PROSPECTUS
Dated October 3, 2020
Please read Section 32 of the Companies Act, 2013
100% Book Built Offer

THIS PROSPECTUS IS NOT AN ADVERTISEMENT UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (MUTUAL FUNDS) REGULATIONS, 1996 ("SEBI MUTUAL FUND REGULATIONS") AND IS NOT INTENDED TO INFLUENCE INVESTMENT DECISIONS OF ANY CURRENT OR PROSPECTIVE INVESTORS OF THE SCHEMES OF UTI MUTUAL FUND

UTI ASSET MANAGEMENT COMPANY LIMITED

Our Company was incorporated as 'UTI Asset Management Company Private Limited', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated November 14, 2002 issued by the Registrar of Companies, Maharashtra at Mumbai (the "**RoC**"). Subsequently, pursuant to a special resolution approved at the Annual General Meeting on September 18, 2007, our Company was converted to a public limited company and consequently the name of our Company was changed to 'UTI Asset Management Company Limited' and a fresh certificate of incorporation dated November 14, 2007 was issued by the RoC. For details in relation to changes in the name and the registered office of our Company, see "*History and Certain Corporate Matters*" beginning on page 187.

Registered and Corporate Office: UTI Tower, 'Gn' Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India **Tel**: +91 22 6678 6666
Contact Person: Arvind Patkar, Company Secretary and Compliance Officer
E-mail: cs@uti.co.in; **Website:** https://www.utimf.com/
Corporate Identity Number: U65991MH2002PLC137867

OUR COMPANY IS A PROFESSIONALLY MANAGED COMPANY AND DOES NOT HAVE AN IDENTIFIABLE PROMOTER

INITIAL PUBLIC OFFER OF 38,987,081* EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "EQUITY SHARES") OF UTI ASSET MANAGEMENT COMPANY LIMITED (OUR "COMPANY") FOR CASH AT A PRICE OF ₹ 554 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 544 PER EQUITY SHARE) AGGREGATING TO ₹ 21,598.84 MILLION (THE "OFFER") THROUGH AN OFFER FOR SALE OF 10,459,949 EQUITY SHARES AGGREGATING TO ₹ 5,794.81 MILLION BY STATE BANK OF INDIA ("SBI"), OF 10,459,949 EQUITY SHARES AGGREGATING TO ₹ 5,794.81 MILLION BY LIFE INSURANCE CORPORATION OF INDIA ("LIC"), OF 10,459,949 EQUITY SHARES AGGREGATING TO ₹ 5,794.81 MILLION BY BANK OF BARODA ("BOB"), OF 3,803,617 EQUITY SHARES AGGREGATING TO ₹ 2,107.20 MILLION BY PUNJAB NATIONAL BANK ("PNB") AND OF 3,803,617 EQUITY SHARES AGGREGATING TO ₹ 2,107.20 MILLION BY T. ROWE PRICE INTERNATIONAL LTD ("TRP" AND TOGETHER WITH SBI, LIC, BOB AND PNB, THE "SELLING SHAREHOLDERS"). THIS OFFER INCLUDED A RESERVATION OF 200,000 EQUITY SHARES (CONSTITUTING 0.16% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) FOR PURCHASE BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER CONSTITUTES 30.75% AND 30.59% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL, RESPECTIVELY. THE OFFER PRICE IS ₹ 554 PER EQUITY SHARE AND IS 55.4 TIMES OF THE FACE VALUE OF THE EQUITY SHARES. THE ANCHOR INVESTOR OFFER PRICE IS ₹ 554 PER EQUITY SHARE.

**** 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 (the "**SCRR**") read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**SEBI ICDR Regulations**"). This Offer has been made through the Book Building Process and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer was available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**", the "**QIB Portion**"). Our Company and the Selling Shareholders, in consultation with the BRLMs, have allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis (the "**Anchor Investor Portion**"), out of which one-third 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, in accordance with the SEBI ICDR Regulations. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) was made available for allocation on a proportionate basis to Mutual Funds only, and 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 the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price. Further, Equity Shares were made available for allocation on a proportionate basis to Eligible Employees who applied under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price. All Bidders, other than Anchor Investors, were required to mandatorily utilise the Application Supported by Blocked Amount ("**ASBA**") process, providing details of their respective bank accounts (including UPI ID in case of RIBs in which the Bid Amount was blocked by the SCSBs or the Sponsor Bank, as the case may be, to participate in the Offer. Anchor Investors were permitted to participate in the Offer through the ASBA process. For details, see "*Offer Procedure*" beginning on page 392.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Offer Price (determined by our Company in consultation with the BRLMs, 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 under "*Basis for Offer Price