169.37	6.15%	4.90%	7.20%	7.08%	7.90%
Peer average.....			4.77%	6.66%	6.86%	7.95%
Aditya Birla Sun Life Banking & PSU Debt Fund.....	150.28	5.46%	5.42%	8.87%	8.24%	9.16%
Peer average.....			5.03%	8.34%	7.75%	8.51%
Aditya Birla Sun Life Floating Rate Fund.....	150.28	5.46%	5.15%	7.69%	7.65%	8.56%
Peer average.....			5.92%	8.09%	7.61%	8.33%
Aditya Birla Sun Life Money Manager Fund	142.21	5.16%	4.33%	6.93%	6.96%	8.03%
Peer average.....			3.92%	6.45%	6.55%	7.69%
Aditya Birla Sun Life Short Term Fund	71.25	2.59%	7.46%	8.56%	7.88%	8.98%
Peer average.....			5.24%	7.81%	7.33%	8.20%
Liquid schemes						
Aditya Birla Sun Life Liquid Fund.....	316.83	11.50%	3.20%	5.44%	6.03%	7.54%

Peer average.....			3.16%	5.34%	5.95%	7.46%
Aditya Birla Sun Life Overnight Fund	105.50	3.83%	3.00%	—	—	—
Peer average.....			3.01%	—	—	—

*Source: CRISIL Research

Note: Returns are depicted for the regular plan, with growth option of the schemes. Peer performance is measured based on the average of the comparable schemes of our the top AMCs in India by QAAUM as of June 30, 2021, according to the CRISIL Report. Not all peers may have comparable schemes or performance information available over the presented periods.

Product Development Cycle

Development of new products, obtaining approvals from relevant authorities, introducing new features and packaging for our products are key aspects of our product development cycle. Our teams conduct detailed trend analysis, competition analysis and seek feedback from internal and external stakeholders to identify opportunities to develop new products and features. We are constantly innovating and developing our products in order to identify pockets of differentiation and we believe that a systematic approach to product development is necessary to produce consistent results. Our product development cycle can be broadly divided into three stages:

- **Conceptualization.** All of our innovations begin with the conceptualization stage, which is where research backed ideas are put forward in the form of a term sheet and / or a product prototype for discussion. These ideas are shared with various members of the essential product development team which include members from all business and central functions such as product and investments, sales and business development, marketing, compliance, risk management, finance, operations and client relations in order to obtain holistic feedback.
- **Development and approval.** At the development stage, the draft product is field tested with distributors and investors and a revised term sheet is created based on constructive feedback. Once the product has been rigorously tested, the product design will be subjected to risk and financial assessments, following which approval is sought firstly from our Board-constituted product approval committee, secondly from the trustee board and finally from SEBI (in that order).
- **Launch.** Once the product has been approved, a launch date will be decided and the relevant teams from our marketing, digital and public relations (“PR”) departments will be briefed. In preparation for launch, the teams will coordinate product training sessions for all business facing personnel, key distribution counters as well as design product collaterals and other materials to maximize the sale and performance of the new product.

In the last three years, we have launched several new schemes including Aditya Birla Sun Life Nifty Next 50 ETF, Aditya Birla Sun Life Banking ETF, Aditya Birla Sun Life Retirement Fund, Aditya Birla Sun Life Bal Bhavishya Yojna, Aditya Birla Sun Life Pharma & Healthcare Fund, Aditya Birla Sun Life Special Opportunities Fund, Aditya Birla Sun Life ESG Fund and Aditya Birla Sun Life PSU Equity Fund.

Systematic Transactions

SIP

An SIP is a tool or facility which enables an investor to invest small amounts in a regular and disciplined systematic manner to meet a future long term financial goal. It removes the need for timing the market and allows investors to benefit from the power of compounding. Our investors can choose from various investment frequencies available including weekly and monthly. As of June 30, 2021, 86.31% of our total outstanding SIPs had a tenure of more than five years and 77.05% of our total outstanding SIPs had a tenure of more than ten years.

The SIPs we offer include our Monthly Systematic Investment Plan and Weekly Systematic Investment Plan. We also offer the following additional SIP features:

- **Step-up SIP facility.** Our step-up SIP facility is an optional add-on feature which enhances the SIP facilities available under a scheme. This feature enables investors to enhance or increase SIP instalments at pre-defined intervals by a fixed amount, providing them with a simple and consistent method to align SIP instalment amounts with an increase in earnings over the tenure of the SIP.
- **Multi scheme SIP facility.** Our multi scheme SIP facility enables investors to subscribe for an SIP facility under various schemes using a single application form and payment instruction.
- **Fast forward SIP facility.** Our fast forward SIP facility allows investors to increase the frequency of their savings by paying their SIP instalments up to four days in a month.

- **Micro SIP.** Our micro SIPs enable investors to subscribe for SIPs where the aggregate sum of the SIPs over a 12-month period does not exceed ₹50,000.
- **Aditya Birla Sun Life Century SIP (“CSIP”).** In addition to our regular SIPs, we offer our CSIP, which includes an additional benefit of life insurance coverage, to certain eligible investors under designated schemes.
- **Pause facility.** Our pause SIP facility provides investors an option to pause their SIP investment for a specified number of instalments. The SIP investment will restart in the immediate month following completion of the pause period as specified by the investor.

The following table sets forth certain information on our SIPs as of and for the periods indicated:

	As of and For The Three Months Ended June 30,		As of and For The Financial Year Ended March 31,		
	2021	2020	2021	2020	2019
Number of outstanding SIPs (in millions)	2.80	2.85	2.75	2.92	2.92
SIP AUM (₹ in billions)	456.92	319.62	418.41	252.50	305.11
SIP as a percentage of total equity-oriented mutual fund AUM (%)	41.70%	40.94%	42.68%	38.41%	32.44%
Gross SIP inflows for the month (₹ in millions)	7,727.85	8,147.54	7,576.41	8,555.16	9,411.77
Average SIP transaction size (₹)	2,759.95	2,858.78	2,755.06	2,929.85	3,223.21

STP

An STP allows investors to transfer or reinvest their funds by transferring a fixed amount of funds or units from one scheme to another at regular intervals. Investors looking to invest in a particular scheme over a period to tackle market volatility may choose to invest through STPs. We provides investors with the option of daily, weekly, monthly and quarterly STPs, which enable investors to transfer a fixed amount from their existing investments at daily, weekly, monthly or quarterly intervals, respectively, to other eligible existing schemes through a one-time request. We offer the following types of STP facilities:

- **Value STP.** Through our value STP facility, investors can provide instructions to systematically transfer an amount, which may vary based on the value of investments already made or transferred under this facility, at regular pre-determined intervals from one scheme to another scheme. We offer value STPs that permit such transfers on a monthly or quarterly basis.
- **Capital Appreciation Transfer Plan (“CATP”).** Through our CATP facility investors can provide instructions to transfer the capital appreciation portion of the scheme to another scheme at regular pre-determined intervals. We offer CATPs that permit such transfers on a monthly or quarterly basis.

SWP

An SWP allows investors in need of cashflow to fulfil their regular income needs by giving standing instructions on the amounts to be withdrawn on a periodic basis. Monthly, quarterly, half yearly and yearly withdrawals are available under our SWPs. We offer the following types of SWPs:

- **Fixed SWP.** Through fixed SWPs, a fixed amount is redeemed from a scheme at a periodic intervals. We offer fixed SWPs that permit daily and weekly withdrawals.
- **Capital appreciation SWP.** Through capital appreciation SWPs, only the capital appreciation portion or dividend of a scheme will be withdrawn on a periodic basis. We offer capital appreciation SWPs that permit monthly and quarterly withdrawals.

Our Investment Teams and Strategy

Our investment teams are supported by in-house research, product and risk management teams. Our domestic equity and fixed income fund divisions have distinct investment teams and investment processes. Collaboration within each team occurs through an interactive process and the final investment decisions are taken by the respective fund managers. The head of each team is responsible for the overall performance of the funds they supervise and can intervene as needed. The investment performance of our mutual funds is supported by our experienced and professional investment team and our comprehensive investment processes. As of June 30, 2021, our equity mutual fund management team included 21 members, with an average of over 12 years of experience with us, our fixed income mutual fund management team included 15 members, with an average of over eight years of experience with us, and our portfolio management and investment advisory services team included 14 members, with an average of over eight years of experience with us.

We manage a comprehensive suite of investment products and we have established defined investment policies that set forth investment goals and objectives. Our investment philosophy is based on a combination of top-down (including macroeconomic analysis and economic and interest rate cycle evaluation) and bottom-up (diligence on management, business as well as valuation) selection processes. We utilize a disciplined and structured investment process to take risk weighted decisions consistent with the relevant scheme's investment objectives. Our investment policies define permitted asset classes, criteria for evaluation of activities pertaining to investments, credit appraisal processes for fixed income instruments, asset allocations and various risk and operating parameters. They provide guidance and limitations to achieving sufficient levels of overall diversification, risk mitigation and liquidity within the portfolio. The policies outline procedures and criteria to monitor, evaluate, compare and report the performance results achieved by investment managers on a regular basis.

We have an in-house research-based approach for our investments. The research team is comprised of analysts who track specific sectors and companies and provide regular input to the fund managers on such sectors and stocks. The fund managers and research analysts interact regularly through meetings and presentations. They also expand and refine their analysis and investment strategies by attending presentations by companies and reviewing research materials prepared by external brokerage firms and rating agencies. Analysts decide to add new companies to their list of covered companies through a consultative process with fund managers. The economic analyst focuses on global as well as domestic macro-economic conditions.

Equity Investments

We follow a long-term, fundamental research-based approach to equity investments, involving a combination of top-down and bottom-up stock selection to identify companies which have good growth prospects and strong fundamentals. The equity investment process involves the following steps:

- *Idea generation.* We regularly screen stocks in synchronization with key trends in the economy and in the fundamentals of the companies. We explore and conduct research on several listed companies, observe secular and cyclical macro trends and we have sector specialist analysts that track sector developments.
- *Evaluation.* A critical part of the investment process is the ongoing evaluation of companies. We evaluate companies periodically by addressing critical queries related to business, management, valuations and capital efficiency. We prepare a management scorecard where we assign a composite score based on various quantitative and qualitative parameters to identify better managed companies. We have a team of research analysts to support the fund management function by providing quantitative and qualitative inputs on several companies.
- *Portfolio construction.* Portfolio construction follows a rigorous process of stock selection and rebalancing as per the stated weights and investment objectives. The sector weights are allotted based on the recommendation of the analyst using top-down analysis and the macroeconomic landscape as perceived by the fund managers to identify the best performing sectors for inclusion in the fund.
- *Stock and portfolio monitoring.* Regular, quarterly and annual meetings with analysts are conducted to monitor stocks and portfolio activity and performance. Proactive meetings are undertaken by the fund managers to discuss any actions to be taken.

Fixed Income Investments

For fixed income products, our portfolio managers position their funds based on their views on growth, inflation, liquidity and interest rates. The fixed income investment process involves the following steps:

- *Idea generation and research.* The credit research team conducts its research and recommends companies that have fixed income instruments. We have implemented an internal credit risk assessment framework and financial benchmarks, and the amount and tenure limits proposed for each company is based on the merit of the company. Detailed discussions are carried out in the investment committee at which investment limits are approved based on the risk assessment.
- *Credit selection, monitoring and risk mitigation principles.* Our credit research team follows a strict credit research framework while assessing the credit quality of various companies. The credit research process is designed to determine if the investee company will be able to generate sufficient cash flows. There are three main aspects in our credit risk attribution framework: business, financial and management. On the basis of investment norms, an investment universe is created containing the companies and limits up to which investments can be made, both in long-term as well as short-term instruments.
- *Credit approval process.* We follow a robust credit approval process for all fixed income products including bonds, debentures, commercial paper and certificates of deposit. Our CEO, co-Chief Investment Officer, investment committee and credit underwriting team form an integral part of the approval process.

- *Portfolio construction.* We offer differentiated products to our customers and each of our schemes has defined objectives and follows a separate investment strategy. Duration management forms an important component of fixed income portfolio management.

Our Portfolio Management Services, Offshore and Real Estate Offerings

As part of our portfolio management services, offshore and real estate offerings, we provide discretionary, non-discretionary and advisory services primarily to HNI individuals. As of June 30, 2021 and March 31, 2021, 2020 and 2019, we managed AUM of ₹115.15 billion, ₹113.29 billion, ₹128.74 billion and ₹170.96 billion, respectively, as part of such businesses. We are registered with SEBI as a portfolio manager under the SEBI (Portfolio Managers Regulations), 1993. As of June 30, 2021, our portfolio management and investment advisory services fund management team comprised 14 members with an average of more than eight years of experience with us.

Under our portfolio management services, we offer benchmark agnostic and concentrated portfolios that are primarily targeted to HNI investors. Our Core Equity Portfolio, Top 200 Core Equity Portfolio and Select Sector Portfolio focuses on long-term wealth creation by focusing in industries where the GDP growth pattern and have demonstrated sustainable growth and consistently strong performance. Our India Special Opportunities Portfolio invests in companies that are likely to benefit from some form of restructuring including turnarounds, changes in business cycles, management changes, deleveraging and demergers. Our Nifty Next 100 Portfolio primarily invests in large and mid-cap stocks, with a goal of delivering higher returns without exposure to the risk and volatility of a purely small and mid-cap investment strategy. Our Innovation Portfolio is a thematic portfolio that invests in companies that create business value by actively innovating products and business processes. Our offshore fund offerings include equity and fixed income funds domiciled in Mauritius, Ireland, Singapore and the Cayman Islands. Our other alternative investments offerings include the India Small and Midcap Gems Fund, the Aditya Birla India Income Opportunities Fund, the Aditya Birla Real Estate Debt Fund and the Aditya Birla Real Estate Special Opportunities. The real estate funds we manage have been registered as Category II Alternative Investment Fund under the SEBI (AIF) Regulations, 2012.

Fees and Expenses

We have entered into an investment management agreement with Aditya Birla Sun Life Mutual Fund, pursuant to which we have agreed to act as asset manager and provide management and administrative services for Aditya Birla Sun Life Mutual Fund and are responsible for its day-to-day management. Pursuant to this agreement, we are entitled to management and advisory fees subject to SEBI prescribed ceilings.

We generate income principally from fees that are based on specified percentages of the net asset of the funds we manage. We refer to these fees as management fees. Management fees are based on factors such as AUM, investment strategy, servicing requirements, regulatory considerations, client relationships and client type. The fees charged for equity funds are generally higher than the fees charged for debt and liquid funds. The SEBI (Mutual Funds) Regulations, 1996 impose certain limits on the total expenses that can be charged to a mutual fund scheme.

Typically, equity funds have a relatively stable expense structure, while the expense structure for debt funds depend on the duration of the fund and competitive environment and are generally lower than the maximum limits imposed by the regulator.

The fees we receive for our portfolio management services, offshore and real estate offerings are specific to each arrangement and may vary depending on our contractual agreement with an investor.

Distribution Network

We have established an extensive and geographically diversified pan-India distribution network. As of June 30, 2021, we had 194 branches in India (and three outside India), spread over 27 states and six union territories, and which were supplemented by 90 EM representative areas. As of the same date, our distribution network included over 66,000 KYD-compliant MFDs, over 240 national distributors and over 100 banks/financial intermediaries.

As of June 30, 2021, our MFDs, national distributors and banks/financial intermediaries contributed to 30.18%, 14.37% and 8.59%, respectively, of our total QAAUM (excluding ETFs), while our direct marketing efforts contributed to 46.86%. As of March 31, 2018, our MFDs, national distributors and banks/financial intermediaries contributed to 26.49%, 17.82% and 11.80%, respectively, of our total QAAUM (excluding ETFs), while our direct marketing efforts contributed to 43.89%.

We currently provide our MFDs a range of benefits through our Privilege Club channel loyalty program, including life and health insurance, retirement planning and scholarships for their children, as well as professional enrichment tools, including access to management development programs, business support platforms and social media support. We believe the nature of our loyalty and rewards program for MFDs is unique and enables a strong sense of commitment and loyalty both ways.

We employ a hub and spoke model, wherein branches serve as hubs and the nearby locations as spokes. Where hubs are too distant from significant market potential, we utilize EM representatives to build our brand, increase our AUM and service our investors, and may set up a new branch depending on the success of EM representatives in identified areas.

Marketing and Digital Initiatives

We believe in building and strengthening our relationships with existing customers and have focused our marketing efforts at regional levels to cement our presence and engagement with over 4.69 million customers. Our corporate communications are strategically structured to create brand awareness by using various communication tools for organic and earned media. This is achieved through active engagement with the media and extensive press outreach activities. We focus our attention on mass communication of leadership views, fund management guidance, business and product updates and tech innovation to enable brand visibility and recall. We also showcase our Company's thought leadership through authored articles, surveys and expert blogs and amplify these for both visibility as well as knowledge sharing with stakeholders. We also utilize innovative platforms, such as a customer genome platform with artificial intelligence ("AI") and machine learning ("ML") mechanisms that helps determine the next best conversation that we can hold with customers and analyze our customers' preferred mode of transaction or communication, enabling us to enhance customer experience.

In order to maximize customer engagement and minimize costs, we run a number of marketing initiatives which utilizes content marketing, PR and social media platforms for influencer engagement and thought leadership content to gather earned media and be cost effective. For example, #WinWithSIP is our largest and longest mass media investor awareness campaign that serves to educate investors on the benefits of SIP as an investment tool. The campaign is communicated across various social media and PR channels, radio and public announcements on metro and local trains, and billboards. We have also consistently positioned our fund house as a thought leader in the asset management industry through pioneering initiatives such as Voyage, our annual flagship investment gathering which we host in partnership with a leading media house in India, and #WINWITHSIP, an award-winning awareness campaign for women investors. We also host several education webinars such as "Healthy Wealthy Habit" and "Nivesh Pe Charcha" which are targeted towards developed markets and emerging markets, respectively. Notwithstanding the COVID-19 lockdowns and social distancing measures in India, we hosted the first-ever digital edition of Voyage in 2020.

Operations

The primary focus of our operations team is to execute all stages of a transaction process with minimal errors. Our operations team aims to ensure prompt and efficient delivery of services to our clients, and we intend to efficiently manage our front-office and back-office operations to provide our clients high levels of customer satisfaction. We have established process controls to ensure accuracy and speed in transaction processing, such as time stamping and bar coding transactions, as well as the automated process of credit confirmation. All processes are documented and audited periodically. End to end processing of transactions, maintenance of data records and servicing are managed by our registrar and transfer agent, Computer Age Management Services Limited (CAMS). Through our registrar and transfer agent CAMS, we processed approximately 12.69 million, 49.37 million, 53.92 million and 58.55 million mutual fund transactions during the three months ended June 30, 2021 and the financial years 2021, 2020 and 2019, respectively.

We have outsourced our fund accounting activity to a third-party team, which is responsible for all investment and unit capital accounting and for maintaining books and records. They handle the valuation of portfolios at the end of each business day and compute and disseminate NAV for all our funds, in accordance with SEBI requirements. They also monitor fund expenses and help us in providing data for all statutory financial reporting.

Compliance

Our compliance team aims to ensure that we and the funds managed by us comply with applicable regulations including the SEBI (Mutual Funds) Regulations, 1996, the SEBI (Portfolio Management Services) Regulations, 1993, the SEBI (Alternative Investment Funds) Regulations, 2012 and various circulars and notifications issued by SEBI from time to time. In addition, the AMFI also acts as an interface between the mutual fund industry and SEBI and issues certain clarifications and best practice circulars.

Our compliance team is headed by our Head-Compliance, Legal & Secretarial, who directly reports to the CFO and our Board. The primary responsibilities of the compliance team include ensuring compliance with the applicable regulations, advising, designing, implementing, and monitoring required policies, processes and controls, timely reporting of statutory reports, forms and other documents to instill a culture of compliance in the Company. The compliance team also plans and conducts training programs and liaises with business intermediaries and industry players.

In accordance with applicable regulations, we are subject to a comprehensive and detailed inspection carried out by SEBI (through a third-party independent firm of chartered accountants) with respect to all our mutual fund operations, including activities outsourced such as fund accounting and registrar and transfer agents. Such inspections are conducted every year pursuant to which SEBI issues its observations to our Board of AMC and Trustees. Similarly, an inspection is conducted for

the operations of our portfolio management services, offshore and real estate offerings as and when SEBI deems fit. In addition, we are subject to various periodic audits such as statutory audit and internal audit across business lines and also secretarial audit of the AMC. Even for systems audit and cybersecurity, annually an audit is conducted by independent professionals and report is submitted to our Board of Directors, our trustees and SEBI.

In order to comply with applicable statutory requirements, we have established robust systems, policies and processes. We have implemented several policies including an anti-money laundering policy, a prohibition of insider trading policy, equity and debt investment policies, a risk management policy, a dealing error policy, valuation policies for mutual funds and gold, a policy for proxy voting in publicly-listed companies for our mutual funds, an outsourcing and vendor management policy, an information security policy and a business continuity policy. We review and update our policies periodically.

Our Head of Compliance, Legal & Secretarial, who is supported by our compliance team ensures that regulatory reports are filed on time, the contents of these filings are true and correct and all queries and requests for information from the regulator are addressed and resolved in a prompt manner. Our compliance team has prepared a compliance manual, which is regularly updated to reflect any change in applicable laws and regulations, in order to minimize the risk of oversight or non-compliance.

Our compliance team conducts various training programs with respect to the applicable regulatory requirements. Our compliance team ensures that employees who interact with investors are trained to ensure compliance with the applicable laws and to safeguard our interests, as well as the interests of our investors.

Risk Management

We have established a robust risk management framework that monitors firm-wide governance, risk and compliance. Our risk management philosophy comprises the following the three lines of defense within the organization: (i) risk management by our functional heads to ensure accountability and ownership at the frontline management level; (ii) risk oversight by our risk management team, CEO, Risk Management Committee and Investment Committee; and (iii) independent assurance processes conducted by our internal audit team, JV partners and group-level auditors, which are then further revised by our independent Audit Committee.

We have an enterprise risk management framework in place, which includes key risk management activities such as risk identification, risk assessment, risk response and risk management strategy. The identified risks are evaluated and managed by either avoidance, transfer, mitigation or retention. The risks we face can be broadly classified as reputation risk, people risk, regulatory risk, operational risk, investment risk, strategic risk and business risk. Close monitoring and control processes, including the establishment of appropriate key risk indicators and key performance indicators are put in place to ensure that risk profiles are managed within policy limits.

We have implemented an Operational Risk Management framework to manage specific risks that may arise from inadequate or failed internal processes, people, systems, or external events. To manage and control such risks, we use various tools including self-assessments, operational risk event management and key risk indicator monitoring. We recognize that information is a critical business asset and, accordingly, we have an information security and cyber security framework that ensures all information assets are safeguarded by establishing comprehensive management processes throughout the organization.

We have also implemented multiple and layered security controls including firewalls and anti-malware application that protect us from cybersecurity threats and attacks. We have a 24/7 security operations center that is responsible for monitoring and preventing cyber-attacks. We also have vulnerability assessment and penetration testing (“VAPT”) systems in place that assess the security of our critical applications. This is supported by monitoring tools that assist in online monitoring and prevention of cyber-attacks. The prevention and monitoring process is further complemented by a system of periodic third-party independent vendor audits and information security risk assessments audits.

The risk management systems and procedures that we have in place demonstrate our commitment to working ethically and functioning profitably while maintaining compliance with best practices and applicable laws, rules and regulations. They are intended to provide reasonable but not absolute assurance against material misstatements or loss, as well as to ensure the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, and the identification and management of business risk.

Customer Service

Customers are central to our business and are the driving force for our organization. We believe in empowering our customers with real time information as well as enhance their investing experience through a host of value-added services as well as digital solutions to provide a simple and seamless transacting experience.

Our customer service team manages the servicing needs of our customers and distribution partners, overseeing both ground level requirements as well as remote support. Our inbound contact center is open seven days a week to assist customers. Our outbound contact center proactively engages with our customers to ensure that transactions and servicing needs are satisfied.

We have also implemented various initiatives with the aim of increasing efficiency and accessibility for our customers, including the following:

- *Senior citizen servicing.* We provide additional support and assistance in order to elderly customers to ensure they have the opportunity to benefit from the same high-quality level of experience and services that we offer to all our customers.
- *Social media.* We have a central team that monitors all social media engagements on a 24/7 basis. We also have a dedicated team that works to provide immediate responses to all customer concerns raised via our social media platforms.
 - *Differential servicing.* We seek to differentiate ourselves from our peers by keeping our services available on Sundays and holidays. We also have a dedicated email desk and phone line to service non-resident Indian (“NRI”) investors which can also assist with completing customer KYC.
- *Tools to enhance experience.* Our customer relationship management (“CRM”) system enables our customer services and sales services employees to easily access a 360-degree profile view of investors. We also have a one-stop information solution center that provides customers with access to information on all processes and products available.

Our grievance redressal mechanism is structured to address grievances in a fast and sensitive manner. All complaints and grievances are captured and recorded in our CRM system, after which they are assigned to the relevant team for resolution. As a result of our customer service initiatives, the number of complaints received has decreased over the years and we received 40 complaints, 131 complaints, 201 complaints and 580 complaints during the three months ended June 30, 2021 and the financial years 2021, 2020 and 2019, respectively. We were among the top three AMCs in India with the lowest percentage of complaints against folios for the financial years 2020 and 2021, according to the CRISIL Report. Our average turnaround time for addressing customer complaints was 3.42 days, 5.70 days, 4.92 days and 4.04 days during the three months ended June 30, 2021 and the financial years 2021, 2020 and 2019, respectively.

Training and Investor Education

We have a dedicated team for investor education to increase awareness and understanding of our mutual funds. We believe in creating a community of well-informed investors that are financially literate and capable of making investment decisions with a comprehensive understanding of the potential investment risks and rewards. Our training modules appeal to a wide range of investors of difference ages, professions, genders, geographic locations and languages, and have been designed to be sustainable, scalable, and successful in their objectives to reach, teach and actively engage with common investors. As of June 30, 2021, we had reached more than 605,000 people through conducting over 9,400 training sessions, many of which have been innovative “industry firsts.” The following sets forth some examples of our training and investor education initiatives:

- *Nivesh Mahakumbh program.* Nivesh Mahakumbh is our investor education program that is supported by industry influencers, regional media and local associates, and had reached over 760,000 people, as of June 30, 2021.
- *NIPUN learning academy.* NIPUN is a learning platform through which we offer customized training modules and workshops to help our channel partners improve their investment knowledge and skills.
- *Samriddhi magazine.* Samriddhi is an exclusive in-house print magazine, which are available to and specifically designed to educate passengers on the move on Indian railways. Samriddhi offers thought-provoking content on financial literacy and is also available in an easy-to-read digital avatar which had generated over 660,000 views on our website and reached over 5 million passengers across over various routes, as of June 30, 2021.
- *Investors’ Hangout program.* Investors’ Hangout is fortnightly interactive session with some of the country's best financial minds. Investors’ Hangout programs are live streamed on YouTube and Facebook as well as actively promoted on Twitter, and had over 70,000 active users and over 5.50 million YouTube views, as of June 30, 2021.
- *My First Financial Lessons & My First Pay Cheque.* Under this initiative, we work with schools, colleges and students, engaging them in financial education activities. We have associated with India’s National Institute of Securities Markets (“NISM”) and partnered with more than 20 universities for this initiative. Through this initiative, we had reached over 44,000 students across the country as of June 30, 2021.

IT and Digital Platforms

In a highly dynamic and competitive marketplace, we believe that IT is pivotal to providing a seamless experience for our investors. IT plays a significant role in our operations, including in relation to customer onboarding, online payments and other transactions, fund management, dealing, accounting, customer service, data analytics and other functions. We endeavor to build our digital properties for partners and customers, using latest technologies available in the market, which we believe ensure scale, fault tolerance, and security.

We are continuously innovating to enhance our value proposition and accelerate our speed to market, by setting up a strong application development center of excellence. Many of our technology assets are built in-house through the application development unit using latest technologies. The following sets forth certain information technology systems that we have implemented to maximize investor engagement and to ensure a superior customer experience at all stages of their investment:

- *New Investment Platform (“NIP”)*. The NIP is a new state-of-the-art third-party investment platform which includes a front office system that is integrated with a middle office/back-office system. This enables a seamless processing of trades directly from dealers to exchange, reducing turnaround time. The NIP also provides real time feeds, enhanced security and audit standards on a single screen which improves efficiency.
- *E-scan*. E-scan allows applications and forms received at branches to be scanned and sent directly for processing to a registrar and share transfer agent, eliminating the requirement for manual processing. We have implemented e-scan at over 170 branches, which we believe has resulted in a significant improvement in efficiency and productivity of branch operation users and a processing time which is halved, improving customer experience.
- *Investor portal*. Our new investor portal provides an entire new experience for users of the portal. Investors are able to carry out all transactions and requests on the portal. Our website was developed in-house using state of the art technologies and has been designed to provide an optimal user experience backed by well-organized content and analytical tools such as intuitive dashboards.
- *Application Virtualization – Virtual Desktop Infrastructure (“VDI”)*. VDI infrastructure has been implemented with over 1,200 users. VDI has provided additional security and has allowed us to reduce bandwidth cost as it enables its users to running applications using lower bandwidth. VDI has facilitated branch roll outs, centralized data storage and enabled flexible and remote working.
- *WhatsApp for investors and distributors*. We facilitate investor transactions through WhatsApp, including the registration of new SIPs as well as making both lumpsum and SIP investments. Our distributors can also use WhatsApp to easily connect with us, and are able to view their investor valuations and brokerage details as well as download customers’ account statements and capital gain statements via WhatsApp.
- *Robotic Process Automation (“RPA”) initiatives*. With a continued focus on automating business processes and maximizing efficiency, we have implemented over 27 RPA initiatives to automate manual business functions such as cash flow automation, redemption payout and brokerage reconciliation. Our RPA initiatives have resulted in a substantial improvement in process efficiency and minimization of mistakes caused by human error.
- *Voice-based services via Google Assistant*. We provide voice-based services for investors via Google Assistant. The voice assistant acts as a 24/7 interface for investors to interact with us and address their various service requests, including portfolio valuations and account statements.
- *Email BOT for customers and Partner Priority Desk (“PPD”)*. PPDs assist and support our partners with various service requests. An automated AI based email BOT was extended to PPD desks enabling smart automated responses to email requests. The email BOT has been integrated with our CRM system to ensure a seamless customer experience.
- *Application performance and log monitoring*. To ensure reliability and consistent operating times of our systems, we have implemented a real time application performance monitor and a log monitoring solution that has been extended to monitor all key systems. The implementation of such programs has greatly improved detection, troubleshooting and resolution of applications which were previously not operating at optimal levels.
- *Video E-KYC*. Due to the COVID-19 lockdown in India, we were no longer able to facilitate physical modes of KYC application submissions. Our already available video e-KYC solution enabled us to circumvent this challenge, and the use of our video e-KYC solution been seeing a rapid increase in usage on a daily basis. Investors can complete and submit their KYC application from the safety and security of their homes with zero paperwork. We have been able to lower the cost of onboarding and substantially reduce digital fraud, while maintaining compliance with SEBI regulations.

- *Cloud-based sales.* We have implemented a cloud-based sales solutions with the objective of streamlining day to day activities of our sales representatives and relationship managers at a granular level. The solution provides information on the engagement frequency defined for each relationship manager for every distributor category, and provides the relevant users (including relationship managers, sales managers and zone heads) a holistic view on distributor data. It also acts as a personal digital assistant for users.
- *Cloud-based IVR.* We have implemented a cloud-based Interactive Voice Response (“**IVR**”) and contact center solution. The solution is location agnostic and is capable of handling 10,000 concurrent calls with 100% call recording and reporting. It facilitates the management of our campaigns and agents at lower costs.
- *eOTM.* eOTM is a one-click transaction designed to create a seamless registration process implemented for the registration of electronic mandates. eOTM was designed with convenience in mind to help customers avoid time consuming processes that are often associated with internet banking. eOTM has improved customer experience significantly, enabling our customers to efficiently invest in our schemes.
- *Chatbot.* We have implemented a chatbot on our website which provides our customers with self-service options in relation to portfolio valuation, access to accounts and capital gain statements and investing in lump-sum and SIPs, among other features.
- *Digital self-service solutions for distributors.* Our distributor website and mobile application provide digital self-service options for our distributors. Distributors can carry out various tasks themselves at their convenience including investor valuations, access to brokerage details and accounts and capital gains statements, and the ability to generate smartlinks to quick pre-filled ARN hardcoded forms for investment that can be sent to customers. These smartlinks facilitate SIP and lumpsum transactions and are sharable through various communication channels.
- *API gateway for fintech.* We have implemented an enterprise-grade application programming interface (“**API**”) gateway for direct connectivity with various fintechs and other organizations through API. It enables us to easily connect with external customers with full visibility and strong security.
- *Digital addition of bank details.* We provide our investors with the ability to digitally add up to five banks to their existing portfolio. This feature enables our customers to carry out such transactions remotely, providing them with added flexibility and convenience.

Competition

Our fee structure and our expenses depend on the competitive landscape in which we operate. We face significant competition from companies seeking to attract clients’ financial assets, including traditional and online brokerage firms, other mutual fund companies and larger financial institutions. Increased competition may result either in a decrease in AUM market share, increase brokerage or commission costs, and other acquisition costs, or force us to reduce our management fees so as to preserve such market share, which would decrease our total revenue and, to the extent our expenses remained stable, our net revenue.

The financial services industry is rapidly evolving and it is also intensely competitive. We compete with a large number of investment management firms, investment advisors, commercial banks, brokerage firms, broker-dealers and other financial institutions. We expect competition to continue and intensify in the future, primarily from the other large AMCs in India. It is also possible that there may be consolidation in the market, between smaller or the larger participants. Any such consolidation may increase competition in the market overall, or leave us at a competitive disadvantage. Mutual funds also compete with products such as insurance, bank deposits, pension products, small savings schemes, as well as gold and real estate.

Industry wide management fees differ based on types of funds and products. Typically, equity funds have a relatively stable fee structure, while the fee structure for debt funds depend on market conditions, the duration of the fund and competitive environment. The fees on portfolio management assets and investment advisory services vary depending on our contractual agreement with an investor.

See “*Risk Factors – Internal Risk Factors – Risks Relating to our Business – Competition from existing and new market participants offering investment products could reduce our market share or put downward pressure on our fees.*” and “*Industry Overview*” beginning on pages 33 and 86, respectively.

Human Resources

As of June 30, 2021, we had 1,312 employees, of which 1,002 were permanent employees. We firmly believe that our employees are integral to the culture and continued success of our business and that our composition allows us to utilize our talent efficiently and effectively.

The following table sets forth a breakdown of our employees by function as of June 30, 2021:

Function	Number of Employees
Administration	17
Alternative Business	2
Alternative Assets – Equity Investments	8
Alternative Assets – Fixed Income	2
Alternative Assets – Sales	9
Business Development	17
Business Enablement.....	3
CEO's Office.....	4
Compliance, Legal & Secretarial.....	15
Digital Business.....	12
Employer Brand.....	2
Finance & Accounts	26
Human Resources	25
Information Technology	15
Institutional Sales	54
Investments – Equity	21
Investments – Fixed Income	15
Investor Education and Distributor Development	12
Marketing	17
Offshore.....	18
Operations.....	268
Products	8
Real Estate Investment Advisory.....	10
Retail Sales	718
Risk Management.....	13
Sales Enablement & Emerging Markets	1
Total	1,312

Corporate Social Responsibility (“CSR”)

We have adopted a CSR policy in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. Our CSR policies are focused on health, education, livelihood and infrastructure development. Our CSR expenditure incurred amounted to ₹106.29 million, ₹86.90 million and ₹69.90 million for the financial years 2021, 2020 and 2019, respectively, demonstrating our continuing support and commitment to CSR initiatives.

We work in conjunction with non-profit non-governmental organizations (“NGOs”) to establish healthcare facilities for rural masses, provide sanitation and drinking water at schools donate to cancer care, and fund the purchase of medical equipment for hospitals. We have also established various educational programs in partnership with NGOs including setting up remedial classes for children from lower economic backgrounds. In addition, we fund scholarships for students and provide infrastructure support to schools.

Awards

Over the years we have been recognized for our qualitative performance in various functions. For details of certain awards that we have received in recent years, see “*History and Certain Corporate Matters – Awards and Accreditations*” beginning on page 173.

Insurance

We maintain insurance policies that we believe are customary for companies operating in our industry. Our principal types of coverage include directors and officers liability, cyber security, employee health and life, and investment management insurance policies.

Intellectual Property

As of June 30, 2021, we did not have any registered intellectual property rights that are material to our business.

Properties

Our registered office is situated at One World Center, Tower 1, 17th Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai, 400 013, Maharashtra, India, on licensed premises. As of June 30, 2021, we had 194 branches across India, of which 143 were located in B-30 cities.

KEY REGULATIONS AND POLICIES

The following is a brief overview of certain Indian laws and regulations which are relevant to our Company's business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies that are available in the public domain. The overview set out below is not exhaustive and is only intended to provide general information, and is neither designed, nor intended, to be a substitute for professional legal advice. For details of government approvals obtained by our Company in compliance with these regulations, see "Government and Other Approvals" beginning on page 295. The statements below are based on the current provisions of Indian law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

SEBI Act

The main legislation governing the activities in relation to the securities markets in India is the SEBI Act and the rules, regulations and notifications framed thereunder. The SEBI Act was enacted to provide for the establishment of SEBI whose function is to protect the interests of investors and to promote the development of, and to regulate, the securities market. The SEBI Act also provides for the registration and regulation of the function of various market intermediaries including stock-brokers, depository participants, merchant bankers, portfolio managers, investment advisers, and research analysts. Pursuant to the SEBI Act, SEBI has formulated various rules and regulations to govern the functions and working of these intermediaries. SEBI also issues various circulars, notifications and guidelines from time to time, amongst other things, in accordance with the powers vested with it under the SEBI Act. SEBI has the power to impose (i) monetary penalties under the SEBI Act and the regulations made thereunder, and (ii) penalties prescribed under various regulations, including suspending or cancelling the certificate of registration of an intermediary and initiating prosecution under the SEBI Act. Further, SEBI has the power to conduct inspection of all intermediaries in the securities market, including stock-brokers, sub-brokers, investment advisers, merchant bankers, underwriters, research analysts, to ensure, amongst others, that the books of account are maintained in the manner required in accordance with applicable law.

In addition to the SEBI Act, the key activities of our Company are also governed by the following acts, rules, regulations, notifications and circulars.

SEBI Mutual Fund Regulations

Overview

The SEBI Mutual Fund Regulations define a mutual fund as "a fund established in the form of a trust to raise monies through the sale of units to the public or a section of the public under one or more schemes for investing in securities, money market instruments, gold or gold related instruments, real estate assets and such other assets and instruments as may be specified by the Board from time to time". The SEBI Mutual Fund Regulations govern a wide range of issues in relation to a mutual fund including eligibility of the sponsor, asset management company and the trustee, registration of the mutual fund and appointment and management of the asset management company, procedure for launch of schemes, constitution and management of a mutual fund and procedure for winding up of a scheme. SEBI also issues circulars, guidelines and notifications under this regulation from time to time for the benefit and protection of the investors. SEBI notified the Securities and Exchange Board of India (Mutual Funds) (Second Amendment) Regulations, 2021 ('**MF Amendment Regulations**') on August 5, 2021 which will come into force on the 270th day from the date of its publication in the official gazette. According to SEBI's circular dated September 2, 2021, Regulation 25(16A) of SEBI Mutual Funds Regulations has been amended to mandate the AMCs to invest such amount in such scheme(s) of the mutual fund, based on the risk associated with the scheme, as may be specified by SEBI from time to time.

SEBI may grant a certificate of registration to a mutual fund, subject to terms and conditions as laid down and subject to compliance of all directives, guidelines and/or circulars issued by SEBI from time to time. The mutual fund is managed and its schemes are launched, operated and managed by an asset management company ("**AMC**") appointed by the sponsor or the trustee company. The sponsors of the mutual fund settle the trust through a trust deed.

Eligibility and Appointment of an AMC

Under the SEBI Mutual Fund Regulations, an AMC is defined as a company formed and registered under the Companies Act which has received the approval of SEBI to act as an AMC to a mutual fund. To obtain SEBI's approval, an AMC has to be compliant with the prescribed eligibility criteria which includes, amongst other things,

- (a) the directors of the AMC have adequate professional experience in finance and financial services related field and have not been found guilty of moral turpitude or convicted of an economic offence or violation of securities laws;
- (b) the key personnel of the AMC have not been found guilty of moral turpitude or convicted of an economic offence or violation of securities laws or worked for any AMC or mutual fund or any intermediary during the period when the registration of such AMC was suspended or cancelled by SEBI;
- (c) at least one half of the board of directors of the AMC should not be associated in any manner with the sponsor or any of its subsidiaries or the trustees;

- (d) the chairman of the AMC should not be a trustee of any mutual fund;
- (e) the net worth of the AMC should not be less than ₹500 million;
- (f) in case the applicant is an existing AMC it has a sound track record, general reputation and fairness in transactions;
- (g) the net worth of the asset management company as mentioned above is required to be maintained on a continuous basis; and
- (h) the applicant is a fit and proper person.

The approval from SEBI is subject to the continued compliance by the AMC of the terms and conditions provided under the SEBI Mutual Fund Regulations.

Either the sponsor, or, if the power has been given under the trust deed to the trustee, then the trustee shall appoint the AMC approved by SEBI for the investment and management of funds of the schemes of the mutual fund. The trustee and the AMC are mandated under the SEBI Mutual Fund Regulations to enter into an investment management agreement in accordance with the SEBI Mutual Fund Regulations.

Functioning of the AMC

The SEBI Mutual Fund Regulations regulate the functioning of the AMC. The AMC is prohibited from acting as a trustee to any mutual fund. Additionally, the AMC cannot undertake any business activities other than in the nature of management and advisory services provided to pooled assets. However, an AMC can undertake portfolio management services and advisory services to non-broad based funds, subject to satisfaction of certain conditions prescribed under the SEBI Mutual Fund Regulations. The obligations of the AMC include, *inter alia*, a duty on the AMC to exercise due diligence to ensure that the investment of funds pertaining to any scheme is not contrary to the provisions of the SEBI Mutual Fund Regulations, a duty on the AMC to exercise due diligence and care in its investment decisions, be responsible for the acts of commission or omission by its employees or other persons whose services are procured by the AMC, to obtain in-principle approvals from the stock exchanges where the units of the schemes of the mutual fund are proposed to be listed, and the AMC and the sponsor of the mutual fund being liable to compensate affected investors and/or the scheme for any unfair treatment to any investor as a result of inappropriate valuation, amongst others. The SEBI Mutual Fund Regulations also provides that: (a) the chief executive officer (whatever be the designation) of an AMC is required to ensure that the mutual fund complies with all the provisions of the SEBI Mutual Fund Regulations and the guidelines or circulars issued in relation thereto from time to time and that the investments made by the fund managers are in the interest of the unit holders and shall also be responsible for the overall risk management function of the mutual fund and (b) the Chief Executive Officer (whatever be the designation) is also required to ensure that the AMC has adequate systems in place to ensure that the code of conduct for fund managers and dealers introduced under the SEBI Mutual Fund Regulations, are adhered to in letter and spirit. Any breach of the mentioned code is required to be brought to the attention of the board of directors of the AMC and its trustees. The SEBI Mutual Fund Regulations also provide the trustees with the responsibility of overseeing the functioning of the AMC. The trustees have the right to obtain from the AMC information that they deem to be necessary.

The board of directors of the AMC can be appointed only with the prior approval of the trustees. The trustee is also required to ensure that before the launch of any scheme, the AMC has, among other things, appointed all key personnel including the fund manager for the scheme(s) and submitted their biodata within 15 days of appointment. The trustees are also required to ensure that the AMC has appointed requisite compliance officer, auditors and a registrar. Further, the trustees shall also ensure that AMC has prepared a compliance manual and designed internal control mechanisms including internal audit systems, specified norms for empanelment of brokers and marketing agents, and the requirement to obtain prior in-principle approval where units are proposed to be listed, are complied with. All schemes shall be launched by the AMC after it has been approved by the trustees and a copy of the offer document has been filed with SEBI.

Expenses Charged to Mutual Funds by an AMC

The SEBI Mutual Fund Regulations also prescribe the total expense ratio limits for the investment and advisory fees that asset management companies can charge to mutual fund schemes and the expenses (including, *inter alia*, marketing and selling expenses including agents' commission, if any, brokerage and transaction costs, registrar services for transfer of units sold or redeemed, fees and expenses of trustees, audit fees, custodian fees and investor communication costs but excluding issue or redemption expenses) that these schemes can incur, and prohibits certain categories of expenses from being charged to mutual fund schemes. All expenses incurred by a scheme are required to be within the limits specified under the SEBI Mutual Fund Regulations.

However, if the actual expenses incurred by the funds/ schemes managed by the AMC exceed the limits prescribed by SEBI, such expenses shall be borne by the AMC or trustee or sponsors.

Shareholding in an AMC

Under the SEBI Mutual Fund Regulations, the sponsor of the mutual fund is required to contribute at least 40% to the net worth of the AMC. Further, any person who holds 40% or more of the net worth of an AMC is deemed to be a sponsor and is required to fulfil the eligibility criteria for sponsors under the SEBI Mutual Fund Regulations. No change in the controlling interest of an AMC can be made unless, (a) prior written approval of the trustees and SEBI is obtained, (b) a written communication about the proposed change is sent to each unitholder of the schemes of the mutual fund and an advertisement is given in two newspapers, and (c) the unitholders of the schemes of the mutual fund are given an option to exit from their schemes on the prevailing net asset value without any exit load within a time period of not less than 30 calendar days from the date of communication. Under the SEBI Mutual Fund Regulations, the term ‘control’ is defined to mean: (i) in the case of a company any person or, either individually or together with persons acting in concert who directly or indirectly, own, control or hold shares carrying not less than 10% of the voting rights of such company; (ii) as between two companies, if the same person or, either individually or together with persons acting in concert who directly or indirectly, own, control or hold shares carrying not less than 10% of the voting rights of each of the two companies; or (iii) majority of the directors of any company who are in a position to exercise control over the AMC.

No sponsor of a mutual fund, its associate or group company including the AMC of the mutual fund, through the scheme of the mutual fund or otherwise, individually or collectively, directly or indirectly, nor any shareholder holding 10% or more of the shareholding or voting rights of the AMC or the trustee company shall have (a) 10% or more of the shareholding or voting rights in an AMC or trustee company of any other mutual fund; or (b) representation on the board of the AMC or the trustee company of any other mutual fund.

Removal of the AMC

Under the SEBI Mutual Fund Regulations, the appointment of the AMC may be terminated by majority of the trustees or by 75% of the unit holders of the schemes of the mutual fund. However, any change in the appointment of the AMC shall be subject to prior approval of SEBI and the unit holders of the schemes of the mutual fund.

Seed Investment in Open Ended Schemes

For each scheme of the mutual fund, the sponsor or the AMC is required to invest an amount which is not less than (a) 1% of the amount raised in the new fund offer for a new scheme or (b) ₹5 million whichever is less, and such an investment cannot be redeemed unless the scheme is wound up.

Pursuant to its circular no. SEBI/HO/IMD/DF4/CIR/P/2020/100 dated June 12, 2020 (“**SEBI June 12, 2020 Circular**”) issued by SEBI has declared that, the above referred investment is required to be made in growth option of the scheme. For such schemes where growth option is not available the investment is required to be made in the dividend reinvestment option of the scheme. Further, for such schemes where growth option as well as dividend reinvestment option are not available the investment is required to be made in the dividend option of the scheme. The SEBI June 12, 2020 Circular shall stand rescinded from such date when the SEBI September 2, 2021 Circular (as defined below) shall come into force.

Restrictions on Business Activities of the AMC

The AMC shall not act as the trustee of a mutual fund or undertake any business activities other than in the nature of management and advisory services provided to pooled assets including offshore funds, insurance funds, pension funds, provident funds, or such categories of FPI subject to such conditions, as specified by SEBI through its circular no. SEBI/HO/IMD/DF2/CIR/P/2019/155 dated December 16, 2019, if any of such activities are not in conflict with the activities of the mutual fund.

However, the AMC may, itself or through its subsidiaries, undertake such activities, if it complies with the conditions and meets the criteria specified in this regard in the SEBI Mutual Fund Regulations. Further, the AMC may, by itself or through its subsidiaries, undertake portfolio management services and advisory services for other than broad based funds till further directions, as may be specified by SEBI, subject to compliance with the following additional conditions:-

- (i) it satisfies SEBI that the key personnel of the AMC, the system, back office, bank and securities accounts are segregated activity wise and there exists systems to prohibit access to inside information of various activities;
- (ii) it meets the capital adequacy requirements, if any, separately for each such activity and obtains separate approvals, if necessary, under the relevant regulations; and
- (iii) ensures that there is no material conflict of interest across different activities.

Provided further that an asset management company may become a proprietary trading member for carrying out trades in the debt segment of the recognised stock exchanges, on behalf of its mutual fund schemes and may also become a self-clearing member of the recognised clearing corporations to clear and settle trades in the debt segment on behalf of its mutual fund schemes.

Code of Conduct for Fund Managers and Dealers

Pursuant to the SEBI (Mutual Funds) (Second Amendment) Regulations, 2020 fund managers (whatever be the designation), are required to abide by the Code of Conduct for Fund Managers and Dealers specified in Part - B of the Fifth Schedule of the SEBI Mutual Fund Regulations and submit a quarterly self-certification to the trustees that they have complied with the said code of conduct or list exceptions, if any. The code of conduct includes, *inter alia*, (i) general obligations such as ensuring that the investments are made in the interest of unit holders, striving for highest ethical and professional standards to enhance the reputation of the markets, acting honestly in dealing with other market participants, not offering or accepting any inducement in connection with the affairs or business of managing the funds of unitholders which is likely to conflict with the duties owed to unitholders, disclose all interest in securities as required under applicable laws, not receive any gift or entertainment which is not in adherence of the gift and entertainment policy of the AMC; (ii) communication channels, disclosures, need for transparency; and (iii) execution standards including maintaining written records, the decision of buying or selling securities together with detailed justification for such decisions and not indulging in any act of practice resulting in artificial window dressing of net asset value.

SEBI Circulars on Enhancing Fund Governance for Mutual Funds

On November 30, 2017, SEBI issued a circular (ref no. SEBI/HO/IMD/DF2/CIR/P/2017/125) in relation to enhancing fund governance for mutual funds, which was subsequently modified pursuant to a circular issued by SEBI on February 7, 2018 (ref no. SEBI/HO/IMD/DF2/CIR/P/2018/19). The said circulars prescribe the tenure of independent trustees of Mutual Funds (“**Independent Trustees**”) and independent directors of AMCs (“**Independent Directors**”) and appointment, eligibility and tenure of auditors of the mutual fund.

With respect to the tenure of Independent Trustees and Independent Directors, the aforesaid circulars, *inter alia*, prescribe that an independent trustee and independent director shall hold office for a maximum of two terms with each term not exceeding a period of five consecutive years. Further, no independent trustee or independent director shall hold office for more than two consecutive terms; however such individuals shall be eligible for re-appointment after a cooling-off period of three years. During the cooling-off period, such individuals should not be associated with the concerned mutual fund, AMC and its subsidiaries and/or the sponsor of AMC in any manner whatsoever. With respect to the auditors of the mutual fund, the aforesaid circulars, *inter alia*, prescribe that no mutual fund shall appoint an auditor for more than two terms of maximum five consecutive years and such auditor may be re-appointed after a cooling off period of five years and during the cooling off period, the incoming auditor may not include any firm that has common partner(s) with the outgoing audit firm or any associate / affiliate firm(s) of the outgoing audit firm which are under the same network of audit firms wherein the term “same network” includes the firms operating or functioning, hitherto or in future, under the same brand name, trade name or common control.

SEBI Circular on Review of Additional Expenses of up to 0.30% Towards Inflows From Beyond Top 30 Cities

In terms of para A(1) of SEBI circular CIR/IMD/DF/21/2012 dated September 13, 2012, additional TER can be charged up to 30 basis points on daily net assets of the scheme as per regulation 52 of SEBI Mutual Fund Regulations, if the new inflows from beyond top 15 cities are at least (a) 30% of gross new inflows in the scheme or (b) 15% of the average assets under management (year to date) of the scheme, whichever is higher. The additional TER for inflows from beyond top 15 cities was allowed with an objective to increase penetration of mutual funds in locations beyond the top 15 cities.

On February 2, 2018, SEBI issued a circular no. SEBI/HO/IMD/DF2/CIR/P/2018/16 in relation to review of additional expenses of up to 0.30% towards inflows from beyond top 15 cities. The top 15 cities mean top 15 cities based on AMFI data on ‘AUM by Geography – Consolidated Data for Mutual Fund Industry’ as at the end of the previous financial year. With effect from April 1, 2018, additional TER of up to 30 basis points would be allowed for inflows from beyond top 30 cities instead of beyond top 15 cities.

On October 22, 2018, SEBI issued a circular no. SEBI/HO/IMD/DF2/CIR/P/2018/137 in respect of TER and performance disclosure for mutual funds (“**Additional TER Circular**”), clarifying, among other things, that in relation to the charge of additional TER in terms of Regulation 52(6A)(b) of SEBI Mutual Fund Regulations, additional TER can be charged upto 30 basis points on daily net assets of the scheme based on inflows only from retail investors from beyond the top 30 cities (B 30 cities). Therefore, inflows from corporates and institutions from B 30 cities would not be considered for computing the inflows from B 30 cities for the purpose of the additional TER of 30 basis points.

SEBI circulars on TER for Mutual Funds

On February 2, 2018 and February 5, 2018, SEBI issued circulars in relation to change and disclosures in relation to TER for Mutual Funds and disallowance of certain categories of AMCs from charging additional expenses (which is currently permitted up to 0.05% of daily net assets of the scheme) (“**February 2018 Circulars**”), in terms of which, amongst other things, AMCs are required to prominently disclose the scheme wise and date-wise TER of all schemes, on a daily basis under a separate head “Total Expense Ratio of Mutual Fund Schemes” on their website and on the website of AMFI in the format prescribed by SEBI. Further, any change in the base TER excluding additional expenses as per the SEBI Mutual Fund Regulations in comparison to previous base TER charged to any scheme is required to be communicated to investors of the scheme through notice at least

three working days prior to effecting such change and is also required to be informed to the board of directors of the AMC along with the rationale recorded in writing.

On June 5, 2018, consequent to the notification of the amendment to the SEBI Mutual Fund Regulations, which are effective from May 30, 2018, SEBI issued a circular bearing no. SEBI/HO/IMD/DF2/CIR/P/2018/91 amending certain provisions of the February 2018 Circulars, pursuant to which, amongst other things, additional TER can be charged up to 5 basis points on daily net assets of the scheme pursuant to amendment to Regulation 52(6A)(c) of the SEBI Mutual Fund Regulations. In this respect, it is clarified that with respect to Mutual Fund schemes, including close ended schemes, wherein exit load is not levied/not applicable, the AMC shall not be eligible to charge the above mentioned additional expenses for such schemes. Further, the circular requires all AMCs to disclose on a daily basis, the TER (scheme-wise and date-wise) of all schemes on the AMC's website and the website of the Association of Mutual Funds in India ("AMFI") in the manner prescribed.

SEBI circular on Review of Commission, Expense, Disclosure Norms etc – Mutual Fund

In continuation of the Additional TER Circular, on March 25, 2019, SEBI issued a circular prescribing that inflows of amount upto ₹200,000 per transaction, by the individual investors shall be considered as inflows from "retail investor". Further, the circular mandated that AMCs shall prominently disclose on a daily basis, the scheme-wise and date-wise TER of all schemes except infrastructure debt fund (IDF) schemes under a separate head on their website and on the website of the AMFI in a downloadable spreadsheet format as specified. Further, any increase or decrease in TER in a mutual fund due to change in AUM and decrease in TER in a mutual fund due to various other regulatory requirements would not require issuance of any prior notice to the investors.

SEBI Circulars dated October 6, 2017, December 4, 2017 and September 11, 2020 ("SEBI Categorisation Circulars")

The SEBI Categorisation Circulars seek to categorize and rationalize mutual fund schemes in order to enable customers to better evaluate the different options available and take informed decisions to invest. In terms of the SEBI Categorisation Circulars, schemes are classified into five groups: equity, debt, hybrid, solution-oriented and other schemes. These five groups, in turn, collectively have 36 different categories of schemes under them. The SEBI Categorisation Circulars state that only one scheme per category is permitted to continue to exist or be launched by a mutual fund, with certain exceptions. In addition, AMCs are required to analyse their existing open-ended schemes and submit their proposals to SEBI in relation to merging, winding up or changing the fundamental attributes of the funds within two months from the date of the SEBI Categorisation Circulars, followed by carrying out necessary changes within three months from the date of issuance of observations by SEBI on the submitted proposals. Further, SEBI has, by its circular no. SEBI/HO/IMD/DF3/CIR/P/2020/172 dated September 11, 2020, partially modified the scheme characteristics of multi cap funds, and directed that multi cap funds shall invest a minimum of 75% of their total assets in equity and equity related instruments, such that a minimum of 25% of their total assets are allocated to equity and equity related instruments of each of large cap companies, mid cap companies and small cap companies, respectively.

SEBI Circulars on Investment Norms for Mutual Funds for Investment in Debt and Market Instruments

By its circulars dated October 1, 2019 and December 10, 2019 ("Investment Norms Circulars"), SEBI introduced certain investment norms with respect to mutual funds investing in debt and money market instruments including restrictions on mutual funds investing in unlisted debt instruments including commercial papers, other than (a) government securities, (b) other money market instruments and (c) derivative products such as interest rate swaps, interest rate futures, etc. which are used by mutual funds for hedging. Further, the Investment Norms Circulars also introduced restrictions in relation to (i) investment in debt instruments having structured obligations or credit enhancements; (ii) sectoral exposure; and (iii) group level exposure.

SEBI Circular on Stewardship Code for all Mutual Funds and AIFs

Pursuant to circulars no. CIR/CFD/CMD1/168/2019 dated December 24, 2019 and no. SEBI/HO/CFD/CMD1/CIR/P/2020/55 dated March 30, 2020 issued by SEBI, with effect from July 1, 2020, Mutual Funds and all categories of AIFs are required to mandatorily follow the stewardship code as prescribed by SEBI ("Stewardship Code") in connection with stewardship responsibilities of the AMC and other institutional investors in relation to their investments in listed equities. Stewardship responsibilities include monitoring and actively engaging with investee companies on various matters including operational and financial performance, strategy, corporate governance (including board structure, remuneration etc.), material environmental, social, and governance opportunities or risks and capital structure. In terms of the principles of the Stewardship Code, the AMC is required to amongst others, (i) formulate and publicly disclose a comprehensive policy on the discharge of their stewardship responsibilities, publicly disclose it, and review and update it periodically; (ii) to have a clear policy on how it manages conflicts of interest in fulfilling their stewardship responsibilities and publicly disclose it; (iii) continuously monitor the investee companies and formulate a comprehensive policy on monitoring in accordance with the Stewardship Code; (iv) to have a clear policy on intervention in their investee companies and to have a clear policy for collaboration with other institutional investors, where required, to preserve the interests of the ultimate investors, and such policy should be disclosed; (v) have a clear policy on voting and disclosure of voting activity; and (vi) should periodically report their stewardship activities.

SEBI Circular on Enhancement of Overseas Investments Limits for Mutual Funds

On November 5, 2020 SEBI issued a circular bearing no. SEBI/HO/IMD/DF3/CIR/P/2020/225 enhancing the limits on overseas investments per mutual fund. Mutual Funds can make overseas investments subject to a maximum of US\$ 600 million per mutual fund, within the overall industry limit of US\$ 7 billion. Further, mutual funds are permitted to invest in overseas exchange traded funds subject to a maximum of US\$ 200 million per mutual fund, within the overall industry limit of US\$1 billion. If mutual funds launch new schemes, intended to invest in overseas securities/overseas exchange traded funds, they are required to ensure that the scheme documents disclose the intended amount that they plan to invest in overseas securities/overseas exchange traded funds, subject to maximum limits as specified above. Such limits disclosed in scheme documents are valid for a period of six months from the date of closure of the new fund offer. Thereafter the unutilized limit, if any, will not be available to the mutual fund for investment in overseas securities /overseas exchange traded funds and will be available towards the unutilized industry wide limits. For all ongoing schemes that invest or are allowed to invest in overseas securities/overseas exchange traded funds, an investment headroom of 20% of the average AUM in overseas securities/overseas exchange traded funds, of the previous three calendar months will be available to the mutual fund for that month to invest in overseas securities/overseas exchange traded funds, subject to maximum limits specified above.

SEBI Circular on Norms for Investment and Disclosure by Mutual Funds in Exchange Traded Commodity Derivatives (“ETCDs”)

SEBI vide its circulars dated May 21, 2019 and June 05, 2020 permitted mutual funds to participate in ETCDs. Pursuant to circular dated January 15, 2021, SEBI clarified that exposures with respect to short position in ETCDs not exceeding the holding of the underlying goods received in physical settlement of ETCD contracts and short position in ETCDs not exceeding the long position in ETCDs on the same goods, will no longer be considered in the cumulative gross exposure. SEBI further clarified that mutual funds cannot write options, or purchase instruments with embedded written options in goods or on commodity futures.

SEBI Circular on Go Green Initiatives

SEBI vide its circular dated March 4, 2021, deleted the requirement of filing monthly cumulative report (“MCR”) in physical mode in addition to providing the same through email as mentioned in previous SEBI circulars dated July 31, 2000 and April 30, 2008. It specified that AMCs are required to submit MCR only through email. Further, SEBI also revised the format of annual statistical report (“ASR”) which was provided in the SEBI circular dated April 26, 2002. ASR in the revised format is now required to be submitted to SEBI through email only.

SEBI Circular on Product Labelling in Mutual Fund Schemes - Risk-O-Meter

SEBI revised the guidelines for product labelling in mutual funds, vide its circular no. SEBI/HO/IMD/DF3/CIR/P/2020/197 dated October 5, 2020. The revisions made to the guidelines are as follows: (i) risk level of a scheme will be depicted by a risk-o-meter, (ii) risk-o-meter will have six levels of risk starting from low risk to very high risk, (iii) based on the scheme characteristics, mutual funds are required to assign risk level for schemes at the time of launch of scheme/new fund offer, (iv) any change in risk-o-meter needs to be communicated through email or SMS to unitholders of the particular scheme, (v) risk-o-meter is required to be evaluated on a monthly basis and mutual funds/AMCs need to disclose the risk-o-meter along with portfolio disclosure for all their schemes on their respective website and on AMFI website within 10 days from the close of each month, (vi) mutual funds are required to disclose risk levels of schemes at the end of the financial year, along with the number of times the risk level has changed over the year, on their website and AMFI website, (vii) mutual funds are required to publish a table of scheme wise changes in risk-o-meter in their annual reports and abridged summary. Product needs to be disclosed on front page of initial offering application form, scheme information documents and key information memorandum, common application form and scheme advertisements. SEBI also clarified that a change in risk-o-meter will not be considered as a Fundamental Attribute Change of the scheme in terms of regulation 18(15A) of SEBI Mutual Fund Regulations.

SEBI Circular on disclosure of risk-o-meter of scheme, benchmark, and portfolio details to investors

On August 31, 2021, SEBI issued a circular on disclosure of risk-o-meter of scheme, benchmark, and portfolio details to investors. According to this circular, AMCs are required to disclose risk-o-meter of the scheme wherever the performance of the scheme is disclosed and risk-o-meter of the scheme and benchmark wherever the performance of the scheme vis-à-vis that of the benchmark is disclosed, in all disclosures. Further, AMCs are also required to provide a feature wherein a link is provided to the investors to their registered email to enable the investors to directly view or download only the portfolio of schemes subscribed by the said investor. AMCs are also required to enter into arrangements with their selected Index providers to provide the risk-o-meter for their benchmarks to the AMCs latest by the fifth day subsequent to the end of the month.

SEBI Circular on Cyber Security and Cyber Resilience Framework for Mutual Funds/Asset Management Companies

SEBI issued a circular bearing no. SEBI/HO/IMD/DF2/CIR/P/2019/12 dated January 10, 2019 making the framework prescribed in previous SEBI circular no. CIR/MRD/DP/13/2015 dated July 6, 2015 on cyber security and cyber resilience framework, applicable to all mutual funds/AMC. Accordingly, mutual funds/AMCs are required to take necessary steps to put in place systems for implementation of cyber security framework with effect from April 1, 2019.

SEBI Circular on System Audit Framework for Mutual Funds/Asset Management Companies

On April 11, 2019 SEBI issued a circular bearing no. SEBI/HO/IMD/DF2/CIR/P/2019/57 to enhance and standardize the systems audit framework for mutual funds. According to the framework, audit should encompass audit of systems and processes, *inter alia*, related to examination of integration of front office system with the back office system, fund accounting system for calculation of net asset values, financial accounting and reporting system for the AMC, unit-holder administration and servicing systems for customer service, funds flow process, system processes for meeting regulatory requirements, prudential investment limits and access rights to systems interface. Further, SEBI advised mutual funds/AMCs to conduct systems audit on an annual basis by an independent CISA/CISM qualified or equivalent auditor to check compliance of the provisions of this circular.

SEBI Circular on Technology Committee for Mutual Funds/Asset Management Companies

On April 11, 2019, SEBI issued a circular bearing no. SEBI/HO/IMD/DF2/CIR/P/2019/058 advising AMCs to constitute a technology committee comprising experts proficient in technology. Such committee must have at least one independent external expert with adequate experience in the area of technology in mutual fund industry. Further, the technology committee is required to review the cyber security and cyber resilience framework for mutual funds/AMCs on system audit framework for mutual funds and asset management companies.

SEBI Circular on Creation of a Segregated Portfolio in Mutual Fund Schemes

In order to ensure fair treatment to all investors in case of a credit event and to deal with liquidity risk, SEBI has permitted creation of segregated portfolio of debt and money market instruments by mutual funds schemes. On December 28, 2018, SEBI issued a circular bearing no. SEBI/HO/IMD/DF2/CIR/P/2018/160 allowing AMCs to create segregated portfolio in a mutual fund scheme, subject to: (i) downgrade of a debt or money market instrument to 'below investment grade', or (ii) subsequent downgrades of the said instruments from 'below investment grade', or (iii) similar such downgrades of a loan rating. SEBI clarified that in case of difference in rating by multiple credit rating agencies, the most conservative rating will be considered. Further, the creation of segregated portfolio needs to be based on issuer level credit events. Creation of segregated portfolio is optional and is completely on the AMCs discretion. It should be created only if the scheme information document of the scheme has provisions for segregated portfolio with adequate disclosures. AMCs creating a segregation portfolio are required to have a detailed written down policy on creation of segregated portfolio approved by its trustees.

SEBI Circular on Participation of Mutual Funds in Commodity Derivatives Market in India

On June 5, 2020, SEBI issued a circular partially modifying its circular dated May 21, 2019 on holding of physical goods by mutual fund schemes. According to this circular, no Mutual fund schemes are allowed to invest in physical goods except in 'gold' through Gold ETFs. However, since mutual fund schemes participating in ETCs can hold the underlying goods in case of physical settlement of contracts, in that case mutual funds are required to dispose of such goods from the books of the scheme, at the earliest, not exceeding the timeline prescribed: (i) 180 days from the date of holding for gold and silver, (ii) for other goods, by the immediate next expiry day of the same contract series of the said commodity.

SEBI Circular on Norms for investment and disclosure by Mutual Funds in Derivatives

On June 18, 2021, SEBI issued a circular partially modifying its circular dated August 18, 2010 on guidelines for participation of mutual fund schemes in Interest Rate Swaps ("IRS"). According to this circular, mutual funds can enter into plain vanilla IRS for hedging purposes only if the value of the notional principal does not exceed the value of the respective existing assets being hedged by the scheme. In case the mutual fund scheme participates in the IRS through over the counter transactions, the counter party has to be an entity recognized as a market maker by RBI and exposure to a single counterparty in such transactions cannot exceed 10% of the net assets of the scheme. However, if mutual funds are transacting in IRS through an electronic trading platform offered by the Clearing Corporation of India Ltd. (CCIL) and CCIL is the central counterparty for such transactions guaranteeing settlement, the single counterparty limit of 10% will not be applicable.

SEBI Circular on Alignment of interest of Key Employees of Asset Management Companies with the unitholders of the Mutual Fund Schemes

On April 28, 2021, SEBI issued a circular to align the interest of key employees of AMCs with unitholders of the Mutual Fund Schemes, effective from July 1, 2021 further extended to October 1, 2021 by SEBI circular dated June 25, 2021. According to this circular, a minimum of 20% of the salary/perks/bonus/non-cash compensation, net of income tax and any statutory contributions of the key employees of the AMCs will be paid in the form of units of the mutual fund schemes in which they have a role or oversight, and such compensation paid in the form of units shall be proportionate to the AUM of the schemes in which the key employee has a role or oversight. According to the circular, key employees include the chief executive officers (CEO), chief investment officers (CIO), chief risk officers (CRO), chief information security officers (CISO), chief operation officers (COO), fund manager(s), compliance officer, sales heads, investor relation officer(s) (IRO), direct reportees to the CEOs (excluding personal assistants or secretaries), fund management teams and research teams, and other employees as identified by the AMCs and trustees. Further, units allotted to the Key Employees will be subject to clawback in the event of violation of Code of Conduct for employees adopted by the AMCs, fraud, gross negligence by them, as determined by SEBI.

SEBI Circular on Alignment of interest of Asset Management Companies) with the unitholders of the Mutual Fund Schemes (“SEBI September 2, 2021 Circular”)

On September 2, 2021, SEBI issued a circular to align the interest of AMCs with unitholders of the Mutual Fund Schemes. According to this circular AMCs are required to invest a minimum amount as a percentage of assets under management in their scheme(s), based on the risk value assigned to the scheme(s). Factors such as risk value of the scheme as per the risk-o-meter of the immediately preceding month will need to be considered when making such investments. Further AMCs are required to maintain the investment at all points of time till the completion of the tenure of the scheme or till the scheme is wound up. AMCs are required to conduct a quarterly review to ensure compliance with the requirement of investment of minimum amount in the scheme(s) which may change either due to change in value of the AUM or in the risk value assigned to the scheme. Further, based on their review of quarterly average AUM, shortfall in value of the investment in scheme(s), if any, will be required to be made good within seven days of such review. Pursuant to such review, AMCs also get the option to withdraw any excess investment than what is required. AMCs may invest from their net worth or the sponsor may fund the AMC to fulfil the aforesaid obligations, if required. However, the AMCs shall be required to make good the shortfall in the minimum net worth to comply with the requirement of the Mutual Fund Regulations in case of sustenance of temporary mark to market loss for two consecutive quarters. AMCs also need to ensure that such temporariness of the mark to market loss is certified by the statutory auditor. Further, AMCs are not required to invest in ETFs, index funds, overnight funds, funds of funds scheme(s) and in case of close ended funds wherein the subscription period has closed as on date of coming into force of MF Amendment Regulations.

SEBI Circular on Valuation of Securities with multiple put options present ab-initio

On July 9, 2021, SEBI issued a circular on valuation of securities with multiple put options present ab-initio wherein put option is factored into valuation of the security by the valuation agency. According to the circular, if a Mutual Fund does not exercise the put option while in favour of the scheme, then the Mutual Fund has to provide a justification for not exercising the put option to the Valuation Agencies, Board of AMC and Trustees. As a result, the Valuation Agency cannot take into account the remaining put options for the purpose of valuation of security. The put option will be considered as ‘in favour of the scheme’ if the yield of the valuation price ignoring the put option under evaluation is more than the contractual yield/coupon rate by 30 basis points.

SEBI Circular on prudential norms for liquidity risk management for open ended debt schemes

On June 25, 2021, SEBI issued a circular directing AMFI to prescribe a suitable framework for liquidity risk management for open ended debt schemes (except Overnight Fund, Gilt Fund and Gilt Fund with 10-year constant duration) in consultation with SEBI. The framework specified by AMFI shall come into force with effect from December 1, 2021 for all existing open ended debt schemes (except Overnight Fund, Gilt Fund and Gilt Fund with 10-year constant duration). However, mutual funds, may choose to adopt the framework specified by AMFI before the effective date, at their discretion. Further, SEBI made clarifications on its circular dated November 6, 2020 specifying norms regarding holding of liquid assets in open ended debt schemes and stress testing of open ended debt schemes. According to the clarifications made by SEBI, the base for regulatory limit calculations other than Asset Allocation Limits should be 100% of Net Assets and the base for Asset Allocation limits should be Net Assets excluding the extent of minimum stipulated liquid assets.

SEBI Circular on Potential Risk Class Matrix for debt schemes based on Interest Rate Risk and Credit Risk

On June 7, 2021, SEBI issued a circular on classification of all debt schemes in terms of a Potential Risk Class matrix consisting of parameters based on maximum interest rate risk and maximum credit risk. According to the circular, AMCs continue to retain the same category of their schemes and have full flexibility to place single/multiple schemes in any cell of the Potential Risk Class (“PRC”) Matrix. However, once a PRC cell selection is done by the scheme, any change in the positioning of the scheme into a cell resulting in a risk (in terms of credit risk or duration risk) which is higher than the maximum risk specified for the chosen PRC cell, will be considered as a fundamental attribute change of the scheme in terms of regulation 18(15A) of SEBI (Mutual Fund) Regulations, 1996. Further, Mutual Funds are required to inform the unitholders about the classification in one of the 9 PRC cells and subsequent changes, if any, through SMS and by providing a link on their website referring to the said change. For new debt schemes, the AMCs are required to choose the PRC cell at the time of filing of Scheme Information document (SID) with SEBI.

SEBI Circular on enhancement of overseas investment limits for mutual funds

On June 3, 2021, SEBI issued a circular partially modifying its circular dated November 5, 2020 on overseas investment limits per mutual fund. According to this circular, overseas investment limits for mutual funds has been enhanced. As per the revised overseas investment limits, mutual funds can make overseas investments subject to a maximum of US \$ 1 billion per mutual fund, within the overall industry limit of US \$ 7 billion and they can make investments in overseas Exchange Traded Fund subject to a maximum of US \$ 300 million per Mutual Fund, within the overall industry limit of US \$ 1 billion.

SEBI Portfolio Manager Regulations

The SEBI Portfolio Manager Regulations govern the functioning of portfolio managers. As per this regulation, ‘portfolio’ means “the total holdings of securities and goods belonging to any person” and a ‘portfolio manager’ is “a body corporate which pursuant to a contract with a client, advises or directs or undertakes on behalf of the client (whether as a discretionary portfolio manager or otherwise), the management or administration of a portfolio of securities or goods or the funds of the client, as the case may be”. A portfolio manager may also deal in goods received in delivery against physical settlement of commodity derivatives.

Any applicant proposing to act as portfolio manager is required to be registered as a ‘portfolio manager’ with SEBI under the said regulations. The certificate of registration is valid till it has been suspended or cancelled by SEBI. In order to determine whether the portfolio manager is a fit and proper person, SEBI may take into account the criteria as laid down under Schedule II of Securities and Exchange Board of India (Intermediaries) Regulations, 2008. Additionally, in terms of the SEBI Portfolio Managers Regulations, any applicant proposing to act as a portfolio manager should have a net worth of not less than ₹50 million and for those portfolio managers who were granted a certificate of registration prior to the commencement of the SEBI Portfolio Managers Regulations, are required to raise their net worth to ₹50 million within a period of 36 months from January 16, 2020.

The SEBI Portfolio Manager Regulations requires the portfolio manager to segregate each client’s funds and portfolio of securities and keep them separately from its own funds and securities and be responsible for safe keeping of the client’s funds and securities. The portfolio manager, before taking up an assignment of management of funds or portfolio of securities on behalf of a client, is required to enter into an agreement in writing with the client clearly defining the *inter-se* relationship and setting out their mutual rights, liabilities and obligations relating to the management of funds or portfolio of securities containing the details as specified in Schedule IV of the SEBI Portfolio Manager Regulations and other details including the investment approach, investment objectives and services to be provided, types of instruments, proportion of exposure etc.

Prior to entering into such agreement, the portfolio manager must provide to the client a disclosure document specified in the SEBI Portfolio Manager Regulations, which shall contain, *inter alia*, portfolio risks, investment approach, complete disclosures in respect of transactions with related parties as per the accounting standards specified by the ICAI in this regard, performance of the portfolio manager, the audited financial statements of the portfolio manager for the immediately preceding three years, details of conflicts of interest related to services offered by group companies or associates of the portfolio manager, and the portfolio management performance of the portfolio manager for the immediately preceding three years. The disclosure document is required to be certified by an independent chartered accountant and filed with SEBI before circulation and before issuance to any other party, and in the event of a material change in the document, portfolio manager shall file the disclosure document with material change within seven working days from the date of the change. Pursuant to the receipt of the registration, the disclosure document shall be placed on the website of the portfolio manager at all times.

The portfolio manager shall, in compliance with the SEBI Portfolio Manager Regulations, furnish periodical reports to the client which shall contain all the necessary details of the portfolio so being managed for the client. In addition, every portfolio manager is required to abide by the code of conduct laid down under Schedule III of the SEBI Portfolio Manager Regulations. Further, in order to observe high standards of integrity and fairness in all its professional dealings, the portfolio manager must under all circumstances avoid any conflict of interest in his decisions in the capacity of a portfolio manager and accordingly disclose to his clients all such circumstances, as and when a conflict of interest may arise. A portfolio manager is required to ensure fair treatment to all its customers.

Pursuant to its circular no. SEBI/HO/IMD/DF1/CIR/P/2020/26 dated February 13, 2020, SEBI has issued certain guidelines for portfolio managers in relation to (i) the fees and charges which can be levied by portfolio managers; (ii) on-boarding of clients without the intermediation of persons engaged in distribution; (iii) the description of the term ‘investment approach’ in connection with disclosure and reporting requirements of the portfolio managers; (iv) periodic reporting and reporting of performance by portfolio managers; (v) requirements in connection with the disclosure document; and (vi) supervision of its distributors.

SEBI AIF Regulations

Under the SEBI AIF Regulations, a ‘manager’ is a person or an entity who has been appointed by the AIF to manage its investments. The manager of the AIF can also be the sponsor of the AIF. For Category I and II AIFs, the manager or the sponsor of the AIF is required to maintain a continuing interest in the AIF of not less than 2.5% of the corpus or ₹50 million, whichever is lower, in the form of investment in the AIF. For Category III AIFs, the manager or the sponsor of the AIF is required to maintain a continuing interest in the AIF of not less than 5% of the corpus or ₹100 million, whichever is lower. A certificate of registration is mandatory for an entity or a person to act as an AIF and such certificate shall be granted, subject to compliance with the requisite conditions under the SEBI AIF regulations. The registration of the AIF is, amongst other things, also dependent on the ability of the manager to effectively discharge its activities by having the necessary infrastructure and manpower. The manager is required to be a ‘fit and proper person’, based on the criteria specified in Schedule II of the Securities and Exchange Board of India (Intermediaries) Regulations, 2008. The obligations of the manager include maintenance of records, addressing the complaints of the investors, taking steps to address conflicts of interest, ensuring transparency and providing all information sought by SEBI. The manager is also required to establish and implement written policies and

procedures to identify, monitor and appropriately mitigate conflicts of interest throughout the scope of business. If the corpus of an AIF is more than ₹5,000 million, the manager, sponsor or AIF is required to appoint a custodian registered with SEBI for safekeeping of securities. However, irrespective of the size of the corpus of the AIF, the sponsor or manager of category III AIF shall appoint such custodian. Funds of Category I AIFs are allowed to invest in units of Category I AIFs of the same sub-category. Funds of Category II AIFs and Category III AIFs are allowed to invest in units of Category I or Category II AIFs.

The SEBI (Venture Capital Funds) Regulations, 1996 (“**SEBI VCF Regulations**”) have been repealed by the SEBI AIF Regulations. However, the funds registered as venture capital funds under SEBI VCF Regulations shall continue to be regulated by the said regulations till the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme, and cannot increase the targeted corpus of the fund or scheme after notification of the SEBI AIF Regulations.

Further, SEBI by its circulars dated February 6, 2020 and June 12, 2020, had also notified certain disclosure standards for AIFs including templates for the private placement memorandums (“**PPM**”) for AIFs, annual audit to ensure compliance with the disclosure standards in relation to the PPMs and performance benchmarking of AIFs.

SEBI (Investment Advisers) Regulations, 2013

The SEBI (Investment Advisers) Regulations, 2013 (“**SEBI Investment Advisers Regulations**”), provides that no person shall act as an investment adviser unless he holds a certificate granted by SEBI under such regulations. The SEBI Investment Advisers Regulations, lays down, amongst other things, the eligibility criteria, conditions for grant of certificate to an investment adviser and its general obligations and responsibilities. Further, every investment adviser is required to abide by the Code of Conduct as specified under the SEBI Investment Advisers Regulations at all times.

SEBI also issued consultation papers in October 2016, June 2017 and January 2018, which set out certain proposals with respect to amendments to the SEBI Investment Advisers Regulations. Based on comments received by SEBI in relation to the above mentioned consultation papers, SEBI issued another consultation paper on January 15, 2020 (“**2020 Consultation Paper**”) and the recommendations in the 2020 Consultation Paper were approved by SEBI at its board meeting held on February 17, 2020. These changes, which have been notified on July 3, 2020 and shall be effective from September 30, 2020, are in relation to, amongst other things, (i) client level segregation between investment advisory and distribution activities; (ii) the implementation of advice and execution; (iii) mandatory agreements between investment advisors and clients; (iv) methods of charging fees by investment advisers; (v) eligibility criteria for investment advisers; and (vi) the discontinuation of the revalidation of investment adviser registration through a certification program for investment advisers.

SEBI (Foreign Portfolio Investors) Regulations, 2019 (“SEBI FPI Regulations”)

The SEBI FPI Regulations were notified on September 23, 2019 and provide the framework for registration and procedures with regard to foreign investors who propose to make portfolio investments in India. As per the SEBI FPI Regulations, a ‘foreign portfolio investor’ (“**FPI**”) means “*a person who has been registered under Chapter II of these regulations and shall be deemed to be an intermediary in terms of provisions of the Act*”. An application for grant of certificate as a FPI has to be made to designated depository participant in the prescribed form with the prescribed fee, which shall grant the certificate on behalf of SEBI. In order to be eligible for registration as a FPI, the applicant is required to meet certain criteria including that the applicant must not be a resident Indian, a non-resident Indian or an overseas citizen of India, and must be a resident of the country whose securities market regulator is a signatory to the International Organization of Securities Commission’s Multilateral Memorandum of Undertaking or a signatory to the bilateral Memorandum of Understanding with the SEBI. The obligations of FPIs includes among other things, obtaining a Permanent Account Number from the Income Tax Department, undertaking necessary KYC on its shareholders/investors and appoint a compliance officer.

The SEBI FPI Regulations categorise FPIs into Category I and Category II FPIs and also specify the restrictions on the investments to be made by FPIs and the general obligations and responsibilities of FPIs. The Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations, 2014 (“**2014 Regulations**”) were repealed by the SEBI FPI Regulations, and FPIs registered under the 2014 Regulations are required to be re-categorised by their respective designated depository participants.

SEBI (Intermediaries) Regulations, 2008

The SEBI (Intermediaries) Regulations, 2008 provide the framework for registration of intermediaries and the general obligations of intermediaries, as defined thereunder. The definition of ‘intermediary’ includes an asset management company in relation to SEBI Mutual Fund Regulations. A certificate of registration is mandatory to act as an intermediary under such regulations. Such certificate granted to an intermediary is permanent unless surrendered by the intermediary or suspended or cancelled. An intermediary is required to, among other things, making endeavours for prompt redressal of investor grievances, appoint a compliance officer and abide by the Code of Conduct specified in the Regulations. Intermediaries shall not render, directly or indirectly, any investment advice about any security in the publicly accessible media unless a disclosure of their interest has been made while rendering such advice.

Prevention of Money Laundering

In terms of the provisions of the PMLA and the Prevention of Money Laundering (Maintenance of Records) Rules, 2005, AMC are required to follow certain customer identification procedures while undertaking a transaction either by establishing an account based relationship or otherwise by monitoring their transactions. In this regard, SEBI has also issued the master circular dated October 15, 2019 setting out guidelines on anti-money laundering standards and combating the financing of terrorism and obligations of securities market intermediaries under the PMLA and rules framed there under.

Miscellaneous

In addition to the above, an AMC, as an entity operating in the securities market in India, is required to comply with applicable securities laws in India, including, amongst others, the SEBI Takeover Regulations, Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, the PMLA, the SCRA and the Indian Contract Act, 1872. An AMC is also required to comply with the provisions of the Companies Act, FEMA, labour laws, and various state specific shops and establishment legislations, various tax related legislations and other applicable regulations, notifications, circulars and guidelines, and other applicable statutes and policies along with the rules formulated thereunder for its day-to-day operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of our Company

Our Company was originally incorporated as 'Birla Capital International AMC Limited' at Mumbai, Maharashtra as a public company under the Companies Act, 1956, pursuant to a certificate of incorporation dated September 5, 1994, issued by the RoC and commenced operations pursuant to a certificate for commencement of business dated November 10, 1994, issued by the RoC. Further, the name of our Company was changed from 'Birla Capital International AMC Limited' to 'Birla Sun Life Asset Management Company Limited' pursuant to which a revised certificate of incorporation was issued by the RoC dated June 29, 1999. Subsequently the name of our Company was changed from 'Birla Sun Life Asset Management Company Limited' to 'Aditya Birla Sun Life AMC Limited' and a revised certificate of incorporation dated July 17, 2017 pursuant to change of name was issued by the RoC.

Changes in our Registered Office

The following table sets forth details of the changes in the registered office of our Company since the date of its incorporation:

Date of change	Details of the address of registered office	Reason
October 28, 1994	Change in registered office from 61, Sakhar Bhavan, 6 th floor, 230, Nariman Point, Bombay- 400021 to Voltas International House, 3 rd floor, 28, N.G.N. Vaidya Marg, Fort, Bombay- 400023	Administrative convenience
October 5, 1998	Change in registered office from Voltas International House, 3 rd floor, 28, N.G.N. Vaidya Marg, Fort, Bombay- 400023 to 2 nd floor Ahura Centre, A Wing 96/A-D Mahakali Caves Road, Andheri (E) Bombay - 400093	Administrative convenience
June 1, 2009	Change in registered office from 2 nd floor Ahura Centre, A Wing 96/A-D Mahakali Caves Road, Andheri (E) Mumbai - 400093 to One World Center, Tower 1, 17 th Floor, Jupiter Mills Compound, 841, S. B. Marg, Elphinstone Road, Mumbai – 400013, Maharashtra, India	Administrative convenience

Main Objects of our Company

The main objects contained in our Memorandum of Association are as follows:

1. *"To carry on the business of acting as Investment Agents for Mutual Funds.*
2. *To carry on the Business of Providing financial services, consultancy, exchange of, or otherwise dealing in research and analysis on commercial basis as long as those are not in conflict with the fund management activities."*

The main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being carried on and proposed to be carried on by our Company.

Amendments to our Memorandum of Association

The following table set forth details of the amendments to our Memorandum of Association, in the last 10 years:

Date of Shareholders' resolution/Effective date	Details of the amendments
April 6, 2021	Clause V of the Memorandum of Association was amended to reflect the split in the authorised share capital of our Company from ₹200,000,000 divided into 20,000,000 equity shares of ₹10 each to ₹200,000,000 divided into 40,000,000 equity shares of ₹5 each and the increase in the authorised share capital of our Company from ₹200,000,000 divided into 40,000,000 equity shares of ₹5 each to ₹1,600,000,000 comprising 320,000,000 Equity Shares of face value of ₹5 each.
June 24, 2017	Clause I of our Memorandum of Association was amended to reflect the change in name of our Company from 'Birla Sun Life Asset Management Company Limited' to 'Aditya Birla Sun Life AMC Limited'

Major Events and Milestones in the History of our Company

The table below sets forth the key events and milestones in the history of our Company:

Calendar Year	Particulars
1994	The Aditya Birla group and The Capital Group of Companies, Inc. USA jointly set up Birla Capital International AMC Limited
1995	Our first equity fund - Birla Advantage Fund and first debt scheme - Birla Income Plus was launched
1996	Expanded our operations in Mauritius through our Subsidiary, Aditya Birla Sun life AMC (Mauritius) Limited
1999	Acquired rights to manage the schemes of Apple AMC and entered into the Existing Shareholders Agreement with inter alia Sun Life AMC, Sun Life Assurance Company of Canada

Calendar Year	Particulars
2002	Launched portfolio management services
2005	Acquired rights to manage the schemes of Alliance Capital Mutual Fund
2008	Launched our CSIP with life insurance cover at 100 times the first SIP amount (after a three year period)
2011	Expanded our business in Singapore and Dubai through our Subsidiaries Aditya Birla Sun Life Asset Management Company Pte Ltd and Aditya Birla Sun Life Asset Management Company Limited, respectively
2012	Launched Aditya Birla Financial Services Privilege Club, a loyalty program for MFDs
2014	Conducted our first investment event - Voyage, which is our annual flagship investment event
2014	Acquired rights to manage the schemes of ING AMC
2014	Mutual fund QAAUM (excluding our domestic FoFs) crossed ₹1,000 billion as of September 30, 2014
2015	Launched our personal finance magazine Samridhi in select Shatabdi Trains which has reached over 5 million passengers across various routes, of June 30, 2021.
2016	Launched “Active Account” application, to facilitate quick and easy transactions in liquid funds
2016	Launched ‘Investors Hangout’ and the same received over 70,000 active users and over 5.5 million YouTube views, as of June 30, 2021.
2017	Launched Nivesh Mahakumbh program our investor education program that reached over 760,000 people, as of June 30, 2021.
2017	Launch of instant redemption facility for our liquid fund investors
2018	Achieved over 6 million total folios (including our domestic FoFs)
2018	Mutual fund QAAUM (excluding our domestic FoFs) crossed ₹2,500 billion as of September 30, 2018
2021	Crossed closing AUM milestone of ₹3,000 billion on July 29, 2021

Awards and Accreditations

Calendar Year	Award
2021	Outlook Money Awards 2020 - Gold Award in the “Innovative Approach to Investor Education 2020” Asia Asset Management 2021 Best of the Best Awards - Best Investor Education - Best Digital Wealth Management Aditya Birla Sun Life AMC Limited loyalty and rewards program ‘Privilege Club’ bagged awards in two categories at the 14th Customer Fest Leadership Awards - Best Use of Innovation in Loyalty Marketing - Best Overall Loyalty Program (Multi-Industry)
2020	Asia Asset Management 2020 Best of the Best Awards - CEO of the Year to A Balasubramanian - Best Investor Education Aditya Birla Sun Life AMC Limited loyalty and rewards program ‘Privilege Club’ bagged awards in three categories at the 13th Customer Fest Leadership Awards - Best Channel Loyalty Program - Best Loyalty Program in Financial Sector (Non-Banking) - Best Loyalty Program in B2B sector
2019	Asia Asset Management 2019 Best of the Best Awards - Best Investor Education Outlook Money Awards 2019 - Equity AMC of the Year – Gold Award Winner - Innovative Approach to Investor Education – Gold Award Winner Morningstar Awards 2019 - Best Fund House – Overall The Economic Times - Best Brand 2018-2019 Outlook Business - Recognition as one of “India’s Best Fund Managers 2019” for Anil Shah 2019 Lipper Fund Awards from Refinitiv - MENA Markets

	- Category: Best Fund over 5 years and 10 years, Bond Indian Rupee - Fund: ABSL Dynamic Bond-Retail-Growth - Category: Best Fund over 3 years, Equity India - Fund: ABSL India GenNext Fund-Growth - Category: Best Fund over 5 years, Equity Sector Financials - Fund: ABSL Banking & Financial Services – Growth
2018	Moneycontrol Wealth Creator Awards 2018 - Best Asset Management Fund of the Year Asia Asset Management 2018 Best of the Best Awards - Best Fund House - CEO of the Year to A Balasubramanian - CIO of the Year – Equity to Mahesh Patil

Corporate Profile of our Company

For details in relation to our corporate profile including details of our business, profile, activities, services, market, growth, competition, launch of key products, entry into new geographies or exit from existing markets, technology, and managerial competence, see “Our Business”, “Our Management”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Risk Factors” beginning on pages 135, 181 and 270, respectively.

Our Holding Company

ABCL, one of our Promoters, is our holding company. For details, see “Our Promoters and Promoter Group” beginning on page 198.

Key Terms of all Subsisting Shareholders Agreements

A. Key terms of shareholders agreements

- (1) ***Shareholders agreement dated May 19, 1999 entered between Birla Global Finance Limited, Birla Group Holdings Private Limited (formerly Birla Group Holdings Limited), Sun Life AMC, Sun Life Assurance Company of Canada and our Company, subsequently amended and restated pursuant to an agreement dated October 10, 2012 and further amended pursuant to amendment agreements dated December 24, 2015 and January 14, 2021 (collectively referred to as the “Existing Shareholders Agreement”)***

The Existing Shareholders Agreement was executed between parties to record their agreement regarding, among other things, the manner in which our Company’s affairs were to be conducted. Under the terms of the Existing Shareholders Agreement, ABCL and Sun Life AMC have certain rights with respect to the Equity Shares and our Company, including amongst others:

Board of Directors: ABCL shall at all times be entitled to nominate one Director more than Sun Life AMC and the number of Independent Directors appointed on the Board of our Company shall be the minimum number of Independent Directors required to be appointed under the applicable law (who will be recommended by ABCL and Sun Life AMC in the same proportion in which our Directors are nominated). Until the groups of ABCL and Sun Life AMC continue to hold at least 40% of the share capital of our Company, ABCL and Sun Life AMC are entitled to maintain this proportionate representation of Directors and so long as the groups of ABCL and Sun Life AMC own at least 26% of the share capital of our Company, they will be entitled to nominate at least one Director on the Board of our Company. Further, the Chairman of our Company and of our Board would always be a nominee of ABCL. As of the date of this Prospectus, Kumar Mangalam Birla and Ajay Srinivasan are nominated by ABCL and Colm Freyne and Sandeep Asthana are nominated by Sun Life AMC on the Board pursuant to the terms of the Existing Shareholders Agreement. Further, as mentioned above, pursuant to the terms of the Existing Shareholders Agreement, ABCL has the right to nominate one more director on our Board. Additionally, A Balasubramanian has been appointed as the chief executive officer and Managing Director by our Board pursuant to the terms of the Existing Shareholders Agreement.

Quorum: With respect to meetings of the Board and the Shareholders of our Company, there will be no quorum unless at least one Director or representative (for Shareholders meetings) nominated by each of Sun Life AMC and ABCL are present.

Affirmative vote: ABCL and Sun Life AMC have affirmative voting rights with respect to matters, including but not limited to (a) any amendment to our Company’s Memorandum of Association or Articles of Association; (b) any change of our Company’s name, brand or logo; (c) any change in the capital structure of our Company and (d) any fundamental corporate change including, without limitation, the amalgamation, reorganization, dissolution, winding up, merger or liquidation of our Company.

In addition to the above, ABCL and Sun Life AMC have other rights such as rights with respect to transfer of Equity Shares, arrangement regarding dispositions, equity and shareholder loan related participation and information rights.

The parties to the Existing Shareholders Agreement have executed a termination agreement dated April 19, 2021 pursuant to which the rights and obligations of Sun Life Assurance Company of Canada and BG Holdings under the Existing Shareholders Agreement were terminated and Sun Life Assurance Company of Canada and BG Holdings ceased to be parties to the Existing Shareholders Agreement.

(2) Restated Amendment and Termination Agreement

The remaining parties to the Existing Shareholders Agreement being ABCL, Sun Life AMC and our Company executed an amendment and termination agreement dated April 19, 2021 to the Existing Shareholders Agreement which was further amended and restated on September 9, 2021 (the “**Restated Amendment and Termination Agreement**”) pursuant to which the parties have agreed to the following:

Applicable from the date of execution of the Restated Amendment and Termination Agreement, among others:

- (a) ABCL and Sun Life AMC are and shall be the only “Promoters” of our Company.
- (b) The Restated Amendment and Termination Agreement provides for certain indemnity to be provided by the concerned Promoter to our Company with respect to any short-withholding taxes or non-withholding taxes arising from the Offer for Sale or towards any liability arising out of certain past corporate actions relating to their shareholding, subject to limitations relating to time and capped amounts towards indemnity.

*Applicable on the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges pursuant to the Offer (the “**Listing Date**”), subject to and only upon receipt of approval by the Shareholders of our Company by way of a special resolution in a general meeting.*

- a) **Board of Directors:** The number of Directors to be nominated by ABCL and Sun Life AMC of the Board of our Company shall be in the proportion set out below:

Shareholding of each of ABCL and Sun Life AMC as a percentage of the share capital	Number of directors to be nominated by ABCL	Number of directors to be nominated by Sun Life AMC
30% or more	Three	Two
26% or more but less than 30%	Two	One
Less than 26%	Nil	Nil

With respect to the aforesaid thresholds, the Restated Amendment and Termination Agreement clarifies that (i) for the purposes of calculating the shareholding percentage as mentioned above, any dilution on account of exercise of employee stock options shall not be taken into consideration; and (ii) the Independent Directors on our Board and the Managing Director and the Chief Executive Officer shall be nominated by our Board and shall not be nominated by ABCL or Sun Life AMC and the position of Managing Director and the Chief Executive Officer of our Company shall be held by the same person and accordingly, requirement of approval by the shareholders of our Company for appointment of the Managing Director shall also apply for appointment of the Chief Executive Officer of our Company.

Subject to Indian law and the shareholding thresholds mentioned above, ABCL/Promoter Group of our Company, other than those forming part of the Sun Life Group shall have the right to nominate a Director and as the Chairman of our Company and of our Board. Sun Life AMC will cause its nominee Directors on our Board to elect the Director nominated by ABCL/Promoter Group of our Company, other than those forming part of the Sun Life Group, as the Chairman. The Chairman will preside over meetings of the Board and will be entitled to a casting vote.

ABCL/ Promoter Group of our Company, other than those forming part of the Sun Life Group and Sun Life AMC also have consequential rights such as removal or replacement of Directors nominated by them and appointment of alternate directors.

- b) **Information related rights:** So long as ABCL or Sun Life AMC holds at least 10% of the share capital of our Company on a fully diluted basis, subject to Indian law, our Company is required to provide information (including business, operational or financial information) that ABCL or Sun Life AMC, as applicable, or their affiliates (as such term is defined in the Restated Amendment and Termination Agreement) may request in connection with any applicable law (including requirements with respect to regulatory audits, review, filings, reports or submissions) in their respective jurisdictions or regulatory requirement or in connection with any legal or regulatory proceedings. Further, subject to Indian Law, our Company is required to provide, as and when requested by ABCL or Sun Life AMC, as applicable, or their affiliates, financial statements requested by ABCL or Sun Life AMC, as applicable, or their affiliates, including in accordance with the accounting standards or practices generally accepted in India and, if requested, Canada or for the purposes of its consolidation of financial statements. Subject to Indian law, our Company, on request by ABCL or Sun Life AMC, as applicable, will provide any additional financial information monthly or as at the end of any quarter during the financial year as ABCL or Sun Life AMC, or their affiliates, may reasonably require.

- c) For the purposes of calculating any shareholding thresholds for exercising the above rights, the shareholding of the affiliates of ABCL or Sun Life AMC, as applicable, will also be taken into consideration.

The Restated Amendment and Termination Agreement provides that from the Listing Date, without any further action, including any corporate action, the Existing Shareholders Agreement shall automatically terminate and cease to have any force and effect other than rights set out above and certain customary survival clauses such as confidentiality, dispute resolution, indemnity and injunctive relief.

Other than the rights as mentioned above, none of the special rights available to any shareholders of our Company would survive post listing of the Equity Shares.

(3) Restated Inter-se Agreement

ABCL and Sun Life AMC have executed the Restated Inter-se Agreement on September 9, 2021 to record certain *inter se* rights and obligations of ABCL and Sun Life AMC (including post-Offer) and other related matters. The Restated Inter-se Agreement shall come into force on and from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges pursuant to the Offer. Under the terms of the Restated Inter-se Agreement, ABCL and Sun Life AMC have agreed *inter alia* with respect to:

- a) *Complying with minimum public float requirements:* With respect to sale of the Equity Shares in order to meet the minimum public shareholding requirements, ABCL and Sun Life AMC shall offer for sale to the public such number of Equity Shares in such proportion that is mutually agreed by ABCL and Sun Life AMC in writing provided that the shareholding of (i) ABCL in our Company shall not be required to reduce below 45% of the share capital of our Company; and (ii) Sun Life AMC in our Company shall not be required to reduce below 30% of the share capital of our Company subject to any dilution caused solely due to the issuance of new Equity Shares pursuant to the exercise of any options granted to an employee pursuant to any employee stock option schemes of our Company. ABCL and Sun Life AMC shall mutually agree in writing a roadmap or mechanism to determine the obligations of ABCL and Sun Life AMC in connection with the minimum public shareholding required to be achieved by our Company following the completion of the Offer, in accordance with the applicable regulations. The fees and expenses relating to secondary component for such follow-on offering shall be shared between ABCL and Sun Life AMC involved in such transaction as may be mutually agreed between ABCL and Sun Life AMC, subject to compliance with applicable law.
- b) *Voting arrangements:* As long as each shareholder group of ABCL and Sun Life AMC holds at least 26% of the share capital of our Company and subject at all times to Indian law, in respect of any decision in relation to any of the matters set out below and only to the extent that such matter requires and will be placed for approval by the Shareholders of our Company under Indian law, ABCL and Sun Life AMC shall mutually agree on voting prior to casting such vote and neither ABCL nor Sun Life AMC shall vote in favour of any resolution to be approved in such meeting unless both ABCL and Sun Life AMC agree to vote in favour of such resolution:
- any material change in the nature of the business currently carried on by our Company or the entering into a new business by our Company, which are required to be approved by shareholders under Indian law;
 - any fundamental corporate change requiring the approval of the Shareholders of our Company, including, without limitation, the amalgamation, reorganization, dissolution, winding up, merger or liquidation of our Company, and all matters associated therewith;
 - any matter requiring the approval by the shareholders of our Company relating to the appointment of the chief executive officer and/or executive director of our Company; and
 - creation of, or material changes to, any policy relating to long-term or deferred compensation plans or managements for key employees requiring the approval by the Shareholders of our Company.
- c) *Transfer and pledge provisions:* The Restated Inter-se Agreement provides for certain transfer and pledge restrictions and provides for permitted transfers in relation to the Equity Shares by ABCL or Sun Life AMC. Subject to the terms of the Restated Inter-se Agreement, ABCL and Sun Life AMC have agreed to certain transfer related rights, including right of first refusal and piggy-back (or tag-along) rights with respect to Equity Shares that are proposed to be transferred to third parties by either ABCL or Sun Life AMC, and right to transfer Equity Shares in case of dissatisfaction with the joint venture relationship in respect of our Company or in case of an event of default (as defined under the Restated Inter-se agreement) with respect to ABCL or Sun Life AMC, as applicable. Any such transfer of Equity Shares is required to be completed in accordance with Indian law, including SEBI regulations and pricing guidelines.
- d) *Non-competition:* The parties have agreed that neither of ABCL and Sun Life AMC will, and each of ABCL and Sun Life AMC will cause its affiliates not to, directly or indirectly, without the prior written consent of the other

shareholder, at any time during which ABCL and Sun Life AMC or any of their affiliates is a direct or indirect Shareholder of our Company and for a period of six months after ceasing to be a direct or indirect shareholder of our Company, *inter alia*, directly or indirectly engage in any undertaking in India that is in whole or in part competitive with any of the businesses carried on, directly or indirectly, by our Company or any of our Subsidiaries and certain other related restrictions subject to certain exceptions as agreed under the Restated Inter-se Agreement.

- e) Subject to the shareholding thresholds mentioned above under “*Restated Amendment and Termination Agreement*” the Promoters have agreed to, and to cause their nominee shareholders, if any, to, use their voting power to vote in favour of the appointment as a Director of the individual nominated by the other Promoter and in respect of election of Chairman in terms of the Restated Amendment and Termination Agreement, Sun Life AMC has agreed to cause its nominee Directors on our Board to elect the Director nominated by ABCL as the Chairman of our Company and of our Board. The Promoters will also use their voting power to vote in favour of the removal of any existing Director where the Promoter that nominated such Director requests that such nominee be removed. Further subject to Indian law, ABCL’s right to nominate a Director and as the Chairman of our Company and of our Board, shall mean to include the right available to the Promoter Group of our Company, other than those forming part of the Sun Life Group.

The Restated Inter-se Agreement shall terminate by way of the written agreement of ABCL and Sun Life AMC; or the date on which either of ABCL and its group and Sun Life AMC and its group becomes the beneficial owner of all of the Equity Shares, directly or indirectly or either group ceases to hold, directly or indirectly, any Equity Shares.

For details of risks arising out of the Restated Inter-Se Agreement, see “*Risk Factors – Our Promoters, ABCL and Sun Life AMC, have agreed to certain inter-se arrangements that shall come into effect upon the listing of our Equity Shares. ABCL and Sun Life AMC will continue to significantly influence our Company after completion of the Offer*” on pages 44-45.

B. Key terms of other material agreements

Trademark License Agreement dated February 20, 2018 entered into amongst our Company and ABCL

ABCL and our Company entered into a trademark license agreement dated February 20, 2018, pursuant to which our Company was granted a sub-license by ABCL to use trade-marks, marks artworks and domain names including ‘Aditya Birla Capital’, and logos thereof by ABCL which were originally granted as a license to ABCL by Aditya Birla Management Corporate Private Limited pursuant to a Trade License Agreement dated August 29, 2017. This sub-license was granted to our company in connection with the business operations of our Company and can only be used for those purposes within the territory of India. The license with ABCL is royalty free, non-exclusive, non-assignable and non-transferable. ABCL has the right to terminate the agreement with immediate effect, upon occurrence of certain events, including, resolution passed by our Company to voluntary wind-up, or our Company is adjudicated to be bankrupt or is taken into liquidation.

Name license agreement dated May 19, 1999 entered into between our Company and Sun Life Assurance Company of Canada

Sun Life Assurance Company of Canada and our Company have entered into a name license agreement dated May 19, 1999, pursuant to which our Company has been granted a non-transferable and non-exclusive right and license to use the letters “Sun Life” as part of its corporate name and trade name in India. Sun Life Assurance Company of Canada has the right to terminate the agreement upon occurrence of certain events of default, including, if our Company makes an arrangement or composition with the general body of our creditors, or a winding-up order is passed against our Company. Upon occurrence of any event of default, if Sun Life Assurance Company of Canada notifies our Company of such occurrence and that it desires to terminate the agreement, then our Company is obligated to forthwith but no later than 60 days discontinue the use of the name “Sun Life” or “Sun” or any other similar words.

Agreements with Key Managerial Personnel, Directors or any other Employee

There are no agreements entered into by a Key Managerial Personnel or Director or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Our Subsidiaries

As of the day of this Prospectus, our Company has four Subsidiaries and one step-down Subsidiary, as set forth below:

Subsidiaries

1. *Aditya Birla Sun Life AMC (Mauritius) Limited*

Corporate Information

Aditya Birla Sun Life AMC (Mauritius) Limited was incorporated as a private company limited by shares under the Companies Act, 2001 in Mauritius on May 20, 1996, and received its certificate for commencement of business (certificate of incorporation) on May 20, 1996. The company registration number of Aditya Birla Sun Life AMC (Mauritius) Limited is 16470/2625. Its registered office is situated at Sanne House, Bank Street, Twenty Eight, Cybercity, Ebene 72201, Mauritius.

Aditya Birla Sun life AMC (Mauritius) Limited provides investment management services to India Advantage Fund Limited, a company incorporated in Mauritius and authorised by the Financial Services Commission, Mauritius to operate as a collective investment scheme.

Capital Structure and Shareholding

Aditya Birla Sun life AMC (Mauritius) Limited has an authorised capital of US\$45,000 divided into 4,500 ordinary shares of par value US\$10 each.

The following table sets forth details of the shareholding of Aditya Birla Sun Life AMC (Mauritius) Limited:

S. No.	Name of the Shareholder	No. of ordinary shares of par value US\$10	Percentage of total shareholding (%)
1	Our Company	4,500	100.00
	Total	4,500	100.00

Amount of accumulated profits or losses

As of June 30, 2021, there are no accumulated profits or losses of Aditya Birla Sun life AMC (Mauritius) Limited, not accounted for, by our Company.

2. Aditya Birla Sun Life Asset Management Company Pte Ltd

Corporate Information

Aditya Birla Sun Life Asset Management Company Pte Ltd was incorporated under the Singapore Companies Act as a private limited company. Its company registered number is 201001946G. Its registered office is situated at 16 Raffles Quay, 32-04 Hong Leong Building, Singapore 048581.

Aditya Birla Sun Life Asset Management Company Pte Ltd is engaged in the business of fund management as authorized by the Monetary Authority of Singapore.

Capital Structure and Shareholding

The authorized share capital of Aditya Birla Sun Life Asset Management Company Pte Ltd is SGD 13,600,000 at face value of SGD 1 per share.

The following table sets forth details of the shareholding of Aditya Birla Sun Life Asset Management Company Pte Ltd:

Name of the Shareholder	No. of ordinary shares of par value SGD1	Percentage of total shareholding (%)
Our Company	13,600,000	100.00
Total	13,600,000	100.00

Amount of accumulated profits or losses

As of June 30, 2021, there are no accumulated profits or losses of Aditya Birla Sun Life Asset Management Company Pte Ltd. (Singapore), not accounted for, by our Company.

3. Aditya Birla Sun Life Asset Management Company Limited

Corporate Information

Aditya Birla Sun Life Asset Management Company Limited was incorporated as a private company under the laws, rules and regulations of the Dubai International Financial Center (“**DIFC**”) of Dubai on November 9, 2010 and received its certificate for commencement of business on November 9, 2010. Its registered address is at Office No. 5, Level 7, A1 Fattan Currency House, Tower 1, P.O. Box 482027, DIFC, Dubai, UAE. Aditya Birla Sun Life Asset Management Company Limited is engaged in the business of pursuing activities described under the commercial license issued to it by the DIFC. The company registration number of Aditya Birla Sun Life Asset Management Company Limited is CL0993.

Capital Structure and Shareholding

As of the date of this Prospectus, details of the capital structure of Aditya Birla Sun Life Asset Management Company is as follows:

The authorized share capital of Aditya Birla Sun Life Asset Management Company Limited is US\$ 5,000,000 divided into ordinary equity shares of face value US\$1 each and its issued, subscribed and paid-up share capital is US\$ 3,125,000 divided into ordinary equity shares of face value US\$ 1, each fully paid up.

The following table sets forth details of the shareholding of Aditya Birla Sun Life Asset Management Company Limited:

Name of the Shareholder	Number of ordinary equity share shares of face value 1 USD	Percentage of total shareholding (%)
Our Company	3,125,000	100.00
Total	3,125,000	100.00

Amount of accumulated profits or losses

As of June 30, 2021, there are no accumulated profits or losses of Aditya Birla Sun Life Asset Management Company Limited, not accounted for, by our Company.

4. India Advantage Fund Limited

Corporate Information

India Advantage Fund Limited was incorporated as a public company limited by shares under the Companies Act 2001 in Mauritius on May 23, 1996 and received its certificate for commencement of business (certificate of incorporation) on May 24, 1996. Its corporate identification number is 16491/2635. Its registered office is situated at Sanne House, Bank Street, Twenty Eight, Cybercity, Ebene 72201, Mauritius.

India Advantage Fund Limited is engaged in investing in listed Indian equities to achieve long-term growth of capital.

Capital Structure and Shareholding

India Advantage Fund Limited's capital is represented by management shares and redeemable participating shares. As per the terms of its constitution, the shares of India Advantage Fund Limited shall consist of 90 Class A shares of USD10.00 each and 40 Class B shares of USD 10.00 each.

The following table sets forth details of the shareholding of India Advantage Fund Limited:

Name of the Shareholder	No. of ordinary shares	Percentage of total shareholding (%)
Our Company	90 Class A shares	100% holder of Class A shares
Our Company	40 Class B shares	100% holder of Class B shares

India Advantage Fund Limited is an open-ended CIS and has additionally issued Class C participating shares to worldwide investors that subscribe or redeem on a frequent basis.

Amount of accumulated profits or losses

As of June 30, 2021, there are no accumulated profits or losses of India Advantage Fund Limited, not accounted for, by our Company.

Step-Down Subsidiary

1. International Opportunities Fund – SPC

Corporate Information

International Opportunities Fund – SPC was incorporated as a private limited company under the laws of Cayman Islands. Its company registration number is HS-270886. Its registered office is situated at 4th Floor, Harbour Place, 103 South Church Street, PO Box 10240, Grand Cayman, KY1-1002.

International Opportunities Fund – SPC is an exempted segregated portfolio company as incorporated in Cayman Islands.

Capital Structure and Shareholding

The following table sets forth details of the shareholding of International Opportunities Fund – SPC:

Name of the Shareholder	No. of Management shares of face value \$0.01 USD each	Percentage of total management shares hold (%)
Aditya Birla Sun Life Asset Management Company Pte Ltd	1	100.00
Total	1	100.00

Amount of accumulated profits or losses

As of June 30, 2021, there are no accumulated profits or losses of International Opportunities Fund- SPC, not accounted for, by our Company.

OUR MANAGEMENT

In terms of our Articles of Association our Company is required to have at least six and not more than 12 Directors, excluding alternate directors. As on the date of this Prospectus, our Board comprises 10 Directors, including five Independent Directors of which one is a woman Director, one Executive Director (who is our Managing Director and Chief Executive Officer), and four Non-Executive Directors.

Details regarding our Board as on the date of this Prospectus are set forth below:

S. No.	Name, DIN, designation, term, period of directorship, address, occupation, date of birth and age	Other Directorships
1.	Kumar Mangalam Birla* Designation: Non-Executive Chairman Term: With effect from July 20, 2020 Period of Directorship: Director since October 28, 1995 Address: Mangal Adityayan, 20 Carmichael Road, Behind Jaslok Hospital, Mumbai 400 026, Maharashtra, India Occupation: Industrialist Date of Birth: June 14, 1967 DIN: 00012813 Age: 54	Indian Companies • Aditya Birla Capital Limited • Aditya Birla Fashion and Retail Limited • Aditya Birla Management Corporation Private Limited • Aditya Birla New Age Private Limited • Aditya Birla Sun Life AMC Limited • Aditya Birla Sun Life Insurance Company Limited • Aditya Marketing & Manufacturing Private Limited • Birla Group Holdings Private Limited • Century Textiles and Industries Limited • GD Birla Medical Research and Education Foundation • Global Holdings Private Limited • Grasim Industries Limited • Hindalco Industries Limited • Mananam Foundation(Charitable Company incorporated under the Companies Act 1956) • Svatantra Microfin Private limited • Ultratech Cement Limited Foreign Companies • Aditya Birla Chemicals (Thailand) Limited, Thailand • Birla Carbon Egypt SAE (as representative director of SKI Carbon Black (Mauritius) Limited w.e.f.23-12-2020) • Birla Carbon (Thailand) Public Company Limited, Thailand • Indo Thai Synthetics Company Limited, Thailand • Novelis Inc., Canada • PT. Elegant Textile Industry, Indonesia (as Commissioner)

S. No.	Name, DIN, designation, term, period of directorship, address, occupation, date of birth and age	Other Directorships
		- PT. Indo Bharat Rayon, Indonesia (as Commissioner) - PT. Indo Liberty Textiles, Indonesia (as Commissioner) - Surya Kiran Investments Pte. Limited, Singapore - Thai Peroxide Company Limited, Thailand - Thai Polyphosphate & Chemicals Company Limited, Thailand - Thai Rayon Public Company Limited, Thailand
2.	Ajay Srinivasan* Designation: Non - Executive Director Term: With effect from June 28, 2021 Period of Directorship: Director since August 2, 2007 Address: 2601 / 2603 A. Vivarea, Jacob Circle, Mahalaxmi Mumbai 400 011, Maharashtra, India Occupation: Service Date of Birth: November 2, 1963 DIN: 00121181 Age: 57	- Aditya Birla ARC Limited - Aditya Birla Capital Foundation - Aditya Birla Finance Limited - Aditya Birla Health Insurance Company Limited - Aditya Birla Housing Finance Limited - Aditya Birla Management Corporation Private Limited - Aditya Birla Sun Life Insurance Company Limited
3.	Sandeep Asthana* Designation: Non-Executive Director Term: With effect from June 28, 2021 Period of Directorship: Director since April 27, 2011 Address: 1501, Glen Heights, Hiranandani Gardens, Powai, Mumbai 400076, Maharashtra, India. Occupation: Professional Date of Birth: April 16, 1968 DIN: 00401858 Age: 53	- Aditya Birla Sun Life Insurance Company Limited - Aditya Birla Sun Life Pension Management Limited - Indo Canadian Business Chamber
4.	A Balasubramanian** Designation: Managing Director and Chief Executive Officer Term: Five years with effect from July 25, 2019 Period of Directorship: Director since July 25, 2019 Address: Bungalow No.18, Lakshmi Niwas, Atur Park, CHSL Sion Trombay Road, Chembur, Mumbai 400 071, Maharashtra, India Occupation: Professional Date of Birth: June 5, 1966	- Aditya Birla Sun Life Asset Management Company Limited, Dubai - Aditya Birla Sun Life Asset Management Company Pte. Limited - Aditya Birla Sun Life Pension Management Limited - AMC Repo Clearing Limited - Association of Mutual Funds in India - Institution of Mutual Fund Intermediaries

S. No.	Name, DIN, designation, term, period of directorship, address, occupation, date of birth and age	Other Directorships
	DIN: 02928193 Age: 55	
5.	Colm Freyne* Designation: Non-Executive Director Term: With effect from July 20, 2020 Period of Directorship: Director since October 25, 2016 Address: 60 Bannockburn Avenue, Toronto, Ontario, M5M 2N1 Canada Occupation: Professional Date of Birth: December 16, 1958 DIN: 07627357 Age: 62	- Aditya Birla Sun Life Insurance Company Limited - Bentall GreenOak (Canada) Limited Partnership - Bentall GreenOak (U.S.) Limited Partnership - BGO Holdings (Cayman), LP
6.	Bobby Parikh Designation: Independent Director Term: From August 25, 2019 to February 2, 2022 Period of Directorship: Director since February 3, 2012 Address: 4, Seven on the Hill, Auxillium Convent Road, Bandra (West), Mumbai 400 050, Maharashtra, India Occupation: Chartered Accountant Date of Birth: April 30, 1964 DIN: 00019437 Age: 57	- Aviva Life Insurance Company India Limited - Biocon Biologics India Limited - Biocon Limited - BMR Business Solutions Private Limited - BMR Global Services Private Limited - Indostar Capital Finance Limited - Infosys Limited
7.	Bharat Patel Designation: Independent Director Term: From August 25, 2019 to June 26, 2022 Period of Directorship: Director since June 27, 2012 Address: 52, Miami Apartments, Bhulabhai Desai Road, Breach Candy, Mumbai 400 026, Maharashtra, India Occupation: Consultant Date of Birth: September 25, 1944 DIN: 00060998 Age: 77	- Broadcast Audience Research Council - Sasken Technologies Limited - Sistema Smart Technologies Limited - The Indian Society of Advertisers
8.	Alka Bharucha Designation: Independent Director Term: From July 31, 2020 to March 30, 2025 Period of Directorship: Director since March 31, 2015	- Aditya Birla Finance Limited - Birla Estates Private Limited - Birlasoft Limited - Hindalco Industries Limited

S. No.	Name, DIN, designation, term, period of directorship, address, occupation, date of birth and age	Other Directorships
	Address: 7E, Harbour Heights A, N.A Sawant Marg, Colaba, Mumbai 400 005, Maharashtra, India Occupation: Solicitor Date of Birth: March 6, 1957 DIN: 00114067 Age: 64	• Honda Cars India Limited • Honda India Power Products Limited • Orient Electric Limited • Safalya Investments and Traders Private Limited • Ultratech Cement Limited • Ultratech Nathdwara Cement Limited
9.	Harish Engineer Designation: Independent Director Term: Five years from June 21, 2019 Period of Directorship: Director since June 21, 2019 Address: B-11, Sea Face Park, 50 Bhulabhai Desai Road, Mumbai 400 026, Maharashtra, India Occupation: Professional Date of Birth: September 1, 1948 DIN: 01843009 Age: 73	• ARKA Fincap Limited • HDFC Property Ventures Limited • Navin Flourine International Limited
10.	Navin Puri Designation: Independent Director Term: Five years from September 4, 2019 Period of Directorship: Director since September 4, 2019 Address: 39 th Floor, 3902, Omkar 1973 Tower T II Pandurang Budhkar Marg, Worli, Mumbai 400 018, Maharashtra, India Occupation: Professional Date of Birth: August 2, 1958 DIN: 08493643 Age: 63	• Equitas Small Finance Bank Limited • UGRO Capital Limited

* Kumar Mangalam Birla and Ajay Srinivasan are nominated by ABCL and Colm Freyne and Sandeep Asthana are nominated by Sun Life AMC on the Board pursuant to the Existing Shareholders Agreement. For details, see "History and Certain Corporate Matters - Key Terms of all Subsisting Shareholders Agreements" on pages 174-177.

** A Balasubramanian has been appointed as the chief executive officer by our Board pursuant to the terms of the Existing Shareholders Agreement. For details, see "History and Certain Corporate Matters - Key Terms of all Subsisting Shareholders Agreements" on pages 174-177.

Relationship between our Directors and our Key Managerial Personnel

None of our Directors are related to each other or to any of the Key Managerial Personnel.

Brief Biographies of Directors

Kumar Mangalam Birla is the Non-Executive Chairman of our Company. He is also the chairman of the Aditya Birla group and the chairman on the boards of key group companies in India and globally, such as, Novelis Inc Canada, Thai Rayon Public Company Limited, Hindalco Industries Limited, Grasim Industries Limited, Aditya Birla Capital Limited, Century Textiles and Industries Limited, UltraTech Cement Limited and Aditya Birla Fashion and Retail Limited. He holds a bachelor's degree in commerce from University of Bombay and a master's degree in business administration from London Business School. He is

also a qualified Chartered Accountant. He also held several key positions on various regulatory and professional boards. An erstwhile director of the Central Board of Directors of the RBI, he was also chairman of the advisory committee on corporate governance constituted by SEBI and served on the Prime Minister of India's Advisory Council on Trade and Industry. He was awarded the Outstanding Businessman of the Year 2017 by CNBC-TV18 – IBLA, the Visionary Leadership Award by Frost & Sullivan and the 'CEO of the Year, 2016' award by the International Advertising Association.

Ajay Srinivasan is a Non-Executive Director of our Company with over three decades of experience in financial services and has been on the Board of our Company since August 2, 2007. He is the Chief Executive Officer at ABCL, the non-operating holding company for the financial services businesses of the Aditya Birla Group and the largest shareholder of our company. He joined the Aditya Birla Group in 2007, and during his tenure, the business under ABCL has grown significantly. Before joining the Aditya Birla Group, he has had experience in leadership positions with financial institutions having operations in India and internationally such as Prudential ICICI AMC and Prudential Corporation Asia. He is the Chairman of the CII National Committee on NBFCs. He holds a B.A. in Economics (Honours) from St Stephen's College, University of Delhi and a Post Graduate Diploma in Management from the Indian Institute of Management, Ahmedabad. He is also on the Board of Aditya Birla ARC Limited, Aditya Birla Capital Foundation, Aditya Birla Finance Limited, Aditya Birla Health Insurance Company Limited, Aditya Birla Housing Finance Limited, Aditya Birla Management Corporation Private Limited and Aditya Birla Sun Life Insurance Company Limited.

Sandeep Asthana is a Non-Executive Director of our Company and has been on the Board of our Company since April 27, 2011. He holds a bachelor's degree in chemical engineering from Indian Institute of Technology, Bombay and a post-graduate diploma in management from Indian Institute of Management, Lucknow. He brings over 27 years of experience across insurance and asset management. He is the Country Head - India, for Sun Life Financial since 2011. His experience covers leadership roles in Reinsurance Group of America (RGA Re), Unit Trust of India (UTI) and Zurich Risk Management Services (India) Private Limited. He is also on the board of Aditya Birla Sun Life Insurance Company Limited, Aditya Birla Sun Life Pension Management Limited and Indo Canadian Business Chamber.

A Balasubramanian is the Managing Director and Chief Executive Officer of our Company and has been associated as an employee of our Company since 1994. He has been the Chief Executive Officer of our Company since 2009 and was the Chief Investment Officer from 2006 to 2009. He has completed advanced management programs from Indian Institute of Management, Bangalore and Harvard Business School. He also holds a bachelor's degree in science (mathematics) and a master's degree in business administration from GlobalNxt University. He is on the board of AMFI since 2009 and was the vice chairman of AMFI in 2015-2016. In 2016-2018, he was appointed as the chairman of the AMFI board and also chairman of the financial literacy committee. Presently, he is the chairman of the valuation committee at AMFI, a member of the Board of Governors of National Institute of Securities Markets, member of the advisory committee of the SEBI Investor Protection and Education Fund and Corporate Bonds and Securitization Advisory Committee. He is on the board of governors of the National Institute of Securities Market. He has been awarded Chairman's Individual Award by The Aditya Birla group for being an Outstanding Leader in 2015 and for being a Leader of Leaders in 2018.

Colm Freyne is a Non-Executive Director of our Company since October 25, 2016. He holds a bachelor's degree in commerce from the University College Dublin. He is a chartered professional accountant in Canada and a chartered accountant in Ireland. He is the Executive Vice-President & Chief Risk Officer of Sun Life Financial Inc. and Sun Life Assurance Company of Canada. He joined Sun Life Financial Inc. in 2003 and he has experience in the area of risk management. He is also on the boards of Aditya Birla Sun Life Insurance Company Limited, Bentall GreenOak (Canada) Limited Partnership, Bentall GreenOak (U.S.) Limited Partnership and BGO Holdings (Cayman), LP.

Bobby Parikh is the Independent Director of our Company since February 3, 2012 and was re-appointed for a second term with effect from August 25, 2019 and which re-appointment was approved by the Shareholders of our Company at the annual general meeting of our Company held on September 23, 2019. He holds a bachelor's degree in Commerce from the University of Mumbai and is a qualified Chartered Accountant from the Institute of Chartered Accountants of India. He is also on the board of Aviva Life Insurance Company since November 17, 2009, Biocon Biologics Limited since August 1, 2019, Biocon Limited since July 27, 2018, Indostar Capital Finance Limited since August 1, 2011 and Infosys Limited since July 15, 2020.

Bharat Patel is the Independent Director of our Company since June 27, 2012 and was re-appointed for a second term with effect from August 25, 2019 and which re-appointment was approved by the Shareholders of our Company at the annual general meeting of our Company held on September 23, 2019. He holds a master's degree in arts with a major in economics from the University of Notre Dame and another master's degree in business administration from the University of Michigan. He is also on the board of Sasken Technologies Limited since July 16, 2009 and Sistema Smart Technologies Limited since July 13, 2011. He is also a director on the board of the Indian Society of Advertisers and Broadcast Audience Research Council.

Alka Bharucha is the Independent Director of our Company since March 31, 2015 and was re-appointed for a second term with effect from July 31, 2020 and which re-appointment was approved by the Shareholders of our Company at the annual general meeting of our Company held on July 20, 2020. She has passed the examination of Articled Clerks held by the Bombay Incorporated Law Society and is a qualified Solicitor. She holds a Master of Laws from the University of London. She is a Solicitor of the Supreme Court of England and is also an Advocate on Record of the Supreme Court of India. She is also on the board of Birla Estates Private Limited, Birlasoft Limited (formerly known as KPIT Technologies Limited), Hindalco Industries Limited and Honda Cars India Limited. She is also associated with Bharucha & Partners, Advocates and Solicitors as a partner.

Harish Engineer is the Independent Director of our Company with effect from June 21, 2019. He holds a bachelor's degree in science from the University of Mumbai and a diploma in Business Management from Bharati Vidya Bhavan. He is also on the board of ARKA Fincap Limited since June 14, 2019 and HDFC Property Ventures Limited since July 20, 2015.

Navin Puri is the Independent Director of our Company with effect from September 4, 2019. He has qualified as a Chartered Accountant and from the Institute of Chartered Accountants of India. He has over 20 years of experience and has worked at HDFC Bank Limited. He is also on the board of Equitas Small Finance Bank limited and Ugro Capital limited.

Confirmations

None of our Directors is or was a director of any listed company during the five years immediately preceding the date of this Prospectus, whose shares have been or were suspended from being traded on any stock exchange, during his/her tenure.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange, during his/her tenure.

Other than Kumar Mangalam Birla and Ajay Srinivasan nominated by ABCL and Colm Freyne and Sandeep Asthana nominated by Sun Life AMC to the Board pursuant to the Existing Shareholders Agreement and A Balasubramanian who has been appointed as the chief executive officer by our Board pursuant to the terms of the Existing Shareholders Agreement there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors were appointed on the Board. For details, see “History and Certain Corporate Matters – Key terms of all subsisting shareholders agreements” on pages 174-177.

Further, none of our Directors have been identified as wilful defaulters as defined under the SEBI ICDR Regulations.

Terms of Appointment of our Executive Director

A Balasubramanian

Pursuant to the resolution passed by the Board on July 25, 2019, A Balasubramanian was appointed as the Managing Director of our Company. Further, pursuant to the provisions of section 161(1) of the Companies Act, 2013, the Shareholders at the EGM held on August 5, 2019, have approved and regularised his appointment with effect from July 25, 2019 for a term of five years. A Balasubramanian is entitled to receive remuneration by way of salary, perquisites and other allowances. Pursuant to the resolution passed by the Board on July 25, 2019 and the Shareholders on August 5, 2019, his appointment and terms of remuneration was fixed as per the provisions of sections 196, 197 and 203 and all other applicable provisions of the Companies Act, Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 22(c) of the SEBI Mutual Fund Regulations.

The overall remuneration payable to A Balasubramanian (capped at 5% of the net profit (as prescribed under section 197 of the Companies Act, 2013) as calculated in accordance with Section 198 of the Companies Act) was fixed as follows:

Remuneration	
Particulars	Amount (in ₹)
Basic salary:	₹1,236,667 per month.
Special allowance:	₹883,724 per month.
Annual incentive pay:	Performance bonus linked to the achievement of targets, as may be decided by the board from time to time, with target annual incentive at 100% achievement of ₹25,970,000 per annum, subject to a maximum of ₹38,955,000 per annum.
Long term incentive compensation (“LTIC”) including employee stock options, restricted stock units, stock appreciation rights, phantom restricted stock units. LTIC linked to any performance matrices such as EBITDA and PBT as per the scheme applicable to the executive Directors and/or senior executives of our Company and/or its parent/Subsidiaries and/or any other incentive applicable to senior executives of our Company/Aditya Birla group, in such manner and with such provisions as may be decided by the Board.	
Perquisites	
Housing: Free furnished accommodation or house rent allowance in lieu of Company provided accommodation as per Company's policy.	
Medical expenses reimbursement: Reimbursement of all expenses incurred for self and family (including domiciliary and medical expenses and insurance premium for medical and hospitalisation policy as applicable), as per our Company policy.	
Leave travel expenses: Leave travel expenses for self and family in accordance with the policy of our Company.	
Two cars for use of Company's businesses as per company car policy.	
Reimbursement of entertainment, travelling and all other expenses incurred for the business of our Company, as per the policy of our Company.	
Leave and encashment of leave: As per the policy of our Company.	
Personal accident insurance premium: As per the policy of our Company.	
Contribution towards provident fund and superannuation fund or annuity fund: As per the policy of our Company.	
Gratuity and/or contribution to the gratuity fund of Company: As per the policy of our Company.	
Other allowances/ benefits, perquisites: Any other allowances, benefits and perquisites as per the rules applicable to the senior executives of the company and/or which may become applicable in the future and/or any other allowance, perquisites as the board may from time to time decide.	

Payment or Benefit to Directors of our Company

Details of the sitting fees or other remuneration paid to our Directors in the Financial Year 2021 are set forth below.

Remuneration to our Executive Director

Details of the remuneration paid to our Managing Director and Chief Executive Officer in the Financial Year 2021 are set forth below:

S. No.	Name of executive Director	Remuneration (in ₹ million)
1.	A Balasubramanian	55.73

There is no contingent or deferred compensation accrued for the year payable to our Directors, even if the compensation is payable at a later date.

Remuneration to our Non-Executive Directors and Independent Directors

(a) Independent Directors

Our Independent Directors are entitled to receive sitting fees for every meeting of the Board or any Committee that they attend. Details of the remuneration paid to the Independent Directors of our Company in the Financial Year 2021 are set forth below.

S. No.	Name of Independent Director	Sitting Fees (in ₹ million)	Commission (in ₹ million)	Total Remuneration (in ₹ million)
1.	Bobby Parikh	0.45	-	0.45
2.	Bharat Patel	0.39	-	0.39
3.	Alka Bharucha	0.26	-	0.26
4.	Harish Engineer ^{\$}	0.30	-	0.30
5.	Navin Puri [#]	0.33	-	0.33

^{\$} Appointed with effect from June 21, 2019.

[#] Appointed with effect from September 4, 2019.

(b) Non-Executive Directors

The Non-Executive Directors are not entitled to receive any sitting fees for attending meetings of the Board and its Committees.

Bonus or Profit-Sharing Plan of the Directors

Other than the performance bonus payable to our Managing Director and Chief Executive Officer, none of our Directors are party to any bonus or profit-sharing plan of our Company. For details see “*Terms of Appointment of our Executive Director*”.

Remuneration Paid to Directors of our Company by our Subsidiaries

None of our Directors receive remuneration or were entitled to receive any remuneration from our Subsidiaries in the Financial Year 2021.

Shareholding of Directors in our Company

As per our Articles of Association, our Directors are not required to hold any qualification shares.

As of the date of filing of this Prospectus, other than Kumar Mangalam Birla who holds 160 Equity Shares and A Balasubramanian who holds 416 Equity Shares in his capacity as a nominee of ABCL, none of our Directors hold any Equity Shares.

Interests of Directors

All our Directors (other than our Non-Executive Directors) may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company as well as sitting fees and commission, if any, payable to them for attending meetings of our Board or Committees thereof. For further details, see “*Terms of Appointment of our Executive Director*” and “*Payment or benefit to Directors of our Company*”.

Our Directors may be deemed to be interested to the extent of the shareholding in our Company of the respective Promoters nominating them.

Except as stated in “*Related Party Transactions*” beginning on page 268 and as disclosed in this section, our Directors do not have any other interest in our Company, or in any property acquired by or leased to our Company during the three years immediately preceding the date of this Prospectus, or proposed to be acquired or leased to our Company, or in any transaction by our Company including, for acquisition of land, construction of buildings or supply of machinery.

Other than the remuneration, no amount or benefit has been paid or given within the two years preceding the date of filing of this Prospectus or is intended to be paid or given to any of our Directors.

Our Directors may also be interested to the extent of Equity Shares, if any (together with dividends and other distributions in respect of such Equity Shares), held by them or held by the entities in which they are associated as promoters, members, directors, partners, proprietors or trustees or held by their relatives. Our Directors may be deemed to be interested to the extent of stock options and/or restricted stock units granted or to be granted / Equity Shares, if any, allotted to them pursuant to the ESOP Scheme. For details, see “*Capital Structure – Employee Stock Option Scheme*” on pages 76-78.

Changes in our Board in the last three years

Details of the changes in our Board in the last three years are set forth below.

Name	Date of Change	Reason
Ajay Srinivasan	June 28, 2021	Re-appointed as Non-Executive Director
Sandeep Asthana	June 28, 2021	Re-appointed as Non-Executive Director
Sushobhan Sarker	April 6, 2021	Resignation as Independent Director
Alka Bharucha	July 31, 2020	Re-appointed as Independent Director
Alka Bharucha	July 20, 2020	Regularised as Independent Director
Kumar Mangalam Birla	July 20, 2020	Re-appointed as Non- Executive Director
Colm Freyne	July 20, 2020	Re-appointed as Non- Executive Director
Claude Accum	February 24, 2020	Resignation as Director
Sushobhan Sarker	September 23, 2019	Regularised as Independent Director
Navin Puri	September 23, 2019	Regularised as Independent Director
Bobby Parikh	September 23, 2019	Regularised as Independent Director
Bharat Patel	September 23, 2019	Regularised as Independent Director
Sushobhan Sarker	September 4, 2019	Appointed as Independent Director
Navin Puri	September 4, 2019	Appointed as Independent Director
Bobby Parikh	August 25, 2019	Re-appointed as Independent Director
Bharat Patel	August 25, 2019	Re-appointed as Independent Director
N N Jambusaria	August 24, 2019	Cessation as Independent Director
N C Singhal	August 24, 2019	Cessation as Independent Director
Prof. R Vaidyanathan	August 24, 2019	Cessation as Independent Director
A Balasubramanian	July 25, 2019	Appointed as Managing Director
Sandeep Asthana	July 15, 2019	Re-appointed as Non- Executive Director
Ajay Srinivasan	July 15, 2019	Re-appointed as Non- Executive Director
Pankaj Razdan	July 8, 2019	Resignation as Director
Harish Engineer	June 21, 2019	Appointed as Independent Director

Borrowing Powers of Board

In accordance with the provisions of the Articles of Association, the Board may, borrow or raise any monies required for the purpose of our Company upon such terms and in such manner with or without security as it may determine.

Corporate Governance

The provisions of the SEBI Listing Regulations with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act and other applicable regulations of SEBI, in respect of corporate governance including in respect of the constitution of the Board and Committees thereof, and formulation and adoption of policies. Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations.

As on the date of this Prospectus, Board comprises 10 Directors, including five Independent Directors of which one is a woman Director, one Executive Director (who is our Managing Director and Chief Executive Officer), and four Non-Executive Directors.

Committees of the Board

Details of the Committees are set forth below. In addition to the Committees detailed below, our Board of Directors may, from time to time constitute Committees for various functions.

Audit Committee

The members of the Audit Committee are:

Sr. No.	Name and Designation of Director	Committee Designation
1.	Bobby Parikh, <i>Independent Director</i>	Chairman
2.	Bharat Patel, <i>Independent Director</i>	Member
3.	Harish Engineer, <i>Independent Director</i>	Member
4.	Navin Puri, <i>Independent Director</i>	Member
5.	Ajay Srinivasan, <i>Non - Executive Director</i>	Member
6.	Sandeep Asthana, <i>Non - Executive Director</i>	Member

The Audit Committee was last reconstituted pursuant to resolution passed by our Board in its meeting held on April 12, 2021. The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act and the SEBI Listing Regulations its terms of reference, *inter alia*, include:

- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Examination of the financial statement and the auditors' report thereon;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments, if any;
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹1 billion or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management system;
- Monitoring the end use of funds raised through public offers and related matters;
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices and reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions;
 - g) Qualification or modified opinion(s) in the draft audit report, if any;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Management discussion and analysis of financial condition and results of operations;

- Reviewing statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Reviewing statement of deviations:
 - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
 - b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7);
- The Audit Committee shall review the financial statements, in particular, the investments made by the unlisted subsidiary company;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Reviewing Internal audit reports relating to internal control weaknesses;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Reviewing the adequacy and structure of the internal audit function, including the credentials of a third party firm appointed if any, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- The Audit Committee of the Company or the Board shall, in consultation with the Internal Auditor, formulate the scope, functioning, periodicity and methodology for conducting the internal audit;
- The appointment, removal and terms of remuneration of the Internal auditor shall be subject to review by the Audit Committee;
- Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Approval of appointment of Chief Financial Officer (CFO) (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Review the effectiveness of the system for monitoring compliance with laws and regulations;
- Review compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as maybe amended from time to time at least once in a financial year and verify that systems for internal control are adequate and are operating effectively;
- Review:
 - a) Any Show cause, demand, prosecution and penalty notices against the Company or its Directors which are materially important including any correspondence with regulators or government agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies;
 - b) Any material default in financial obligations by the Company;
 - c) Any significant or important matters affecting the business of the Company;
- To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

- To review the functioning of the Whistle Blower mechanism;
- To review, consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders; and
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Nomination, Remuneration and Compensation Committee

The members of the Nomination, Remuneration and Compensation Committee are:

Sr. No.	Name and Designation of Director	Committee Designation
1.	Bharat Patel, <i>Independent Director</i>	Chairman
2.	Harish Engineer, <i>Independent Director</i>	Member
3.	Ajay Srinivasan, <i>Non - Executive Director</i>	Member
4.	Sandeep Asthana, <i>Non - Executive Director</i>	Member
5.	Alka Bharucha, <i>Independent Director</i>	Member
6.	Navin Puri, <i>Independent Director</i>	Member

The Nomination, Remuneration and Compensation Committee was last reconstituted pursuant to resolution passed by our Board in its meeting held on August 17, 2021. The scope and functions of the Nomination, Remuneration and Compensation Committee are in accordance with Section 178 of the Companies Act and SEBI Listing Regulations and its terms of reference. *inter alia*, include:

- Set the level and composition of remuneration which is reasonable and sufficient to attract, retain and motivate Directors and Senior Managers of the quality required to run the Company successfully;
- For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates
- Set the relationship of remuneration to performance;
- Check whether the remuneration provided to Directors, Key Managerial Personnel and Senior Management includes a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- Review performance of such other executives as may be prescribed by SEBI and
- Recommend to the Board, all remuneration, in whatever form, payable to senior management. Explanation: for the purpose of this policy, senior management shall mean Officers of the Company as defined by the Board of Directors of the Company from time to time.
- Formulate appropriate policies, institute processes which enable the identification of individuals who are qualified to become Directors and who may be appointed in senior management and recommend to the Board of Directors their appointment and removal from time to time;
- Review and Implement succession and development plans for Managing Director / Chief Executive Officer, Executive Directors and Senior Managers;
- Devise a policy on Board diversity;
- Formulate, supervise and monitor the process of issuance/ grant/ vesting/ cancellation of Employee Stock Options and such other instruments as may be decided to be granted to the eligible grantees under the respective Employee Stock Options Scheme(s), from time to time, as per the provisions of the applicable laws, more particularly in terms of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
- Formulate the criteria for determining qualifications, positive attributes and independence of Directors;

- Formulate criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Decide whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- Establish evaluation criteria and conduct the process of performance evaluation of each Director in a structured manner;
- Establish evaluation criteria of Board and Board Committees;
- Review and make recommendations to the Board with respect to any incentive-based compensation and equity-based plans that are subject to Board or shareholder approval (including broad-based plans); and
- The Committee shall review and discuss with management the disclosures required to be included in the Directors report, as specified in the Companies Act, 2013 (“the Act”) and the Rules thereunder.

Stakeholders’ Relationship Committee

The members of the Stakeholders’ Relationship Committee are:

Sr. No.	Name and Designation of Director	Committee Designation
1.	Alka Bharucha, <i>Independent Director</i>	Chairperson
2.	A. Balasubramanian, <i>Managing Director and Chief Executive Officer</i>	Member
3.	Bharat Patel, <i>Independent Director</i>	Member

The Stakeholders’ Relationship Committee was last reconstituted pursuant to resolution passed by our Board in its meeting held on April 14, 2021. The scope and functions of the Stakeholders’ Relationship Committee are in accordance with Section 178 of the Companies Act and the SEBI Listing Regulations and its terms of reference, *inter alia*, include:

- To resolve grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- To review measures taken for effective exercise of voting rights by shareholders;
- To monitor the complaints received by the Company from the Shareholders, Debenture holders of the Company, other security holder, Securities and Exchange Board of India (SEBI), Stock Exchanges, Department of Company Affairs, Registrar of Companies etc. and the action taken by the Company for redressal of the same;
- To approve allotment of shares, debentures, or any other securities as per the authority conferred / to be conferred to the Committee by the Board of Directors from time to time;
- To approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialisation etc. of shares, debentures, and other securities;
- To authorize the officers of the Company to approve the requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialisation etc. of shares, debentures, and other securities;
- To monitor and expedite the status and process of dematerialization and rematerialisation of shares, debentures, and other securities of the Company;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company, as applicable; and
- To perform such other acts, deeds, and things as may be delegated to the Committee by the Board from time to time.

Risk Management Committee

The members of the Risk Management Committee are:

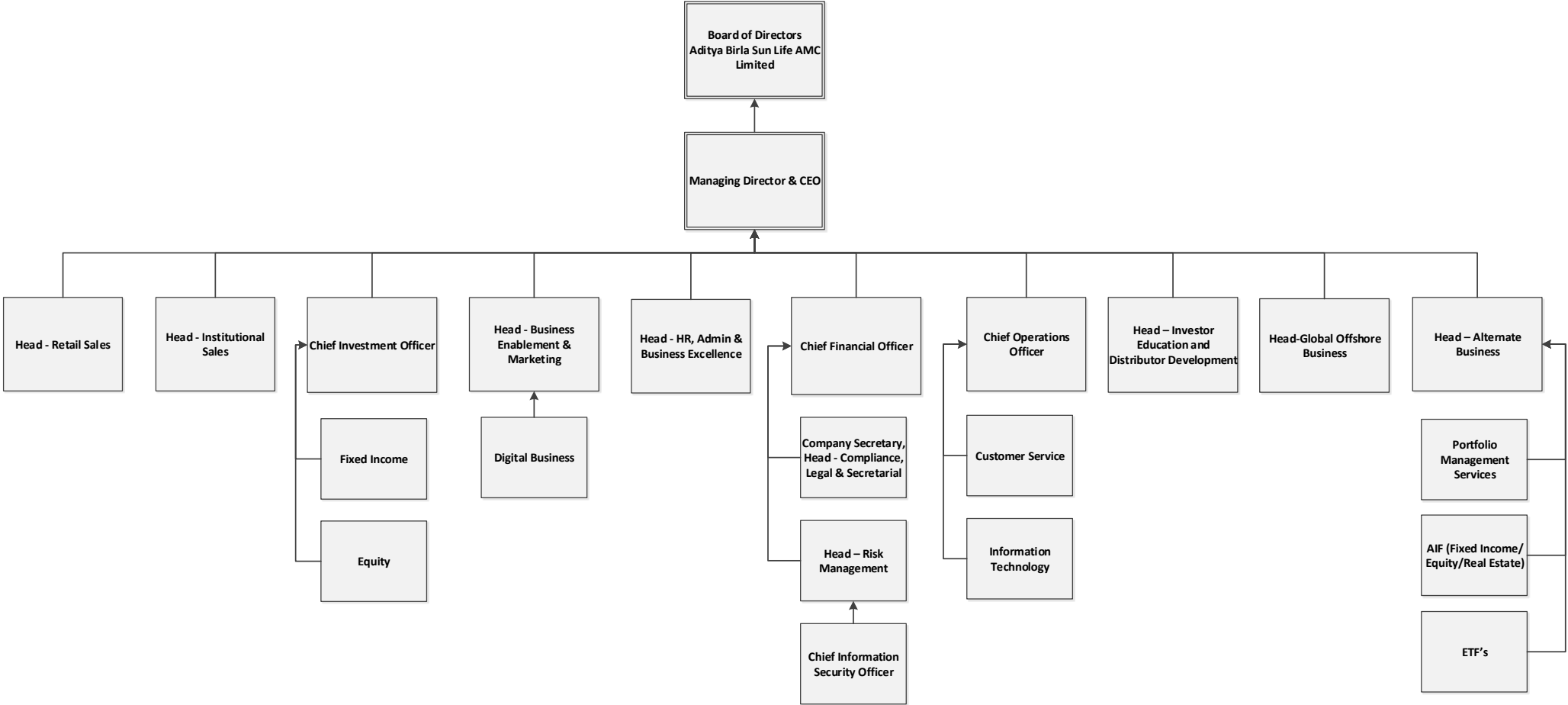
Sr. No.	Name and Designation of Director	Committee Designation
1.	Harish Engineer, <i>Independent Director</i>	Chairman

Sr. No.	Name and Designation of Director	Committee Designation
2.	Bobby Parikh, <i>Independent Director</i>	Member
3.	Ajay Srinivasan, <i>Non-Executive Director</i>	Member
4.	Sandeep Asthana, <i>Non-Executive Director</i>	Member

The Risk Management Committee was last reconstituted pursuant to resolution passed by our Board in its meeting held on April 14, 2021. The scope and functions of the Risk Management Committee are in accordance with Section 178 of the Companies Act and the SEBI Listing Regulations and its terms of reference, *inter alia*, include:

- To periodically review the risk management policy at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- The risk management policy shall include:
 - a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, environment, social and governance related risks), information, cyber security risks or any other risk as may be determined by the committee;
 - b. Measures for risk mitigation including systems and processes for internal control of identified risks; and
 - c. Business continuity plan.
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To ensure that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To keep the board of directors informed about the nature and content of its discussions, recommendations, and actions to be taken;
- To review the appointment, removal, and terms of remuneration of the chief risk officer (if any);
- The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;
- Require management to identify and review with the Committee the major areas of risk faced through business activities of the Company i.e. Mutual Funds, Portfolio Management Service, Alternative Investment Funds (Real Estate and Alternate Assets) and strategies to manage those risks;
- Review of Risk Control & Self-Assessment done by functions as per timelines;
- Review the status of compliance, regulatory reviews, and business practice reviews;
- Review market conduct practices;
- Review procedures for dealing with customer complaints and monitor & review the effectiveness of and compliance with those procedures for the Company and all the business lines managed by the Company;
- Assist the Board in determining the measures that can be adopted to mitigate the risk;
- Ensure that appropriate measures are being taken to achieve prudent balance between risk and reward in both ongoing and new business activities and continuously aim to add value to the Company's stakeholders by growing business that supports inclusive growth;
- To attend to such other matters and functions as may be prescribed by the Board from time to time; and
- Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

Management Organisation Structure



The details of the Key Managerial Personnel, as of the date of this Prospectus, are as follows:

A Balasubramanian is the Managing Director and Chief Executive Officer of our Company. For details, see “– *Brief Biographies of Directors*”. For details of compensation paid to him during Financial Year 2021, see “– *Payment or benefit to Directors of our Company – Remuneration to our Executive Director*”.

Mahesh Patil is the Chief Investment Officer of our Company. He holds a bachelor’s degree in engineering from the University of Bombay and a master’s degree in management studies from University of Bombay. He has also qualified the chartered financial analysts examination from the Institute of Chartered Financial Analysts of India, Hyderabad. He has 31 years of experience and has previously worked at CMC Limited, Tata Economic Consultancy Services, Parag Parikh Financial Advisory Services Limited, Motilal Oswal Securities Limited and at Reliance Infocom Limited. He joined our Company on October 10, 2005. Mahesh was awarded the India CIO of the Year, Equity by Asia Asset Management in 2016. He has been awarded Chairman’s Individual Award by The Aditya Birla group for being an Accomplished Leader in 2015. During the Financial Year 2021, he received a remuneration of ₹39.73 million.

Bhavdeep Bhatt is the Head - Retail Sales of our Company. He holds a bachelor’s degree in commerce from Bhavnagar University and master’s degree in business administration from Bhavnagar University. He has 25 years of experience and has previously worked at Gujarat State Machine Tools Corporation Limited, TVH Brokerage House Private Limited, Kiran Motors Limited, Kotak Mahindra Asset Management Company Limited and at ICICI Prudential AMC Limited. He joined our Company on March 11, 2008. During the Financial Year 2021, he received a remuneration of ₹10.49 million.

Anil Shyam is the Head - Alternate Business of our Company. He holds a bachelor’s in commerce and master’s in finance & control from Himachal Pradesh University, Shimla. He has previously worked at AK Capital Services Limited, Cholamandalam AMC Limited, JM Financial Asset Management Private Limited and at ICICI Prudential AMC Limited. He joined our Company on October 3, 2007. During the Financial Year 2021, he received a remuneration of ₹11.22 million.

Vikas Mathur is the Head - Institutional Sales of our Company. He holds a bachelor’s degree in electronics and communication engineering from University of Madras, a postgraduate diploma in business entrepreneurship and management from the Indian Institute of Planning and Management and a master’s degree in business administration from the International Management Institute. He has previously worked at HBL Global Private Limited and at ICICI Prudential Life Insurance Company Limited. He joined our Company on August 1, 2008. During the Financial Year 2021, he received a remuneration of ₹8.82 million.

Vikas Gautam is the Head - Global Offshore Business of our Company. He holds a bachelor’s degree in science from Government Autonomous Science College, Gwalior, and a master’s degree in business administration from Lucknow University. He has previously worked at Auric Consultancy, Citibank, ICICI Capital Services Limited, BNP Paribas, ICICI Prudential AMC Limited. He joined our Company on October 6, 2008. During the Financial Year 2021, he received a remuneration of ₹30.99 million.

Parag Joglekar is the Chief Financial Officer of our Company. He holds a bachelor’s degree in commerce from the University of Bombay. He is a member of Institute of Chartered Accountants of India and is a member of the Institute of Cost and Works Accountants of India. He has previously worked at Strategic Capital Corporation. He joined our Company on April 17, 2006. During the Financial Year 2021, he received a remuneration of ₹10.20 million.

Keerti Gupta is the Chief Operations Officer of our Company. She holds a bachelor’s degree in science (home science) from Rajasthan Agriculture University, Bikaner, and master’s degree in business administration from Maharishi Dayanand Saraswati University, Ajmer. She has previously worked at Gujarat Lease Finance Limited and has been associated with the Aditya Birla group for last 25 years. She is a Director at MF Utilities India Private Limited and ABSL Umbrella UCITS Funds Plc. She joined our Company on January 1, 2015. During the Financial Year 2021, she received a remuneration of ₹9.78 million.

Sidharth Damani is the Head - Business Enablement and Marketing of our Company. He holds a bachelor’s degree in commerce from Sydenham College of Commerce and Economics, Mumbai, and a master’s degree in business administration from Queensland University of Technology, Brisbane, Australia. He has over two decades of experience and has joined our Company on October 1, 1998. During the Financial Year 2021, he received a remuneration of ₹10.97 million.

K S Rao is the Head - Investor Education and Distributor Development of our Company. He holds a bachelor’s degree in science from Osmania University a post graduate diploma in international business from Pondicherry University, a post graduate diploma in portfolio management from Pondicherry University and has completed a program on leading and managing from Indian Institute of Management, Calcutta. He is also a qualified Chartered Wealth Manager certified by the American Academy of Financial Management. He has 34 years of experience and has previously worked at Indian Railways and at UTI Asset Management Company Limited. He joined our Company on March 27, 2008. During the Financial Year 2021, he received a remuneration of ₹9.03 million.

Hemanti Wadhwa is the Head-Compliance, Legal and Secretarial and Company Secretary and Compliance officer of our Company. She holds a bachelor’s degree in law and master’s degree in commerce from University of Mumbai and is a fellow member of Institute of Company Secretaries of India. She has 22 years of experience in areas such as compliance, legal, audit and secretarial. She has previously worked at Deutsche Asset Management (India) Private Limited, BNP Paribas Asset

Management Limited (erstwhile ABN AMRO Asset Management (India) Limited), HDFC Asset Management Company Limited, Kotak Mahindra Asset Management Company Limited and at IL and FS Infra Asset Management Limited. She joined our Company on January 11, 2016. She also acts as the principal officer of our Company under the Prevention of Money Laundering Act, 2002. During the Financial Year 2021, she received a remuneration of ₹7.35 million.

Hirak Bhattacharjee is the Head - HR, Admin & Business Excellence of our Company. He holds a bachelor's degree in Science from the University of Pune and a post-graduate diploma in personnel management from Xavier Institute of Social Service, Ranchi. He has previously worked at Shaw Wallace and Company Limited, Johnson Diversey India Private Limited, Kotak Mahindra Bank Limited, Trent Hypermarket Limited and at Aditya Birla Sun Life Insurance Limited. He joined our Company on July 1, 2019. During the Financial Year 2021, he received a remuneration of ₹8.5 million.

Status of Key Managerial Personnel

All our Key Managerial Personnel are permanent employees of our Company.

Arrangement or understanding with major Shareholders, Customers, Suppliers or Others

Other than A Balasubramanian the Managing Director and Chief Executive Officer of our Company who has been appointed as the chief executive officer by the Board pursuant to the terms of the Existing Shareholders Agreement, there is no arrangement or understanding with the major Shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel have been appointed. For details, see “*History and Certain Corporate Matters – Key Terms of all Subsisting Shareholders Agreements*” on pages 174-177.

Shareholding of Key Managerial Personnel in our Company

As of the date of filing of this Prospectus, other than A Balasubramanian the Managing Director and Chief Executive Officer of our Company, who holds 416 Equity Shares and Parag Joglekar who holds 512 Equity Shares in their capacity as nominees of ABCL, none of our Key Managerial Personnel hold any Equity Shares.

Relationship between our Key Managerial Personnel

None of our Key Managerial Personnel are related to each other.

None of the Key Managerial Personnel of our Company have any interests in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. There is no contingent or deferred compensation accrued for the year payable to the Key Managerial Personnel, even if the compensation is payable at a later date.

Further, the Key Managerial Personnel may also be interested to the extent of Equity Shares (together with dividends and other distributions in respect of such Equity Shares) which may be held by them. Our KMPs may be deemed to be interested to the extent of stock options and/or restricted stock units granted or to be granted / Equity Shares, if any, allotted to them pursuant to the ESOP Scheme. For details, see “*Capital Structure – Employee Stock Option Scheme*” on pages 76-78.

Changes in our Key Managerial Personnel in the three immediately preceding years:

The Changes in the Key Managerial Personnel of our Company in the last three years are as follows:

Name	Designation	Date of change	Reasons for change
Sidharth Damani	Head - Business Enablement and Marketing	April 9, 2021	Appointment
Anil Shyam	Head - Alternate Business	April 9, 2021	Appointment
Bhavdeep Bhatt	Head – Retail Sales	April 9, 2021	Appointment
A. Balasubramanian	Managing Director	July 25, 2019	Appointment
Hirak Bhattacharjee	Head – HR, Admin & Business Excellence	July 1, 2019	Appointment
Vikas Mathur	Head - Institutional Sales	April 1, 2019	Appointment

Payment or benefit to officers of our Company

Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors and Key Managerial Personnel are entitled to any benefits upon termination of employment under any service contract entered into with our Company.

Except as stated otherwise in this Prospectus and any statutory payments made by our Company, no amount or benefit has been paid or given, in the two years preceding the date of this Prospectus, or is intended to be paid or given to any of our Company's officers except remuneration for services rendered as Directors, officers or employees of our Company.

Bonus or profit-sharing plans for our Key Managerial Personnel

Other than the performance bonus component of their remuneration, our Key Managerial Personnel are not parties to any bonus or profit-sharing plan of our Company.

OUR PROMOTERS AND PROMOTER GROUP

ABCL and Sun Life AMC are the Promoters of our Company. In addition to ABCL, Sun Life AMC will also continue to share the roles and responsibilities of the sponsor after the Offer. As of the date of this Prospectus, our Promoters, i.e., ABCL (together with its nominees) and Sun Life AMC hold an aggregate of 287,999,680 Equity Shares, comprising approximately 100% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company. For details of shareholding of our Promoters in our Company, see “*Capital Structure - Build-up of Promoters’ shareholding in our Company*” on pages 72-74.

The details of our Promoters are provided below:

Aditya Birla Capital Limited (“ABCL”)

Corporate Information

ABCL was incorporated on October 15, 2007. The registered office of ABCL is Indian Rayon Compound, Veraval, Gujarat-362 266. Grasim Industries Limited is the Promoter of ABCL.

As of the date of this Prospectus, ABCL is registered as a Non-Deposit taking Systemically Important - Core Investment Company (CIC-ND-SI) pursuant to the receipt of certificate of registration from the RBI. ABCL is a listed company having its equity shares listed on BSE and NSE and is the holding company of various subsidiaries having presence across several business sectors including nonbanking financial companies, asset management, life insurance, health insurance, housing finance, private equity, general insurance broking, wealth management, broking, pension fund management and asset reconstruction businesses.

Board of directors

As of the date of this Prospectus, the board of directors of ABCL comprises of:

- (a) Kumar Mangalam Birla, *Non-Executive Director*;
- (b) Santrupt Misra, *Non-Executive Director*;
- (c) Sushil Agarwal, *Non-Executive Director*;
- (d) Subhash Chandra Bhargava, *Independent Director*;
- (e) Vijayalakshmi Rajaram Iyer, *Independent Director*;
- (f) Arun Kumar Adhikari, *Independent Director*;
- (g) Puranam Hayagreeva Ravikumar, *Independent Director*; and
- (h) Romesh Sobti, *Non-Executive Director (nominee)*

Shareholding pattern

The shareholding pattern of ABCL As of June 30, 2021 is as provided below:

Category (I)	Category of shareholder (II)	No. of share holders (III)	No. of fully paid-up equity shares held (IV)	No. of partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total No. shares held (VII)= (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting rights held in each class of securities (IX)				No. of Shares Under lying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No. of voting Rights		Total as a % of (A+B+C)				Number (a)	As a % of total shares held (b)	Number (a)	As a % of total shares held (b)	
								Class- Equity	Class eg: y	Total	Total as a % of (A+B+C)							
(A)	Promoter & Promoter Group	25	1,673,902,067		33,616,128	1,707,518,195	70.69	1,673,902,067		1,673,902,067	70.78	-	70.70	100,000,000	5.86	-	-	1,707,518,195
(B)	Public	491,914	691,002,079		16,920,634	707,922,713	29.31	691,002,079		691,002,079	29.22	-	29.30	-	-	NA		677,262,478
(C)	Non promoter-Non Public	NA																
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA		-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA		-
	Total	491,939	2,364,904,146	-	50,536,762	2,415,440,908	100	2,364,904,146		2,364,904,146	100.00	-	-	100,000,000	4.14	-		2,384,780,673

As of the date of this Prospectus, ABCL together with its nominees holds 146,879,680 Equity Shares, constituting approximately 51% of the pre-Offer Equity Share capital of our Company. For further details see “*Capital Structure - Build-up of Promoters’ shareholding in our Company*” on pages 72-74.

ABCL has not changed its activities from the date of its incorporation.

Our Company confirms that the permanent account number, bank account number, company registration number and the address of the Registrar of Companies, Gujarat where ABCL is registered, have been submitted to the BSE and NSE at the time of filing the Draft Red Herring Prospectus.

Details of change in control of ABCL

There has been no change in the control of ABCL in the last three years preceding the date of this Prospectus.

Promoters of ABCL

The promoter of ABCL is Grasim Industries Limited. Grasim Industries Limited is a listed company with its equity shares listed on BSE Limited and NSE. Presently, no natural person holds fifteen percent or more of the voting rights in Grasim Industries Limited.

Board of directors of Grasim Industries Limited

As of the date of this Prospectus, the board of directors of Grasim Industries Limited comprises of:

Kumar Mangalam Birla, <i>Chairman and Non-Executive Director</i>	Adesh Kumar Gupta, <i>Independent Director</i>
Rajashree Birla, <i>Non-Executive Director</i>	V Chandrasekaran, <i>Independent Director</i>
Cyril Shroff, <i>Independent Director</i>	Anita Ramachandran, <i>Independent Director</i>
Thomas M. Connolly, Jr., <i>Independent Director</i>	N. Mohanraj, <i>Independent Director</i>
Santrupt Misra, <i>Non-Executive Director</i>	Vipin Anand, <i>Non-Executive Director</i>
Shailendra Kumar Jain, <i>Non-Executive Director</i>	Dilip Roopsingh Gaur, <i>Managing Director</i>

Sun Life (India) AMC Investments Inc. (“Sun Life AMC”)

Corporate Information

Sun Life AMC was incorporated on March 24, 1999. The registered office of Sun Life AMC is at 31st Floor, 1 York Street, Toronto, Ontario M5J 0B6, Canada. Sun Life AMC is a wholly-owned subsidiary of Sun Life Assurance Company of Canada and Sun Life Financial Inc. is the ultimate holding company of Sun Life AMC.

As of the date of this Prospectus, Sun Life AMC operates as a company which holds investments in joint ventures. Sun Life AMC has not changed its activities from the date of its incorporation.

Board of directors

As of the date of this Prospectus, the board of directors of Sun Life AMC comprises of:

- (a) Benoit, Rémi;
- (b) Sinclair, Gavin; and
- (c) Yang, Ken Kuanghua

Shareholding pattern

The shareholding pattern of Sun Life AMC is as provided below:

Name of shareholder	Percentage of shareholding (%)
Sun Life Assurance Company of Canada	100.00
Total	100.00

As of the date of this Prospectus, Sun Life AMC holds 141,120,000 Equity Shares constituting 49% of the pre-Offer Equity Share capital of our Company. For further details see “*Capital Structure - Build-up of Promoters’ shareholding in our Company*” on pages 72-74.

Our Company confirms that the permanent account number, bank account number, corporation number and the address of the Corporations Canada where Sun Life AMC is registered, have been submitted to BSE and NSE at the time of filing the Draft Red Herring Prospectus.

Details of change in control of Sun Life AMC

There has been no change in the control of Sun Life AMC in the last three years preceding the date of this Prospectus.

Promoters of Sun Life AMC

The promoter of Sun Life AMC is Sun Life Assurance Company of Canada. Presently, no natural person holds fifteen percent or more of the voting rights in Sun Life Assurance Company of Canada.

Board of directors of Sun Life Assurance Company of Canada

As of the date of this Prospectus, the board of directors of Sun Life Assurance Company of Canada comprises of:

William D. Anderson	James M. Peck
Kevin D. Strain	Scott F. Powers
Stephanie L. Coyles	David H. Y. Ho
Martin J. G. Glynn	Barbara G. Stymiest
Ashok K. Gupta	M. Marianne Harris
Deepak Chopra	

Change in control of our Company

Our Promoters are not the original promoters of our Company and have not acquired control in the five years immediately preceding the date of this Prospectus.

For details in relation to the Equity Shares acquired by our Promoters, please see “*Capital Structure – History of the Equity Share capital held by our Promoters*”, on pages 72-74.

Interest of our Promoters

Our Promoters are interested in our Company to the extent they have promoted our Company and to the extent of their shareholding in our Company, directly and indirectly, the dividends payable, if any, and any other distributions in respect of the Equity Shares held by them in our Company, from time to time. Further, our Promoters are also interested in our Company to the extent of nominating directors on the Board of our Company and other rights pursuant to the Existing Shareholders Agreement. For details see “*History and Certain Corporate Matters - Key terms of all subsisting shareholders agreements*” on pages 174-177 and for details of the shareholding of our Promoters in our Company, see “*Capital Structure – History of the Equity Share capital held by our Promoters*”, on pages 72-74.

Our Promoters have no interest in any property acquired by our Company during the three years immediately preceding the date of this Prospectus or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

No sum has been paid or agreed to be paid to any of our Promoters or to the firms or companies in which our Promoters are interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by our Promoters or by such firms or companies in connection with the promotion or formation of our Company.

Promoter Group

Details of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations (excluding our Promoters) are provided below:

Entities/Individuals forming part of Promoter Group

A. Promoter Group entities/Individuals of ABCL

Sr. No.	Name of the Promoter Group entity	Promoter group relation
1.	Grasim Industries Limited	Holding company of ABCL
2.	Aditya Birla Finance Limited	Subsidiary companies and step-down subsidiaries of ABCL
3.	Aditya Birla Sun Life Insurance Company Limited	
4.	Aditya Birla Housing Finance Limited	
5.	Aditya Birla PE Advisors Private Limited	
6.	Aditya Birla Money Limited	
7.	Aditya Birla Money Mart Limited	
8.	Aditya Birla Health Insurance Co Limited	
9.	Aditya Birla Wellness Private Limited	

10.	Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited)	
11.	Aditya Birla ARC Limited	
12.	Aditya Birla Insurance Brokers Limited	
13.	Aditya Birla Stressed Asset AMC Private Limited	
14.	Aditya Birla Trustee Company Private Limited	
15.	ABCAP Trustee Company Private Limited	
16.	Aditya Birla Financial Shared Services Limited	
17.	Aditya Birla Sun Life Pension Management Limited	
18.	Aditya Birla Money Insurance Advisory Services Limited	
19.	Aditya Birla Sun Life Trustee Private Limited*	
20.	Kumar Mangalam Birla	Persons whose shareholding is aggregated under the heading “shareholding of the promoter group”
21.	Neerja Birla	
22.	ABARC-AST-001-Trust	
23.	ABARC-AST-002-Trust	
24.	ABARC-AST-003-Trust	
25.	ABARC-AST-006-Trust	
26.	ABARC-AST-007-Trust	
27.	ABARC-AST-008-Trust	
28.	ABARC-AST-009-Trust	
29.	Aditya Birla Special Situations Fund	
30.	Aditya Birla Sun Life AIF Trust I	
31.	Aditya Birla Sun Life AIF Trust II	
32.	Aditya Birla Private Equity Trust	
33.	Aditya Birla Sun Life Mutual Fund	

* (Also a Promoter Group entity of Sun Life AMC)

B. Promoter Group entities of Sun Life AMC

Sr. No.	Name of the Promoter Group entity	Promoter group relation
1.	Sun Life Assurance Company of Canada	Holding company of Sun Life AMC
2.	Sun Life Financial Inc.	Holding company of Sun Life Assurance Company of Canada and ultimate holding company of Sun Life AMC

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, for the purpose of identification of “group companies”, our Company has considered:

- (a) companies (other than our Promoters and Subsidiaries) with which there were related party transactions as per Ind AS 24, as disclosed in the Restated Consolidated Financial Information; and
- (b) other companies that are considered material by our Board.

With respect to (b) above, our Board in its meeting held on September 8, 2021, has considered that such companies that are a part of the promoter group (as defined in the SEBI ICDR Regulations) with which there were transactions in the most recent financial year and stub period, if any, to be included in the offer documents (“**Test Period**”), which individually or in the aggregate, exceed 10% of the total restated consolidated revenue of our Company for the Test Period, shall also be classified as Group Companies.

Based on the foregoing, our Group Companies are as follows:

- (1) Aditya Birla Health Insurance Company Limited;
- (2) Aditya Birla ARC Limited;
- (3) Aditya Birla Capital Foundation;
- (4) Aditya Birla Capital Technology Services Limited (*formerly known as Aditya Birla MyUniverse Limited*);
- (5) Aditya Birla Finance Limited;
- (6) Aditya Birla Financial Shared Services Limited;
- (7) Aditya Birla Housing Finance Limited;
- (8) Aditya Birla Insurance Brokers Limited;
- (9) Aditya Birla Management Corporation Private Limited;
- (10) Aditya Birla Money Insurance Advisory Services Limited;
- (11) Aditya Birla Money Limited;
- (12) Aditya Birla Sun Life Insurance Company Limited;
- (13) Aditya Birla Sun Life Trustee Private Limited;
- (14) Aditya Birla Wellness Private Limited;
- (15) Grasim Industries Limited;
- (16) Vodafone Idea Limited (*formerly known as Idea Cellular Limited*);
- (17) SLGI Asset Management Inc. (*formerly Sun Life Global Investments (Canada) Inc.*); and
- (18) GreenOak India Investment Advisors Private Limited

The details of our Group Companies are provided below.

Top five Group Companies:

Our top five Group Companies comprising (a) three equity listed Group Companies and (b) the top two unlisted Group Companies on the basis of turnover in Fiscal 2021 calculated on a standalone basis, are as follows. The financial information referred to in this section are as per accounting standards as applicable in the relevant reporting period.

1. Grasim Industries Limited

Grasim Industries Limited was incorporated as a public limited company on August 25, 1947 under the provisions of the Gwalior Companies Act (1 of Samvat 1963) with the Registrar, Joint Stock Companies, Gwalior Government. Grasim Industries Limited is currently, *inter alia*, engaged in the business of manufacture of viscose staple fibre, chlor-alkali and allied chemicals, epoxy resins, insulators, textiles and paints amongst others.

Financial Information

Set forth below is certain financial information of Grasim Industries Limited derived from its audited standalone financial statements for the last three audited Fiscal Years.

(₹ in million except per share data)

Particulars	Fiscal 2021	Fiscal 2020#	Fiscal 2019
Equity Capital (A)	1,316.20	1,315.70	1,315.30
Other Equity (B)	428,162.40	3,75,424.70	4,18,276.60
Sales (operating revenue excluding other income)	1,23,863.60	1,86,094.00	2,05,504.30
Profit/(Loss) after tax	9,050.00	12,699.50	5,153.00
Basic EPS (face value of ₹2) ^{\$}	13.78	19.35	7.84
Diluted EPS (face value of ₹2) ^{\$}	13.77	19.34	7.84
Net asset value	4,29,478.60	3,76,740.40	4,19,591.90
Net asset value per share*	654.13	573.97	638.43

*Based on weighted-average number of equity shares outstanding (Nos.) for calculation of Basic EPS (Nos.)

\$ It includes profit/ (loss) from discontinued operations as well

Figures have been taken from FY20 annual report. However, please note that FY20 comparative figures were restated in annual financial statement of FY21

There are no significant notes by the auditors in their reports in relation to the above-mentioned financial statements.

Share price information

The equity shares of Grasim Industries Limited are currently listed on the BSE and NSE. The highest and the lowest market price of the equity shares of Grasim Industries Limited during the immediate six months immediately preceding the date of this Prospectus is as follows:

Month	BSE		NSE	
	High (in ₹)	Low (in ₹)	High (in ₹)	Low (in ₹)
August 2021	1,614.35	1,430.00	1,614.20	1,430.05
July 2021	1,599.95	1,461.65	1,599.50	1,461.00
June 2021	1,559.60	1,420.00	1,547.00	1,420.05
May 2021	1,494.70	1,350.85	1,494.90	1,350.60
April 2021	1,472.40	1,262.35	1,472.70	1,262.00
March 2021	1,456.40	1,203.30	1,456.00	1,202.20

Source: www.bseindia.com and www.nseindia.com

The closing price of the Grasim Industries Limited equity shares as of August 31, 2021 on the BSE and NSE were ₹1,500.35 and ₹1,500.40, respectively.

2. Vodafone Idea Limited (formerly known as Idea Cellular Limited)

Vodafone Idea Limited was incorporated as 'Birla Communications Limited', a public limited company under the Companies Act, 1956 with a certificate of incorporation issued by the Registrar of Companies, Maharashtra at Mumbai on March 14, 1995 and a certificate of commencement of business on August 11, 1995. Vodafone Idea Limited is currently engaged in the business of providing telecommunication services in India.

Financial Information

Set forth below is certain financial information of Vodafone Idea Limited derived from its audited standalone financial statements for the last three audited Fiscal Years.

(₹ in million except per share data)

Particulars	Fiscal 2021	Fiscal 2020	Fiscal 2019
Equity capital	287,354	287,354	87,356
Reserves (excluding revaluation reserves)	(664,430)	(197,341)	547,689
Sales (operating revenue excluding other income)	416,727	447,150	368,588
Profit/(Loss) after tax	(462,937)	(731,315)	(140,560)
Earnings per share (Basic) (face value of ₹10)	(16.11)	(26.97)	(20.33)
Earnings per share (Diluted) (face value of ₹10)	(16.11)	(26.97)	(20.33)
Net worth/ Net asset value	(377,076)	90,013	635,045
Book value per share / Net asset value per share	(13.12)	3.13	72.70

There are no significant notes by the auditors in their reports in relation to the above mentioned financial statements other than as follows:

Fiscal 2021 - Standalone financial statements of Vodafone Idea Limited: Material uncertainty related to Going Concern

Vodafone Idea Limited has incurred losses of ₹462,937 million for the year ended March 31, 2021 and the net worth is negative ₹377,076 million. As at March 31, 2021, the total debt (including interest accrued but not due and AGR

liability) of Vodafone Idea Limited stands at ₹1,867,790 million. Vodafone Idea Limited has classified ₹85,472 million (net of waiver received) from non-current borrowings to current maturities of long-term debt for not meeting certain covenant clauses under the financial agreements for specified financial ratios as at March 31, 2021. Further, as a result of the rating downgrade, certain lenders had asked for increase of interest rates and additional margin money/security against existing facilities. Vodafone Idea Limited's has exchanged correspondences and continues to be in discussion with the lenders for the next steps/waivers. The existing debt (excluding deferred spectrum obligation of ₹20,941 million for which additional bank guarantees of ₹9,757 million is to be given to avail additional 1 year moratorium) of ₹81,184 million and the next instalment of the AGR Judgement matter are payable by March 31, 2022. Guarantees amounting to ₹70,399 million are due to expire during the next twelve months. Vodafone Idea Limited's has also written to DoT for deferment of the spectrum payment instalment of ₹82,117 million payable as at April 9, 2022.

The Board of Directors of Vodafone Idea Limited's, at its meeting held on September 4, 2020 had approved the fund-raising plan of up to ₹250,000 million.

There exists material uncertainty relating to Vodafone Idea Limited's ability to continue as a going concern which is dependent on its ability to raise additional funds as required, successful negotiations with lenders on continued support, refinancing of debts, monetisation of certain assets, outcome of the modification application filed with the Hon'ble Supreme Court and clarity of the next instalment amount, acceptance of its deferment request by DoT and generation of cash flow from operations that it needs to settle / renew its liabilities / guarantees as they fall due. As of date, the Vodafone Idea Limited has met all its debt obligations. Pending the outcome of the above matters, these financial statements have been prepared on a going concern basis.

Fiscal 2020 – Standalone financial statements of Vodafone Idea Limited: Material uncertainty related to Going Concern:

- (a) The Hon'ble Supreme Court on October 24, 2019 delivered its judgement ("**AGR judgment**") on cross appeals against the Hon'ble Telecom Disputes Settlement and Appellate Tribunal ("**TDSAT**") judgment dated April 23, 2015, wherein it has held that the definition of gross revenue under Clause 19 of the Unified Services Access Licence ("**UASL**") is all encompassing and comprehensive. Hon'ble Supreme Court has further held that the Gross Revenue definition shall prevail over the Accounting Standards and is binding on the parties to the contract / License Agreement. The Hon'ble Supreme Court has then dealt with different heads of revenue / inflow and has held that these will fall within the definition of Adjusted Gross Revenue ("**AGR**"). The order upheld the principal demand, levy of interest, penalty and interest on penalty. Further, the Hon'ble Supreme Court directed vide the supplementary order of the same date, the payment of the entire AGR dues to be made within 3 months from the date of the order.

A Review Petition filed by Vodafone Idea Limited and some of the telecom operators against the above AGR Judgement was dismissed on January 16, 2020. Thereafter, Vodafone Idea Limited filed an application for modification of the Supplementary Order before the Hon'ble Supreme Court of India on January 20, 2020, seeking permission to submit an application to Department of Telecom ("**DoT**") to decide upon the schedule of payment of AGR dues.

The matter came up for hearing on February 14, 2020 when the Hon'ble Supreme Court issued notices to the Managing Director / Directors of all Telecom Service Providers ("**TSPs**") in view of the non-payment of AGR dues pursuant to the AGR Judgement. Vodafone Idea Limited has filed a detailed affidavit placing on record the financial position of Vodafone Idea Limited as also a detailed reply to place on record as to why Vodafone Idea Limited was unable to make the payments.

On March 16, 2020 DoT also filed a modification application with the Hon'ble Supreme Court to allow reasonable time to the TSPs, considering staggered payments with interest to duly protect the net present value and to cease the current applicable interest after a particular date. Subsequently, on March 18, 2020, the Hon'ble Supreme Court heard the matters and inter alia ordered that no exercise of self-assessment / re-assessment is to be done and the AGR dues which were placed before the Hon'ble Supreme Court have to be paid including interest and penalty. At the same hearing, the Hon'ble Supreme Court stated that the DoT's modification application would be considered on the next date of hearing.

On June 11, 2020, the modification application filed by DoT came up for hearing. The Hon'ble Supreme Court directed the TSPs to file their proposals, within 5 days, as to the time frame required by the TSPs to make the payment and what kind of securities, undertakings and guarantees should be furnished to ensure that the AGR dues are paid. On June 16, 2020, Vodafone Idea Limited filed an affidavit before the Hon'ble Supreme Court inter alia supporting the DoT's proposal that 20 years' timeframe be granted to make the payments of AGR dues. On June 18, 2020, Hon'ble Supreme Court inter alia considered the affidavit filed by Vodafone Idea Limited and other TSPs and directed all the TSPs to: (i) file audited Balance Sheets for the last 10 years including for the year ending March 31, 2020; (ii) Income Tax Returns and the particulars of AGR deposited during the last 10 years; and (iii) to make payments of reasonable amount also to show *bonafide*, before the next date of hearing. Vodafone Idea Limited has already made payments of ₹68,544 million in three instalments during the quarter ended March 31, 2020 towards AGR dues. The matter was directed to be listed in the 3rd week of July 2020.

The DoT in its modification application has provided a statement of preliminary assessed AGR dues for an amount of ₹582,540 million including the principal, interest, penalty and interest on penalty up to FY 2016-17. Vodafone Idea Limited has recognized a total estimated liability of ₹459,607 million as at March 31, 2020. This is based on the DoT demands (mainly up to the periods ending March 31, 2017 and some beyond) after adjustment for certain computational errors and payments made in the past not considered in DoT demands and estimates made by Vodafone Idea Limited for the periods thereafter for which demands have not been received together with interest, penalty and interest on penalty all taken for periods up to March 31, 2020. The total estimated liability is offset by consequential adjustments on satisfaction of contractual conditions under a mechanism as per the Implementation Agreement dated March 20, 2017 entered on merger of erstwhile Vodafone and Idea Cellular Limited (“**ICL**”) in relation to the crystallization of certain contingent liabilities which existed at the time of merger in the books. Accordingly, the net impact of these effects amounting to ₹274,886 million has been recognized as exceptional items during the year. The total estimated liability of ₹459,607 million stands reduced as at March 31, 2020 to the extent of payment ₹68,544 million made as mentioned above.

- (b) As at March 31, 2020, Vodafone Idea Limited has classified ₹142,757 million (includes ₹95,972 million reclassified as at March 31, 2019) from non-current borrowings to current maturities of long-term debt for not meeting certain covenant clauses under the financial agreements for specified financial ratios as at March 31, 2020. Vodafone Idea Limited had exchanged correspondences/been in discussions with these lenders for the next steps/waivers. During the year, the credit rating of certain borrowings has been revised to BB-. As a result, certain lenders have asked for increase of interest rates, for which Vodafone Idea Limited is in discussion with such lenders. Further, guarantees amounting to ₹128,448 million are due to expire during the next twelve months.

The above factors indicate that material uncertainty exists that cast significant doubt on Vodafone Idea Limited ability to continue as a going concern and its ability to generate the cash flow that it needs to settle/refinance its liabilities and guarantees as they fall due. Vodafone Idea Limited’s ability to continue as a going concern is essentially dependent on a positive outcome of the application before the Hon’ble Supreme Court for the payment in instalments and successful negotiations with lenders. Pending the outcome of the above matters, those financial statements have been prepared on a going concern basis.

Fiscal 2019: Standalone financial statements of Vodafone Idea Limited - uncertainties related to the legal outcome in respect of the Department of Telecommunications (DoT) demand notices for one time spectrum charges:

One time spectrum charges - beyond 4.4 Mega Hertz (“MHz”):

In financial year 2012-2013, DoT had issued demand notices towards one time spectrum charges

- For spectrum beyond 6.2 MHz in respective service areas for retrospective period from July 1, 2008 to December 31, 2012, amounting to ₹10,687 million (March 31, 2018: ₹3,691 million), and
- For spectrum beyond 4.4 MHz in respective service areas effective January 1, 2013 till expiry of the period as per respective licenses amounting to ₹57,254 million (March 31, 2018: ₹17,444 million).

The group believes the above demands amount to alteration of financial terms of the licenses issued in the past. The group had therefore, petitioned the Hon’ble High Court of Bombay/TDSAT, where the matter was admitted and is currently sub-judice. The Hon’ble High Court of Bombay/TDSAT has directed the DoT, not to take any coercive action until the matter is further heard.

During the year when the matter of erstwhile Vodafone India Limited (“**VIL**”) and erstwhile Vodafone Mobile Services Limited (“**VMSL**”) merging with Vodafone Idea Limited was taken up with DoT for approval. DoT while granting the approval demanded that Vodafone Idea Limited submits a revised bank guarantee towards one-time spectrum fees beyond 4.4 MHz amounting to ₹33,224 million (March 31, 2018: Nil) as per clause 3 (i) and (m) of the Mergers and Acquisitions (“**M&A**”) guidelines dated February 20, 2014. Vodafone Idea Limited complied with the aforesaid demand and submitted the bank guarantee to DoT under protest. In September 2018, Vodafone Idea Limited approached TDSAT, seeking return of BG of ₹33,224 million. On January 21, 2019, Vodafone Idea Limited has received a favourable order from TDSAT directing DoT to release the bank guarantee of ₹21,135 million within 2 months. Vodafone Idea Limited has filed letter with DoT to release the bank guarantee. DoT reply is awaited. As at March 31, 2019, the matter is sub judice.

CARO

2021 CARO

- (i)(b) The auditors have reported that the company has a programme of physical verification of fixed assets to cover all the items in phased manner over a period of three years, which in our opinion is reasonable having regard to the size of the company and nature of its assets. Pursuant to such programme, physical verification for a portion of fixed

assets due during the year has not been completed by the management due to COVID 19. Hence, the auditors were unable to comment on the discrepancies, if any, that may arise upon such verification.

2020 CARO

(i)(b) The auditors have reported that the company has a programme of physical verification of fixed assets to cover all the items in phased manner over a period of three years, which in the auditors opinion is reasonable having regard to the size of the company and nature of its assets. Pursuant to such programme, physical verification for a portion of fixed assets due during the year were initiated and not completed by the management due to COVID-19. Hence, the auditors were unable to comment on the discrepancies, if any, that may arise upon such verification.

Share price information

The equity shares of Vodafone Idea Limited are currently listed on the BSE and NSE. The highest and the lowest market price of the equity shares of Vodafone Idea Limited during the immediate six months immediately preceding the date of this Prospectus is as follows:

Month	BSE		NSE	
	High (in ₹)	Low (in ₹)	High (in ₹)	Low (in ₹)
August 2021	8.54	4.55	8.55	4.55
July 2021	9.92	7.87	9.90	7.90
June 2021	10.98	8.47	10.95	8.45
May 2021	9.15	8.05	9.15	8.05
April 2021	10.12	8.30	10.15	8.30
March 2021	11.65	8.80	11.62	8.80

The closing price of the Vodafone Idea Limited equity shares as August 31, 2021 on the BSE and NSE were ₹6.11 and ₹6.10, respectively.

3. Aditya Birla Money Limited

Aditya Birla Money Limited was incorporated in the name of Apollo Sindhoori Capital Investments Limited as a public limited company on July 4, 1995 under the Companies Act, 1956 with the Registrar of Companies, Tamil Nadu at Madras. Aditya Birla Money Limited is currently engaged in the business of stock broking, portfolio management services, research analyst, investment advisory and depository participant.

Financial Information

Set forth below is certain financial information of Aditya Birla Money Limited derived from its audited standalone financial statements for the last three audited Fiscal Years.

(₹ in million except per share data)

Particulars	Fiscal 2021	Fiscal 2020	Fiscal 2019
Equity capital	56.30	56.30	56.30
Reserves (excluding revaluation reserves)	422.53	256.43	158.48
Sales (operating revenue excluding other income)	1,906.08	1,666.62	1,680.48
Profit/(Loss) after tax	157.84	119.86	99.91
Earnings per share (Basic) (face value of ₹1)	2.80	2.13	1.78
Earning per share (face value of ₹1)	2.80	2.13	1.77
Net worth/ Net asset value ("NAV")	478.83	312.74	214.78
Net worth per share / (NAV per share)	8.50	5.55	3.81

Note:

- Aditya Birla Commodities Broking Limited, wholly owned subsidiary of Aditya Birla Money Limited ("ABML"), was merged with ABML with effect from December 14, 2018.
- The results for financial years 2018-2019, 2019-2020 and 2020-2021 are standalone results (post-merger) prepared as per Ind AS.

There are no significant notes by the auditors in their reports in relation to the above mentioned financial statements.

Share price information

The equity shares of Aditya Birla Money Limited are currently listed on the BSE and NSE. The highest and the lowest market price of the equity shares of Aditya Birla Money Limited during the six months immediately preceding the date of this Prospectus is as follows:

Month	BSE		NSE	
	High (in ₹)	Low (in ₹)	High (in ₹)	Low (in ₹)
August 2021	75.85	54.30	75.90	56.15
July 2021	88.50	54.45	88.80	54.40
June 2021	64.00	44.80	63.95	46.00
May 2021	50.60	39.65	50.65	39.55
April 2021	46.90	38.00	44.60	39.20
March, 2021	48.40	41.00	48.45	40.60

Source: www.bseindia.com and www.nseindia.com

The closing price of the Aditya Birla Money Limited equity shares as of August 31, 2021 on the BSE and NSE were ₹60.95 and ₹60.80, respectively.

4. Aditya Birla Sun Life Insurance Company Limited

Aditya Birla Sun Life Insurance Company Limited was incorporated as a public limited company on August 4, 2000 under the Companies Act, 1956 with the Registrar of Companies, Maharashtra at Mumbai. Aditya Birla Sun Life Insurance Company Limited is authorized under its memorandum of association to engage in the business of Life Insurance.

Financial Information

Set forth below is certain financial information of Aditya Birla Sun Life Insurance Company Limited derived from its audited standalone financial statements for the last three audited Fiscal Years.

(₹ in million except per share data)

Particulars	Fiscal 2021	Fiscal 2020	Fiscal 2019
Equity capital	19,012	19,012	19,012
Reserves (excluding revaluation reserves)	4,415	3,004	1,959
Sales (operating revenue excluding other income) (Refer note 1)	1,72,325	81,561	103,939
Profit/(Loss) after tax	1,065	1,044	1,256
Earnings per share (Basic) (face value of ₹10)	0.56	0.55	0.66
Earnings per share (Diluted) (face value of ₹10)	0.56	0.55	0.66
Net asset value	23,982	21,998	20,998
Net asset value per share	12.61	11.57	11.04

Note 1 – Includes premium income, reinsurance ceded and investment income of linked and non-linked policyholder considered as operating revenue in common parlance.

The audited standalone financial statements of Aditya Birla Sun Life Insurance Company Limited for Fiscal 2019, 2020 and 2021 were prepared in accordance with Indian GAAP.

There are no significant notes by the auditors in their reports in relation to the above-mentioned financial statements.

5. Aditya Birla Finance Limited

Aditya Birla Finance Limited was incorporated as a private limited company on August 28, 1991 under Companies Act, 1956 with the Registrar of Companies, Maharashtra at Mumbai. It is currently engaged in the business of lending, investments and wealth management.

Financial Information

Set forth below is certain financial information of Aditya Birla Finance Limited derived from its audited standalone financial statements for the last three audited Fiscal Years.

(₹ in million except per share data)

Particulars	Fiscal 2021*	Fiscal 2020	Fiscal 2019
Equity capital	6,621.01	6,621.01	6,562.45
Reserves (excluding revaluation reserves)	81,757.79	74,160.50	67,602.98
Sales (operating revenue excluding other income)	55,115.20	62,017.40	56,072.66
Profit/(loss) after tax	7,688.32	8,049.46	8,687.23
Earnings per share (Basic) (face value of ₹10)	11.61	12.16	13.37
Earnings per share (Diluted) (face value of ₹10)	11.61	12.16	13.37
Net asset value or Net worth	88,378.79	80,781.50	74,165.43
Net asset value or Book value per share	133.48	122.01	113.01

*The audited standalone financial statements of Aditya Birla Finance Limited for Fiscals 2019, 2020 and 2021 were prepared in accordance with Ind AS.

There are no significant notes by the auditors in their reports in relation to the above-mentioned financial statements.

Other Group Companies

The details of the rest of our Group Companies are as follows:

1. **Aditya Birla Health Insurance Company Limited**

Aditya Birla Health Insurance Company Limited was incorporated as a public limited company on April 22, 2015 under Companies Act, 2013 with the Registrar of Companies, Maharashtra at Mumbai. Aditya Birla Health Insurance Company Limited is currently engaged in the business of health insurance and is registered as standalone health insurance company with IRDAI. The registration number of Aditya Birla Health Insurance Company Limited is 153.

2. **Aditya Birla ARC Limited**

Aditya Birla ARC Limited was incorporated as a public limited company on March 10, 2017 under the Companies Act, 2013 with the Registrar of Companies, Maharashtra at Mumbai. Aditya Birla ARC Limited is currently engaged in the business of securitisation and reconstruction of financial assets.

3. **Aditya Birla Capital Foundation**

Aditya Birla Capital Foundation was incorporated as a Section 8 company limited by guarantee on October 27, 2018 under Companies Act with the Registrar of Companies, Maharashtra at Mumbai. Aditya Birla Capital Foundation is engaged in doing social welfare activities as per applicable laws, in relation to corporate social responsibility.

4. **Aditya Birla Capital Technology Services Limited** (formerly known as Aditya Birla MyUniverse Limited)

Aditya Birla Capital Technology Services Limited was incorporated as a private limited company on September 11, 2008 under Companies Act, 1956 with the Registrar of Companies, Maharashtra, at Mumbai. Aditya Birla Capital Technology Services Limited is currently engaged in the business of information technology related services and software development.

5. **Aditya Birla Financial Shared Services Limited**

Aditya Birla Financial Shared Services Limited was incorporated as a public limited company on June 19, 2008 under Companies Act, 1956 with Registrar of Companies, Maharashtra at Mumbai. Aditya Birla Financial Shared Services Limited is currently engaged in providing support services to group companies on cost to cost basis and sharing, selling, providing, disseminating, supplying to group companies and other entities, data, information, statistics, details and client support services in financial sector products and services, undertaking market research for companies or organizations.

6. **Aditya Birla Housing Finance Limited**

Aditya Birla Housing Finance Limited (formerly known as LIL Investment Limited), was incorporated as a public limited company on July 27, 2009 under Companies Act, 1956 with the Registrar of Companies, Maharashtra at Mumbai. Aditya Birla Housing Finance Limited is currently engaged in the businesses of housing finance in India and elsewhere whether directly or indirectly.

7. **Aditya Birla Insurance Brokers Limited**

Aditya Birla Insurance Brokers Limited was incorporated as a public limited company on December 26, 2001 under Companies Act 1956 with the Registrar of Companies, Maharashtra at Mumbai. Aditya Birla Insurance Brokers Limited is currently engaged in the business of insurance broking.

8. **Aditya Birla Management Corporation Private Limited**

Aditya Birla Management Corporation Private Limited was incorporated as a private company limited by guarantee on February 16, 1999 under Companies Act 1956 with the Registrar of Companies, Maharashtra at Mumbai. Aditya Birla Management Corporation Private Limited is authorized under its memorandum of association/constitutional documents to act as a facilitator and provider of specialized functional services to all the member companies with a view to optimize the benefits of specialization and achieve economies of scale to minimize costs for each of the members.

9. **Aditya Birla Money Insurance Advisory Services Limited**

Aditya Birla Money Insurance Advisory Services Limited was incorporated as a public limited company on September 12, 2001 under Companies Act, 1956 with the Registrar of Companies, Maharashtra at Mumbai. Aditya Birla Money Insurance Advisory Services Limited is currently engaged in the business of insurance broking.

10. Aditya Birla Sun Life Trustee Private Limited

Aditya Birla Sun Life Trustee Private Limited is a private limited company, incorporated in India on September 23, 1994 under the provisions of the Companies Act, 1956. The principal object of Aditya Birla Sun Life Trustee Private Limited is to act as trustee for Aditya Birla Sun Life Mutual Fund and for that purpose to set up, promote, settle and execute trusts and devise various schemes for raising funds in any manner from persons, body corporates, trust, society, association of persons in India and abroad and to deploy funds raised and earn reasonable returns on their investments and to acquire, hold, manage, dispose of all or any property or assets or securities. Aditya Birla Sun Life Trustee Private Limited also acts as trustee of Aditya Birla Sun Life AIF Trust - I and Aditya Birla Sun Life AIF Trust - II.

11. Aditya Birla Wellness Private Limited

Aditya Birla Wellness Private Limited was incorporated as a private limited company on June 23, 2016 under the Companies Act, 2013 with the Registrar of Companies, Maharashtra at Mumbai. Aditya Birla Wellness Private Limited is currently engaged in the business of providing incentivized wellness that aims to create shared value in making people, businesses and communities better thereby focusing on their wellbeing.

12. SLGI Asset Management Inc. (formerly Sun Life Global Investments (Canada) Inc.)

SLGI Asset Management Inc. was incorporated as Sun Life Asset Management Inc. on November 8, 2007 under the Canada Business Corporations Act with Corporations Canada, at C.D. Howe Building, 235 Queen Street, Ottawa Ontario K1A 0H5. With effect from May 31, 2010, the company changed its name to Sun Life Global Investments (Canada) Inc. Further, with effect from July 20, 2020, the company changed its name to its present name, i.e. SLGI Asset Management Inc.

SLGI Asset Management Inc. is currently engaged in the business of providing asset management services across two lines of business. The first is the mutual fund business, which consists of managing mutual funds being offered in the Canadian marketplace. SLGI Asset Management Inc. also manages a general fund business consisting of provision of portfolio advisory services in Canada on behalf of Sun Life Assurance Company of Canada (wholly owned subsidiary Sun Life Financial Inc.). SLGI Asset Management Inc. is a registered portfolio manager, investment fund manager and commodity trading manager with the Ontario Securities Commission and is registered as a mutual fund dealer in the Province of Ontario.

13. GreenOak India Investment Advisors Private Limited

GreenOak India Investment Advisors Private Limited was incorporated as a private limited company on January 13, 2017 under the Companies Act with the Registrar of Companies, Maharashtra at Mumbai. GreenOak India Investment Advisors Private Limited is currently engaged in the business of providing advice relating to investing in, purchasing, selling or otherwise dealing in securities or investment products, and advice on investment portfolio containing securities or investment products, whether written, oral or through any other means of communication for the benefit of its clients, with a particular emphasis on investments in the real estate sector.

Loss making Group Companies

Details of the losses made by our Group Companies are as follows:

(₹ in million)

Name of Group Company	Details of Profit / (Loss) after tax		
	Fiscal 2021	Fiscal 2020	Fiscal 2019
Aditya Birla Health Insurance Company Limited	(1,976.61)	(2,411.60)	(2,545.00)
Aditya Birla Capital Technology Services Limited	(31.73)	(187.61)	(367.58)
Aditya Birla Wellness Private Limited	(1.12)	(25.80)	(49.26)
Vodafone Idea Limited	(462,936.50)	(731,314.80)	(140,560.43)

Interest of Group Companies in our Company

(a) Business interests

None of our Group Companies have any interest in the promotion or any business interest or other interests in our Company, except as disclosed in “Related Party Transactions” and “Risk Factors - We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders” on pages 41-42, respectively.

(b) In the properties acquired by our Company in the past three years preceding the filing of this Prospectus with SEBI or proposed to be acquired

None of our Group Companies are interested in the properties acquired by our Company in the three years preceding the filing of this Prospectus with SEBI or proposed to be acquired by our Company.

(c) ***In transactions for acquisition of land, construction of building and supply of machinery***

None of our Group Companies are interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Common Pursuits amongst the Group Companies with our Company

Except as mentioned below there are no common pursuits between any of our Group Companies and our Company:

Aditya Birla Money Limited and our Company both hold license from SEBI to provide portfolio management services.

Related business transactions with our Group Companies and significance on the financial performance of our Company

For details of related party transactions between our Company and our Group Companies, see “*Related Party Transactions*” on page 268.

Defunct Group Companies

None of our Group Companies are defunct and no application has been made to the relevant registrar of companies for striking off the name of any of our Group Companies during the five years preceding the date of filing of the Draft Red Herring Prospectus with SEBI.

Sick Group Companies

None of our Group Companies fall under the definition of sick industrial companies under the erstwhile Sick Industrial Companies (Special Provisions) Act, 1995, nor have they been declared insolvent or bankrupt under the Insolvency and Bankruptcy Code, 2016.

Litigation

Our Group Companies are not party to any pending litigations which will have a material impact on our Company. For details in relation to certain regulatory matters pending against our Group Companies, see “*Outstanding Litigation and Material Developments – Litigations involving our Group Companies - Certain regulatory matters pending against our Group Companies*” on pages 293-294.

Other confirmations

Except as provided in this section, none of our Group Companies have its equity shares listed on any stock exchange. Further, to the extent applicable, none of our Group Companies have failed to list on any stock exchange in any recognised stock exchange in India or abroad.

Except for Vodafone Idea Limited, none of our Group Companies have made any public or rights issue (as defined under the SEBI ICDR Regulations) in the preceding three years:

Information (Vodafone Idea Limited)	Details
Year of issue	May 2019
Type of issue	Rights Issue
Amount of issue (₹)	₹249,997.89 million
Issue price (₹)	₹12.50 per share
Market price (₹) (as at August 31, 2021)	₹6.11
Date of closure of issue	April 24, 2019
Date of allotment and credit of securities to dematerialized account of investors	May 4, 2019 May 6, 2019
Date of completion of the project, where object of the issue was financing the project	N.A.
Rate of dividend paid	-

None of our Group Companies are debarred from accessing the capital market for any reasons by SEBI or any other regulatory authorities.

DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and the applicable laws including the Companies Act, 2013 read with the rules notified thereunder, each as amended. The dividend distribution policy of our Company was approved and adopted by our Board on April 14, 2021.

The declaration and payment of dividend will depend on a number of factors including but not limited to stability of earnings, cash flow from operations and future organic and inorganic growth plans and reinvestment opportunities. Our Company may not distribute dividend or may distribute a reduced quantum of dividend when there is absence or inadequacy of profits.

Our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company may enter into to finance our fund requirements for our business activities. For details in relation to risks involved in this regard, see “Risk Factors - Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.” on page 42.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company may enter into to finance our fund requirements for our business activities.

Details of dividends distributed on the Equity Shares are as follows:

Particulars	As at and for the three months period ended June 30, 2021*	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
No. of Equity Shares (in million) ^{\$@}	288.00	18.00	18.00	18.00
Face value per share (in ₹)	5	10	10	10
Final / Interim dividend paid to Equity shareholders (in ₹ million)	705.60	1,400.04	3,300.00	3,000.00
Dividend per share (in ₹)	2.45	77.78	183.33	166.67
Rate of dividend (%)	49.00	777.80	1,833.00	1,667.00
Dividend Distribution Tax (%)	-	-	20.56	20.19
Dividend Distribution Tax (in ₹ million)	-	-	678.32	605.74

*Dividend pertains dividend declared for fiscal year ended March 31, 2021 and paid in the month of June, 2021.

\$ The Board of Directors pursuant to a resolution dated April 5, 2021 and the shareholders special resolution dated April 6, 2021 have approved the issuance of seven bonus shares of face value ₹5 each for every one existing fully paid up equity share of face value ₹5 each and accordingly 25,20,00,000 bonus shares were issued and allotted.

@ Pursuant to a resolution passed by our Board on April 5, 2021 and a resolution passed by our Shareholders in the EGM held on April 6, 2021, each equity share of face value of ₹10 each has been split into two equity shares of face value of ₹5 each.

SECTION V: FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL INFORMATION

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Independent Auditors' Report on the Restated Ind AS Consolidated Summary Statement of Assets and Liabilities as at June 30, 2021 and 2020, March 31, 2021, 2020 and 2019 and Restated Ind AS Consolidated Summary Statements of Profits and Losses, Restated Ind AS Consolidated Summary Statements of Cash Flows and Restated Ind AS Consolidated Summary Statements of Changes in Equity, the Summary Statement of Significant Accounting Policies, and other explanatory information for each of the three months periods ended June 30, 2021 and 2020 and for each of the years ended March 31, 2021, 2020 and 2019 of Aditya Birla Sun Life AMC Limited (collectively, the "Restated Ind AS Consolidated Summary Statements")

The Board of Directors
Aditya Birla Sun Life AMC Limited
One World Center, Tower-117th Floor, Jupiter Mills Compound
841, S.B. Marg, Elphinstone Road
Mumbai – 400 013

Dear Sirs/Madams,

1. We, S.R. Batliboi & Co. LLP ("we", "us" or "SRBC") have examined the attached Restated Ind AS Consolidated Summary Statements of Aditya Birla Sun Life AMC Limited (the "Company") and its subsidiaries (listed in annexure I) (the Company and its subsidiaries together referred to as the "Group"), comprising the Restated Consolidated Statement of Assets and Liabilities as at June 30, 2021 and 2020, March 31, 2021, 2020 and 2019, the Restated Consolidated Statements of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the three month periods ended June 30, 2021 and 2020 and for the years ended March 31, 2021, 2020 and 2019, the Summary Statement of Significant Accounting Policies, and other explanatory information, as approved by the Board of Directors of the Company at their meeting held on August 17, 2021 for the purpose of inclusion in the addendum to draft red herring prospectus ("Addendum"), Red Herring Prospectus ("RHP") and Prospectus (collectively, the "Offer Documents") prepared by the Company in connection with its proposed Initial Public Offer of equity shares of face value Rs. 5 each ("IPO") through an offer for sale and prepared in terms of the requirements of:
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

Management's Responsibility for the Restated Ind AS Consolidated Summary Statements

2. The Company's Board of Directors is responsible for the preparation of the Restated Ind AS Consolidated Summary Statements for the purpose of inclusion in the Offer Documents to be filed with the Registrar of Companies, Maharashtra at Mumbai, where applicable, Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited in connection with the proposed IPO of the Company. The Restated Ind AS Consolidated Summary Statements have been prepared by the management of the Company on the basis of preparation stated in note 2(i) to the Restated Ind AS Consolidated Summary Statements. The respective Board of Directors of the companies included in the Group are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Ind AS Consolidated Summary Statements. The Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.

Auditors' Responsibilities

3. We have examined such Restated Ind AS Consolidated Summary Statements taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated July 30, 2021 in connection with the proposed IPO of equity shares of the Company;
 - b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI (the "Guidance Note");
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Ind AS Consolidated Summary Statements; and
 - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed IPO.
4. These Restated Ind AS Consolidated Summary Statements have been compiled by the management from:
 - a) Audited consolidated Ind AS financial statements of the Group as at and for the three month period ended June 30, 2021 and 2020 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on July 26, 2021 and July 26, 2021 respectively;
 - b) Audited Consolidated Ind AS financial statements of the Group as at and for the years ended March 31, 2021 and 2020 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS"), as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, as applicable at the relevant time, which have been approved by the Board of Directors at their meeting held on May 8, 2021 and May 18, 2020 respectively;
 - c) Audited Consolidated Ind AS financial statements of the Group as at and for the year ended March 31, 2019 prepared in accordance with Ind AS, as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, as applicable at the relevant time, which have been approved by the Board of Directors at their meeting held on April 26, 2019; and
 - d) The financial information in relation to the Company's subsidiaries as listed below, have been audited by other auditors and included in the consolidated financial statements for each of the period/ years listed below:

SI No	Name of the entity	Relationship	Period Covered
1	Aditya Birla Sun Life AMC (Mauritius) Limited, Mauritius	Subsidiary	As at and for the three-month period ended June 30, 2021 and 2020 and for the year ended March 31, 2021, 2020 and 2019
2	Aditya Birla Sun Life Asset Management Company Pte. Ltd., Singapore	Subsidiary	As at and for the three-month period ended June 30, 2021 and 2020 and for the year ended March 31, 2021, 2020 and 2019

SI No	Name of the entity	Relationship	Period Covered
3	Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai	Subsidiary	As at and for the three-month period ended June 30, 2021 and 2020 and for the year ended March 31, 2021, 2020 and 2019

5. For the purpose of our examination, we have relied on:

- a) Auditors' reports issued by us dated July 26, 2021, July 26, 2021 and May 08, 2021 and May 18, 2020 on the consolidated financial statements of the Group as at and for the three month periods ended June 30, 2021 and 2020 and as at and for the years ended March 31, 2021 and 2020 as referred in paragraph 4a and paragraph 4b above;
- b) As indicated in our reports referred above, we did not audit the financial statements of the subsidiaries for each of the three-month periods ended June 30, 2021 and 2020 and for each of the years ended March 31, 2021 and 2020, as referred to in paragraph 4(d) above, whose financial statements reflect total assets, total Income and net cash inflows/(outflows) included in the Restated Ind AS Consolidated Summary Statements as tabulated below:

Particulars	As at and for the three-month period ended June 30, 2021 (Rs. in million)	As at and for the three-month period ended June 30, 2020 (Rs. in million)	As at and for the year ended March 31, 2021 (Rs. in million)	As at and for the year ended March 31, 2020 (Rs. in million)
Total Assets	622.58	496.66	589.94	476.80
Total Income	110.85	65.34	388.97	297.54
Net cash inflows/(outflows)	(12.49)	(9.49)	91.78	18.78

Those financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the Audited Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries, is based solely on the report(s) of such other auditors. All of these subsidiaries are located outside India whose financial results 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 results of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the management. Our conclusion 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 reviewed by us. Our opinion on the consolidated Ind AS financial statements is not modified in respect of this matter;

- c) Auditors' Report issued by the Previous Auditors dated April 26, 2019 on the consolidated financial statements of the Group as at and for the year ended March 31, 2019, as referred in Paragraph 4c above;
- d) The audit for the financial year ended March 31, 2019 was conducted by the Company's previous auditors, Deloitte, Haskins & Sells LLP (the "Previous Auditors"), and accordingly reliance has been placed on the examination report dated August 17, 2021 on restated consolidated statement of assets and liabilities and the restated consolidated statements of profit and loss (including other comprehensive income), restated consolidated statements of changes in equity and restated consolidated cash flow statements, the Summary Statement of Significant Accounting Policies, and other explanatory information and (the "2019 Restated Ind AS Consolidated Summary Statements") examined by them for the said years. Our examination report included for the said years is based solely

on the report submitted by the Previous Auditors. The Previous auditors have also confirmed that the 2019 Restated Ind AS Consolidated Summary Statements:

- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended March 31, 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the three-month period ended June 30, 2021;
 - b) Do not require any adjustment or modification as there is no modification in the underlying audit report; and
 - c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
- e) Based on examination report dated August 17, 2021 provided by the Previous Auditors, the audit reports on the consolidated financial statements issued by the Previous Auditors included following other matters:
- a) We did not audit the financial statements of the subsidiaries whose share of total assets, total revenues, net cash inflows / (outflows) included in the Consolidated Financial Statements, for the relevant years is tabulated below, which have been audited by other auditors, and whose reports have been furnished to us by the Company's 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 components, is based solely on the reports of the other auditors:

Particulars	As at / for the year ended March 31, 2019 (Rs. in million)
Total Assets	416.99
Total revenues	329.33
Net cash inflows/(outflows)	2.92

Our opinion on the consolidated Ind AS financial statements is not modified in respect of this matter.

6. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination report submitted by the Previous Auditors for the respective years, we report that the Restated Ind AS Consolidated Summary Statements:
 - a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the respective financial years to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the three- month period ended June 30, 2021;
 - b) Restated Ind AS Consolidated Summary Statements do not contain any qualification requiring adjustments; and
 - c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
7. We have not audited or reviewed any financial statements of the Group as of any date or for any period subsequent to June 30, 2021. Accordingly, we express no opinion on the financial position, profit and loss or cash flow of the Company as of any date or for any period subsequent to June 30, 2021.
8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or the Previous Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with the Registrar of Companies, Maharashtra at Mumbai, where applicable, Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited in connection with the proposed IPO of the Company. Our report should not be used, referred to, or distributed for any other purpose.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Rutushtra Patell

Partner

Membership Number: 123596

UDIN: 21123596AAAAKQ2350

Place: Mumbai

Date: August 17, 2021



Annexure - I: Restated Consolidated Ind AS Summary Statement of Assets and Liabilities

		Annexure VI	(₹ in million)				
		Note	June 30, 2021	June 30, 2020	As at March 31, 2021	March 31, 2020	March 31, 2019
I ASSETS							
(1) Financial Assets							
(a) Cash and cash equivalents	3	520.13	437.91	565.31	466.05	382.24	
(b) Bank balances other than (a) above	4	3.11	2.94	3.07	2.89	2.73	
(c) Receivables							
(i) Trade receivables	5	256.89	242.47	309.54	404.64	256.77	
(d) Loans	6	0.27	0.85	0.32	1.25	0.69	
(e) Investments	7	18,520.68	14,097.15	17,262.54	12,633.58	11,380.66	
(f) Other financial assets	8	127.31	140.21	191.87	129.28	284.55	
Total Financial Assets		19,428.39	14,921.53	18,332.65	13,637.69	12,307.64	
(2) Non-Financial Assets							
(a) Current tax assets (net)		64.11	246.32	168.93	274.28	159.65	
(b) Property, plant and equipments	9	105.26	180.49	122.45	190.64	205.24	
(c) Right of use assets	38	491.11	659.91	515.59	547.03	645.79	
(d) Capital work-in-progress	9.1	1.79	0.40	0.78	1.55	11.83	
(e) Intangible assets under development	10.1	7.74	10.82	10.09	8.28	11.11	
(f) Other intangible assets	10	124.35	127.91	132.79	124.21	95.23	
(g) Other non-financial assets	11	636.03	907.58	562.23	935.91	1,548.11	
Total Non-Financial Assets		1,430.39	2,133.43	1,512.86	2,081.90	2,676.96	
Total Assets		20,858.78	17,054.96	19,845.51	15,719.59	14,984.60	
II LIABILITIES AND EQUITY							
LIABILITIES							
(1) Financial Liabilities							
(a) Payables							
(i)Trade payables							
(i) total outstanding dues of micro enterprises and small enterprises	12	0.12	-	0.06	-	-	
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		421.16	517.40	373.81	474.04	755.22	
(b) Lease liabilities	38	569.72	739.02	593.14	620.84	718.69	
(c) Other financial liabilities	13	451.80	544.06	466.11	469.38	535.96	
Total Financial Liabilities		1,442.80	1,800.48	1,433.12	1,564.26	2,009.87	
(2) Non Financial Liabilities							
(a) Current tax liabilities (net)		155.28	0.04	94.20	0.18	0.37	
(b) Provisions	14	955.39	783.93	945.48	705.47	503.46	
(c) Deferred tax liabilities (net)	15	99.41	184.20	137.34	146.15	70.06	
(d) Other non-financial liabilities	16	184.33	129.73	189.24	134.80	195.19	
Total Non-Financial Liabilities		1,394.41	1,097.90	1,366.26	986.60	769.08	
(3) Equity							
(a) Equity Share Capital	17	1,440.00	180.00	180.00	180.00	180.00	
(b) Other Equity	18	16,581.57	13,976.58	16,866.13	12,988.73	12,025.65	
Total Equity		18,021.57	14,156.58	17,046.13	13,168.73	12,205.65	
Total Liabilities and Equity		20,858.78	17,054.96	19,845.51	15,719.59	14,984.60	
Contingent Liabilities & Commitments							
		27					

The above Annexure should be read in conjunction with the Basis of preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement on Adjustments to Audited Consolidated Financial Statements appearing in Annexure VII.

As per our report of even date attached
For S.R. Batliboi & Co. LLP
 Chartered Accountants
 (Firm Reg. No. 301003E/E300005)

For and on behalf of the Board of Directors of
Aditya Birla Sun Life AMC Limited

Rutushtra Patell
 Partner
 (Membership No. 123596)

Ajay Srinivasan **Sandeep Asthana** **A. Balasubramanian**
 Director Director Managing Director and CEO
 DIN: 00121181 DIN: 00401858 DIN: 02928193

Parag Joglekar **Hemanti Wadhwa**
 Chief Financial Officer Company Secretary
 FCS No. 6477

Place: Mumbai
 Date: August 17, 2021

Place: Mumbai
 Date: August 17, 2021



Annexure - II: Restated Consolidated Ind AS Summary Statement of Profit and Loss

Particulars	Annexure VI Note	for the period ended		for the year ended		(₹ in million)
		June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Income						
Revenue from operations						
Fees and commission income	19	3,031.69	2,187.24	10,679.07	11,596.70	13,267.74
Net gain on fair value changes	20	300.73	378.94	1,231.21	741.65	792.93
Total revenue from operations		3,332.42	2,566.18	11,910.28	12,338.35	14,060.67
Other income	21	30.03	41.29	148.13	9.33	11.83
Total Income (A)		3,362.45	2,607.47	12,058.41	12,347.68	14,072.50
Expenses						
Fees and commission expense		61.65	160.90	470.57	750.53	1,435.01
Finance cost	22	13.49	15.01	55.57	54.41	57.33
Employee benefit expense	23	689.77	601.20	2,406.99	2,420.20	2,775.01
Depreciation and amortisation expense	24	89.66	95.16	374.42	365.22	324.03
Other expense	25	448.99	434.03	1,791.98	2,150.03	3,023.45
Total Expenses (B)		1,303.56	1,306.30	5,099.53	5,740.39	7,614.83
Profit before tax (C = A-B)		2,058.89	1,301.17	6,958.88	6,607.29	6,457.67
Income tax expense						
Current tax		547.38	289.62	1,705.55	1,603.33	2,244.44
Deferred tax		(37.93)	38.04	(8.82)	66.67	(261.27)
Adjustments in respect of current income tax of previous years		-	-	(0.65)	(6.73)	6.51
Income tax expense (D)	26	509.45	327.66	1,696.08	1,663.27	1,989.68
Profit for the period / year (E = C - D)		1,549.44	973.51	5,262.80	4,944.02	4,467.99
Other comprehensive income						
A Items that will be reclassified to profit or loss						
i) Exchange difference on translation of foreign operations		11.76	4.98	1.96	20.95	14.66
B Items that will not be reclassified to profit or loss						
i) Re-measurement gains/(losses) on defined benefit plans		4.41	12.51	16.94	(30.21)	(5.50)
ii) Income tax relating to the items that will not be reclassified to the Profit and Loss		(1.11)	(3.15)	(4.26)	7.60	1.92
Other comprehensive income for the period / year (F)		15.06	14.34	14.64	(1.66)	11.08
Total comprehensive income for the period / year (G = E+F)		1,564.50	987.85	5,277.44	4,942.36	4,479.07
Profit for the period / year						
Attributable to :						
Owners of the Company		1,549.44	973.51	5,262.80	4,944.02	4,467.99
Non-controlling interests		-	-	-	-	-
		1,549.44	973.51	5,262.80	4,944.02	4,467.99
Other comprehensive income for the period / year						
Attributable to :						
Owners of the Company		15.06	14.34	14.64	(1.66)	11.08
Non-controlling interests		-	-	-	-	-
		15.06	14.34	14.64	(1.66)	11.08
Total comprehensive income for the period / year						
Attributable to :						
Owners of the Company		1,564.50	987.85	5,277.44	4,942.36	4,479.07
Non-controlling interests		-	-	-	-	-
		1,564.50	987.85	5,277.44	4,942.36	4,479.07
Earnings per share of Rs. 5 each (Not Annualised)	31					
- basic profit for the period / year attributable to ordinary equity shareholders of the Company		5.38	3.38	18.27	17.17	15.51
- diluted profit for the period / year attributable to ordinary equity shareholders of the Company		5.36	3.38	18.27	17.17	15.51

The above Annexure should be read in conjunction with the Basis of preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement on Adjustments to Audited Consolidated Financial Statements appearing in Annexure VII.

As per our report of even date attached

For S.R. Batliboi & Co. LLP
Chartered Accountants
(Firm Reg. No. 301003E/E300005)

For and on behalf of the Board of Directors of
Aditya Birla Sun Life AMC Limited

Rutushtra Patell
Partner
(Membership No. 123596)

Ajay Srinivasan **Sandeep Asthana** **A. Balasubramanian**
Director Director Managing Director and CEC
DIN: 00121181 DIN: 00401858 DIN: 02928193

Parag Joglekar **Hemanti Wadhwa**
Chief Financial Officer Company Secretary
FCS No. 6477

Place: Mumbai
Date: August 17, 2021

Place: Mumbai
Date: August 17, 2021



Annexure - III: Restated Consolidated Ind AS Summary Statement of Cash Flows

Particulars	for the period ended		for the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
	(₹ in million)				
Cash Flow from Operating activities					
Profit Before Tax	2,058.89	1,301.17	6,958.88	6,607.29	6,457.67
Adjustments for:					
Depreciation and Amortisation	89.66	95.16	374.42	365.22	324.03
Finance cost	13.49	15.01	55.57	54.41	57.33
Profit on Sale of Investments	(24.23)	(12.86)	(399.23)	(163.57)	(279.38)
Exchange differences on translating the financial statements of a foreign operation	11.42	4.95	1.96	20.85	14.58
Loss or (Profit) on Sale of Property, Plant and Equipment	1.05	-	0.70	0.42	0.49
Fair valuation of investments	(276.50)	(366.08)	(831.98)	(578.08)	(513.55)
Actuarial Expense on Share based payments	-	-	-	-	(43.10)
Share-based payments by the Company	116.54	-	-	-	-
Interest on Tax Refund	-	-	-	-	(0.47)
Interest on Fixed Deposits and Investments	(28.81)	(19.20)	(106.24)	(7.23)	(10.52)
Rent concession	(1.21)	(19.48)	(35.39)	-	-
Operating Profit before working capital changes	1,960.30	998.67	6,018.69	6,299.31	6,007.08
Change in Receivables	52.65	162.17	95.10	(147.87)	190.16
Change in Loans	0.05	0.40	0.93	(0.56)	(0.69)
Change in Other Financial Assets	64.52	(10.98)	(62.78)	149.54	(104.63)
Change in Other Non-Financial Assets	(72.51)	28.73	372.48	609.84	444.86
Change in Payables	47.47	43.36	(100.17)	(281.18)	(692.05)
Change in Financial Liabilities	(14.31)	74.68	(3.26)	(66.58)	(63.70)
Change in Non-Financial Liabilities	9.41	85.75	311.20	111.24	(345.15)
Cash generated from Operations	2,047.58	1,382.78	6,632.19	6,673.74	5,435.88
Income Tax paid (net)	(381.87)	(264.81)	(1,509.68)	(1,703.64)	(2,282.48)
Net cash generated from Operating activities	1,665.71	1,117.97	5,122.51	4,970.10	3,153.40
Cash Flow from Investing activities					
Purchase of Property, Plant and Equipment and Intangible Assets	(14.90)	(37.59)	(115.41)	(164.07)	(204.23)
Sale proceeds from Property, Plant and Equipment and Intangible Assets	0.80	-	8.67	2.19	3.75
Interest on Fixed Deposits and Investments	27.83	2.60	85.77	11.55	5.18
Purchase of Investments	(6,046.88)	(3,790.28)	(20,396.97)	(10,535.62)	(18,853.57)
Sale of Investments	5,089.98	2,722.24	17,019.71	10,025.14	19,673.05
Net cash generated/(used) in investing activities	(943.17)	(1,103.03)	(3,398.23)	(660.81)	624.18
Cash Flow from Financing activities					
Final / Interim Dividend Paid during the period / year (including tax thereon)	(705.60)	-	(1,400.04)	(3,978.32)	(3,605.74)
Lease Liability - Interest portion (refer note 38)	(13.49)	(15.01)	(55.57)	(54.41)	(57.33)
Lease Liability - Principal portion (refer note 38)	(48.63)	(28.07)	(169.41)	(192.75)	(172.58)
Net cash used in financing activities	(767.72)	(43.08)	(1,625.02)	(4,225.48)	(3,835.65)
Net Increase/(Decrease) in Cash and Cash Equivalents	(45.18)	(28.14)	99.26	83.81	(58.07)
Cash and Cash Equivalents at beginning of the period / year	565.31	466.05	466.05	382.24	440.31
Cash and Cash Equivalents at end of the period / year	520.13	437.91	565.31	466.05	382.24

- 1) Statement of cash flows have been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standard) Rules, 2015.
- 2) Purchase of Property, Plant and Equipment represents addition to property, plant and equipment, and other intangible assets adjusted for movement of capital work in progress for property, plant and equipment, and other intangible assets under development during the period / year.
- 3) Cash and cash equivalents include in the Statement of cash flows comprise the following :
- | | | | | | |
|---|--------|--------|--------|--------|--------|
| Cash and cash equivalents disclosed under Financial Assets: | 520.13 | 437.91 | 565.31 | 466.05 | 382.24 |
|---|--------|--------|--------|--------|--------|

The above Annexure should be read in conjunction with the Basis of preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement on Adjustments to Audited Consolidated Financial Statements appearing in Annexure VII.

As per our report of even date attached
For S.R. Batliboi & Co. LLP
Chartered Accountants
(Firm Reg. No. 301003E/E300005)

For and on behalf of the Board of Directors of
Aditya Birla Sun Life AMC Limited

Rutushra Patell
Partner
(Membership No. 123596)

Ajay Srinivasan	Sandeep Asthana	A. Balasubramanian
Director	Director	Managing Director and CEO
DIN: 00121181	DIN: 00401858	DIN: 02928193

Parag Joglekar	Hemanti Wadhwa
Chief Financial Officer	Company Secretary
	FCS No. 6477

Place: Mumbai
Date: August 17, 2021

Place: Mumbai
Date: August 17, 2021



Annexure IV : Restated Consolidated Ind AS Summary Statement of Changes in Equity

(A) EQUITY SHARE CAPITAL

(₹ in million)

Equity shares issued, subscribed and fully paid	No of shares	Amount
As April 1, 2018 (Face Value Rs.10)	18,000,000	180.00
Issue of Shares		
As March 31, 2019 (Face Value Rs.10)	18,000,000	180.00
As April 1, 2019 (Face Value Rs.10)	18,000,000	180.00
Issue of Shares		
As March 31, 2020 (Face Value Rs.10)	18,000,000	180.00
As April 1, 2020 (Face Value Rs.10)	18,000,000	180.00
Issue of Shares		
As June 30, 2020 (Face Value Rs.10)	18,000,000	180.00
As April 1, 2020 (Face Value Rs.10)	18,000,000	180.00
Issue of Shares		
As March 31, 2021 (Face Value Rs.10)	18,000,000	180.00
As April 1, 2021 (Face Value Rs.10)	18,000,000	180.00
Split of shares into Face Value of Rs.5 each (Refer note 17)	18,000,000	-
Issue of bonus equity shares of Rs. 5 each (Refer note 17)	252,000,000	1,260.00
As June 30, 2021 (Face Value Rs.5)	288,000,000	1,440.00

(B) OTHER EQUITY

OTHER EQUITY	Attributable to equity holders of the Company					(₹ in million)
Particulars	Reserve and Surplus				Foreign Currency Translation Reserve	Total Equity
	Retained Earnings	General Reserve	Share premium	Share Option Outstanding Account		
Balance as at April 1, 2018	11,054.76	68.67	26.42	-	45.57	11,195.42
Profit for the year	4,467.99	-	-	-	-	4,467.99
Other Comprehensive Income for the year	(3.58)	-	-	-	14.66	11.08
Total Comprehensive Income for the year	15,519.17	68.67	26.42	-	60.23	15,674.49
Interim Dividend paid to Equity shareholders	(3,000.00)	-	-	-	-	(3,000.00)
Dividend Distribution Tax	(605.74)	-	-	-	-	(605.74)
Share based payments	(43.10)	-	-	-	-	(43.10)
Balance as at March 31, 2019	11,870.33	68.67	26.42	-	60.23	12,025.65
Ind AS 116 transition adjustment (refer Annexure VII)	(0.96)	-	-	-	-	(0.96)
Balance as at April 1, 2019	11,869.37	68.67	26.42	-	60.23	12,024.69
Profit for the year	4,944.02	-	-	-	-	4,944.02
Other Comprehensive Income for the year	(22.61)	-	-	-	20.95	(1.66)
Total Comprehensive Income for the year	16,790.78	68.67	26.42	-	81.18	16,967.05
Interim Dividend paid to Equity shareholders	(3,300.00)	-	-	-	-	(3,300.00)
Dividend Distribution Tax	(678.32)	-	-	-	-	(678.32)
Balance as at March 31, 2020	12,812.46	68.67	26.42	-	81.18	12,988.73
Profit for the period	973.51	-	-	-	-	973.51
Other Comprehensive Income for the period	9.36	-	-	-	4.98	14.34
Total Comprehensive Income for the period	13,795.33	68.67	26.42	-	86.16	13,976.58
Balance as at June 30, 2020	13,795.33	68.67	26.42	-	86.16	13,976.58

Particulars	Attributable to equity holders of the Company					Total Equity
	Reserve and Surplus				Foreign Currency Translation Reserve	
	Retained Earnings	General Reserve	Share premium	Share Option Outstanding Account		
Balance as at March 31, 2020	12,812.46	68.67	26.42	-	81.18	12,988.73
Profit for the year	5,262.80	-	-	-	-	5,262.80
Other Comprehensive Income for the year	12.68	-	-	-	1.96	14.64
Total Comprehensive Income for the year	18,087.94	68.67	26.42	-	83.14	18,266.17
Interim Dividend paid to Equity shareholders	(1,400.04)	-	-	-	-	(1,400.04)
Balance as at March 31, 2021	16,687.90	68.67	26.42	-	83.14	16,866.13
Profit for the period	1,549.44	-	-	-	-	1,549.44
Other Comprehensive Income for the period	3.30	-	-	-	11.76	15.06
Total Comprehensive Income for the period	18,240.64	68.67	26.42	-	94.90	18,430.63
Utilised in issue of bonus equity shares (Refer note 17)	(1,233.58)	-	(26.42)	-	-	(1,260.00)
Share-based payments by the Company (refer note 23)	-	-	-	116.54	-	116.54
Final Dividend paid to Equity shareholders	(705.60)	-	-	-	-	(705.60)
Balance as at June 30, 2021	16,301.46	68.67	-	116.54	94.90	16,581.57

The above Annexure should be read in conjunction with the Basis of preparation and Significant Accounting Policies appearing in Annexure V, Statement on Adjustments to Audited Consolidated Financial Statements appearing in Annexure VII.

As per our attached report of even date
For S.R. Battiboi & Co. LLP
Chartered Accountants
(Firm Reg. No. 301003E/E300005)

For and on behalf of the Board of Directors of
Aditya Birla Sun Life AMC Limited

Rutushtra Patell
Partner
(Membership No. 123596)

Ajay Srinivasan
Director
DIN: 00121181

Sandeep Asthana
Director
DIN: 00401858

A. Balasubramanian
Managing Director and
CEO
DIN: 02928193

Parag Joglekar
Chief Financial Officer

Hemanti Wadhwa
Company Secretary
FCS No. 6477

Place: Mumbai
Date: August 17, 2021

Place: Mumbai
Date: August 17, 2021

Annexure V: Significant Accounting Policies of the Restated Consolidated Ind AS Summary Financial Information**Note: 1****CORPORATE INFORMATION**

The Restated Consolidated Ind AS Summary Financial Information comprise financial statements of Aditya Birla Sun Life AMC Limited (the "Company") and its wholly owned subsidiaries (herein after referred to as "Group Companies" and together as "Group"). The Company is a public company domiciled in India and its registered office is situated at One World Centre, Tower 1, 17th Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400013. The Company was incorporated under the provisions of the Companies Act on September 5, 1994. The Company is a joint venture between the Aditya Birla Group and Sun Life Group. The share capital of the Company is owned by Aditya Birla Capital Limited (Subsidiary of Grasim Industries Limited) - and Sun Life (India) AMC Investments Inc., (wholly owned subsidiary of Sun Life Financial, Inc.).

The Company is registered with Securities and Exchange Board of India (SEBI) under the SEBI (Mutual Funds) Regulations, 1996 and the principal activity is to act as an investment manager to Aditya Birla Sun Life Mutual Fund. The Company manages the investment portfolios of Aditya Birla Sun Life Mutual Fund and Aditya Birla Real Estate Fund. The Company is also registered under the SEBI (Portfolio Managers) Regulations, 1993 and provides Portfolio Management Services ("PMS") and investment advisory services to offshore funds and high net worth investors. Aditya Birla Sun Life AMC Limited has set-up two Alternate Investment Fund ("AIF") one under Category III & other under Category II with Securities Exchange Board of India (SEBI) under the SEBI AIF Regulations, 2012. Aditya Birla Sun Life AMC Limited has been appointed as an Investment Manager of the said AIF by the Trustee to the Fund.

The Restated Consolidated Ind AS Summary Financial Information were approved in accordance with a resolution of the Board of Directors on August 17, 2021.

Note: 2**SIGNIFICANT ACCOUNTING POLICIES****i. Basis of Preparation of Restated Consolidated Ind AS Summary Financial Information**

The Restated Consolidated Ind AS Summary Financial Information relates to the Group and has been specifically prepared in connection with the proposed Initial Public Offering of equity shares. The Restated Consolidated Ind AS Summary Financial Information comprise of the Restated Consolidated Summary Statement of Assets and Liabilities as at June 30, 2021, June 30, 2020, March 31, 2021, March 31, 2020 and March 31, 2019, the Restated Consolidated Summary Statement of Profit & Loss (including Other Comprehensive Income), the Restated Consolidated Summary Statement of Cash Flows and the Restated Consolidated Summary Statement of Changes in Equity for period ended June 30, 2021 and June 30, 2020, and year ended March 31, 2021, March 31, 2020 and March 31, 2019 and significant accounting policies and other explanatory information to the Restated Consolidated Ind AS Summary Financial Information.

These Restated Consolidated Ind AS Summary Financial Information have been prepared by the management of the Company for the purpose of preparation of the Restated Consolidated Statement of Assets and Liabilities as at June 30, 2021, June 30, 2020, March 31, 2021, March 31, 2020, March 31, 2019, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Cash Flows and the Restated Consolidated Statement of Changes in Equity for the period ended June 30, 2021 and June 30, 2020, and year ended March 31, 2021, March 31, 2020 and March 31, 2019 and the Summary of Significant Accounting Policies and other explanatory notes to Restated Consolidated Ind AS Summary Financial Information (collectively, the 'Restated Consolidated Financial Information'), prepared by the management of the Company for the purpose of inclusion in the addendum to draft red herring prospectus ("Addendum"), Red Herring Prospectus ("RHP") and Prospectus (collectively, the "Offer Documents") prepared by the Company in connection with its proposed Initial Public Offer ("IPO") in terms of the requirements of :

- a) Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act")
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2018 (as amended) ("ICDR Regulations")
- c) Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI ("Guidance Note")

The Restated Consolidated Ind AS Consolidated Summary Financial Information has been compiled from:

- a) audited interim consolidated financial statements of the Group as at and for the periods ended June 30, 2021 and June 30, 2020, which were prepared in accordance with Indian Accounting Standard 34 "Interim Financial Reporting", as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as "Ind AS"), which have been approved by the Board of Directors at their meeting held on July 26, 2021 and July 26, 2021 respectively; and
- b) audited consolidated financial statements of the Group as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 which were prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as "Ind AS"), which have been approved by the Board of Directors at their meetings held on May 8, 2021, May 18, 2020 and April 26, 2019 respectively.

The Restated Consolidated Financial Information have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial instruments, measured at fair value
- Gratuity plan assets, measured at fair value

The Restated Consolidated Financial Information are presented in Indian rupees and all values are rounded to the nearest million, except when otherwise indicated.

Note to the financial statements

Post outbreak of COVID-19, virus continues to spread across the globe including India, resulting in significant volatility in financial markets and a significant decrease in global and India's economic activities. On 11th March 2020, this outbreak was declared a global pandemic by the World Health Organisation and consequent lockdowns were imposed across which had impact economic activity and markets.

In preparing the accompanying financial statements, the Group's management has assessed the impact of the pandemic on its operations and its assets including the value of its investments, asset management rights and trade receivables as at June 30, 2021. Further, there has been no material change in the controls or processes followed in the preparation of the financial statements.

The management does not, at this juncture, believe that the impact of COVID-19 pandemic on the value of the Group's assets is likely to be material. The extent to which the COVID-19 pandemic will impact the Group's results will depend on ongoing as well as future developments, which at this juncture are uncertain. Since the revenue of the Group is ultimately dependent on the value of the assets it manages, changes in market conditions and the trend of flows into mutual funds may have an impact on the future operations of the Group. As the situation is evolving, its effect on the operations of the Group may be different from that estimated as at the date of approval of these financial statements.

ii. Presentation of Financial Statements

The Group presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default

Annexure V: Significant Accounting Policies of the Restated Consolidated Ind AS Summary Financial Information

- The event of insolvency or bankruptcy of the Group and/or its counterparties

An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 39.

iii. Use of estimates

The preparation of the Restated Consolidated Financial Information in conformity with the Indian Accounting Standards (Ind AS) requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities as of the date of financial statements and the reported amount of revenue and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results may differ from those estimates and assumptions used in preparing the accompanying financial statements. Any revision to the accounting estimates will be recognised prospectively in the current and future periods.

Significant estimates and judgements used for: -

- Estimates of useful lives and residual value of property, plant and equipment, and other intangible assets (Refer Note 9 and 10)
- Measurement of defined benefit obligations, actuarial assumptions (Refer Note 29)
- Recognition of deferred tax assets/liabilities (Refer Note 15)
- Recognition and measurement of provisions and contingencies (Refer Note 14 and Note 27)
- Financial instruments – Fair values, risk management and impairment of financial assets (Refer Note 7, Note 36 and Note 37)
- Determination of lease term (Refer Note 38)
- Discount rate for lease liability (Refer Note 38)
- Estimates of Share based Payments (Refer Note 23, Note 29 and Note 41)

iv. Functional and Presentation currency

The Restated Consolidated Financial Information of the Group are presented in Indian rupees, the national currency of India, which is the functional currency of the Company. For each entity, the Group determines the functional currency and items included in the Restated Consolidated Financial Information of each entity are measured using the functional currency.

v. Principles of Consolidation

The Restated Consolidated Financial Information comprise the Financial Information of the Company and its subsidiaries. For Consolidation purpose, an entity which is controlled by our Company is treated as a subsidiary. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

The Group also considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period / year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The Restated Consolidated Financial Information have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies of the subsidiaries have been harmonised to ensure the consistencies with the policies that have been adopted by the Company. The Financial Information of the Company and its subsidiaries combined have been consolidated on a line-by-line basis by adding together the values of like items of assets, liabilities, income and expenses, after eliminating intra-Group balances and transactions and offsetting the carrying amount of the Company's investment in each subsidiary and the Company's portion of equity in each subsidiary as per Ind AS 110 "Consolidated Financial Statements"

The Financial Information of the wholly owned Subsidiaries used in the consolidation are drawn up to the same reporting date as of the Company i.e., periods ended June 30 and years ended March 31. When the end of the reporting period of the Company is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the Company to consolidate the financial information of the subsidiary.

List of Subsidiary companies included in consolidation are as below:

Name of Subsidiaries	Country of Incorporation	Proportion of ownership Interest as at June 30, 2021	Proportion of ownership Interest as at June 30, 2020	Proportion of ownership Interest as at March 31, 2021	Proportion of ownership Interest as at March 31, 2020	Proportion of ownership Interest as at March 31, 2019	Principal Activities
Aditya Birla Sun Life AMC (Mauritius) Limited	Mauritius	100%	100%	100%	100%	100%	To act as Investment Manager to India Advantage Fund Limited.
Aditya Birla Sun Life Asset Management Company Pte. Limited, Singapore	Singapore	100%	100%	100%	100%	100%	To act as a Fund Manager and Investment advisory.
Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai	Dubai	100%	100%	100%	100%	100%	Arranging deals in investment and advisory on financial products.

The Company acts as the fund manager for Aditya Birla Sun Life Mutual Fund and therefore has a significant involvement with the funds. However, fund managers are subject to substantial investment restrictions and guidelines. In all cases, the Company could be removed without cause, by the majority of the unit holders. The Company does not have significant investments in the units of mutual funds. Therefore, the funds managed by the Company are not consolidated.

India Advantage Fund Limited (IAFL) is a collective investment scheme set up as a fund in Mauritius with the status of a limited company under the Mauritius Companies Act. In terms of constitution and private placement memorandum, IAFL has classes of redeemable participating shares. Each class of participating shares has its own

Annexure V: Significant Accounting Policies of the Restated Consolidated Ind AS Summary Financial Information

Balance Sheet and Profit and Loss account. The Profit / Loss of each such class belongs to the participating shareholders of that class. Aditya Birla Sun Life Asset Management Company Limited (ABSLAMC) owns 100% of the management share and management shareholder is not entitled to any beneficial interest in the profit / loss of various classes nor is required to make good any shortfall. In substance there are no direct or indirect economic benefits received by the management shareholders. The substance over form must prevail. Accordingly, the Group has not consolidated IAFL in the Consolidated Financial Statements.

Aditya Birla Sun Life AMC Pte. Limited, Singapore has made investment in International Opportunities Fund, Global Clean Energy Fund SPC & New Horizon Fund SPC. However, Global Clean Energy Fund SPC has been wound up as on March 31, 2020. All these funds are segregated portfolio company set up as a fund in Cayman Islands under the Cayman Islands Monetary Act. In terms of constitution and private placement memorandum, all these funds has various segregated portfolio which issue redeemable participating shares. Each Segregated Portfolio of participating shares has its own Balance Sheet and Profit and Loss account. The Profit / Loss of each such Portfolio belongs to the participating shareholders of that segregated portfolio. Aditya Birla Sun Life Asset Management Company Pte. Limited (ABSLAMC) owns 100% of the management share and management shareholder is not entitled to any beneficial interest in the profit / loss of various segregated portfolios nor is required to make good any shortfall. In substance there are no direct or indirect economic benefits received by the management shareholders. The substance over form must prevail. Accordingly, the Group has not consolidated these funds in the Consolidated Financial Statements.

vi. Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and cash in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Group's cash management.

vii. Property, Plant and Equipment

Property, Plant and equipment are stated at their cost of acquisition less accumulated depreciation, and accumulated impairment losses. The cost of acquisition is inclusive of taxes (except those which are refundable), duties, freight and other incidental expenses related to acquisition and installation of the assets. As at April 1, 2017, i.e., its date of transition to Ind AS, the Group has used Indian GAAP carrying value as deemed cost. All other repair and maintenance costs are recognised in profit or loss as incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

viii. Capital Work in Progress

Projects under which property plant and equipment are not ready for their intended use are carried at cost less accumulated impairment losses, comprising direct cost, inclusive of taxes, duties, freight, and other incidental expenses.

ix. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. As at April 1, 2017, i.e., its date of transition to Ind AS, the Group has used Indian GAAP carrying value as deemed cost. An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

x. Intangible assets under development

The intangible assets under development includes cost of intangible assets that are not ready for their intended use less accumulated impairment losses.

xi. Depreciation on Property, Plant and Equipment

Depreciation on property, plant and equipment is provided on a straight-line basis at the rates and useful life as prescribed in Schedule II of the Companies Act, 2013 or as determined by the management based on technical advice, except assets individually costing less than INR 5,000 which are fully depreciated in the year of purchase / acquisition. Depreciation commences when assets are ready for its intended use.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Following is the summary of useful life of the assets as per management estimates and as required by the Companies Act, 2013.

No	Particulars	Useful life (In Years)	
		Estimated Useful Life	Useful Life as Prescribed by Schedule II of the Companies Act, 2013
A	Depreciation on property, plant and equipment		
1	Computers		
	- Servers and networks*	3 Years	6 Years
	- Other	3 Years	3 Years
2	Office Equipment	5 Years	5 Years
3	Vehicles – Motor Car/Two Wheelers*	5 Years	8 Years
4	Furniture and Fixtures*	5 Years	10 Years
5	Mobile Phone (Included in office equipment)	2 Years	Not specified
6	Leasehold Improvements	Over the primary period of the lease term or 3 years, whichever is less	Not specified
B	Amortisation of Intangible assets		
1	Investment Management Rights	10 Years	Not specified
2	Software	3 Years	Not specified

* Based on technical advice, Management believes that the useful life of assets reflect the periods over which they are expected to be used.

Depreciation on assets sold during the period / year is recognized on a pro-rata basis in the Statement of Profit and Loss from/till the date of acquisition/sale.

Annexure V: Significant Accounting Policies of the Restated Consolidated Ind AS Summary Financial Information**xii. Impairment of non-financial assets**

The carrying amounts of non-financial assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated impaired when the carrying cost of an asset or cash-generating unit's (CGU) exceeds its recoverable value. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The recoverable amount is the greater of the assets' or CGU's fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. An impairment loss, if any, is charged to Statement of Profit and Loss Account in the period / year in which an asset is identified as impaired. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

xiii. Fair Value Measurement

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

xiv. Financial Instruments

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

Financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instruments.

All financial instruments are recognised initially at fair value, with the exception of trade receivables. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Trade receivables that do not contain a significant financing component for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on trade date while, loans and borrowings are recognised net of directly attributable transactions costs.

For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories: financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI, financial assets at fair value through profit and loss account (FVTPL) and financial liabilities at amortised cost or FVTPL. The classification of financial instruments depends on the contractual cash flow characteristics and the objective of the business model for which it is held and whether the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal outstanding. Management determines the classification of its financial instruments at initial recognition.

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

Classification of Financial assets:**a) Financial assets at amortised cost**

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- Reports reviewed by the entity's key management personnel on the performance of financial assets
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- The compensation of the managing teams (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of trades

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Annexure V: Significant Accounting Policies of the Restated Consolidated Ind AS Summary Financial Information

As a second step of its classification process the Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortised cost using the effective interest method, less any impairment loss.

Financial assets at amortised cost are represented by investments in interest bearing debt instruments, trade receivables, security deposits, cash and cash equivalents, employee and other advances and other financial assets.

b) Debt Instruments at FVTOCI

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
- the asset's contractual cash flows represent SPPI debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs.

Fair value movements are recognised in other comprehensive income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain loss in Profit or Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the expected interest rate (EIR) model. Currently, the Group does not hold any interest-bearing debt instrument that qualifies to be classified under this category.

c) Equity instruments at FVTOCI

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL, described below. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which are not subsequently recycled to Profit or Loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Currently, the Group has not classified any equity instrument at FVTOCI.

d) Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL. In addition, the Group may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss. For all equity instruments at FVTPL, dividend is recognised in Profit or Loss when the right of payment has been established.

Financial liabilities**a) Financial liabilities at amortised cost**

Financial liabilities at amortised cost represented by trade and other payables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

b) Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

xv. Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Revenue from contracts with customers is recognised when control of services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services.

The Group recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

- Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties.
- Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
- Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

I. Rendering of services

The Group principally generates revenue by providing asset management services to Aditya Birla Sun Life Mutual Fund and other clients.

- a) Management fees are recognized on accrual basis at specific rates, applied on the average daily net assets of each scheme. The fees charged are in accordance with the terms of Scheme Information Documents of respective schemes and are in line with the provisions of SEBI (Mutual Funds) Regulations, 1996 as amended from time to time.
- b) Portfolio Management Fees and Advisory Fees are recognized on an accrual basis as per the terms of the contract with the customers.
- c) Management fees from other services are recognized on an accrual basis as per the terms of the contract with the customers at specific rates applied on net assets.

Annexure V: Significant Accounting Policies of the Restated Consolidated Ind AS Summary Financial Information

These contracts include a single performance obligation (series of distinct services) that is satisfied over time and the management fees and/or advisory fees earned are considered as variable consideration.

If the consideration promised in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for rendering the promised services to a customer. The amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if an entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

II. Dividend and Interest Income

- a) Dividend income is recognised when the Group's right to receive dividend is established, it is probable that economic benefits associated with dividend will flow to the entity and the amount of dividend can be measured reliably. This is generally when shareholders approve the dividend.
- b) Interest income from financial assets, is recognised on a time proportion basis, taking into account the amount outstanding and the rate applicable.

xvi. Foreign currency transactions and balances

The Restated Consolidated Financial Information of the Group are presented in Indian rupees, the national currency of India, which is the functional currency of the Company. For each entity, the Group determines the functional currency and items included in the Restated Consolidated Financial Information of each entity are measured using the functional currency.

Transactions in foreign currency are recorded by the Group's entities at their respective functional currency spot rates at the date of transaction. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Foreign currency monetary items are reported using functional currency spot rates of exchange at the reporting date. The resulting exchange gain/loss is reflected in the Statement of Profit and Loss with the exception of exchange differences arising on monetary items that form part of a Company's net investment in the subsidiaries which are recognised in profit or loss in the separate financial statements of the Company or the individual Financial Information of the subsidiaries, as appropriate. In the consolidated financial statements, such exchange differences are recognised initially OCI. Other non-monetary items, like Property Plant & Equipment and Intangible Assets are carried in terms of historical cost using the exchange rate at the date of transaction.

Translation of foreign subsidiaries is done in accordance with Indian Accounting Standard (Ind AS) 21 " The Effects of Changes in Foreign Exchange Rates ". On consolidation, the assets and liabilities of foreign subsidiaries are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI.

xvii. Employee Benefits

- a) Provident Fund: Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.
- b) Gratuity: The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period / year in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods / years.

Past service costs are recognised in profit or loss on the earlier of:

- The date of plan amendment or curtailment
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

- c) Leave Encashment: Provision for leave encashment is made on the basis of actuarial valuation of the expected liability. Re-measurement gains/losses are recognised as profit or loss in the period / year in which they arise.

- d) Long Term Incentive Plan: The Group has long term incentive plan for different cadre of employees. The same is actuarially determined and assessed on yearly basis. Re-measurement gains/losses are recognised as profit or loss in the period / year in which they arise.

xviii. Leases

The Group's lease asset classes primarily consist of leases for buildings. The group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (1) the contract involves the use of an identified asset (2) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes right – of – use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. The Group applies the short-term lease recognition exemption to its short-term leases of its branches/rental offices (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. For these short-term and low value leases, the Group recognizes the lease payments as an expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Annexure V: Significant Accounting Policies of the Restated Consolidated Ind AS Summary Financial Information

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful life of right-of-use assets (primarily buildings) range between 1 year to 9 years. The right-of-use assets are also subject to impairment. Refer Note 2(xii) on impairment of non-financial assets.

The lease liability is initially measured at the present value of the future lease payments. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the group changes its assessment on exercise of an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Transition to Ind AS 116

For the purpose of preparation of Restated Consolidated Financial Statements, management has evaluated the impact of change in accounting policies due to adoption of Ind AS 116 for the year ended March 31, 2019 following modified retrospective method. Impact of adoption of Ind AS 116 has been adjusted for the purpose of restatement. Refer Note 38 for details.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with similar characteristics.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Relied on its previous assessment of whether leases are onerous under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets immediately before the date of initial application as an alternative to performing an impairment review. There were no onerous contracts as at April 1, 2019.
4. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
5. Used hindsight in determining the lease term if the contract contains options to extend or terminate the lease.
6. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, for all contracts as at April 1, 2019, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

Amendments to Ind AS 116: Covid-19-Related Rent Concessions

The amendments to Ind AS 116 provides a practical expedient to lessees in accounting for rent concessions that are a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification. The practical expedient applies only to rent concessions occurring as a direct consequence of the covid-19 pandemic and only if all of the following conditions are met:

- i) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
- ii) Any reduction in lease payments affects only payments originally due on or before June 30, 2022 (for example, a rent concession would meet this condition if it results in reduced lease payments before June 30, 2022 and increased lease payments that extend beyond June 30, 2022).
- iii) There is no substantive change to other terms and conditions of the lease.

The lessees will apply the practical expedient retrospectively, recognising the cumulative effect of initially applying the amendment as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which the lessee first applies the amendment.

The amendments are applicable for annual reporting periods beginning on or after the April 1, 2020. The Group has elected to apply the practical expedient of not assessing the rent concessions as a lease modification for all rent concessions which are granted due to COVID-19 pandemic. This amendment had no significant impact on the consolidated financial statements of the Group (Refer Note 21-Other Income).

xix. Earnings per share ("EPS")

Basic EPS amounts are calculated by dividing the profit for the period / year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period/year.

For the purpose of calculating diluted EPS, profit after tax for the year attributable to the equity shareholders and the weighted-average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

xx. Fund and Commission expenses:

Prior to October 21 2018, certain scheme related expenses and commission were being borne by the Company in accordance with circulars and guidelines issued by SEBI and the Association of Mutual Funds in India (AMFI). Commission paid for future period for the mutual fund schemes (including for Equity Linked Savings Schemes) until October 21, 2018 is treated as prepaid expenses and is amortised on the contractual period and charged to Statement of Profit and Loss account unless considered recoverable from schemes. Pursuant to circulars issued by SEBI in this regard, after October 21, 2018, these expenses, subject to some exceptions, are being borne by the mutual fund schemes. New Fund Offer (NFO) expenses on the launch of schemes are borne by the Company and recognised in profit or loss as and when incurred.

Commission is paid to the brokers for Portfolio Management and other services as per the terms of agreement entered into with respective brokers. In case of certain portfolio management schemes and other services, the brokerage expenses are amortised over the tenure of the product or commitment period. Unamortised brokerage is treated as Non-financial Assets considering the normal operating cycle of the Company.

xxi. Taxes**Current tax:**

Current tax assets and liabilities for the current and prior period / years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax:

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Annexure V: Significant Accounting Policies of the Restated Consolidated Ind AS Summary Financial Information

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- ii. In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- ii. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period / year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

xxii. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Claims against the Group, where the possibility of any outflow of resources in settlement is remote are not disclosed as contingent liabilities. A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is virtually certain.

xxiii. Share Based Payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The Group measures the cost of equity-settled transactions with employees using Black-Scholes Model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield, and making assumptions about them.

Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments at the grant date using Black-Scholes Model. The fair value, determined at the grant date of the equity-settled share-based payments, is charged to profit and loss on the straight-line basis over the vesting period of the option, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

In case of forfeiture/lapse stock option, which is not vested, amortised portion is reversed by credit to employee compensation expense. In situation where the stock option expires unexercised, the related balance standing to the credit of the Employee Stock Options Outstanding Account is transferred within equity.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share

Also, a separate Employee stock options scheme (ESOP) ("the scheme") has been established by Aditya Birla Capital Limited ("ABCL") (Entity having Joint control). The scheme provides that employees are granted an option to subscribe to equity shares of ABCL that vest in a graded manner. The options may be exercised within a specified period. Measurement and disclosure of Employee share-based payment plan is done in accordance with Ind AS 102 Share Based Payments. ABCL follows the Black-Scholes Merton Value method to account for its stock-based employee compensation plans. The cost incurred by the ABCL, in respect of options granted to employees of the Company is charged to the Statement of Profit and Loss during the year and recovered by them.

xxiv. Cash Dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders except in case of interim dividend. A corresponding amount is recognised directly in equity.

Annexure - VI: Notes to the Restated Consolidated Ind AS Summary Financial Information annexed to and forming part of the financial statements as at

	(₹ in million)				
NOTE: 3	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Cash and Cash equivalents (At amortised cost)					
Cash on Hand	0.19	0.14	0.18	0.11	0.15
Balances with Bank					
- Current Accounts	515.57	410.72	560.60	411.77	376.06
- Deposit Accounts (with original maturity less than 3 months)	4.37	27.05	4.53	54.17	6.03
Total Cash and Cash equivalents	520.13	437.91	565.31	466.05	382.24

Note:- Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. The Group has not taken any bank overdraft, therefore the cash and cash equivalent for cash flow statement is same as cash and cash equivalent given above.

NOTE: 4	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Bank Balances other than cash and cash equivalents (At amortised cost)					
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments	3.11	2.94	3.07	2.89	2.73
Total Bank Balances other than cash and cash equivalents	3.11	2.94	3.07	2.89	2.73

NOTE: 5	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Trade Receivables (At amortised cost)					
<u>Unsecured, considered good</u>					
Asset Management & Advisory Fees receivable	163.04	183.11	213.48	337.29	112.47
Portfolio Management Fees receivable	93.85	42.40	95.90	53.41	71.77
Management Fees receivable from Other Services	-	16.96	0.16	13.94	13.97
Real Estate Management Fees receivable	-	-	-	-	58.56
Less: Impairment loss allowance	-	-	-	-	-
Total Trade Receivables*	256.89	242.47	309.54	404.64	256.77

* There are no dues from directors or other officers of the company either severally or jointly with any other person, due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade Receivables ageing schedule

Trade receivables as at June 30, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	256.89	-	-	-	-	256.89
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	256.89	-	-	-	-	256.89

Trade receivables as at March 31, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	309.54	-	-	-	-	309.54
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	309.54	-	-	-	-	309.54

Trade receivables as at June 30, 2020

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	242.47	-	-	-	-	242.47
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	242.47	-	-	-	-	242.47

Trade receivables as at March 31, 2020

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	404.64	-	-	-	-	404.64
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	404.64	-	-	-	-	404.64

Annexure - VI: Notes to the Restated Consolidated Ind AS Summary Financial Information annexed to and forming part of the financial statements as at

(₹ in million)

Trade receivables as at March 31, 2019

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	198.21	49.46	9.10	-	-	256.77
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	198.21	49.46	9.10	-	-	256.77

NOTE: 6**Loans (at Amortised cost)**

	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Staff Loan	0.27	0.85	0.32	1.25	0.69
Less: Impairment loss allowance	-	-	-	-	-
Total Loans	0.27	0.85	0.32	1.25	0.69

a) Secured by tangible assets (property, plant and equipment including land and building)

b) Secured by Intangible assets

c) Covered by bank and government guarantee

d) Unsecured

Less: Impairment loss allowance

	0.27	0.85	0.32	1.25	0.69
Total Loans	0.27	0.85	0.32	1.25	0.69

Loans in India

i) Public Sector

ii) Others

Less: Impairment Loss Allowance

	-	-	-	-	-
Total (I)	-	-	-	-	-

Loans outside India

i) Public Sector

ii) Others

Staff Loan

Less: Impairment loss allowance

	0.27	0.85	0.32	1.25	0.69
Total (II)	0.27	0.85	0.32	1.25	0.69

Total Loans (I + II)

	0.27	0.85	0.32	1.25	0.69

NOTE: 7**Investments****(at amortised cost)**

Debt securities	1,034.07	1,034.06	1,033.56	11.58	11.58

(At fair value through profit or loss)

Mutual Funds	17,370.32	12,846.76	16,112.68	12,381.98	11,127.26

Alternative Investment funds	108.32	209.29	108.33	232.98	241.28

Equity Instruments	7.97	7.04	7.97	7.04	0.54

Total Gross Investments (A)	18,520.68	14,097.15	17,262.54	12,633.58	11,380.66

Less: Allowance for Impairment	-	-	-	-	-

Total Net Investments	18,520.68	14,097.15	17,262.54	12,633.58	11,380.66

Investments Outside India	0.04	0.04	0.04	0.04	0.04

Investments in India	18,520.64	14,097.11	17,262.50	12,633.54	11,380.62

Total (B)	18,520.68	14,097.15	17,262.54	12,633.58	11,380.66

Less: Allowance for Impairment (C)	-	-	-	-	-

Total Net Investments	18,520.68	14,097.15	17,262.54	12,633.58	11,380.66

NOTE: 8**Other Financial Assets (at amortised cost)**

	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Application money paid towards securities	-	-	44.50	-	6.50
Recoverable From Schemes	6.71	12.46	26.74	-	146.51
Receivable from related party (refer Note : 30)	0.13	0.70	0.32	2.25	0.07
Interest accrued	-	-	-	-	5.57
Reimbursement receivables	0.67	1.32	0.67	1.32	-
Deposits to Related Parties (refer Note : 30)	7.13	9.65	7.13	9.65	9.65
Security Deposits	112.67	116.08	112.51	116.06	116.25
Less : Impairment loss allowance	-	-	-	-	-
Total Other Financial Assets	127.31	140.21	191.87	129.28	284.55

NOTE: 9

Property, Plant and Equipment

						(₹ in million)
Particulars	Computers	Furniture and Fixtures	Vehicles	Office Equipment	Leasehold Improvements	Total
Gross carrying value						
As at April 1, 2018	74.60	10.91	61.49	44.39	56.34	247.73
Additions	45.43	7.22	23.10	26.83	30.63	133.21
Foreign Exchange Translation Difference	0.03	0.04	(0.01)	0.01	0.03	0.10
Disposals	0.20	0.01	5.85	0.31	0.02	6.39
As at March 31, 2019	119.86	18.16	78.73	70.92	86.98	374.65
Accumulated Depreciation and Impairment						
As at April 1, 2018	29.14	4.14	10.29	10.99	20.11	74.67
Depreciation for the year	34.72	6.77	15.24	14.30	25.83	96.86
Foreign Exchange Translation Difference	0.01	-	-	-	0.03	0.04
Disposals	0.14	0.01	1.78	0.21	0.02	2.16
As at March 31, 2019	63.73	10.90	23.75	25.08	45.95	169.41
Net carrying value amount as at March 31, 2019	56.13	7.26	54.98	45.84	41.03	205.24

Particulars	Computers	Furniture and Fixtures	Vehicles	Office Equipment	Leasehold Improvements	Total
Gross carrying value						
As at April 1, 2019	119.86	18.16	78.73	70.92	86.98	374.65
Additions	25.51	6.11	21.31	18.83	23.93	95.69
Foreign Exchange Translation Difference	0.12	0.07	-	0.04	0.04	0.27
Disposals	4.41	0.29	4.08	0.35	0.53	9.66
As at March 31, 2020	141.08	24.05	95.96	89.44	110.42	460.95
Accumulated Depreciation and Impairment						
As at April 1, 2019	63.73	10.90	23.75	25.08	45.95	169.41
Depreciation for the year	36.81	6.38	17.14	17.35	30.10	107.78
Foreign Exchange Translation Difference	0.08	0.03	-	0.02	0.04	0.17
Disposals	4.36	0.07	1.88	0.21	0.53	7.05
As at March 31, 2020	96.26	17.24	39.01	42.24	75.56	270.31
Net carrying value amount as at March 31, 2020	44.82	6.81	56.95	47.20	34.86	190.64

Particulars	Computers	Furniture and Fixtures	Vehicles	Office Equipment	Leasehold Improvements	Total
Gross carrying value						
As at April 1, 2020	141.08	24.05	95.96	89.44	110.42	460.95
Additions	10.26	0.61	-	0.61	4.08	15.56
Foreign Exchange Translation Difference	0.02	0.02	-	0.01	0.02	0.07
Disposals	-	-	-	-	-	-
As at June 30, 2020	151.36	24.68	95.96	90.06	114.52	476.58
Accumulated Depreciation and Impairment						
As at April 1, 2020	96.26	17.24	39.01	42.24	75.56	270.31
Depreciation for the period	9.03	0.87	4.81	4.28	6.72	25.71
Foreign Exchange Translation Difference	0.02	0.02	-	0.01	0.02	0.07
Disposals	-	-	-	-	-	-
As at June 30, 2020	105.31	18.13	43.82	46.53	82.30	296.09
Net carrying value amount as at June 30, 2020	46.05	6.55	52.14	43.53	32.22	180.49

Particulars	Computers	Furniture and Fixtures	Vehicles	Office Equipment	Leasehold Improvements	Total
Gross carrying value						
As at April 1, 2020	141.08	24.05	95.96	89.44	110.42	460.95
Additions	17.53	1.27	4.31	5.38	8.59	37.08
Foreign Exchange Translation Difference	(0.10)	0.02	-	(0.24)	0.03	(0.29)
Disposals	0.82	1.24	12.12	1.60	5.96	21.74
As at March 31, 2021	157.69	24.10	88.15	92.98	113.08	476.00
Accumulated Depreciation and Impairment						
As at April 1, 2020	96.26	17.24	39.01	42.24	75.56	270.31
Depreciation for the year	33.27	3.25	17.97	16.83	24.84	96.16
Foreign Exchange Translation Difference	(0.11)	0.02	-	(0.25)	0.03	(0.31)
Disposals	0.81	1.02	5.75	0.96	4.07	12.61
As at March 31, 2021	128.61	19.49	51.23	57.86	96.36	353.55
Net carrying value amount as at March 31, 2021	29.08	4.61	36.92	35.12	16.72	122.45

Particulars	Computers	Furniture and Fixtures	Vehicles	Office Equipment	Leasehold Improvements	Total
Gross carrying value						
As at April 1, 2021	157.69	24.10	88.15	92.98	113.08	476.00
Additions	2.02	-	1.37	0.06	0.74	4.19
Foreign Exchange Translation Difference	0.05	0.05	-	0.02	0.02	0.14
Disposals	0.18	0.10	6.56	0.08	0.64	7.56
As at June 30, 2021	159.58	24.05	82.96	92.98	113.20	472.77
Accumulated Depreciation and Impairment						
As at April 1, 2021	128.61	19.49	51.23	57.86	96.36	353.55
Depreciation for the period	6.53	0.59	4.07	3.98	4.40	19.57
Foreign Exchange Translation Difference	0.04	0.02	-	0.01	0.03	0.10
Disposals	0.18	0.10	4.72	0.08	0.63	5.71
As at June 30, 2021	135.00	20.00	50.58	61.77	100.16	367.51
Net carrying value amount as at June 30, 2021	24.58	4.05	32.38	31.21	13.04	105.26

NOTE: 9.1

Capital work-in-progress

Capital work in progress as at June 30, 2021 comprises expenditure for the plant in the course of construction. Total amount of CWIP is Rs 1.79 million (June 30, 2020: 0.40 million, March 31, 2021: Rs 0.78 million, March 31, 2020: Rs 1.55 million and March 31, 2019: Rs 11.83 million).

CWIP aging schedule

					(₹ in million)
Projects in progress	Amount in CWIP				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at June 30, 2021	1.79	-	-	-	1.79
As at March 31, 2021	0.78	-	-	-	0.78
As at June 30, 2020	0.40	-	-	-	0.40
As at March 31, 2020	1.55	-	-	-	1.55
As at March 31, 2019	11.83	-	-	-	11.83

There are no overdue or cost overrun projects compared to its original plan, on the above mentioned reporting dates

Annexure - VI: Notes to the Restated Consolidated Ind AS Summary Financial Information annexed to and forming part of the financial statements as at

NOTE: 10

Other Intangible Assets

(₹ in million)

Particulars	Software	Investment Management Rights (Refer note 28)	Total
Gross carrying value			
As at April 1, 2018	74.98	28.49	103.47
Additions	51.03	-	51.03
Foreign Exchange Translation Difference	0.03	-	0.03
Disposals	-	-	-
As at March 31, 2019	126.05	28.49	154.54
Accumulated Amortisation and Impairment			
As at April 1, 2018	20.86	3.79	24.65
Amortisation for the year	30.86	3.79	34.65
Foreign Exchange Translation Difference	0.01	-	0.01
Disposal	-	-	-
As at March 31, 2019	51.74	7.57	59.31
Net carrying value amount as at March 31, 2019	74.31	20.92	95.23

Particulars	Software	Investment Management Rights (Refer note 28)	Total
Gross carrying value			
As at April 1, 2019	126.05	28.49	154.54
Additions	82.72	-	82.72
Foreign Exchange Translation Difference	0.04	-	0.04
Disposals	0.87	-	0.87
As at March 31, 2020	207.94	28.49	236.43
Accumulated Amortisation and Impairment			
As at April 1, 2019	51.74	7.57	59.31
Amortisation for the year	49.97	3.79	53.76
Foreign Exchange Translation Difference	0.02	-	0.02
Disposal	0.87	-	0.87
As at March 31, 2020	100.86	11.36	112.22
Net carrying value amount as at March 31, 2020	107.08	17.13	124.21

Particulars	Software	Investment Management Rights (Refer note 28)	Total
Gross carrying value			
As at April 1, 2020	207.94	28.49	236.43
Additions	20.26	-	20.26
Foreign Exchange Translation Difference	0.00	-	0.00
Disposals	-	-	-
As at June 30, 2020	228.20	28.49	256.69
Accumulated Amortisation and Impairment			
As at April 1, 2020	100.86	11.36	112.22
Amortisation for the period	15.61	0.96	16.57
Foreign Exchange Translation Difference	(0.01)	-	(0.01)
Disposal	-	-	-
As at June 30, 2020	116.46	12.32	128.78
Net carrying value amount as at June 30, 2020	111.74	16.17	127.91

Particulars	Software	Investment Management Rights (Refer note 28)	Total
Gross carrying value			
As at April 1, 2020	207.94	28.49	236.43
Additions	78.46	-	78.46
Foreign Exchange Translation Difference	(0.01)	-	(0.01)
Disposals	4.07	-	4.07
As at March 31, 2021	282.32	28.49	310.81
Accumulated Amortisation and Impairment			
As at April 1, 2020	100.86	11.36	112.22
Amortisation for the year	65.84	3.79	69.63
Foreign Exchange Translation Difference	(0.00)	-	(0.00)
Disposals	3.83	-	3.83
As at March 31, 2021	162.87	15.15	178.02
Net carrying value amount as at March 31, 2021	119.45	13.34	132.79

Particulars	Software	Investment Management Rights (Refer note 28)	Total
Gross carrying value			
As at April 1, 2021	282.32	28.49	310.81
Additions	10.75	-	10.75
Foreign Exchange Translation Difference	0.01	-	0.01
Disposals	-	-	-
As at June 30, 2021	293.08	28.49	321.57
Accumulated Amortisation and Impairment			
As at April 1, 2021	162.87	15.15	178.02
Amortisation for the period	18.24	0.95	19.19
Foreign Exchange Translation Difference	0.01	-	0.01
Disposals	-	-	-
As at June 30, 2021	181.12	16.10	197.22
Net carrying value amount as at June 30, 2021	111.96	12.39	124.35

NOTE: 10.1

Intangible assets under development:

(₹ in million)

Intangible assets under development ageing schedule	Amount in Intangible assets under development				Total
Projects in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at June 30, 2021	6.77	-	-	-	6.77
As at March 31, 2021	9.12	-	-	-	9.12
As at June 30, 2020	10.23	0.40	-	-	10.63
As at March 31, 2020	7.69	0.40	-	-	8.09
As at March 31, 2019	10.28	0.64	-	-	10.92

(₹ in million)

Projects temporarily suspended	Amount in Intangible assets under development				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at June 30, 2021	0.97	-	-	-	0.97
As at March 31, 2021	0.97	-	-	-	0.97
As at June 30, 2020	-	-	0.19	-	0.19
As at March 31, 2020	-	-	0.19	-	0.19
As at March 31, 2019	-	0.19	-	-	0.19

There are no overdue or cost overrun projects compared to its original plan, on the above mentioned reporting dates

Annexure - VI: Notes to the Restated Consolidated Ind AS Summary Financial Information annexed to and forming part of the financial statements as at

	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
(₹ in million)					
NOTE: 11					
Other Non-Financial Assets					
Prepaid expenses	223.53	533.38	202.36	617.10	1,276.10
Input Tax Credit	1.31	0.65	0.97	0.59	0.60
Capital advance for Tangible Assets	1.46	1.79	0.17	1.39	3.75
Advance for Services	118.10	107.32	59.21	58.96	63.90
Gratuity - Plan Funded Asset (refer Note: 29)	291.63	264.44	299.52	257.87	203.11
Others	-	-	-	-	0.65
Total Other Non-Financial Assets	636.03	907.58	562.23	935.91	1,548.11

	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
NOTE: 12					
Trade Payables (At amortised cost)					
Others					
- Total outstanding dues to micro enterprises and small enterprises*	0.12	-	0.06	-	-
- Total outstanding dues to creditors other than micro enterprises and small enterprises					
Related Parties (refer Note: 30)	59.08	116.61	60.08	99.48	61.05
Other than Related Parties	362.08	400.79	313.73	374.56	694.17
Total Trade Payables	421.28	517.40	373.87	474.04	755.22

* This information is required to be disclosed under MSMED Act (2006), has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by the auditors.

	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
* Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006					
Particulars					
a.) Principal amount and interest thereon remaining unpaid at the end of period / year	-	-	-	-	-
b.) Interest paid including payment made beyond appointed day during the period / year	0.18	-	0.03	-	-
c.) Interest due and payable for delay during the period / year	-	-	-	-	-
d.) Amount of interest accrued and unpaid as at the end of period / year	0.12	-	0.06	-	-
e.) The amount of further interest due and payable even in the succeeding period / year	-	-	-	-	-

Trade payables ageing schedule

Trade payables as at June 30, 2021					
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.12	-	-	-	0.12
(ii) Others	413.33	1.48	0.55	5.80	421.16
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
Total	413.45	1.48	0.55	5.80	421.28

Trade payables as at March 31, 2021					
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.06	-	-	-	0.06
(ii) Others	366.93	0.83	0.34	5.71	373.81
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
Total	366.98	0.83	0.34	5.71	373.87

Trade payables as at June 30, 2020					
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	468.00	42.65	0.56	6.19	517.40
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
Total	468.00	42.65	0.56	6.19	517.40

Trade payables as at March 31, 2020					
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	425.53	42.07	0.73	5.71	474.04
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
Total	425.53	42.07	0.73	5.71	474.04

Trade payables as at March 31, 2019					
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	680.33	34.54	21.14	19.21	755.22
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
Total	680.33	34.54	21.14	19.21	755.22

	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
NOTE: 13					
Other Financial Liabilities (at amortised cost)					
Employee Dues	451.33	541.76	464.71	446.62	533.51
Payables for Capital Expenditure	0.47	2.30	1.40	8.05	2.45
Payable to Schemes	-	-	-	14.71	-
Total Other Financial Liabilities	451.80	544.06	466.11	469.38	535.96

	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
NOTE: 14					
Provisions					
Provision for Employee Benefits					
Leave Encashment	51.95	38.02	44.75	35.69	38.13
Gratuity (refer Note: 29)	289.97	273.17	296.14	267.82	203.37
Provision for Long Term Incentive Plan	613.47	472.74	604.59	401.96	261.96
Total provisions	955.39	783.93	945.48	705.47	503.46

Annexure - VI: Notes to the Restated Consolidated Ind AS Summary Financial Information annexed to and forming part of the financial statements as at

	(₹ in million)				
NOTE: 15	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Deferred Tax Liabilities (net)					
Depreciation on Property, Plant and Equipment and Amortisation on Intangible Assets	(60.24)	(53.06)	(56.70)	(49.51)	(61.21)
Provision for Employee Benefits	(147.67)	(109.78)	(146.69)	(93.27)	(92.71)
Fair Valuation of Investments	215.12	304.17	260.23	257.72	233.41
Lease Liability net of Right of use assets	92.20	42.87	80.50	31.21	(9.43)
Total Deferred Tax Liabilities (net)	99.41	184.20	137.34	146.15	70.06
	June 30, 2021		March 31, 2021	Deferred Tax Expense/(Credit)	
Deferred Tax Liabilities					
Fair Valuation of Investments		215.12		260.23	(45.11)
Lease Liability net of Right of use assets		92.20		80.50	11.70
Total		307.32		340.73	(33.41)
Deferred Tax Assets					
Depreciation on Property, Plant and Equipment and Amortisation on Intangible Assets		(60.24)		(56.70)	(3.54)
Provision for Employee Benefits		(147.67)		(146.69)	(0.98)
Total		(207.91)		(203.39)	(4.52)
Net Deferred Tax (Assets)/Liabilities		99.41		137.34	(37.93)
		March 31, 2021		March 31, 2020	Deferred Tax Expense/(Credit)
Deferred Tax Liabilities					
Fair Valuation of Investments		260.23		257.72	2.51
Lease Liability net of Right of use assets		80.50		31.21	49.29
Total		340.73		288.93	51.80
Deferred Tax Assets					
Depreciation on Property, Plant and Equipment and Amortisation on Intangible Assets		(56.70)		(49.51)	(7.19)
Provision for Employee Benefits		(146.69)		(93.27)	(53.43)
Total		(203.39)		(142.78)	(60.62)
Net Deferred Tax (Assets)/Liabilities		137.34		146.15	(8.82)
	June 30, 2020		March 31, 2020	Deferred Tax Expense/(Credit)	
Deferred Tax Liabilities					
Fair Valuation of Investments		304.17		257.72	46.45
Lease Liability net of Right of use assets		42.87		31.21	11.66
Total		347.04		288.93	58.11
Deferred Tax Assets					
Depreciation on Property, Plant and Equipment and Amortisation on Intangible Assets		(53.06)		(49.51)	(3.55)
Provision for Employee Benefits		(109.78)		(93.27)	(16.51)
Total		(162.84)		(142.78)	(20.06)
Net Deferred Tax (Assets)/Liabilities		184.20		146.15	38.05
		March 31, 2020		March 31, 2019	Deferred Tax Expense/(Credit)
Deferred Tax Liabilities					
Fair Valuation of Investments		257.72		233.41	24.31
Lease Liability net of Right of use assets		31.21		-	31.21
Total		288.93		233.41	55.52
Deferred Tax Assets					
Depreciation on Property, Plant and Equipment and Amortisation on Intangible Assets		(49.51)		(61.21)	11.70
Provision for Employee Benefits		(93.27)		(92.71)	(0.56)
Total		(142.78)		(153.92)	11.14
Net Deferred Tax (Assets)/Liabilities		146.15		79.49	66.66
		March 31, 2019		March 31, 2018	Deferred Tax Expense/(Credit)
Deferred Tax Liabilities					
Fair Valuation of Investments		233.41		408.61	(175.20)
Lease Liability net of Right of use assets		(9.43)		(6.93)	(2.50)
Total		223.98		401.68	(177.70)
Deferred Tax Assets					
Depreciation on Property, Plant and Equipment and Amortisation on Intangible Assets		(61.21)		(46.27)	(14.94)
Provision for Employee Benefits		(92.71)		(8.79)	(83.92)
Share based payments		-		(15.29)	15.29
Total		(153.92)		(70.35)	(83.57)
Net Deferred Tax (Assets)/Liabilities		70.06		331.33	(261.27)
NOTE: 16	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Other Non Financial Liabilities					
Provision for Reinstatement	1.65	1.62	1.62	1.58	1.44
Payable on account of Statutory Dues :					
- Withholding Tax payable	28.95	30.66	20.61	23.27	17.86
- GST payable	142.96	85.14	154.04	97.12	158.20
- Professional Tax payable	0.24	0.10	0.15	0.14	0.09
- Employee provident fund & Other dues payable	10.53	12.21	12.82	12.69	10.88
Fees received in advance	-	-	-	-	6.72
Total Other Non Financial Liabilities	184.33	129.73	189.24	134.80	195.19

Annexure - VI: Notes to the Restated Consolidated Ind AS Summary Financial Information annexed to and forming part of the financial statements as at

NOTE: 17	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	(₹ in million) March 31, 2019
Equity Share Capital					
Authorised:					
Equity Shares of Rs. 5 each (June 30, 2020, March 31, 2021, March 31, 2020, and March 31, 2019: Rs.10 each)	1,600.00	200.00	200.00	200.00	200.00
320,000,000 (June 30, 2020: 20,000,000, March 31, 2020: 20,000,000, March 31, 2020: 20,000,000 and March 31, 2019: 20,000,000) Equity shares fully paid up [†]					
Issued, Subscribed and Paid up					
Equity Shares of Rs. 5 each (June 30, 2020, March 31, 2021, March 31, 2020, and March 31, 2019: Rs.10 each)	1,440.00	180.00	180.00	180.00	180.00
288,000,000 (June 30, 2020: 18,000,000, March 31, 2021: 18,000,000, March 31, 2020: 18,000,000 and March 31, 2019: 18,000,000) Equity shares fully paid up [†]					
Total Issued, Subscribed and Paid up	1,440.00	180.00	180.00	180.00	180.00

a. Term/right attached to equity shares

The Company has only one class of equity shares having a par value of Rs 5 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the company after distributions of all preferential amounts. However, no such preferential amount exist currently. The distribution will be in the proportion to the number of equity shares held by the shareholders.

b. Reconciliation of the shares outstanding at the beginning and at the end of the period / year

Description	No. of Equity shares	Amount (₹ in million)
As at April 1, 2018	18,000,000	180.00
Issued during the year	-	-
As at March 31, 2019	18,000,000	180.00
As at April 1, 2019	18,000,000	180.00
Issued during the year	-	-
As at March 31, 2020	18,000,000	180.00
As at April 1, 2020	18,000,000	180.00
Issued during the period	-	-
As at June 30, 2020	18,000,000	180.00
As at April 1, 2020	18,000,000	180.00
Issued during the year	-	-
As at March 31, 2021	18,000,000	180.00
As at April 1, 2021	18,000,000	180.00
Split of shares into Face Value of Rs.5 each [†]	18,000,000	
Bonus equity shares issued in the ratio of 7 for every 1 share held [†]	252,000,000	1,260.00
As at June 30, 2021	268,000,000	1,440.00

[†]Pursuant to a resolution passed by our Board on April 5, 2021 and a resolution of shareholders dated, April 6, 2021, each equity share of face value of ₹10 each has been split into two equity shares of face value of ₹5 each. Accordingly, the issued, subscribed and paid up capital of our Company was subdivided from 180,00,000 equity shares of face value of ₹10 each to 360,00,000 equity shares of face value of ₹5 each. Pursuant to a resolution of Board of Directors dated April 5, 2021 and the shareholders meeting dated April 6, 2021, the Authorized Share Capital of the Company has been increased from ₹ 200 million consisting of 4,00,00,000 Equity Shares of ₹ 5/- (Rupees Five only) each to ₹ 1,600 million consisting of 32,00,00,000 Equity Shares of ₹ 5/- each. The Board of Directors pursuant to a resolution dated April 5, 2021 and the shareholders special resolution dated April 6, 2021 have approved the issuance of seven bonus equity shares of face value ₹5 each for every one existing fully paid up equity share of face value ₹5 each and accordingly 25,20,00,000 bonus equity shares were issued and allotted in accordance with the Section 63 of the Companies Act, 2013.

Aggregate number of equity shares issued as bonus other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Particulars	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Equity shares allotted as fully paid bonus shares by capitalization of securities premium and retained earnings	252,000,000	-	-	-	-

The Shares reserved for issue under Employee Stock Option Scheme (ESOP) of the Company (Refer Note No. 41)

c. Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held

Name of the Shareholder	June 30, 2021		June 30, 2020		March 31, 2021		March 31, 2020		March 31, 2019	
	No. of Equity shares held	% of Shareholding	No. of Equity shares held	% of Shareholding	No. of Equity shares held	% of Shareholding	No. of Equity shares held	% of Shareholding	No. of Equity shares held	% of Shareholding
Aditya Birla Capital Limited and its Nominees [†]	146,879,680	51.00%*	9,179,980	51.00%*	9,179,980	51.00%*	9,179,980	51.00%*	9,179,980	51.00%*
Sun Life (India) AMC Investment Inc. Canada	141,120,000	49.00%	8,820,000	49.00%	8,820,000	49.00%	8,820,000	49.00%	8,820,000	49.00%

[†]512 Equity shares(June 30, 2020, March 31, 2021, March 31, 2020, and March 31, 2019 : 32 Equity Shares), 416 Equity shares(June 30, 2020, March 31, 2021, March 31, 2020, and March 31, 2019 : 24 Equity Shares) and 192 Equity shares(June 30, 2020, March 31, 2021, March 31, 2020, and March 31, 2019 : 12 Equity Shares) each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, in their capacity as nominee shareholders of ABCL.

*Approximate percentages

Shareholding of promoters as on June 30, 2021

Promoter Name	No. of Shares	% of total shares	% Change during the period
Aditya Birla Capital Limited and its Nominees [†]	146,879,680	51.00%*	No change
Sun Life (India) AMC Investments Inc.	141,120,000	49.00%	No change
Total	287,999,680	100.00%*	

[†]512 Equity shares, 416 Equity shares and 192 Equity shares each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, in their capacity as nominee shareholders of ABCL.

*Approximate percentages

Shareholding of promoters as on March 31, 2021

Promoter Name	No. of Shares	% of total shares	% Change during the year
Aditya Birla Capital Limited and its Nominees [†]	9,179,980	51.00%*	No change
Sun Life (India) AMC Investments Inc.	8,820,000	49.00%	No change
Total	17,999,980	100.00%*	

[†]32 Equity shares, 26 Equity shares and 12 Equity shares each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, in their capacity as nominee shareholders of ABCL.

*Approximate percentages

Shareholding of promoters as on June 30, 2020

Promoter Name	No. of Shares	% of total shares	% Change during the period
Aditya Birla Capital Limited and its Nominees [†]	9,179,980	51.00%*	No change
Sun Life (India) AMC Investments Inc.	8,820,000	49.00%	No change
Total	17,999,980	100.00%*	

[†]32 Equity shares, 26 Equity shares and 12 Equity shares each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, in their capacity as nominee shareholders of ABCL.

*Approximate percentages

Shareholding of promoters as on March 31, 2020

Promoter Name	No. of Shares	% of total shares	% Change during the year
Aditya Birla Capital Limited and its Nominees [†]	9,179,980	51.00%*	No change
Sun Life (India) AMC Investments Inc.	8,820,000	49.00%	No change
Total	17,999,980	100.00%*	

[†]32 Equity shares, 26 Equity shares and 12 Equity shares each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, in their capacity as nominee shareholders of ABCL.

*Approximate percentages

Shareholding of promoters as on March 31, 2019

Promoter Name	No. of Shares	% of total shares	% Change during the year
Aditya Birla Capital Limited and its Nominees [†]	9,179,980	51.00%*	No change
Sun Life (India) AMC Investments Inc.	8,820,000	49.00%	No change
Total	17,999,980	100.00%*	

[†]32 Equity shares, 26 Equity shares and 12 Equity shares each are held by Parag Joglekar, A Balasubramanian and Pinky Mehta, respectively, in their capacity as nominee shareholders of ABCL.

*Approximate percentages

Annexure - VI: Notes to the Restated Consolidated Ind AS Summary Financial Information annexed to and forming part of the financial statements as at

NOTE: 18 OTHER EQUITY	(₹ in million)				
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
1 Share Premium Account					
Balance as per the last financial statements	26.42	26.42	26.42	26.42	26.42
Arising during the period / year	-	-	-	-	-
Utilised in issue of bonus equity shares(Refer note 17)	(26.42)	-	-	-	-
Closing balances	-	26.42	26.42	26.42	26.42
2 General Reserve					
Balance as per the last financial statements	68.67	68.67	68.67	68.67	68.67
Arising during the period / year	-	-	-	-	-
Utilised during the period / year	-	-	-	-	-
Closing balances	68.67	68.67	68.67	68.67	68.67
3 Retained Earnings					
Balance as per the last financial statements	16,687.90	12,812.46	12,812.46	11,869.37	11,054.76
Profit for the period / year	1,549.44	973.51	5,262.80	4,944.02	4,467.99
Other Comprehensive Income for the period / year	3.30	9.36	12.68	(22.61)	(3.58)
Utilised in issue of bonus equity shares(Refer note 17)	(1,233.58)	-	-	-	(43.10)
Dividend for the period / year *	(705.60)	-	(1,400.04)	(3,300.00)	(3,000.00)
Dividend Distribution Tax	-	-	-	(678.32)	(605.74)
Closing balances	16,301.46	13,795.33	16,687.90	12,812.46	11,870.33
4 Foreign Currency Translation Reserve					
Balance as per the last financial statements	83.14	81.18	81.18	60.23	45.57
Arising during the period / year	11.76	4.98	1.96	20.95	14.66
Utilised during the period / year	-	-	-	-	-
Closing balances	94.90	86.16	83.14	81.18	60.23
5 Share Option Outstanding Account					
Balance as per the last financial statements	-	-	-	-	-
Charges during the period / year	116.54	-	-	-	-
Exercise of share options during the period / year	-	-	-	-	-
Closing balances	116.54	-	-	-	-
Total Other Equity	16,581.57	13,976.58	16,866.13	12,988.73	12,025.65
* Cash dividends on equity shares declared and paid:					
(₹ in million)					
Final dividend per share for the Fiscal year ended March 31, 2021 INR 2.45 (June 30, 2020: Nil) and Interim dividend for the year ended on March 31, 2021: INR 77.78 (31 March 2020: INR 183.33 and 31 March 2019: INR 166.67)	705.60	-	1,400.04	3,300.00	3,000.00
Dividend Distribution Tax on interim dividend	-	-	-	678.32	605.74
	705.60	-	1,400.04	3,978.32	3,605.74
Proposed dividends on equity shares:					
(₹ in million)					
Proposed dividend for the period ended June 30, 2021: Nil (June 30, 2020: Nil) and for the year ended on March 31, 2021: INR 2.45 per share (March 31, 2020 and March 31, 2019: Nil)	-	-	705.60	-	-
	-	-	705.60	-	-

Nature and Purpose of the reserves**Share Premium:**

Share Premium is used to record the premium (amount received in excess of face value of equity shares) on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of Section 52 of Companies Act, 2013. The Group has utilised the Share Premium in issue of bonus equity shares in the current period.

General reserve:

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid up share capital of the Company for that year, then the total dividend distribution is less than total distributable reserve for that year.

Consequent to introduction of the Companies Act 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been with drawn. However the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of the Companies Act, 2013.

Retained earnings:

Retained earnings are the profits that a company has earned to date, less any dividends or other distributions paid to the Shareholders, net of utilisation as permitted under applicable regulations.

Foreign Currency Translation Reserve:

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Share Option Outstanding Account:

The grant date fair value of equity-settled share-based payment transactions with employees and directors are recognised in the Statement of Profit and Loss with the corresponding credit to this account over the vesting period.

Annexure - VI: Notes to the Restated Consolidated Ind AS Summary Financial Information annexed to and forming part of the financial statements for the period / year ended

	(₹ in million)				
	for the period ended		for the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
NOTE: 19					
Fees and Commission income					
Revenue from contracts with customers					
Asset Management and Advisory Fees	2,920.73	2,057.97	10,182.06	10,902.41	12,291.94
Portfolio Management Fees	107.25	95.18	435.15	530.64	766.85
Management Fees from Other Services	3.71	34.09	61.86	163.65	208.95
Total Fees and Commission income	3,031.69	2,187.24	10,679.07	11,596.70	13,267.74
NOTE: 20					
Net Gain on Fair Value Changes					
Net gain /(loss) on financial instruments at fair value through profit or loss					
On trading portfolio investments					
Mutual Funds	300.74	391.23	1,247.86	771.16	807.63
Alternative Investment Funds	(0.01)	(12.29)	(16.65)	(29.51)	(14.70)
Total Net gain/(loss) on fair value changes	300.73	378.94	1,231.21	741.65	792.93
Fair Value Changes					
Realised	24.23	12.86	399.23	163.57	279.38
Unrealised	276.50	366.08	831.98	578.08	513.55
Total Net Gain on Fair Value Changes	300.73	378.94	1,231.21	741.65	792.93
NOTE: 21					
Other Income					
Interest Income	28.81	19.20	106.24	7.23	10.99
Foreign Exchange Gain (Net)	-	-	-	-	0.11
Miscellaneous income	0.01	2.61	6.50	2.10	0.73
Rent concession	1.21	19.48	35.39	-	-
Total Other Income	30.03	41.29	148.13	9.33	11.83
NOTE: 22					
Finance Cost					
Finance Cost on Lease liability (measured at amortised cost) (refer note 38)	13.49	15.01	55.57	54.41	57.33
Total Finance Cost	13.49	15.01	55.57	54.41	57.33
NOTE: 23					
Employee Benefit Expense					
Salaries and allowances	532.20	557.30	2,222.56	2,132.11	2,334.39
Contribution to provident and other funds (refer note: 29)	16.50	16.90	78.17	80.54	71.94
Gratuity expenses (refer note: 29)	6.11	6.54	28.70	25.78	24.20
Staff welfare expenses	10.32	5.44	38.81	74.61	151.96
Share-based payments by ABCL (Entity having Joint Control) (refer note: 29)	8.10	15.02	38.75	107.16	192.52
Share-based payments by the Company (refer note: 41)	116.54	-	-	-	-
Total Employee Benefit Expense	689.77	601.20	2,406.99	2,420.20	2,775.01
NOTE: 24					
Depreciation and Amortisation Expense					
Depreciation on right-of-use assets (refer note: 38)	50.90	52.88	208.63	203.68	192.52
Depreciation on Property, Plant & Equipment (refer note: 9)	19.57	25.71	96.16	107.78	96.86
Amortisation of Intangible Assets (refer note: 10)	19.19	16.57	69.63	53.76	34.65
Total Depreciation and Amortisation Expense	89.66	95.16	374.42	365.22	324.03

Annexure - VI: Notes to the Restated Consolidated Ind AS Summary Financial Information annexed to and forming part of the financial statements for the period / year ended

	₹ in million				
	for the period ended		for the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
NOTE: 25					
Other expense					
Rent	0.63	1.42	8.10	25.62	28.83
Repairs and Maintenance	26.86	29.80	110.87	118.54	125.87
Insurance	16.39	13.10	51.65	52.66	41.17
Rates and Taxes	3.64	5.49	12.37	25.45	42.78
Electricity	8.03	6.96	26.30	36.50	35.10
Software and Technology Expenses	54.07	45.74	221.62	192.55	170.56
Database Research Expenses	21.95	22.79	100.97	83.19	65.40
Travelling and Conveyance	7.62	2.58	35.46	137.20	144.84
Communication Expenses	8.07	8.98	33.26	60.72	60.34
Outsourced Fund Accounting Expenses	6.57	9.24	30.38	44.78	74.11
Legal and Professional Charges	37.25	38.66	164.81	200.58	169.97
Auditor's Remuneration :					
- Audit Fees	2.26	1.67	10.27	6.46	6.67
- Tax Audit Fees	0.15	0.15	0.60	0.60	0.60
- Other Services	-	0.39	1.33	1.19	1.19
- Reimbursement of expenses	-	-	-	0.04	0.03
Services Charges	54.24	63.60	225.68	243.33	211.17
Directors Sitting Fees	2.48	1.98	7.96	7.72	7.83
Printing and Stationery	2.30	1.12	11.64	30.23	37.19
Loss on Sale of Fixed Assets (net)	1.05	-	0.70	0.42	0.49
Asset Utilisation Charges	14.91	11.21	55.66	47.32	32.63
Bank Charges	0.35	0.15	1.48	1.81	1.99
Miscellaneous Expenses	15.00	13.61	59.18	70.20	62.93
Foreign Exchange Loss (net)	1.37	0.09	1.34	2.84	0.42
Donation	-	-	0.70	0.36	0.66
Fund expense	53.41	4.32	143.24	90.39	898.39
Business Promotion Expenses	81.82	124.43	370.12	582.43	732.39
Corporate Social Responsibility Expenses (refer note 34)	28.57	26.55	106.29	86.90	69.90
Other expenses	448.99	434.03	1,791.98	2,150.03	3,023.45
NOTE: 26					
Income tax expense					
Current tax	547.38	289.62	1,705.55	1,603.33	2,244.44
Deferred tax	(37.93)	38.04	(8.82)	66.67	(261.27)
Adjustments in respect of current income tax of previous years	-	-	(0.65)	(6.73)	6.51
Total income tax expense recognised in profit or loss	509.45	327.66	1,696.08	1,663.27	1,989.68
Reconciliation of effective tax rate:					
Income before tax	2,058.89	1,301.17	6,958.88	6,607.29	6,457.67
Expected tax rate in India (applicable to the Company)	25.168%	25.168%	25.168%	25.168%	34.944%
Expected income tax amount	518.18	327.48	1,751.41	1,662.92	2,256.57
Tax impact on :					
Incomes chargeable at different tax rates					
Expenses disallowed/(allowed) as per income tax computation	(91.93)	(153.65)	(333.11)	(50.19)	(303.66)
Items which are taxed at different rates	-	31.55	201.38	70.48	20.62
Effect of lower tax rate in Offshore units	(8.98)	0.94	0.17	(21.06)	5.17
Effect on Deferred tax balances for items taxed at different rates	87.44	122.29	105.50	3.97	0.97
Others	4.74	(0.95)	(28.62)	3.88	3.50
Net adjustments	509.45	327.66	1,696.73	1,670.00	1,983.17
Adjustments in respect of current income tax of previous periods / years	-	-	(0.65)	(6.73)	6.51
Tax expenses recognised in Profit & loss account	509.45	327.66	1,696.08	1,663.27	1,989.68

The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws [Amendment] Ordinance, 2019 dated September 20, 2019. Accordingly, the Company has recognized Provision for Income Tax for the year ended March 31, 2020 and re-measured its net Deferred Tax Liabilities basis the rate prescribed in the said section and recognised the impact of the above changes up to March 31, 2020 in the financial statements for the year ended March 31, 2020.

Annexure VI: Notes to Accounts forming part of the Restated Consolidated Ind AS Summary Financial Information

Other Notes to Accounts:

27. Contingent Liabilities and Commitments

(i) Contingent Liabilities:

No	Particulars	As at				
		June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
	Claims against the Group not acknowledged as debts in respect of:					
i)	Income tax matters	*#328.43	*282.78	*#328.43	*261.41	40.20
ii)	Sales tax matters (including interest and penalty)	-	-	-	-	15.13
iii)	Other matters	8.42	8.31	8.42	8.31	8.31

*Includes – Income tax Demand for AY 2017-18 of ₹ 221.97 million (including interest of ₹ 55.40 million) received during the financial year ended 31st March 2020 by Aditya Birla Sun Life Real Estate Fund for which Aditya Birla Sun Life AMC Limited. is an investment manager. The fund has received a favourable ruling by CIT (Appeal) for the Similar issue for AY 2016-17.

#Includes - Income Tax Demand for AY 2018-19 of ₹ 33.69 million (including interest of ₹ 9.91 million) received during the financial year ended 31st March 2021 by Aditya Birla Real Estate Fund for which Aditya Birla Sun Life AMC Ltd. is an investment manager. The fund has received a favourable ruling by CIT (Appeal) for the similar issue for AY 2016-17.

(ii) Commitments - Unexecuted Contracts:

Particulars	As at				
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Commitments for the acquisition of property, plant, and equipment	18.31	15.24	13.77	29.29	43.29
Commitments for investment activities	-	-	-	-	9.50

28. Management Rights

During financial year ended March 31, 2015 Aditya Birla Sun Life Trustee Company Private Limited took over the mutual fund schemes from ING Trust Company Private Limited and simultaneously the Group acquired the right to manage the said schemes from ING Asset Management (India) Private Limited.

The consideration paid to acquire the right to manage the said schemes along with the incidental expenditure incurred thereon aggregating to Rs.37.85 million has been treated as Investment Management Right. The Investment Management Right will be amortised over a period of 120 months. For the period ended June 30, 2021, an amount of 0.95 million (June 30, 2020: 0.95 million) and for the year ended March 31, 2021, an amount of Rs. 3.79 million (March 31, 2020: Rs. 3.79 million and March 31, 2019: Rs. 3.79 million) has been amortised. Balance life of Investment Management Right as at June 30, 2021 is 39 months.

29. Employee Benefits

In accordance with the Indian Accounting Standard (Ind AS) 19 "Employee Benefits", the Group has classified the various benefits provided to the employees as under:

a. Defined Contribution Plan

Defined Contribution Plan – The Group has recognized the following amounts in the Statement of Profit and Loss Account which are included under contribution to Provident Fund and others fund.

No	Particulars	For the period ended				
		June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
i)	Employers Contribution to Provident Fund (PF)	11.07	11.81	46.57	46.82	42.89
ii)	Employers Contribution to Employees Pension Fund	3.40	3.61	14.18	14.58	12.78
iii)	Employers Contribution to Labour Welfare Fund	0.01	0.02	0.07	0.05	0.04
iv)	Contribution to Employees Deposit Linked Insurance	0.22	0.24	0.93	0.96	-
v)	Employers Contribution to other Funds related to Foreign Subsidiaries	1.80	1.22	5.75	6.19	5.84
	Total	16.50	16.90	67.50	68.60	61.55

Above figures are excluding contribution to PF and Other Funds of Rs. 1.96 million for the period ended June 30, 2021 (June 30, 2020: Rs. 2.48 million) and Rs. 10.67 million for the year ended March 31, 2021 (March 31, 2020: Rs. 11.94 million and March 31, 2019: Rs. 10.40 million) reimbursed to related parties - Aditya Birla Financial Shared Services Limited & Aditya Birla Capital Limited.

b. Share based payments

Pursuant to ESOP Plan by ABCL, stock options were granted to the employees of the Company during the period / year. Total cost incurred by ABCL till date is being recovered from the Company over the period of vesting of the ESOP grants. Accordingly, a sum of Rs. 8.11 million for the period ended June 30, 2021 (June 30, 2020: Rs. 15.02 million) and for the year ended March 31, 2021 Rs. 38.75 million (March 31, 2020: Rs. 107.16 million and March 31, 2019: Rs. 192.74 million) has been charged to the Statement of Profit and Loss. The balance sum of Rs. 17.22 million will be recovered in future years as at June 30, 2021.

Annexure VI: Notes to Accounts forming part of the Restated Consolidated Ind AS Summary Financial Information

c. Gratuity (Defined Benefit Plan)

The following table sets out the status of the gratuity plan as required under IND AS 19 as certified by actuary. Reconciliation of opening and closing balances of the present value of the defined benefit obligation. (₹ in million)

Particulars	As at				
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Amounts recognised in the Balance Sheet in respect of Gratuity					
Present Value of the funded Defined Benefit Obligations at the end of the period / year	289.97	273.17	296.14	267.82	203.37
Fair Value of Plan Assets	(291.63)	(264.44)	(299.52)	(257.87)	(203.11)
Net (Asset)/Liability	(1.66)	8.73	(3.38)	9.95	0.26
Amounts recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity*					
Amounts recognised during the period / year:					
In P&L	6.11	6.54	28.70	25.78	24.20
In Other Comprehensive Income	(4.19)	(7.63)	(8.31)	21.17	3.82
Total Expenses Recognised during the period / year	1.92	(1.09)	20.39	46.95	28.02
Actual Return on Plan Assets:					
Expected Return on Plan Assets	4.63	4.11	16.88	15.37	12.47
Actuarial Gain on Plan Assets	(1.17)	5.40	3.95	9.82	2.37
Actual Return on Plan Assets:	3.46	9.51	20.83	25.19	14.84

* Above figures are excluding gratuity reimbursed to related parties – Aditya Birla Financial Shared Services Limited & Aditya Birla Capital Limited.

Particulars	As at				
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Reconciliation of Present Value of Obligation and the Fair Value of the Plan Assets:					
Change in Present Value of the Obligations:					
Opening Defined Benefit Obligations	296.14	267.82	267.82	203.37	173.86
Current Service Cost	6.16	6.41	28.05	25.76	23.47
Interest Cost	4.58	4.27	17.53	15.39	13.20
Actuarial (Gain)/Loss arising from:					
- changes in demographic assumptions	-	-	-	(0.19)	-
- changes in financial assumptions	5.61	2.47	9.99	27.60	3.95
- experience variance (i.e., actual experience vs assumption)	(10.97)	(4.70)	(14.35)	3.57	2.24
Benefits Paid	(11.55)	(3.10)	(12.90)	(7.68)	(13.35)
Closing Defined Benefit Obligations	289.97	273.17	296.14	267.82	203.37
Change in Fair Value of the Plan Assets:					
Opening Fair Value of the Plan Assets	299.52	257.87	257.87	203.11	164.21
Expected Return on the Plan Assets	4.63	4.11	16.88	15.37	12.47
Actuarial (Gain)/Loss	(1.17)	5.40	3.95	9.82	2.37
Contributions by the Employer	0.20	0.16	33.71	37.25	37.41
Benefits Paid	(11.55)	(3.10)	(12.89)	(7.68)	(13.35)
Closing Fair Value of the Plan Assets	291.63	264.44	299.52	257.87	203.11
Expense Recognised in Income Statement					
Current Service Cost	6.16	6.41	28.05	25.76	23.47
Net Interest cost / (income) on the defined benefit liability/(asset)	(0.05)	0.13	0.65	0.02	0.73
Expense Recognised in Income Statement	6.11	6.54	28.70	25.78	24.20
Other Comprehensive Income					
Actuarial (Gain)/Loss arising from:					
- changes in demographic assumptions	-	-	-	(0.19)	-
- changes in financial assumptions	5.61	2.47	9.99	27.61	3.95
- experience variance (i.e., actual experience vs assumption)	(10.97)	(4.70)	(14.35)	3.57	2.24
Return on plan asset, excluding amount recognised in net interest expense	1.17	(5.40)	(3.95)	(9.82)	(2.37)
Remeasurement gain/loss in other comprehensive income	(4.19)	(7.63)	(8.31)	21.17	3.82
Investment details of Plan Assets					
Plan assets are invested with:					
Aditya Birla Sun Life Insurance Company Limited	291.63	264.44	299.52	257.87	203.11
Composition of the plan assets are as follows:	Allocation %	Allocation %	Allocation %	Allocation %	Allocation %
Government Bonds	22.10%	19.91%	24.30%	19.93%	29.33%
Corporate Bonds	73.25%	61.01%	65.33%	61.00%	63.00%
Others	4.65%	19.08%	10.37%	19.07%	7.68%

Annexure VI: Notes to Accounts forming part of the Restated Consolidated Ind AS Summary Financial Information

Assumptions					
Discount rate	6.30%	6.00%	6.35%	6.55%	7.55%
Compensation Escalation rate	8.5% for first five years, 7.5% for next five years, 6.5% for next five years and 5% thereafter	0% for first year, 8.5% for next five years, 7.5% for next five years, 6.5% for next five years and 5% thereafter	8.5% for first five years, 7.5% for next five years, 6.5% for next five years and 5% thereafter	8.5% for first five years, 7.5% for next five years, 6.5% for next five years and 5% thereafter	8.5% for first five years, 7.5% for next five years, 6.5% for next five years and 5% thereafter
Average Age	34.36	33.66	34.15	33.52	33.32
Mortality Basis	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2006-2008) ultimate

A. Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis are given below:

No.	Particulars	As at				
		June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
1	Defined Benefit Obligation (Base)	289.98	273.17	296.14	267.82	203.37

(₹ in million)

No.	Particulars	As at									
		June 30, 2021		June 30, 2020		March 31, 2021		March 31, 2020		March 31, 2019	
		Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase
1	Discount Rate (-/+ 0.50%) (% change compared to base due to sensitivity)	303.98 4.8%	276.93 -4.5%	287.18 5.1%	260.15 -4.8%	310.79 4.9%	282.50 -4.6%	281.27 5.0%	255.32 -4.7%	213.28 4.9%	194.14 -4.5%
2	Compensation Escalation Rate (-/+ 0.50%) (% change compared to base due to sensitivity)	277.02 -4.5%	303.75 4.7%	260.19 -4.8%	287.00 5.1%	282.56 -4.6%	310.58 4.9%	255.35 -4.7%	281.11 5.0%	194.08 -4.6%	213.26 4.9%
3	Mortality Rate (-/+ 10%) (% change compared to base due to sensitivity)	289.74 -0.1%	290.22 0.1%	272.96 -0.1%	273.37 0.1%	295.90 -0.1%	296.39 0.1%	267.57 -0.1%	268.08 0.1%	203.09 -0.1%	203.65 0.1%

(₹ in million)

There is no change in the method of valuation for the prior period. For change in assumptions refer assumptions table above.

B. Effect of Plan on Group's Future Cash Flows**i) Funding arrangements and Funding Policy**

The scheme is managed on funded basis.

ii) Expected Contribution during the next annual reporting period

Particulars	For the period ended		For the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
The Group's best estimate of Contribution during the next year	29.38	40.44	28.77	41.29	26.29

(₹ in million)

iii) Maturity Profile of Defined Benefit Obligation

Particulars	For the period ended		For the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Weighted average duration	10 years	10 years	10 years	10 years	10 years

Expected cash flows over the next (valued on undiscounted basis):

Particulars	For the period ended		For the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
1 year	16.32	17.13	16.93	18.04	13.81
2 to 5 years	108.03	65.32	80.08	68.72	57.51
6 to 10 years	119.72	134.55	145.38	127.10	117.06
More than 10 years	332.02	327.14	358.25	351.19	292.45

(₹ in million)

The estimate of future salary increases, considered in the actuarial valuation, takes into account inflation, seniority, promotion, and other relevant factors. The above information is certified by the actuary based on assumptions provided by the Group.

Annexure VI: Notes to Accounts forming part of the Restated Consolidated Ind AS Summary Financial Information

30. Disclosure in respect of Related Party pursuant to Indian Accounting Standard (Ind AS) 24:

a. List of Related Parties:

A	Parent of the Entity having Joint Control	F	The entities in respect of which Funds are managed by the Group
	Grasim Industries Limited		India Advantage Fund Limited
B	Entity having Joint Control		International Opportunities Fund SPC
	Aditya Birla Capital Limited (ABCL)		Global Clean Energy Fund (wound up on March 31, 2020)
	Sun Life (India) AMC Investments Inc., Canada		New Horizon Fund SPC
C	Subsidiaries	G	Directors and Key Management Personnel
	Aditya Birla Sun Life AMC (Mauritius) Limited		Kumar Mangalam Birla (Non-Executive Director)
	Aditya Birla Sun Life AMC Pte. Limited, Singapore		Ajay Srinivasan (Non-Executive Director)
	Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai		A. Balasubramanian (Managing Director and Chief Executive Officer from July 25, 2019)
D	Other Related Party		Sandeep Asthana (Non-Executive Director)
	Sun Life Global Investments (Canada) Inc		Colm Freyne (Non-Executive Director)
	Aditya Birla Management Corporation Private Limited		Bobby Parikh (Independent Director)
	Idea Cellular Limited (Up to 30 August 2018)		Bharat Patel (Independent Director)
	Green Oak India Investment Advisors Private Limited		Alka Bharucha (Independent Director)
	Aditya Birla Capital Foundation		Harish Engineer (Independent Director from June 21, 2019)
E	Fellow Subsidiaries of Entity having Joint Control		Navin Puri (Independent Director from September 04, 2019)
	Aditya Birla Health Insurance Company Limited		Pankaj Razdan (Non-Executive up to July 08, 2019)
	Aditya Birla Sun Life Insurance Company Limited		N.N. Jambusaria (Independent Director up to August 24, 2019)
	Aditya Birla Sun Life Trustee Private Limited		N. C. Singhal (Independent Director up to August 24, 2019)
	Aditya Birla Money Mart Limited		R. Vaidyanathan (Independent Director up to August 24, 2019)
	Aditya Birla Finance Limited		Claude Accum (Non-Executive Director up to February 24, 2020)
	Aditya Birla Money Limited		Sushobhan Sarker (Independent Director from September 04, 2019 up to April 06, 2021)
	Aditya Birla Financial Shared Services Limited		
	Aditya Birla Insurance Brokers Limited		
	Aditya Birla Money Insurance Advisory Services Limited		
	Aditya Birla Commodities Broking Limited		
	Aditya Birla PE Advisors Private Limited		
	Aditya Birla ARC Limited		
	ABCAP Trustee Company Private Limited		
	Aditya Birla Sun Life Pension Management Limited		
	Aditya Birla Housing Finance Limited		
	ABCSL-Employee Welfare Trust		
	Aditya Birla Wellness Private Limited		
	ABNL Investment Limited		
	Aditya Birla Capital Technology Services Limited (formerly known as Aditya Birla MyUniverse Services Limited)		

Related Parties with whom the Group has entered into transactions during the period / year:

(₹ in million)

Sr.No No.	Particulars	Category	For the period ended		For the year ended		
			June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
1	Income Dividend Income Aditya Birla Sun Life AMC (Mauritius) Limited [#]	C	-	-	-	-	53.12
2	Expenses Fees and commission Aditya Birla Money Limited Aditya Birla Finance Limited (Note 1) Aditya Birla Capital Technology Services Limited	E E E	0.00* 2.15 -	- 2.05 -	- 8.86 -	- 4.84 -	- 12.30 0.47
	Contribution to Group Mediclaim/Insurance Premium/Gratuity Aditya Birla Sun Life Insurance Company Limited Aditya Birla Health Insurance Company Limited	E E	- -	- 2.56	37.05 2.56	41.80 6.89	38.97 7.03
	Business Promotion Expenses Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai [#] Aditya Birla Sun Life AMC Pte Limited, Singapore [#] Aditya Birla Sun Life Insurance Company Limited (Note 2) Aditya Birla Health Insurance Company Limited (Note 3)	C C E E	30.02 1.63 2.65 -	24.87 1.59 90.90 -	104.87 5.07 99.14 0.19	90.24 7.58 69.26 0.27	110.41 3.59 71.64 26.85
	Rent Grasim Industries Limited Aditya Birla Capital Limited	A B	1.59 -	1.94 1.51	8.77 3.52	9.17 6.04	9.20 1.51
	Telephone and Internet Idea Cellular Limited	D	-	-	-	-	0.72
	Advisory Services GreenOak India Investment Advisors Private Limited	D	2.89	2.98	17.48	8.41	-
	Software & Technology Expenses Aditya Birla Capital Technology Services Limited	E	8.27	6.38	27.60	-	-

Annexure VI: Notes to Accounts forming part of the Restated Consolidated Ind AS Summary Financial Information

Sr.No	Particulars	Category	For the period ended		For the year ended		
			June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
3	Employee Benefit Expenses						
	Aditya Birla Wellness Private Limited	E	-	-	0.07	-	-
	Reimbursements of Costs Paid						
	Aditya Birla Financial Shared Services Limited (Employee benefit expenses)	E	15.77	9.16	57.46	88.87	88.58
	Aditya Birla Financial Shared Services Limited (Other expenses)	E	61.58	56.03	171.65	189.50	153.60
	Aditya Birla Finance Limited (Employee benefit expenses)	E	0.41	0.04	0.49	0.30	0.87
	Aditya Birla Finance Limited (Rent)	E	0.22	-	0.43	8.61	8.70
	Aditya Birla Finance Limited (Other expenses)	E	-	-	-	-	0.19
	Aditya Birla Sun Life Insurance Company Limited (Rent)	E	0.16	0.04	0.33	0.12	0.18
	Aditya Birla Sun Life Insurance Company Limited (Other expenses)	E	0.26	-	-	0.01	0.54
	Aditya Birla Sun Life Insurance Company Limited (Employee benefit expenses)	E	-	-	1.56	1.00	0.92
	Aditya Birla Capital Limited (Employee benefit expenses)	B	53.45	58.38	225.09	328.04	462.30
	Aditya Birla Capital Limited (Other expenses)	B	12.94	13.00	56.25	70.25	66.69
	Aditya Birla Health Insurance Company Limited (Employee benefit expenses)	E	-	-	1.69	0.59	1.50
	Aditya Birla Housing Finance Limited (Rent)	E	0.10	0.10	0.38	0.38	-
	Aditya Birla Money Limited (Employee benefit expenses)	E	-	-	0.75	-	0.02
	Aditya Birla Management Corporation Private Limited (Employee benefit expenses)	D	-	-	0.49	-	2.23
	Sun Life Global Investments (Canada) Inc (Employee Benefit Expenses)	D	1.42	2.25	7.06	14.88	7.75
	Aditya Birla Management Corporation Private Limited (Other Expenses)	D	-	-	0.51	-	-
	Aditya Birla Sun Life Trustee Private Limited (Employee Benefit Expenses)	E	0.37	-	0.42	-	-
	Aditya Birla Capital Foundation (Other Expenses)	D	-	-	0.09	-	-
4	Reimbursements of Costs Received						
	Aditya Birla Finance Limited (Employee benefit expenses)	E	-	0.11	0.22	-	0.48
	Aditya Birla Finance Limited (Other expenses)	E	-	-	-	1.81	-
	Aditya Birla Financial Shared Services Limited (Employee benefit expenses)	E	-	-	-	0.05	0.04
	Aditya Birla Sun Life Insurance Company Limited (Employee benefit expenses)	E	0.04	-	0.30	0.90	0.08
	Aditya Birla Sun Life Insurance Company Limited (Other expenses)	E	-	-	0.08	0.02	0.02
	Aditya Birla Health Insurance Company Limited (Employee benefit expenses)	E	-	-	1.27	-	0.06
	Aditya Birla Health Insurance Company Limited (Other expenses)	E	-	-	0.04	0.04	8.52
	Aditya Birla Housing Finance Limited (Employee benefit expenses)	E	-	-	-	0.06	0.03
	Aditya Birla Capital Limited (Other expenses)	B	-	-	0.02	0.02	14.14
	Aditya Birla Money Limited (Employee benefit expenses)	E	-	-	-	-	0.29
	Idea Cellular Limited (Other expenses)	D	-	-	-	-	0.08
	Aditya Birla Insurance Brokers Limited (Employee benefit expenses)	E	-	-	0.08	-	-
	Aditya Birla Management Corporation Private Limited (Employee benefit expenses)	D	0.03	-	0.43	0.63	-
	Grasim Industries Limited (Other expenses)	A	-	-	0.30	-	-
	Aditya Birla Housing Finance Limited (Rent)	E	0.09	-	0.13	-	-
	Aditya Birla ARC Limited (Employee benefit expenses)	E	-	-	-	0.11	-
	Aditya Birla Finance Limited (Rent)	E	0.19	-	0.41	-	-
	Aditya Birla Money Insurance Advisory Services Limited (Rent)	E	0.04	-	-	-	-
	Aditya Birla Sun Life AMC Ltd, Dubai(Employee benefit expense)	C	0.85	-	-	-	-
	Aditya Birla Sun Life AMC Pte Ltd, Singapore(Employee benefit expense)	C	0.62	-	-	-	-
	Aditya Birla Sun Life AMC Mauritius Ltd, (Employee benefit expense)	C	0.05	-	-	-	-
5	Managerial Remuneration						
	Managing Director and Chief Executive Officer (Note 4)	G	24.19	9.37	55.03	60.55	189.14
6	Director's Sitting Fees						
	Director's Sitting Fees paid	G	1.00	0.46	2.18	2.29	2.74
7	Interim Dividend Paid						
	Aditya Birla Capital Limited	B	359.86	-	714.02	1,683.00	1,530.00
	Sun Life (India) AMC Investments Inc	B	345.74	-	686.02	1,617.00	1,470.00
	Kumar Mangalam Birla	G	0.00*	-	0.00*	0.00*	0.00*
8	CSR Contribution						
	Aditya Birla Capital Foundation	D	-	-	106.20	-	-
9	Purchase of Fixed Assets						
	Aditya Birla Management Corporation Private Limited	D	-	-	0.91	-	-
	Aditya Birla Financial Shared Services Limited	E	-	-	-	-	1.03
	Aditya Birla Finance Limited	E	-	-	-	-	1.14
	Aditya Birla Health Insurance Company Limited	E	-	-	0.64	-	-

Annexure VI: Notes to Accounts forming part of the Restated Consolidated Ind AS Summary Financial Information

Sr.No	Particulars	Category	For the period ended		For the year ended		
			June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
10	Sale of Fixed Assets Aditya Birla Health Insurance Company Limited Aditya Birla Management Corporation Private Limited Aditya Birla Financial Shared Services Limited Aditya Birla Sun Life Insurance Company Limited	E D E E	- - - -	- - - -	1.00 0.93 - 2.53	- - - 0.01	- - - -
11	Software Development (CWIP/Capitalised - Intangible) Aditya Birla Capital Technology Services Limited	E	-	2.31	9.35	-	-
12	Deposit Paid Grasim Industries Limited Aditya Birla Capital Limited	A B	- -	- -	- -	- -	0.95 2.52
13	Refund of Security Deposit Received Aditya Birla Capital Limited	B	-	-	2.52	-	-

*figures are below rounding off norms

c. Outstanding Balances as at:

(₹ in million)

Sr. No.	Particulars	Category	As at				
			June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
1	Payable Aditya Birla Sun Life AMC Pte Ltd, Singapore (Trade Payable)* Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai (Trade Payable)* Aditya Birla Finance Limited (Trade Payable) Aditya Birla Financial Shared Services Limited (Trade Payable) Aditya Birla Sun Life Insurance Company Limited (Trade Payable) Aditya Birla Capital Limited (Trade Payable) Aditya Birla Capital Technology Services Limited (Trade Payable) Grasim Industries Limited (Trade Payable) Aditya Birla Money Limited (Trade Payable) Aditya Birla Housing Finance Limited (Trade Payable) Sun Life Global Investments (Canada) Inc (Trade Payable) Aditya Birla Management Corporation Private Limited (Trade Payable) GreenOak India Investment Advisors Private Limited (Trade Payable) Aditya Birla Wellness Private Limited (Trade Payable) Aditya Birla Sun Life Trustee Private Limited (Trade Payable)	C C E E E B E A E E D D D E E E	(1.10) (29.17) (0.03) (21.76) (0.14) (29.38) (2.26) (0.17) (0.01) - (4.91) (0.47) - - - -	(2.88) (34.33) - (39.68) (0.04) (27.90) (8.58) (0.84) - (0.12) (2.25) - (1.39) - - -	(0.08) (28.52) (0.02) (32.30) (0.18) (20.90) (2.45) - - - (3.39) (0.47) (2.68) (0.07) (0.42) -	(1.26) (9.46) - (45.33) (0.02) (36.26) - (0.71) - (0.03) (6.41) - - - - -	(1.16) (19.21) (1.19) (25.03) - (10.34) - (0.08) (0.02) - - - - - - -
2	Receivable Aditya Birla Financial Shared Services Limited (Prepaid Expenses) Grasim Industries Limited (Deposit) Aditya Birla Sun Life Insurance Company Limited (Receivables) Aditya Birla Capital Limited (Deposit) Aditya Birla Health Insurance Company Limited (Receivables) Aditya Birla Finance Limited (Receivables) Aditya Birla Management Corporation Private Limited (Receivables) Aditya Birla Capital Technology Services Limited (Prepaid Expenses) Grasim Industries Limited (Loans & Advances) Aditya Birla Housing Finance Limited (Receivables) Aditya Birla Money Insurance Advisory Services Limited (Receivables) Aditya Birla Sun Life AMC (Mauritius) Limited (Receivables)	E A E B E E D E A E E E C	17.71 7.13 - - - - - 1.13 - 0.05 0.04 0.05	17.36 7.13 - 2.52 - 0.07 0.63 - - - - -	2.34 7.13 - - 0.20 - - 0.16 0.06 0.06 - - -	4.01 7.13 - 2.52 0.04 1.58 0.63 - - - - -	3.30 7.13 0.02 2.52 0.05 - - - - - - -

Related parties are as identified by the Company and relied upon by the Auditors

*These tables contain the intercompany transactions which got eliminated in the consolidated financial statement. Such information has been shown separately in compliance with SEBI (ICDR) guidelines.

All the above figures are inclusive of GST wherever applicable.

Note 1 - Total Amount paid for the period/year ended June 30, 2021, June 30, 2020, March 31, 2021, March 31, 2020 and March 31, 2019 is Rs. 2.15, Rs. 2.05, Rs. 8.86 million, Rs. 4.84 million and Rs. 12.30 million respectively, out of which Rs. Nil, Rs. Nil, Rs. Nil, Rs. 2.95 million and Rs. 10.30 million is debited to profit and loss during the year and balance amortised.

Note 2 - Total Amount paid for the period ended June 30, 2021 and June 30, 2020 is Rs. 2.64 million and Rs. 90.09 million respectively, out of which Rs. 1.06 million and Rs. 10.89 million respectively debited to profit and loss during the period and balance amortised. Total Amount paid for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 is Rs. 99.14 million, 69.26 million and 71.64 million respectively, out of which Rs. 84.47 million, Rs. 59.03 million and Rs. 54.53 million respectively debited to profit and loss during the year and balance amortised.

Note 3 - Total Amount paid for the year ended March 31, 2021, March 31, 2020, and March 31, 2019 is Rs. 0.19 million, Rs. 0.27 million and Rs. 26.85 million respectively, out of which Rs. Nil, Rs. Nil, and Rs. 17.09 million debited to profit and loss during the year and balance amortised.

Annexure VI: Notes to Accounts forming part of the Restated Consolidated Ind AS Summary Financial Information

Note 4 - Managerial Remuneration:

(₹ in million)

Particulars	For the period ended		For the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
1) Short term employment benefits					
a) Gross Salary	8.48	8.32	53.96	54.11	58.32
b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.05	1.05	1.07	0.02	0.02
2) Share-based payments by the Company	14.65	-	-	-	-
3) Other long term employment benefits	-	-	-	6.42	130.80
Total Remuneration	24.18	9.37	55.03	60.55	189.14

Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall basis at the end of each period/year and accordingly have not been considered in the above information.

31. Earnings Per Share

Earnings per Share (EPS) is calculated as under:		For the period ended		For the year ended		
		June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Net Profit After Tax before Other Comprehensive Income as per Restated Consolidated Statement of Profit and Loss (₹ in million)	A	1,549.44	973.51	5,262.80	4,944.02	4,467.99
Weighted average number of basic equity shares after split of shares into ₹ 5 each (refer note 17)	B	3,60,00,000	3,60,00,000	3,60,00,000	3,60,00,000	3,60,00,000
Bonus shares issued (refer note 17)	C	25,20,00,000	25,20,00,000	25,20,00,000	25,20,00,000	25,20,00,000
Number of equity shares considered for computation of Basic EPS (B+C)	D	28,80,00,000	28,80,00,000	28,80,00,000	28,80,00,000	28,80,00,000
Add: Dilutive impact of Employee stock options	E	8,18,416	-	-	-	-
Number of equity shares considered for computation of Diluted EPS (D+E)	F	28,88,18,416	28,80,00,000	28,80,00,000	28,80,00,000	28,80,00,000
Basic Earnings Per Share (₹) (Not Annualised for period ended June 30, 2021 and June 31, 2020)	A/D	5.38	3.38	18.27	17.17	15.51
Diluted Earnings Per Share (₹) (Not Annualised for period ended June 30, 2021 and June 31, 2020)	A/F	5.36	3.38	18.27	17.17	15.51
Nominal Value of Shares (₹)		5	5	5	5	5

The impact of split of shares and issue of bonus shares are retrospectively considered for the computation of EPS as per the requirement of IND AS 33.

32. Disclosure pursuant to Schedule III for consolidated financial statements:

For the period ended June 30, 2021: -

(₹ in million)

Particulars	Net Assets		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	% of Consolidated Net Assets	Amount	% of Consolidated Profit and Loss	Amount	% of Consolidated OCI	Amount	% of Consolidated Total Comprehensive Income	Amount
Parent								
Aditya Birla Sun Life AMC Limited	100.77	18,159.68	97.69	1,513.66	100.00	15.06	97.71	1,528.72
Subsidiaries								
Indian								
NA								
Foreign								
Aditya Birla Sun Life AMC (Mauritius) Limited, Mauritius	0.50	89.97	0.07	1.13	-	-	0.07	1.13
Aditya Birla Sun Life Asset Management Company Pte. Limited, Singapore	2.18	393.22	2.15	33.26	-	-	2.13	33.26
Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai	0.38	68.90	0.08	1.17	-	-	0.08	1.17
Non-Controlling Interest	-	-	-	-	-	-	-	-
Eliminations/ Consolidation Adjustments	(3.83)	(690.20)	0.01	0.22	-	-	0.01	0.22
Total	100.00	18,021.57	100.00	1,549.44	100.00	15.06	100.00	1,564.50

Annexure VI: Notes to Accounts forming part of the Restated Consolidated Ind AS Summary Financial Information

For the period ended June 30, 2020: -

(₹ in million)

Particulars	Net Assets		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	% of Consolidated Net Assets	Amount	% of Consolidated Profit and Loss	Amount	% of Consolidated OCI	Amount	% of Consolidated Total Comprehensive Income	Amount
Parent								
Aditya Birla Sun Life AMC Limited	102.05	14,447.27	100.37	977.14	100	14.34	100.37	991.48
Subsidiaries								
Indian								
NA								
Foreign								
Aditya Birla Sun Life AMC (Mauritius) Limited, Mauritius	0.61	86.07	0.13	1.24	-	-	0.13	1.24
Aditya Birla Sun Life Asset Management Company Pte. Limited, Singapore	1.75	247.33	(0.59)	(5.73)	-	-	(0.59)	(5.73)
Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai	0.47	66.11	0.10	0.98	-	-	0.10	0.98
Non-Controlling Interest	-	-	-	-	-	-	-	-
Eliminations/ Consolidation Adjustments	(4.88)	(690.20)	(0.01)	(0.12)	-	-	(0.01)	(0.12)
Total	100.00	14,156.58	100.00	973.51	100.00	14.34	100.00	987.85

For the year ended March 31, 2021: -

(₹ in million)

Particulars	Net Assets		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	% of Consolidated Net Assets	Amount	% of Consolidated Profit and Loss	Amount	% of Consolidated OCI	Amount	% of Consolidated Total Comprehensive Income	Amount
Parent								
Aditya Birla Sun Life AMC Limited	101.09	17,231.78	98.02	5,158.37	100	14.64	98.02	5,173.01
Subsidiaries								
Indian								
NA								
Foreign								
Aditya Birla Sun Life AMC (Mauritius) Limited, Mauritius	0.51	87.38	0.10	5.32	-	-	0.10	5.32
Aditya Birla Sun Life Asset Management Company Pte. Limited, Singapore	2.06	350.56	1.82	96.20	-	-	1.82	96.20
Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai	0.39	66.61	0.07	3.60	-	-	0.07	3.60
Non-Controlling Interest	-	-	-	-	-	-	-	-
Eliminations/ Consolidation Adjustments	(4.05)	(690.20)	(0.01)	(0.69)	-	-	(0.01)	(0.69)
Total	100.00	17,046.13	100.00	5,262.80	100.00	14.64	100.00	5,277.44

Annexure VI: Notes to Accounts forming part of the Restated Consolidated Ind AS Summary Financial Information

For the year ended March 31, 2020: -

(₹ in million)

Particulars	Net Assets		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	% of Consolidated Net Assets	Amount	% of Consolidated Profit and Loss	Amount	% of Consolidated OCI	Amount	% of Consolidated Total Comprehensive Income	Amount
Parent								
Aditya Birla Sun Life AMC Limited	102.22	13,460.77	98.29	4,859.01	100.00	(1.66)	98.28	4,857.36
Subsidiaries								
Indian								
NA								
Foreign								
Aditya Birla Sun Life AMC (Mauritius) Limited, Mauritius	0.64	84.87	0.29	14.15	-	-	0.29	14.15
Aditya Birla Sun Life Asset Management Company Pte. Limited, Singapore	1.88	248.12	0.28	14.05	-	-	0.28	14.05
Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai	0.49	65.17	0.08	4.09	-	-	0.08	4.09
Non-Controlling Interest	-	-	-	-	-	-	-	-
Eliminations/ Consolidation Adjustments	(5.23)	(690.20)	1.06	52.72	-	-	1.07	52.71
Total	100.00	13,168.73	100.00	4,944.02	100.00	(1.66)	100.00	4,942.36

For the year ended March 31, 2019: -

(₹ in million)

Particulars	Net Assets		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	% of Consolidated Net Assets	Amount	% of Consolidated Profit and Loss	Amount	% of Consolidated OCI	Amount	% of Consolidated Total Comprehensive Income	Amount
Parent								
Aditya Birla Sun Life AMC Limited	103.26	12,603.67	100.30	4,481.28	100.00	11.08	100.30	4,492.36
Subsidiaries								
Indian								
NA								
Foreign								
Aditya Birla Sun Life AMC (Mauritius) Limited, Mauritius	0.52	63.88	0.59	26.50	-	-	0.59	26.50
Aditya Birla Sun Life AMC Pte. Limited, Singapore	1.84	224.96	0.19	8.55	-	-	0.19	8.55
Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai	0.45	55.65	0.10	4.43	-	-	0.10	4.43
Non-Controlling Interest	-	-	-	-	-	-	-	-
Eliminations/ Consolidation Adjustments	(6.07)	(742.51)	(1.18)	(52.77)	-	-	(1.18)	(52.77)
Total	100.00	12,205.65	100.00	4,467.99	100.00	11.08	100.00	4,479.07

33. Segment information

The CEO of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 - "Operating Segments". The CODM evaluates the Group's performance and allocates resources. The Group's operations predominantly relate to providing asset management services, portfolio management and other advisory services. In the opinion of the CODM and Management, the risks and rewards attached to the business are similar in nature. Hence the separate Segment under Ind AS 108 on "Operating Segments" is not required to be reported as the Group's business is restricted to single Operating Segment i.e., Asset Management Services.

There is only one customer contributing in excess of 10% of the Group's total revenue in the following periods:

(₹ in million)

Particulars	For the period ended		For the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Revenue from Aditya Birla Sun Life Mutual Fund	2,840.61	2,019.23	9,909.84	10,702.29	12,076.46

Annexure VI: Notes to Accounts forming part of the Restated Consolidated Ind AS Summary Financial Information

Geographic Information:

(₹ in million)

Particulars	In India				
	For the period ended		For the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Revenue by location of customers	2,951.58	2,148.49	10,406.85	11,396.58	13,052.26

(₹ in million)

Particulars	Outside India				
	For the period ended		For the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Revenue by location of customers	111.55	65.33	382.84	297.54	329.11
Less: Eliminations	(31.44)	(26.58)	(110.62)	(97.42)	(113.62)
Net Revenue	80.11	38.75	272.22	200.12	215.49

(₹ in million)

Particulars	For the period ended		For the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Total (In India + In Outside)	3,031.69	2,187.24	10,679.07	11,596.70	13,267.74

34. Corporate Social Responsibility

The gross amount required to be spent by the Group towards Corporate Social Responsibility as per Sec 135 (5) of the Companies Act, 2013 was Rs. 28.57 million for the period ended June 20, 2021 (June 30, 2020 Rs. 26.55 million) and Rs. 106.29 million for the year ended March 31, 2021 (March 31, 2020 Rs. 86.90 million and March 31, 2019 Rs. 69.91 million).

No.	Particulars	For the period ended June 30, 2021	For the period ended June 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
1	Gross amount required to be spent by the Company during the year (under Section 135 of the Companies Act, 2013)	28.57	26.55	106.29	86.90	69.91
2	Amount of expenditure incurred	-	-	106.29	86.90	69.90
3	Shortfall at the end of the period/year	-	-	-	-	0.01
4	Total of previous years shortfall	-	-	-	-	-
5	Reason for shortfall	-	-	-	-	Unspent CSR amounts to Rs.9,993/- (in absolute) which is immaterial.
6	<u>Nature of CSR activities</u>					
	-Construction/acquisition of assets	-	-	61.40	5.00	0.17
	-On purpose other than (i) above	-	-	44.89	81.90	69.73
7	Amount yet to be spent/paid	28.57	26.55	-	-	-
8	<u>Details of Related party transactions</u>					
	- Aditya Birla Capital Foundation	NA	NA	106.20	NA	NA
9	Liability incurred by entering into contractual obligations	-	-	-	-	-

35. Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies, or processes for managing capital during the period ended June 30, 2021 and June 30, 2020, and year ended March 31, 2021, March 31, 2020 and March 31, 2019.

Annexure VI: Notes to Accounts forming part of the Restated Consolidated Ind AS Summary Financial Information

36. Fair Values of Financial Instruments

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

(₹ in million)

Particulars	Carrying Amount			Fair Value			
	FVTPL	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	Total Fair Value
As at June 30, 2021							
Financial Assets							
Investments in:							
Mutual Funds	17,370.32	-	17,370.32	17,370.32	-	-	17,370.32
Alternative Investment Funds	108.32	-	108.32	9.43	-	98.89	108.32
Debt Securities	-	1,034.07	1,034.07	1,095.19	-	-	1,095.19
Equity Instruments	7.97	-	7.97	-	-	7.97	7.97
Cash and cash equivalents	-	520.13	520.13	-	-	-	-
Bank balances other than those mentioned above	-	3.11	3.11	-	-	-	-
Trade receivables	-	256.89	256.89	-	-	-	-
Loans	-	0.27	0.27	-	-	-	-
Other financial assets	-	127.31	127.31	-	-	-	-
Total Financial Assets	17,486.61	1,941.78	19,428.39	18,474.94	-	106.86	18,581.80
Financial Liabilities							
Trade Payables	-	421.28	421.28	-	-	-	-
Lease Liabilities	-	569.72	569.72	-	-	-	-
Others Financial Liabilities	-	451.80	451.80	-	-	-	-
Total Financial Liabilities	-	1,442.80	1,442.80	-	-	-	-

(₹ in million)

Particulars	Carrying Amount			Fair Value			
	FVTPL	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	Total Fair Value
As at June 30, 2020							
Financial Assets							
Investments in:							
Mutual Funds	12,846.76	-	12,846.76	12,846.77	-	-	12,846.77
Alternative Investment Funds	209.29	-	209.29	102.70	-	106.59	209.29
Debt Securities	-	1,034.06	1,034.06	1,026.80	-	-	1,026.80
Equity Instruments	7.04	-	7.04	-	-	7.04	7.04
Cash and cash equivalents	-	437.91	437.91	-	-	-	-
Bank balances other than those mentioned above	-	2.94	2.94	-	-	-	-
Trade receivables	-	242.47	242.47	-	-	-	-
Loans	-	0.85	0.85	-	-	-	-
Other financial assets	-	140.21	140.21	-	-	-	-
Total Financial Assets	13,063.09	1,858.44	14,921.53	13,976.27	-	113.63	14,089.90
Financial Liabilities							
Trade Payables	-	517.40	517.40	-	-	-	-
Lease Liabilities	-	739.02	739.02	-	-	-	-
Others Financial Liabilities	-	544.06	544.06	-	-	-	-
Total Financial Liabilities	-	1,800.48	1,800.48	-	-	-	-

Annexure VI: Notes to Accounts forming part of the Restated Consolidated Ind AS Summary Financial Information

(₹ in million)

Particulars	Carrying Amount			Fair Value			
	FVTPL	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	Total Fair Value
As at March 31, 2021							
Financial Assets							
Investments in:							
Mutual Funds	16,112.68	-	16,112.68	16,112.68	-	-	16,112.68
Alternative Investment Funds	108.33	-	108.33	9.44	-	98.89	108.33
Debt Securities	-	1,033.56	1,033.56	1,069.54	-	-	1,069.54
Equity Instruments	7.97	-	7.97	-	-	7.97	7.97
Cash and cash equivalents	-	565.31	565.31	-	-	-	-
Bank balances other than those mentioned above	-	3.07	3.07	-	-	-	-
Trade receivables	-	309.54	309.54	-	-	-	-
Loans	-	0.32	0.32	-	-	-	-
Other financial assets	-	191.87	191.87	-	-	-	-
Total Financial Assets	16,228.98	2,103.67	18,332.65	17,191.66	-	106.86	17,298.52
Financial Liabilities							
Trade Payables	-	373.87	373.87	-	-	-	-
Lease Liabilities	-	593.14	593.14	-	-	-	-
Others Financial Liabilities	-	466.11	466.11	-	-	-	-
Total Financial Liabilities	-	1,433.12	1,433.12	-	-	-	-

(₹ in million)

Particulars	Carrying Amount			Fair Value			
	FVTPL	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	Total Fair Value
As at March 31, 2020							
Financial Assets							
Investments in:							
Mutual Funds	12,381.98	-	12,381.98	12,381.98	-	-	12,381.98
Alternative Investment Funds	232.98	-	232.98	119.39	-	113.59	232.98
Debt Securities	-	11.58	11.58	12.04	-	-	12.04
Equity Instruments	7.04	-	7.04	-	-	7.04	7.04
Cash and cash equivalents	-	466.05	466.05	-	-	-	-
Bank balances other than those mentioned above	-	2.89	2.89	-	-	-	-
Trade receivables	-	404.64	404.64	-	-	-	-
Loans	-	1.25	1.25	-	-	-	-
Other financial assets	-	129.28	129.28	-	-	-	-
Total Financial Assets	12,622.00	1,015.69	13,637.69	12,513.41	-	120.63	12,634.04
Financial Liabilities							
Trade Payables	-	474.04	474.04	-	-	-	-
Lease Liabilities	-	620.84	620.84	-	-	-	-
Others Financial Liabilities	-	469.38	469.38	-	-	-	-
Total Financial Liabilities	-	1,564.26	1,564.26	-	-	-	-

Annexure VI: Notes to Accounts forming part of the Restated Consolidated Ind AS Summary Financial Information

Particulars	Carrying Amount			Fair Value			
	FVTPL	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	Total Fair Value
As at March 31, 2019							
Financial Assets							
Investments in:							
Mutual Funds	11,127.26	-	11,127.26	11,127.26	-	-	11,127.26
Alternative Investment Funds	241.28	-	241.28	175.48	-	65.80	241.28
Debt Securities	-	11.58	11.58	12.14	-	-	12.14
Equity Instruments	0.54	-	0.54	-	-	0.54	0.54
Cash and cash equivalents	-	382.24	382.24	-	-	-	-
Bank balances other than those mentioned above	-	2.73	2.73	-	-	-	-
Trade receivables	-	256.77	256.77	-	-	-	-
Loans	-	0.69	0.69	-	-	-	-
Other financial assets	-	284.55	284.55	-	-	-	-
Total Financial Assets	11,369.08	938.56	12,307.64	11,314.88	-	66.34	11,381.22
Financial Liabilities							
Trade Payables	(₹ in million)	755.22	755.22	-	-	-	-
Lease Liabilities	-	718.69	718.69	-	-	-	-
Others Financial Liabilities	-	535.96	535.96	-	-	-	-
Total Financial Liabilities	-	2,009.87	2,009.87	-	-	-	-

The management assessed that cash and cash equivalents, trade receivables, other financial assets, trade payables, lease liabilities and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Accordingly, fair value hierarchy for these financial instruments have not been presented above.

Valuation techniques used to determine fair value: -

- Mutual Funds: - Net Asset Value (NAV) declared by the mutual fund at which units are issued or redeemed
- Alternative Investment Funds: - Net Asset Value (NAV) provided by issuer fund which is arrived at based on valuation from independent valuer for unlisted portfolio companies, quoted price of listed portfolio companies and price of recent investments
- Debt Securities: - Fair value of debt securities which are actively traded bonds, is derived on the basis of quoted price available on the National Stock Exchange
- Equity Instruments: - Discounted cash flow based on present value of the expected future economic benefit

In order to assess Level 3 valuations as per Group's investment policy, the management reviews the performance of the investee companies (including unlisted portfolio companies of venture capital funds and alternative investment funds) on a regular basis by tracking their latest available financial statements / financial information, valuation report of independent valuers, recent transaction results etc. which are considered in valuation process.

Fair value reconciliation for Level 3 instruments:

The following table shows reconciliation from opening to closing balances for Level 3 assets:

Particulars	For the period ended		For the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Opening Balance	106.86	120.63	120.63	66.34	26.13
Net gain/ (loss) recognised in Profit & Loss	-	-	(14.70)	(7.00)	-
Purchases of financial instrument	-	-	0.93	76.50	40.21
Sales of financial instruments	-	-	-	(15.21)	-
Closing Balance	106.86	120.63	106.86	120.63	66.34

37. Financial Risk Management Objectives and Policies

The Group's principal financial liabilities comprise trade and other payables. The Group's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group also holds investments in mutual fund units, debt and equity instruments.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by Risk Management Committee and the auditors have relied on the same. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as foreign exchange rates, interest rates, other prices). The Company is exposed to market risk primarily related to interest rate risk and price risk.

Annexure VI: Notes to Accounts forming part of the Restated Consolidated Ind AS Summary Financial Information

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The sensitivity of the portfolio towards the interest rate is mentioned in the table below

Sensitivity

The following table demonstrates the sensitivity to:

- Interest Rate Risk is basis impact on debt portfolios for 1% change in interest rates.
- Hybrid funds considered at 100% as a conservative basis for assessing interest rate impact on portfolio. (which form approximately 1% of the entire portfolio of schemes).

Impact on profit and loss:

(₹ in million)

Particulars	As at				
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Interest Rate Risk – (Impact of 1% increase in interest rate)	1.40%	1.77%	1.60%	1.55%	1.27%
Effect on Profit and Loss	(167.66)	(211.74)	(244.89)	(187.07)	(136.04)
Interest Rate Risk – (Impact of 1% decrease in interest rate)	1.40%	1.77%	1.60%	1.55%	1.27%
Effect on Profit and Loss	167.66	211.74	244.89	187.07	136.04

(ii) Foreign Currency Risk

The Group has insignificant amount of foreign currency denominated assets and liabilities. Accordingly, there is no significant exposure to currency risk.

(iii) Price Risk

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, caused by factors specific to an individual investment, its issuer and market.

The Group's exposure to price risk arises from investments in Units of mutual funds, alternative investment funds which are classified as financial asset at Fair Value through Profit and Loss and is as follows:

(₹ in million)

Particulars	As At				
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Investment exposure to price risk	17,478.64	13,056.05	16,221.01	12,614.96	11,368.54

The table below sets out the effect on profit or loss and equity due to reasonable possible weakening / strengthening in prices/ market value by 5% :

(₹ in million)

Particulars	For the period ended		For the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Effect on Profit and Loss					
5% increase in prices	873.93	652.80	811.05	630.75	568.43
5% decrease in prices	(873.93)	(652.80)	(811.05)	(630.75)	(568.43)

B. Credit Risk

Credit Risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group's has clearly defined policies to mitigate counterparty risks. Cash and liquid investments are held primarily in mutual funds and banks with good credit ratings. Defined limits are in place for exposure to individual counterparties in case of mutual fund houses and banks. Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Group has major receivable from mutual fund schemes.

Trade Receivables ageing:

(₹ in million)

Trade Receivables	Neither past due nor impaired	Past dues but not impaired					Total
		<30days	30 to 60 days	61 to 90 days	91 to 120 days	> 120 days	
June 30, 2021	256.89	-	-	-	-	-	256.89
June 30, 2020	242.47	-	-	-	-	-	242.47
March 31, 2021	309.54	-	-	-	-	-	309.54
March 31, 2020	404.64	-	-	-	-	-	404.64
March 31, 2019	198.21	-	-	-	-	58.56	256.77

The carrying amounts of following financial assets represent the maximum credit risk exposure:

(₹ in million)

Particulars	As at				
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Trade Receivables	256.89	242.47	309.54	404.64	256.77
Cash and cash equivalents	520.13	437.91	565.31	466.05	382.24
Bank balances other than those mentioned above	3.11	2.94	3.07	2.89	2.73
Loans	0.27	0.85	0.32	1.25	0.69
Other financial assets measured at amortised cost	1,161.38	1,174.27	1,225.43	140.86	296.13

Annexure VI: Notes to Accounts forming part of the Restated Consolidated Ind AS Summary Financial Information

Expected Credit Loss on Financial Assets

The Group continuously monitors all financial assets subject to ECLs. In order to determine whether an instrument is subject to 12 month ECL or life time ECL, the Group assesses whether there has been a significant increase in credit risk or the asset has become credit impaired since initial recognition. For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has determined based on historical experience and expectations that the ECL on its trade receivables is insignificant and was not recorded. The Group applies following quantitative and qualitative criteria to assess whether there is significant increase in credit risk or the asset has been credit impaired:

- Historical trend of collection from counterparty
- Group's contractual rights with respect to recovery of dues from counterparty
- Credit rating of counterparty and any relevant information available in public domain

ECL is a probability weighted estimate of credit losses. It is measured as the present value of cash shortfalls (i.e., the difference between the cash flows due to the Group in accordance with contract and the cash flows that the Company expects to receive).

The Group has following types of financial assets that are subject to the expected credit loss:

- Cash and cash equivalent
- Trade and other receivables
- Investment in debt securities measured at amortised cost

Trade and Other Receivables: -

Exposures to customers' outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. Historical trends of collection from counterparties on timely basis reflects low level of credit risk. As the Group has a contractual right to such receivables as well as the control over such funds due from customers, the Group does not estimate any credit risk in relation to such receivables.

Cash and Cash Equivalents: -

The Group holds cash and cash equivalents and other bank balances as per note 3 and 4. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be high.

Investment in Debt Securities measured at amortised cost: -

Funds are invested after taking into account parameters like safety, liquidity and post-tax returns etc. The Group avoids concentration of credit risk by spreading them over several counterparties with good credit rating profile and sound financial position. The Group's exposure and credit ratings of its counterparties are monitored on an ongoing basis.

C. Liquidity Risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations or at a reasonable price. The Group's Finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

Maturity profile of Financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments. (₹ in million)

As at June 30, 2021	Within 12 Months	After 12 Months	Total
Trade Payables	421.28	-	421.28
Employee Dues	451.33	-	451.33
Payable for Capital Expenditure	0.47	-	0.47
Lease Liabilities	241.17	412.64	653.81
	1,114.25	412.64	1,526.89

As at June 30, 2020	Within 12 Months	After 12 Months	Total
Trade Payables	517.40	-	517.40
Employee Dues	541.76	-	541.76
Payable for Capital Expenditure	2.30	-	2.30
Lease Liabilities	251.46	635.62	887.08
	1,312.92	635.62	1,948.54

As at March 31, 2021	Within 12 Months	After 12 Months	Total
Trade Payables	373.87	-	373.87
Employee Dues	464.71	-	464.71
Payable for Capital Expenditure	1.40	-	1.40
Lease Liabilities	235.53	451.11	686.64
	1,075.51	451.11	1,526.62

As at March 31, 2020	Within 12 Months	After 12 Months	Total
Trade Payables	474.04	-	474.04
Employee Dues	446.62	-	446.62
Payable for Capital Expenditure	8.05	-	8.05
Payable to scheme	14.71	-	14.71
Lease Liabilities	187.90	549.23	737.13
	1,131.32	549.23	1,680.55

As at March 31, 2019	Within 12 Months	After 12 Months	Total
Trade Payables	753.21	2.01	755.22
Employee Dues	508.33	25.18	533.51
Payable for Capital Expenditure	2.45	-	2.45
Lease Liabilities	232.05	662.42	894.47
	1,496.04	689.61	2,185.65

Annexure VI: Notes to Accounts forming part of the Restated Consolidated Ind AS Summary Financial Information

38. Leases

The Group has lease contracts mainly for buildings used in its operations. Leases of building generally have lease terms between 1 and 10 years. There are several lease contracts that include extension and termination options.

On transition, the adoption of the new standard resulted in recognition of right-of-use asset of ₹ 249.25 million and a lease liability of ₹ 277.05 million. The cumulative effect of applying the standard, amounting to ₹ 11.43 million was debited to retained earnings and deferred tax asset of 2.88 million created on the same for 1st April, 2017. The effect of this adoption is in significant on the operating profit, net profit for the period and earnings per share. In statement of profit and loss for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the ROU asset and finance cost for interest accrued on lease liability. Ind AS 116 will result in an increase in cash in flows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

Following are the changes in the carrying value of right-of-use assets for the period / year ended:

(₹ in million)

Particulars	Category of ROU Asset (Leasehold premises)				
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Balance at the beginning	515.59	547.03	547.03	645.79	647.41
Less: Ind AS 116 transition adjustment	-	-	-	(1.78)	-
Add New Lease Agreements	26.28	165.59	195.04	105.86	190.90
Less Deletion	-	-	(17.81)	-	-
Less Depreciation	(50.90)	(52.88)	(208.63)	(203.68)	(192.52)
Exchange difference on translating the financial statements of foreign subsidiaries	0.14	0.17	(0.04)	0.84	-
Balance at the end	491.11	659.91	515.59	547.03	645.79

Amounts recognised in profit and loss

(₹ in million)

Particulars	For the period ended		For the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Depreciation and Amortisation Expenses					
Depreciation expense on right-of-use assets	50.90	52.88	208.63	203.68	192.52
Finance Cost					
Interest expense on lease liabilities	13.49	15.01	55.57	54.41	57.33
Other Income					
Rent concession	(1.21)	(19.48)	(35.39)	-	-
Other Expense					
Expense relating to short-term leases	0.63	1.42	4.08	23.51	28.83

The following is the break-up of current and non-current lease liabilities: -

(₹ in million)

Particulars	As at				
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Current Lease Liabilities	232.37	242.50	226.69	180.56	227.33
Non-Current Lease Liabilities	337.35	496.52	366.45	440.28	491.36
Total	569.72	739.02	593.14	620.84	718.69

The following is the movement in lease liabilities during the period / year:

(₹ in million)

Particulars	For the period ended		For the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Opening Balance	593.14	620.84	620.84	718.69	700.37
Less: Ind AS 116 transition adjustment	-	-	-	(10.24)	-
Add New Lease Agreements	26.28	165.59	195.04	104.15	190.90
Less: Deletions	-	-	(17.81)	-	-
Finance Cost accrued during the period / year	13.49	15.01	55.57	54.41	57.33
Less: Payment of Lease Liabilities	(62.12)	(43.08)	(224.98)	(246.97)	(229.91)
Less: Rent concession	(1.21)	(19.48)	(35.39)	-	-
Exchange difference on translating the financial statements of foreign subsidiaries	0.14	0.14	(0.13)	0.80	-
Closing Balance	569.72	739.02	593.14	620.84	718.69

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in million)

Particulars	As at				
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Less than one year	241.17	251.46	235.53	187.90	232.05
One to Five years	366.58	538.51	394.66	447.80	512.00
More than Five years	46.06	97.11	56.45	101.43	150.42
Total	653.81	887.08	686.64	737.13	894.47

Annexure VI: Notes to Accounts forming part of the Restated Consolidated Ind AS Summary Financial Information

The group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

All the future cash flows to which the lease is potentially exposed are reflected in the measurement of lease liabilities.

The difference between the future minimum lease rental commitments towards non-cancellable operating leases reported as at 31st March, 2017 compared to the lease liability as accounted as at 1st April, 2017 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Group has chosen to apply the practical expedient as per the standard.

The incremental borrowing rate applied to lease liabilities as at April 1, 2017 is between the range of 8.20% to 8.65% for a period varying from 1 to 10 years.

For statutory purpose, the incremental borrowing rate applied to lease liabilities as at April 1, 2019 is between the range of 8.00% to 8.50% for a period varying from 1 to 10 years.

39. Maturity analysis of Assets and Liabilities:

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled:

(₹ in million)

Sr. No.	Particulars	Note	As at 30 June 2021		As at 30 June 2020		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
			Within 12 months	After 12 months	Within 12 months	After 12 months	Within 12 months	After 12 months	Within 12 months	After 12 months	Within 12 months	After 12 months
I	ASSETS											
(1)	Financial Assets											
	(a) Cash and cash equivalents	3	520.13	-	437.91	-	565.31	-	466.05	-	382.24	-
	(b) Bank balances other than (a) above	4	3.11	-	2.94	-	3.07	-	2.89	-	2.73	-
	(c) Receivables											
	(i) Trade receivables	5	256.89	-	242.47	-	309.54	-	404.64	-	256.77	-
	(d) Loans	6	0.27	-	0.85	-	-	0.32	1.25	-	0.69	-
	(e) Investments	7	16,188.33	2,332.35	10,953.75	3,143.40	15,450.80	1,811.74	10,791.21	1,842.37	8,725.35	2,655.31
	(f) Other financial assets	8	0.80	126.51	14.47	125.74	52.42	139.45	3.57	125.71	174.59	109.96
	Total Financial Assets		16,969.53	2,458.86	11,652.39	3,269.14	16,381.14	1,951.51	11,669.61	1,968.08	9,542.37	2,765.27
(2)	Non-Financial Assets											
	(a) Current tax assets (net)		-	64.11	-	246.32	-	168.93	-	274.28	-	159.65
	(b) Property, plant and equipments	9	-	105.26	-	180.49	-	122.45	-	190.64	-	205.24
	(c) Right of use assets	38	-	491.11	-	659.91	-	515.59	-	547.03	-	645.79
	(d) Capital work-in-progress		-	1.79	-	0.40	-	0.78	-	1.55	-	11.83
	(e) Intangible assets under development		-	7.74	-	10.82	-	10.09	-	8.28	-	11.11
	(f) Other intangible assets	10	-	124.35	-	127.91	-	132.79	-	124.21	-	95.23
	(g) Other non-financial assets	11	604.87	31.16	607.55	300.03	518.46	43.77	531.98	403.93	1,046.42	501.69
	Total Non-Financial Assets		604.87	825.52	607.55	1,525.88	518.46	994.40	531.98	1,549.92	1,046.42	1,630.54
	Total Assets		17,574.40	3,284.38	12,259.94	4,795.02	16,899.60	2,945.91	12,201.59	3,518.00	10,588.79	4,395.81
II	LIABILITIES											
(1)	Financial Liabilities											
	(a) Payables											
	(i) Trade payables	12										
	(i) total outstanding dues of micro enterprises and small enterprises		0.12	-	-	-	0.06	-	-	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		421.16	-	517.40	-	373.81		474.04		753.21	2.01
	(b) Lease liabilities	38	232.37	337.35	242.50	496.52	226.69	366.45	180.56	440.28	227.33	491.36
	(c) Other financial liabilities	13	451.80	-	544.06	-	466.11	-	469.38		510.78	25.18
	Total Financial Liabilities		1,105.45	337.35	1,303.96	496.52	1,066.67	366.45	1,123.98	440.28	1,491.32	518.55

Annexure VI: Notes to Accounts forming part of the Restated Consolidated Ind AS Summary Financial Information

(2)	Non Financial Liabilities											
	(a) Current tax liabilities (net)		155.28	-	0.04	-	94.20	-	0.18	-	0.37	-
	(b) Provisions	14	865.84	89.55	324.28	459.65	855.21	90.27	314.46	391.01	262.69	240.77
	(c) Deferred tax liabilities (net)	15	-	99.41	-	184.20	-	137.34	-	146.15	-	70.06
	(d) Other non-financial liabilities	16	182.67	1.66	128.11	1.62	187.62	1.62	133.21	1.59	193.75	1.44
	Total Non-Financial Liabilities	15	1,203.79	190.62	452.43	645.47	1,137.03	229.23	447.85	538.75	456.81	312.27
	Total Liabilities		2,309.24	527.97	1,756.39	1,141.99	2,203.70	595.68	1,571.83	979.03	1,948.13	830.82
	Net Assets		15,265.16	2,756.41	10,503.55	3,653.03	14,695.90	2,350.23	10,629.76	2,538.97	8,640.66	3,564.99

40. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

41. Employee Stock Options Scheme

At the Board Meeting held on April 14, 2021 the Company approved the grant of not more than 46,08,000 Equity Shares by way of grant of Stock Options and restricted Stock Units ("RSUs"). Out of these, the Nomination, Remuneration and Compensation Committee has granted 32,32,899 ESOPs, 5,08,117 PRSU, 1,96,374 Long Term RSU & 2,46,863 RSU Founder under the Scheme titled "Aditya Birla Sun Life AMC Limited Employee Stock Option Scheme 2021" in 4 categories of Long Term Incentive Plans ("LTIP") identified as LTIP 1, LTIP 2, LTIP 3 & LTIP 4 respectively. The Scheme allows the Grant of Stock options to employees of the Company (whether in India or abroad) that meet the eligibility criteria. Each option comprises one underlying Equity Share. There are no cash settlement alternatives. The Group accounts for the employees stock option scheme as an equity-settled plan.

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3	LTIP 4
Type of ESOP	ESOP	RSU	RSU	RSU
Plan Period	2021- 2025	2021-2025	2021-2024	2021-2023
Quantum of Grant	32,32,899	5,08,117	1,96,374	2,46,863
Method of Accounting	Fair Value of options at Grant date	Fair Value of options at Grant date	Fair Value of options at Grant date	Fair Value of options at Grant date
Vesting Period	End of Year 1: 20% of options granted End of Year 2: 20% of options granted End of Year 3: 30% of options granted End of Year 4: 30% of options granted	End of Year 3: 50% of options granted End of Year 4: 50% of options granted	End of Year 3: 100% of options granted	End of Year 2: 100% of options granted
Vesting Conditions	Employees of the Group : Achievement of 75% of Annual Planning & Budgeting Profit Before Tax	Employees of the Group : Achievement of 80% of Annual Planning & Budgeting Profit Before Tax	Continued employment	Continued employment
Exercise Period	5 years from the date of vesting	5 years from the date of vesting	5 years from the date of vesting	5 years from the date of vesting
Grant Date	12/04/2021	12/04/2021	12/04/2021	12/04/2021
Exercise Price (per share)	694.00	5.00	5.00	5.00
Value of Equity Shares as at the Date of Grant of Original Option (₹ Per Share)	671.50	671.50	671.50	671.50

There were no cancellations or modifications to the Employee Stock Options Scheme in period ending 30 June 2021.

There were no Employee Stock Options Scheme issued by the Company till year ended 31 March 2021

Movements during the period ended 30 June 2021

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3	LTIP 4
Type of ESOP	ESOP	RSU	RSU	RSU
Options/RSUs Outstanding at the beginning of the period	Nil	Nil	Nil	Nil
Granted during the period	32,32,899	5,08,117	1,96,374	2,46,863
Exercised during the period	Nil	Nil	Nil	Nil
Forfeited during the period	8,772	1,379	Nil	12,043
Options/RSUs Outstanding at the end of the period	32,24,127	5,06,738	1,96,374	2,34,820
Options/RSUs Vested/Exercisable at the end of the period	Nil	Nil	Nil	Nil
The weighted average remaining contractual life for the share options outstanding as at 30 June, 2021	3.25 years	4.25 years	5.25 years	6.25 years

Annexure VI: Notes to Accounts forming part of the Restated Consolidated Ind AS Summary Financial Information

Since all the options were granted/lapsed, at the same exercise price per option under the respective category of ESOPs, the weighted average exercise price per option for all these line items under the respective category of ESOPs is the same.

Fair Valuation

The fair value at grant date is independently determined by valuer using Black-Scholes Merton Model which takes into account the exercise price, the term of the option, the share price at grant date and historical volatility of the Peer companies and Index, the expected dividend yield and the risk-free interest rate for the term of the option.

The key inputs and the Fair Value for options granted during the period ended 30 June 2021 are as follow:

Category of ESOPs	LTIP 1	LTIP 2	LTIP 3	LTIP 4
Type of ESOP	ESOP	RSU	RSU	RSU
Risk-Free Interest Rate (%)	5.4 to 6.4%	6.3 to 6.4%	6.3%	5.7%
Option Life (Years)	3.5 to 6.5 Yrs	5.5 to 6.5Yrs	5.5 Yrs	4.5 Yrs
Historical Volatility	32.0% to 34.0%	32.0% to 32.4%	32.4%	32.7%
Expected Dividend Yield (%)	1.4%	1.4%	1.4%	1.4%
Weighted-Average Fair Value per Option as on April 12, 2021 (₹)	186.00 to 258.40	610.60 to 618.90	618.90	627.20

42. With regard to the new amendments under "Division III of Schedule III" under "Part I – Balance Sheet - General Instructions for preparation of Balance Sheet" there are no balances that are required to be disclosed or there are no ratios which are applicable/ calculable with regard to the following clauses WA, WB (i),(ii),(iii),(iv),(v),(viii),(ix),(x),(xi),(xii),(xiii),(xv), (xiv) and (xvi) for the Group.
43. With regard to the new amendments under "Division III of Schedule III" under "Part II – Statement of Profit and Loss - General Instructions for preparation of Statement of Profit and Loss" there are no transactions that are required to be disclosed with regard to the following clauses 11(v) and 11(vii) for the Group.

As per our report of even date attached
For S.R. Batliboi & Co. LLP
Chartered Accountants
(Firm Reg. No. 301003E/E300005)

For and on behalf of the Board of Directors of
Aditya Birla Sun Life AMC Limited

Rutushtra Patell
Partner
(Membership No. 123596)

Ajay Srinivasan
Director
DIN: 00121181

Sandeep Asthana
Director
DIN: 00401858

A. Balasubramanian
Managing Director & CEO
DIN: 02928193

Parag Joglekar
Chief Financial Officer

Hemanti Wadhwa
Company Secretary
FCS No. 6477

Place: Mumbai
Date: August 17, 2021

Place: Mumbai
Date: August 17, 2021

Annexure VII: Statement on Adjustments to Audited Consolidated Financial Statements

Adjustments to total equity as per audited consolidated financial statements with total equity as per Restated Consolidated Financial Information

(₹ in million)

Particulars	As at						
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	April 1, 2017
A. Total equity as per audited financial statements	18,021.57	14,156.58	17,046.13	13,168.73	12,233.71	10,326.65	9,415.52
B. Adjustments for conversion of consolidated financial statements from Indian GAPP to Ind AS*							
i) Fair value of investment	-	-	-	-	-	1,462.73	1,127.47
ii) Deferred Tax as per IndAS	-	-	-	-	-	(393.33)	(289.10)
C. Total equity as per Ind AS (A+B)	18,021.57	14,156.58	17,046.13	13,168.73	12,233.71	11,396.05	10,253.89
D. Material restatement adjustments:							
i) Audit qualifications	-	-	-	-	-	-	-
ii) Adjustments due to prior period items / other adjustments	-	-	-	-	-	-	-
iii) Adjustment due to application of Ind AS 116 (refer note 38 of Annexure VI)	-	-	-	-	(37.48)	(27.57)	(11.43)
iv) Deferred tax impact on adjustments in (i), (ii) and (iii), wherever applicable	-	-	-	-	9.42	6.94	2.88
Total impact of adjustments (i + ii + iii+ iv)	-	-	-	-	(28.06)	(20.63)	(8.55)
E. Total equity as per restated Consolidated financial statements (C+D)	18,021.57	14,156.58	17,046.13	13,168.73	12,205.65	11,375.42	10,245.34

* The audited consolidated financial statements of the Group as at and for the year ended March 31, 2018 were prepared in accordance with the Companies (Accounting Standards) Rules 2006 (as amended) specified under Section 133 of the Act, read with the Companies (Accounts) Rules, 2014. ("Indian GAAP"). These audited consolidated financial statements have been converted into Ind AS to confirm with the accounting policies in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as "Ind AS"), while preparing first Ind AS financials of the Group for the year ended March 31, 2019. These converted Ind AS financials statements as at March 31, 2018 is used as opening balance as at April 01, 2018 for the purpose of Restated Consolidated Financial Information.

Statement of impact of restatement adjustments on statement of profit and loss:

(₹ in million)

Particulars	For the period ended		For the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
A Total comprehensive income as per audited financial statements	1,564.50	987.85	5,277.44	4,942.36	4,486.49
B Restatement adjustments; Impact of Ind AS 116 (refer note 38 of Annexure VI)					
i) Depreciation of right-of-use assets	-	-	-	-	(192.52)
ii) Finance cost on lease liability	-	-	-	-	(57.33)
iii) Other expenses(Rent)	-	-	-	-	239.94
iv) Deferred tax impact on all above adjustments	-	-	-	-	2.49
Total impact of adjustments (i + ii + iii+ iv)	-	-	-	-	(7.42)
C Total comprehensive income as per restated consolidated financial statements	1,564.50	987.85	5,277.44	4,942.36	4,479.07

Annexure VII: Statement on Adjustments to Audited Consolidated Financial Statements

Reconciliation of Other equity as at March 31, 2019 as per restated consolidated financial information with opening equity balance as at April 1, 2019 (date of transition to Ind AS 116)

(₹ in million)	
Particulars	Amount
Other Equity	
Restated balance as at March 31, 2019	12,025.65
Add: Adjustment on account of transition to Ind AS 116 (Refer explanation below)	(0.96)
Balance as on April 1, 2019 as per audited financial statements for the year ended March 31, 2020	12,024.69

Explanation: Cumulative effect of restatement adjustment on total equity upto March 31, 2019 relating to Ind AS 116 has not been carried forward to total equity balance as at April 1, 2019 (date of transition to Ind AS 116) as per the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note")

Statement showing impact of restatement adjustments on statement of cash flows:

(₹ in million)					
Particulars	For the period ended		For the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
A Cash flows from operating activities as per audited financial statements	1,665.71	1,117.97	5,122.51	4,970.11	2,923.49
B On Account of Ind AS 116	-	-	-	-	229.91
C Cash flows from operating activities restated consolidated financial statements	1,665.71	1,117.97	5,122.51	4,970.11	3,153.40
A Cash flows from financing activities as per audited financial statements	(767.72)	(43.08)	(1,625.02)	(4,225.48)	(3,605.74)
B On Account of Ind AS 116	-	-	-	-	(229.91)
C Cash flows from financing activities restated consolidated financial statements	(767.72)	(43.08)	(1,625.02)	(4,225.48)	(3,835.65)

Notes to adjustments:
a. Impact of Ind AS 116: Leases

Effective April 1, 2019, the Group adopted Ind AS 116 - "Leases", which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. Consequently, the Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. The Group adopted Ind AS 116 following modified retrospective method in accordance with the policy mentioned in Note 2(xviii) to the Restated Consolidated Financial Information.

For the purpose of preparing Restated Consolidated Financial Information, Ind AS 116 has been applied with effect from 1 April 2017 using the same accounting policy choices (transition options as per Ind AS 116) as adopted on 1 April 2019 for transition to Ind AS 116 for each of the years ended March 31, 2021, March 31, 2020, March 31 2019 and for each of the three month periods ended June 30, 2021 and June 30, 2020.

b. Accounting for taxes on income

Deferred tax has been created on temporary difference arising on recognition and measurement of right-of-use asset and lease liability as per para above.

c. Impact of Ind AS 115

The Group has applied Ind AS 115: Revenue from Contracts with Customers effective April 1, 2017 (i. e. from date of transition to Ind AS for the Group) while preparing audited consolidated financial statements for the year ended March 31, 2019. No material adjustments were identified on transition to Ind AS 115.

d. Non-adjusting Items

Other audit comments included in the Annexure to the auditors' reports issued under Companies (Auditor's Report) Order, 2003 (as amended), on the financial statements for the year ended 31 March, 2021 and 31 March, 2020 which do not require any corrective adjustment in the Restated Ind AS Summary Statements are as follows:

Annexure VII: Statement on Adjustments to Audited Consolidated Financial Statements

As at and year ended March 31, 2021:

Annexure to auditor's report for the financial year ended March 31, 2021:

Clause (vii) (a): The Company has generally regular in depositing with appropriate authorities undisputed statutory dues, including Provident Fund, Profession Tax, Income-tax, Goods and Service Tax, Labour Welfare Fund and other statutory dues applicable to it, though there is a slight delay in a few cases. The provisions related to Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax are not applicable to the Company.

As at and year ended March 31, 2020:

Annexure to auditor's report for the financial year ended March 31, 2020:

Clause (vii) (a): The Company has generally regular in depositing with appropriate authorities undisputed statutory dues, including Provident Fund, Profession Tax, Income-tax, Goods and Service Tax, Labour Welfare Fund and other statutory dues applicable to it, though there is a slight delay in a few cases. The provisions related to Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax are not applicable to the Company.

e. Material Regroupings

Appropriate regroupings have been made in the Restated Consolidated statement of assets and liabilities, statement of profit and loss and statement of cash flow, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the special purpose consolidated interim financial information of the Company for the periods ended June 30 and years ended March 31 prepared in accordance with Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

OTHER FINANCIAL INFORMATION

Non-GAAP Measures

Certain non-GAAP financial measures relating to our financial performance such as, EBITDA, return on net worth, and net asset value per equity share (“**Non-GAAP Measures**”) have been included in this Prospectus. We compute and disclose such non-GAAP financial measures relating to our financial performance as we consider such information to be useful measures of our business and financial performance. These non-GAAP financial measures and other information relating to financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. See “*Certain non-GAAP measures and other statistical information relating to our operations and financial performance have been included in this Prospectus. These non-GAAP measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable with those presented by other companies*” on page 50.

Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12-month period ended March 31 of that year. The financial information for the three months ended June 30, 2021 and June 30, 2020 are not indicative of full year results and are not comparable with annual financial statements presented in this Prospectus.

Particulars	As at and for the three months period ended		As at and for the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Restated profit after tax (₹ in million)	1,549.44	973.51	5,262.80	4,944.02	4,467.99
Weighted average number of basic equity shares outstanding during the period/year (in million) [#]	36.00	36.00	36.00	36.00	36.00
Bonus shares issued (in million) ^{\$}	252.00	252.00	252.00	252.00	252.00
Number of equity shares considered for computation of Basic EPS (in million) [#] ^{\$}	288.00	288.00	288.00	288.00	288.00
Dilutive impact of Employee Stock Options (in million)	0.82	-	-	-	-
Number of equity shares considered for computation of Diluted EPS (in million) [#] ^{\$}	288.82	288.00	288.00	288.00	288.00
Net worth for equity shareholders as restated as at (₹ in million)	18,021.57	14,156.58	17,046.13	13,168.73	12,205.65
Accounting ratios:					
EBITDA (in ₹ million)	2,162.04	1,411.34	7,388.87	7,026.92	6,839.03
Earnings per share					
Basic earnings per share (Face Value of ₹5/- each) [#] ^{\$} (in ₹)	5.38	3.38	18.27	17.17	15.51
Diluted earnings per share (Face Value of ₹5/- each) [#] ^{\$} (in ₹)	5.36	3.38	18.27	17.17	15.51
Return on net worth for equity shareholders (%)	8.60	6.88	30.87	37.54	36.61
Net Asset Value per share (Face Value of ₹5/- each) [#] ^{\$} (in ₹)	62.57	49.15	59.19	45.72	42.38

Notes:

A The ratios have been computed as follows:

- a) Earning Per Share (Basic) = Restated net profit after tax and adjustments, available for equity shareholders/Weighted average number of equity shares outstanding during the period/year
- b) Earning Per Share (Diluted) = Restated profit for the period/year / Weighted average number of diluted potential equity shares outstanding during the period/year
- c) Return on Net worth (%) = Restated net profit after tax and adjustments, available for equity shareholders/ Restated net worth at the end of the period/year
- d) Net Asset Value per Share (in ₹) = Restated net worth at the end of the period/year / Number of equity shares outstanding at the end of the period/year
- e) EBITDA = EBITDA stands for earnings before interest, taxes, depreciation and amortisation which has been arrived at by adding finance expense, depreciation expense, exceptional items and total tax expense to the restated profit for the period / year

B Accounting and other ratios are derived from the Restated Consolidated Financial Information.

C Net worth for calculating ratios = Equity share capital + Other equity (including Securities premium, General reserve and Retained earnings)

D Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year

E Earnings per share calculations are in accordance with Indian Accounting Standard 33 (Ind AS 33) - Earnings per share

F EPS and Return on net worth numbers for the three months ended June 30, 2021 and June 30, 2020 have not been annualised

Pursuant to a resolution of shareholders dated, April 6, 2021, each equity share of face value of ₹10 each has been split into two equity shares of face value of ₹5 each. Accordingly, the issued, subscribed and paid up capital of our Company was subdivided from 180,00,000 equity shares of face value of ₹10 each to 360,00,000 equity shares of face value of ₹5 each. Stock split of shares are retrospectively considered for the computation of EPS in accordance with Ind AS 33 for all periods presented and for the computation of Net Asset Value per share for all periods presented.

\$ The Board of Directors pursuant to a resolution dated April 5, 2021 and the shareholders special resolution dated April 6, 2021 have approved the issuance of seven bonus shares of face value ₹5 each for every one existing fully paid up equity share of face value ₹5 each and accordingly 25,20,00,000 bonus shares were issued and allotted. Bonus shares are retrospectively considered for the computation of EPS in accordance with Ind AS 33 for all periods presented and for the computation of Net Asset Value per share for all periods presented.

Reconciliation of non-GAAP measures

Reconciliation for the following non-GAAP financial measures included in this Prospectus, EBITDA, return on net worth and net asset value per equity share are given below:

A. Reconciliation of restated profit for the period / year to EBITDA for the period / year

The table below reconciles restated profit for the period / year to EBITDA. EBITDA is calculated as restated profit for the period / year plus total tax expenses, depreciation and amortization expenses, and finance costs.

(₹ in millions, unless otherwise stated)

Particulars	For the three month period ended		For the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Profit for the period / year (I)	1,549.44	973.51	5,262.80	4,944.02	4,467.99
Adjustments					
Add: Income tax expense (II)	509.45	327.66	1,696.08	1,663.27	1,989.68
Add: Finance Cost (III)	13.49	15.01	55.57	54.41	57.33
Add: Depreciation and amortisation expense (IV)	89.66	95.16	374.42	365.22	324.03
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) (V = I + II + III + IV)	2,162.04	1,411.34	7,388.87	7,026.92	6,839.03

B. Reconciliation of return on net worth

Return on net worth is calculated as restated profit for the period / year divided by total equity on the last day of the fiscal year/ period.

(₹ in millions, unless otherwise stated)

Particulars	As at and for the three months period ended		As at and for the year ended		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Equity Share Capital (I) [#]	1,440.00	180.00	180.00	180.00	180.00
Other Equity (II)	16,581.57	13,976.58	16,866.13	12,988.73	12,025.65
Total Equity (III = I + II)	18,021.57	14,156.58	17,046.13	13,168.73	12,205.65
Profit for the period / year (IV)	1,549.44	973.51	5,262.80	4,944.02	4,467.99
Return on net worth (%) (V = IV / III)	8.60	6.88	30.87	37.54	36.61

Pursuant to a resolution of shareholders dated, April 6, 2021, each equity share of face value of ₹10 each has been split into two equity shares of face value of ₹5 each. Accordingly, the issued, subscribed and paid up capital of our Company was subdivided from 180,00,000 equity shares of face value of ₹10 each to 360,00,000 equity shares of face value of ₹5 each. Stock split of shares are retrospectively considered for the computation of EPS in accordance with Ind AS 33 for all periods presented.

\$ The Board of Directors pursuant to a resolution dated April 5, 2021 and the shareholders special resolution dated April 6, 2021 have approved the issuance of seven bonus shares of face value ₹5 each for every one existing fully paid up equity share of face value ₹5 each and accordingly 25,20,00,000 bonus shares were issued and allotted. Bonus shares are retrospectively considered for the computation of EPS in accordance with Ind AS 33 for all periods presented.

C. Reconciliation of Net Asset Value (per Equity Share)

(₹ in millions, unless otherwise stated)

Particulars	As at		As at		
	June 30, 2021	June 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
Equity Share Capital (I) [#]	1,440.00	180.00	180.00	180.00	180.00
Other Equity (II)	16,581.57	13,976.58	16,866.13	12,988.73	12,025.65
Total Equity (III = I + II)	18,021.57	14,156.58	17,046.13	13,168.73	12,205.65
No. of equity shares[#] (in millions) (IV)	288.00	288.00	288.00	288.00	288.00
Net Asset Value per Equity Share (V = III / IV)	62.57	49.15	59.19	45.72	42.38

IV) in Rs					
#	Pursuant to a resolution passed by our Board on April 5, 2021 and a resolution passed by our Shareholders in the EGM held on April 6, 2021, each equity share of face value of ₹10 each has been split into two equity shares of face value of ₹5 each. Accordingly, the issued, subscribed and paid up capital of our Company was subdivided from 180,00,000 equity shares of face value of ₹10 each to 360,00,000 equity shares of face value of ₹5 each. Stock split of shares are retrospectively considered for the computation of Net Asset Value per Equity Share for all periods presented.				
\$	The Board of Directors pursuant to a resolution dated April 5, 2021 and the shareholders special resolution dated April 6, 2021 have approved the issuance of seven bonus shares of face value ₹5 each for every one existing fully paid up equity share of face value ₹5 each and accordingly 25,20,00,000 bonus shares were issued and allotted. Bonus shares are retrospectively considered for the computation of Net Asset Value per Equity Share for all periods presented.				

Note on No. of equity shares:

Pursuant to a resolution of shareholders dated, April 6, 2021, each equity share of face value of ₹10 each has been split into two equity shares of face value of ₹5 each. Accordingly, the issued, subscribed and paid up capital of our Company was subdivided from 180,00,000 equity shares of face value of ₹10 each to 360,00,000 equity shares of face value of ₹5 each. Stock split of shares are retrospectively considered for the computation of EPS in accordance with Ind AS 33 for all periods presented and for the computation of Net Asset Value per share for all periods presented.

The Board of Directors pursuant to a resolution dated April 5, 2021 and the shareholders special resolution dated April 6, 2021 have approved the issuance of seven bonus shares of face value ₹5 each for every one existing fully paid up equity share of face value ₹5 each and accordingly 25,20,00,000 bonus shares were issued and allotted. Bonus shares are retrospectively considered for the computation of EPS in accordance with Ind AS 33 for all periods presented and for the computation of Net Asset Value per share for all periods presented.

The audited standalone financial statements of our Company as at and for the year ended March 31, 2021, March 31, 2020, and March 31, 2019 and the audit reports thereon (“**Audited Financial Statements**”) are available at <https://mutualfund.adityabirlacapital.com/financials>. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of the Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, or any entity in which it or its shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the Company, or any entity in which it or its shareholders have significant influence or any of its advisors, nor any Global Coordinators and Book Running Lead Managers or the Book Running Lead Managers or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at June 30, 2021, on the basis of amounts derived from our Restated Consolidated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "Risk Factors", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", beginning on pages 25, 213 and 270, respectively.

(₹ in million)

Particulars	Pre-Offer as at June 30, 2021	Adjusted for the Offer*
Total borrowings		Refer to notes below
Current borrowings [#] (A)	-	
Non-current borrowings (including current maturities of long-term borrowings) [#] (B)	-	
Total borrowings (C)	-	
Total equity		
Equity share capital	1,440.00	
Other equity [#]	16,581.57	
Total equity (D)	18,021.57	
Total non-current borrowings (including current maturities of long-term borrowings)/ Total equity (B)/(D)	-	
Total borrowings/ total equity (C)/(D)	-	

Notes:

* Our Company offered the Equity Shares through an Offer for Sale by way of initial public offering. Hence, there is no change in the shareholders' funds or any borrowings on account of this Offer.

These terms carry the same meaning as per Schedule III of the Companies Act.

@@ The amounts disclosed above are derived from the Restated Consolidated Financial Information.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 24 - Related Party Disclosures, read with the SEBI ICDR Regulations for each of the three months periods ended June 30, 2021 and June 30, 2020, and the Fiscals ended March 31, 2021, March 31, 2020 and March 31, 2019 and as reported in the Restated Consolidated Financial Information, see “*Restated Consolidated Financial Information – Annexure VI – Notes to Accounts forming part of the Restated Consolidated Ind AS Summary Financial Information – Note 30*” beginning on page 245.

FINANCIAL INDEBTEDNESS

Our Board is empowered to borrow money in accordance with Section 179 and Section 180 of the Companies Act and our AoA. As of the date of this Prospectus, our Company does not have any outstanding or sanctioned fund-based facilities.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with the Restated Consolidated Financial Information included herein as of and for the three months ended June 30, 2021 and 2020 and the financial years ended March 31, 2021, 2020 and 2019, including the related notes, schedules and annexures. The Restated Consolidated Financial Information has been derived from our (i) audited consolidated financial statements as at and for the three-month periods ended June 30, 2021 and June 30, 2020, and (ii) audited consolidated financial statements as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019, in each case, prepared in accordance with Ind AS, and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by the ICAI. Ind AS differs in certain material respects from IFRS and US GAAP. See "Risk Factors – External Risk Factors – Risks Related to India – Significant differences exist between Ind AS and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition." beginning on page 49-50.

Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12-month period ended March 31 of that year. Financial information for the three months ended June 30, 2021 and June 30, 2020 are not indicative of full year results and are not comparable with the annual financial statements presented in this Prospectus.

Unless otherwise specified in this section, reference to quarterly average assets under management ("QAAUM") and monthly average assets under management ("MAAUM") as of a given date refers to the average assets under management of our mutual fund schemes, excluding our domestic FoFs, for the quarter or month ended on the specified date.

We have included various operational and financial performance indicators in this Prospectus, many of which may not be derived from our Restated Consolidated Financial Information. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculations, may vary from that used by other companies in India and other jurisdictions. For the purposes of this section, for certain analyses we have used historical methodologies and internal categorizations to enable a consistent representation of our business. Such information may vary from similar information publicly disclosed by us in compliance with applicable regulations in India. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision, and should consult their own advisors and evaluate such information in the context of the Restated Consolidated Financial Information and other information relating to our business and operations included in this Prospectus.

The industry-related information contained in this Prospectus is derived from the CRISIL Report dated September 2021 which has been commissioned and paid for by our Company for an agreed fee for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. We officially engaged CRISIL Research, a division of CRISIL Limited, in connection with the preparation of the CRISIL Report on March 24, 2021.

This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under "Forward-looking Statements" and "Risk Factors" on pages 14 and 25, respectively.

Overview

We are ranked as the largest non-bank affiliated AMC in India by QAAUM since March 31, 2018, and among the four largest AMCs in India by QAAUM since September 30, 2011, according to the CRISIL Report. We managed total AUM of ₹2,936.42 billion under our suite of mutual fund (excluding our domestic FoFs), portfolio management services, offshore and real estate offerings, as of June 30, 2021. We believe we have achieved this leadership position through our focus on consistent investment performance, extensive distribution network, brand, experienced management team and superior customer service.

Since our inception in 1994, we have established a geographically diversified pan-India distribution presence covering 284 locations spread over 27 states and six union territories. Our distribution network is extensive and multi-channelled with a significant physical as well as digital presence, and included over 66,000 KYD-compliant MFDs, over 240 national distributors and over 100 banks/financial intermediaries, as of June 30, 2021. We managed 118 schemes comprising 37 equity schemes (including, among others, diversified, tax saving, hybrid and sector schemes), 68 debt schemes (including, among others, ultra short-duration, short-duration and fixed-maturity schemes), two liquid schemes, five ETFs and six domestic FoFs, as of June 30, 2021. Our flagship schemes include Aditya Birla Sun Life Frontline Equity Fund and Aditya Birla Sun Life Corporate Bond Fund, both of which have grown to become leading funds in India under our management. Our total QAAUM (excluding our domestic FoFs) has grown over the years and was ₹2,754.54 billion, ₹2,692.78 billion, ₹2,475.22 billion and ₹2,464.80 billion as of June 30, 2021 and March 31, 2021, 2020 and 2019, respectively. In addition, we provide portfolio management services, offshore and real estate offerings and we managed total AUM of ₹115.15 billion as part of such services, as of June 30, 2021. We cater to a wide range of customers from individuals to institutions through this pan-India network and offering of customer solutions, which positions us well to attract a large segment of the Indian mutual fund market across varying customer requirements and risk profiles and to develop a broad customer franchise with a strong retail customer base. Our MAAUM from institutional investors was ₹1,503.04 billion as of June 30, 2021, which was fourth largest among our peers, according to the CRISIL Report. Similarly, our MAAUM from individual investors was ₹1,333.53 billion as of June 30, 2021.

Our focus on improving our equity-oriented scheme mix is a significant factor in enhancing our profitability, as equity-oriented schemes generally generate higher management fees compared to other schemes. Our equity-oriented MAAUM grew at a CAGR of 24.94% from ₹323.45 billion as of March 31, 2016 to ₹984.80 billion as of March 31, 2021, and further to ₹1,080.44 billion as of June 30, 2021. Correspondingly, our share of equity-oriented MAAUM in total MAAUM increased from 23.66% as of March 31, 2016 to 38.09% as of June 30, 2021. This 14.43% increase in equity mix was greater than the industry's increase of 13.65% over the same period, and was the second highest increase among the five largest AMC's in India by MAAUM, according to the CRISIL Report.

We have also achieved substantial growth in our individual investor MAAUM and customer base, which comprises both our retail and HNI investors. We are the fifth largest player in terms of market share in individual MAAUM among the top 10 AMC's as of June 30, 2021, according to the CRISIL Report. Our individual investor MAAUM grew at a CAGR of 18.38% from ₹546.13 billion as of March 31, 2016 to ₹1,269.82 billion as of March 31, 2021, and further to ₹1,333.53 billion as of June 30, 2021. Correspondingly, our individual investor MAAUM mix increased from 39.95% as of March 31, 2016 to 47.01% as of June 30, 2021, which was the second highest increase among the five largest AMC's in India by MAAUM, according to the CRISIL Report. Consistent with our leadership position in individual investor MAAUM, our number of total investor folios (including our domestic FoFs) more than doubled from 2.93 million as of March 31, 2016 to 7.07 million as of March 31, 2021, representing a CAGR of 19.27%, which was greater than the industry increase of 15.48% over the same period and the third highest increase among the five largest AMC's in India by MAAUM, according to the CRISIL Report, and further to 7.18 million folios as of June 30, 2021.

We have maintained a market leading position in B-30 penetration over the years, which we believe has further contributed to the growth of our individual investor base as well as improvement in profitability. Our B-30 cities MAAUM was ₹447.01 billion as of June 30, 2021, and our share of MAAUM from B-30 cities in total MAAUM as of June 30, 2021 was the second highest amongst the five largest AMC's in India in terms of MAAUM, according to the CRISIL Report. Our share of MAAUM from B-30 cities in total MAAUM increased from 13.44% as of March 31, 2019 to 15.76% as of June 30, 2021, which was the highest increase among the five largest AMC's in India in terms of MAAUM, according to the CRISIL Report.

Our systematic transactions have achieved similar growth, with our number of outstanding SIPs more than tripling from 0.86 million as of March 31, 2016 to 2.80 million as of June 30, 2021. Correspondingly, our AUM from SIPs grew from ₹85.23 billion (representing 25.70% of our total equity-oriented mutual fund AUM) as of March 31, 2016 to ₹456.92 billion (representing 41.70% of our total equity-oriented mutual fund AUM) as of June 30, 2021. We believe these attractive increases in equity mix, individual investor customer base and systematic transactions have been largely driven by our focus on customers, our distributors and wide channel distribution across all locations including smaller emerging markets, our development of powerful digital platforms, the consistent performance of our schemes and diversity of portfolio of schemes offered, and our dedication to providing superior customer service.

We have automated and digitized several aspects of our operations including in relation to customer onboarding, online payments and other transactions, fund management, dealing, accounting, customer service, data analytics and other functions. Our online engagement has seen continued growth in recent years, and our proportion of digital transactions in total transactions (excluding SIP and STP installments) increased from 70.92% for the financial year 2019 to 87.75% for the financial year 2021. Similarly, the number of investors that we added through digital channels increased from 63.66% for the financial year 2020 to 80.98% for the financial year 2021.

Our Company is currently set up as a joint venture between ABCL and Sun Life AMC. ABCL is the listed non-operating holding company of the financial services businesses of the Aditya Birla group, a Fortune 500 global conglomerate. Through its various subsidiaries, ABCL managed total AUM of ₹3,432.66 billion, had a consolidated lending book of over ₹571.82 billion and an active customer base of over 25 million customers, as of June 30, 2021. Sun Life Financial Inc., the ultimate holding company of Sun Life AMC, is a leading international financial services organization providing insurance, wealth and asset management solutions to individual and corporate clients. Sun Life Financial Inc. had a market capitalization of C\$37.43 billion and total AUM of C\$1,360.69 billion, as of June 30, 2021.

Significant Factors Affecting our Results of Operations

Our results of operations and financial condition are affected by a number of important factors including:

Macroeconomic Conditions in India

General economic conditions and particularly macroeconomic conditions in India, where we conduct most of our business and generate substantially all of our revenues, significantly affect the performance of the funds we manage and, in turn, our AUM, management fees, revenues and profitability. While our business tends to benefit from increased consumer confidence in the overall economy, adverse macroeconomic conditions in India may affect the investment performance of our schemes and products, reduce the demand for our schemes and products, increase redemptions in our schemes and otherwise adversely affect our business, financial condition and results of operations.

Key macroeconomic factors that may affect the performance of our business include, among others, (i) overall economic growth parameters such as the general levels of GDP growth and growth in personal income in India, (ii) household savings rates and

consumer preferences towards financial savings, particularly into mutual fund schemes, (iii) demographic conditions and population dynamics, (iv) economic development and shifting of wealth, (v) political measures and regulatory developments, such as tax incentives and general political stability, (vi) fiscal and monetary dynamics, such as volatility in interest rates, foreign exchange rates and inflation rates, (vii) political and regulatory developments on the Indian economy, and (viii) major public health issues such as the current COVID-19 pandemic. See “– *Current COVID-19 Pandemic*” on pages 275-276. These factors in varying degrees affect the quantum of household savings and their proportion invested in mutual funds relative to other competing products such as physical assets including real estate and gold and financial savings such as bank deposits, provident funds and insurance.

Household Savings and Investments into Mutual Funds

The mutual fund industry in India benefits from low penetration and a high rate of household savings, in particular into financial instruments, and any change in the rate of savings may affect our growth and business. India has a high rate of household savings as a percentage of GDP, with a gross domestic savings rate of 30% in 2019, compared to a global average of 25%, according to the CRISIL Report. Household savings in India have grown at a CAGR of 7.6% from ₹20.66 trillion in the financial year 2012 to ₹39.91 trillion in the financial year 2020, and India is expected to continue being a high savings economy at least over the next decade, according to the CRISIL Report.

We depend to a large extent on the savings behavior and investment preferences of households in India in relation to financial assets. Historically, individual investors in India have had a preference for investments in physical assets, such as real estate and gold, as compared to financial assets, such as mutual funds. However, there has been a gradual transition from savings in physical assets to financial assets, with household savings in physical assets declining from 67% in the financial year 2012 to 58% in the financial year 2020, while household savings in financial assets increased from 31% to 41% over the same period. In addition, individual investment in the mutual fund industry has grown from 45.44% of total industry MAAUM as of March 31, 2016 to 53.77% of total industry MAAUM as of June 30, 2021, according to the CRISIL Report. Individual customers tend to favor equity-oriented schemes, which generally have higher returns and a higher fee structure compared to non-equity-oriented schemes. Individual customers also tend to stay invested for longer periods, providing predictable, committed AUMs and profitability, according to the CRISIL Report. As of June 30, 2021, of the total mutual fund industry equity AUM held for a period over 24 months, 51.41% was held by individual investors, according to the CRISIL Report.

The mutual fund industry, and therefore our business and growth, benefits immensely from a high rate of savings, and the growing proportion of financial savings.

Market Volatility and Demand for Mutual Funds

Historically the Indian securities markets, like other developing markets, have experienced a significant degree of volatility both for broader indices as well as for specific securities. In particular, the Indian equity markets have, over the last ten years, experienced varying upward and downward price trends. The start of the last decade was characterized by the global financial crisis which cut short the upward trend which the Indian markets were witnessing at that point in time but since then there has been a slew of policy changes and regulatory changes which have impacted the broader markets. In 2020, global capital markets, including Indian equity markets, have experienced significant volatility as a result of the COVID-19 pandemic and associated responses, see “– *Current COVID-19 Pandemic*” and “*Risk Factors – Internal Risk Factors – Risks Relating to our Business – The extent to which the Coronavirus disease (COVID-19) may affect our business and operations in the future is uncertain and cannot be predicted*” on pages 25-27, respectively. The Indian mutual fund industry, including our schemes, has benefited significantly from rising equity markets. Our AUM and rate of growth will likely be adversely affected by slower growth or declines or volatility in the equity markets in India.

Investment returns of our schemes are sensitive to equity and debt markets and interest rate fluctuations. Most of the schemes we manage invest in equity and debt securities, the prices of which fluctuate based on, among other things, directional movements in the equity and debt markets as well as movements in interest rates. In general, when equity markets are in an upward trend, the values of our equity-oriented portfolios increase, and vice versa. In the fixed income markets, interest rate fluctuations have a bearing on the value of the securities we hold in the portfolios of our schemes. Any decline in the Indian equity markets causing a decline in the value of equity securities held in the portfolios of our schemes could cause our AAUM to decline and may prompt accelerated redemptions by customers. Further, in a rising interest rate environment, investors may shift their assets to liquid funds and overnight funds to realize higher yields. For us, liquid funds and overnight funds tend to be less profitable than other funds. The value of the debt securities in our portfolio may decline as result of changes in interest rates, an issuer’s actual or perceived creditworthiness or an issuer’s ability to meet its obligations.

Similarly, fluctuations in interest rates can affect yields, which along with other factors such as changes in credit ratings can affect the prices of debt securities held in the portfolios of our schemes, resulting in changes in our AAUM. Since the investment management fee that we charge for our services is based on the value of our AAUM, any change in our AAUM will directly affect our investment management fees and consequently affect our results of operations. Such decline may also lead to loss in investor sentiment and trigger changes in investor preferences, which may also adversely affect us. The equity and debt markets as well as interest rates in India have been and may continue to be volatile and any such volatility will contribute to fluctuations in our AAUM. Fluctuations in the market could also affect the valuation of our customer’s portfolio investments, which could affect the portfolio management fee and fee charged for other advisory services.

Distribution Capabilities and Technology

Our ability to attract and retain AUM has a significant impact on our results of operations. We depend on our ability to increase business with our current distributors, enter into new distribution arrangements, and develop innovative methods of marketing and distributing our schemes. Accordingly, we have developed a geographically diversified pan-India distribution presence that is not only extensive but multi-channelled, with a significant physical as well as digital presence, to promote our products and to increase fund inflows into our schemes. We intend to distribute our schemes, products and advisory services on a long-term basis by effectively managing our distribution channels in a highly competitive market, improve our technology led connectivity with distributors, enhance our distributors and sales force training and improve sales skills and by attracting, developing and retaining strong performers to ensure quality service across all our distribution channels.

As of June 30, 2021, we had a presence in 284 locations, including 194 branches in India (and three outside India), spread over 27 states and six union territories, which were supplemented by 90 EM representatives. We believe that EM areas are untapped markets in India which have a high potential of assisting us in growing our AUM and expanding to new catchment areas without material capital expenditure. Successful EM areas lead to establishment of branches there, and in the financial year 2021, we converted 15 EM locations into branch offices. Of these, 143 branches and all 90 of our EM representatives were located in B-30 cities. To effectively leverage our extensive branch and EM representatives network and keep distribution costs low, we employ a hub and spoke model, wherein branches serve as hubs and the nearby locations as spokes. Where hubs are too distant from significant market potential, we utilize EM representatives to build our brand, increase our AUM and service our investors. We also market our schemes online through our website and mobile applications and have enhanced our online presence over the last few years.

Our multi-channel distribution network included over 66,000 KYD-compliant MFDs, over 240 national distributors and over 100 banks/financial intermediaries, as of June 30, 2021. While our direct marketing efforts contributed to 46.86% of our total QAAUM (excluding ETFs) as of June 30, 2021, our MFDs, national distributors and banks/financial intermediaries contributed to 30.18%, 14.37% and 8.59%, respectively. Further, 50.58% of our equity-oriented QAAUM as of June 30, 2021 was sourced by MFDs. While we continually seek to strengthen and expand our distribution network through engagements with public sector and co-operative banks and national distributors, preferably with robust online presence, our focus remains on strengthening and expanding our MFD network. We are committed to growing and investing in our MFD network. In the three months ended June 30, 2021 and the financial year 2021, we added 1,165 and 2,448 MFDs, respectively. We currently provide our MFDs a range of benefits through our Privilege Club channel loyalty program, including life and health insurance, retirement planning and scholarships for their children, as well as professional enrichment tools, including access to management development programs, business support platforms and social media support.

Our distribution network is further supported by our various technology platforms and initiatives through which we have automated and digitized various aspects of our operations including in relation to customer onboarding, online payments and other transactions, fund management, dealing, accounting, customer service, data analytics and other functions. We rely on communications links connecting various offices across the country and utilizing centralized applications, and the complex nature of our business requires us to invest in technologically sophisticated equipment, such as various IT systems and software. We aim to strengthen and upgrade our equipment periodically as the technology for such equipment becomes obsolete. Our technology digital platforms play an increasingly important role in our operations and network, and this importance has been further amplified during the COVID-19 pandemic and resulting lockdown in India. Between the financial year 2020 and the financial year 2021, the number of investors that we added through digital channels increased from 63.66% to 80.98%. In addition, during the financial year 2021, digital transactions accounted for 87.75% of our total transactions (excluding SIP and STP installments). However, the growing dependence on technology for managing our business exposes us to substantial IT security risks, including with respect to data security and privacy.

Composition of Schemes and Management Fee Structure

As part of our mutual fund business, we offer multiple schemes that can broadly be categorized into equity, debt, liquid and ETF schemes. The rate of management fees we charge differs between fund types and products. As such, an AUM mix which comprises schemes that generate higher fees can provide us with a higher revenue stream. The total value of AUM varies predominantly as a result of net inflows of investment into the funds that we manage and the value of securities or other assets in those funds, and such values are primarily driven by the condition and performance of the Indian economy and securities markets. In general, equity schemes have comparatively higher and relatively stable fees, whereas debt schemes fees are lower than equity schemes fees and vary significantly depending on market conditions, fund duration and objective, and the competitive environment. Further, liquid schemes and ETF fees are lower than debt schemes fees. To achieve profitable growth, our endeavor has been to constantly improve our AUM mix with a larger proportion of higher revenue generating schemes and products.

We generate a substantial portion of our revenue from management fees that we charge as a percentage of our AUM for the investment management services that we provide. For the three months ended June 30, 2021 and 2020 and the financial years 2021, 2020 and 2019, our asset management and advisory fees amounted to ₹2,920.73 million, ₹2,057.97 million, ₹10,182.06 million, ₹10,902.41 million and ₹12,291.94 million, respectively. Changes in our overall investment management fees are primarily a result of changes in our scheme mix as well as adjustments in the fees charged to each scheme. Our investment management fees may fluctuate because of many factors, including (i) appreciation or depreciation of the investment portfolios

of our schemes as well as the level of inflows and redemptions by new and existing customers; (ii) differences in the weightage of schemes forming our scheme mix, (iii) differences in the investment management fees earned in particular schemes from time to time due to the changes in their composition, (iv) quantum of scheme expenses including commissions/brokerage charged to the schemes, and (v) the limits imposed by regulators in the markets we operate.

For example, total expense ratio (“**TER**”) limits for mutual fund schemes are regulated by SEBI. On February 2, 2018, SEBI issued a circular stipulating that with respect to mutual fund schemes, including close-ended schemes for which an exit load is not levied or not applicable, AMCs will not be eligible to charge the additional expenses of up to 0.20% as per Regulation 52(6A)(c). As a result, our management fee income has been adversely affected, in particular for our equity-linked saving schemes (ELSS) and closed-ended schemes. Additional expenses were reduced to 0.05% of the daily net assets of the scheme with effect from May 30, 2018. Further, on October 22, 2018, SEBI issued a circular (the “**2018 SEBI Circular**”) which reduced permitted TERs for the schemes with effect from April 1, 2019. This resulted in a reduction in the average TER mainly of our open-ended equity and hybrid schemes. The investment management fee is, in general, the residual amount of the TER after charging the scheme with other expenses like commissions/brokerages and scheme operating expenses. Subsequent to the above regulatory changes, as a result of the reduction in TERs, the investment management fee in general is accordingly lower, particularly in open-ended equity funds and hybrid funds. Needless to add, the fees and commission expenses are also correspondingly lower subsequent to regulatory changes.

The following tables set forth a breakdown of our QAAUM by scheme type and each item as a percentage of total QAAUM for the periods indicated:

	As of June 30,			
	2021		2020	
	(₹ in billions, except percentages)			
Equity schemes.....	1,026.78	37.28%	724.78	33.77%
Debt schemes.....	1,296.47	47.07%	940.04	43.81%
Liquid schemes.....	422.33	15.33%	476.57	22.21%
ETFs	8.96	0.32%	4.53	0.21%
Total.....	2,754.54	100.00%	2,145.92	100.00%

	As of March 31,					
	2021		2020		2019	
	(₹ in billions, except percentages)					
Equity schemes.....	969.34	36.00%	875.59	35.37%	890.62	36.13%
Debt schemes.....	1,285.38	47.73%	1,101.91	44.52%	978.46	39.70%
Liquid schemes.....	430.57	15.99%	493.02	19.92%	592.58	24.04%
ETFs.....	7.49	0.28%	4.70	0.19%	3.14	0.13%
Total.....	2,692.78	100.00%	2,475.22	100.00%	2,464.80	100.00%

Investment Performance

The investment performance of our schemes is a crucial factor for retaining existing customers and attracting new ones, and therefore for maintaining and growing our AUM. Our AAUM fluctuates with the net inflows or outflows of funds into our various schemes, which are, in turn, affected by investment performance as customers are typically attracted to products with a consistent record of investment outperformance, compared to other benchmarks and investment products sold by our competitors. Good investment performance increases the attractiveness of our schemes and products with customers, resulting in higher inflows and a consequent increase in the value of our portfolios and, in turn, our AAUM, management fees and revenues. Poor investment performance, either on an absolute or relative basis, could have a negative effect on our business or impair our income and growth as existing clients may withdraw funds in favor of better performing products, which would result in lower fees, our ability to attract funds from existing and new clients may diminish, and negative absolute investment performance will directly reduce our managed assets and hence our management fee income.

The investment performance of our schemes depends not only on our investment strategies but also on a number of factors that are outside our control including, among others, fluctuations in financial markets, fluctuations in the valuation of our portfolio holdings and our ability to attract and retain qualified and high quality investment professionals. Further, certain of our investment management contracts contain restrictions relating to our investment policies, for example limiting exposure concentrations in respect of certain asset classes, issuers or industries. Such restrictions may prevent us from implementing what we deem to be the best investment strategies, which could restrict our performance. Underperformance of our products and schemes, and any resulting failure to attract and retain customers, may adversely affect our AAUM and consequently our revenues.

In order to increase our AAUM and expand our business, we intend to continue offering tailored products that suit the investment needs and risk profiles of our customers, and generate attractive returns over the long-term. The value of our AAUM has a significant effect on our results of operations, since the investment management fees that we charge is based on our AAUM.

Government Policies and Changes in Law

The regulatory and policy environment in which we operate is evolving and subject to change. The requirements imposed by regulators are designed to ensure the integrity of the financial markets and to protect customers and other third parties who deal with us. Consequently, these regulations often serve to limit our activities and/or increase our costs, including through customer protection and market conduct requirements. To the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy, our business, results of operations and prospects may be adversely affected. For example, the 2018 SEBI Circular introduced various provisions impacting the accounting of scheme expenses, the payment of upfront commission and the permitted TERs of mutual funds. As a result of these regulations, we have experienced a decrease in both fees and commission income and fees and commission expenses in the financial years 2021, 2020 and 2019.

The mutual fund industry has also benefitted from favorable regulations in the past. For example, favorable regulations have allowed mutual funds and AMCs to accept payments from customers of up to ₹50,000 per mutual fund per financial year for investments through e-wallets (prepaid payment instruments) in accordance with specific conditions set out by SEBI. In addition, in order to facilitate the geographical reach of mutual funds, SEBI implemented regulations permitting AMCs to charge additional TER of up to 0.30% for funds inflow from B-30 cities. However, such regulations may change or be replaced with regulations that may increase our business and operational expenses.

New laws or regulations, or changes in the enforcement of existing laws or regulations, applicable to us and our customers may adversely affect our business. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Our ability to function in this environment will depend on our ability to constantly monitor and promptly react to legislative and regulatory changes.

Current COVID-19 Pandemic

The COVID-19 pandemic and the preventative or protective actions that governments around the world have taken to counter the effects of the pandemic have resulted in an extended period of business disruption and a decrease in economic activity in several countries, including in India and countries where our customers, distributors and other counterparties are located. In order to contain the spread of the COVID-19 pandemic, the Government of India along with State Governments declared a lockdown of the country in March 2020, including severe travel and transport restriction and a directive to all citizens to shelter in place, which was subsequently extended several times with gradual relaxations of the restrictions conducted through phases. Subsequently, from March 2021 to date, due to an increase in the number of daily COVID-19 cases, several state governments in India re-imposed lockdowns, curfews and other restrictions to curb the spread of the virus. As a result, the current COVID-19 pandemic has adversely affected workforces, consumer sentiment, economies and financial markets around the world and has led to uncertainty in the global economy and significant volatility in global financial markets.

The COVID-19 pandemic and the measures taken to reduce the spread of the virus have had and are likely to continue to have negative impacts on our business, such as adverse effects on the investment performance of our schemes, disruptions in our operations, limitations on our employees' ability to work and travel, significant changes in the economic or political conditions in India and other countries in which we operate, currency, commodity and financial market volatility, restrictions on our access to sources of liquidity, deteriorations in consumer sentiment, and changes in the behavior, preferences and needs of our customers, including consequential reductions in our AUM. Following the outbreak of the COVID-19 pandemic, we have experienced lower than expected growth in our AUM due to market volatility. However, our robust and readily available technology solutions allowed our customers and employees to continue to function seamlessly despite the unprecedented complex environment created by the COVID-19 pandemic, which we believe has given us a competitive advantage during this time. All our users were able to access their systems remotely using highly secure virtual technology with second factor authentication to provide an additional layer of security for such users. Our efforts also enabled 10,400 distributors that did not have digital presence to transact digitally and support customers using our digital platforms. There is a significant degree of uncertainty regarding future economic conditions and estimates of the impact of the COVID-19 pandemic on investment decisions and performance, customer behavior (including as to saving, investment and redemption decisions), and, in turn, our AUM size and composition, revenues and profitability.

We have assessed and considered the impact of the COVID-19 pandemic on our operations and assets including the value of our investments, asset management rights and trade receivables. Our management does not, at this juncture, believe that the impact of the COVID-19 pandemic on the value of our assets is likely to be material. However, since our revenue is ultimately dependent on the value of the assets we manage, changes in market conditions and the trend of flows into mutual funds may have an impact on our operations. In response to the pandemic, we have focused on enhancing our digital communication features and accessibility such as via our mobile applications and other digital channels in order to continue rendering uninterrupted transaction services and providing market and product updates, to our investors and distributors. We have also prioritized liquidity and risk management in our investment decisions as well as cost monitoring and optimization with a view of improving business sustainability.

We continue to closely monitor the impact that the pandemic might have on our business and the performance of our schemes. However, given the rapidly changing implications of the spread of COVID-19, it is difficult to assess its impact on our business and results of operations at this time. In the event the impact of COVID-19 is prolonged or more severe than anticipated, this

may have an impact on the carrying value of our investments, asset management rights and financial position. To the extent the current COVID-19 pandemic adversely affects our Company, it may also significantly increase the effect of the other factors affecting our business and results of operations. See “*Risk Factors – Internal Risk Factors – Risks Relating to Our Business – The extent to which the Coronavirus disease (COVID-19) may affect our business and operations in the future is uncertain and cannot be predicted.*” on pages 25-27.

Key Performance Indicators

In evaluating our business, we consider and use certain key performance indicators that are presented below as supplemental measures to review and assess our operating performance.

The presentation of these key performance indicators is not intended to be considered in isolation or as a substitute for the financial statements included in this Prospectus. We present these key performance indicators because they are used by our management to evaluate our operating performance. These key performance indicators are not defined under Ind AS and are not presented in accordance with Ind AS. These key performance indicators have limitations as analytical tools. Further, these key performance indicators may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Therefore, these matrices should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation.

The following table sets forth certain key performance indicators as of and for the periods indicated:

	As of and For the Three Months ended June 30,		As of and for the Financial Year Ended March 31,		
	2021	2020	2021	2020	2019
QAAUM (₹ in billions)	2,754.54	2,145.92	2,692.78	2,475.21	2,464.80
Equity-oriented QAAUM (₹ in billions)	1,026.78	724.78	969.34	875.59	890.62
SIP AUM (₹ in billions)	456.92	319.62	418.41	252.50	305.11
Gross SIP inflows for the month (₹ in millions)	7,727.85	8,147.54	7,576.41	8,555.16	9,411.77
Average SIP transaction size (₹)	2,759.95	2,858.78	2,755.06	2,929.85	3,223.21
Total number of digital transactions (millions)	1.68	1.42	6.27	4.58	4.13
Digital transactions as a percentage of total transactions (%)	89.10%	93.26%	87.75%	77.01%	70.92%

QAAUM and Equity-Oriented QAAUM

QAAUM is defined as the quarterly average assets under management for the three-month period ending on the relevant dates across our schemes. Both our QAAUM and equity-oriented QAAUM have gradually increased between March 31, 2016 and June 30, 2021. For details on our equity schemes, see “*Our Business – Description of our Business – Our Mutual Funds – Equity schemes*” on pages 146-147.

SIPs

SIPs are plans that allow for regular investments in our funds through a one-time mandate given by investors at the beginning of their investments. SIP AUM is defined as the closing AUM of our mutual funds attributable to customers investing through SIPs. Gross SIP inflows for the month is defined as the total inflows received through SIP modes in the one-month period ending on the relevant dates.

Our SIP AUM increased by 49.76% to ₹456.92 billion as of June 30, 2021 from ₹305.11 billion as of March 31, 2019, primarily due to increased awareness of systematic investment products among individual investors and the success of the measures taken by our management team and our sales force during the relevant periods on driving higher SIP sales to such investors, as well as overall stock market gains over the last two years.

Gross SIP inflows decreased by 5.15% to ₹7,727.85 million for the month of June 2021 from ₹8,147.54 million for the month of June 2020 and the average SIP transaction size decreased by 3.46% to ₹2,759.95 from ₹2,858.78 over the same period. Gross SIP inflows decreased by 19.50% to ₹7,576.41 million for the month of March 2021 from ₹9,411.77 million for the month of March 2019 and the average SIP transaction size decreased by 14.52% to ₹2,755.06 from ₹3,223.21 over the same period. The decreases in gross SIP inflows were primarily due to lower investment sentiment during the COVID-19 pandemic during the three months ended June 30, 2021 and the financial year 2021, and the decreases in average SIP transaction size were primarily due to an increase in volume of SIPs coupled with greater investor preference for lower ticket size investments.

Systematic transactions are an important source of AAUM for our schemes. Building a stable pipeline of systematic transactions is a key element of our business strategy as they provide us with regular and predictable inflows into our schemes. For details on our SIPs and other systematic transactions, see “*Our Business – Description of our Business – Systematic Transactions*” on pages 150-151.

Digital transactions

Digital transactions are transactions effected by customers through any kind of online or digital platform, including our website and mobile apps and other online distribution platforms and intermediaries.

The total number of digital transactions increased to 1.68 million, representing 89.10% of total transactions, for the three months ended June 30, 2021, from 1.42 million, representing 93.26% of total transactions, for the three months ended June 30, 2020. Similarly, the total number of digital transactions increased to 6.27 million, representing 87.75% of total transactions, for the financial year 2021, from 4.13 million, representing 70.92% of total transactions, for the financial year 2019. The increase in digital transaction activity reflect broader consumer trends towards increasing adoption of digital investment platforms and our introduction of new digital platforms.

Significant Accounting Policies

The discussion and analysis of our financial condition and results of operations is based upon our Restated Consolidated Financial Information, which has been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the Guidance Note. The notes to our financial statements included in this Prospectus contain a summary of our significant accounting policies. Set forth below is a summary of our most significant critical accounting policies under Ind AS.

Basis of Preparation

The Restated Consolidated Financial Information has been prepared by our management specifically for the purpose of the initial public offering of our Equity Shares. The Restated Consolidated Financial Information has been based on the requirements of Section 26 of Part 1 of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI.

The Restated Consolidated Financial Information has been compiled by our management from the respective audited consolidated financial statements of our Company for the period ended June 30, 2021 and the year ended March 31, 2021 along with the comparative information for the period ended June 30, 2020 and the years ended March 31, 2020 and March 31, 2019 prepared in accordance with Ind AS under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

Principles of Consolidation

The Restated Consolidated Financial Information incorporates the financial information of our Company and its subsidiaries. For the purpose of consolidation, an entity which is controlled by our Company is treated as a subsidiary. Control is achieved when our Company (i) has power over the investee, (ii) is exposed or has rights to variable returns from its involvement with the investee and (iii) has the ability to affect those returns through its power over the investee. We also consider all relevant facts and circumstances in assessing whether our Company has power over an investee, including (a) the contractual arrangement with the other vote holders of the investee, (b) rights arising from other contractual arrangements, (c) our Company's voting rights and potential voting rights, and (d) the size of our Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

Our Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when our Company obtains control over the subsidiary and ceases when our Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date our Company gains control until the date our Company ceases to control the subsidiary.

Our Company acts as the fund manager for Aditya Birla Sun Life Mutual Fund and therefore has a significant involvement with the funds. However, fund managers are subject to substantial investment restrictions and guidelines. In all cases, our Company could be removed without cause by the majority of the unit holders. In addition, our Company does not have significant investments in the units of mutual funds. As a result, the funds managed by our Company are not consolidated.

Use of Estimates

The preparation of the Restated Consolidated Financial Information in conformity with the Ind AS requires our Company's management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities as of the date of financial statements and the reported amount of revenue and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results may differ from those estimates and assumptions used in preparing the accompanying financial statements. Any revision to the accounting estimates will be recognized prospectively in the current and future periods.

Revenue Recognition

Revenue (other than for those items to which Ind AS 109 (*Financial Instruments*) are applicable) is measured at fair value of

the consideration received or receivable. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which our Company expects to be entitled in exchange for those goods or services.

Management fees are recognized on an accrual basis at specific rates, applied on the average daily net assets of each scheme. The fees charged are in accordance with the terms of the respective schemes and are in line with the provisions of SEBI (Mutual Funds) Regulations, 1996 as amended from time to time. Portfolio management fees and advisory fees are recognized on an accrual basis as per the terms of the contract with the customers. Management fees from other services are recognized on an accrual basis as per the terms of the contract with the customers at specific rates applied on net assets. These contracts include a single performance obligation (for a series of distinct services) that is satisfied over time and the management fees and/or advisory fees earned are considered as variable consideration. If the consideration promised in a contract includes a variable amount, our Company estimates the amount of consideration to which our Company will be entitled in exchange for rendering the promised services to a customer. The amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if an entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

Dividend income is recognized when our Company's right to receive dividend is established, it is probable that economic benefits associated with dividend will flow to the entity and the amount of dividend can be measured reliably. This is generally when shareholders approve the dividend. Interest income from financial assets, is recognized on a time proportion basis, taking into account the amount outstanding and the rate applicable.

Leases

Our Company's lease asset classes primarily consist of leases for buildings. Our Company assesses whether a contract contains a lease at the inception of the contract. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, our Company assesses whether (i) the contract involves the use of an identified asset, (ii) our Company has substantially all of the economic benefits from use of the asset through the period of the lease, and (iii) our Company has the right to direct the use of the asset.

At the date of commencement of a lease, our Company recognizes a right-of-use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. Our Company applies the short-term lease recognition exemption to its short-term leases of its branches/rental offices (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). We also apply the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. For these short-term and low value leases, our Company recognizes the lease payments as an expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and accumulated impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful life of right-of-use assets (primarily buildings) range between one and nine years. ROU assets are also subject to impairment, see "*Impairment of Non-Financial assets*" on pages 279-280.

Lease liabilities are initially measured at the present value of the future lease payments. Lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Lease payments also include the exercise price of a purchase option reasonably certain to be exercised by our Company, and payments of penalties for terminating the lease if the lease term reflects our Company exercising the option to terminate. In calculating the present value of lease payments, our Company uses our incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

Lease liabilities are remeasured with a corresponding adjustment to the related right of-use asset if our Company changes its assessment on exercise of an extension or a termination option. Lease liabilities and ROU assets have been separately presented on the balance sheet and lease payments have been classified as financing cash flows.

Property, Plant and Equipment

Property, plant and equipment is stated at their cost of acquisition, less accumulated depreciation and accumulated impairment losses. All other repair and maintenance costs are recognized in profit or loss as incurred. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized.

Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognized.

The intangible assets under development includes cost of intangible assets that are not ready for their intended use less accumulated impairment losses.

Depreciation on Property, Plant and Equipment and Amortisation of Intangible Assets

Depreciation on property, plant and equipment is provided on a straight-line basis at the rates and useful life as prescribed in Schedule II of the Companies Act or as determined by our Company's management based on technical advice, except assets individually costing less than ₹5,000 which are fully depreciated in the year of purchase or acquisition. Depreciation commences when assets are ready for its intended use.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate. The amortisation expense on intangible assets with finite lives is recognized in the statement of profit and loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The following table summarizes the useful life of our assets based on management estimates and as required by the Companies Act.

Type of fixed asset	Estimated Useful Life	Useful Life as prescribed by Schedule II of the Companies Act
Depreciation on tangible assets:		
Computers		
Server and networking	3 years	6 years
Other	3 years	3 years
Office equipment	5 years	5 years
Vehicles – motor car / two wheelers	5 years	8 years
Furniture and fixtures.....	5 years	10 years
Mobile phones (included in office equipment)	2 years	Not specified
	Over the period of the lease term or 3 years, whichever is less	
Lease hold improvements		Not specified
Amortisation of intangible assets:		
Investment management rights	10 years	Not specified
Software.....	3 years	Not specified

Impairment of Non-Financial Assets

The carrying amounts of non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated impaired when the carrying cost of an asset or cash-generating unit ("CGU") exceeds its recoverable value. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The recoverable amount is the greater of the asset's or CGU's fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. An impairment loss, if any, is charged to statement of profit and loss in the year in which an asset is identified as impaired. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Employee Benefits

Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. Our Company has no obligation, other than the contribution payable to the provident fund. Our Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

Our Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and cash in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as they are considered an integral part of our Company's cash management.

Taxes

Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where our Company operates and generates taxable income.

Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences, except (i) where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss, and (ii) in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except (i) when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss, and (ii) in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when our Company has a present obligation (legal or constructive) as a result of past events and it is

probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of our Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Claims against our Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities. A contingent asset is not recognized but disclosed in the financial statements where an inflow of economic benefit is virtually certain.

Key Components of our Statement of Profit and Loss

The following descriptions set forth information with respect to the key components of our profit and loss statements.

Revenue

Revenue from operations. Revenue from operations primarily comprises investment management fees that are based on percentages of the AAAUM of the schemes we manage in accordance with the underlying investment management agreement and the SEBI (Mutual Fund) Regulations, 1996. Our revenue from operations also includes revenue earned from portfolio management fees, advisory and performance fees that we generate from our portfolio management services, offshore and real estate offerings as well as net gain or loss on fair value changes and on sale of investments.

Other income. Other income primarily comprises interest income, income from variable lease adjustments, dividend income and other miscellaneous income.

Expenses

Expenses comprise employee benefit expenses, other expenses, fees and commission expenses, depreciation and amortisation expenses and finance cost.

Employee benefit expenses. Employee benefit expenses primarily comprises salaries and allowances, contribution to provident and other funds, staff welfare expenses and share-based payments. Share-based payments comprise expenses incurred in relation to employee stock option plans established by our Company and our parent company, ABCL. Pursuant to such employee stock option plans, stock options are granted to our employees in accordance with the employee stock option plan's vesting schedule and are recognized as an expense in the respective periods.

Other expenses. Other expenses primarily comprise expenses relating to outsourced service charges, software and technology expenses, legal and professional charges, database research expenses, outsourced fund accounting expenses, other administrative expenses, corporate social responsibility ("CSR") expenses, fund expenses and business promotion expenses such as expenses relating to marketing, publicity and distribution engagement. Pursuant to the 2018 SEBI Circular, after October 22, 2018, certain scheme-related expenses are borne by our Company as exceptions in accordance with circulars and guidelines issued by SEBI and the Association of Mutual Funds in India ("AMFI"). Such expenses, along with new fund offer ("NFO") expenses on the launch of new schemes are borne by our Company and recognized as fund expenses. Other expenses also include expenses for auditor's remuneration, which relates to remuneration paid to our Statutory Auditors for audit fees, tax audit fees, other services (which pertains to limited review procedures and certification services, such as annual performance report on the functioning of our foreign wholly-owned subsidiary) and reimbursement of expenses.

Fees and commission expenses. Fees and commission expense consists of marketing fees, incentives and commissions paid in connection with our schemes, portfolio management services and investment advisory services.

Depreciation and amortisation expense. Depreciation and amortisation expense consists of depreciation of our tangible assets and amortisation of our intangible assets. Our tangible assets include buildings, furniture and fixtures, vehicles, office equipment, computer equipment and improvements made to rented premises. Our intangible assets include our investment management rights and software.

Finance cost. Finance cost primarily reflects interest expense on lease liabilities recognized in accordance with Ind AS 116 (*Leases*).

The following tables set forth a breakdown of our expenses and each item as a percentage of total expenses for the periods indicated:

	For the Three Months Ended June 30,			
	2021		2020	
	(₹ in millions, except percentages)			
Fees and commission expenses	61.65	4.73%	160.90	12.32%
Finance cost.....	13.49	1.03%	15.01	1.15%
Employee benefit expenses	689.77	52.91%	601.20	46.02%
Depreciation and amortisation expense	89.66	6.88%	95.16	7.28%
Other expenses	448.99	34.45%	434.03	33.23%
Total expenses.....	1,303.56	100.00%	1,306.30	100.00%

	For the Financial Year Ended March 31,					
	2021		2020		2019	
	(₹ in millions, except percentages)					
Fees and commission expenses	470.57	9.23%	750.53	13.08%	1,435.01	18.85%
Finance cost.....	55.57	1.09%	54.41	0.95%	57.33	0.75%
Employee benefit expenses	2,406.99	47.20%	2,420.20	42.16%	2,775.01	36.44%
Depreciation and amortisation expense	374.42	7.34%	365.22	6.36%	324.03	4.26%
Other expenses	1,791.98	35.14%	2,150.03	37.45%	3,023.45	39.70%
Total expenses.....	5,099.53	100.00%	5,740.39	100.00%	7,614.83	100.00%

Tax Expense

Our tax expense consists of current tax and deferred tax.

Our Results of Operations

The following tables set forth our selected financial data from our restated consolidated statement of profit and loss for the three months ended June 30, 2021 and 2020 and the financial years 2021, 2020 and 2019, the components of which are also expressed as a percentage of total income for such periods:

	For the Three Months Ended June 30,			
	2021		2020	
	(₹ in millions, except percentages)			
Income:				
Revenue from operations				
Fees and commission income.....	3,031.69	90.16%	2,187.24	83.88%
Net gain on fair value changes	300.73	8.95%	378.94	14.54%
Total revenue from operations	3,332.42	99.11%	2,566.18	98.42%
Other income.	30.03	0.89%	41.29	1.58%
Total income	3,362.45	100.00%	2,607.47	100.00%
Expenses:				
Fees and commission expenses	61.65	1.83%	160.90	6.17%
Finance cost...	13.49	0.40%	15.01	0.58%
Employee benefit expenses	689.77	20.51%	601.20	23.06%
Depreciation and amortisation expense	89.66	2.67%	95.16	3.65%
Other expenses	448.99	13.36%	434.03	16.64%
Total expenses.....	1,303.56	38.77%	1,306.30	50.10%
Profit before tax.....	2,058.89	61.23%	1,301.17	49.90%
Income tax expense:				
Current tax.....	547.38	16.28%	289.62	11.11%
Deferred tax.....	(37.93)	(1.13)%	38.04	1.46%
Income tax expense.....	509.45	15.15%	327.66	12.57%
Profit for the period	1,549.44	46.08%	973.51	37.34%

	For the Financial Year Ended March 31,					
	2021		2020		2019	
	(₹ in millions, except percentages)					
Income:						
Revenue from operations						
Fees and commission income	10,679.07	88.56%	11,596.70	93.92%	13,267.74	94.28%
Net gain on fair value changes	1,231.21	10.21%	741.65	6.00%	792.93	5.63%
Total revenue from operations	11,910.28	98.77%	12,338.35	99.92%	14,060.67	99.92%
Other income.	148.13	1.23%	9.33	0.08%	11.83	0.08%
Total income	12,058.41	100.00%	12,347.68	100.00%	14,072.50	100.00%
Expenses:						

	For the Financial Year Ended March 31,					
	2021		2020		2019	
	(₹ in millions, except percentages)					
Fees and commission expenses	470.57	3.90%	750.53	6.08%	1,435.01	10.20%
Finance cost...	55.57	0.46%	54.41	0.44%	57.33	0.41%
Employee benefit expenses	2,406.99	19.96%	2,420.20	19.60%	2,775.01	19.72%
Depreciation and amortisation expense	374.42	3.11%	365.22	2.96%	324.03	2.30%
Other expenses	1,791.98	14.86%	2,150.03	17.41%	3,023.45	21.48%
Total expenses.....	5,099.53	42.29%	5,740.39	46.49%	7,614.83	54.11%
Profit before tax.....	6,958.88	57.71%	6,607.29	53.51%	6,457.67	45.89%
Income tax expense:						
Current tax.....	1,705.55	14.14%	1,603.33	12.98%	2,244.44	15.95%
Deferred tax.....	(8.82)	(0.07)%	66.67	0.54%	(261.27)	(1.86)%
Adjustment in respect of current income tax of previous years	(0.65)	(0.00)%	(6.73)	(0.05)%	6.51	0.05%
Income tax expense.....	1,696.08	14.07%	1,663.27	13.47%	1,989.68	14.14%
Profit for the year.....	5,262.80	43.64%	4,944.02	40.04%	4,467.99	31.75%

Three Months Ended June 30, 2021 Compared to Three Months Ended June 30, 2020

Total income. Total income increased by 28.95% to ₹3,362.45 million for the three months ended June 30, 2021 from ₹2,607.47 million for the three months ended June 30, 2020 due to an increase in revenue from operations, partially offset by a decrease in other income.

Revenue from operations. Revenue from operations increased by 29.86% to ₹3,332.42 million for the three months ended June 30, 2021 from ₹2,566.18 million for the three months ended June 30, 2020, primarily due to a ₹844.45 million increase in fees and commission income, which was primarily attributable to an increase in total AAUM, mainly driven by improved investor sentiment in relation to the COVID-19 pandemic. The increase in revenue from operations was partially offset by a ₹78.21 million decrease in net gain on fair value changes, which was primarily due to higher gains earned on debt and equity schemes, mainly driven by a period of increase in market debt yields and favorable equity market conditions in India.

Other income. Other income decreased by 27.27% to ₹30.03 million for the three months ended June 30, 2021 from ₹41.29 million for the three months ended June 30, 2020, primarily due to a higher amount of rent concession granted during the three months ended June 30, 2020. The decrease in other income was partially offset by a ₹9.61 million increase in interest income, which was mainly attributable to higher interest earned on investments in bonds issued by public sector undertakings made during the three months ended June 30, 2020.

Total expenses. Total expenses decreased by 0.21% to ₹1,303.56 million for the three months ended June 30, 2021 from ₹1,306.30 million for the three months ended June 30, 2020, primarily due to a decrease in fees and commission expense, partially offset by an increases in employee benefit expenses and other expenses.

Fees and commission expenses. Fees and commission expenses decreased by 61.68% to ₹61.65 million for the three months ended June 30, 2021 from ₹160.90 million for the three months ended June 30, 2020, primarily due to a decrease in prepaid commission expenses as a result of the trailing effect of the 2018 SEBI Circular.

Employee benefit expenses. Employee benefit expenses increased by 14.73% to ₹689.77 million for the three months ended June 30, 2021 from ₹601.20 million for the three months ended June 30, 2020, primarily due to share-based payments by our Company of ₹116.54 million recorded in the three months ended June 30, 2021, which related to stock options and restricted stock units granted to certain of our employees in April 2021, while no such expense was recorded in the three months ended June 30, 2020. We had 1,002 permanent employees as of June 30, 2021 as compared to 1,067 permanent employees as of June 30, 2020.

Other expenses. Other expenses slightly increased by 3.45% to ₹448.99 million for the three months ended June 30, 2021 from ₹434.03 million for the three months ended June 30, 2020, primarily due to increases in fund expenses and software and technology expenses, partially offset by a decrease in business promotion expenses.

Income tax expense. Our income tax expense increased by 55.48% to ₹509.45 million for the three months ended June 30, 2021 from ₹327.66 million for the three months ended June 30, 2020. For the three months ended June 30, 2021, we had a current tax expense of ₹547.38 million and a deferred tax credit of ₹37.93 million. For the three months ended June 30, 2020, we had a current tax expense of ₹289.62 million and a deferred tax expense of ₹38.04 million. Our effective tax rate (which represents income tax expense expressed as a percentage of profit before tax for the relevant period) was 24.74% and 25.18% for the three months ended June 30, 2021 and 2020, respectively.

Profit for the period. As a result of the foregoing, our profit for the period increased by 59.16% to ₹1,549.44 million for the three months ended June 30, 2021 from ₹973.51 million for the three months ended June 30, 2020.

Financial Year 2021 Compared to Financial Year 2020

Total income. Total income decreased by 2.34% to ₹12,058.41 million for the financial year 2021 from ₹12,347.68 million for the financial year 2020 due to a decrease in revenue from operations, partially offset by an increase in other income.

Revenue from operations. Revenue from operations decreased by 3.47% to ₹11,910.28 million for the financial year 2021 from ₹12,338.35 million for the financial year 2020, due to a ₹917.63 million decrease in fees and commission income, which was primarily attributable to a decrease in total AAUM, mainly driven by market volatility in the mutual fund industry in India due to loss of investor sentiment during the current COVID-19 pandemic. The decrease in revenue from operations was partially offset by a ₹489.56 million increase in net gain on fair value changes, which was primarily due to higher gains earned on debt and equity schemes, mainly driven by a period of increase in market debt yields and favorable equity market conditions in India.

Other income. Other income significantly increased to ₹148.13 million for the financial year 2021 from ₹9.33 million for the financial year 2020, primarily due to a ₹99.01 million increase in interest income, which was mainly attributable to interest earned on investments in bonds issued by public sector undertakings made during the financial year 2021. The increase in other income was also partially due to rent concession of ₹35.39 million recorded in the financial year 2021.

Total expenses. Total expenses decreased by 11.16% to ₹5,099.53 million for the financial year 2021 from ₹5,740.39 million for the financial year 2020, primarily due to decreases in other expenses and fees and commission expenses.

Other expenses. Other expenses decreased by 16.65% to ₹1,791.98 million for the financial year 2021 from ₹2,150.03 million for the financial year 2020, primarily due to lower expenses incurred in connection with promotional events and publicity as well as a decrease in travelling and office administrative expenses, which were mainly attributable to the lockdown measures in place during the current COVID-19 pandemic.

Fees and commission expenses. Fees and commission expenses decreased by 37.30% to ₹470.57 million for the financial year 2021 from ₹750.53 million for the financial year 2020, primarily due to a decrease in prepaid commission expenses as a result of the trailing effect of the 2018 SEBI Circular as well as lower commission expenses incurred in connection with our portfolio management services in line with a decrease in portfolio management services AAUM.

Income tax expense. Our income tax expense increased by 1.97% to ₹1,696.08 million for the financial year 2021 from ₹1,663.27 million for the financial year 2020. For the financial year 2021, we had a current tax expense of ₹1,705.55 million and a deferred tax credit of ₹8.82 million. For the financial year 2020, we had a current tax expense of ₹1,603.33 million and a deferred tax expense of ₹66.67 million. Our effective tax rate (which represents income tax expense expressed as a percentage of profit before tax for the relevant year) was 24.37% and 25.17% for the financial years 2021 and 2020, respectively.

Profit for the year. As a result of the foregoing, our profit for the year increased by 6.45% to ₹5,262.80 million for the financial year 2021 from ₹4,944.02 million for the financial year 2020.

Financial Year 2020 Compared to Financial Year 2019

Total income. Total income decreased by 12.26% to ₹12,347.68 million for the financial year 2020 from ₹14,072.50 million for the financial year 2019 due to decreases in revenue from operations and other income.

Revenue from operations. Revenue from operations decreased by 12.25% to ₹12,338.35 million for the financial year 2020 from ₹14,060.67 million for the financial year 2019, primarily due to a ₹1,671.04 million decrease in fees and commission income, which was mainly driven by the trailing effect of the 2018 SEBI Circular which mandated the reduction of TERs by various schemes) and the payment of fund expenses by schemes instead of by AMCs, thereby resulting in lower asset management fees charged. The decrease in revenue from operations was also due to a ₹51.28 million decrease in net gain on fair value changes, mainly driven by lower gains earned on certain debt and equity schemes in the fourth quarter of the financial year 2020 as a result of market volatility during the beginning of the COVID-19 pandemic.

Other income. Other income decreased by 21.13% to ₹9.33 million for the financial year 2020 from ₹11.83 million for the financial year 2019, primarily due to a ₹3.76 million decrease in interest income, partially offset by a ₹1.37 million increase in miscellaneous income.

Total expenses. Total expenses decreased by 24.62% to ₹5,740.39 million for the financial year 2020 from ₹7,614.83 million for the financial year 2019, primarily due to decreases in other expenses, fees and commission expenses and employee benefit expenses.

Other expenses. Other expenses decreased by 28.89% to ₹2,150.03 million for the financial year 2020 from ₹3,023.45 million for the financial year 2019, primarily due to a ₹808.00 million decrease in fund expenses, as a result of the trailing effect of the 2018 SEBI Circular which mandated the payment of fund expenses by schemes instead of by AMCs, and a ₹149.96 million decrease in business promotion expenses, driven by less spending on advertising, sales promotion and distribution activities. The decrease in other expenses was partially offset by increases in outsourced services charges, legal and professional charges, and software and technology expenses, which were mainly driven by the growth of our operations.

Fees and commission expenses. Fees and commission expenses decreased by 47.70% to ₹750.53 million for the financial year 2020 from ₹1,435.01 million for the financial year 2019, primarily due to (i) a decrease in prepaid commission expenses (which

were paid prior to the implementation of the 2018 SEBI Circular) as a result of the trailing effect of amortisation, and (ii) lower commission expenses incurred in connection with our portfolio management services in line with a decrease in portfolio management AUM.

Employee benefit expenses. Employee benefit expenses decreased by 12.79% to ₹2,420.20 million for the financial year 2020 from ₹2,775.01 million for the financial year 2019, primarily due to a ₹202.28 million decrease in salaries and allowances as a result of lower provisions for our employee long-term incentive plan (“LTIP”) and employee variable pay, a ₹85.36 million decrease in share-based payments relating to expenses incurred in connection with the employee stock option plan established by our parent company, ABCL, in line with the program’s vesting schedule, as well as a ₹77.35 million decrease in staff welfare expenses, which were mainly driven by cost rationalization initiatives. We had 1,087 permanent employees as of March 31, 2020 as compared to 1,053 permanent employees as of March 31, 2019.

Income tax expense. Our total tax expense decreased by 16.41% to ₹1,663.27 million for the financial year 2020 from ₹1,989.68 million for the financial year 2019. For the financial year 2020, we had a current tax expense of ₹1,603.33 million and a deferred tax expense of ₹66.67 million. For the financial year 2019, we had a current tax expense of ₹2,244.44 million and a deferred tax credit of ₹261.27 million. Our effective tax rate (which represents income tax expense expressed as a percentage of profit before tax for the relevant year) was 25.17% and 30.81% for the financial years 2020 and 2019, respectively.

Profit for the year. As a result of the foregoing, our profit for the year increased by 10.65% to ₹4,944.02 million for the financial year 2020 from ₹4,467.99 million for the financial year 2019.

Our Financial Position

The following table sets forth our selected financial data from our restated consolidated summary statement of assets and liabilities as of June 30, 2021 and March 31, 2021, 2020 and 2019:

	As of June 30,	As of March 31,		
	2021	2021	2020	2019
		(₹ in millions)		
Assets:				
Total financial assets.....	19,428.39	18,332.65	13,637.69	12,307.64
Total non-financial assets	1,430.39	1,512.86	2,081.90	2,676.96
Total assets	20,858.78	19,845.51	15,719.59	14,984.60
Liabilities and equity:				
Total financial liabilities	1,442.80	1,433.12	1,564.26	2,009.87
Total non-financial liabilities	1,394.41	1,366.26	986.60	769.08
Total equity	18,021.57	17,046.13	13,168.73	12,205.65
Total liabilities and equity	20,858.78	19,845.51	15,719.59	14,984.60

Financial Assets

Our total financial assets increased by 5.98% to ₹19,428.39 million as of June 30, 2021 from ₹18,332.65 million as of March 31, 2021, primarily due to an increase in our investments to ₹18,520.68 million from ₹17,262.54 million.

Our total financial assets increased by 34.43% to ₹18,332.65 million as of March 31, 2021 from ₹13,637.69 million as of March 31, 2020 primarily due to an increase in our investments to ₹17,262.54 million from ₹12,633.58 million.

Our total financial assets increased by 10.81% to ₹13,637.69 million as of March 31, 2020 from ₹12,307.64 million as of March 31, 2019 primarily due to an increase in our investments to ₹12,633.58 million from ₹11,380.66 million.

Financial Liabilities

Our total financial liabilities increased by 0.68% to ₹1,442.80 million for as of June 30, 2021 from ₹1,433.12 million as of March 31, 2021, primarily due to an increase in trade payables to ₹421.28 million from ₹373.87 million, partially offset by (i) a decrease in lease liabilities to ₹569.72 million from ₹593.14 million, and (ii) a decrease in other financial liabilities to ₹451.80 million from ₹466.11 million.

Our total financial liabilities decreased by 8.38% to ₹1,433.12 million as of March 31, 2021 from ₹1,564.26 million as of March 31, 2020 primarily due to a decrease in trade payables to ₹373.87 million from ₹474.04 million and a decrease in lease liabilities to ₹593.14 million from ₹620.84 million.

Our total financial liabilities decreased by 22.17% to ₹1,564.26 million as of March 31, 2020 from ₹2,009.87 million as of March 31, 2019 primarily due to a decrease in trade payables to ₹474.04 million from ₹755.22 million, mainly driven by the trailing effect of the 2018 SEBI Circular which mandated the payment of fund expenses by schemes instead of by AMCs. The decrease in total financial liabilities was also partially attributable to decreases in lease liabilities and provision for employee benefits.

Liquidity and Capital Resources

Our primary source of liquidity is cash generated from operations. As of June 30, 2021, we had cash and cash equivalents of ₹520.13 million.

Our financing requirements are primarily for working capital. We expect that cash flow from revenue from operations will continue to be our principal source of cash in the long-term. We evaluate our funding requirements periodically in light of our net cash flow from operating activities, the requirements of our business and operations, acquisition opportunities and market conditions.

Cash Flows

The following table summarizes our cash flows data for the years indicated:

	For the Three Months Ended June 30,		For the Financial Year Ended March 31,		
	2021	2020	2021	2020	2019
			<i>(₹ in millions)</i>		
Net cash generated from operating activities.....	1,665.71	1,117.97	5,122.51	4,970.10	3,153.40
Net cash (used in)/ generated from investing activities	(943.17)	(1,103.03)	(3,398.23)	(660.81)	624.18
Net cash used in financing activities.....	(767.72)	(43.08)	(1,625.02)	(4,225.48)	(3,835.65)
Net (decrease)/increase in cash and cash equivalents	(45.18)	(28.14)	99.26	83.81	(58.07)
Cash and cash equivalents at beginning of the period/year...	565.31	466.05	466.05	382.24	440.31
Cash and cash equivalents at end of the period/year	520.13	437.91	565.31	466.05	382.24

Net cash generated from operating activities

Our net cash generated from operating activities increased by ₹547.74 million to ₹1,665.71 million for the three months ended June 30, 2021 from ₹1,117.97 million for the three months ended June 30, 2020, primarily due to an increase in operating profit before working capital changes, partially offset by (i) changes in working capital, particularly receivables, other non-financial assets, financial liabilities and non-financial liabilities, and (ii) an increase in net income tax paid.

Our net cash generated from operating activities increased by ₹152.41 million to ₹5,122.51 million in the financial year 2021 from ₹4,970.10 million in the financial year 2020, primarily due to a decrease in net income tax paid.

Our net cash generated from operating activities increased by ₹1,816.70 million to ₹4,970.10 million in the financial year 2020 from ₹3,153.40 million in the financial year 2019, primarily due to an increase in operating profit before working capital changes, favorable changes in working capital, particularly non-financial liabilities, payables and non-financial assets, and a decrease in net income tax paid partially offset by a decrease in profit on sale of investments.

Net cash (used in)/generated from investing activities

Our net cash used in investing activities decreased by ₹159.86 million to ₹943.17 million for the three months ended June 30, 2021 from ₹1,103.03 million for the three months ended June 30, 2020, primarily due to an increase in sale of investments, partially offset by an increase in purchase of investments.

Our net cash used in investing activities increased by ₹2,737.42 million to ₹3,398.23 million in the financial year 2021 from ₹660.81 million in the financial year 2020, primarily due to an increase in purchase of investments, partially offset by an increase in sale of investments.

Our net cash used in investing activities was ₹660.81 million in the financial year 2020 as compared to net cash generated from investing activities of ₹624.18 million in the financial year 2019, primarily due to a decrease in sale of investments, offset by a decrease in purchase of investments.

Net cash used in financing activities

Our net cash used in financing activities increased by ₹724.64 million to ₹767.72 million for the three months ended June 30, 2021 from ₹43.08 million for the three months ended June 30, 2020, primarily due to interim dividend paid during the period (including tax thereon) of ₹705.60 million during the three months ended June 30, 2021, while no such dividend was paid in the three months ended June 30, 2020.

Our net cash used in financing activities decreased by ₹2,600.46 million to ₹1,625.02 million in the financial year 2021 from ₹4,225.48 million in the financial year 2020, primarily due to a decrease in interim dividend paid.

Our net cash used in financing activities increased by ₹389.83 million to ₹4,225.48 million in the financial year 2020 from ₹3,835.65 million in the financial year 2019, primarily due to an increase in interim dividend paid.

Capital Expenditure

Our capital expenditures primarily relate to the purchase of property, plant and equipment and intangible assets (including computers, furniture and other fixtures, vehicles, office equipment, leasehold improvements and software) and amounted to ₹14.90 million, ₹37.59 million, ₹115.41 million, ₹164.07 million and ₹204.23 million for the three months ended June 30, 2021 and 2020 and the financial years 2021, 2020 and 2019, respectively.

Indebtedness

As of June 30, 2021, we had no indebtedness.

Contractual Obligations

The following table sets forth our contractual obligations with definitive payment terms as of June 30, 2021:

	Total	Payment due by period	
		Less than 12 months	More than 12 months
		<i>(₹ in millions)</i>	
Trade payables	421.28	421.28	–
Employee dues	451.33	451.33	–
Payable for capital expenditure	0.47	0.47	–
Lease liabilities.....	653.81	241.17	412.64
Total	1,526.89	1,114.25	412.64

Contingent Liabilities and Commitments

The following tables set forth our contingent liabilities and commitments (unexecuted contracts) as per Ind AS 37, as of June 30, 2021:

	As of June 30, 2021 <i>(₹ in millions)</i>
Contingent liabilities:	
Claims against us not acknowledged as debts in respect of:	
Income tax matters.....	328.43
Other matters	8.42
	As of June 30, 2021 <i>(₹ in millions)</i>
Commitments – Unexecuted contracts:	
Commitments for the acquisition of property, plant and equipment.....	18.31

Off-Balance Sheet Commitments and Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Quantitative and Qualitative Analysis of Market Risks

We are exposed to various types of market risks during the normal course of business. The market risks we face are related principally to market volatility, changes in interest rates and the creditworthiness of our counterparties.

Market Risk

Market risk is the risk that the value of an investment will decrease due to adverse changes in market factors. These factors could include global and domestic economic environment, outlook of corporate sector performance, financial market conditions in general and other factors beyond our control. Our business is subject to market volatility, specialty in the equity markets, which impacts the underlying securities held by our schemes and in turn the performance of the scheme. Thus, any prolonged decline and/or volatility in capital markets could have a negative impact on the growth of our AUM and our revenues. Customers could even withdraw their invested money as they move to invest in other asset classes making an adverse impact on both our AUM and revenues. In addition, the investment of our own surplus funds is also exposed to market risk.

Barring the volatility in 2020, the securities market in India and elsewhere have experienced favorable and sustained performance over several years, and such favorable business environment may not continue. Over the years, the Indian securities markets, and the equity markets in particular, have attracted substantial inflows of new investments, and have experienced significant market appreciation, which has in turn, contributed to an increase in AUM and revenue. Any decline in the securities market, in general, and the equity markets, in particular, could reduce AUM and consequently our revenue. For example, recent concerns relating to the United States and China trade tensions have led to increased volatility in the global capital markets,

adversely affecting the emerging markets and our industry. In addition, any instability in countries neighboring India may have a negative effect on the Indian markets and adversely affect our business. Furthermore, in 2020, global capital markets have experienced significant volatility as a result of the COVID-19 pandemic and associated responses.

Even in the absence of a market downturn, we are potentially exposed to substantial risks due to market volatility. A general decline in the performance of securities in an industry, in which assets managed by us may be invested, could have an adverse effect on our AUM and income. Our growth rate has varied from year to year, and there can be no assurance that the average growth rates sustained in the past will continue. A failure of securities markets to sustain their recent levels of growth or short-term volatility in these markets could result in clients withdrawing from the markets or decreasing their rate of investment, either of which would be likely to adversely affect our AUM and income. In addition to the potentially adverse effects on our businesses described above, market risk could exacerbate other risks that we face.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our exposure to the risk of changes in market interest rates relates primarily to our fixed income debt investments. The performance of our fixed income schemes is sensitive to interest rate risk or the impact on the value of investments due to movement of interest rates in the economy. The movement of interest rates depends on several factors such as global and local economic conditions, inflation, fiscal and current account deficit, and other factors beyond our control.

Interest rate fluctuations can have an adverse impact on the valuation of fixed income investments held by our schemes and consequently on the performance of our schemes and the management fees we earn. Any adverse impact of interest rate fluctuations can have a negative impact on both our AUM and revenues. The interest rate sensitivity of our schemes varies across and is a function of their average maturity or duration.

Credit Risk

Credit risk or default risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The underlying investments in our fixed income schemes carry varying degrees of credit risk. Any deterioration in the credit profile of our fixed income investments or a credit event can have an adverse impact on the performance of our schemes and in turn on our AUM and revenues. In particular, we are exposed to failure by funds to pay fees owing to us. Management fees from mutual funds, representing the majority of our revenue, are collected on a periodic basis. In addition, we are exposed to amounts due from investors for the purchase of units/shares in mutual funds, although the loss on defaults is limited to the amount of any adverse market and/or foreign exchange movements in the value of the fund holding since the transaction was placed.

We have clearly defined policies to mitigate counterparty risks. Cash and liquid investments are held primarily in mutual funds and banks with good credit ratings. Defined limits are in place for exposure to individual counterparties in case of mutual fund houses and banks. Customer credit risk is managed by each business unit in accordance with our established policies, procedures and control relating to customer credit risk management.

Unusual or Infrequent Events or Transactions

Except as described in this Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

Known Trends or Uncertainties

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in “— *Significant Factors Affecting Our Results of Operations*” and the uncertainties described in “*Risk Factors*”, beginning on pages 271-276 and 25, respectively. Except as disclosed in this \ Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future Relationship between Cost and Revenue

Other than as described in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 25, 135 and 270, respectively, to our knowledge, there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

New Products or Business Segments

Except as disclosed in this Prospectus, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

Supplier or Customer Concentration

We do not have any material dependence on a single or few suppliers. We have a wide customer base and do not have any material dependence on any particular customer or supplier. However, a majority of our revenue is derived from our role as the

asset manager to Aditya Birla Sun Life Mutual Fund.

Competitive Conditions

We expect competition in our industry from existing and potential competitors to intensify. For details, please refer to the discussions of our competition in the sections “*Risk Factors*” and “*Our Business*” beginning on pages 25 and 135, respectively, of this Prospectus.

Seasonality

Our business is not subject to seasonal variations.

Significant Developments Occurring after June 30, 2021

Except as disclosed in this Prospectus, there are no circumstances that have arisen since June 30, 2021, the date of the last financial statements included in this Prospectus, which materially and adversely affect or is likely to affect our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months.

Recent Accounting Pronouncements

As of the date of this Prospectus, there are no recent accounting pronouncements, which would have a material effect on our financial condition or results of operations.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by statutory or regulatory authorities; (iii) claims related to direct and indirect taxes; and (iv) pending material litigation, in each case involving our Company, Directors, Promoters or Subsidiaries. Further except as stated in this section, (a) there are no disciplinary actions including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five Financial Years including any outstanding action; and (b) pending litigation involving our Group Companies which may have a material impact on our Company.

For the purpose of (iv) above, our Board in its meeting held on April 14, 2021 and September 8, 2021, as applicable, has considered and adopted a policy of materiality for identification of material litigation involving our Company, Directors, Promoters or Subsidiaries ("**Materiality Policy**"). In terms of the Materiality Policy, any outstanding litigation involving our Company which exceeds the amount equivalent to 1% of the consolidated revenue as per the Restated Financial Information for Fiscal 2021 would be considered 'material' for disclosure in this Prospectus. Based on above, ₹120.58 million, which is 1% of the consolidated revenue of our Company as per the Restated Financial Information of our Company for Fiscal 2021, has been considered as the materiality threshold. Accordingly, disclosures of the following types of litigation involving Company, Directors, Promoters or Subsidiaries have been included:

- (a) where the aggregate amount involved in such individual litigation exceeds 1% of the consolidated revenue of our Company as per the Restated Financial Information of our Company for Fiscal 2021 which is ₹120.58 million individually;
- (b) where the monetary liability is not quantifiable, but where the outcome of such legal proceedings could have a material adverse effect on the business, operations, financial position, or reputation of our Company;
- (c) where such matter involves our Subsidiaries, such cases which exceeds the amount equivalent to 1% of the consolidated revenue of the respective Subsidiary, as per their latest financial information.
- (d) where such matter involves our Directors, all outstanding civil litigation, where an adverse outcome would materially and adversely affect our Company; and
- (e) where such matter involves our Promoter ABCL, such cases which exceeds the amount equivalent to 1% of the consolidated revenue of ABCL as per its latest audited consolidated financial information and where such matter involves our Promoter Sun Life AMC, such cases which exceeds the amount equivalent to 1% of the revenue of Sun Life AMC as per its latest available unaudited financial information. 1% of the consolidated revenue of our Promoter ABCL as per its latest audited financial information for the year ended March 31, 2021 is ₹1,927.38 million. Accordingly, ₹1,927.38 million has been considered as the materiality threshold for our Promoter, ABCL. Further, 1% of the revenue of our Promoter Sun Life AMC as per its latest available unaudited financial information for the year ended December 31, 2020 is CAD 0.38 million. Accordingly, CAD 0.38 million, has been considered as the materiality threshold for our Promoter, Sun Life AMC.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board in its meeting held on April 14, 2021, has considered and adopted a policy of materiality for identification of material outstanding dues to creditors. In terms of this materiality policy, outstanding dues to any creditor of our Company having monetary value which exceed ₹21.06 million, which is 5% of the trade payables of our Company as at June 30, 2021 shall be considered as 'material'. Accordingly, as on June 30, 2021, any outstanding dues exceeding ₹21.06 million have been considered as material outstanding dues for the purposes of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or a medium enterprise ("**MSME**"), the disclosure will be based on information available with our Company regarding status of the creditor under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.

It is clarified that for the purposes of the above, pre-litigation notices received by our Company, Subsidiaries, Directors and Promoters (as applicable) from third parties (excluding those notices issued by statutory / regulatory / governmental / tax authorities) shall, unless otherwise decided by our Board, not be considered as material until such time that any of our Company, Directors, Promoters or Subsidiaries, as applicable, is impleaded as a defendant or respondent in litigation proceedings before any judicial forum.

We have disclosed matters relating to direct and indirect taxes involving our Company, Directors, Promoters or Subsidiaries (as applicable) in a consolidated manner giving details of number of cases and total amount involved in such claims, except for taxation matters which involves an amount exceeding ₹120.58 million involving our Company.

All terms defined in a particular litigation disclosure below correspond to that particular litigation only.

I. Litigation involving our Company

Material litigations involving Aditya Birla Real Estate Fund ("**ABREF**") one of the schemes managed by our Company in which our Company is representing ABREF as its investment manager.

Criminal litigation by ABREF

1. ABREF and Siddharth Chauhan along with Siddharth Building Home Private Limited and CSN Estate Private Limited ("**CSN**"), had entered into a shareholders agreement and subscription agreement dated September 29, 2013 pursuant to which ABREF had subscribed to 1,00,00,000 optionally convertible debentures ("**OCDs**") based on the terms and conditions mentioned in the share subscription and shareholders' agreement, including a right of redemption of these OCDs with interest. Consequently, due to default in payment of ₹1,000 million towards redemption of subscribed OCDs along with sums due on interest, such amounts became due from CSN to ABREF from July 2016. Consequently,

ABREF called upon CSN and Siddharth Chauhan to repay the entire principal amount along with interest or redeem the OCDs.

On account of Siddharth Chauhan's failure to repay the dues on time, ABREF filed a complaint against him under section 138 of the Negotiable Instruments Act due to dishonour of cheques for the amounts due before the Metropolitan Magistrate's Court, Mumbai ("**Magistrate Court**"). The Magistrate passed an order dated October 1, 2018 issuing process against Siddharth Chauhan ("**Impugned Order**"). Subsequently, Siddharth Chauhan, filed a criminal writ petition ("**Writ Petition**") before the High Court of Bombay ("**High Court**") praying for the quashing of the Impugned Order. The High Court vide order dated July 19, 2019 upheld the Impugned Order and rejected the Writ Petition.

Siddharth Chauhan then filed a separate criminal revision application challenging the Impugned Order, in the Sessions Court for Greater Bombay, Mumbai, praying for the quashing of the Impugned Order. The matter is currently pending.

2. A petition under the Insolvency and Bankruptcy Code, 2016 ("**IBC**") was filed by ABREF against Amrapali Smart City Developers Private Limited ("**Amrapali**") before National Company Law Tribunal ("**NCLT**"), New Delhi, for recovering its financial dues pursuant to a default in repayment of the financial debt owed by Amrapali to ABREF in respect of 1,50,00,000 optionally convertible debentures issued by Amrapali to ABREF, the term of which had expired. Further, ABREF had also issued a notice dated November 24, 2017 calling for the payment of due amounts to Shiv Priya and Amrapali in terms of section 138 of the Negotiable Instruments Act due to dishonour of cheques for an amount aggregating to ₹750 million. Subsequently, a separate complaint was filed by ABREF against the individual promoters of Amrapali under section 138 of the Negotiable Instruments Act for bouncing of cheques, before the Bhoiwada Magistrate Court, Mumbai.

In the meanwhile, the flat purchasers of various projects of Amrapali filed writ petitions before the Supreme Court of India ("**Supreme Court**") in relation to delay in possession of the properties under construction by Amrapali and claimed various reliefs, including for treatment on par with financial creditors under the IBC. The Supreme Court, vide order dated July 23, 2019, *inter alia* ordered for the registration of Amrapali group under RERA to stand cancelled, cancellation of lease deeds granted in favour of Amrapali granted by Noida and Greater Noida authorities and for the same to vest with the court receiver, and held that the authorities and the banks shall have no right to sell the flats of the purchasers, or the land leased out for the realization of their respective dues. Further, the Supreme Court also appointed the National Buildings Construction Corporation Limited for completion of various projects of Amrapali and to hand over possession to buyers. The matter is currently pending.

Taxation matters

A summary table of the claims relating to direct and indirect taxes involving our Company, Directors and ABCL, one of our Promoters is set forth below:

Nature of case	Number of cases	Amount involved (in ₹ million)
Our Company		
Direct Tax	11	72.77
Promoters		
ABCL	1	1.00

Material taxation matters involving ABREF one of the schemes managed by our Company

Tax litigation against ABREF

The Assistant Commissioner of Income Tax ("**Assistant Commissioner**") vide assessment order dated December 31, 2019 ("**Order**") had raised a demand of ₹221.90 million on ABREF for assessment year 2017-2018. In the order, certain exemptions for income in respect of investments in three venture capital undertakings ("**VCUs**") made under section 10(23FB) of the Income Tax Act were denied by the Commissioner by regarding the status of the VCUs as 'Non-VCUs' and by disallowing the pass-through status of these VCUs. Subsequently, ABREF then filed an appeal against the said Order before the Commissioner of the Income Tax (Appeals) ("**CIT**"). The matter is currently pending.

II. Litigation involving our Directors

Kumar Mangalam Birla

1. Ashima Das, a broking client of Aditya Birla Money Limited, had filed a complaint case against Kumar Mangalam Birla and others on July 17, 2012. The client has alleged that she was caused a loss of ₹0.51 million in addition to an earlier loss of ₹1.90 million by way of unauthorised purchase and sale of securities in her trading account by a franchisee of the Aditya Birla Money Limited. The criminal case is pending on the file of the Additional Chief Judicial Magistrate, Alipore. Aditya Birla Money Limited has filed criminal revision petitions at the Kolkata High Court, seeking to quash the complaint case on September 28, 2012 and also sought for stay of all further proceedings in the said case. The said petition has been admitted and stay of all further proceedings in the complaint case has been granted by the Kolkata High Court.

2. Charanjeet Singh, a retail customer of Aditya Birla Finance Limited (formerly known as Birla Global Finance Limited) had filed a case against Kumar Mangalam Birla, S.K. Mitra and an ex-employee of the Lucknow branch, Ashish Goel in the Court of the Metropolitan Magistrate, Kanpur for cheating, mischief and causing damage under sections 417, 418, 419 and 420 of the Indian Penal Code in relation to a hire purchase transaction of the Company. Aditya Birla Finance Limited then filed criminal miscellaneous petition on behalf of Kumar Mangalam Birla and S.K. Mitra in the High Court at Allahabad under section 482 of the Criminal Procedure Code, 1973 against Charanjeet Singh. The High Court granted stay on the proceedings at the Court of the Metropolitan Magistrate, Kanpur vide its order dated October 16, 2003. The stay has been vacated by Allahabad High Court vide its order dated April 21, 2018 and there are no further developments in the case and the case is pending for hearing before the High Court at Allahabad.
3. Vaddi Srinivasa Rao (the “**Complainant**”) filed a private complaint (the “**Complaint**”) before the Magistrate at Vijayawada (the “**Magistrate**”) against, Kumar Mangalam Birla and others, for offences under Sections 403, 409, 418 and 420 read with Section 34 of the IPC, alleging, *inter-alia*, that Vodafone Idea Limited had unilaterally activated some services and deducted some charges in lieu of such services without any prior authorization of the Complainant. The Magistrate pursuant had forwarded the Complaint to the Krishna Lanka Police Station (“**K.L. Police Station**”) at Vijayawada for investigation. Thereafter, the Complaint was registered by the K.L. Police Station as an FIR. Following the investigation conducted by the S.I Sec-II, the Assistant Commissioner of Police, Central Zone, Vijayawada City pursuant to order dated July 15, 2011 declared that the Complaint was civil in nature and directed the Inspector of Police to obtain R.C.S proceedings from the concerned court and then close the file and report compliance. The matter is currently pending.
4. G. Anil Kumar (the “**Complainant**”) filed a private complaint (the “**Complaint**”) before the II Additional Chief Metropolitan Magistrate, Hyderabad (the “**Magistrate**”) against Vodafone Idea limited, and Kumar Mangalam Birla and others officials of the Company (collectively, the “**Accused**”) and requested the Magistrate to refer the Complaint to proper police station for the purposes of investigation. The Magistrate forwarded the Complaint to the Abid Road Police Station, Hyderabad (“**Abid Road P.S.**”) for investigation. Thereafter, an FIR was registered at the Abid Road P.S. on March 19, 2013. Following the investigation conducted by a Sub-Inspector of Police, a final report dated May 30, 2013 was submitted to the Magistrate referring the matter as “Mistake of Fact”. Subsequently, the Complainant filed a protest petition before the Magistrate and thereafter, the Magistrate took cognizance of the matter pursuant to its order (the “**Impugned Order**”) and issued summons to the Accused. Aggrieved, the Accused filed a criminal revision petition before the Metropolitan Sessions Judge, Hyderabad and prayed for setting aside the Impugned Order. Thereafter, the IV Additional Metropolitan Session Judge, Hyderabad pursuant to its (the “**Session Order**”) allowed the revision petition. Thereafter, the Complainant filed criminal revision petition before the High Court of Andhra Pradesh and Telangana, at Hyderabad, to set aside the Session Order and confirm the Impugned Order. The matter is currently pending.
5. Sushil Sharma (the “**Complainant**”) filed a complaint (the “**Complaint**”) before the Chief Judicial Magistrate, Lucknow against Kumar Mangalam Birla and others (collectively, the “**Accused**”) for offences under Sections 419, 420, 467, 468, 471, 500, 504 and 506 of the IPC alleging that the Complainant was terminated from service without giving sufficient cause by the Accused on June 17, 2015. The matter is currently pending.
6. Ibne Hasan (the “**Complainant**”), a customer of Vodafone Idea Limited purchased a mobile connection from Vodafone Idea Limited. The Complainant alleged that he received a call on his mobile from Vodafone Idea Limited which he did not answer but was charged ₹135. Aggrieved, the Complainant filed an application under Section 156(3) of the Code of Criminal Procedure, 1973 (the “**CrPC**”) which was later converted into complaint case (the “**Complaint**”) against Kumar Mangalam Birla and others under Sections 420, 467, 468 and 471 of the Indian Penal Code, 1860 by an order dated July 2, 2015 of the Chief Judicial Magistrate, Bijnor (the “**CJM**”). Statement of the Complainant was recorded on August 18, 2015 and subsequently the Complaint was dismissed by the CJM under Section 203 of CrPC pursuant to an order dated December 4, 2015 (the “**CJM Order**”). Thereafter, the Complainant filed a criminal revision petition on August 19, 2016 before the Additional Sessions Judge, Court No. 1 Bijnor (the “**Sessions Judge**”) against the CJM Order which was dismissed by the Sessions Judge pursuant to an order dated September 1, 2016 (the “**Sessions Order**” and together with the CJM Order, the “**Impugned Orders**”). The Complainant has preferred a criminal miscellaneous application before the Allahabad High Court under Section 482 of the CrPC for quashing of the Impugned Orders. The matter is currently pending.
7. An FIR has been lodged on October 16, 2013 by Central Bureau of Investigation (CBI) against P.C. Parakh, the then Secretary, Ministry of Coal, Kumar Mangalam Birla, Hindalco Industries Limited and other unknown persons/officials, in relation to allocation of Talabira II & III coal block to Hindalco Industries Limited. The Supreme Court vide its order dated April 1, 2015 has stayed the cognizance order passed by Special CBI Court despite closure report filed by CBI. The Supreme Court has also stayed further proceedings in the matter. The matter is currently pending.
8. Pankaj Kumar Misra filed an application in February 2007, before the Court of Chief Judicial Magistrate to register a FIR against the company management including Hindalco Chairman (Kumar Mangalam Birla), alleging

misappropriation of Forest Transit Fees and Freight Tax by the Hindalco Industries Limited. The matter was transferred to the Court of A.C.J.M, who instead of ordering for registration of FIR, registered the application as complaint under section 190 of CrPC. The matter was challenged by the Company before the Court of District & Session Judge, Sonbhadra, which directed the lower court (ACJM) to re-hear the applicant in the light of the fresh case law cited in the revision proceedings. The Company filed a Criminal Revision before the Hon'ble High Court at Allahabad and the said court has kindly admitted the revision petition and has stayed the proceedings pending before the trial court till further orders. There is no change in status of the matter.

9. A compliant has been filed against Kumar Mangalam Birla and others by Anil Kumar, before the court of Judicial Magistrate First Class, Thiruvananthapuram ("**JMFC, Thiruvananthapuram**") on February 12, 2018, under Section 190 of CrPC in relation to the alleged defamation under Section 499 of the IPC. Kumar Mangalam Birla along with others had filed petition under Section 482 of the CrPC for stay of further proceedings and thereafter quashing of criminal complaint, before the High Court of Kerala ("**High Court**"). The High Court has granted the order for stay ("**Stay Order**") of further proceedings pending before JMFC, Thiruvananthapuram. In view of the lockdown due to COVID-19, the Stay Order has been extended and the next date of hearing is scheduled on November 8, 2021. The matter is currently pending.

III. Litigations involving our Group Companies

Certain regulatory matters pending against our Group Companies

A. Aditya Birla Money Limited

1. SEBI had issued a show cause notice dated September 25, 2018 to Aditya Birla Commodities Broking Limited (now amalgamated with Aditya Birla Money Limited) under Regulation 25 of the SEBI Intermediaries Regulations, 2008 alleging that Aditya Birla Commodities Broking Limited had, as a stock broker, participated in and facilitated transactions in 'paired contracts' on the National Spot Exchange Limited platform during the period from September 2009 to July 2013 as a trading member/clearing member and such participation was in violation of the Forward Contracts (Regulation Act, 1952 and the notification dated June 5, 2007 issued by the Government of India.

Subsequently, SEBI issued another show cause notice dated August 11, 2020 under the SEBI Intermediaries Regulations, 2008 indicating the findings of the enquiry report in relation to the aforesaid matter and that the designated authority had recommended in the enquiry report that the registration of Aditya Birla Commodities Broking Limited as a commodity derivative broker may be cancelled. SEBI has also alleged that Aditya Birla Commodities Broking Limited's close association with National Spot Exchange Limited, paired contracts has a bearing on its fit and proper status. Aditya Birla Commodities Broking Limited has sought relevant documents in relation to the show cause notice issued by SEBI. The matter is currently pending. Our Company does not believe that any adverse order in the aforesaid proceeding will have an adverse impact on our Company.

2. SEBI had issued a show cause notice dated February 14, 2020 to Aditya Birla Money Limited under Rule 4 of the Securities Contracts (Regulation) (Procedure for Holding Inquiry and Imposing Penalties by Adjudication Officer) Rules, 2005 read with Section 23-I of SCRA and Rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudication Officer) Rules, 1995 read with Section 15(I) of the SEBI Act. Pursuant to the show cause notice, SEBI has alleged among others that Aditya Birla Money Limited had undertaken unauthorised trading and portfolio management services to unregistered portfolio management services clients, had lack of adequate system and internal controls, had not settled inactive clients for an amount of ₹6.39 million, delayed in uploading client details in central know your client system, did not have dedicated e-mail id for redressal of grievances, had SMS alert facility flag which was not enabled in the depository participant module and that the power of attorney of a client was activated without obtaining the client's mobile number and transferred securities with value of ₹ 0.54 million from its client's demat account to pro account in 160 instances. The inspection period for the above-mentioned allegations was April 1, 2017 to March 26, 2019 and the inspection was carried between March 26, 2019 and March 30, 2019. Additionally, a supplementary show cause notice dated August 25, 2020 was issued by SEBI providing certain additional documents listed to Aditya Birla Money Limited. Aditya Birla Money Limited has submitted its reply to the above mentioned show cause notices and has also provided its written submissions. The matter is currently pending. Our Company does not believe that any adverse order in the aforesaid proceeding will have an adverse impact on our Company.
3. SEBI had issued a show cause notice dated October 5, 2018 to Aditya Birla Money Limited under the SEBI Intermediaries Regulations, 2008 and the SEBI (Brokers and Sub-Brokers) Regulations, 1992 in relation to certain investigation conducted by SEBI in relation to dematerialization and selling shares of dormant accounts by certain entities based on news reports. SEBI alleged that Aditya Birla Money Limited had exercised lack of due diligence in verifying e-mail id of its client and related matters in violation of the code of conduct prescribed under the SEBI (Brokers and Sub-Brokers) Regulations, 1992 and that Aditya Birla Money Limited had failed to report to financial intelligence unit or to the Income Tax department or any other financial regulator the dealings by such client. Aditya Birla Money Limited has sought relevant documents in relation to the show cause notice issued by SEBI. The matter is currently pending. Our Company does not believe that any adverse order in the

aforesaid proceeding will have an adverse impact on our Company.

B. **Aditya Birla Insurance Brokers Limited**

1. The Insurance Regulatory and Development Authority of India (“**IRDAI**”) has passed an order under the Insurance Act, 1938 and the IRDA Act, 1999 (the “**Impugned Order**”) against Aditya Birla Insurance Brokers Limited imposing a penalty of ₹30 million for contravention of the Motor Insurance Service Provider guidelines dated August 31, 2017 (“**MISP**”) and the IRDAI (Insurance Broker) Regulations, 2018 on the grounds of failure to perform its various obligations as a direct broker under the IRDAI (Insurance Broker) Regulations, 2018. The IRDAI also directed Aditya Birla Insurance Brokers Limited to undertake certain changes such as dismantling panel of insurers and empanel all insurers and redesignation of customer consent seeking system.

Aditya Birla Insurance Brokers Limited filed an appeal against the order issued by the IRDA before the Securities Appellate Tribunal (“**SAT**”). The SAT has passed an order staying the Impugned Order till the pendency of the appeal and has directed the IRDAI to file a reply followed by rejoinder to be filed by Aditya Birla Insurance Brokers Limited. The matter is currently pending.

C. **Aditya Birla Finance Limited**

SEBI had issued a show cause notice dated May 25, 2021 (“**SCN**”) to Aditya Birla Finance Limited under Section 11(1), 11(4), 11B (1), 11B (2) and 11(4A) of the SEBI Act in the matter of CG Power and Industrial Solutions Limited (“**CG Power**”). Pursuant to the show cause notice, SEBI has alleged among others that in order to benefit its loans getting repaid, the commission and omission on the part of ABFL, amounted to participation in the fraudulent scheme for diversion of assets from CG Power for the benefit of BILT Graphic Paper Products Limited to the detriment of CG Power’s minority shareholders, violating Regulation 3 (b), (c) (d) and Regulation 4 (1) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 read with Sections 12A (a), (b) and (c) of the SEBI Act. ABFL has submitted an interim reply dated July 15, 2021 and a final reply dated July 29, 2021 to SEBI contesting the allegations levelled against it in the SCN and prayed for the withdrawal of the SCN, insofar as it relates to ABFL. Further, pursuant to a personal hearing granted by the Whole Time Member of SEBI on August 30, 2021 and August 31, 2021, ABFL has presented its case and responded to the allegations set out against ABFL in the SCN. The matter is currently pending. Our Company does not believe that any adverse order in the aforesaid proceeding will have an adverse impact on our Company.

IV. **Outstanding dues to creditors**

Our Board, in its meeting held on April 14, 2021 has considered and adopted a policy of materiality for identification of material outstanding dues to creditors (“**Creditors’ Materiality Policy**”). In terms of the Creditors’ Materiality Policy, creditors of our Company to whom an amount exceeding 5% of our total trade payables as of June 30, 2021 was outstanding, were considered ‘material’ creditors. As per the Restated Consolidated Financial Information, our total trade payables as of June 30, 2021, was ₹421.28 million and accordingly, creditors to whom outstanding dues exceed ₹21.06 million have been considered as material creditors for the purposes of disclosure in this Prospectus.

Based on this criteria, details of outstanding dues owed as of June 30, 2021 by our Company are set out below:

Type of Creditors	Number of Creditors	Amount (in ₹ million)
Micro, Small and Medium Enterprises	9	0.12
Material creditors	4	143.84
Other creditors	211	277.32
Total	224	421.28

Material Developments

Except as disclosed in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations - Significant Developments Occurring after June 30, 2021*” on page 289, and in this Prospectus there have not arisen, since the date of the last financial information disclosed in this Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

We have set out below a list of material approvals, consents, licences and permissions from various governmental and regulatory authorities obtained by our Company which are considered material and necessary for the purpose of undertaking our business activities and operations (“**Material Approvals**”). In view of these Material Approvals, our Company can undertake this Offer. Unless otherwise stated, Material Approvals as set out below, are valid as of date of this Prospectus. For further details in connection with the regulatory and legal framework within which we operate, see “Key Regulations and Policies” beginning on page 161.

Approvals in relation to our Company

I. Approvals in relation to the Offer

For the approvals and authorisations obtained by our Company in relation to the Offer, see “Other Regulatory and Statutory Disclosures – Authority for the Offer” on page 297.

II. Incorporation related approvals of our Company

1. Certificate of incorporation dated September 5, 1994 issued by the RoC to our Company, in its former name, being ‘Birla Capital International AMC Limited’.
2. Fresh certificate of incorporation dated June 29, 1999 issued by the RoC to our Company consequent upon change of name to ‘Birla Sun Life Asset Management Company Limited’.
3. Fresh certificate of incorporation dated July 17, 2017 issued by the RoC to our Company consequent upon change of name to ‘Aditya Birla Sun Life AMC Limited’.
4. Certificate for commencement of business dated November 10, 1994 issued by the RoC to our Company, in its former name, being ‘Birla Capital International AMC Limited’.

III. Material Approvals in relation to the business operations of our Company

Registration certificate under the SEBI Mutual Fund Regulations

1. Certificate of registration dated December 23, 1994 granted by SEBI with Registration Code MF/020/94/8 and pursuant to name change a new certificate of registration dated August 11, 2017 granted by SEBI to ‘Aditya Birla Sun Life Mutual Fund’ under the SEBI Mutual Fund Regulations.
2. Approval dated December 23, 1994 given by SEBI to our Company in its former name ‘Birla Capital International AMC Ltd.’, to act as the asset management company for Aditya Birla Sun Life Mutual Fund which was erstwhile Birla Mutual Fund, under the SEBI Mutual Fund Regulations.

Approvals in relation to our domestic mutual funds/schemes

1. Approval dated August 8, 2018 issued by Securities and Commodities Authority, UAE to ‘Aditya Birla Sun Life Mutual Fund’ in respect of promoting foreign investment funds to retail clients within the UAE.
2. Our Company has received final observation letters from SEBI, in relation to launching all of its subsisting mutual fund schemes.

Approvals in relation to investment management services provided to AIFs, VCFs and registration details of AIFs set up by our Company

1. No objection letter dated January 13, 2016 from SEBI to erstwhile ‘Birla Sun Life Asset Management Company Limited’ in accordance with SEBI Mutual Fund Regulations permitting our Company to act as the investment manager to Aditya Birla Real Estate Debt Fund (Category II) registered with SEBI on January 27, 2016 having registration number as IN/AIF2/15-16/0200.
2. A no objection letter dated February 9, 2017, granted by SEBI to erstwhile ‘Birla Sun Life Asset Management Company Limited’, for providing investment management services to funds/schemes launched under category II and category III of SEBI AIF Regulation.
3. Certificate of registration dated April 11, 2017 as a category III AIF granted by SEBI to ‘Aditya Birla Sun Life AIF Trust-I’ under the SEBI AIF Regulation, as an alternate investment fund, under registration number IN/AIF3/17-18/0319.
4. Certificate of registration dated January 19, 2018 as category II AIF granted by SEBI to ‘Aditya Birla Sun Life AIF Trust – II’ under the SEBI AIF Regulation, as an alternate investment fund, under registration number IN/AIF2/17-18/0513.

5. Our Company is appointed as an investment manager to the Venture Capital Fund- Aditya Birla Real Estate Fund bearing Registration No. IN/VCF/09-10/169 dated February 26, 2010 registered with SEBI under the SEBI VCF Regulations.

Approvals in relation portfolio management services

1. Our Company is registered with SEBI vide registration code PM/INP000000597 pursuant to a certificate dated April 5, 2017, to act as Portfolio Manager under SEBI Portfolio Regulations.
2. No objection letter dated March 1, 2002 from SEBI to erstwhile 'Birla Sun Life Asset Management Company Limited', permitting our Company to undertake portfolio management services.

Overseas subsidiaries

1. SEBI vide its letters dated August 20, 2009 having reference no. IMD/SM/174044/2009 and August 16, 2010 having reference no. IMD/SM/16522/10 granted its no-objection to our Company to set up wholly owned subsidiaries in the Republic of Singapore and in Dubai.

Certain other material approvals

1. Legal Entity Identifier ("LEI") number 335800CFTZRVCC68CY55 for our Company received on December 16, 2017 and LEI number 3358003NX33355AIWF46 for Aditya Birla Sun Life Mutual Fund received on June 15, 2020, from the Clearing Corporation of India Limited.
2. Clearing Corporation Membership number CCMFBSMF0086 issued to Aditya Birla Sun Life Mutual Fund on December 2, 2020, by the Clearing Corporation of India Limited.
3. Approval from Clearing Corporation of India Limited for undertaking tri-party repo trades for settlement with CCIL.
4. PAN, TAN, GST and professional tax registrations issued by respective tax authorities under relevant tax statutes.

IV. Other approvals

As of June 30, 2021, we had 194 branches in India. Our top 25 branch offices have been identified based on the basis of their AUM contribution and geographical distribution. These top 25 branches contribute 75.41% of the total AUM (AUM based on CAMS database excluding our domestic FoFs) of our Company as of June 30, 2021. Following are the material approvals applicable for our branch offices:

1. Certificate of registration of establishment issued under relevant shops and establishment legislations of the respective states in which our branch offices are located.
2. Certificate of registration for our branch offices under the Contract Labour (Regulation and Abolition) Act, 1970.
3. Trade licenses issued by the local municipal corporations of the states in which our branch offices are located.

Our Company has obtained these material approvals, in the normal course of business, for its branch offices located across various states.

V. Material Approvals which have expired and renewal yet to be applied for

1. Trade License Certificate with respect to our branch at Gurgaon.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorised by our Board pursuant to a resolution passed at its meeting held on April 14, 2021 and our Board has taken on record the approval of the Offer for Sale by the Selling Shareholders pursuant to its resolution dated April 19, 2021. Our Board has approved the Red Herring Prospectus pursuant to its resolution dated September 22, 2021. This Prospectus has been approved by our Board in its meeting held on October 4, 2021.

The Offer for Sale has been authorised by the Selling Shareholders as follows:

Selling Shareholder	Number of Offered Shares	Date of consent letter	Date of corporate authorisation/ board resolution
ABCL	Up to 2,850,880* Equity Shares	April 19, 2021	April 14, 2021
Sun Life AMC	Up to 36,029,120* Equity Shares	April 19, 2021	April 9, 2021

**Subject to finalisation of the Basis of Allotment*

Our Company received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated May 31, 2021 and June 4, 2021, respectively.

SEBI issued the show cause notice dated May 25, 2021 to Aditya Birla Finance Limited (“**ABFL**”), one of our Group Companies, under *inter alia* Section 11B(1), and 11(4) read with Section 11(1) of the SEBI Act in relation to certain transactions undertaken by ABFL with CG Power and Industrial Solutions Limited. This falls within the purview of Clause 4(2) of the Securities and Exchange Board of India (Issuing Observations on Draft Offer Documents Pending Regulatory Actions) Order, 2020 (the “**SEBI General Order**”), under which SEBI had kept the issuance of observations on the Draft Red Herring Prospectus in abeyance for a period of 90 days from the date of filing of the Draft Red Herring Prospectus. Post completion of this period of 90 days, our Company filed an exemption application dated August 3, 2021 with SEBI under Regulation 300(1)(a) of the SEBI ICDR Regulations, read with Clause 9 of the SEBI General Order, seeking exemption from the strict application of Clause 4(3) of the SEBI General Order which empowers SEBI to keep the observations on the Draft Red Herring Prospectus in abeyance for a further period of 45 days. SEBI, vide its letter bearing no. SEBI/HO/CFD/DILII/YJ/AB/OW/2021/18165, dated August 5, 2021 granted the exemption to our Company from the requirement of keeping the observations on the Draft Red Herring Prospectus in abeyance for a further period of 45 days. For further details of the SEBI proceedings against ABFL, see “*Outstanding Litigation and Material Developments – Litigations involving our Group Companies - Certain regulatory matters pending against our Group Companies – Aditya Birla Finance Limited*” on page 294.

Prohibition by SEBI or other governmental authorities

Our Company, Promoters (also the Selling Shareholders), Directors, members of our Promoter Group, the persons in control of our Company and the persons in control of our Promoters are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Our Directors and Promoters are not directors or promoters, as applicable, of any other company which has been debarred from accessing the capital markets by SEBI.

Our Company, Promoters and Directors have not been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

Our Promoters or Directors, as applicable, have not been declared as Fugitive Economic Offenders.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoters (also the Selling Shareholders), and members of our Promoter Group, are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to each of them as of the date of this Prospectus.

Directors associated with the securities market

Except for the Directors’ position on the board of our Company, and except for our Non-Executive Chairman, Kumar Mangalam Birla, who is the chairman and a non-executive director on the board of Hindalco Industries Limited, which has a license from SEBI to act as an in-house registrar and transfer agent, none of our Directors are associated with the securities market in any manner including securities market related business.

Eligibility for the Offer

Our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable.

Our Company confirms that it is also in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

The Selling Shareholders confirm that they have held the Offered Shares for a continuous period of at least one year prior to the date of the Draft Red Herring Prospectus or are otherwise eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations.

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations as set out under the eligibility criteria and as derived from the Restated Consolidated Financial Information:

- (a) Our Company has had net tangible assets of at least ₹30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each);
- (b) Our Company has an average operating profit of at least ₹150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;
- (c) Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), calculated on a restated and consolidated basis; and
- (d) Our Company has not changed its name in the last one year.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, operating profits and net worth, derived from the Restated Consolidated Financial Information included in this Prospectus as at, and for the last three Financial Years, are set forth below:

(₹ in million, unless otherwise stated)			
Description	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Computation of Net tangible assets			
Total Assets as per Restated Ind AS Financial Statement	19,845.51	15,719.59	14,984.60
Less:			
Right-of-use assets	515.59	547.03	645.79
Intangible assets	142.88	132.49	106.34
Total assets (A)	19,187.04	15,040.07	14,232.47
Total Liabilities as per Restated Consolidated Financial Information	2,799.38	2,550.86	2,778.95
Less:			
Deferred tax liabilities (net)	137.34	146.15	70.06
Total Liabilities (B)	2,662.04	2,404.71	2,708.89
Net tangible assets* (C=A-B)	16,525.00	12,635.36	11,523.58
Monetary assets**			
Cash and cash equivalents	565.31	466.05	382.24
Bank balances other than cash and cash equivalents	-	-	-
Total of Monetary Assets (D)	565.31	466.05	382.24
Monetary assets as a % of net tangible assets (E=D/C)	3.42%	3.69%	3.32%
Restated profit before tax (I)	6,958.88	6,607.29	6,457.67
Less: Other Income (II)	148.13	9.33	11.83
Add: Finance costs (III)	55.57	54.41	57.33
Restated operating profit*** (IV)=(I)+(II)+(III)	6,866.32	6,652.37	6,503.17
	(A)	(B)	(C)
Average operating profit [(A + B +C)/3]			6,673.95

Notes:

The above figures are based on Restated Ind AS Summary Statement of Assets and Liabilities of our Company as at March 31, 2021, March 31, 2020 and March 31, 2019.

* "Net tangible assets" means the sum of all the assets of our Company excluding intangible assets and right of use assets reduced by total liabilities excluding deferred tax liability (Net) of our Company.

** Monetary assets means cash and cash equivalents and bank balances other than cash and cash equivalents (excludes Bank deposits with remaining maturity of more than twelve months).

*** "Restated operating profit" means restated profit before tax excluding other income and finance expense.

We are eligible to undertake the Offer as per Rule 19(2)(b) of the SCRR read with Regulations 6(1) of the SEBI ICDR Regulations. Accordingly, in accordance with Regulation 32(1) of the SEBI ICDR Regulations we are required to allot not more than 50% of the Net Offer to QIBs. Further, not less than 15% of the Net Offer was made available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer was made available for allocation to

RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price. In the event we fail to do so, the full application money shall be refunded to the Bidders.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE GLOBAL COORDINATORS AND BOOK RUNNING LEAD MANAGERS, KOTAK MAHINDRA CAPITAL COMPANY LIMITED, BOFA SECURITIES INDIA LIMITED AND CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED AND THE BOOK RUNNING LEAD MANAGERS, AXIS CAPITAL LIMITED, HDFC BANK LIMITED, ICICI SECURITIES LIMITED, IIFL SECURITIES LIMITED, JM FINANCIAL LIMITED, MOTILAL OSWAL INVESTMENT ADVISORS LIMITED, SBI CAPITAL MARKETS LIMITED AND YES SECURITIES (INDIA) LIMITED AND HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS AND EACH OF THE SELLING SHAREHOLDERS WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THE DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF OR ITS RESPECTIVE PORTION OF THE OFFERED SHARES, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE GLOBAL COORDINATORS AND BOOK RUNNING LEAD MANAGERS AND THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED APRIL 19, 2021, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE GLOBAL COORDINATORS AND BOOK RUNNING LEAD MANAGERS AND THE BOOK RUNNING LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

Disclaimer from our Company, the Directors, the Selling Shareholders, the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers

Our Company, the Directors, each of the Selling Shareholders, the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers accept no responsibility for statements made in relation to the Company or the Offer other than those confirmed by it in relation to itself or its Offered Shares in this Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, <https://mutualfund.adityabirlacapital.com>, or the respective websites of any of our Promoters (also the Selling Shareholders) or the members of our Promoter Group would be doing so at his or her own risk. Each Selling Shareholder, its respective partners, directors, key persons, affiliates, associates and officers accept or undertake no responsibility for any statements including without limitation any statement made by or in relation to the Company or its business, other than those specifically undertaken or confirmed by the respective Selling Shareholders in relation to itself and its respective portion of the Offered Shares.

The Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into among the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, each Selling Shareholder (to the extent that the information pertain to itself and its respective portion of the Offered Shares), the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers to the public and investors at large and no selective or additional information would be available

for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, partners, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, allot, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, partners, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with or become customers to our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

The Offer was made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, as amended, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their respective constitution to hold and invest in equity shares, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction other than in India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to this Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises this Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India. No person outside India is eligible to bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India. Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Prospectus will be filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any offer or sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or any of the Selling Shareholders since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act), pursuant to Section 4(a) of the U.S. Securities Act.

We intend to rely on an exception from the definition of investment company under the U.S. Investment Company Act of 1940, as amended, in connection with this Offer.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer Clause of BSE

BSE Limited ("the Exchange") has given vide its letter dated May 31, 2021 permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized the offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:-

- a. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- b. warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- c. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer Clause of NSE

As required, a copy of the Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/1021 dated June 4, 2021 permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized the draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Listing

Applications will be made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. NSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of this Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within such time prescribed by SEBI. If our Company does not allot Equity Shares pursuant to the Offer within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period or such other rate prescribed by SEBI.

Each Selling Shareholder, severally and not jointly, undertakes to provide such reasonable assistance as may be requested by our Company, to the extent such assistance is required from such Selling Shareholder in relation to its respective portion of the Offered Shares to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within such time prescribed by SEBI.

Consents

Consents in writing of each of the Selling Shareholders, our Directors, our Head - Compliance, Legal and Secretarial, Company Secretary and Compliance officer, legal counsels, the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers, the bankers to our Company, CRISIL and the Registrar to the Offer to act in their respective capacities, have been obtained and consents in writing of the Syndicate Members, Bankers to the Offer (Escrow Collection Bank, Sponsor Bank and Refund Bank) to act in their respective capacities, will be obtained, and will be filed along with a copy of this Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of delivery of this Prospectus for registration with the RoC.

Experts to the Offer

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated October 4, 2021 from S R Batliboi & Co. LLP, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated August 17, 2021 on our Restated Consolidated Financial Information; and (ii) their report dated April 19, 2021 on the Statement of Special Tax Benefits in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Capital issue during the preceding three years by our Company

Other than as disclosed in “*Capital Structure – Equity Share capital history of our Company*” on pages 68-69, our Company has not made any capital issues during the three years preceding the date of this Prospectus. Further, our Company has not made any public or rights issue in the last five years.

Price information of past issues handled by the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers (during the current Financial Year and two Financial Years preceding the current Financial Year)

A. Kotak Mahindra Capital Company Limited

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Kotak Mahindra Capital Company Limited

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1.	Vijaya Diagnostic Centre Limited	18,942.56	531 ¹	September 14, 2021	540.00	-	-	-
2.	Aptus Value Housing Finance India Limited	27,800.52	353	August 24, 2021	333.00	-2.82%, [+5.55%]	-	-
3.	Cartrade Tech Limited	29,985.13	1,618	August 20, 2021	1,599.80	-10.31%, [+6.90%]	-	-
4.	Devyani International Limited	18,380.00	90	August 16, 2021	140.90	32.83%, [+4.93%]	-	-
5.	Glenmark Life Sciences Limited	15,136.00	720	August 6, 2021	750.00	-6.40%, [+6.68%]	-	-
6.	Zomato Limited	93,750.00	76	July 23, 2021	116.00	+83.29%, [+3.75%]	-	-
7.	Clean Science and Technology Limited	15,466.22	900	July 19, 2021	1,755.00	+66.33%, [+5.47%]	-	-
8.	G R Infraprojects Limited	9,623.34	837 ²	July 19, 2021	1,715.85	+90.82%, [+5.47%]	-	-
9.	Krishna Institute of Medical Sciences Limited	21,437.44	825 ³	June 28, 2021	1,009.00	+48.10%, [-0.43%]	+48.35%, [+12.89%]	-
10.	Sona BLW Precision Forgings Limited	55,000.00	291	June 24, 2021	301.00	+45.45%, [+0.42%]	+93.40%, [+11.22%]	-

Source: www.nseindia.com and www.bseindia.com

Notes:

1. In Vijaya Diagnostic Centre Limited, the issue price to eligible employees was ₹ 479 after a discount of ₹ 52 per equity share.
2. In G R Infraprojects Limited, the issue price to eligible employees was ₹ 795 after a discount of ₹ 42 per equity share.
3. In Krishna Institute of Medical Sciences Limited, the issue price to eligible employees was ₹ 785 after a discount of ₹ 40 per equity share.
4. In the event any day falls on a holiday, the price/index of the immediately preceding trading day has been considered.
5. The 30th, 90th, 180th calendar days from listed day have been taken as listing day plus 29, 89 and 179 calendar days.
6. Restricted to last 10 equity initial public issues.

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Kotak Mahindra Capital Company Limited*

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22	11	330,521.21	-	-	3	3	4	-	-	-	-	-	-	-
2020-21	6	140,143.77	-	-	1	2	1	2	-	-	-	4	1	1
2019-20	4	136,362.82	-	1	-	-	1	2	-	-	1	-	1	2

Notes:

1. The information is as on the date of this Prospectus.
2. The information for each of the financial years is based on issues listed during such financial year.

B. BofA Securities India Limited

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by BofA Securities India Limited*

Sr. No.	Offer Name	Offer Size (₹ in mm)	Offer Price (₹)	Listing Date	Opening Price on Listing Date (₹) ⁽²⁾	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing ^{(3) (4) (5)}	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing ^{(3) (4) (6)}	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing ^{(3) (4) (7)}
1	Glenmark Life Sciences Limited	15,136.00	720.00	6-Aug-2021	750.00	-6.88% [7.02%]	-	-
2	Zomato Limited	93,750.00	76.00	23-July-21	116.00	67.43% [4.04%]	-	-
3	UTI Asset Management Company Limited	21,598.80	554.00	12-Oct-20	500.00	-10.43% [5.87%]	-1.02% [21.40%]	5.81% [24.34%]
4	SBI Cards and Payment Services Limited	103,407.80	755.00	16-Mar-20	661.00	-33.16% [-2.96%]	-21.52% [6.70%]	12.50% [24.65%]

Source: www.nseindia.com; for price information and prospectus/ basis of allotment for issue details

Notes:

1. Equity public issues in last 3 financial years considered.
2. Opening price information as disclosed on the website of NSE.
3. Benchmark index is CNX Nifty.
4. In case 30th day, 90th day or 180th day is not a trading day, closing price on NSE of next trading day is considered.
5. 30th listing day has been taken as listing date plus 29 calendar days.
6. 90th listing day has been taken as listing date plus 89 calendar days.
7. 180th listing day has been taken as listing date plus 179 calendar days.

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by BofA Securities India Limited*

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22	2	108,886.00	-	-	1	1	-	-	-	-	-	-	-	-
2020-21	1	21,598.80	-	-	1	-	-	-	-	-	-	-	-	1
2019-20	1	103,407.80	-	1	-	-	-	-	-	-	-	-	-	1

Notes:

1. The information is as on the date of this Prospectus.
2. Based on the day of listing

C. **Citigroup Global Markets India Private Limited.**

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Citigroup Global Markets India Private Limited*

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1	Aptus Value Housing Finance India Limited	27,800.52	353.00	August 24, 2021	333.00	-4.07%[+7.21%]	NA	NA
2	Cartrade Tech Limited	29,985.13	1,618.00	August 20, 2021	1,599.80	-10.31%[+6.90%]	NA	NA
3	Zomato Limited	93,750.00	76.00	July 23, 2021	116.00	+83.29%[+3.75%]	NA	NA
4	Kalyan Jewellers India Limited	11,748.16	87.00	March 26, 2021	73.95	-24.60%[-1.14%]	-7.07%[+8.13%]	-21.95%[+19.92%]
5	Gland Pharma Limited	64,795.45	1,500.00	November 20, 2020	1,710.00	+48.43%[+7.01%]	+57.27%[+18.27%]	+104.17%[+17.49%]
6	UTI Asset Management Company Limited	21,598.84	554.00	October 12, 2020	500.00	-10.43%[+5.87%]	-0.60%[20.25%]	+5.81%[+24.34%]
7	Polycab India Limited	13,452.60	538.00	April 16, 2019	633.00	+15.36%[-5.35%]	+14.70%[-1.99%]	+23.76%[-4.09%]

Source: www.nseindia.com

Notes:

- (1) Nifty is considered as the benchmark index.
- (2) % of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs. Issue Price. % change in closing benchmark index is calculated based on closing index on listing day vs. closing index on 30th / 90th / 180th calendar day from listing day.
- (3) 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case closing price on NSE of a trading day immediately prior to the 30th / 90th / 180th day, is considered.

2. **Summary statement of price information of past issues handled by Citigroup Global Markets India Private Limited**

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22	3	1,51,535.65	-	-	2	1	-	-	-	-	-	-	-	-
2020-21	3	98,142.45	-	-	2	-	1	-	-	-	1	1	-	1
2019-20	1	13,452.6	-	-	-	-	-	1	-	-	-	-	-	1

Source: www.nseindia.com

Notes:

The information is as on the date of the document

The information for each of the financial years is based on issues listed during such financial year.

Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

D. Axis Capital Limited

1. **Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Axis Capital Limited:**

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1	Ami Organics Limited	5,696.36	610.00	14-Sep-21	910.00	-	-	-
2	Chemplast Sanmar Limited	38,500.00	541.00	24-Aug-21	550.00	+2.06%, [+5.55%]	-	-
3	Nuvoco Vistas Corporation Limited	50,000.00	570.00	23-Aug-21	485.00	-5.91%, [+6.46%]	-	-
4	Cartrade Tech Limited	29,985.13	1,618.00	20-Aug-21	1,599.80	-10.31%, [+6.90%]	-	-
5	Clean Science and Technology Limited	15,466.22	900.00	19-Jul-21	1,755.00	+66.33%, [+5.47%]	-	-
6	India Pesticides Limited	8,000.00	296.00	5-Jul-21	350.00	+12.64%, [+1.87%]	+4.26%, [+10.72%]	-
7	Krishna Institute of Medical Sciences Limited!	21,437.44	825.00	28-Jun-21	1,009.00	+48.10%, [-0.43%]	+48.35%, [+12.89%]	-
8	Dodla Dairy Limited	5,201.77	428.00	28-Jun-21	550.00	+44.94%, [-0.43%]	+40.02%, [+12.89%]	-
9	Shyam Metalics And Energy Limited@	9,085.50	306.00	24-Jun-21	380.00	+40.95%, [+0.42%]	+22.65%, [+11.22%]	-

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]-30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180 th calendar days from listing
10	Macrotech Developers Limited	25,000.00	486.00	19-April-21	436.00	+30.22%, [+5.21%]	+75.43%, [+10.89%]	-

Source: www.nseindia.com

@ Offer Price was ₹ 291.00 per equity share to eligible employees

! Offer Price was ₹ 785.00 per equity share to eligible employees

Notes:

Issue Size derived from Prospectus/final post issue reports, as available.

The CNX NIFTY is considered as the Benchmark Index.

Price on NSE is considered for all of the above calculations.

In case 30th/90th/180th day is not a trading day, closing price on NSE of the previous trading day has been considered.

Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

2. Summary statement of price information of past issues handled by Axis Capital Limited

Financial Year	Total no. of IPOs	Total funds raised (₹ in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2021-2022*	11	212,901.16	-	-	2	1	4	3	-	-	-	1	-	-
2020-2021	11	93,028.90	-	-	6	2	1	2	-	1	1	4	3	2
2019-2020	5	161,776.03	-	1	2	-	-	2	1	1	-	-	-	3

* The information is as on the date of the document

The information for each of the financial years is based on issues listed during such financial year.

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

E. HDFC Bank Limited

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by HDFC Bank Limited:

S r. N o.	Offer Name	Offer Size (in ₹ Mn)	Offer price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Chemplast Sanmar Limited	38,500.00	541	August 24, 2021	550.00	+2.06% [+5.55%]	-	-
2.	G R Infraprojects Limited	9,623.34	837	July 19, 2021	1,715.85	+90.82% [+5.47%]	-	-
3.	Computer Age Management Services Ltd	22,421.05	1,230	October 01, 2020	1,518.00	+5.52% [+2.37%]	+49.52% [+23.04%]	+43.67% [+26.65%]
4.	Metropolis Healthcare Limited	12,042.88	880	April 15, 2019	958.00	+3.75% [-4.01%]	+21.39%[-1.18%]	+45.93% [-3.30%]

Source: www.nseindia.com and www.bseindia.com for price information and prospectus for offer details

Notes:

1. Nifty is considered as the benchmark index except for Computer Age Management Services Limited where SENSEX is considered as benchmark index
2. 30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken as listing date plus 179 calendar days
3. In case of reporting dates falling on a trading holiday, values for immediately previous trading day have been considered
4. In G R Infraprojects Limited, the offer price to eligible employees was ₹795 after a discount of ₹42 per equity share.
5. In Computer Age Management Services Limited, the offer price to eligible employees was ₹1,108 after a discount of ₹122 per equity share.

2. Summary statement of price information of past issues handled by HDFC Bank Limited

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ in million)	No. of IPOs trading at discount as on 30 th calendar day from listing date			No. of IPOs trading at premium as on 30 th calendar day from listing date			No. of IPOs trading at discount as on 180 th calendar day from listing date			No. of IPOs trading at premium as on 180 th calendar day from listing date		
			Over 50%	Between 25%- 50%	Less than 25%	Over 50%	Between 25%- 50%	Less than 25%	Over 50%	Between 25%- 50%	Less than 25%	Over 50%	Between 25%- 50%	Less than 25%
2021 – 22	2	48,123.66	-	-	-	1	-	1	-	-	-	-	-	-
2020 – 21	1	22,421.05	-	-	-	-	-	1	-	-	-	-	1	-
2019 - 20	1	12,042.88	-	-	-	-	-	1	-	-	-	-	1	-

Notes:

1. The information is as on the date of this Prospectus.
2. The information for each of the financial years is based on offers listed during such financial year

F. ICICI Securities Limited[^]

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by ICICI Securities Limited[^]

Sr. No.	Issue Name	Issue Size (in ₹ Mn.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1	Macrotech Developers Limited	25,000.00	486.00	19-Apr-21	436.00	+30.22%, [+5.21%]	+75.43%, [+10.89%]	NA*
2	Shyam Metals and Energy Limited	9,087.97	306.00 ⁽¹⁾	24-Jun-21	380.00	+40.95%, [+0.42%]	+22.65%, [+11.22%]	NA*
3	Dodla Dairy Limited	5,201.77	428.00	28-Jun-21	550.00	+44.94%, [-0.43%]	+40.02%, [+12.89%]	NA*
4	G R Infraprojects Limited	9,623.34	837.00 ⁽²⁾	19-Jul-21	1,715.85	+90.82%, [+5.47%]	NA*	NA*
5	Tatva Chintan Pharma Chem Limited	5,000.00	1,083.00	29-July-21	2,111.85	+92.54%, [+5.87%]	NA*	NA*
6	Nuvoco Vistas Corporation Limited	50,000.00	570.00	23-Aug-21	485.00	-5.91%, [+6.46%]	NA*	NA*
7	Chemplast Sanmar Limited	38,500.00	541.00	24-Aug-21	550.00	+2.06%, [+5.55%]	NA*	NA*
8	Aptus Value Housing Finance India Limited	27,800.52	353.00	24-Aug-21	333.00	-2.82%, [+5.55%]	NA*	NA*
9	Vijaya Diagnostic Centre Limited	18,944.31	531.00 ⁽³⁾	14-Sept-21	540.00	NA*	NA*	NA*
10	Sansera Engineering Limited	12,825.20	744.00 ⁽⁴⁾	24-Sept-21	811.50	NA*	NA*	NA*

*Data not available

(1) Discount of Rs. 15 per equity share offered to eligible employees All calculations are based on Issue Price of Rs. 306.00 per equity share.

(2) Discount of Rs. 42 per equity share offered to eligible employees All calculations are based on Issue Price of Rs. 837.00 per equity share.

(3) Discount of Rs. 52 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 531.00 per equity share.

(4) Discount of Rs. 36 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 744.00 per equity share.

2. Summary statement of price information of past issues handled by ICICI Securities Limited[^]

Financial Year	Total no. of IPOs	Total amount of funds raised (in ₹ Mn.)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22*	10	2,01,983.11	-	-	2	2	3	1	-	-	-	-	-	-
2020-21	14	1,74,546.09	-	-	5	5	2	2	-	1	3	5	3	2

Financial Year	Total no. of IPOs	Total amount of funds raised (in ₹ Mn.)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2019-20	4	49,850.66	-	-	2	-	1	1	1	-	-	2	-	1

*This data covers issues up to YTD

Notes:

1. All data sourced from www.nseindia.com except for Computer Age Management Services Limited for which the data is sourced from www.bseindia.com
2. Benchmark index considered is NIFTY
3. 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day

^In compliance with the proviso to Regulation 21A of the SEBI Merchant Banker Regulations and Regulation 23(3) of the SEBI ICDR Regulations, ICICI Securities Limited has been involved only in marketing of the Offer. ICICI Securities has signed the due diligence certificate and has been disclosed as a BRLM for the Offer.

G. IIFL Securities Limited

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by IIFL Securities Limited.

Sr. No.	Issue Name	Issue Size (in ₹ Mn)	Issue Price (in ₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price*, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Suryoday Small Finance Bank Ltd	5,808.39	305.00 ⁽¹⁾	March 26, 2021	292.00	-18.38%,-1.14%	-26.87%, [-98.46%]	-40.20%, [+21.06%]
2	Nazara Technologies Ltd	5,826.91	1,101.00 ⁽²⁾	March 30, 2021	1,990.00	+62.57%, [0.13%]	+38.22%, [6.84%]	+94.60%, [+20.26%]
3	Barbeque-Nation Hospitality Limited	4,528.74	500.00	April 7, 2021	489.85	+18.77%, [-0.64%]	+76.97%, [+6.85%]	+122.53%, [+18.31%]
4	Macrotech Developers Ltd	25,000.00	486.00	April 19, 2021	436.00	+30.22%, [+5.21%]	+75.43%, [+10.89%]	N.A.
5	Shyam Metals and Energy Ltd	9,085.50	306.00 ⁽³⁾	June 24, 2021	380.00	+40.95%, [+0.42%]	+22.65%, [+11.22%]	N.A.
6	Krishna Institute of Medical Sciences Limited	21,437.44	825.00 ⁽⁴⁾	June 28, 2021	1,009.00	+48.10%; [-0.43%]	+48.35%, [+12.89%]	N.A.
7	Windlas Biotech Limited	4,015.35	460.00	August 16, 2021	437.00	-18.04%, [+4.93%]	N.A.	N.A.
8	Krsnaa Diagnostics Limited	12,133.35	954.00 ⁽⁵⁾	August 16, 2021	1,005.55	-9.42%, [+4.93%]	N.A.	N.A.

9	Chemplast Sanmar Limited	38,500.00	541.00	August 24, 2021	550.00	+2.06%, [+5.55%]	N.A.	N.A.
10	Sansera Engineering Limited	12825.20	744.00 ⁽⁶⁾	September 24, 2021	811.50	N.A.	N.A.	N.A.

Source: www.nseindia.com

- (1) A discount of INR 30 per equity share on the issue price to eligible employees bidding in the employee reservation portion.
(2) A discount of INR 110 per equity was offered to eligible employees bidding in the employee reservation portion.
(3) A discount of INR 15 per Equity Share was offered to the eligible employees bidding in the employee reservation portion.
(4) A discount of INR 40 per Equity Share was offered to eligible employees bidding in the employee reservation portion.
(5) A discount of INR 93 per equity share to eligible employees bidding in the employee reservation portion.
(6) A discount of INR 36 per equity share was offered to eligible employees bidding in the employee reservation portion.

Note: Benchmark Index taken as CNX NIFTY. Price on NSE is considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th /90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. The Nifty 50 index is considered as the benchmark index. NA means Not Applicable.

2. Summary statement of price information of past issues handled by IIFL Securities Limited.

Financial Year	Total no. of IPOs	Total amount of funds raised (₹Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2019-20	5	65,827.61	-	-	2	-	1	2	1	1	1	-	-	2
2020-21	8	47,017.65	-	-	4	2	1	1	-	1	-	3	3	1
2021-22	8	1,27,525.58	-	-	2	-	3	2	-	-	-	1	-	-

Source: www.nseindia.com

Note: Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered. NA means Not Applicable.

NA means Not Applicable.

H. JM Financial Limited

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by. JM Financial Limited

Sr. No.	Issue name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180 th calendar days from listing
1.	Krsnaa Diagnostics Limited ⁹	12,133.35	954.00	August 16, 2021	1,005.55	-9.42% [4.93%]	Not Applicable	Not Applicable

2.	Rolex Rings Limited	7,310.00	900.00	August 09, 2021	1,250.00	22.28%[6.79%]	Not Applicable	Not Applicable
3.	Tatva Chintan Pharma Chem Limited	5,000.00	1,083.00	July 29, 2021	2,111.85	92.54% [5.87%]	Not Applicable	Not Applicable
4.	Clean Science and Technology Limited	15,466.22	900.00	July 19, 2021	1,755	66.33% [5.47%]	Not Applicable	Not Applicable
5.	India Pesticides Limited	8,000.00	296.00	July 5, 2021	350.00	12.64% [1.87%]	4.26% [10.72%]	Not Applicable
6.	Shyam Metalics and Energy Limited ⁷	9,085.50	306.00	June 24, 2021	380.00	40.95% [0.42%]	22.65% [11.22%]	Not Applicable
7.	Sona BLW Precision Forgings Limited	55,500.00	291.00	June 24, 2021	301.00	45.45% [0.42%]	93.40% [11.22%]	Not Applicable
8.	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	30.22% [5.21%]	75.43% [10.89%]	Not Applicable
9.	Anupam Rasayan India Limited ⁸	7,600.00	555.00	March 24, 2021	520.00	-0.11% [-0.98%]	30.49%[8.23%]	37.12%[20.87%]
10.	Easy Trip Planners Limited	5,100.00	187.00	March 19, 2021	212.25	-7.27% [-0.86%]	124.68%[6.94%]	177.57%[17.88%]

Source: www.nseindia.com for price information and prospectus/basis of allotment for issue details

Notes:

1. Opening price information as disclosed on the website of NSE.
2. Change in closing price over the issue/offer price as disclosed on NSE.
3. Change in closing price over the closing price as on the listing date for benchmark index viz. NIFTY 50.
4. In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.
5. 30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken as listing date plus 179 calendar days.
6. Restricted to last 10 issues.
7. A discount of 4.90 % on the Offer Price was offered to the Eligible Employees Bidding in the Employee Reservation Portion (“**Employee Discount** ”) equivalent to ₹ 15 per Equity Share.
8. A discount of Rs. 55 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.
9. A discount of Rs. 93 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.
10. Not Applicable - Period not completed

2. Summary statement of price information of past issues handled by JM Financial Limited

Financial Year	Total no. of IPOs	Total funds raised (₹ Millions)	Nos. of IPOs trading at discount on as on 30 th calendar days from listing date			Nos. of IPOs trading at premium on as on 30 th calendar days from listing date			Nos. of IPOs trading at discount as on 180 th calendar days from listing date			Nos. of IPOs trading at premium as on 180 th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Less than 25%
2021-2022	8	1,37,495.07	-	-	1	2	3	2	-	-	-	-	-	-
2020-2021	8	62,102.09	-	-	3	2	1	2	-	-	-	5	2	1
2019-2020	4	36,400.83**	-	-	1	-	1	2	-	1	1	-	1	1

**Spandana Sphoorty Financial Limited raised Rs. 11,898.49 million as against the issue size of Rs. 12,009.36 million.

I. Motilal Oswal Investment Advisors Limited

1. Price information of past issues handled:

S. No.	Issue name	Issue size (in ₹ million)	Offer Price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1.	GR Infraprojects Limited ¹	9,623.34	837	July 19, 2021	1,715.85	+90.82%, [+5.47%]	Not applicable ²	Not applicable ²
2.	Devyani International Limited	18,380.00	90	August 16, 2021	140.9	+34.28%, [+5.77%]	Not applicable ²	Not applicable ²

Source: nseindia.com

Notes:

- Discount of ₹42.00 per Equity Share was offered to eligible employees bidding in the Employee Reservation Portion
- Not applicable – Period not completed

2. Summary statement of price information of past issues handled

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ in million)	No. of IPOs trading at discount as on 30 th calendar day from listing date			No. of IPOs trading at premium as on 30 th calendar day from listing date			No. of IPOs trading at discount as on 180 th calendar day from listing date			No. of IPOs trading at premium as on 180 th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%- 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2021-22	2	28,003	-	-	-	1	1	-	-	-	-	-	-	-
2020-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-

J. SBI Capital Markets Limited

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by SBI Capital Markets Limited

Sr. No.	Issue Name	Issue Size (₹ Mn.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1	Nuvoco Vistas Corporation Limited	50,000.00	570.00	August 23, 2021	485.00	-5.91% [+6.46%]	NA	NA
2	Windlas Biotech Limited	4,015.35	460.00	August 16, 2021	437.00	-18.04% [+4.93%]	NA	NA
3	Glenmark Life Sciences Limited	15,136.00	720.00	August 06, 2021	750.00	-6.40% [+6.68%]	NA	NA
4	G R Infraprojects Limited ⁽¹⁾	9,623.34	837.00	July 19, 2021	1,715.85	90.82% [+5.47%]	NA	NA
5	Shyam Metalics and Energy Limited ⁽²⁾	9,085.50	306.00	June 24, 2021	380.00	40.95% [+0.42%]	22.65% [+11.22%]	NA

Sr. No.	Issue Name	Issue Size (₹ Mn.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
6	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	30.22% [+5.21%]	75.43% [+10.89%]	NA
7	Barbeque-Nation Hospitality Limited	4,528.74	500.00	April 07, 2021	489.85	18.77% [-0.64%]	76.97% [+6.85%]	122.53% [+18.31%]
8	Suryoday Small Finance Bank Ltd ⁽³⁾	5,808.39	305.00	March 26, 2021	292.00	-18.38% [-1.14%]	-27.48% [+8.84%]	-40.20% [+21.06%]
9	Kalyan Jewellers India Ltd ⁽⁴⁾	11,748.16	87.00	March 26, 2021	73.95	-24.60% [-1.14%]	-8.33% [+8.84%]	-21.95% [+21.06%]
10	Railtel Corporation of India Limited	8,192.42	94.00	February 26, 2021	109.00	35.64% [-0.15%]	37.50% [+5.32%]	31.01% [+14.42%]

Source: www.nseindia.com

Notes:

* The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.

* The Nifty 50 index is considered as the Benchmark Index

Price for eligible employee was Rs 795.00 per equity share

Price for eligible employee was Rs 291.00 per equity share

Price for eligible employee was Rs 275.00 per equity share

Price for eligible employee was Rs 79.00 per equity share

2. Summary statement of disclosure Price information of past issues during current financial year and two financial years preceding the current financial year handled by SBI Capital Markets Limited:

Financial Year	Total no. of IPOs #	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50 %	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22*	7	1,17,388.93	-	-	3	1	2	1	-	-	-	1	-	-
2020-21*	7	1,05,087.00	-	-	5	-	2	-	-	1	3	-	2	1
2019-20	3	138,283.86	-	1	1	1	-	-	1	-	-	1	-	1

* The information is as on the date of this Offer Document.

Date of Listing for the issue is used to determine which financial year that particular issue falls into

K. YES Securities (India) Limited

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by YES Securities (India) Limited:

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1	Chemplast Sanmar Limited	38,500.00	541.00	August 24, 2021	550.00	+2.06% [+5.55%]	-	-
2	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	+30.22% [+5.21%]	+75.43% [+10.89%]	-
3	Mazagon Dock Shipbuilders Limited	4,436.86	145.00	October 12, 2020	214.90	+18.90% [+5.87%]	+52.90% [+20.25%]	+45.79% [+24.34]
4	Indian Railway Catering and Tourism Corporation Limited	6,379.72	320.00	October 14, 2019	626.00	+191.53% [+5.05%]	+186.64% [+8.07%]	+291.84% [-19.66%]
5	Sterling and Wilson Solar Limited	28,496.38	780.00	August 20, 2019	706.00	-21.88% [-1.60%]	-48.63% [+7.97%]	-64.78% [+9.95%]
6	Spandana Sphoorty Financial Limited	11,898.49	856.00	August 19, 2019	825.00	-0.56% [-2.14%]	+52.76% [+7.61%]	+17.32% [+9.59%]
7	Polycab India Limited	13,452.60	538.00	April 16, 2019	633.00	+15.36% [-5.35%]	+14.70% [-1.99%]	+23.76% [-4.09%]
8	Rail Vikas Nigam Limited	4,768.61	19.00	April 11, 2019	19.00	+19.47% [-2.74%]	+40.26% [-0.35%]	+20.53% [-4.06%]

Notes: 1. Benchmark Index taken as CNX NIFTY

2. Price on NSE is considered for the above calculations

3. % change taken against the Issue Price in case of the Issuer. % change taken against closing CNX NIFTY Index on the day of the listing date.

4. If either of the 30th, 90th or 180th calendar day is a trading holiday, the previous trading day has been considered for the computation.

2. Summary statement of price information of past issues handled by YES Securities:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-2022	2	63,500.00	-	-	-	-	1	1	-	-	-	-	-	-
2020-2021	1	4,436.86	-	-	-	-	-	1	-	-	-	-	1	-
2019-2020	5	64,995.80	-	-	2	1	-	2	1	-	-	1	-	3

Notes:

Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date.

The information for the financial year is based on issue listed during such financial year.

Track record of past issues handled by the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers

For details regarding the track record of the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, as specified in circular bearing number CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, as provided in the table below:

S. No.	Name of the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers	Website
1.	Kotak Mahindra Capital Company Limited	www.investmentbank.kotak.com
2.	BofA Securities India Limited	www.ml-india.com
3.	Citigroup Global Markets India Private Limited	www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm
4.	Axis Capital Limited	www.axiscapital.co.in
5.	HDFC Bank Limited	www.hdfcbank.com
6.	ICICI Securities Limited	www.icicisecurities.com
7.	IIFL Securities Limited	www.iiflcap.com
8.	JM Financial Limited	www.jmfl.com
9.	Motilal Oswal Investment Advisors Limited	www.motilaloswalgroup.com
10.	SBI Capital Markets Limited	www.sbicaps.com
11.	YES Securities (India) Limited	www.yesinvest.in

Redressal and disposal of investor grievances by our Company

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares to enable the Bidders to approach the Registrar to the Offer for redressal of their grievances.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer, the Global Coordinators and Book Running Lead Managers or the Book Running Lead Managers with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, UPI ID (in case of RIBs and ABCL Shareholders Bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) using the UPI Mechanism), date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for the stipulated period. In an event there is a delay in redressal of the investor grievance, the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount.

For helpline details of the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “General Information – Global Coordinators and Book Running Lead Managers and Book Running Lead Managers” on pages 61-63.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Bank for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the SEBI ICDR Regulations. Bidders can contact our Head - Compliance, Legal and Secretarial, Company Secretary and Compliance officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Anchor Investors are required to address all grievances in relation to the Offer to the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 7 (seven) days from the date of receipt of the complaint.

In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints within 30 days of receipt of complaint or upon receipt of satisfactory documents.

Our Company has also appointed Hemanti Wadhwa, Company Secretary and Head - Compliance, Legal and Secretarial, as the Compliance officer for the Offer. For details, see “*General Information*” beginning on page 58.

Our Company has constituted a Stakeholders’ Relationship Committee comprising Alka Bharucha, A. Balasubramanian and Bharat Patel as its members which is responsible for redressal of grievances of security holders of our Company. For further details on the Stakeholders’ Relationship Committee, see “*Our Management – Committees of the Board – Stakeholders’ Relationship Committee*” on page 192.

Our Company has obtained authentication on the SCORES in terms of the SEBI circular bearing number CIR/OIAE/1/2013 dated April 17, 2013 and shall comply with SEBI circular bearing number CIR/OIAE/1/2014 dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Our Company has not received any investor complaint during the three years preceding the Draft Red Herring Prospectus, the Red Herring Prospectus and date of this Prospectus.

As on the date of this Prospectus, there are three investor complaints/grievances pending against Grasim Industries Limited, one of our Group Companies.

Further, no investor complaint in relation to our Company is pending as on the date of the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of the Red Herring Prospectus, this Prospectus, the abridged prospectus, the Bid cum Application Form, the Revision Form, the CAN or Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents or certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting their approval for the Offer.

The Offer

The Offer comprises of an Offer for Sale by the Selling Shareholders.

Ranking of Equity Shares

The Equity Shares being offered/Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, our Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including in respect of the right to receive dividend, voting and other corporate benefits. For further details, see “*Main Provisions of Articles of Association*” beginning on page 343.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, our Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of Articles of Association*” beginning on pages 212 and 343, respectively.

Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹5 and the Offer Price is ₹712.00 per Equity Share. The Anchor Investor Offer Price is ₹712.00 per Equity Share.

The Price Band and the minimum Bid Lot was decided by our Company and the Selling Shareholders in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers and were advertised in all editions of English national daily newspaper, Financial Express, all editions of Hindi national daily newspaper, Jansatta and Mumbai editions of the Marathi daily newspaper Navshakti (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located) each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and were made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, were pre-filled in the Bid cum Application Forms available on the websites of the Stock Exchanges. The Offer Price was been determined by our Company and the Selling Shareholders, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, after the Bid/Offer Closing Date.

At any given point of time there shall be only one denomination of Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;

- Right to vote on a poll either in person or by proxy and “e-voting”, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of Equity Shares, subject to applicable laws including any NHB and RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and our Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission, consolidation or sub-division, see “*Main Provisions of Articles of Association*” beginning on page 343.

Allotment only in Dematerialised Form

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated April 6, 2021 amongst our Company, CDSL and the Registrar to the Offer; and
- Tripartite agreement dated April 13, 2019 between our Company, NSDL and the Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of 20 Equity Shares. For further details, see “*Offer Procedure*” beginning on page 326.

Joint Holders

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

Nomination facility to Bidders

In accordance with Section 72 of the Companies Act read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered and Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by our Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change their nomination, they are requested to inform their respective Depository Participant.

Withdrawal of the Offer

Our Company and the Selling Shareholders, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, reserve the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of its respective portion of the Offered Shares after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank, in case of RIBs and ABCL Shareholders Bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders and shall notify the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of this Prospectus after it is filed with the RoC. If our Company and the Selling Shareholders, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a public offering of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
BID/OFFER OPENED ON	Wednesday, September 29, 2021 ⁽¹⁾
BID/OFFER CLOSED ON	Friday, October 1, 2021 ⁽²⁾
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Wednesday, October 6, 2021
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about Thursday, October 7, 2021
Credit of Equity Shares to demat accounts of Allottees	On or about Friday, October 8, 2021
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Monday, October 11, 2021

1. The Anchor Investor Bid/Offer Period was on September 28, 2021.

2. UPI mandate end time and date was at 12.00 p.m. on October 4, 2021.

*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated.

The above timetable is indicative and does not constitute any obligation or liability on our Company or the Selling Shareholders or the Global Coordinators and Book Running Lead Managers or the Book Running Lead Managers.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, the timetable may be subject to change due to various factors or any delay in receiving the final listing and trading approval from the Stock Exchanges or delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each Selling Shareholder confirms, severally and not jointly, that it shall extend reasonable co-operation in relation to its respective portion of the Offered Shares required by our Company, the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date or such other time as may be prescribed by SEBI.

In terms of the UPI Circulars, in relation to the Offer, the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per

day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST"))
Bid/Offer Closing Date*	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

* UPI mandate end time and date was at 12.00 pm on October 4, 2021

On the Bid/Offer Closing Date, the Bids were required to be uploaded until:

- (i) 4.00 p.m. IST in case of Bids by QIBs, Non-Institutional Bidders and ABCL Shareholders bidding in ABCL Shareholders Reservation Portion (subject to the Bid Amount being more than ₹200,000); and
- (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs and ABCL Shareholders bidding in ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000).

On Bid/Offer Closing Date, extension of time was granted by Stock Exchanges only for uploading Bids received by RIBs and ABCL Shareholders bidding in the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) after taking into account the total number of Bids received and as reported by the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders were advised to submit their Bids one day prior to the Bid/Offer Closing Date. Any time mentioned in this Prospectus is IST. Bidders were cautioned that, in the event a large number of Bids were received on the Bid/Offer Closing Date, some Bids would not get uploaded due to lack of sufficient time. Such Bids that could not be uploaded will not be considered for allocation under the Offer. Bids were accepted only during Monday to Friday (excluding any public holiday).

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges was taken as the final data for the purpose of Allotment.

Minimum Subscription

As this is an offer for sale by the Selling Shareholders, the requirement of minimum subscription of 90% of the Offer under the SEBI ICDR Regulations is not applicable to this Offer. However, if our Company does not receive the minimum subscription in the Offer as specified under the terms of Rule 19(2)(b) of the SCRR, as applicable, on the date of closure of the Offer or withdrawal of applications; or after technical rejections; or if the listing or trading permission are not obtained from the Stock Exchanges for the Equity Shares so offered under the Offer document, our Company and the Selling Shareholders, to the extent applicable, shall forthwith refund the entire subscription amount received. If there is a delay beyond four days, our Company and the Selling Shareholders, to the extent applicable, shall pay interest at the rate of 15% per annum including the SEBI circular bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. No liability to make any payment of interest shall accrue to the Selling Shareholders unless any delay in making any of the payments hereunder or any delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is solely attributable to the relevant Selling Shareholder.

Any unsubscribed portion remaining in the ABCL Shareholder Reservation Portion was added to the Net Offer. Further, subject to valid bids having been received at or above the Offer Price, under subscription, if any, in any category except the QIB portion, would be met with spill-over from the other categories at the discretion of our Company and the Selling Shareholders, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, and the Designated Stock Exchange.

Further, our Company will ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of SEBI ICDR Regulations failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, the Selling Shareholders and our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for Disposal of Odd Lots

Since the Equity Shares will be traded in dematerialised form only, and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Offer Equity Share capital of our Company, lock-in of the Promoter's minimum contribution and the Anchor Investor lock-in as provided in "*Capital Structure*" beginning on page 68 and except as provided in the Articles of Association, there are no restrictions on transfer or transmission of Equity Shares and their consolidation or sub-division. For details see "*Main Provisions of Articles of Association*" beginning on page 343.

OFFER STRUCTURE

The Offer is of 38,880,000* Equity Shares at an Offer Price of ₹712.00 per Equity Share for cash aggregating to ₹27,682.56 million comprising an Offer for Sale of 2,850,880* Equity Shares by ABCL aggregating to ₹2,029.83 million and 36,029,120* Equity Shares by Sun Life AMC aggregating to ₹25,652.73 million.

The Offer comprises a Net Offer of 36,936,000* Equity Shares and ABCL Shareholders Reservation Portion of 1,944,000* Equity Shares. The Offer and the Net Offer shall constitute 13.50% and 12.83%, respectively of the post-Offer paid-up Equity Share capital of our Company.

**Subject to finalisation of the Basis of Allotment*

The Offer is being made through the Book Building Process.

Particulars	ABCL Shareholders Reservation Portion	QIBs ⁽¹⁾	Non-Institutional Bidders	RIBs
Number of Equity Shares available for Allotment or allocation ^{*(2)}	1,944,000* Equity Shares	Not more than 18,468,000* Equity Shares	Not less than 5,540,400* Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and RIBs	Not less than 12,927,600* Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer size available for Allotment or allocation	The ABCL Shareholders Reservation Portion constituted 5% of the size of the Offer	Not more than 50% of the Net Offer was made available for allocation to QIB Bidders. However, 5% of the Net QIB Portion was made available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion were also eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion was added to the Net QIB Portion	Not less than 15% of the Net Offer or the Net Offer less allocation to QIB Bidders and RIBs	Not less than 35% of the Net Offer or the Net Offer less allocation to QIB Bidders and Non-Institutional Bidders
Basis of Allotment if respective category is oversubscribed*	Proportionate**	Proportionate as follows (excluding the Anchor Investor Portion): (a) 369,360* Equity Shares were made available for allocation on a proportionate basis to Mutual Funds only; and (b) 7,017,840* Equity Shares were made available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. 11,080,800* Equity Shares i.e. 60% of the QIB Portion (of 18,468,000 Equity Shares) have been allocated on a discretionary basis to Anchor Investors of which one-third were made available for allocation to Mutual Funds only, subject to valid Bid having been received from Mutual Funds	Proportionate	Proportionate, subject to minimum bid lot. The allotment to each RIBs shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be available to be allotted on a proportionate basis.

Particulars	ABCL Shareholders Reservation Portion	QIBs ⁽¹⁾	Non-Institutional Bidders	RIBs
		at or above the Anchor Investor Allocation Price.		
Mode of Bid	ASBA only (including the UPI Mechanism for ABCL Shareholders Bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000 under the UPI Mechanism))	ASBA only (excluding the UPI Mechanism) except for Anchor Investors ⁽³⁾	ASBA only (excluding the UPI Mechanism)	ASBA only (including the UPI Mechanism)
Minimum Bid	20 Equity Shares	Such number of Equity Shares in multiples of 20 Equity Shares such that the Bid Amount exceeds ₹200,000	Such number of Equity Shares in multiples of 20 Equity Shares such that the Bid Amount exceeds ₹200,000	20 Equity Shares
Maximum Bid	Such number of Equity Shares and in multiples of 20 Equity Shares such that the Bid Amount does not exceed the ABCL Shareholder Reservation Portion	Such number of Equity Shares in multiples of 20 Equity Shares not exceeding the size of the Net Offer, subject to limits applicable to each Bidder	Such number of Equity Shares in multiples of 20 Equity Shares not exceeding the size of the Net Offer (excluding the QIB Portion), subject to limits applicable to Bidder	Such number of Equity Shares in multiples of 20 Equity Shares so that the Bid Amount does not exceed ₹200,000
Mode of Allotment	Compulsorily in dematerialised form			
Bid Lot	20 Equity Shares and in multiples of 20 Equity Shares thereafter			
Allotment Lot	A minimum of 20 Equity Shares and in multiples of one Equity Share thereafter			
Trading Lot	One Equity Share			
Who can apply ⁽⁴⁾	Individuals and HUFs who are the public equity shareholders of ABCL, (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines and depository receipt holders of ABCL) as on the date of the Red Herring Prospectus.	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, registered with SEBI, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹250 million, pension fund with minimum corpus of ₹250 million, National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, family offices, trusts, FPIs who are individuals, corporate bodies and family offices.	Resident Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares such that the Bid amount does not exceed ₹2,00,000 in value.
Terms of Payment	In case of Anchor Investors: Full Bid Amount was payable by the Anchor Investors at the time of submission of their Bids⁽⁵⁾ In case of all other Bidders: Full Bid Amount was blocked by the SCSBs in the bank account of the ASBA Bidder, or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form			

*Subject to finalisation of the Basis of Allotment.

** Any unsubscribed portion remaining in the ABCL Shareholder Reservation Portion was added to the Net Offer. Further, subject to valid bids having been received at or above the Offer Price, under-subscription, if any, in any category, except the QIB Category, was allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company and the Selling Shareholders in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws. Bidders bidding in the ABCL Shareholders Reservation Portion were

also allowed to Bid under the Net Offer and such Bids were not be treated as multiple Bids subject to applicable limits. To clarify, a ABCL Shareholder Bidding in the ABCL Shareholders Reservation Portion above ₹200,000 was allowed to Bid in the Net Offer for ₹200,000, otherwise such Bids were treated as multiple Bids and both the Bids were cancelled. If ABCL Shareholder was Bidding in the ABCL Shareholders Reservation Portion up to ₹200,000, application by such ABCL Shareholder in Retail Portion or Non-Institutional Portion, were not treated as multiple Bids. Therefore, ABCL Shareholders bidding in the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) were also allowed to Bid under the Net Offer and such Bids were not treated as multiple Bids.

- (1) Our Company and the Selling Shareholders, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers allocated 60% of the QIB Portion to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is ₹100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but ₹2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50 million per Anchor Investor, and (iii) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation of ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof will be permitted, subject to minimum allotment of ₹50 million per Anchor Investor. An Anchor Investor was required to make a minimum Bid of such number of Equity Shares, that the Bid Amount was at least ₹100 million. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received at or above the price at which allocation is made to Anchor Investors.
- (2) Subject to valid Bids having been received at or above the Offer Price. This is an Offer in terms of Rule 19(2)(b) of the SCRR and Regulation 6(1) of the SEBI ICDR Regulations.
- (3) Anchor Investors were not permitted to use the ASBA process.
- (4) In case of joint Bids, the Bid cum Application Form contained only the name of the first Bidder whose name appeared as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder was required in the Bid cum Application Form and such first Bidder was deemed to have signed on behalf of the joint holders.
- (5) Full Bid Amount was payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price was payable by the Anchor Investor Pay-In Date as indicated in the CAN.

Bidders were required to confirm and had been deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Any unsubscribed portion remaining in the ABCL Shareholder Reservation Portion was added to the Net Offer. Further, subject to valid Bids having been received at or above the Offer Price, under subscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories or a combination of categories at the discretion of our Company and the Selling Shareholders, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, and the Designated Stock Exchange.

OFFER PROCEDURE

All Bidders should read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges, Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer especially in relation to the process for Bids by RIBs and ABCL Shareholders under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) Bidding through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on/or after May 1, 2021 except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, as amended, and the provisions of this circular are deemed to form part of this Prospectus.

Our Company, the Selling Shareholders, the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document, and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus, and this Prospectus.

Further, our Company, the Selling Shareholders and the members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Offer.

Book Building Procedure

The Offer has been made in terms of Rule 19(2)(b) of the SCRR through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer was allocated on a proportionate basis to QIBs. Our Company and the Selling Shareholders shall, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, allocated 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one-third was made available for allocation to domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the Net QIB Portion was made available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion was made available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. Further, not less than 15% of the Net Offer was made available for allocation to Non-Institutional Bidders and not less than 35% of the Net Offer was made available for allocation to RIBs in accordance with SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price. Further, 1,944,000* Equity Shares,

aggregating to ₹1,384.13 million was made available for allocation on a proportionate basis only to ABCL Shareholders Bidding in the ABCL Shareholders Reservation Portion, subject to valid Bids having been received at or above the Offer Price.

**Subject to finalisation of the Basis of Allotment*

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms, which do not have the details of the Bidders' depository account, including DP ID, Client ID, UPI ID (in case of RIBs and ABCL Shareholders Bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) using the UPI Mechanism) and PAN, shall be treated as incomplete and are liable to be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Phased implementation of unified payments interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to three Working Days.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus were made available with the Designated Intermediaries at the relevant Bidding Centres, and at our Registered and Corporate Office. An electronic copy of the Bid cum Application Form was also made available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid / Offer Opening Date.

Copies of the Anchor Investor Application Form were made available at the offices of the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers.

All Bidders (other than Anchor Investors) were required to mandatorily participate in the Offer only through the ASBA process. Anchor Investors were not permitted to participate in the Offer through the ASBA process. The RIBs and ABCL Shareholders Bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) could additionally Bid through the UPI Mechanism.

ASBA Bidders (not using the UPI Mechanism) were required to provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

All ASBA Bidders were required to provide either, (i) bank account details and authorizations to block funds in the ASBA Form; or (ii) the UPI ID (in case of RIBs), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that did not contain such details will be rejected. Applications made by the RIBs using third party bank account or using third party linked bank account UPI ID are liable to be rejected.

RIBs and ABCL Shareholders under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) Bidding using the UPI Mechanism were required to provide the valid UPI ID in the relevant space provided in the

Bid cum Application Form and the Bid cum Application Forms that did not contain the UPI ID are liable to be rejected.

ASBA Bidders were required to ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs and ABCL Shareholders bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) using UPI Mechanism, submitted their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/unblocked.

Anchor Investors were not permitted to participate in the Issue through the ASBA process. For Anchor Investors, the Anchor Investor Application was made available with the Managers.

The prescribed colour of the Bid cum Application Form for the various categories was as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including QIBs, Non-institutional Investors and Retail Individual Investors, each resident in India and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPIs or FVCIs registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue
Anchor Investors	White
ABCL Shareholders applying in the ABCL Shareholders Reservation Portion	Green

* Excluding electronic Bid cum Application Form

** Bid cum Application Forms for Anchor Investors were also made available at the office of the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers.

Electronic Bid cum Application forms were made available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).

The Designated Intermediaries (other than SCSBs) were required to submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and were restricted from submitting it to any non-SCSB bank or any Escrow Bank. Further, SCSBs were required to upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. Stock Exchanges validated the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and brought inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges were allowed modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For RIBs and ABCL Shareholders bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) using UPI mechanism, the Stock Exchanges were required to share the bid details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs and ABCL Shareholders bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) for blocking of funds. The Sponsor Bank was required to initiate request for blocking of funds through NPCI to RIBs, who accepted the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI was required to maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate RIBs and ABCL Shareholders bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) (using the UPI Mechanism) in case of failed transactions was required to be with the concerned entity (i.e. the Sponsor Bank, NPCI or the Bankers to the Offer) at whose end the lifecycle of the transaction came to a halt. The NPCI was required to share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to the Offer. The Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers were also required to obtain the audit trail from the Sponsor Banks and the Bankers to the Offer for analysing the same and fixing liability.

Participation by Promoters, Promoter Group, the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers, the Syndicate Members and persons related to Promoters/Promoter Group/the Global Coordinators and Book Running Lead Managers/the Book Running Lead Managers

The Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers and the Syndicate Members were not allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers and the Syndicate Members were allowed to Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as was applicable to such Bidders, where the allocation was on a proportionate basis, and such subscription was allowed to be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers and Syndicate Members, were required to be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Global Coordinators and Book Running Lead Managers/Book Running Lead Managers nor any associate of the Global Coordinators and Book Running Lead Managers/Book Running Lead Managers were permitted to apply in the Offer under the Anchor Investor Portion:

- (i) mutual funds sponsored by entities which are associate of the Global Coordinators and Book Running Lead Managers/Book Running Lead Managers;
- (ii) insurance companies promoted by entities which are associate of the Global Coordinators and Book Running Lead Managers/Book Running Lead Managers;
- (iii) AIFs sponsored by the entities which are associate of the Global Coordinators and Book Running Lead Managers/Book Running Lead Managers; or
- (iv) FPIs sponsored by the entities which are associate of the Global Coordinators and Book Running Lead Managers/Book Running Lead Managers.

Further, the Promoters and members of the Promoter Group were not allowed to participate by applying for Equity Shares in the Offer. Further, persons related to the Promoters and Promoter Group were not allowed to apply in the Offer under the Anchor Investor Portion. However, a qualified institutional buyer who had any of the following rights in relation to our Company were deemed to be a person related to the Promoters or Promoter Group of our Company:

- (i) rights under a shareholders agreement or voting agreement entered into with the Promoters or Promoter Group of our Company;
- (ii) veto rights; or
- (iii) right to appoint any nominee director on our Board.

Further, an Anchor Investor were deemed to be an “associate of the Global Coordinators and Book Running Lead Managers or the Book Running Lead Managers ” if:

- (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or
- (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or
- (iii) there is a common director, excluding nominee director, amongst the Anchor Investors, the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate was required to be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, reserved the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds were required to specifically state names of the concerned schemes for which such Bids were made.

In case of a Mutual Fund, a separate Bid was allowed to be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund were not treated as multiple Bids provided that the Bids clearly indicated the scheme concerned for which such Bid was made.

No Mutual Fund scheme could invest more than 10% of its NAV in equity shares or equity-related instruments of any single company, provided that the limit of 10% was not applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes can own more than 10% of any company's paid-up share capital carrying voting rights.

The Schemes of Aditya Birla Sun Life Mutual Fund did not apply for Equity Shares in this Offer.

Bids by sponsors of a Mutual Fund, its associate or group company including the asset management company of the mutual fund

In terms of the SEBI Mutual Fund Regulations, no sponsor of a mutual fund, its associate or group company including the asset management company of the mutual fund, through the schemes of the mutual fund or otherwise, individually or collectively, directly or indirectly, can have (a) 10% or more of the shareholding or voting rights in the asset management company or the trustee company of any other mutual fund; or (b) representation on the board of directors of the asset management company or the trustee company of any other mutual fund.

Accordingly, no person who is a sponsor of any other mutual fund in India its associate or group company, or the asset management company and/or a scheme of such mutual fund, could make Bids for such number of Equity Shares which could result such person(s), individually or collectively, directly or indirectly, holding 10% or more of the shareholding or voting rights in our Company.

Bids by a shareholder holding 10% or more of the shareholding or voting rights in an asset management company (not being our Company) or the trustee company of a mutual fund (not being Aditya Birla Sun Life Mutual Fund)

In terms of the SEBI Mutual Fund Regulations, any shareholder holding 10% or more of the shareholding or voting rights in an asset management company or the trustee company of a mutual fund cannot have, directly or indirectly, (a) 10% or more of the shareholding or voting rights in the asset management company or the trustee company of any other mutual fund; or (b) representation on the board of directors of the asset management company or the trustee company of any other mutual fund.

Accordingly, no person holding 10% or more of the shareholding or voting rights in an asset management company or the trustee company of any other mutual fund in India, could make Bids for such number of Equity Shares which could result such person, directly or indirectly, holding 10% or more of the shareholding or voting rights in our Company

Bids by Eligible NRIs

Eligible NRIs Bidding on non-repatriation basis were advised to use the Bid cum Application Form for residents (White in colour). Eligible NRIs Bidding on a repatriation basis were advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour).

Eligible NRIs were required to obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange were considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms were required to authorise their respective SCSB to block their Non- Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms were required to authorise their respective SCSB to block their Non-Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs who applied on a non-repatriation basis in the Offer through the UPI Mechanism were advised to enquire with their relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

For details of restrictions on investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 342.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules.

Bids by HUFs

Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/applicant was required to specify that the Bid was being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ was the name of the *Karta*”. Bids/Applications by HUFs could be considered at par with Bids/Applications from individuals.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) was required to be below 10% of our total paid-up Equity Share capital on a fully diluted basis. Further, in terms of the FEMA Rules, the total holding by each FPI was required to be less than 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations was required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer were advised to use the Bid cum Application Form for Non-Residents (Blue in colour).

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

As specified in 4.1.4.2 (b)(i) and 4.1.4.2 (c)(iv) of the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (“**MIM Structure**”), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should

be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids are liable to be rejected. Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments (“ODI”) which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category 1 FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

With effect from the April 1, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis. While the aggregate limit as provided above could have been decreased by the concerned Indian companies to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit and accordingly the applicable limit with respect to our Company is 100%.

FPIs were permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments was also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to *inter alia* the following conditions:

- (a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the Offer shall be subject to the FEMA Rules.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million and pension funds with a minimum corpus of ₹250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable were required to be lodged along with the Bid cum Application Form. Failing this, our Company and Selling Shareholders reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company and the Selling Shareholders, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations, *inter alia*, prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company, the Selling Shareholders, the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the Offer shall be subject to the FEMA Rules.

All non-resident investors were required to note that refunds (in case of Anchor Investors), dividends and other distributions, if any, was payable in Indian Rupees only and net of bank charges and commission.

Bids by Limited Liability Partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, was required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers reserve the right to reject any Bid without assigning any reason thereof.

Bids by Banking Companies

In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee were required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended, (the "**Banking Regulation Act**"), and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial services company cannot exceed 20% of the investee company's paid up share capital and reserves. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer were required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs were required to ensure that for making applications on their own account using ASBA, they were required to have a separate account in their own name with any other SEBI registered SCSBs. Further, such account was to be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI was required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations for specific investment

limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds with minimum corpus of ₹250 million, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund was required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers reserve the right to reject any Bid, without assigning any reason thereof.

Bids by ABCL Shareholders

Bids under the ABCL Shareholders Reservation Portion were required to be subject to the following:

1. Made only in the prescribed Bid cum Application Form or Revision Form (i.e. Green colour form).
2. Only ABCL Shareholders (i.e. individuals and HUFs who are public equity shareholders of ABCL (excluding depository receipt holders and such other persons not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines) as at the date of the Red Herring Prospectus) were eligible to apply in this Offer under the ABCL Shareholders Reservation Portion.
3. The sole/ First Bidder was required to be the ABCL Shareholder.
4. Only those Bids, which are received at or above the Offer Price, would be considered for allocation under this category.
5. The Bids must be for a minimum of 20 Equity Shares and in multiples of 20 Equity Shares thereafter.
6. Bids by ABCL Shareholders in ABCL Shareholders Reservation Portion and in the Net Offer portion were not treated as multiple Bids subject to applicable limits. To clarify, an ABCL Shareholder bidding in the ABCL Shareholders Reservation Portion above ₹200,000 could Bid in the Net Offer for ₹200,000, otherwise such Bids were treated as multiple Bids and both the Bids were cancelled. If an ABCL Shareholder was Bidding in the ABCL Shareholders Reservation Portion up to ₹200,000, application by such ABCL Shareholder in Retail Portion or Non-Institutional Portion, were treated as multiple Bids. Therefore, ABCL Shareholders bidding in the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) could also Bid under the Net Offer and such Bids were treated as multiple Bids.
7. If the aggregate demand in this category is less than or equal to 1,944,000 Equity Shares at or above the Offer Price, full allocation shall be made to the ABCL Shareholders to the extent of their demand.
8. Any unsubscribed portion remaining in the ABCL Shareholder Reservation Portion was added to the Net Offer. Further, subject to valid bids having been received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers and the Designated Stock Exchange.
9. If the aggregate demand in the ABCL Shareholder Reservation Portion is greater than 1,944,000 Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis.
10. ABCL Shareholders Bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) were entitled to Bid at the Cut-off Price.
11. ABCL Shareholders under the ABCL Shareholders Reservation Portion were permitted to Bid through the UPI Mechanism, provided the Bid Amount does not exceed ₹200,000.

ABCL Shareholders were required to have a valid PAN and their PAN was required be updated with the register of shareholders maintained with ABCL. Further, ABCL Shareholders were required to have a valid demat account number and details, as Equity Shares could only be Allotted to ABCL Shareholders having a valid demat account.

Grounds for Technical Rejection for ABCL Shareholders:

Multiple Bid cum Application Forms were liable to be rejected in the event (i) an ABCL Shareholder holding multiple demat accounts made such multiple applications and (ii) an ABCL Shareholder, being first holder of a joint demat account made multiple applications individually and jointly. In the event applications were made in the ABCL Reservation Portion, Bidders were required to ensure that they have a valid PAN and the PAN is updated with the register of shareholders maintained with ABCL. For example, in case there is no PAN updated in the register of shareholders maintained with ABCL or the PAN mentioned in the application form does not match with the PAN in the register of shareholders maintained with ABCL, the applications were rejected.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, were required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Offer are required to comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

The information set out above was given for the benefit of the Bidders. Our Company, the Selling Shareholders, the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of the Red Herring Prospectus, this Prospectus or which may occur after the Bid/Offer Closing Date. Bidders were advised to make their independent investigations and ensure that any single Bid from them did not exceed the applicable investment limits or maximum number of the Equity Shares that could be held by them under applicable law or regulations, or as specified in the Red Herring Prospectus or as specified in this Prospectus.

General Instructions

Please note that QIBs, Non-Institutional Bidders and ABCL Shareholders bidding under the ABCL Shareholder Reservation Portion for a Bid Amount more than ₹200,000 were not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs and ABCL Shareholders bidding under the ABCL Shareholder Reservation Portion (subject to the Bid Amount being up to ₹200,000) were allowed to revise their Bid(s) during the Bid/Offer Period and withdraw or lower the size of their Bid(s) until Bid/Offer Closing Date. Anchor Investors were not allowed to withdraw their Bids after the Anchor Investor Bid/Offer Period.

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
3. Ensure that you have Bid within the Price Band;
4. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
5. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not an RIB or an ABCL Shareholder bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB or an ABCL Shareholder bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;
7. RIBs and ABCL Shareholders bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) Bidding in the Offer shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs and ABCL Shareholders bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party
8. Retail Individual Bidders and ABCL Shareholders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs;
9. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;

10. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;
11. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
12. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or acknowledgment specifying the application number as a proof of having accepted the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008 issued by SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned are liable to be rejected;
15. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
16. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
17. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;
18. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
19. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.
20. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, were required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which were required to be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids are liable to be rejected;
21. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for RIBs and ABCL Shareholders bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for RIBs and ABCL Shareholders bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) bidding through UPI mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for RIBs and ABCL Shareholders bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) bidding through UPI mechanism) and PAN available in the Depository database;
22. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
23. Ensure that you have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Offer through the UPI

Mechanism, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

24. Ensure that the Demographic Details are updated, true and correct in all respects;
25. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer, which is UPI 2.0 certified by NPCI;
26. Bidders (except RIBs and ABCL Shareholders under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIBs, once the Sponsor Bank issues the Mandate Request, the RIBs would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
27. RIBs and ABCL Shareholders under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a RIB and ABCL Shareholders under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the RIB and ABCL Shareholders under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) Bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank issue a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;
28. RIBs and ABCL Shareholders under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;
29. RIBs and ABCL Shareholders bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) using the UPI Mechanism who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner;
30. Bidders bidding under the ABCL Shareholders Reservation Portion should ensure that they have a valid PAN and their PAN is updated with the register of shareholders maintained with ABCL;
31. Bidders should ensure that their PAN is linked with Aadhaar and that they are in compliance with the notification dated February 13, 2020, issued by Central Board of Direct Taxes and the subsequent press releases, including press release dated June 25, 2021;
32. Bids by Eligible NRIs for a Bid Amount of less than ₹200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹200,000 would be considered under the Non-Institutional Category for allocation in the Offer;
33. RIBs and ABCL Shareholders bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019; and
34. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date.

The Bid cum Application Form was liable to be rejected if the above instructions, as applicable, were not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which was not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 was liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid Lot;
2. Do not submit a Bid using UPI ID, if you are not a RIB or if you are an ABCL Shareholder applying for Bid amount above ₹200,000;
3. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by RIBs);

4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
5. Do not Bid/ revise the Bid amount to less than the Floor Price or higher than the Cap Price;
6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Do not Bid at Cut-off Price (for Bids by QIBs, Non-Institutional Bidders and ABCL Shareholders bidding more than ₹200,000);
9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
10. Do not submit the Bid for an amount more than funds available in your ASBA account;
11. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
12. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
13. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
15. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
16. In case of ASBA Bidders (other than RIBs and ABCL Shareholders bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;
17. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;
18. Anchor Investors should not bid through the ASBA process;
19. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;
20. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
21. Do not submit the GIR number instead of the PAN;
22. Anchor Investors should submit Anchor Investor Application Form only to the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers;
23. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;
24. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid / Offer Closing Date;
25. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder or an ABCL Shareholders bidding under the ABCL Shareholder Reservation Portion for a Bid Amount more than ₹200,000;
26. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are RIB or an ABCL Shareholders bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;
27. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
28. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a RIB or an ABCL Shareholders bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) Bidding through the UPI Mechanism. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Offer;

29. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;
30. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIBs and ABCL Shareholders bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) using the UPI Mechanism;
31. Do not Bid if you are an OCB;
32. RIBs and ABCL Shareholders under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a banks which is not mentioned in the list provided in the SEBI website is liable to be rejected; and
33. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIBs and ABCL Shareholders under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) Bidding using the UPI Mechanism.

For helpline details of the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “*General Information – Global Coordinators and Book Running Lead Managers and Book Running Lead Managers*” on pages 60-61.

The Bid cum Application Form was liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders were requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by RIBs and ABCL Shareholders bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by RIBs and ABCL Shareholders bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. ASBA Form by the RIBs and ABCL Shareholders bidding under the ABCL Shareholders Reservation Portion (subject to the Bid Amount being up to ₹200,000) by using third party bank accounts or using third party linked bank account UPI IDs;
10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
11. GIR number furnished instead of PAN;
12. Bids by RIBs with Bid Amount of a value of more than ₹200,000 (net of Retail Discount);
13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Bids accompanied by stock invest, money order, postal order or cash; and
15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders and ABCL Shareholders bidding in ABCL Shareholders Reservation Portion (for Bid Amount of more than ₹200,000) uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs and ABCL Shareholders bidding in ABCL Shareholders Reservation Portion (for Bid Amount ₹200,000) uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended

by the Stock Exchanges. On the Bid/Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors and ABCL Shareholders bidding in the ABCL Shareholders Reservation Portion (for Bid Amount ₹200,000), after taking into account the total number of Bids received closure of timings for acceptance of Bid-cum-Application Forms as stated herein and as informed to the Stock Exchanges.

Further, in case of any pre-issue or post issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Head - Compliance, Legal and Secretarial, Company Secretary and Compliance officer. For details of our Company Secretary and Compliance officer, see “*General Information*” beginning on page 58.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer through the Red Herring Prospectus.

The allotment of Equity Shares to applicants other than to the RIBs and Anchor Investors was made on a proportionate basis within the respective investor categories and the number of securities allotted was rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each RIB shall not be less than the minimum bid lot, subject to the availability of Equity Shares in RIB category, and the remaining available shares, if any, were made available for allocation on a proportionate basis.

Payment into Anchor Investor Escrow Accounts

Our Company and the Selling Shareholders, in consultation with the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers decided the list of Anchor Investors to whom the CAN was sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names was notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account was required to be drawn in favour of:

- (a) In case of resident Anchor Investors: “ABSL AMC – Anchor – R”
- (b) In case of Non-Resident Anchor Investors: “ABSL AMC – Anchor – NR”

Anchor Investors were required to note that the escrow mechanism was not prescribed by SEBI and was established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Our Company after filing the Red Herring Prospectus with the RoC, published a pre-Offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of English national daily newspaper, Financial Express, all editions of Hindi national daily newspaper, Jansatta and Mumbai editions of the Marathi daily newspaper Navshakti (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located) each with wide circulation.

In the pre-Offer advertisement, we stated the Bid/Offer Opening Date and the Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, was in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment Advertisement

Our Company, the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of English national daily newspaper, Financial Express, all editions of Hindi national daily newspaper,

Jansatta and Mumbai editions of the Marathi daily newspaper Navshakti (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located) each with wide circulation.

The information set out above was given for the benefit of the Bidders/applicants. Our Company, the Selling Shareholders, the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus and this Prospectus and which may occur after the date of this Prospectus. Bidders/applicants were advised to make their independent investigations and ensure that the number of Equity Shares Bid for did not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and Filing with the RoC

- (a) Our Company, the Selling Shareholders and the Underwriters have entered into an Underwriting Agreement after the finalisation of the Offer Price.
- (b) After signing the Underwriting Agreement, an updated Red Herring Prospectus is being filed with the RoC in accordance with applicable law, which is termed as this Prospectus. This Prospectus contains details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and is complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,***

shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid/Offer Closing Date or within such other time period prescribed by SEBI will be taken;
- the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- if Allotment is not made within six Working Days from the Bid/Offer Closing Date or such other prescribed timelines under applicable laws, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws. If there is a delay beyond such prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and other applicable laws for the delayed period;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- the Promoter's contribution, if any, shall be brought in advance before the Bid/Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees, in accordance with the applicable provisions of the SEBI ICDR Regulations;
- that if our Company does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges shall be informed promptly;
- that if the Offer is withdrawn after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event a decision is taken to proceed with the Offer subsequently;
- that our Company shall not have recourse to the Net Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received
- no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the relevant ASBA Accounts on account of non-listing, under-subscription, etc.; and
- adequate arrangements shall be made to collect all Bid cum Application Forms from Bidders.

Undertakings by the Selling Shareholders

Each Selling Shareholder undertakes, severally and not jointly, in relation to itself and its respective portion of the Offered Shares that:

- its respective portion of the Offered Shares have been held by it for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus with SEBI, such period determined in accordance with Regulation 8 of the SEBI ICDR Regulations;
- it is the legal and beneficial owner of the Offered Shares, and that such Offered Shares shall be transferred in the Offer, free from liens, charges and encumbrances;
- it shall deposit the Equity Shares offered by it in the Offer in an escrow account opened with the Share Escrow Agent prior to the filing of the Red Herring Prospectus with the RoC;
- it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;
- it shall not have recourse to the proceeds of the Offer for Sale until final approval for trading of the Equity Shares from the Stock Exchanges has been received.

The statements and undertakings provided above, in relation to the Selling Shareholders, are statements which are specifically confirmed or undertaken, severally and not jointly, by each Selling Shareholder in relation to itself and its respective portion of the Offered Shares. All other statements or undertakings or both in this Prospectus in relation to the Selling Shareholders, shall be statements made by our Company, even if the same relate to the Selling Shareholders.

Utilisation of Net Proceeds

The Selling Shareholders, severally and not jointly, and together with our Company declare that all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Consolidated FDI Policy and FEMA. The government bodies responsible for granting foreign investment approvals are the concerned ministries or departments of the Government of India and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT, issued the FDI Policy by way of circular bearing number DPIIT File Number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular. Up to 100% foreign investment under the automatic route is currently permitted in “Other Financial Services”, which refers to financial services activities regulated by financial sector regulators, including the SEBI, as notified by the Government of India, subject to conditions specified by the concerned regulator (in our case, the SEBI), if any.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

As per the existing policy of the Government, OCBs were not permitted to participate in the Offer.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) in the United States to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act), pursuant to Section 4(a) of the U.S. Securities Act.

We intend to rely on an exception from the definition of investment company under the U.S. Investment Company Act of 1940, as amended, in connection with this Offer.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders, the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which have occurred after the date of the Red Herring Prospectus, and which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association. Pursuant to Schedule I of Companies Act and the SEBI ICDR Regulations, the main provisions of the Articles of Association are detailed below:

“The Articles of Association of the Company comprise two parts, Part A and Part B. Until the listing and commencement of trading of equity shares of the Company on a recognized stock exchange pursuant to the initial public offering of the equity shares of the Company (“Offer”), provisions of Part B shall be applicable. However, on and from the date of listing and commencement of trading of the equity shares of the Company on the stock exchange(s) in India pursuant to the Offer, Part B shall automatically stand deleted, not have any force and be deemed to be removed from the Articles of Association and the provisions of the Part A shall come into effect and be in force, without any further corporate or other action by the Company or its shareholders, unless specified otherwise in these Articles. Further, rights of Aditya Birla Capital Limited (“ABCL”), Sun Life (India) AMC Investments Inc. (“Sun Life India”) and their Affiliates (to the extent applicable) under Articles 115, 116, 117, 129 and 194 of Part A shall be subject to such rights being approved by the Members of the Company through a Special Resolution at the first General Meeting of the Company held post listing of Equity Shares on the stock exchanges, in accordance with applicable law. The defined terms used in this paragraph and not specifically defined to have meaning as provided in Article 2 below.

This set of Articles of Association has been approved pursuant to the provisions of Section 14 of the Companies Act, 2013 and by a special resolution passed at the Extraordinary General Meeting of the Aditya Birla Sun Life AMC Limited (the “Company”) held on September 8, 2021.

These Articles have been adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles thereof”.

PART A

Article 1 provides that, “Unless the context otherwise requires, words or expressions contained in these Articles and not defined herein shall bear the same meaning as in the Act. The regulations contained in Table F in the Schedule to the Act do not apply to the Company except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the Act.”

Article 2 provides that:

“2(1). In the interpretation of these Articles, the following expressions shall, unless repugnant to the subject or the context, have the meanings hereby respectively assigned to them;

- b. **“ABCL”** means Aditya Birla Capital Limited, a public listed company having its principal office at One World Centre, Tower-1, 18th Floor, Jupiter Mills Compound, 841 S.B. Marg, Elphinstone Road, Mumbai 400 013, India;
- c. **“Act”** means the Companies Act, 2013 or any statutory modification or re-enactment thereof from time to time, together with the applicable Rules;
- d. **“Aditya Birla Conglomerate”** which represents all entities in which Mr. Kumar Mangalam Birla and his family hold 20% or more of the equity capital or are beneficial owners of more than 20% of the equity capital including their subsidiaries or who are licensed to use the house mark “Aditya Birla” (it being understood that at the date of this Agreement these Persons include, without limitation, ABCL);
- e. **“Affiliate”** of a Person (the first Person) means (i) a Person Controlled by the first Person, (ii) a Person Controlled by the first Person and one or more Persons, each of which is Controlled by the first Person, (iii) a Person that Controls the first Person or (iv) a Person that is under common Control with the first Person by another Person; and with respect to ABCL, shall include the members or constituents of the Aditya Birla Conglomerate;
- f. **“Annual General Meeting”** has the meaning ascribed to it under Section 96 of the Act;
- g. **“Articles”** means these articles of association of the Company, including the amendments made from time to time and **“Article”** means an article of these Articles;
- h. **“Auditor”** means the statutory auditor of the Company appointed from time to time;
- i. **“Authorised Capital”** means such capital as is authorised by the Memorandum to be the maximum amount of share capital of the Company;
- j. **“Beneficial Owner”** means a Person whose name is recorded as such with a Depository;
- k. **“Board” or “Board of Directors”** means the board of directors of the Company, duly constituted, consisting of the Directors collectively;
- l. **“Board Meeting”** has the meaning ascribed to it under Section 173 of the Act;
- m. **“CEO”** means the chief executive officer of the Company;
- n. **“CFO”** means the chief financial officer of the Company;
- o. **“Chairman”** means the chairman of the Board and of the Company, as applicable;
- p. **“Company”** means Aditya Birla Sun Life AMC Limited;
- q. **“Control”** of a Person means: (i) the direct or indirect ownership, beneficially or legally, of voting shares, registered capital or other interest in that Person, to which are attached more than 50% of the votes that may be cast to elect the board of directors or equivalent decision-making body of that Person and such votes are sufficient, if exercised, to elect a majority of the board of directors or equivalent decision-making body of that Person or (ii) having control, in fact, of that Person;

- and “Controls” and “Controlling” and similar words have corresponding meanings;
- r. **“Debentures”** includes debenture stock, bonds or any other instrument of a company evidencing a debt, whether constituting a charge on the assets of the company or not;
 - s. **“Depository”** means a company formed and registered under the Act and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the SEBI Act, 1992;
 - t. **“Depositories Act”**, means the Depositories Act, 1996, and includes where the context so admits, any re-enactment or statutory modification thereof, for the time being in force;
 - u. **“Director”** means a member of the Board;
 - v. **“Dividend”** includes any interim dividend;
 - w. **“Document”** includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of the Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form;
 - x. **“Extraordinary General Meeting”** has the meaning ascribed to it in Section 100 of the Act;
 - y. **“General Meeting”** means a meeting of the Shareholders and includes an Annual General Meeting or an Extraordinary General Meeting;
 - z. **“in writing” and “written”** include printing, lithograph and other modes of representing or reproducing words in a visible form;
 - aa. **“Independent Director”** has the meaning ascribed to it in Section 2(47) of the Act;
 - bb. **“Indian Law”** means the laws and regulations in force, or the policies or requirements of any government authority, from time to time in India;
 - cc. **“Manager”** has the meaning ascribed to it in Section 2(53) of the Act;
 - dd. **“Managing Director”** means a Director, who by virtue of these Articles or an agreement with the Company or a resolution passed by the Members in its General Meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the Company and includes a Director occupying the position of Managing Director, by whatever name called;
 - ee. **“Meeting”** means any meeting of the Board or of the Shareholders (including any meeting of a committee of the Board or Shareholders) which may be a Board Meeting or a General Meeting as the context may require;
 - ff. **“Members” or “Shareholders”** means the duly registered holder or holders, from time to time, of the Shares and includes the subscribers to the Memorandum and Articles, excluding the Nominee Shareholders;
 - gg. **“Memorandum”** means the memorandum of association of the Company as originally framed, or as altered from time to time, including the amendments made from time to time;
 - hh. **“Nominee Shareholder”** means a Person holds Shares in accordance with Section 187 of the Companies Act, 2013;
 - ii. **“Ordinary Resolution”** has the meaning ascribed to it in Section 114 of the Act;
 - jj. **“Person”** includes any individual, sole proprietorship, partnership, limited liability partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, trustee, executor, administrator, other legal representative, or other entity;
 - kk. **“Preference Shares”** means a preference share issued by the Company;
 - ll. **“Promoter Group”** means persons identified as promoter group of the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, from time to time;
 - mm. **“Promoter Shareholders” or “Promoters”** mean ABCL and Sun Life India;
 - nn. **“Proxy”** means an instrument whereby any person is authorised to vote for a Member at a General Meeting on a poll;
 - oo. **“The Register of Members”** means the register to be kept pursuant to Section 88 of the Act;
 - pp. **“Registered Office”** means the registered office for the time being of the Company;
 - qq. **“Registered Owner”** means a Depository whose name is entered as such in the register of Company;
 - rr. **“Rules”** means rules issued under the Act, as may be amended;
 - ss. **“SEBI”** means the Securities and Exchange Board of India;
 - tt. **“Secretary” or “CS”** means the individual appointed to perform the duties that may be performed by a company secretary under the Act;
 - uu. **“Securities Premium Account”** has the meaning ascribed to it in Section 52 of the Act;
 - vv. **“Share”** means any voting share of the Company, currently outstanding or which may be issued from time to time, whether on the exercise of any option, warrant or similar right or otherwise, and includes any voting share of the Company that may result from any consolidation, reclassification, or re-designation of voting share, and any voting share that may be received by any Shareholder as a result of an amalgamation, merger, arrangement or other reorganization of or including the Company;
 - ww. **“Shareholders”** means the shareholders of the Company, from time to time;
 - xx. **“Share Capital”** means the fully paid-up equity share capital of the Company;
 - yy. **“Special Resolution”** has the meaning ascribed to it in Section 114 of the Act;
 - zz. **“Subsidiary”** has the meaning ascribed to such term by Section 2(87) of the Act;
 - aaa. **“Sun Life India”** means Sun Life (India) AMC Investments Inc., with its registered office at 1 York Street, 31st Floor, Toronto, Ontario, Canada M5J 0B6;
 - bbb. The **“Registrar”** means the Registrar of Companies, having jurisdiction in the area in which the Registered Office is, for the time being, situated;
 - ccc. **“Transfer”** includes any sale, exchange, assignment, gift, bequest, disposition, mortgage, charge, pledge, encumbrance, grant of security interest or other arrangement by which possession, legal title or beneficial ownership passes from one Person to another, or to the same Person in a different capacity, whether or not voluntary and whether or not for value, and any agreement to effect any of the foregoing; and **“Transferred”**, **“Transferring”**, **“Transferor”**, **“Transferee”** and

similar words have corresponding meanings;

ddd. “**Year**” means calendar year and “Financial Year” has the meaning ascribed to it in Section 2(41) of the Act.

2(2). A reference in the Articles to any specific provision of the Act shall be deemed to include a reference to any other applicable provisions of the Act.

2(3). The marginal notes and catch lines hereto shall not affect the construction hereof.

2(4). Wherever in the Act it has been provided that the Company shall have any right or privilege or that the Company is so authorized by its Articles, then and in that case by virtue of the Article, the Company is hereby specifically authorized, empowered and entitled to have such right, privilege or authority to carry out such transactions as have been permitted by the Act without there being any separate Articles in that behalf herein provided.”

Share Capital

Article 3 provides that, “The Authorised Capital is as laid out in Clause V of the Memorandum, payable in the manner as may be determined by the Board, from time to time, with power to increase, reduce, subdivide or repay the same or divide the same into several classes, and to attach thereto any rights, conditions, privileges or to consolidate or subdivide or re-organize the Shares, subject to the provisions of this Act, and to vary such rights as may be determined in accordance with these Articles.”

Article 4 provides that, “Except so far as otherwise provided by the conditions of issue or by these presents, any share capital raised by the creation of new Shares shall be considered as part of the existing share capital and shall be subject to the provisions herein contained, with reference to the payments of calls and instalments, forfeiture, lien, surrender, Transfer and transmission, voting or otherwise.”

Article 5 provides that:

“5.1 Where at any time, it is proposed to increase the subscribed capital of the Company by allotment of further shares, whether out of unissued share capital or out of increased share capital, then:

- (a) such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on these shares at that date.
- (b) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than 7 days (or such number of days as may be prescribed under applicable Indian Law) and not exceeding thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
- (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice as aforesaid shall contain a statement of this right; provided that the Directors may decline, giving reasons for refusal to allot any shares to any person in whose favour any Member may renounce the shares offered to him.
- (d) After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Members and the Company;
- (e) employees under a scheme of employees’ stock option, subject to Special Resolution passed by the Company and subject to such conditions as may be prescribed under the Act and other applicable laws; or
- (f) any persons, whether or not those persons include the persons referred to above, either for cash or for a consideration other than cash, if the price of such Shares is determined by the valuation report of a registered valuer, subject to compliance with the applicable provisions of Chapter III of the Act and any other conditions as may be prescribed, if a Special Resolution to this effect is passed by the Company in a General Meeting.

5.2 Notwithstanding anything contained in the preceding sub-clause, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in the preceding sub-clause), in any manner whatsoever:

- (a) by a Special Resolution; or
- (b) where no such Special Resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the Resolution moved in that General Meeting by Members who, being entitled so do to, vote in person, or where proxies are allowed, by Proxy, exceed the votes, if any cast against the proposal by Members so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.

5.3 Nothing in sub-clause (b) and (c) of Article 5.1 above, shall be deemed:

- (a) To extend the time within which the offer should be accepted; or
- (b) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

5.4 Nothing in the Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued by the Company:

- (a) To convert such debentures or loans into shares of the Company; or
- (b) To subscribe for shares of the Company

Provided that the terms of the issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) Either has been approved by the Central Government before the issue of debentures or the raising of the loans or is in conformity with the Rules, if any made by that Government in this behalf; or
- (b) In the case of debentures or loans (other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf), has also been approved by the Special Resolution passed by the Company in General Meeting before the issue of the loans.”

Article 7 provides that, “Subject to the provisions of the Act as may be applicable from time to time, and the provisions of these Articles, the Company may reduce in any manner and with, and subject to, any incident authorized and consent required by law:

- (a) its Share Capital;
- (b) any capital redemption reserve account;
- (c) or any Securities Premium Account.”

Article 8 provides that, “Subject to the provisions of Sections 68 to 70 of the Act and any other applicable provision of the Act or any other law, Rules and guidelines for the time being in force, and these Articles, the Company may purchase its own Shares or other specified Securities.”

Article 9 provides that, “Subject to the provisions of Section 61 of the Act, the Company in a General Meeting may, from time to time, alter its Memorandum for all or any of the following purposes:

- (a) To consolidate and divide all or any of its share capital into Shares of larger amount than its existing Shares;
- (b) To convert all or any of its fully paid-up Shares into stock, and reconvert that stock into fully paid up Shares of any denomination;
- (c) To sub-divide its Shares or any of them into Shares of smaller amount than is fixed by the Memorandum, so that in the sub-division, the proportion between the amount paid and the amount, if any unpaid, on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived; and
- (d) To cancel any Shares which at the date of the passing of the resolution, have not been taken or agreed to be taken by any Persons and diminish the amount of its share capital by the amount of the Shares so cancelled. Cancellation of Shares in pursuance of this sub-clause shall not be deemed to be a reduction of the capital of the Company within the meaning of the Act.”

Shares

Article 11 provides that, “Subject to the provisions of the Act and these Articles, the Shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such Persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of the Act) and at such time as they may from time to time think fit, and with the approval of the Company in a General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Board deems fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold or transferred or for any services rendered by the Company in the conduct of its business and any Shares which may so be allotted may be issue as fully paid Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call of Shares shall not be given to any Person or Persons without the approval of the Company in the General Meeting.”

Article 12 provides that: “Subject to the provisions of Section 55 and other applicable provisions of the Act, the Company shall have the power to issue Preference Shares which are liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.”

Article 13 provides that, “The Preference Shares shall not confer on the holders thereof the right to vote either in person or by Proxy at any General Meeting save to the extent and in the manner provided by Section 47(2) of the Act.”

Article 14 provides that, “Subject to the provisions of the Act, the Company and each Shareholder shall dematerialise its existing Shares held in physical form so that they are held in electronic and fungible form with a Depository. The Company may offer fresh Shares for subscription only in a dematerialised form, in accordance with the applicable laws.”

Article 19 provides that, “A Depository shall be deemed to be the Registered Owner of the Shares for the purpose of effecting Transfer of ownership of Shares on behalf of the Beneficial Owner, subject to the provisions of these Articles and save as provided in the Article, the Depository as the Registered Owner of the Shares shall not have any voting rights or any other rights in respect of the Shares held by it and all such rights shall be vested with the Beneficial Owner of the Shares.”

Article 20 provides that, “Save as herein otherwise provided, the Company shall be entitled to treat the Person whose name

appears as the Beneficial Owner of the Shares in the records of the Depository as the absolute owner thereof as regards receipt of Dividends or bonus on Shares, interest/ premium on Debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by a court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such Shares, on the part of any other Person whether or not it shall have the express or implied notice thereof.”

Debentures

Article 23 provides that, “Any debentures, debenture stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at General Meetings, appointment of Directors and otherwise, debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting accorded by a Special Resolution.”

Share certificates

Article 24 provides that:

- (i) “Unless the shares have been issued in dematerialized form in terms of applicable laws, every person whose name is entered as a Member in the Register of Members shall be entitled to receive within 2 (two) months from the date of the allotment or within 1 (one) month after the application for the registration of transfer, sub-division, consolidation, renewal or transmission or within such other period as the conditions of issue shall be provided, —
 - (a) one certificate for all his shares without payment of any charges; or
 - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by 2 (two) Directors or by a Director and the company secretary.
- (iii) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- (iv) Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive number of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the Directors may approve.”

Article 25 provides that:

- (i) “If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under the Article shall be issued on payment of twenty rupees for each certificate. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is not further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under any other act or rules applicable in this behalf.
- (ii) The provisions of the Article shall mutatis mutandis apply to debentures of the Company.”

Calls

Article 26 provides that:

- (i) “The Board may, from time to time, subject to the terms on which any Shares have been issued and subject to the conditions of allotment, by a resolution passed at a Board Meeting and not by a resolution passed through circulation, make such calls as it thinks fit upon the Members in respect of all money unpaid on the Shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.
- (ii) A call may be revoked or postponed at the discretion of the Board.
- (iii) A call may be made payable by instalments.”

Article 34 provides that:

1. “The Board:

- (a) may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him beyond the sums actually called for; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in General Meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the Member paying the sum in advance provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced.

The Member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.

The provisions of these Articles shall mutatis mutandis apply to any calls on debentures.

- 2. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing.
- 3. No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable."

Lien

Article 35 provides that:

- 1. "The Company shall have a first and paramount lien upon all the Shares/Debentures (other than the fully paid-up Shares/Debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all money (whether presently payable or not) called or payable at a fixed time in respect of such Shares/Debentures and no equitable interest in any Share shall be created except upon the footing and subject to the condition that the Article hereof will have full effect. Such lien shall extend to all Dividends and bonus from time to time declared in respect of such Shares/Debentures. Unless otherwise agreed, registration of a Transfer of Share/Debenture shall operate as a waiver of the Company's lien, if any, on such Shares/Debentures. The Directors may at any time declare any Shares/Debentures wholly or in part to be exempt from the provisions of the Article.
- 2. Fully paid Shares shall be free from all lien and in the case of partly paid Shares, the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such Shares."

Forfeiture of Shares

Article 38 provides that, "If a Member fails to pay any call, or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring the payment of such part of the call or instalment as is unpaid, together with any interest which may have accrued thereon."

Article 39 provides that, "The notice aforesaid shall:

- (a) name a future day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made shall be liable to be forfeited."

Article 40 provides that, "If the requirements of any such notice as aforesaid are not complied with, any Share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect."

Dematerialization and Transfer of Shares and other securities

Article 48 provides that, "The Company shall issue or Transfer Shares, and/or Securities only in a dematerialized form. The Company shall enter into an agreement with the Depository to enable the Shareholders to dematerialize the Shares and/or Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act and the Act where applicable along with the Rules framed thereunder."

Article 49 provides that:

- (i) "The Company shall use a common form of transfer. The instrument of transfer shall be in writing and all provisions of the Act and of any statutory modification thereof for the time being shall be duly complied within respect of all transfer of shares and the registration thereof.
- (ii) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.

- (iii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.”

Article 50 provides that, “The Transfer of Shares, shall be only in dematerialised form.”

Article 60 provides that, “Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Indian Law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise, to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a member in the Company and shall promptly communicate the same to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares.”

Article 61 provides that, “A Person entitled to a Share by transmission shall, subject to the right of the Board to retain such Dividends or moneys as hereinafter provided, be entitled to receive and may give a discharge for any Dividends or other moneys payable in respect of the Share.”

Borrowing powers

Article 64 provides that, “Subject to the provisions of the Act, the Board may, from time to time at its discretion, by a resolution passed at a Board Meeting, receive deposits or loans from members either in advance of call or otherwise and generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, Debentures or debenture stock (perpetual or otherwise) or in any other manner or from any person, firm, company, co-operative society and corporate body, bank, institution, Government or any authority or any other body for the purpose of the company and may secure the payment of any sums of money so received, raised or borrowed provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s banker in ordinary course of business) shall not at any time except with the consent of the Company by way of Special Resolution in general meeting exceed the aggregate of the paid-up share capital of the Company, free reserves and securities premium, as defined under the Act.”

General Meeting

Article 65 provides that, “The Company in each year shall hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year.”

Article 70 provides that, “The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any one or more Members holding in the aggregate not less than one tenth of such of the paid up Share Capital as at that date carries the right of voting in regard to the matter in respect of which the requisition has been made.”

Article 74 provides that, “A General Meeting may be called by the Chairman or the CS of the Company, or (subject to the agreement of the Shareholders) by any two Directors, upon notice of at least twenty one days, specifying the day, place and hour of the Meeting and the general nature of the business to be transacted thereat. An agenda of issues to be discussed at the Meeting shall be given in the manner hereinafter provided and subject to the provisions of the Act, to such Persons as are under these Articles entitled to receive notice from the Company.

Provided that a General Meeting may be called at a shorter notice, in accordance with the provisions of the Act.”

Article 75 provides that, “Every notice of a Meeting shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted at such Meeting. Provided that if after issuing the notice for holding any General Meeting, the Directors are of the opinion that on account of any unforeseen circumstances or event such as earthquake, fire, typhoons, hurricane, flood, cyclone or natural calamities, epidemics, war or war-like events, civil commotion, affray, riots, strikes, lock-out, lay-off, go slow or any other agitation such a gherao or bundh, by any group of people, it will not be possible to hold and/or continue to hold the Meeting at such place and/or needs to be reconvened at a new place which the Directors may consider publishing the same in any newspaper circulating at the place where the Meeting was to be held originally, shall be sufficient compliance in regard to the issuance of any notice for holding and/or continuing to hold any Meeting at such new place.”

Article 95 provides that:

1. “Whereby, any provision contained in the Act or in these Articles, special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the Meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day of the Meeting.
2. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting or if that is not practicable,

shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by Articles presents not less than seven days before the Meeting.”

Voting rights

Article 100 provides that:

1. “Subject to the provision of these Articles and without prejudice to any special privileges or restrictions as to voting, for the time being, attached to any class of Shares, for the time being forming part of the Share Capital, every Member, not disqualified by the last preceding Article, shall be entitled to be present and to speak and vote at any Meeting and on a show of hands every Member present in person shall have one vote and upon a poll every Member present in person or by Proxy shall have the right to vote in proportion to his share of the paid up Share Capital, provided, however, if any holder of Preference Shares is present at any Meeting, save as provided in sub section (2) of Section 47 of the Act, he shall have a right to vote only on resolutions placed before the Meeting which directly affect the rights attached to his Preference Shares.
2. Such a Person shall be entitled to exercise the same rights and powers (including the right to vote by Proxy) on behalf of the Member company that he represents as that Member company could exercise.”

Directors

Article 115 provides that:

- (a) “Subject to Indian Law, the Company shall have a Board consisting of a minimum of 6 (six) directors and a maximum of 12 (twelve) directors, excluding Alternate Directors. The maximum number of directors may be increased through a special resolution of the Shareholders. The number of directors to be nominated by ABCL and Sun Life India shall be in the proportion set out below:

Shareholding of each of ABCL and Sun Life India as a percentage of the Share Capital	Number of directors to be nominated by ABCL	Number of directors to be nominated by Sun Life India
30% or more	Three	Two
26% or more but less than 30%	Two	One
Less than 26%	Nil	Nil

Subject to Indian Law, for the purpose of this Article 115, Article 116 (*Appointment of Alternate Directors*) and Article 129 (*Removal and replacement of Directors*), ABCL’s right to nominate a Director and as the Chairman of the Company and of the Board shall mean to include right available to the Promoter Shareholder/Promoter Group of the Company, other than those forming part of the Sun Life Group.

- (b) It is clarified that, (i) for the purposes of calculating the shareholding percentage in Article 115(a), any dilution on account of exercise of employee stock options shall not be taken into consideration; and (ii) independent directors on the Board and the Managing Director and the Chief Executive Officer shall be nominated by the Board and shall not be nominated by ABCL or Sun Life India under Article 115(a) and the position of Managing Director and the Chief Executive Officer of the Company shall be held by the same person and accordingly, requirement of approval by the shareholders of the Company for appointment of the Managing Director shall also apply for appointment of the Chief Executive Officer of the Company.

Subject to Indian Law and the shareholding thresholds under Article 115(a), the Promoter Shareholder/Promoter Group of the Company, other than those forming part of the Sun Life Group shall have the right to nominate the Chairman of the Company and of the Board. Sun Life India will cause its nominee Directors on the Board to elect the Director nominated by the aforesaid Promoter Shareholder/Promoter Group of the Company, as the Chairman. The Chairman will preside over meetings of the Board and will be entitled to a casting vote.

- (c) If at any time Indian Law requires an increase or decrease in the number of Directors, or the number of Independent Directors, the increase or decrease will be effected in a manner that permits, so far as possible under Indian Law or the laws, regulations or policies of any other applicable jurisdiction, the rights available to the Promoter Shareholders to continue mutatis mutandis.

Provided however that, rights of ABCL and Sun Life India under the Article shall be subject to such rights being approved by the Members of the Company through a Special Resolution at the first General Meeting of the Company held post listing of Equity Shares on the stock exchanges, in accordance with applicable law.”

Article 116 provides that, “Pursuant to the provisions of Section 161 of the Act, the Board may appoint any person to act as an Alternate Director to act for a Director (hereinafter called the “Original Director”) during his absence for a period of not less than three months from India (“Alternate Director”), provided that no person shall be appointed as an alternate Director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act.

Subject to Indian Law, if any Director is likely to be absent for a continuous period of not less than three months from India in which the meetings of the Board are ordinarily held, the Board will, at the request of the Promoter Shareholder that nominated that Director, appoint its Alternate Director proposed by that Promoter Shareholder for the absent Director. Where the Director likely to be absent is a nominee of Sun Life India, only a person selected by Sun Life India and, where the Director likely to be absent is a nominee of ABCL, only a person selected by ABCL, will be appointed as the Alternate Director by the Board. Each Promoter Shareholder will cause the Directors nominated by it to vote in favour of the appointment of each of those individuals proposed to serve as Alternate Directors. Alternate Directors may serve on Board committees in the absence of absent Directors nominated to those committees.

Provided however that rights of ABCL and Sun Life India under the Article shall be subject to such rights being approved by the Members of the Company through a Special Resolution at the first General Meeting of the Company held post listing of Equity Shares on the stock exchanges, in accordance with applicable law.”

Article 117 provides that, “So long as a Promoter Shareholder holds at least 10% of the Share Capital on a fully diluted basis, subject to Indian Law, the Company will provide information (including business, operational or financial information) that a Promoter Shareholder or its Affiliates may request in connection with any applicable law (including requirements with respect to regulatory audits, review, filings, reports or submissions) in their respective jurisdictions or regulatory requirement or in connection with any legal or regulatory proceedings. Subject to Indian Law, the Company will provide, as and when requested by any Promoter Shareholder or any of its Affiliates, financial statements requested by the Promoter Shareholder or any of its Affiliates including in accordance with the accounting standards or practices generally accepted in India and, if requested, Canada or for the purposes of its consolidation of financial statements. Also, subject to Indian Law, the Company, on request by any Promoter Shareholder, will provide any additional financial information monthly or as at the end of any quarter during the financial year as such Promoter Shareholder or its Affiliates may reasonably require. Provided however that rights of ABCL and Sun Life India under the Article shall be subject to such rights being approved by the Members of the Company through a Special Resolution at the first General Meeting of the Company held post listing of Equity Shares on the stock exchanges, in accordance with applicable law.”

Article 118 provides that, “Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meeting of Directors and to attend and vote as a Director and be counted for the purpose of a quorum and generally at such meetings to have and exercise all the powers and duties and authorities of the Original Director.”

Article 124 provides that, “Pursuant to provision of Section 161 of the Act, the Board shall have power at any time and from time to time to appoint any person other than a person who fails to get appointed as a Director in a General Meeting, as an additional Director provided that the total number of Directors shall not at any time exceed the maximum number fixed for the Board by these Articles (“Additional Director”).”

Article 129 provides that, “Any Promoter Shareholder entitled to nominate a person as Director will be entitled to remove any such Director by notice to that Director, the other Promoter Shareholder and to the Company. Subject to Indian Law, any vacancy occurring on the Board by reason of the death, disqualification, inability to act, resignation or removal of any Director will be filled within 30 (thirty) days by a nominee of the same Promoter Shareholder that nominated the vacating Director, so as to maintain a Board consisting of the number of nominees specified in Article 115(a). Subject to Indian Law, if the Promoter Shareholder entitled to do so fails to nominate a Director to fill the vacancy within 60 (sixty) days after the vacancy arises, the remaining Directors will appoint a Director to fill the vacancy.

Provided however that rights of ABCL and Sun Life India under the Article shall be subject to such rights being approved by the Members of the Company through a Special Resolution at the first General Meeting of the Company held post listing of Equity Shares on the stock exchanges, in accordance with applicable law.”

CEO/Manager/ Managing Director

Article 142 provides that, “Subject to the provisions of Article 142, the Act and the Rules, the Managing Director or CEO/ Manager, shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any Managing Director or CEO/ Manager, so appointed may be removed by means of a resolution of the Board.

A Director may be appointed as a Managing Director or CEO/ Manager, however, the position of Managing Director and the Chief Executive Officer of the Company shall be held by the same person and accordingly, requirement of approval by the shareholders of the Company for appointment of the Managing Director shall also apply for appointment of the Chief Executive Officer of the Company.”

Board Meetings

Article 143 provides that:

1. “Board Meetings will be convened at least once in every (3) three-month period or, where applicable law requires meetings on a more frequent basis, then in accordance with such requirements. Board Meetings will ordinarily be held in Mumbai unless the Board otherwise resolves. Board meetings may be called by the Chairman or the CS of the Company, or by any two Directors.

2. The quorum for a meeting of the Board or a committee thereof will be such number of directors as required under Indian Law (including with respect to any requirements applicable to independent directors under Indian Law).

Article 145 provides that, “If a quorum, as specified in Article 143(2), is not present within 30 (thirty) minutes from the time appointed for the meeting, the directors present at the meeting may call a supplementary Board or a committee meeting by providing reasonable notice in accordance with Indian Law to each director or on such other date as may be agreed by all the directors in writing, which notice will describe the business to be conducted at the meeting. The quorum for such second supplementary meeting shall be such number of directors as required under Indian Law.”

Article 146 provides that, “The directors on committees will be appointed by the Board.”

Article 149 provides that, “A resolution passed by circulation without a Board Meeting or a committee shall, subject to the provisions of the Act, be as valid and effectual as a resolution duly passed at a Board Meeting or of a committee duly called and held.”

Powers of Board

Article 151 provides that, “Subject to the provisions of the Companies Act and these Articles, the Board of Directors shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do: Provided that the Board shall not exercise any power or do any act or thing which is directed or required whether by the Act or the Rules or by the Memorandum & Articles or otherwise, to be exercised or done by the Company in General Meeting: Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions contained in that behalf in the Act, or in the Memorandum and Articles, or in any Rules or regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in a General Meeting.

The Board shall be entitled to exercise all such powers to provide for the management of the affairs of the Company in such manner as they may think fit, and in particular to appoint any person to be the attorney or agent of the Company, with such powers (including power to sub-delegate) and upon such terms as may be thought fit.

No regulations made by the Company in a General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.”

Dividends

Article 152 provides that, “In respect of each Financial Year, the Board may distribute profits of the Company, in accordance with the provisions of the Act and dividend policy of the Company, if any.”

Article 154 provides that, “Subject to Article 152 and relevant provisions of the Act, the Company in Annual General Meeting may declare Dividends to be paid to Members according to their respective rights and interest in the Dividend/profits and may fix the time for payment but no Dividend shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller Dividend in Annual General Meeting.”

Article 155 provides that, “Subject to Article 152, no Dividend shall be declared or paid otherwise than out of the profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of the Act or out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both provided that:

- (a) If the Company has not provided for depreciation for any previous Financial Year or Years, it shall, before declaring or paying Dividend for any Financial Year, provide for such depreciation out of the profits of that Financial Year or out of the profits of any other previous Financial Years; or
- (b) If the Company has incurred any loss in any previous Financial Year or Years, the amount of the loss or an amount which is equal to the amount provided for depreciation for that Year or those Years which ever is less, shall be set off against the profits of the Company for any previous Financial Year and Years arrived at in both cases after providing for depreciation in accordance with the provisions of the Act, or against both. ”

Article 156 provides that, “Subject to Article 152 and relevant provisions of the Act, the Board of Directors may from time to time pay to the Members such interim Dividends as in their judgement the position of the Company justifies.”

Article 165 provides that:

- (i) “Where a dividend has been declared by the Company but has not been paid or claimed within thirty days from the date of the declaration to any shareholder entitled to the payment of the dividend, the Company shall, within 7 (seven) days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called the (“Unpaid Dividend Account”).
 - (ii) Any money transferred to the “Unpaid Dividend Account” of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer shall be transferred by the Company along with interest accrued, if any, thereon to the Investor Education and Protection Fund established under sub-section (1) of Section 125 of the Act.
3. No unclaimed or unpaid dividend shall be forfeited by the Board before it becomes barred by law.”

Article 169 provides that, “Except as otherwise provided by law, no unpaid Dividend shall bear interest as against the Company.”

Capitalisation

Article 170 provides that, “Subject to Article 152, the Company in General Meeting may, upon the recommendations of the Board, resolve that any moneys, investments or other assets forming part of the undistributed profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Fund, or any Capital Redemption Reserve Account, or in the hands of the Company and available for Dividend (or representing premiums received on the issue of Shares or Debentures and standing to the credit of the Securities Premium Account) be capitalized and distributed amongst such of the Members as would be entitled to receive the same if distributed by way of Dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any party of such capitalized fund be applied on behalf of such Members in paying up in full either at par or at such premium as the resolution may provide, any misused Shares which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued Shares or penalty in one way and party in the other, and that such distribution or payment shall be accepted by such Members in full satisfaction of their interest in the said capitalized sum.”

Article 171 provides that, “A General Meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company or any investments representing the same, or any other undistributed profits of the Company not subject to charge for Income Tax be distributed among the members on the footing that they receive the same as capital.”

Accounts

Article 177 provides that, “The Company will keep all books of accounts and make all reports in accordance with accounting standards and practices generally accepted in India as well as required by Indian Law. It will have a Financial Year and close its books as decided unanimously by the Board. In the establishment of its accounting system and the preparation of financial statements and reports, the Company will consult with the Auditor and with such other consultants as the Board may decide. The books of accounts shall be kept at the Registered Office or such other place as the Board think fit, and shall be open to inspection by the Board during business hours.”

Article 184 provides that, “Every balance sheet laid before the Company in Annual General Meeting shall be accompanied by report of the Board of Directors as to state the Company’s affairs and as to the amounts, if any, which it proposes to carry to any reserves in such balance sheet and the amount, if any, which it recommends should be paid by way of Dividend and material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company for which the balance sheet relates and the date of the report.”

Article 188 provides that, “The financial statements, including consolidated financial statements, if any, shall be approved by the Board before these are signed on behalf of the Board at least by two Directors out of which one shall be the Managing Director / CEO, if he is a Director, the CFO and the CS of the Company, wherever they are appointed.”

Audit

Article 189 provides that, “Auditors shall be appointed and their rights, obligations and duties shall be regulated in accordance with the provisions of the Act and the applicable Rules thereunder.

The Auditor will be such firm of chartered accountants approved by the Board, provided that it is a member of the Institute of Chartered Accountants of India and affiliated with an internationally recognized accounting firm.”

Winding Up

Article 190 provides that:

- (i) “If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may, the losses shall be borne by the Members in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding up, on the Shares held by them respectively.

- (ii) If on winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up the commencement of the winding up, the excess shall be distributed amongst the Members (other than those entitled to a share in the excess) in proportion to the capital at the commencement of the winding up, or which ought to have been paid up on the Shares held by them respectively.
- (iii) The Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.”

Miscellaneous

Article 194 provides that, “For purposes of calculating any shareholding thresholds specified in Articles 115, 116, 117 and 129 of this Part A, the shareholding of the Affiliates of Promoter Shareholders shall also be taken into consideration.

Provided that the Article shall be subject to being approved by the Members of the Company through a Special Resolution at the first General Meeting of the Company held post listing of Equity Shares on the stock exchanges, in accordance with applicable law.”

PART B

Exclusion of Table F	1.	The regulations contained in Table F in the Schedule to the Act do not apply to the Company except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the Act;
Interpretation Clause	2. (1)	In the interpretation of these Articles, the following expressions shall, unless repugnant to the subject or the context, have the meanings hereby respectively assigned to them;
“Act”	a.	“Act” means the Companies Act, 2013 or any statutory modification or re-enactment thereof from time to time, together with the applicable Rules;
“Articles”	b.	“Articles” means these articles of association of the Company, including the amendments made from time to time and “Article” means an article of these Articles;
“ABCL”	c.	“ABCL” means Aditya Birla Capital Limited, a public listed company with its registered office at Indian Rayon Compound, Veraval, Gujarat, 362266 and its corporate office at One Indiabulls Centre, Tower-I, 18 th floor, Jupiter Mills Compound, 841 S.B. Elphinstone Road, Mumbai 400013;
“Acceptance Notice”	d.	“Acceptance Notice” has the meaning ascribed to it in Article 63.6(c)(i) (<i>Right of First Refusal</i>);
“Acceptance Period”	e.	“Acceptance Period” has the meaning ascribed to it in Article 63.6(b) (<i>Right of First Refusal</i>);
“Aditya Birla Conglomerate”	f.	“Aditya Birla Conglomerate” which represents all entities in which Mr. Kumar Mangalam Birla and his family hold 20% or more of the equity capital or are beneficial owners of more than 20% of the equity capital including their subsidiaries or who are licensed to use the house mark “Aditya Birla” (it being understood that at the date of this Agreement these Persons include, without limitation, ABCL);
“Affiliate”	g.	“Affiliate” of a Person (the first Person) means (i) a Person Controlled by the first Person, (ii) a Person Controlled by the first Person and one or more Persons, each of which is Controlled by the first Person, (iii) a Person that Controls the first Person or (iv) a Person that is under common Control with the first Person by another Person; and shall include the members or constituents of the Aditya Birla Conglomerate;
“Aggrieved Party”	h.	“Aggrieved Party” has the meaning ascribed to it in Article 63.9(a) (<i>Sale on Event of Default</i>);
“Agreement” or “Shareholders Agreement”*** *	i.	“Shareholders’ Agreement” or “Agreement” means the amended and restated shareholders’ agreement dated 10 October, 2012 (amended by the amendment agreements dated 24 December 2015 and as amended from time to time) (including schedules to the agreement or to the amendment agreement) and all instruments supplemental to or in amendment or confirmation of the agreement;
“Annual General Meeting”	j.	“Annual General Meeting” has the meaning ascribed to it under Section 96 of the Act;
“Auditor”	k.	“Auditor” means the statutory auditor of the Company appointed from time to time;
“Audit Committee”	l.	“Audit Committee” means a committee constituted under Section 177 of the Act;
“Authorised Capital”	m.	“Authorised Capital” means such capital as is authorised by the Memorandum to be the maximum amount of share capital of the Company;
“Beneficial Owner”	n.	“Beneficial Owner” means a Person whose name is recorded as such with a Depository;

*** Altered Articles of Association aligned with the Restated Amendment and Termination Agreement to the Shareholders’ agreement dated October 12, 2012 approved by Shareholders at the Annual General Meeting held on July 26, 2013.

“Board” or “Board of Directors”	o.	“Board” or “Board of Directors” means the board of directors of the Company, duly constituted, consisting of the Directors collectively;
“Board Meeting”	p.	“Board Meeting” has the meaning ascribed to it under Section 173 of the Act;
“BG Holdings”	q.	“BG Holdings” means Birla Group Holdings Private Limited, a private limited company with its registered office at Industry House, 159, Back Bay Reclamation, Churchgate, Mumbai – 400-020;
“Buy/Sell Notice”	r.	“Buy/Sell Notice” has the meaning ascribed to it in Article 63.8(e) (<i>Termination of Joint Ownership</i>);
“CEO”	s.	“CEO” means the chief executive officer of the Company;
“CFO”	t.	“CFO” means the chief financial officer of the Company;
“Chairman”	u.	“Chairman” means the chairman of the Board;
“Company”	v.	“Company” means Aditya Birla Sun Life AMC Limited;
“Control”	w.	“Control” of a Person means: (i) the direct or indirect ownership, beneficially or legally, of voting shares, registered capital or other interest in that Person, to which are attached more than 50% of the votes that may be cast to elect the board of directors or equivalent decision-making body of that Person and such votes are sufficient, if exercised, to elect a majority of the board of directors or equivalent decision-making body of that Person or (ii) having control, in fact, of that Person; and “Controls” and “Controlling” and similar words have corresponding meanings;
“Debentures”	x.	“Debentures” includes debenture stock, bonds or any other instrument of a company evidencing a debt, whether constituting a charge on the assets of the company or not;
“Defaulting Party”	y.	“Defaulting Party” has the meaning ascribed to it in Article 63.9 (a) (<i>Sale on Event of Default</i>);
“Depository”	z.	“Depository” means a company formed and registered under the Act and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the SEBI Act, 1992;
“Depositories Act”	aa.	“Depositories Act”, means the Depositories Act, 1996, and includes where the context so admits, any re-enactment or statutory modification thereof, for the time being in force;
“Director”	bb.	“Director” means a member of the Board;
“Dividend”	cc.	“Dividend” includes any interim dividend;
“Document”	dd.	“Document” includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of the Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form;
“DRHP”	ee.	“DRHP” means the draft red herring prospectus of the Company to be filed with SEBI in relation to the IPO;
“Event of Default”	ff.	“Event of Default” has the meaning ascribed to it in Article 63.9 (a) (<i>Sale on Event of Default</i>);
“Extraordinary Matter”	gg.	“Extraordinary Matter” means any matter included in the list set out under the heading “Extraordinary Matter” of these Articles and the Agreement and any matter that requires under Indian Law the approval of Shareholders holding 75% or more of the Share Capital;
“Extraordinary General Meeting”	hh.	“Extraordinary General Meeting” has the meaning ascribed to it in Section 100 of the Act;
“Fair Value”	ii.	“Fair Value” means the fair value of Shares, to be calculated in accordance with Article 64 and Clause 5.1 of the Shareholders’ Agreement;
“General Meeting”	jj.	“General Meeting” means a meeting of the Shareholders and includes an Annual General Meeting or an Extraordinary General Meeting;
“Group”	kk.	“Group” means the Aditya Birla Conglomerate or the Sun Life Group;
“Imposed Amendments”	ll.	“Imposed Amendments” has the meaning ascribed to it in Article 67(d) (<i>Group’s participation in and relative interests upon an IPO</i>);
“In writing and written”	mm.	“in writing” and “written” include printing, lithograph and other modes of representing or reproducing words in a visible form;
“Independent Director”	nn.	“Independent Director” has the meaning ascribed to it in Section 2(47) of the Act;
“Indian Law”	oo.	“Indian Law” means the laws and regulations in force, or the policies or requirements of any government authority, from time to time in India;
“IPO”	pp.	“IPO” means the first distribution of Shares by the Company or a Promoter Shareholder to the public pursuant to a prospectus, and the listing of Shares on one or more Stock

		Exchanges in India;
“Manager”	qq.	“Manager” has the meaning ascribed to it in Section 2(53) of the Act;
“Managing Director”	rr.	“Managing Director” means a Director, who by virtue of these Articles or an agreement with the Company or a resolution passed by the Members in its General Meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the Company and includes a Director occupying the position of Managing Director, by whatever name called;
“Meeting”	ss.	“Meeting” means any meeting of the Board or of the Shareholders (including any meeting of a committee of the Board or Shareholders) which may be a Board Meeting or a General Meeting as the context may require;
“Members or Shareholders”	tt.	“Members” or “Shareholders” means the duly registered holder or holders, from time to time, of the Shares and includes the subscribers to the Memorandum and Articles, excluding the Nominee Shareholders;
“Memorandum”	uu.	“Memorandum” means the memorandum of association of the Company as originally framed, or as altered from time to time, including the amendments made from time to time;
“Merchant Banker(s)”	vv.	“Merchant Banker(s)” has the meaning ascribed to it in Article 67 (b) (<i>Group’s participation in and relative interests upon an IPO</i>);
“Nominee Shareholder”	ww.	“Nominee Shareholder” means a Person who is a joint-holder of Shares with ABCL as its nominee or who holds Shares in accordance with Section 187 of the Companies Act, 2013;
“Notice of Sale”	xx.	“Notice of Sale” has the meaning ascribed to it in Article 63.6(b) (<i>Right of First Refusal</i>);
“Offeree”	yy.	“Offeree” has the meaning ascribed to it in Article 63.8(e) (<i>Termination of Joint Ownership</i>);
“Offeror”	zz.	“Offeror” has the meaning ascribed to it in Article 63.8(e) (<i>Termination of Joint Ownership</i>);
“Ordinary Resolution”	aaa.	“Ordinary Resolution” has the meaning ascribed to it in Section 114 of the Act;
“Other Group”	bbb.	“Other Group” has the meaning ascribed to it in Article 63.6(b) (<i>Right of First Refusal</i>);
“Party”	ccc.	“Party” means ABCL, Sun Life India, Sun Life Canada, BG Holdings, the Company or any other Person which becomes a party to the Shareholders’ Agreement and “Parties” means all of them together;
“Person”	ddd.	“Person” includes any individual, sole proprietorship, partnership, limited liability partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, trustee, executor, administrator, other legal representative, or other entity;
“Piggy-Back Offer”	eee.	“Piggy-Back Offer” has the meaning ascribed to it in Article 63.7(a) (<i>Piggy Back Rights</i>);
“Post-IPO OFS”	fff.	“Post-IPO OFS” has the meaning ascribed to in Article 67(f)
“Pre-Imposed Amendment Rights”	ggg.	“Pre-Imposed Amendment Rights” has the meaning ascribed to it in Article 67(d) (<i>Group’s participation in and relative interests upon an IPO</i>)
“Preference Shares”	hhh.	“Preference Shares” means a preference share issued by the Company;
“Principal”	iii.	“Principal” means a Person that Controls a Shareholder and, in the case of ABCL, includes Mr. Kumar Mangalam Birla and BG Holdings and, in the case of Sun Life India, includes Sun Life Canada;
“Promoter Shareholders” or “Promoters”	jjj.	“Promoter Shareholders” or “Promoters” mean ABCL and Sun Life India;”
“Proxy”	kkk.	“Proxy” means an instrument whereby any person is authorised to vote for a Member at a General Meeting on a poll;
“Purchaser”	lll.	“Purchaser” has the meaning ascribed to it in Article 63.8(a) (<i>Termination of Joint Ownership</i>); or 64(b) (<i>Valuation</i>), as applicable;
“Register of Members”	mmm.	The “Register of Members” means the register to be kept pursuant to Section 88 of the Act;
“Registered Office”	nnn.	“Registered Office” means the registered office for the time being of the Company;
“Registered Owner”	ooo.	“Registered Owner” means a Depository whose name is entered as such in the register of Company;

“Related Party Transaction”	ppp.	“Related Party Transaction” has the meaning ascribed to it in Article 164(a) (<i>Transaction with Affiliates</i>);
“Rules”	qqq.	“Rules” means rules issued under the Act, as may be amended;
“SEBI”	rrr.	“SEBI” means the Securities and Exchange Board of India;
“Secretary” or “CS”	sss.	“Secretary” or “CS” means the individual appointed to perform the duties that may be performed by a company secretary under the Act;
“Securities”	ttt.	“Securities” means options to purchase Shares or securities convertible into Shares, or any other instrument which by its terms would entitle the holder to participate in the profits of the Company or in its net assets (after the payment and satisfaction of all of its debts and obligations and after returning all fixed amounts payable in respect of the share capital) upon winding up, dissolution or any other termination of its corporate existence, but does not include Shares;
“Securities Premium Account”	uuu.	“Securities Premium Account” has the meaning ascribed to it in Section 52 of the Act;
“Seller”	vvv.	“Seller” has the meaning ascribed to it in Article 63.6(a) (<i>Right of First Refusal</i>), 63.8(a) (<i>Termination of Joint Ownership</i>) or as per the applicable clauses of the Shareholders’ Agreement;
“Share”	www.	“Share” means any voting share of the Company, currently outstanding or which may be issued from time to time, whether on the exercise of any option, warrant or similar right or otherwise, and includes any voting share of the Company that may result from any consolidation, reclassification, or re-designation of voting share, and any voting share that may be received by any Shareholder as a result of an amalgamation, merger, arrangement or other reorganization of or including the Company;
“Shareholder”	xxx.	“Shareholders” means the shareholders of the Company, from time to time;
“Share Capital”	yyy.	“Share Capital” means the fully paid-up equity share capital of the Company;
“Shareholder Loan”	zzz.	“Shareholder Loan” means any debt obligation of, or any other amount which may be owed by, the Company to a Shareholder or any member of either Group, whether currently or in the future and whether or not evidenced by a promissory note, debenture or other evidence of indebtedness issued or which may be issued, or on open account;
“Special Resolution”	aaaa.	“Special Resolution” has the meaning ascribed to it in Section 114 of the Act;
“Stock Exchange”	bbbb.	“Stock Exchange” means the National Stock Exchange of India Limited and/or the BSE Limited, and/or any other internationally recognized stock exchange approved by both Groups;
“Subsidiary”	cccc.	“Subsidiary” has the meaning ascribed to such term by Section 2(87) of the Act;
“Sun Life Canada”	dddd.	“Sun Life Canada” means Sun Life Assurance Company of Canada, with its registered office at One York Street, Toronto, Ontario, Canada M5J 0B6;
“Sun Life Group”	eeee.	“Sun Life Group” means those companies in which Sun Life Financial Inc., or any of its successors, has a direct or indirect Controlling interest (it being understood that these companies include, without limitation, Sun Life Canada and Sun Life India);
“Sun Life India”	ffff.	“Sun Life India” means Sun Life (India) AMC Investments Inc., with its registered office at One York Street, Toronto, Ontario, Canada M5J 0B6;
“The Registrar”	gggg.	The “Registrar” means the Registrar of Companies, having jurisdiction in the area in which the Registered Office is, for the time being, situated;
“Third Party”	hhhh.	“Third Party” means a Person that is not an Affiliate of either the Company or any Shareholder;
“Third Party Offer”	iiii.	“Third Party Offer” has the meaning ascribed to it in Article 63.6 (a) (<i>Right of First Refusal</i>);
“Transfer”	jjjj.	“Transfer” includes any sale, exchange, assignment, gift, bequest, disposition, mortgage, charge, pledge, encumbrance, grant of security interest or other arrangement by which possession, legal title or beneficial ownership passes from one Person to another, or to the same Person in a different capacity, whether or not voluntary and whether or not for value, and any agreement to effect any of the foregoing; and “Transferred”, “Transferring” “Transferor”, “Transferee” and similar words have corresponding meanings;
“Year”	kkkk.	“Year” means calendar year and “Financial Year” has the meaning ascribed to it in Section 2(41) of the Act.
Reference to the provisions of the Act	2.(2).	A reference in the Articles to any specific provision of the Act shall be deemed to include a reference to any other applicable provisions of the Act.

References to the Shareholders' Agreement	2.(3).	Unless otherwise indicated, references to Clauses or Paragraphs are to the specified Clauses or Paragraphs of the Shareholders' Agreement.
Marginal notes & catchlines	2.(4).	The marginal notes and catch lines hereto shall not affect the construction hereof.
Rules of interpretation	2.(5).	Unless the context otherwise requires or specifically defined, all words or expressions contained in these Articles shall bear the same meaning as in the Shareholders' Agreement, Act or any statutory modification thereof in force on the date on which these Articles become binding on the Company.
Conflict with terms	2.(6).	In case of any ambiguity or conflict between the terms of the Agreement and those of these Articles, the provisions of the Agreement will prevail to the extent of the ambiguity or conflict, and the Parties agree to take all necessary steps to amend these Articles forthwith to eliminate, to the extent possible, that ambiguity or conflict.
General authority	3.	Wherever in the Act it has been provided that the Company shall have any right or privilege or that the Company is so authorized by its Articles, then and in that case by virtue of the Article, the Company is hereby specifically authorized, empowered and entitled to have such right, privilege or authority to carry out such transactions as have been permitted by the Act without there being any separate Articles in that behalf herein provided.
SHARE CAPITAL		
Authorised Capital	4.	The Authorised Capital is as laid out in Clause V of the Memorandum, payable in the manner as may be determined by the Board, from time to time, with power to increase, reduce, subdivide or repay the same or divide the same into several classes, and to attach thereto any rights, conditions, privileges or to consolidate or subdivide or re-organize the Shares, subject to the provisions of this Act, and to vary such rights as may be determined in accordance with these Articles.
Increase of capital and how carried into effect	5.	Subject to the provisions of Article 6 and 7, the Company in its General Meeting may, from time to time, increase the capital by the creation of new Shares, such increase to be of such aggregate amount and to be divided into Shares of such respective amounts as the resolution shall prescribe. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting shall, resolving upon the creation, direct and if no direction be given, as the Directors shall determine and in particular, such Shares may be issued with a preferential or qualified right to Dividends and in the distribution of the assets of the Company and with a right of voting at a General Meeting.
New share capital to be part of the existing share capital	6.	Except so far as otherwise provided by the conditions of issue or by these presents, any share capital raised by the creation of new Shares shall be considered as part of the existing share capital and shall be subject to the provisions herein contained, with reference to the payments of calls and instalments, forfeiture, lien, surrender, Transfer and transmission, voting or otherwise.
Issue of additional Shares or Securities	7.	(a) The Company will not issue any additional Shares or Securities (including the issue of any Debentures), other than the Shares or Securities issued in accordance with the provisions of the Shareholders' Agreement and these Articles. Subject to provisions of Section 62 of the Act and Article 7(c), no decision to offer new Shares or Securities may be taken other than for the purpose of meeting solvency or other regulatory requirements unless written notice of 45 (forty-five) days (or such other period as may be agreed by the Parties) has been issued by the Company to the Shareholders, which time period will commence on the date of the issue of the notice. The notice will state the Company's intention to issue Shares or Securities, the number of Shares or Securities to be issued and the purpose for which the capital raised by the subscription for the Shares or Securities will be used. (b) Before any Shares or Securities may be issued by the Company, the Company will first offer such Shares or Securities to the Shareholders by notice described in Article 7(a). Each Shareholder will have the right to subscribe to the Shares or Securities so offered <i>pro rata</i> based upon the number of Shares beneficially owned by all Shareholders as at the date on which the Company's notice is given. Each Shareholder must advise the Company in writing of its intention to subscribe for all or any of the Shares or Securities to which it is entitled, and must indicate in the notice the maximum number of Shares or Securities for which it is willing to subscribe (which number may be greater than or less than its <i>pro rata</i> entitlement), and the failure to deliver any such notice within fifteen (15) days will be deemed to be the Shareholder's decision not to subscribe for any of the Shares or Securities. If any Shareholder does not accept its <i>pro rata</i> entitlement within the time stipulated for this purpose, any unaccepted Shares or Securities will be deemed to have been

		offered to any other Shareholder that indicated that it would accept greater than its pro rata entitlement, and that Shareholder will be entitled to subscribe for its pro rata portion of these unaccepted Shares or Securities, based on the Share ownership of Shareholders that have indicated a willingness to subscribe for unaccepted Shares or Securities. The issuance of Shares or Securities by the Company to the Shareholders will be completed on such date as may be reasonably fixed by the Board, having regard to the necessity of receiving any regulatory and corporate approvals, but in any event not later than 15 (fifteen) days after the date of the last such approval. Any Shares or Securities not taken up by the Shareholders may be issued within 60 (sixty) days of the Shareholders' failure to subscribe to such Shares or Securities, at not less than the price offered to the Shareholders, to such Persons as the Board determines, provided that such Persons make the representations, warranties and covenants, where applicable, substantially in the form made by the Shareholders in Clause 2.1 of the Shareholders Agreement and agree to be bound by the Agreement. Thereafter, the Company may not issue Shares or Securities without complying again with the provisions of the Article 7. (c) Provided it has first obtained approval under Article 131 & 86, the Company is entitled to issue Shares or Securities without complying with the provisions of Article 7(b) if these Shares or Securities are issued upon the exercise of conversion or exchange rights of other Securities previously issued by the Company. (d) If a Shareholder is a member of a Group that elects not to exercise or is not entitled to exercise its rights to purchase a <i>pro rata</i> portion of Shares or Securities as a result of any share ownership restrictions imposed by Indian Law or the laws, regulations or policies of any other applicable jurisdiction, it may Transfer its rights to purchase these Shares or Securities to any Third Party acceptable to the other Group (such acceptance not to be unreasonably withheld). (e) If the Company issues any Shares or Securities to any Third Party acting as principal, the Parties will, prior to such issuance, give due consideration to any changes that they may wish to make to the Agreement and these Articles, in particular, the provisions relating to the rights and obligations that relate to Shares.
Holding Shares on trust	8.	Except as required by law, no Person shall be recognised by the Company as holding any Share upon any trust and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Share, or any interest in any fractional part of a Share, or (except only as by these Articles or by law otherwise provided) any other rights in respect of any Share except an absolute right to the entirety thereof in the Registered Owner.
Shareholder Loans	9.	(a) Upon the unanimous agreement of the Shareholders, and subject to the requirements of applicable regulations, any Shareholder or member of either Group having a Shareholder Loan outstanding at any time will provide to any financial institution lending funds to the Company a postponement and subordination of that Shareholder Loan and any related security, together with an assignment of interest in that Shareholder Loan. (b) Any Person that purchases any Shares owned by any Shareholder will also acquire, and the Transferee will sell, its interest in the Shareholder Loans, if any, held by the Shareholder for a purchase price equal to the outstanding principal amount of such Shareholder Loan, plus all accrued and unpaid interest thereon to the date of payment, provided that an inability to do so under Indian Law will not preclude the closing of the relevant transaction, and the parties will negotiate in good faith the disposition of any Shareholder Loan.
Reduction of share capital	10.	Subject to the provisions of the Act as may be applicable from time to time, and the provisions of these Articles, the Company may reduce in any manner and with, and subject to, any incident authorized and consent required by law - (a) its Share Capital; (b) any capital redemption reserve account; or (c) any Securities Premium Account.
Buy-back of Shares	11.	Subject to the provisions of Sections 68 to 70 and any other applicable provision of the Act or any other law, Rules and guidelines for the time being in force, and Article 168 of these Articles, the Company may purchase its own Shares or other specified Securities.
Consolidation, conversion, division, sub-division and cancellation of Shares	12.	Subject to the provisions of Section 61 of the Act, the Company in a General Meeting may, from time to time, alter its Memorandum for all or any of the following purposes:
	(a)	To consolidate and divide all or any of its share capital into Shares of larger amount than its existing Shares;
	(b)	To convert all or any of its fully paid-up Shares into stock, and reconvert that stock into fully paid up Shares of any denomination;

	(c)	To sub-divide its Shares or any of them into Shares of smaller amount than is fixed by the Memorandum, so that in the sub-division, the proportion between the amount paid and the amount, if any unpaid, on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived; and
	(d)	To cancel any Shares which at the date of the passing of the resolution, have not been taken or agreed to be taken by any Persons and diminish the amount of its share capital by the amount of the Shares so cancelled. Cancellation of Shares in pursuance of this sub-clause shall not be deemed to be a reduction of the capital of the Company within the meaning of the Act.
Modification of rights of Shares	13.	Whenever the Authorised Capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 and other applicable provisions of the Act and Article 169, be varied, modified, commuted, affected or abrogated, or dealt with by the Company with the consent in writing of the holders of not less than three-fourths of the issued capital of that class or sanction by a resolution passed at a separate Meeting of the holders of those Shares and supported by the votes of the holders of not less than three-fourths of those Shares and all the provisions hereinafter contained as to a General Meeting shall, mutatis mutandis apply to every such meeting. The Article is not to derogate from any power the Company would have if the Article was omitted.
SHARES		
Shares under control of Board	14.	Subject to the provisions of these Articles and of the Act, the Shares (including any Shares forming part of any increased Authorised Capital) shall be under the control of the Board who may allot or otherwise dispose of the same to such Persons on such terms and conditions and at such time as the Board thinks fit and with full power to give any Person the option to call off or be allotted Shares of any class of the Company either at a premium or at par or at a discount and for such time and for such consideration as the Board of Directors deems fit.
Redeemable Preference Shares	15 (1).	Subject to the provisions of Section 55 and other applicable provisions of the Act and Article 169, the Company shall have the power to issue Preference Shares which are liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.
Limited rights to vote for holders of Preference Shares	15 (2).	The Preference Shares shall not confer on the holders thereof the right to vote either in person or by Proxy at any General Meeting save to the extent and in the manner provided by Section 47(2) of the Act.
Shares to be held in dematerialised form	16.	Subject to the provisions of the Act, the Company and each Shareholder shall dematerialise its existing Shares held in physical form so that they are held in electronic and fungible form with a Depository. The Company may offer fresh Shares for subscription only in a dematerialised form pursuant to Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Depositories Act and the Rules framed thereunder, if any.
Shares to be held with a Depository	17.	Subject to Article 16 above, every Person subscribing to or holding Shares shall hold such Shares with a Depository.
Shares held jointly	18.	The Board shall be entitled at its sole discretion to register any Share in the joint names of any two or more Persons or the survivor or survivors of them, subject to the provisions of the Depositories Act.
Details of Shares allotted to be entered in Register of Members and Index of Beneficial Owners	19.	The Company shall intimate the Depository with the details of allotment of the Shares, and on receipt of the information, the Depository shall enter in its records, the names of such allottees as the Beneficial Owner of the Shares.
Particulars of Shares to be entered in the Register of Members and Index of Beneficial Owners	20.	The Company shall cause to be kept, a Register of Members and index of Beneficial Owners in accordance with the provisions of Section 88(1) and Section 88(3) of the Act, Rule 5 of the Companies (Management and Administration) Rules, 2014 and Section 11 of the Depositories Act and all other applicable provisions of Indian Laws, with details of the Shares that are held by Shareholders as may be permitted by law including in any form of electronic media. Notwithstanding anything in these Articles to the contrary, the Register of Members and index of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act, shall be deemed to be the Register of Members for the purpose of the Act.
Registered Owner of Shares	21.	A Depository shall be deemed to be the Registered Owner of the Shares for the purpose of effecting Transfer of ownership of Shares on behalf of the Beneficial Owner, subject to

		the provisions of these Articles and save as provided in the Article , the Depository as the Registered Owner of the Shares shall not have any voting rights or any other rights in respect of the Shares held by it and all such rights shall be vested with the Beneficial Owner of the Shares.
Beneficial Owner of Shares	22.	Save as herein otherwise provided, the Company shall be entitled to treat the Person whose name appears as the Beneficial Owner of the Shares in the records of the Depository as the absolute owner thereof as regards receipt of Dividends or bonus on Shares, interest/ premium on Debentures and other Securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by a court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such Shares, on the part of any other Person whether or not it shall have the express or implied notice thereof.
The first named joint holder deemed sole holder	23.	If any Share stands in the name of two or more persons, the person first named in the Register of Members and index of Beneficial Owners, shall, as regards receipt of Dividends or bonus or service of notices and all or any other matter connected with the Company, except voting at a Meeting and the Transfer of the Shares, be deemed to be the sole holder thereof, but the joint holders of a Share, shall severally as well as jointly, be liable for the payment of all instalments and calls due in respect of such Share and for all incidents thereof. Provided that not more than four persons shall be registered as joint holders of any Share. Provided further that in case of the death of one or more of the joint holders, the survivor or survivors of them shall be the only person or persons entitled to the Shares unless the Board shall, on request of the survivor/s, decide to recognise the legal representatives of the deceased joint holder as the persons entitled to the Shares jointly with the survivors.
Company not bound to recognise any other interest in Shares	24.	Except as ordered by a court of competent jurisdiction and except to the extent and in the manner and for the purposes laid down under the Act or as by law required, the Company shall not be bound to recognise, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or any right in respect of a Share other than an absolute right thereto in accordance with these Articles, in the persons from time to time registered as the holder thereof.
CALLS		
Directors may make calls	25.(1)	The Board may, from time to time, subject to the terms on which any Shares have been issued and subject to the conditions of allotment, by a resolution passed at a Board Meeting and not by a resolution passed through circulation, make such calls as it thinks fit upon the Members in respect of all money unpaid on the Shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.
Revocation of calls	25.(2)	A call may be revoked or postponed at the discretion of the Board.
Calls payable by instalments	25.(3)	A call may be made payable by instalments.
Restriction on power to make calls	26.	Unless the terms of issue of Shares otherwise provide, no call shall exceed one-fourth of the nominal amount of the Shares or be made payable within one month after the last preceding call was payable.
Notice of calls	27.	At least 14 days' notice of any call shall be given by the Company specifying the time and place of payment and the Person or Persons to whom such call shall be paid.
Calls to date from resolution	28.	A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a Board Meeting.
Liability of joint holders	29.	The joint holders of a Share shall be jointly and severally be liable to pay all calls in respect thereof.
Directors may extend time	30.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Members whom, for reason of residence at a distance or other cause, the Board may deem fairly entitled to such extension save as a matter of grace and favour.
Calls to carry interest	31.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine. The Board shall be at liberty to waive payment of any such interest wholly or in part.
Sums deemed to be calls	32.	Any sum which by the terms of issue of a Share, becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Shares or by way of premium, shall, for the purpose of these Articles be deemed to be a call duly made and payable and, in case of non-payable of such sum, all the relevant provisions of these Articles as to the payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had

		become payable by virtue of a call duly made and notified, but nothing in the Article shall render it obligatory for the Board to demand or recover any interest from any such Member.
Payment in anticipation of calls may carry interest	33.(1).	The Board may, if it thinks fit, agree to receive from Members willing to advance the same all or any part of the amounts of their respective Share beyond the sums actually called up and upon the moneys so paid in advance or upon so much thereof, from time to time and at any time thereafter, as exceed the amount of the calls then made upon and due in respect of the Shares on account of which such advance is made, the Board may pay or allow interest, at such rates as the Members paying the sum in advance and the Board agrees upon but not exceeding 12% per annum.
The Board may agree to repay amount advanced	33.(2).	The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing.
Member not entitled to voting rights for sum paid in advance	33.(3).	No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.
LIEN		
Company shall have lien on Shares	34.(1).	The Company shall have a first and paramount lien upon all the Shares (other than the fully paid-up Shares) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all money (whether presently payable or not) called or payable at a fixed time in respect of such Shares and no equitable interest in any Share shall be created except upon the footing and subject to the condition that Article 22 hereof will have full effect. Such lien shall extend to all Dividends and bonus from time to time declared in respect of such Shares. Unless otherwise agreed, registration of a Transfer of Share will operate as a waiver of the Company's lien, if any, on such Shares. The Directors may at any time declare any Shares wholly or in part to be exempt from the provisions of the Article.
Fully paid Shares to be free from lien	34.(2).	Fully paid Shares shall be free from all lien and in the case of partly paid Shares, the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such Shares.
Enforcement of lien on sale	35.	For the purpose of enforcing such lien, the Board may sell the Shares subject thereof in such manner as it shall think fit subject to the provisions of the Depositories Act and for that purpose in respect of such Shares, it may authorize one of its Members to execute a Transfer thereof on behalf of and in the name of such Member, through the Depository. Provided that no sale shall be made –
		(a) Unless a sum in respect of which the lien exists is presently payable, or
		(b) Until the expiration of fourteen days after a notice in writing, stating and demanding the payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.
Application of proceeds of sale	36.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any shall (subject to a like lien for sums not presently payable as existed upon the Shares before the sale) be paid to the person entitled to the Shares at the date of the sale.
FORFEITURE OF SHARES		
Notice by Board if call or instalment not paid	37.	If a Member fails to pay any call, or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring the payment of such part of the call or instalment as is unpaid, together with any interest which may have accrued thereon.
Form of notice	38.	The notice aforesaid shall: (a) name a future day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and (b) state that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made shall be liable to be forfeited.
If default in payment, Shares to be forfeited	39.	If the requirements of any such notice as aforesaid are not complied with, any Share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
Sale or disposal of forfeited Shares	40.	A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
Liability of ceasing	41.	(a) A Person whose Shares have been forfeited shall cease to be a Member in respect of

Member		the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the Shares. (b) The liability of such Person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.
Declaration in writing	42.	(a) A duly verified declaration in writing that the declarant is a Director, Manager or CS, and that a Share in the Company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share; (b) The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a Transfer of the Share in favour of the Person to whom the Share is sold or disposed of; (c) Subject to the provisions of the Depositories Act, the Transferee shall thereupon be registered as the holder of the Share; (d) The Transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.
Non-payment of sum	43.	The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of the issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
Provision of forfeiture to apply mutatis mutandis	44.	Subject to the provisions of the Act and these Articles, the provisions of forfeiture of Shares shall mutatis mutandis apply to any other Securities including Debentures.
Deposits & calls to be a debt payable immediately	45.	The money if any which the Board of Directors shall on the allotment of any Shares being made by it require or direct to be paid by way of deposit call or otherwise in respect of any Shares allotted by them shall immediately on the insertion of the name of the allottee in the Register of Members or index of Beneficial Owners as the name of the holder of such Shares become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by him accordingly.
Liability of Member	46.	Every Member shall pay to the Company the portion of the Share Capital represented by his Share or Shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall from time to time in accordance with the Company's regulations fix for the payment thereof.
DEMATERIALIZATION OF SHARES, AND OTHER SECURITIES		
Issue and Transfer of Shares and other Securities in electronic form	47.	The Company shall issue or Transfer Shares, and/or Securities only in a dematerialized form. The Company shall enter into an agreement with the Depository to enable the Shareholders to dematerialize the Shares and/or Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act and the Act where applicable along with the Rules framed thereunder.
TRANSFER AND TRANSMISSION OF SHARES Provisions of Article 48 to Article 62 are subject to the provisions of a) Article 63 under the heading "Dealing of Shares" and b) Article 64 under the heading "Valuation"		
Transfer of Shares	48.	Subject to the provisions of the Act and these Articles, the following provisions shall apply with regard to the Transfer and transmission of Shares.
Form of Transfer	49.	The Transfer of Shares, shall be only in dematerialised form.
Provision of Section 56 to be complied with	50.	The Company, the Transferor and the Transferee of the Shares shall comply with the provisions of Section 56 of the Act and Rule 9A of Companies (Prospectus and Allotment of Securities) Rules, 2014 and such other amendments under the law.
Application for Transfer	51.(1).	An application for the registration of a Transfer of the Shares in the Company may be made either by the Transferor or the Transferee.
Partly paid Shares not to be Transferred unless notice given to Transferee	51.(2).	Subject to the applicable provisions of Indian Law (including the Depositories Act, if relevant), where the application is made by the Transferor and relates to partly paid Shares, the Transfer shall not be registered unless the Company has given notice of the application to the Transferee in the manner prescribed by Section 56(3) of the Act and the Transferee makes no objection to the Transfer within two weeks from receipt of the notice.
Notice when duly given	51.(3).	For the purpose of sub clause (2) above, notice to the Transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the Transferee at the address given by the Transferee and shall be deemed to have been duly delivered in the ordinary course of post.
Company not liable for disregard	51.(4).	Subject to the provisions of the Act, the Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any Transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing

of notice of trust		in the Register of Members or index of Beneficial Owners) to the prejudice of Persons having or claiming any equitable right, title or interest to or in the Shares notwithstanding that the Company may have had notice prohibiting registration of such transfer and may have entered such notice or referred thereto in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given of it of any equitable right, title or interest or be given to it of any equitable right, title or interest or to be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board of Directors shall so think fit.
Insolvency or liquidation of one or more joint holders of Shares	52.	In the case of insolvency or liquidation of any one or more of the Persons named in the Register of Members or index of Beneficial Owners as the joint holders of any Share, the remaining holder or holders shall be the only Person or Persons recognized by the Company as having any title to, or interest in, such Share, but nothing herein contained shall be taken to release the estate of the Person under insolvency or liquidation from any liability on Shares held by him, jointly with other Person or Persons.
Transfer by legal representatives	53.	A Transfer of Shares in the Company of a deceased Member made by his legal representative shall, although the legal representative is not himself a Member, be as valid as if he had been a Member at the time of such Transfer.
Transfer books of Shares & Debentures when closed	54.	The Board shall have the power on giving seven days' previous notice, by advertisement in some newspaper circulated at the place where the Registered Office is located, to close the transfer books, the Register of Members or Register of Debenture holders or index of Beneficial Owners at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty five days in each year, as it may deem expedient.
Death of one or more joint holders of Shares	55.	In case of the death of one or more persons named in the Register of Members or index of Beneficial Owners as the joint holders of any Shares, the survivor or survivors shall be the only persons recognized by the Company as having any title to or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held jointly with any other Person.
Title to Shares of deceased Member	56.	The executor or administrator of a deceased Member or the holder of a succession certificate or the legal representative in respect of the Shares of a deceased Member (not being one of two joint holders) shall be the only person recognized by the Company as having any title to the Shares registered in the names of such Members and the Company shall not be bound to recognize such executor or administrator or holder of a succession certificate or the legal representative shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court or other competent authority in the Union of India provided that, in any case where the Board in its absolute discretion thinks fit, the Board may, upon such terms as to indemnity or otherwise as the Board may deem proper, dispense with production to probate or letters of administration or succession certificate and register under these Articles the name of any Person who claims to be absolutely entitled to the Shares standing in the name of a deceased Member.
Registration of Persons entitled to Shares otherwise than through Transfer	57.	Any Person becoming entitled to any Share in consequence of the death, lunacy, bankruptcy, insolvency, liquidation or winding up, as the case may be, of any Member or by any lawful means other than by Transfer in accordance with these Articles, may with the consent of the Board (which shall not be under obligation to give) upon producing such evidence that he sustains the character in respect of which he proposed to act under these Articles or of his title as the Board shall require, and upon giving such indemnity as the Directors shall require, either be registered as a Member in respect of such Share or elect to have some Person nominated by him and approved by the Board registered as a Member in respect of such Shares provided nevertheless that if such Person shall elect to have his nominee registered, he shall testify his election by executing in favour of his nominee an instrument of Transfer in accordance with the provision herein contained and until he does he shall not be freed from any liability in respect of such Share. This clause is herein referred to as the transmission clause.
Refusal to register Person becoming entitled to Shares on transmission	58.	Subject to the provisions of the Act and these Articles, the Board shall have the right to refuse to register a Person entitled to any Share under Article 59 or his nominee as if he were the Transferee named in an ordinary Transfer.
Directors entitled to refuse to	59.	The Board shall be entitled to decline to register more than four persons as the holders of

register more than four joint holders		any Shares.
Persons entitled to Share by transmission may receive Dividends without being registered as Members	60.	A Person entitled to a Share by transmission shall, subject to the right of the Board to retain such Dividends or moneys as hereinafter provided, be entitled to receive and may give a discharge for any Dividends or other moneys payable in respect of the Share.
No fee for Registration of Transfer, transmission	61.	No fee shall be charged for registration of Transfer, probate, succession certificate, letters of administration, certificate of death or marriage, power of attorney or other similar documents.
Registers of Transfer and transmission of Shares held in dematerialised form	62	The Company shall keep a book, to be called the 'Register of Transfers and Transmission' and therein shall be fairly and distinctly entered particulars of every Transfer or transmission of any Shares.
Dealing of Shares	63.	A. <u>Exclusivity of Articles</u> Each of Articles 63.6, 63.8 and 63.9 is exclusive and the provisions of one of these Articles may only be relied upon by any Shareholder to the extent that the provisions of none of the other Articles is at the same time being relied upon by the same or another Shareholder. B. <u>General restriction on Transfer of Shares</u> During the term of the Agreement, no Shareholder or Nominee Shareholder will deal with any Shares or any interest therein, or Transfer any Shares now or hereafter held by it, except in accordance with the Agreement or these Articles. A purported Transfer of any Shares in violation of the Agreement or these Articles will not be valid, and the Company will not register, nor permit any transfer agent to register any such Shares on the securities register of the Company. No voting rights attaching to or relating to such Shares will be exercised, no purported exercise of such voting rights will be valid or effective, and no Dividend or distribution will be paid or made on such Shares. Each Shareholder or Nominee Shareholder who purports to Transfer any Shares in violation of the Agreement or these Articles agrees to donate and hereby donates to the Company all Dividends and distributions paid or made on such Shares during the period of such prohibited Transfer. The provisions of the immediately preceding sentence are in addition to, and not in lieu of, any other remedies to enforce the provisions of the Agreement or these Articles. C. <u>Permitted Transfers</u> A Shareholder may Transfer any Shares owned by it only: (a) To an Affiliate in accordance with Article 63.4; (b) To a lender in accordance with Article 63.5; (c) To a member of the other Group in accordance with Clause 2.3 of Shareholders' Agreement and Articles, 63.6, 63.8 or 63.9, as applicable; (d) To a Third Party in accordance with Clause 2.3 of Shareholders' Agreement and Articles 63.6, 63.7, 63.8 or 63.9, as applicable; or (e) To any employee of the Company pursuant to any Board approved share option or purchase plan. D. <u>Permitted Transfers within Groups</u> (a) Subject to the provisions of the Article 63.4, either Group may at any time or from time to time Transfer any of its Shares to other members of its Group. (b) A Group seeking to Transfer Shares in accordance with the Article 63.4 must provide 21 (twenty-one) days' advance written notice of the Transfer to the other Group. (c) Before the completion of any Transfer contemplated by the Article, the Transferee will execute and deliver an instrument, in form and substance satisfactory to the other Group, acting reasonably, in which it: (i) makes representations and warranties that are, in substance, the same as the representations and warranties made by the Shareholders under the Agreement, and agrees to be bound by the terms of the Agreement as if it

		were an original signatory to the Agreement; (ii) provides that the Transferred Shares will be deemed for all purposes of the Agreement to be Shares of ABCL or Sun Life India, as applicable, while ABCL or Sun Life India is a Shareholder, such that any Person will be entitled to deal with ABCL or Sun Life India with respect to those Shares as if the Shares were held by ABCL or Sun Life India, as applicable; and (iii) grants to ABCL or Sun Life India, as applicable, the right to vote in respect of the Shares Transferred to the Transferee at all meetings of the Shareholders, and the right to execute all documents and do all things that a Shareholder is permitted or required to do under the Agreement. (d) Before the completion of any Transfer contemplated by the Article, either ABCL (on behalf of the Aditya Birla Conglomerate, if a member of that Group is the Transferor) or Sun Life Canada (on behalf of the Sun Life Group, if a member of that Group is the Transferor), will execute and deliver an instrument, in form and substance satisfactory to the other parties, acting reasonably, in which it: (i) represents and warrants that (A) the Group Controls the Transferee and the particulars as to the manner in which it does so, (B) the number of Shares constituting a Controlling interest by the Group member in the capital of the Transferee are not subject to the terms of any agreement that provides for the manner in which those shares of the capital of the Transferee are to be voted, and (C) the owner of that number of shares constituting a Controlling interest of the Transferee is entitled, without restriction, to exercise all voting rights attached to that number of shares constituting a Controlling interest in the capital of the Transferee; and (ii) covenants that (A) it will ensure that the representations and warranties set out in Article 63.4(d)(i) will continue to be true and correct at all times and (B) it will guarantee the performance by the Transferee of all of its obligations under the Agreement and these Articles. (e) Before the Transferee to which Shares have been Transferred pursuant to the Article 63.4 ceases to be a member of the applicable Group, it must Transfer the Shares back to the Transferor or to the another member of the applicable Group in accordance with the Article 63.4, failing which it will be deemed to be in default of a material obligation under the Agreement and these Articles and the provisions of Article 63.9 will apply. E. <u>Pledge of Shares</u> No Shareholder or Nominee Shareholder may mortgage, create a security interest in, pledge or otherwise encumber any Shares owned by it as security for a bona fide loan from a lender at any time during the term of the Agreement and the Articles, unless it receives the written consent of the other Group, which consent may not be unreasonably withheld, and unless the lender has agreed by written instrument, in form and substance satisfactory to the Parties, acting reasonably, that the lender will deal with the Shares only in accordance with the terms of the Agreement and these Articles as if the lender was a Shareholder, and that preserves the other Shareholders' rights and entitlements under the Agreement and these Articles to acquire the pledged Shares in accordance with the terms of the Agreement and these Articles. F. <u>Right of First Refusal</u> (a) Subject to Article 63.6(i), if at any time a Shareholder who is a member of a Group ("Seller") receives and, subject to compliance with the provisions of the Article 63.6, conditionally accepts from a Third Party, acting as principal, and dealing at arm's length with the Seller, a <i>bona fide</i> written offer ("Third Party Offer") to purchase for cash all, but not less than all, of the Shares then held by the Seller's Group, together with the Shareholder Loans, if any, held by the Seller's Group, then the provisions of Articles 63.6 and 63.7 will apply. (b) The Seller will deliver a notice in writing ("Notice of Sale") to a member of the other Group ("Other Group") offering to sell to the Other Group the Shares owned by the Seller's Group and Shareholder Loans, if any, at the same price and in all other respects on the same terms and conditions as provided in the Third Party Offer, which terms and conditions must reasonably be capable of being satisfied by the Other Group. The Notice of Sale will also state that the Seller's Group has received an offer that it is willing and able to accept, that the offer is <i>bona fide</i> and is made by a Person with whom the Seller's Group is dealing at arm's length, and will contain a representation and warranty that no event of the kind referred to in Article 63.6(i) has occurred with respect to the Seller. The Seller will deliver with the Notice of Sale a true copy of the Third Party Offer

		and, if the Third Party is a company, the names of the principal owners and all Persons that Control the Third Party, officers and directors (or equivalent) of the Third Party, and any other information with respect to the financial capacity of the Third Party in the possession of the Seller. The offer contained in the Notice of Sale will be irrevocable except with the consent of the Other Group, and will be open for acceptance for a period of 90 (ninety) days after the date upon which the Notice of Sale is received by the Other Group (the “Acceptance Period”). (c) The Other Group will have the right, exercised by notice in writing to the Seller during the Acceptance Period: (i) to accept the offer contained in the Notice of Sale for all the Seller’s Shares, upon the terms and conditions contained in the Third Party Offer (“Acceptance Notice”); (ii) to agree that the Seller’s Group may sell to the Third Party all of the Shares owned by it on the terms and conditions contained in the Third Party Offer and, if the Other Group so elects, to exercise the piggy-back right by accepting the Piggy-Back Offer as described in Article 63.7; or (iii) to agree that the Seller’s Group may sell to the Third Party all of the Shares owned by it on the terms and conditions contained in the Third Party Offer, provided that, contemporaneously with the completion of the sale to a Third Party and the person Controlling the Third Party must become subject to all of the obligations of the Seller and its Group under the Agreement and these Articles, as applicable, and subject to the next sentence agree to be bound by the provisions of the Agreement and these Articles. The Parties agree that the Third Party will not be entitled to the rights under the Article 63.6 or Articles 66, 67(a), 127, 129, 130, 80(1), 86, 155, 125, Clauses 2.3 and 6.3 of Shareholders’ Agreement but, for the avoidance of doubt, it is clarified that such Third Party will be subject to the obligations set out in those Articles. (d) If the Other Group gives an Acceptance Notice, the sale of the Shares (and Shareholder Loans, if applicable) to a member of the other Group will be completed in accordance with the terms of the Third Party Offer. However, the inability of the Other Group by reason of the application of Indian Law to hold any interest in Shareholder Loans, will not disentitle it from exercising its rights under Article 63.6(c). (e) If the Other Group gives the notice referred to in Article 63.6(c)(ii) within the Acceptance Period, the sale of the Shares (and the Shareholder Loans, if applicable) by the Seller’s Group and the Other Group to the Third Party will be completed concurrently in accordance with the terms of the Third Party Offer and the Piggy-Back Offer, if applicable. (f) If the Other Group gives the notice referred to in Article 63.6(c)(iii), the Seller may accept the Third Party Offer and, subject to compliance with the Article 63.6, may sell its Group’s Shares (and shareholders Loans, if applicable) in accordance with the terms of the Third Party Offer within a period of 90 (ninety) days following the expiry of the Acceptance Period at a price not lower than the offer price and on other terms not more favorable than the terms in the Notice of Sale, failing which the provisions of the Agreement and these Articles will again apply to any proposed Transfer of Shares, and so on from time to time. The Parties acknowledge and agree that a Group that does not exercise its rights under the Article 63.6 may nevertheless purchase Shares offered for sale by the Seller by way of an IPO. (g) If the Seller does not receive an Acceptance Notice from the Other Group within the Acceptance Period confirming its agreement to purchase all (but not less than all) of the Seller’s Shares, it will be deemed to have given the notice under Article 63.6(c)(ii). (h) To permit the practical implementation of the Article 63.6, no Shares may be Transferred in accordance with the Article 63.6 by any Shareholder as part of or incidental to the sale of any other assets or any other transaction. (i) The Seller will not be entitled to deliver a Notice of Sale during 180 (one hundred and eighty) days from the date on which an Event of Default with respect to it has occurred or an event has occurred that, with notice or lapse of time, would constitute an Event of Default. After the expiry of that 180 (one hundred and eighty) day period, the Seller will be entitled to deliver a Notice of Sale so long as the provisions of Article 63.9 have been complied with and the Shares are not being purchased pursuant to that Article. In addition, a Seller will not be entitled to deliver a Notice of Sale if a Buy/Sell Notice has been given by a member of the other Group under Article 63.8.

		(j) All notices under the Article 63.6 will be given concurrently to all Shareholders and to the Company. (k) The Parties agree that if any member of either Group has agreed to purchase Shares and is restricted by reason of operation of any requirement of Indian Law or the laws, regulations or policies of any other applicable jurisdiction from purchasing these Shares under the Article 63.6, then that Group will be entitled to assign its right to purchase these Shares to any Third Party or Third Parties. G. <u>Piggy-Back Rights</u> (a) Unless the Other Group waives the requirements in the Article 63.7, the Seller referred to in Article 63.6 will not be entitled to deliver a Notice of Sale unless the Notice of Sale contains or is accompanied by an offer by the Third Party to purchase all but not less than all of the Shares and Shareholder Loans, if applicable, held by the Other Group (“Piggy-Back Offer”). The Piggy-Back Offer will contain terms and conditions identical to those contained in the Third Party Offer, except that the obligations of the Third Party under the Piggy-Back Offer may be conditional upon completion of the transaction contemplated in the Notice of Sale. The Piggy-Back Offer will be irrevocable except with the consent of the Other Group, and will be open for acceptance within the Acceptance Period. (b) On a sale of Shares pursuant to the Article 63.7, the Other Group will only be required to provide to the Third Party covenants, representations and warranties relating to its Share ownership. Nothing contained in the Agreement and these Articles will be deemed to make any of the selling Shareholders responsible for representations or warranties provided exclusively by another selling Shareholder. H. <u>Termination of Joint Ownership: Buy/Sell Rights</u> (a) Subject to Article 63.8(i), if at any time either ABCL or Sun Life Canada is dissatisfied with the joint venture relationship in respect of the Company, then Sun Life Canada or ABCL may deliver a written notice (the Group delivering this notice being for the purpose of the Article, the “Seller”) to the other (“Purchaser”) to that effect. Concurrently with the delivery of this notice, the Party delivering the notice will refer the matters giving rise to the dissatisfaction for discussions and consultation by the chairman of the Aditya Birla Conglomerate and the chief executive officer of Sun Life Canada. (b) If the chairman of the Aditya Birla Conglomerate and the chief executive officer of Sun Life Canada are unable to resolve the dissatisfaction within 90 (ninety) days of the date of the notice referred to in Article 63.8(a), the Groups will determine the Fair Value of the Shares in accordance with Article 66 and Clause 5.1 of the Shareholders’ Agreement. (c) Once the Fair Value of Shares is determined, the Purchaser may offer to purchase all, but not less than all, of the Shares beneficially owned by the Seller at that price. (d) If: (i) the Purchaser does not for any reason agree, within 60 (sixty) days of the date on which Fair Value was determined, to purchase the Seller’s Shares at the Fair Value (it being understood that the Groups will provide for a reasonable period of time for closing of such purchase and sale transaction, not to exceed 4 (four) months), provided that if such closing does not occur within such agreed time period, the Parties will proceed to the steps outlined in the balance of the Article 63.8; or (ii) the Seller does not for any reason agree, within 60 (sixty) days of the date on which Fair Value was determined, to sell its Shares to the Purchaser at the Fair Value, then the Seller will have 90(ninety) days to locate a Third Party Purchaser satisfactory to the Purchaser, acting reasonably, to purchase all the Shares beneficially owned by the Seller. The provisions of Clause 5.2 (Closing) of the Shareholder Agreement will apply to any such transaction. (e) If ABCL and Sun Life Canada are unable to agree upon a satisfactory Third Party purchaser within the 90 (ninety) day period referred to in Article 63.8(d), then ABCL and Sun Life Canada will have an additional 30(thirty) days from the end of the 90-day period to attempt to resolve the disagreement. On any day between the first Business Day and the thirtieth Business Day after the end of the aforesaid 30 (thirty) day period, each of ABCL and Sun Life Canada will be entitled to advise the other by written notice (a “Buy/Sell Notice”; for the purposes of the

		Article, the Party issuing the Buy/Sell Notice is the “Offeror”) of the price per Share at which the Offeror is prepared to purchase all but not less than all of the shares owned by the other Group or, if the Party receiving the offer (the “Offeree”) so elects, at which the Offeror is prepared to sell all of the Shares beneficially owned by its Group to the Offeree or its Affiliates. Any buy/sell Notice delivered pursuant to the Article 63.8(e) will constitute the Offeror’s irrevocable offer either: • to purchase all of the Shares beneficially owned by the Offeree’s Group; or • to sell to the Offeree or any of its Affiliates all of the Shares beneficially owned by the Offeror’s Group, in each case in cash at the price set out in the Buy/Sell Notice. If each Group delivers a Buy/Sell Notice to the other, the first in time (as evidenced by the time of transmission in the case of a electronic transmission or by the date and time of receipt in the case of personal delivery) will be deemed to be the Buy / Sell Notice for the purpose of the Article 63.8(e), and the Group delivering the Buy/Sell Notice will be the Offeror for these purposes. (f) The Buy/Sell Notice will contain a representation and warranty that no event of the kind referred to in Article 63.8(i) has occurred with respect to the Offeror or any member of the Offeror’s Group. (g) The Offeree will be deemed to have accepted the Offeror’s offer to purchase as set out in Article 63.8(e)(i) and the Buy/Sell Notice unless the Offeree delivers within 60(sixty)days of receipt of the Buy/Sell Notice, written notice to the Offeror advising the Offeror of the Offeree’s election to purchase all of the Shares beneficially owned by the Offeror’s Group at the price per Share as set out in the Buy/Sell Notice, in which case the Offeree will be deemed to have accepted the Offeror’s Group’s offer to sell its Shares to the Offeree. (h) The closing of the purchase and sale transaction contemplated in Article 63.8(g) will occur within 90 (ninety) Business Days of receipt of the Buy/Sell Notice by the Offeree, and the provisions of Clause 5.2 (Closing) of the Shareholders Agreement will apply to that transaction. (i) ABCL, Sun Life India and Sun Life Canada will not be entitled to deliver a Buy/Sell Notice during 180 (one hundred and eighty) days from the date on which an Event of Default with respect to it has occurred or an event has occurred which, with notice or lapse of time, would constitute an Event of Default. After the expiry of that 180(one hundred and eighty) day period, ABCL or Sun Life Canada will be entitled to deliver a Buy/Sell Notice so long as the provisions of Article 63.9 have been complied with and the Shares are not being purchased pursuant to that Article. In addition, neither Group will be entitled to deliver a Buy/Sell Notice if a Notice of Sale has been given by the other Group under Article 63.6. (j) All notices under the Article 63.8 will be given concurrently to both Groups and to the Company. (k) The Parties agree that if any member of either Group has agreed to purchase Shares and is restricted by reason of operation of any requirement of Indian Law or the laws, regulations or policies of any other applicable jurisdiction from purchasing these Shares under the Article 63.8, then that Group will be entitled to assign its rights to purchase these shares to any Third Party or Third Parties. I. <u>Sale on Event of Default</u> (a) Notwithstanding any other provision of the Agreement, if an Event of Default (defined below) occurs with respect to ABCL or any of its Principals, on the one hand, or with respect to Sun Life India or its Principal, on the other hand (in either case, the “Defaulting Party”) then, subject to applicable laws and regulations, Indian Law and these Articles, Sun Life India, where ABCL or any of its Principals is the Defaulting Party, or ABCL, where Sun Life India or its Principal is the Defaulting Party (in either case, the “Aggrieved Party”) will be entitled, without prejudice to any other rights or remedies such Aggrieved Party may have in respect of such default (including the right to claim damages), at its sole option and upon written notice to the Defaulting Party, to purchase or to cause a Third Party designated by it to purchase all (but not less than all) the Shares held by the Defaulting Party’s Group for cash at (i) Fair Value or (ii) in the case of any Event of Default committed by a Defaulting Party under Article 63.9(a)(i), 63.9(a)(vi), 63.9(a)(vii), at 90% of the Fair Value, which Fair Value will be determined in accordance with Article 64 and Clause 5.1 of the Shareholders’ Agreement. The

		giving of this notice will constitute a binding obligation of the Aggrieved Party to purchase, and the Defaulting Party to sell, all of the Shares held by the Defaulting Party's Group. Alternatively, the Aggrieved Party may require the Defaulting Party to purchase all of the Shares beneficially owned by the Aggrieved Party's Group for cash at (i) Fair Value or (ii) in the case of any Event of Default committed by a Defaulting Party under Article 63.9(a)(i), 63.9(a)(vi), 63.9(a)(vii) or 63.9(a)(viii), at 110% of the Fair Value, which Fair Value will be determined in accordance with Article 64 and Clause 5.1 of the Shareholders' Agreement. In this case, the giving of this notice will constitute a binding obligation of the Defaulting Party to purchase, and the Aggrieved Party to sell, all of the Shares held by the Aggrieved Party's Group. An "Event of Default" will be deemed to have occurred with respect to a Shareholder if: (i) the Shareholder or any of its Principals fails to observe or perform any of its material obligations under the Agreement or any instrument or document delivered pursuant to the Agreement, or fails to perform or observe the award or order of an arbitration proceeding under Clause 7.1 of the Shareholders' Agreement and (in either case) such failure, if capable of remedy, is not remedied or, if not capable of remedy, is not waived, in either case within 60 (sixty) days after written notification thereof by any other Party; or (ii) the Shareholder or any of its Principals becomes or is adjudicated or declared bankrupt or insolvent, or convenes a meeting of its creditors or proposes or makes any arrangement or composition with, or any assignment for the benefit of, its creditors or a meeting is convened for the purpose of considering a resolution or other steps are taken for its winding up or such Shareholder ceases or threatens to cease wholly or substantially to carry on its business; or (iii) an encumbrancer takes possession of, or a trustee, receiver or similar officer is appointed in respect of, all or a substantial part of the business or assets of any Shareholder or any of its Principals or distress or any form of execution is levied or enforced upon or sued out against any such assets and is not discharged or stayed within 30 (thirty) days; or (iv) anything analogous to the circumstances described in Article 63.9(a)(ii) or 63.9(a)(iii) above occurs in respect of any Shareholder or its Principal under the laws of any applicable jurisdiction; or (v) the Shareholder or any of its Principals admits its inability to pay debts generally as they become due or otherwise acknowledge insolvency; or (vi) any representation and warranty of the shareholder or any of its Principals contained in the Agreement, or in any instrument or document delivered pursuant to the Agreement at any time hereafter, is or becomes not true and correct in any material respect and the Shareholder or Principal has not taken all necessary steps, to the satisfaction of the other Shareholders and the Company, acting reasonably, to ensure that the representation and warranty becomes true and correct no later than 30 (thirty) days after receipt by such shareholder or Principal of notice from any other Party that the representation and warranty is not true and correct; or (vii) default occurs under any loan or obligation for which security has been granted by way of a mortgage, hypothecation or a pledge of, or the granting of a security interest, in (A) any shares held by the Shareholder or (B) any Shares or Securities of, or other interest in, any member of a group, which directly or indirectly owns any Shares, in each case with the result that, absent any provision of the Agreement and upon compliance with applicable law, the lender or obligee could realise upon such security; or (viii) in the case of ABCL, it ceases to be Controlled by the Aditya Birla Conglomerate or, in the case of Sun Life India, it ceases to be Controlled by the Sun Life Group. (b) A Defaulting Party will give notice to the other Parties that an event has occurred with respect to it, which constitutes an Event of Default or which would, if such event is not corrected or remedied or otherwise resolved to the satisfaction of the other Shareholders as contemplated above, constitute such an Event of Default. This notice will be given forthwith after the occurrence of the particular event. (c) The Parties agree that if any member of either Group has agreed to purchase Shares and is restricted by reason of operation of any requirement of Indian Law or the laws, regulations or policies of any other applicable jurisdiction from purchasing these Shares under the Article 63.9, then that Group will be entitled to assign its rights to purchase these Shares to any Third Party or Third Parties.

		J. <u>Covenant by Principals as to Shares in controlled Shareholders</u> Each Principal agrees that it will not deal with any shares or any interest therein or Transfer any shares of any person Controlled, directly or indirectly, by it that owns Shares, and that it will not mortgage, hypothecate, pledge or grant a security interest in any shares of any Person Controlled, directly or indirectly, by it that owns Shares in any way that will cause any of the representations and warranties contained in Clause 2.1 of the Shareholders' Agreement to become untrue or incorrect, except with the prior written consent of the other Group, which will not be unreasonably withheld.
Valuation	64.	(a) The Parties agree that any Transfer of Shares between the Groups will be at Fair Value unless otherwise specifically provided in the Agreement and these Articles. (b) The Fair Value of Shares will be determined on the basis of the price at which a reasonably prudent and informed vendor, not under compulsion to sell, would be prepared to sell the Shares to be purchased, and at which a reasonably prudent and informed purchaser, not under any compulsion to purchase, would be prepared to purchase such Shares. In determining Fair Value, there will not be taken into account any expropriation premium, discount for minority or premium for Controlling interest. The Fair Value shall be determined by an independent valuer appointed as contemplated in the Shareholders' Agreement and using basis, methodology and assumptions set out in the Shareholders' Agreement or as may otherwise be agreed between the Groups in writing.
BORROWING POWERS		
Power to borrow	65.	Subject to the provisions of the Act, the Board may, from time to time at its discretion, by a resolution passed at a Board Meeting, receive deposits or loans from members either in advance of call or otherwise and generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, Debentures or debenture stock (perpetual or otherwise) or in any other manner or from any person, firm, company, co-operative society and corporate body, bank, institution, Government or any authority or any other body for the purpose of the company and may secure the payment of any sums of money so received, raised or borrowed provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's banker in ordinary course of business) shall not at any time except with the consent of the Company by way of special resolution in general meeting exceed the aggregate of the paid-up share capital of the Company, free reserves and securities premium, as defined under the Act.
RELATIVE SHARE OWNERSHIP		
Relative Share Ownership	66.	(a) The Parties will comply with Indian Law and, in particular, those requirements with respect to the equity participation of foreign shareholders in joint venture companies. Subject to the terms of the Agreement or these Articles, if either Group owns fewer Shares than the other Group other than voluntarily, it will continue to enjoy its rights, entitlements and benefits under the Agreement and these Articles. (b) The Parties agree that other than as may be required by Indian Law or with the consent of both Groups, and subject to Article 66 (c): (i) the Aditya Birla Conglomerate will always own at least 51% of the total number of Shares held by both Groups in the aggregate; (ii) the Sun Life Group will not at any time own more than 49% of the total number of Shares held by both Groups in the aggregate; and (iii) the Sun Life Group will at all times own more Shares than any other Shareholder or group of Affiliated Shareholders (other than the Aditya Birla Conglomerate). (iv) The Parties agree that the foregoing will apply at all times that a member of each Group is a Shareholder in the Company before an IPO, including in the event that the Company has other Shareholders. However, a voluntary reduction in share capital by the Aditya Birla Conglomerate will not require the Sun Life Group to reduce its Shareholding interest. (c) The Sun Life Group will in no circumstances be required to dilute its interest to below 26% of the Share Capital in the Company. For the avoidance of doubt and notwithstanding any other provision of the Agreement and these Articles, the Parties agree that without Sun Life India's prior written consent, no other foreign Person may directly or indirectly own any Shares as a result of any transaction undertaken by ABCL or any other member of the Aditya Birla Conglomerate from time to time, or otherwise, if the same results in a dilution of the Sun Life Group's Shareholding in the Company to below 26% of the Share Capital. (d) Each of ABCL and Sun Life Canada intend that any dilution of their respective

		Group's Shareholding in the Company be proportionate to their Shareholding interests.
GROUPS' PARTICIPATION IN AND RELATIVE INTERESTS UPON AN IPO		
Groups' participation in and relative interests upon an IPO	67.	(a) If the Company undertakes an IPO (either in conjunction with the divestiture described in Clause 2.3(a)(ii) of the Shareholders' Agreement or otherwise, (i) each of the Aditya Birla Conglomerate and the Sun Life Group will have the first right to offer their respective Shares in such IPO by way of an offer for sale, in proportion to their existing Shareholding in the Company, and (ii) the Shareholding of the Aditya Birla Conglomerate and the Sun Life Group, following the IPO, will not be less than 26% of the Share Capital each. (b) For the purposes of the IPO, the Company will, with the prior written approval of both, Aditya Birla Conglomerate and the Sun Life Group, appoint one or more merchant banker (s) of national / international repute ("Merchant Banker(s)"). The terms and conditions of such IPO including the size of the IPO, the price band, the issue price of the Shares and related matters will be determined in consultation with the Merchant Banker(s), subject to the prior written approval of each of the Aditya Birla Conglomerate and the Sun Life Group. (c) If, in the context of an IPO, the Securities and Exchange Board of India (the "SEBI"), the Stock Exchange(s) or any other regulatory authority is of the view that (i) any of the rights contained in the Agreement and or these Articles granted to either of the Aditya Birla Conglomerate or the Sun Life Group should be deleted either from the Agreement or from these Articles or from both, or (ii) the Agreement should be terminated and its corresponding provisions in these Articles should be deleted, then the Parties agree to make such representations and make the requisite disclosures to such authority as may be required by the Aditya Birla Conglomerate or the Sun Lifer Group, as the case may be, to dispel or correct such view. (d) In the event that the Parties are agreeable to (i) the requisite amendments to the Agreement and/or these Articles, as the case may be (the "Imposed Amendments"); or (ii) the termination of the Agreement and the deletion of its corresponding provisions in these Articles, as the case may be, each of the Company, the Aditya Birla Conglomerate and the Sun Life Group unconditionally and irrevocably agree that, (i) in the event the DRHP is not filed with SEBI within three (3) months from the date of appointment of the Merchant Banker(s); (ii) in the event the final observations on the DRHP are not received from SEBI ("SEBI Card") within two (2) months from the date of filing the DRHP with SEBI; (iii) in the event the IPO is not completed within a period of one (1) year from the date of receipt of the SEBI Card; or (iv) at any time after the IPO. (v) upon receipt of a written request from either of the Aditya Birla Conglomerate and/or the Sun Life Group and upon the happening of any of the aforementioned events, (i) the rights of the Aditya Birla Conglomerate or the Sun Life Group, prior to the Imposed Amendments (the "Pre-Imposed Amendment Rights") will be reinstated into the Agreement and/or these Articles, as the case may be, in accordance with the provisions of applicable law; or (ii) the Parties will enter into a shareholders' agreement containing the terms and conditions of the Agreement and will ensure the insertion of its corresponding provisions in these Articles, in accordance with the provisions of applicable law. (e) Each of the Aditya Birla Conglomerate, the Sun Life Group and the Company will provide all the necessary assistance and will undertake all steps to ensure that (i) the Pre-Imposed Amendment Rights are reinstated into the Agreement and/or these Articles of Association, as the case may be; or (ii) a shareholders' agreement is entered into containing the terms and conditions of the Agreement and its corresponding provisions are inserted in these Articles, in accordance with the provisions of applicable law. For this purpose, the Company agrees and undertakes to procure, and each of the Aditya Birla Conglomerate and the Sun Life Group shall cause the Company to call for, an extra-ordinary general meeting of the Shareholders to seek the approval of the Shareholders for the purpose of incorporating the Pre-Imposed Amendment Rights into these Articles, as may be required under Indian Law. (f) In the event of an IPO or any subsequent offer for sale after the IPO involving the preparation of an offer document ("Post-IPO OFS"), in which ABCL and/or Sun Life India offers any of its Shares by way of an offer for sale, the Company agrees to indemnify and hold harmless ABCL and/or Sun Life India, as the case may be, for

		including their respective Shares in such offering, from and against and losses caused by any untrue statement of a material fact contained in any statement or prospectus relating to such secondary offering, or caused by any omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such losses are caused by any such untrue statement or omission based upon information provided in writing by ABCL and/or Sun Life India, as the case may be, or any information furnished in writing to the Company by or on behalf of ABCL and/or Sun Life India, as the case may be, expressly for use therein. Subject to the above, any liability arising out of the IPO or the Post-IPO OFS shall in the first instance be indemnified by the Company in accordance with this clause. (g) If an IPO is only by way of a fresh issue of Shares by the Company, then all fees and expenses required to be paid in respect of the IPO including those for any Merchant Banker(s), underwriters, book-runners, registrars or other intermediaries involved in any manner in relation to the IPO will be borne and paid for by the Company. However, if the IPO includes an offer for sale component by the Aditya Birla Conglomerate and/or the Sun Life Group, all underwriting costs relating to and associated with such offer for sale will be proportionately borne by the Aditya Birla Conglomerate and/or the Sun Life Group, as the case may be, to the extent of the Shares offered by it in the IPO. (h) ABCL and Sun Life India are and shall be the only “Promoters” of the Company.
GENERAL MEETING		
Annual General Meeting	68.	The Company in each year shall hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year.
Extension of time for holding Annual General Meeting	69	Nothing contained in the foregoing provisions shall be constructed as affecting the rights conferred upon the Registrar under the provisions of Section 96 of the Act to extend the time within which any Annual General Meeting may be held.
When and where Annual General Meetings and General Meetings to be called	70.	All General Meetings will be held in Mumbai unless the Shareholders otherwise agree in respect of any Shareholders' meeting other than an Annual General Meeting. Every Annual General Meeting shall be called during business hours, that is, between 9 a.m. and 6 p.m. on any day that is not a national holiday and shall be held either at the Registered Office or at some other place within the city, town or village in which the Registered Office is situated: Provided that the Annual General Meeting may be held at any place in India if consent is given in writing or by electronic mode by all the Members in advance: General Meeting other than Annual General Meeting may be held at the Registered Office or at any place within India.
Expenses to be borne by Shareholders	71.	Shareholders' representatives will not be paid any remuneration for their attendance at Shareholders' Meetings. Each Shareholder will be responsible for all expenses (including travel and lodging) of its representatives incurred in connection with attending Meetings of the Shareholders.
Place of keeping & inspection of registers and returns	72.	The Register of Members and index of Beneficial Owners, the Register of Debenture holders, and copies of all annual returns (alongwith copies of all certificates and documents required to be annexed to such annual return) prepared under Section 92 of the Act, shall be kept at the Registered Office. Provided that such registers, returns and copies of certificates and documents may instead of being kept at the Registered Office, be kept at such other place if –
		(a) such other place has been approved for this purpose by a Special Resolution passed by the Company in a General Meeting; and
		(b) the Registrar has been given in advance a copy of the proposed Special Resolution.
Extraordinary General Meeting	73.	The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any one or more Members holding in the aggregate not less than one tenth of such of the paid up Share Capital as at that date carries the right of voting in regard to the matter in respect of which the requisition has been made.
Requisition of Members to state	74.	Any requisition so made by Members shall set out the matters for the consideration of which the Meeting is proposed, shall be signed by the requisitionists, and shall be

matters for consideration		deposited at the Registered Office provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.
On receipt of requisition Directors to call Meeting and in default requisitionists may do so	75.	Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting and if it does not proceed within twenty one days from the date of the requisition being deposited at the Registered Office, to cause a Meeting to be called on a day not later than forty five days from the date of deposit of the requisition, the requisitionists, or such of their number that represents either a majority in a value of the paid up Share Capital held by all of them or not less than one tenth of such of the paid up Share Capital, whichever is less, may themselves call the Meeting and the Meeting so called shall be held within three months from the date of the deposit of the requisition of the aforesaid.
Meeting called by requisitionists	76.	Any Meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as the manner in which Board Meetings are called.
Twenty one days' notice of Meeting to be given	77.(1).	A General Meeting may be called by the Chairman or the CS of the Company, or (subject to the agreement of the Shareholders) by any two Directors, upon notice of at least twenty one days, specifying the day, place and hour of the Meeting and the general nature of the business to be transacted thereat. An agenda of issues to be discussed at the Meeting shall be given in the manner hereinafter provided and subject to the provisions of the Act, to such Persons as are under these Articles entitled to receive notice from the Company. Provided that an Annual General Meeting may be called at a shorter notice, in accordance with the provisions of the Act.
Contents of notice	77.(2).	Every notice of a Meeting shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted at such Meeting. Provided that if after issuing the notice for holding any General Meeting the Directors are of the opinion that on account of any unforeseen circumstances or event such as earthquake, fire, typhoons, hurricane, flood, cyclone or natural calamities, epidemics, war or war-like events, civil commotion, affray, riots, strikes, lock-out, lay-off, go slow or any other agitation such a gherao or bundh, by any group of people, it will not be possible to hold and/or continue to hold the Meeting at such place and/or needs to be reconvened at a new place which the Directors may consider publishing the same in any newspaper circulating at the place where the Meeting was to be held originally, shall be sufficient compliance in regard to the issuance of any notice for holding and/or continuing to hold any Meeting at such new place.
Notice whom to be given	77.(3).	Subject to the provisions of the Act, notice of every General Meeting shall be given: (a) to every Member in the manner authorized by Section 20 of the Act; (b) to the Persons entitled to a Share due to the death or insolvency of a Member, by sending it through registered acknowledgement to such Persons, as due to the Member, by the name or by the title of the representatives of the deceased or the assignee of the insolvent, or by like description at the address, if any, in India supplied for the purpose by the Persons claiming to be entitled or until such an address has been so supplied by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; (c) To every Director; and (d) to the Auditors for the time being of the Company.
	77.(4).	Every notice convening a Meeting shall state that a Member is entitled to appoint a Proxy to vote and attend instead of himself, and such Proxy need not be a Member.
Omission to give notice not to invalidate proceedings	78.	The accidental omission to give any such notice to or the non receipt of notice by any Member, or other Person to whom it should be given shall not invalidate any proceedings at a Meeting.
Notice of business to be given	79.	No General Meeting, shall be competent to enter upon, discuss or transact any business the general nature of which has not been mentioned in the notice upon which it was convened
Quorum at General Meeting	80.(1).	At least five individuals present in person and representing at least 80% of the total number of issued and outstanding Shares, will constitute a quorum at Meetings of Shareholders, provided that a Member of each of ABCL and Sun Life India is present by representative (including as permitted in accordance with Article 80(3) or by Proxy.
	80.(2).	A body corporate being a Member, shall be deemed to be personally present if represented in accordance with the provisions of Article 80(3) of these Articles.

Electronic attendance	80.(3).	The Shareholders may consult or confer by way of telephone or video conference or other remote means of communication and, to the extent permitted by applicable legislation, the Company may hold a Meeting of the Shareholders by means of such telephone, video conference, or other electronic or other communication facilities that permit all Persons participating in the Meeting to hear and communicate with each other simultaneously or such other requirements under Indian Law, and a Shareholder representative participating in such a Meeting by such means will be deemed to be present at the Meeting.
If quorum not present Meeting to be dissolved or adjourned	81.(1).	At the expiration of half an hour from the time appointed for the Meeting, if quorum shall not be present, the Meeting, if convened by or upon the requisition of Members shall stand dissolved. In any other case, it shall stand adjourned to the same day in the next week, at the same time and place or to such other time and place as the Board may determine.
Members present to form quorum at the adjourned Meeting	81.(2).	If, at such adjourned Meeting a quorum is not present within half an hour from the time appointed for the Meeting, the Members present shall constitute a quorum and may transact the business for which the Meeting was called. For the avoidance of doubt, it is clarified that decisions with respect to Extraordinary Matters shall be taken in accordance with Article 86.
Resolution passed at the adjourned Meeting	82.	Where a resolution is passed at an adjourned Meeting the resolution shall, for all purposes, be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.
Chairman of General Meeting	83.(1).	The Chairman, if any, of the Board shall preside as Chairman at every General Meeting.
Members to elect Chairman if Chairman of Board absent or not willing to take chair	83.(2).	If, at any Meeting the Chairman is not present within fifteen minutes of the time appointed for holding such Meeting or shall decline to take the chair, then the Members present shall elect any other Director as Chairman and if no Director is present or if all the Directors present at the Meeting decline to take the chair, then the Members present shall elect one of themselves to be the Chairman.
Business confined to election of Chairman whilst chair vacant	84.	No Business shall be discussed at any General Meeting except the election of Chairman, whilst the chair is vacant.
Chairman with consent may adjourn Meeting	85.	The Chairman, with the consent of the Members, may adjourn any Meeting, from time to time and from place to place but no business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting at which the adjournment took place.
Questions at General Meeting how decided	86.	(a) Subject to the provisions of the Agreement and these Articles, decisions at General Meetings will be taken in accordance with the Act. Notwithstanding anything in the Shareholders' Agreement and these Articles, decisions with respect to Extraordinary Matters in a meeting of the Shareholders will require the affirmative vote of at least one representative of each Group. (b) Extraordinary Matters may be approved by a resolution of all of the Shareholders. Any matter recorded in the minutes of a Meeting of the Shareholders as having been approved or agreed upon, by resolution or otherwise, shall, subject to any contrary intention being indicated in the minutes, be deemed to have been consented to by a particular Shareholder if the minutes are signed by that Shareholder. (c) Subject to the above referred paragraphs and the relevant provisions of the Act, at any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) ordered to be taken by the Chairman of the Meeting of his own motive or shall be ordered to be taken by him on a demand made in that behalf by the Member or Members present in person or by Proxy.
Chairman's declaration of result of voting	87.(1).	Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands been carried unanimously or by a particular majority or lost and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact with proof of the number or proportion of the votes recorded in favour of or against the resolution that the resolution has been carried.
	87.(2).	In case of an equality of votes, the Chairman shall both on a show of hands and at a poll if any, have a casting vote in addition to vote / votes to which he may be entitled as a

		Member.
Poll to be taken if demanded	88.(1).	If a poll is demanded as aforesaid, the same shall, except as otherwise provided in Article 89, be taken at such time (not later than 48 hours from the time when the demand was made) and place and either by open voting or by ballot, as the Chairman shall direct and either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the Meeting at which the poll was demanded.
Demand for poll may be withdrawn	88.(2).	The demand for a poll may be withdrawn, at any time, by the persons who made the demand.
Scrutinisers at poll	89.(1).	Where a poll is to be taken, the Chairman of the Meeting shall appoint such number of scrutinisers as required under the Act to scrutinise the votes given on the poll and to report thereon to him.
Right of Chairman to remove scrutiniser	89.(2).	The Chairman shall have power, at any time, before the result of the poll is declared, to remove a scrutiniser from office and fill the vacancy in the office of a scrutiniser arising from such removal or from any other cause.
In what case poll taken without adjournment	90.	Any poll duly demanded on the election of a Chairman of a Meeting or on any question of adjournment shall be taken at the Meeting itself and without adjournment.
Demand for poll not to prevent transaction of other business	91.	The demand for a poll, except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a Meeting for the transaction of any business other than the question on which the poll has been demanded.
Special notice	92.(1).	Whereby any provision contained in the Act or in these Articles special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the Meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day of the Meeting.
Notice by advertising in newspaper	92.(2).	The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by Articles presents not less than seven days before the Meeting.
Resolution requiring special notice	93.	The following resolutions shall require special notice: a) Resolution under Section 140 of the Act at an Annual General Meeting appointing as Auditors, persons other than the retiring Auditors providing expressly that a retiring Auditor shall not be reappointed. b) Resolution under Section 169 of the Act for removing a Director before the expiry of his period of office; and c) Resolution under Section 169 of the Act appointing a Director in place of the Director so removed.
Registration of documents with the Registrar	94.	A copy of each of the resolutions shall, if so required under any provisions of the Act, be filed with the Registrar.
VOTING RIGHTS OF MEMBERS		
Members paying money in advance not to be entitled to in respect there of	95.	A Member paying the whole or a part of the amount remaining unpaid on any Shares held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.
Members in arrears not to vote	96.	No Member shall be entitled to vote either personally or by Proxy for another Member, at any General Meeting or at any Meetings of a class of Shareholders, either upon a show of hands, or upon a poll, in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and has exercised any right of lien.
Number of votes to which Members entitled	97.(1).	Subject to the provision of these Articles and without prejudice to any special privileges or restrictions as to voting, for the time being, attached to any class of Shares, for the time being forming part of the Share Capital, every Member, not disqualified by the last preceding Article, shall be entitled to be present and to speak and vote at any Meeting and on a show of hands every Member present in person shall have one vote and upon a poll

		every Member present in person or by Proxy shall have the right to vote in proportion to his share of the paid up Share Capital, provided, however, if any holder of Preference Shares is present at any Meeting, save as provided in sub section (2) of Section 47 of the Act, he shall have a right to vote only on resolutions placed before the Meeting which directly affect the rights attached to his Preference Shares.
	97.(2).	Such a Person shall be entitled to exercise the same rights and powers (including the right to vote by Proxy) on behalf of the Member company that he represents as that Member company could exercise.
Representative entitled to same rights a Member	98.	Subject to provision of these Articles and the Act, a representative of a Member shall be entitled to exercise the same rights and powers (including the right to vote by Proxy) on behalf of the Member that he represents as that Member could exercise
Votes of joint Members	99.	(i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the votes of the other joint holders. (ii) For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.
Representation of body corporate	100.(1).	A body corporate (whether a company within the meaning of the Act or not) may:
		a) if it is a Member by resolution of its board of directors or other governing body, authorise such person as thinks fit to act as its representative at any Meeting or at any class of Members; and
		b) if it is a creditor (including a holder of Debentures) of the Company, by resolution of its directors or other governing body, authorise such Person as it thinks fit to act its representative at any Meeting of any creditors of the Company held in pursuance of the Act or of any Rules made thereunder or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.
	100.(2).	A Person authorized by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by Proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member, creditor or holder of Debentures.
Voting in person or by Proxy	101.	Subject to provision of these Articles and the Act, votes may be given by Members either in person or by Proxy.
Votes in respect of lunacy or unsound member	102.	A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by Proxy.
E-voting	103.	A Member may exercise his vote at a Meeting by electronic means in accordance with section 108 of the Act and shall vote only once.
Right of Proxy	104.(1).	The instrument appointing a Proxy shall – (a) be in writing; and (b) be signed by the appointer or his attorney duly authorized in writing or, if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it in accordance with Indian Law.
	104.(2).	The Proxy so appointed shall not have any right to speak at the Meeting and shall not be entitled to vote except on a poll.
Appointment of Proxy	105.	Any Member entitled to attend and vote at a Meeting shall be entitled to appoint another person (whether a member or not) as his Proxy to attend and vote instead of himself provided always that a Proxy so appointed shall not have any right whatsoever to speak at the Meeting.
Voting on a show of hands	106.	No Member present only by Proxy shall be entitled to vote on a show of hands. The representative of a body corporate, shall have a vote on a show of hands.
Deposit of instrument of appointment of Proxy etc.	107.	The instrument appointing a Proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power or authority, shall be deposited at the Registered Office not less than 48 hours before the time for holding the Meeting or adjourned Meeting at which the Person named in the instrument proposes to vote or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll and in default, the instrument of Proxy shall not be treated as valid. An instrument of Proxy shall be accepted even on a holiday if the last date by which it could be accepted is a holiday.

Form of Proxy	108.	Every instrument of Proxy shall be in the form(s) as may be specified under Act, or in a form as near thereto as circumstances admit.
Right to Member to use his votes differently	109.	On a poll taken at a Meeting, if a Member is entitled to more than one vote, his Proxy or any other Person entitled to vote for him, as the case may be, need not if he votes, use all his votes, or cast in the same way, all the votes he uses.
Inspection of Proxies	110.	Every Member entitled to vote at a Meeting according to the provisions of these Articles on any resolution to be moved thereat shall be entitled during the period beginning 24 hours before the time fixed for commencement of the Meeting and ending with the conclusion of the Meeting, to inspect Proxies lodged, at any time during the business hours of the Company provided not less than three days' notice in writing of the intention so to inspect is given to the Company.
Validity of votes given by Proxy notwithstanding revocation thereof	111.	A vote given in accordance with the terms of an instrument of Proxy shall be valid with standing the previous winding up of the principal or revocation of the Proxy or of any power of attorney under which such Proxy was signed or the Transfer of the Shares in respect of which the vote is given. Provided that no intimation in writing of the winding up, revocation or Transfer shall have been received at the office before the Meeting.
DIRECTORS		
Board of Directors	112.	34. Subject to Indian Law, the Company will have a Board consisting of a minimum of 6 (six) Directors and a maximum of 15 (fifteen) Directors which may be increased through a Special Resolution of Shareholders. 35. The Board will consist of such number of Directors (including Independent Directors) as agreed between ABCL and Sun Life India provided that (i) ABCL shall at all times be entitled to nominate one director more than Sun Life India; and (ii) the number of Independent Directors appointed on the Board shall be the minimum number of Independent Directors required to be appointed under Indian Law (who will be recommended by ABCL and Sun Life India in the same proportion in which the Directors are nominated). Currently under Indian Laws, at least 50% of the Directors on the Board have to be Independent Directors. 36. While either Group owns at least 40% of the Share Capital, the Parties will maintain this proportionate representation of Directors. So long as a Group owns at least 26% of the Share Capital, it will be entitled to nominate at least one Director. 37. If the Shareholding of either Group in the Company falls below 26% voluntarily, that Group will cease to be entitled to any of the rights, entitlements, or benefits, or retain any of the obligations under Articles 66, 68, 112(a), 112(d), 127, 130 or 80(1). 38. If at any time Indian Law requires an increase or decrease in the number of Directors, or the number of Independent Directors, the increase or decrease will be effected in a manner that permits, so far as possible under Indian Law or the laws, regulations or policies of any other applicable jurisdiction, the rights available to the two Groups to continue <i>mutatis mutandis</i>. The appointment of any Director on the Board of the Company shall be subject to the prior approval of Aditya Birla Sun Life Trustee Private Limited if required under Indian Law. 39. Other than as may be required under Clause 3.2(b) of the Shareholders' Agreement, the Chairman of the Company and of the Board will always be nominated by ABCL. Sun Life India will cause its nominee Directors on the Board to elect the Director nominated by ABCL as the Chairman. The Chairman will preside over Board Meetings and will be entitled to a casting vote other than in respect of Extraordinary Matters. If at any Board Meeting, the Chairman is unable to be or remain present; any other Director who is nominated by ABCL will act as Chairman at that meeting.
Appointment of Alternate Directors	113.(1).	Pursuant to the provisions of Section 161 of the Act, the Board may appoint any person to act as an Alternate Director to act for a Director (hereinafter called the "Original Director") during his absence for a period of not less than three months from India ("Alternate Director"), provided that no person shall be appointed as an alternate Director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act. Where the Director likely to be absent is a nominee of Sun Life India, only a person selected by Sun Life India and, where the Director likely to be absent is a nominee of ABCL, only a person selected by ABCL, will be appointed as the Alternate Director by the Board. Each Shareholder will cause the Directors nominated by it to vote in favour of the appointment of each of those individuals proposed to serve as Alternate Directors. Alternate Directors may serve on Board Committees in the absence of absent Directors nominated to those Committees. Alternate Directors may serve on committees of the Board in the absence of Directors nominated to those Committees.

Alternate Director entitled to notice of Board Meeting	113.(2).	Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meeting of Directors and to attend and vote as a Director and be counted for the purpose of a quorum and generally at such meetings to have and exercise all the powers and duties and authorities of the Original Director.
Vacation of office by Alternate Directors	113.(3).	The Alternate Director appointed under the Article shall vacate office as and when the Original Director returns to India.
Alternate Directors not to be reappointed automatically	113.(4).	If the term of office of the Original Director is determined before he returns to India, any provision in the Act or in these Articles for the automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.
Alternate Directors not hold office longer than permissible to Original Director	113.(5).	An Alternate Director shall not hold office as such for a longer period than that permissible to the Original Director in whose place he has been appointed.
Directors may fill casual vacancy	114.(1).	If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may be filled by the Board at a Board Meeting which shall be subsequently approved by Members in the next immediate General Meeting provided that any person so appointed as a Director shall hold office only up to the date which the Director in whose place he is appointed would have held office if it had not been vacated.
Casual vacancy to be filled at Board Meeting	114.(2).	Such casual vacancy shall be filled by the Board at a Board Meeting.
Additional Directors	115.	Pursuant to provision of Section 161 of the Act, the Board shall have power at any time and from time to time to appoint any person other than a person who fails to get appointed as a Director in a General Meeting, as an additional Director provided that the total number of Directors shall not at any time exceed the maximum number fixed for the Board by these Articles (“ Additional Director ”).
Additional Director to hold office upto next Annual General Meeting	116.	Any person so appointed as an Additional Director shall retain his office only up to the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier.
Remuneration of Directors	117.(1).	(a) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. (b) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them - (i) in attending and returning from Board Meetings, committee meetings or General Meetings; or (ii) in connection with the business of the Company.
Remuneration of Managing or Whole Time Director	117.(2).	The total managerial remuneration payable by the Company to any Managing or Whole-time Director or Manager, shall be determined in accordance with and subject to the provisions of the Act, including in the manner provided under Section 197 of the Act read with the provisions of Schedule V of the Act.
Directors may act notwithstanding vacancy	118.	The continuing Directors may act notwithstanding any vacancy in their body, but if their number is reduced below the quorum fixed by these Articles for a Board Meeting, the continuing Directors may act for the purpose of increasing the number of Directors to that fixed for the quorum or for summoning a General Meeting but for no other purpose.
Removal and replacement of Directors	119.(1).	Any Shareholder entitled to nominate a person as Director will be entitled to remove any such Director by giving notice to that Director, the other Shareholders and to the Company. Any vacancy occurring on the Board by reason of the death, disqualification, inability to act, resignation or removal of any Director will be filled within 30 (thirty) days by a nominee of the same Shareholder that nominated the vacating Director, so as to maintain a Board consisting of the number of nominees specified in Article 112(a) or 112(c), as applicable. If the Shareholder entitled to do so fails to nominate a Director to fill the vacancy within 60 (sixty) days after the vacancy arises, the remaining Directors will appoint a Director to fill the vacancy.

		ABCL and Sun Life India along with their nominee Shareholders shall use its voting power to vote in favour of the appointment as a Director of the individual nominated by another Shareholder (i.e., ABCL or Sun Life India as may be applicable) and in respect of the election as a Chairman as provided in these Articles, and will also use its power to vote in favour of the removal of any existing Director where the Shareholder (i.e., ABCL or Sun Life India as may be applicable) that nominated such Director requests that such nominee be removed.
Vacancy caused by removal of Director to be filled at the Meeting at which he is removed	119.(2).	A vacancy created by the removal of Director under the Article may, if he has been appointed by the Company in General Meeting or by the Board in pursuance of Article 135 or Section 161 of the Act, be filled by the appointment of another Director in his stead by the Meeting at which he is removed; provided special notice which he is removed of the intended appointment has been given. A Director so appointed shall hold office until the date up to which his predecessor would have held office if he has not been removed as aforesaid. If the vacancy is not filled under this sub clause it may be filled as a casual vacancy in accordance with provisions of Article 118 in so far as they are applicable, and all the provisions of that Article shall apply accordingly.
Provision not to deprive any person of compensation etc.	119.(3).	Nothing contained in the Article shall be taken:
		(a) As depriving a person removed hereunder of any compensation or damages payable to him in respect of the termination of his appointment as Director; or
		(b) As derogating from any power to remove a Director which may exist apart from the Article.
Retirement of Directors by rotation	120.(1).	At every Annual General Meeting one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three or a multiple of three then the number nearest to one third, shall retire from office provided that Independent Directors of the company are not liable to retire by rotation.
Ascertainment of Director to retire by rotation and filling of vacancy	120.(2).	The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between those who become Directors on the same day, those who are to retire shall be determined by lot.
Eligibility of retiring Directors for reappointment	120.(3).	A retiring Director shall be eligible for reappointment.
Company to fill vacancies at General Meeting	121.(1).	The Company may, at the General Meeting at which a Director retires in manner aforesaid fill up the vacancy by appointing the retiring Director or some other person thereto.
If place of retiring Director not filled the Meeting to be adjourned	121.(2).	If the place of retiring director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned to the same day in the next week, at the same time and place, or if that day is public holiday to the next succeeding day which is not a public holiday, at the same time and place.
If place of retiring Director not filled up retiring Director reappointed	121.(3).	If at the adjourned Meeting also the place of the retiring Director is not filled up and that Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned Meeting unless: (a) at that Meeting or the previous Meeting a resolution for the reappointment of such Director has been put to the Meeting and lost; (b) the retiring Director has, by a notice in writing addressed to the Company or its Board expressed his unwillingness to be so reappointed; (c) he is not qualified or is disqualified for appointment; (d) a resolution, whether special or ordinary, is required for his appointment or reappointment by virtue of any provisions of the Act; or (e) the provisions of Section 162 of the Act is applicable to the case.
Increase or reduction in the number of Directors	122.	If at any time the Act or other requirement under Indian Law should require any increase or decrease in the number of Directors, such increase/decrease as the case may be shall be subject to the provisions of the Act and the Rules issued thereunder.
Appointment of Directors to be voted individually	123.(1).	No motion at any General Meeting shall be made for the appointment of two or more persons as Directors by a single resolution unless the proposal for the motion to be so made, has been first agreed to at the General Meeting without any vote being given against it.
Resolution in contravention of Article 123(1) void	123.(2).	A resolution moved in contravention of Article 123(1) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved is passed, no provision for the automatic reappointment of the retiring Director in default of another appointment as here in before provided shall apply. Explanation:- For

		the purpose of the Article, a motion for approving a person's appointment or for nominating a person for appointment, shall be treated as a motion for his appointment
Notice of candidature for office of Director except in certain cases	124.	No person, not being a retiring Director, shall be eligible for election to the office of Director at any General Meeting unless he or some other Member intending to purpose him has, at least 14 days before the Meeting, left at the office of a Director or the intention of such Member to propose him as a Director for that office, as the case may be along with a deposit of one lakh rupees or such higher amount as may for the time being be prescribed under the Act, which shall be refunded to such member, if he succeeds in getting elected as a Director.
CEO/MANAGER/ MANAGING DIRECTOR/ CFO/ CS		
Appointment of Managing Director or CEO/ Manager	125.	Subject to the provisions of Article 125, the Act and the Rules, the Managing Director or CEO/ Manager, shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any Managing Director or CEO/ Manager, so appointed may be removed by means of a resolution of the Board. The Board may appoint one or more CEOs for its multiple businesses. <u>A Director may be appointed as a Managing Director or CEO/ Manager.</u>
Key Management Positions	126.	(a) The Board will approve the appointment of each Managing Director or CEO/ Manager as well as the terms of the appointment thereof. The Managing Director or CEO/ Manager will be compensated at market rates at the cost of the Company. Any Managing Director or CEO/ Manager will be appointed for such period as may be mutually agreed by the Company and the Shareholders. (b) Subject to Indian Law, the Managing Director or CEO/ Manager will appoint and determine the compensation (which compensation will be paid by the Company) of all key management positions reporting directly to the Managing Director or CEO (other than CFO and Company Secretary), provided that the CEO will forthwith inform the Board of such appointments and the terms thereof. The Company Secretary and Chief Financial Officer shall be appointed by means of a resolution of the Board containing the terms and conditions of the appointment including the remuneration. The market salaries of seconded employees will be borne by the Company (all inclusive and as a pre-tax amount, it being understood that neither the Company nor any Shareholder will be responsible for any amounts payable by an individual on account of taxation in respect of remuneration in the hands of that individual). (c) The Group will consult with each other with a view to determining other appropriate management support for the Company, which may be provided by nominees of either of them as may be agreed by the Groups from time to time.
BOARD MEETINGS		
Meeting of Directors, notice and place of Meeting	127.	(a) Board Meetings will be convened at least once in every (3) three-month period or, where applicable law requires meetings on a more frequent basis, then in accordance with such requirements. Board Meetings will ordinarily be held in Mumbai unless the Board otherwise resolves. Board meetings may be called by the Chairman or the CS of the Company, or by any two Directors. Unless otherwise agreed by a majority of Directors including at least one Director nominated by each Group, each Director (including those residing abroad and Alternate Directors) will receive at least 21 (twenty-one) days' written notice of each Board Meeting, which notice will set out, among other information, an agenda of issues to be addressed at such meeting. The Board may transact business that was not set out in the agenda circulated to the Directors if a majority of Directors, including at least one nominee of each Group, agrees to the additional agenda items. (b) Unless the Parties otherwise agree, those Directors who are Shareholders' nominees will not be paid any remuneration for their services as Directors, provided that Independent Directors will be paid such remuneration as may be decided by the Board. Each Shareholder will be responsible for all expenses (including travel and lodging) of its nominees incurred in connection with attending meetings of the Board. The Company will bear the expenses (including travel and lodging) of Independent Directors.
Quorum for a Board Meeting	128.	Other than as provided in the Article, the quorum for a Board Meeting will be one-half of the Directors or six Directors (including Alternate Directors), whichever is lesser, present in person or as permitted in accordance with Article 128. There will be no quorum unless at least one Director nominated by Sun Life India and one Director nominated by ABCL are present, unless the quorum requirement is waived in writing by the Shareholder, the presence of whose nominee Director is being waived, for any particular Board Meeting. Provided that where at any time the number of Interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining directors, that is to say, the

		number of the directors who are not interested present at the meeting being not less than two, shall be the quorum during such time. (i) “Total Strength” of the Board shall be determined in pursuance of the Act, after deducting there from the number of the Directors, if any, whose places may be vacant at the time; and (ii) “Interested Director” means any Director whose presence cannot by reason of any other provisions in the Act count for the purpose of forming a quorum of a Board Meeting at the time of the discussion or vote on any matter.
Electronic attendance	129.	Subject to provisions of the Act and Rules, the Board may consult or confer by way of telephone or video conference or other remote means of communication, the Company may hold a Board Meeting by means of such telephone, video conference, or other electronic or other communication facilities that permit all Persons participating in the Board Meeting to hear and communicate with each other simultaneously or such other requirements under the Act and Rules, and a Director representative participating in such a Meeting by such means will be deemed to be present at the Meeting.
Adjournment of the meeting for want of quorum	130.	If a quorum is not present within 30 (thirty) minutes from the time appointed for the Meeting, the Directors present at the meeting may call a supplementary Board Meeting on not less than 14 days’ notice to each Director or on such other date as may be agreed by all the Directors in writing, which notice will describe the business to be conducted at such Board Meeting. The quorum for such supplementary meeting will be as set in Article 128 above. For the avoidance of doubt, it is expressly clarified hereby that with respect to resolutions relating to any Extraordinary Matters the provisions under Article 131 will prevail over the Article.
Questions at Board Meeting how decided	131.	Subject to the provisions of the Act and the Shareholders’ Agreement, the Board will determine matters by a simple majority vote of Directors attending a duly convened Board Meeting. Notwithstanding anything in the Agreement, decisions with respect to Extraordinary Matters in a Board Meeting will require the affirmative vote of at least one Director representing each Group.
Directors may appoint committees	132.(1).	The Board shall in accordance with the provision of the Act and of these Articles, appoint committees of the Board, and delegate any of its powers to such committee or committees. This provision shall not, however, prevent the granting of powers of attorney to officers of the Company or any Subsidiary of the Company in connection with the ordinary course of business of the Company or such Subsidiary. Directors of Subsidiaries of the Company and Directors on the committees of the Company shall be approved by the Board in such manner so that there is the same degree of representation on the board of any Subsidiary or committee of the Company, as there is on the Board.
Quorum for committee meetings	132.(2).	The Board will decide upon the quorum for committees, subject to provisions of the Act, if any.
Meeting of a committee how to be governed	133.	The meeting and proceedings of any such committee of the Board shall be governed by the provisions herein contained for regulating Board Meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Board under Article 134.
Resolution by way of circulation	134.(1).	A resolution passed by circulation without a Board Meeting or a committee shall, subject to the provisions of the Act, be as valid and effectual as a resolution duly passed at a Board Meeting or of a committee duly called and held.
	134.(2).	Any matter to be passed by a resolution by circulation will be circulated in draft form together with relevant papers to all Directors (including those residing abroad and to Alternate Directors) and must be approved by the signature of a majority of Directors including at least one Director nominated by each Group.
Acts of the Board or committee valid notwithstanding defect in appointment	135.	All acts performed by any Board Meeting or by a committee of the Board by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of one or more such Directors or any person acting as aforesaid, or that they or any of them were disqualified or that the appointment of any of them was terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director. Provided that nothing in the Article shall be deemed to give validity to the acts done by Director after his appointment has been shown to the Company to be invalid or to have been terminated.
POWERS OF BOARD		
Powers of the Board	136.	Subject to the provisions of the Companies Act and these Articles, the Board of Directors shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do: Provided that the Board shall not exercise any

		power or do any act or thing which is directed or required whether by the Act or the Rules or by the Memorandum & Articles or otherwise, to be exercised or done by the Company in General Meeting: Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions contained in that behalf in the Act, or in the Memorandum and Articles, or in any Rules or regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in a General Meeting. No regulations made by the Company in a General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
BOARD OF DIRECTORS OF SUBSIDIARIES; COMMITTEES OF COMPANY AND SUBSIDIARIES		
Committees of the Company and its Subsidiaries	137.	(a) The Shareholders agree to vote for, or to cause their nominees on the Board to vote for, the election, as directors of any Subsidiary of the Company (if any), of Persons who are nominees of each Group in the same proportion or in any other proportion as set out in Articles 112 (a) and 112 (b). The Company shall intimate to the Board any changes in the composition of the board of directors of its Subsidiary (if any). (b) Unless otherwise agreed by the Shareholders pursuant to Article 137(a) above, each Shareholder agrees that it will, to the extent permitted by applicable law, vote for and cause its nominees on the Board and/or on the board of directors of any Subsidiary of the Company (if any), as appropriate, to vote for: (i) the election or appointment of such number of Directors designated by the Groups as members of such committees of the Board and of the board of directors of the Company's Subsidiaries (if any) to maintain the same degree of representation on such board of directors of a Subsidiary of the Company (if any) or on any such committee as such nominating Group has on the Board; and (ii) the election or appointment of the most senior officer assigned to the Company by each Group as a member of any management committees of the Company or its Subsidiaries, if any, as either Group requests. (c) The provisions of Clause 3.2 (b) of the Shareholders' Agreement will apply, with necessary amendments, to Subsidiaries of the Company, if any, and their directors. (d) Each Shareholder agrees that it will to the extent permitted by law, vote against and cause its nominees on the Board to vote against any delegation of the authority normally exercised by boards of directors to any one or more managers or to any committee of the Company or any Subsidiary of the Company, if any, except with the written consent of each Group. This provision will not, however, prevent the granting of powers of attorney to officers of the Company or any Subsidiary of the Company in connection with the ordinary course of business of the Company or such Subsidiary, so long as no such power allows any officer to approve any Extraordinary Matter.
DIVIDENDS		
Division of profit	138.	In respect of each Financial Year, the Board may distribute profits of the Company to the Shareholders proportionate to that Shareholders' interest by way of Dividends provided that: (a) such profits are distributable in law; (b) the Shareholders unanimously agree that there is sufficient reserve for all anticipated costs and expenditures which the Board reasonably expects will be required in carrying on the business; (c) there are sufficient reserves for the Company to pay any tax liability; and (d) Such profit is distributed in cash or by way of Shares only.
Advance paid credited not to be treated as paid on Shares	139.	(a) Subject to the rights of Persons, if any, entitled to Shares with special rights to Dividends, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the Dividend is paid but if and so long as nothing is paid upon any of the Shares in the Company, Dividends may be declared and paid according to the amounts of the Shares. (b) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of the Article as paid up on the Share.
The Company in Annual General Meeting may declare Dividends	140.	Subject to Article 138 and relevant provisions of the Act, the Company in Annual General Meeting may declare Dividends to be paid to Members according to their respective rights and interest in the Dividend/profits and may fix the time for payment but no Dividend shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller Dividend in Annual General Meeting.
Dividends only to be paid out of	141.	Subject to Article 138, no Dividend shall be declared or paid otherwise than out of the profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of the Act or out of the profits of the Company for any previous Financial

profits		Year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both provided that:
		(a) If the Company has not provided for depreciation for any previous Financial Year or Years, it shall, before declaring or paying Dividend for any Financial Year, provide for such depreciation out of the profits of that Financial Year or out of the profits of any other previous Financial Years; or
		(b) If the Company has incurred any loss in any previous Financial Year or Years, the amount of the loss or an amount which is equal to the amount provided for depreciation for that Year or those Years which ever is less, shall be set off against the profits of the Company for any previous Financial Year and Years arrived at in both cases after providing for depreciation in accordance with the provisions of the Act, or against both.
Interim Dividend	142.	Subject to Article 138 and relevant provisions of the Act, the Board of Directors may from time to time pay to the Members such interim Dividends as in their judgement the position of the Company justifies.
Capital paid up in advance at interest not to earn Dividend	143.	Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right, to Dividend or to participate in profits.
Dividends in proportion to amount paid up	144.	All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any proportion or portions of the period in respect of which the Dividend is paid but if any Share is issued on terms providing that it shall rank for Dividends as from a particular date such Share shall rank for Dividend accordingly.
Retention of Dividends until completion of Transfer	145.	The Board may retain the Dividend payable upon Shares in respect of which any Person under these Articles has become entitled to be a Member, or any Person under that Article is entitled to Transfer, until such Person becomes a Member, in respect of such Shares or shall duly Transfer the same.
Effect of Transfer of Shares	146.	A Transfer of Shares shall not pass the right to any Dividend declared thereon before the registration of the Transfer.
Dividend to joint holders	147.	Any one of the several Persons who are registered as joint holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends in respect of such Shares.
Dividend how remitted	148.	Any Dividend, interest or other moneys payable in cash in respect of Shares may be paid either by bank transfer or by cheque or warrant payable only in India, or by a pay slip or receipt having the force of a cheque or warrant, sent through post direct to the registered address of the Member or Person entitled to the payment of the Dividend or in case of joint holders to the registered address of that one of the Members who is first named on the Register of Members or index of Beneficial Owners in respect of the joint holding or to such Person and to such address as the holder or the joint holder may in writing direct.
Cheque/warrant payable to order	149.(1).	Every cheque or warrant in respect of Dividend or interest on Debentures may be crossed and made payable to the order of the Person to whom it is sent.
Company not responsible for loss of cheque, etc. in transit	149.(2).	The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission or for Dividend lost, to the Member or Person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the Dividend by any other means.
Unclaimed Dividend not to be forfeited	150.	Subject to provisions of the Act, the unclaimed Dividend shall be Transferred by the Company to the fund set up pursuant to provisions of Section 125 of the Act.
No Member to receive Dividends whilst indebted to the Company	151.	No Member shall be entitled to receive payment of any interest or Dividend or bonus in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares or otherwise howsoever, either alone or jointly with any other Person or Persons, and the Board of Directors may deduct from the interest or Dividend payable to any Member all such sums of money so due from him to the Company.
Notice of Dividend	152.	Notice of the declaration of any Dividends, whether interim or otherwise, shall be given to the registered holder of the Share in the manner herein provided.
Dividend to be paid within 30	153.	The Company shall pay the Dividend or send the warrant in respect thereof to the Shareholder entitled to the payment of Dividend, in accordance with the provisions of the

days		Act.
No interest Dividend	154.	Except as otherwise provided by law, no unpaid Dividend shall bear interest as against the Company.
CAPITALISATION		
Capitalisation of undistributed profits	155.(1).	Subject to Article 138, the Company in General Meeting may, upon the recommendations of the Board, resolve that any moneys, investments or other assets forming part of the undistributed profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Fund, or any Capital Redemption Reserve Account, or in the hands of the Company and available for Dividend (or representing premiums received on the issue of Shares or Debentures and standing to the credit of the Securities Premium Account) be capitalized and distributed amongst such of the Members as would be entitled to receive the same if distributed by way of Dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund be applied on behalf of such Members in paying up in full either at par or at such premium as the resolution may provide, any misused Shares which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued Shares or penalty in one way and part in the other, and that such distribution or payment shall be accepted by such Members in full satisfaction of their interest in the said capitalized sum.
Surplus money to be distributed among Members	155.(2).	A General Meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company or any investments representing the same, or any other undistributed profits of the Company not subject to charge for Income Tax be distributed among the members on the footing that they receive the same as capital.
Board to settle difficulties in regard to distribution of surplus assets	155.(3).	The Board shall give effect to the resolution passed as aforesaid and for that purpose the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional Certificates, and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any Members upon the footing of the value so fixed or that fraction or less value than INR 10 may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trust for the persons entitled to the Dividend or capitalized funds and may seem expedient to the Board.
Fractional Shares	156.(1).	Wherever such a resolution as aforesaid shall have been passed, the Board shall (a) make all appropriations of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid Shares; and (b) generally do all acts and things required to give effect thereto.
Power of Board to issue fractional Shares	156.(2).	The Board shall have full power (a) to make such provision, by the issue of fractional Shares or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions; and also (b) to authorize any person to enter on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively credited as fully paid up, of any further Shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized of the amounts of any part of amounts remaining unpaid on their existing Shares.
Agreement binding on all Members	156.(3).	Any agreement made under such authority shall be effective and binding on all such Members.
Directors to give directions to settle questions & difficulties	156.(4).	For the purpose of giving effect to any resolution, under the preceding clause of the Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity Shares and fractional Shares as they think fit.
ACCOUNTS		
Keeping of accounts	157.(1).	The Company will keep all books of accounts and make all reports in accordance with accounting standards and practices generally accepted in India as well as required by Indian Law. It will have a Financial Year and close its books as decided unanimously by the Board. In the establishment of its accounting system and the preparation of financial statements and reports, the Company will consult with the Auditor and with such other consultants as the Board may decide. During the period before an IPO and, subject to Indian Law, post an IPO, the Company will submit, at regular intervals as requested by any Shareholder (and at such requesting Shareholder's cost and expense) but not more

		often than monthly, financial statements in the form or forms requested by the Shareholder and in accordance with the accounting standards or practices generally accepted in India and, if requested, Canada. The Company will also provide, on request by any Shareholder, such additional financial information as at the end of any quarter during the Financial Year as such Shareholder may reasonably require. The books of accounts shall be kept at the Registered Office or such other place as the Board think fit, and shall be open to inspection by the Board during business hours.
Board to give notice to Registrar if book kept at place other than Registered Office	157.(2).	Where the Board decides to keep all or any of the books of account at any place other than the Registered Office, the Company shall within seven days of the decision, file with the Registrar a notice in writing giving the full address of that other place. The books of account and other books and papers shall be open to inspection by any Director during business hours and shall be open to inspection by the Registrar or by any officer of Government authorized by the Central Government in that behalf if in the opinion of the Registrar or such officer sufficient cause exists for the inspection of the books of accounts.
Company to preserve books of accounts	157.(3).	The Company shall preserve in good order the books of account relating to a period of not less than eight years preceding the current Year together with the vouchers relevant to entries in such books of account.
Inspection of books and records	157.(4).	While a Member of either Group is a Shareholder and during the period before an IPO, that Group will have the right, not more than once a year and at its own cost and expenses, to review the accounts, books and records of the Company and its Subsidiaries, if any, and areas of their respective operations, using employees of the Shareholder or one of its Affiliates, or its professional advisors in the conduct of that review. The Group exercising this right will attempt to choose a time to conduct its audit, which does not cause significant disruption to the normal operations of the Company or any one or more of its Subsidiaries, if any. In no event, however, will a Group be refused access to conduct an audit for a period of more than 30 (thirty) days on the basis that the review and audit would cause significant disruption to the normal operations of the Company or its Subsidiaries, if any. In addition, each Group will have the right, exercisable from time to time, to request that the Auditor prepare, at the expense of the Group exercising the right, such further reports or special statements as reasonably requested.
Books to give true & fair view	157.(5).	The books of accounts shall give a true and fair view of the state of the affairs of the Company or branch office, as the case may be, and explain its transactions.
Inspection of accounts & books by Members	158.	Subject to Article 157 (4), the Board of Directors shall from time to time determine whether and to what extent and at what times and place and under what conditions or regulations, accounts and books of the Company or any of them shall be open to inspection of Members not being Directors, and no Member not being a Director, shall have any right of inspection of any account or document of the Company except as conferred by law, or authorized by the Board of Directors or by the Company in General Meeting.
Profit & loss account and balance sheet	159.	The Board of Directors shall from time to time in accordance with the provisions of the Act cause to be prepared and to be laid at the General Meeting a statement of profit and loss and a balance sheet, containing a summary of property and assets and of the capital and liabilities of the Company, made up to a date not earlier than the date of the Meeting by more than six months or such extended period as may be permitted under the Act.
Statement of profit & loss shall give a true & fair view	160.	The statement of profit and loss of the Company shall give a true and fair view of the profit and loss of the Company for the Financial Year and shall comply with the requirements of Schedule III of the Act, so far as they are applicable thereto.
Board's report	161.(1).	Every balance sheet laid before the Company in Annual General Meeting shall be accompanied by report of the Board of Directors as to state the Company's affairs and as to the amounts, if any, which it proposes to carry to any reserves in such balance sheet and the amount, if any, which it recommends should be paid by way of Dividend and material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company for which the balance sheet relates and the date of the report.
Board's report to state the affairs of the Company	161.(2).	The Board's Report shall, so far as it is material for the appreciation of the state of affairs by its Members and is not in the Board's opinion harmful to the business of the Company, deal with any charges which have occurred during the Financial Year in the nature of the Company's business and generally in the classes of business in which the Company has an interest. The Board shall also give the fullest information and explanation in its Report aforesaid or in an addendum to the Report on every reservation, qualification or adverse remark contained in the Auditor's report.
Board's report to	161.(3).	The Board's Report and any addendum thereto shall be signed by not less than two

be signed by two Directors		Directors one of whom shall be a Managing Director or by the Director where there is one Director.
Board may give charge to a Person not being A director to comply with these provisions	161.(4).	The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Clause (1) to (3) of the Article are complied with.
Financial statements	162.	The financial statements, including consolidated financial statements, if any, shall be approved by the Board before these are signed on behalf of the Board at least by two Directors out of which one shall be the Managing Director / CEO, if he is a Director, the CFO and the CS of the Company, wherever they are appointed.
AUDIT		
Auditors	163.	Auditors shall be appointed and their rights, obligations and duties shall be regulated in accordance with the provisions of the Act and the applicable Rules thereunder. The Auditor will be such firm of chartered accountants approved by the Board, provided that it is a member of the Institute of Chartered Accountants of India and affiliated with an internationally recognized accounting firm.
TRANSACTIONS WITH AFFILIATES		
Transactions with Affiliates	164.	(a) Notwithstanding any other provision of the Agreement and except as provided in the Article 164(a), any transaction that the Company proposes to enter into with a Shareholder, an Affiliate of a Shareholder, a Director or an Affiliate of a Director (“Related Party Transaction”), must be on arm’s length terms and must be reported to the next Board Meeting, provided however that where the subject matter of, or the consideration with respect to, any one or aggregate number of Related Party Transactions exceed(s) INR 2,000,000 (Indian Rupees two million only), or such higher amount as may be mutually agreed between the Shareholders, the Related Party Transaction or Related Party Transactions must be approved by those Shareholders that are not parties to or Affiliated with the parties (other than the Company) to the Related Party Transaction or Related Party Transactions. The Article 164(a) will not apply to (i) any other arrangement entered into as of the date of the Agreement between the Company and a member of either Group that has been specifically approved prior to the execution of the Agreement, or (iii) any transaction in the normal course of the Company’s business provided such transaction does not exceed INR 10,000,000 (Indian Rupees ten million only). (b) Without prejudice to the requirements of Article 164(a) and the requirements prescribed under applicable law including the Companies (Meetings of Board and its Powers) Rules 2014, the Board of Directors shall specify the criteria for grant of omnibus approval for Related Party Transactions by the Audit Committee. (c) A Director who is a party to a proposed Related Party Transaction or who has a material interest in, or is a director or other senior officer of, any Person who is a party to any material contract or transaction with the Company, will be required to disclose in writing to the Company or request to have entered in the minutes of the Board Meeting at which that contract or transaction is discussed, the nature and extent of his interest and will, unless the interest arises solely by virtue of the fact that such person was nominated to the Board by and/or is a current or former employee of, a Shareholder or a principal that has an interest in such transaction, refrain from voting in any decision of the Board in respect of such matter. Subject to their fiduciary duties, the requirements of the Agreement and their obligation to disclose all such interests as required in the Article 164(c), such conflicts of interest will not, in and of themselves, disqualify such Directors from their office or from exercising their rights and responsibilities as Directors.
WINDING UP		
Distribution of assets on winding up	165.(1).	If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may, the losses shall be borne by the Members in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding up, on the Shares held by them respectively.
	165.(2).	If on winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up the commencement of the winding

		up, the excess shall be distributed amongst the Members (other than those entitled to a share in the excess) in proportion to the capital at the commencement of the winding up, or which ought to have been paid up on the Shares held by them respectively.
	165.(3).	The Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.
Distribution in specie or in kind of assets on winding up	166.(1).	If the Company shall be wound up, whether voluntarily or otherwise, the liquidator may, with the sanction of a special resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the sanction, shall think fit.
A person liable to pay calls may direct liquidator to sell his proportions	166.(2).	In case any Shares to be divided as aforesaid involve a liability to calls or otherwise, any person entitled under such division to any of the said Shares may within ten days after the passing of the Special Resolution by notice in writing direct the liquidator to sell his proportion and pay him the net proceeds and the liquidator shall, if practicable, act accordingly.
INDEMNITY		
Indemnity to Directors & others	167.	To the fullest extent permitted by law (including Indian Law), the Company will indemnify all Directors, officers, former Directors and former officers of the Company and the Shareholders (to the extent that such Shareholders exercise the rights, powers, duties and liabilities of a Director) and all Persons who act or acted at the Company's request as a Director or officer of a body corporate of which the Company is or was a shareholder or creditor, and his heirs and legal personal representatives, against all costs, charges and expenses, including any amount paid to settle any action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a Director or officer of the company or such body corporate, or by reason of acting or having acted as a Director if (i) he acted honestly and in good faith with a view to the best interests of the Company and (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.
SECRECY		
Members shall not be entitled	168.	Subject to the provisions of the Act, no member shall be entitled to require discovery of any information respecting any detail of the Company's trading or any matter in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board it may be inexpedient in the interest of the Company to communicate to the public.
EXTRAORDINARY MATTERS		
Extra ordinary Matters	169.	(a) Any amendment to the Memorandum or these Articles. (b) Any change of the Company's name, brand or logo. (c) Any change in the capital structure of the company including, without limitation, any issuance of new Shares (including by way of IPO), Securities, cancellation of any outstanding Shares, the conversion of Debentures or loans into Shares, the creation of any employee stock plan, share option or similar compensation arrangements including any "phantom" stock plan, or variation of rights of holders of any class of Shares. (d) The shifting of the Company's Registered Office, or the keeping of registers, indices, returns, copies of certificates and documents at any other place. (e) Any material change in the nature of the business carried on by the Company or the entering into of a new business by the Company. (f) Any fundamental corporate change including, without limitation, the amalgamation, reorganization, dissolution, winding up, merger or liquidation of the Company, and all matters associated therewith. (g) Any borrowing of money (whether or not such indebtedness is evidenced by a negotiable instrument) or assumption of indebtedness not provided for in the Company's annual budget or business plan, or any request to postpone any scheduled repayment of outstanding indebtedness of the Company.

		(h) Any loans made by the Company to Third Parties, or guarantees by the Company of Third Party indebtedness, other than in accordance with the Company's annual budget or business plan. (i) Any mortgage, pledge or other encumbrance of any of the Company's assets other than in accordance with the Company's annual budget business plan. (j) Any declaration or payment of Dividends, whether in cash or stock on any outstanding class of Shares. (k) The approval of the Company's business plans, which will include, among other items, an annual budget, product development proposals and the investment policy. (l) The appointment or change of Auditors. (m) The determination of remuneration payable to a Director by way of commission or otherwise. (n) The adoption of the Company's annual financial statements, including the Auditor's report. (o) The creation of any policy relating to long-term or deferred compensation plans/arrangements for key employees. (p) Any acquisition or disposition of assets outside the Company's ordinary course of business or in excess of an aggregate of INR 10 million during any calendar Year. (q) Any expenditure greater than or commitment in respect of an amount in excess of INR 10 million, which has not been approved by the Board as a specific item with the most recent operating budget. (r) Any Related Party Transaction including without limitation, management contracts and loans to Shareholders or Directors (in which case approval by the Shareholders or Directors who are not related parties will be required). (s) Approval of Share Transfers except as expressly permitted by the Agreement. (t) Appointment and removal of the Managing Director or CEO/ Manager. (u) Change of fiscal-year end of the Company. (v) Any decision to commence or not to defend litigation with respect to a matter where the amount claimed is in excess of INR 10 million, or if it relates to a breach of criminal law. (w) The holding of an office or place of profit by a Director or his relatives. (x) Any commitment or agreement to do, or delegation of power with respect to, any of the foregoing. (y) The giving of shareholder approval, as shareholder of a Subsidiary of the Company, in respect of any matter for such Subsidiary for which approval would be required under the Article as if such Article applied directly to any such Subsidiary.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of the Red Herring Prospectus) which were deemed material and were attached to the copy of the Red Herring Prospectus to be delivered to the RoC. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, were made available for inspection at the Registered and Corporate Office between 10 a.m. and 5 p.m. IST on all Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

A. Material Contracts for the Offer

1. Offer Agreement dated April 19, 2021 among our Company, the Selling Shareholders, and the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers.
2. Registrar Agreement dated April 16, 2021 among our Company, the Selling Shareholders, and the Registrar to the Offer.
3. Escrow and Sponsor Bank Agreement dated September 22, 2021 among our Company, the Selling Shareholders, the Registrar to the Offer, the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers, the Syndicate Members and the Banker(s) to the Offer.
4. Share Escrow Agreement dated September 16, 2021 among our Company, the Selling Shareholders, and the Share Escrow Agent.
5. Syndicate Agreement dated September 22, 2021 among our Company, the Selling Shareholders, the Global Coordinators and Book Running Lead Managers, the Book Running Lead Managers, the Syndicate Members and the Registrar to the Offer.
6. Underwriting Agreement dated October 4, 2021 among our Company, the Selling Shareholders, and the Underwriters.

B. Material Documents

1. Certified copies of our Memorandum of Association and Articles of Association, as amended from time to time.
2. Certificate of incorporation dated September 5, 1994 issued by the RoC in the name of 'Birla Capital International AMC Limited'.
3. Fresh certificate of incorporation dated June 29, 1999 issued by the RoC upon change in name of our Company from 'Birla Capital International AMC Limited' to 'Birla Sun Life Asset Management Company Limited'.
4. Certificate of commencement for business dated November 10, 1994, issued by the RoC.
5. Copies of annual reports of our Company for the Financial Years 2021, 2020, and 2019.
6. Resolution of our Board of Directors dated April 14, 2021 authorising the Offer and other related matters.
7. Resolution dated April 14, 2021 passed by the board of directors of ABCL authorising the Offer for Sale for the Equity Shares offered by it and the consent letter dated April 19, 2021 consenting to include the Equity Shares offered by it in the Offer.
8. Resolution dated April 9, 2021 passed by the board of directors of Sun Life AMC authorising the Offer for Sale for the Equity Shares offered by it and the consent letter dated April 19, 2021 consenting to include the Equity Shares offered by it in the Offer.
9. Resolution of the Board of Directors dated April 19, 2021 approving the Draft Red Herring Prospectus.
10. Resolution of the Board of Directors dated September 22, 2021 approving the Red Herring Prospectus.
11. Resolution of the Board of Directors dated October 4, 2021 approving this Prospectus.
12. Consent letter from CRISIL dated September 6, 2021 to rely on and reproduce part or whole of the CRISIL Report and include their name in this Prospectus.
13. Report titled '*Assessment of mutual fund industry in India*' of September, 2021 issued by CRISIL.

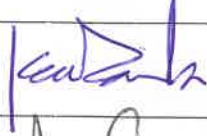
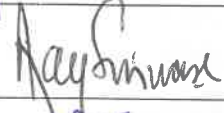
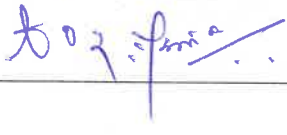
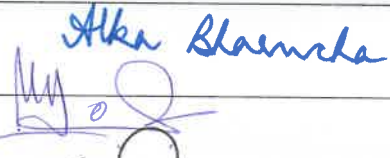
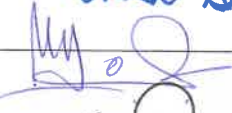
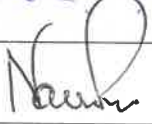
14. The report dated April 19, 2021 on the statement of possible special tax benefits issued by our Statutory Auditors.
15. Examination report dated August 17, 2021 of our Statutory Auditors on the Restated Consolidated Financial Information, included in this Prospectus.
16. Consent letters of the Selling Shareholders, our Directors, our Head - Compliance, Legal and Secretarial, Company Secretary and Compliance officer, Legal Counsel to our Company as to Indian law, Legal Counsel to the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers as to Indian law, International Legal Counsel to the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, Bankers to our Company, the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers, the Syndicate Member(s), the Banker(s) to the Offer and the Registrar to the Offer, to act in their respective capacities.
17. Our Company has received written consent dated October 4, 2021 from S R Batliboi & Co. LLP, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated August 17, 2021 on our Restated Consolidated Financial Information; and (ii) their report dated April 19, 2021 on the Statement of Special Tax Benefits in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.
18. Board resolution dated July 25, 2019 and Shareholders resolution dated August 5, 2019 for approving the terms of our Managing Director and Chief Executive Officer, A Balasubramanian.
19. Shareholders’ agreement dated May 19, 1999 entered between Birla Global Finance Limited, BG Holdings (formerly Birla Group Holdings Limited), Sun Life AMC, Sun Life Assurance Company of Canada and our Company, subsequently amended and restated pursuant to an agreement dated October 10, 2012 and further amended pursuant to amendment agreements dated December 24, 2015 and January 14, 2021.
20. The restated amendment and termination agreement entered into between ABCL, Sun Life AMC and our Company dated September 9, 2021.
21. The amended and restated inter-se agreement entered into between ABCL and Sun Life AMC dated September 9, 2021.
22. The termination agreement dated April 19, 2021 entered into between, ABCL, Birla Group Holdings Private Limited, Sun Life AMC, Sun Life Assurance Company of Canada and our Company.
23. Trademark license agreement dated February 20, 2018 entered into amongst our Company and ABCL.
24. Name license agreement dated May 19, 1999 entered into between our Company and Sun Life Assurance Company of Canada
25. In-principle listing approvals dated May 31, 2021 and June 4, 2021 issued by BSE and NSE, respectively.
26. Tripartite agreement dated April 6, 2021 among our Company, CDSL and the Registrar to the Offer.
27. Tripartite agreement dated April 13, 2019 among our Company, NSDL and the Registrar to the Offer.
28. Due diligence certificate dated April 19, 2021 addressed from the Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers to SEBI.
29. Exemption from SEBI vide letter SEBI/HO/CFD/DILII/YJ/AB/OW/2021/18165 dated August 5, 2021 based on the exemption application filed by our Company dated August 3, 2021 to SEBI.
30. SEBI observation letter no. SEBI/HO/CFD/DIL2/YJ/AB/OW/P/18159 dated August 5, 2021.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to our Shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act and the guidelines or regulations issued by the Government of India or the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all the statements in this Prospectus are true and correct.

SIGNED BY ALL THE DIRECTORS OF OUR COMPANY

Kumar Mangalam Birla (Non-Executive Chairman)	
Ajay Srinivasan (Non-Executive Director)	
Sandeep Asthana (Non-Executive Director)	
A Balasubramanian (Managing Director and Chief Executive Officer)	
Colm Freyne (Non-Executive Director)	
Bobby Parikh Independent Director	
Bharat Patel Independent Director	
Alka Bharucha Independent Director	
Harish Engineer Independent Director	
Navin Puri Independent Director	

SIGNED BY THE CHIEF FINANCIAL OFFICER



Parag Joglekar

(Chief Financial Officer)

Place: Mumbai

Date: October 4, 2021

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We hereby certify and declare that all relevant provisions of the Companies Act and the guidelines or regulations issued by the Government of India or the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all the statements in this Prospectus are true and correct.

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A Balasubramanian (Managing Director and Chief Executive Officer)	
Colin Freyne (Non-Executive Director)	
Bohby Parikh (Independent Director)	
Bharat Patel (Independent Director)	
Alka Bharucha (Independent Director)	
Harish Engineer (Independent Director)	
Navin Puri (Independent Director)	

SIGNED BY THE CHIEF FINANCIAL OFFICER

Parag Joglekar
(Chief Financial Officer)

Place: Mumbai

Date: October 4, 2021

DECLARATION

We, Aditya Birla Capital Limited, hereby confirm that all statements and undertakings specifically made by us in this Prospectus in relation to ourselves, as a Selling Shareholder and our portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings including statements made or confirmed by or relating to the Company or any other person(s) in this Prospectus.

FOR AND ON BEHALF OF ADITYA BIRLA CAPITAL LIMITED

Pamela
Authorised Signatory

Name: *PINKY MEHTA*

Designation: *CHIEF FINANCIAL OFFICER*

Place: Mumbai

Date: October 4, 2021

DECLARATION

We, Sun Life (India) AMC Investments Inc., hereby confirm that all statements and undertakings specifically made by us in this Prospectus in relation to ourselves, as a Selling Shareholder and our portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings including statements made or confirmed by or relating to the Company or any other person(s) in this Prospectus.

FOR AND ON BEHALF OF SUN LIFE (INDIA) AMC INVESTMENTS INC.

Authorised Signatory



Name: Remi Benoit

Designation: ~~President~~, DIRECTOR

Place: TORONTO

Date: OCTOBER 4, 2021

Authorised Signatory

Name:



Designation:

Ken Kuanghua Yang

Place:

VP Finance, DIRECTOR

Date:

TORONTO

OCTOBER 4, 2021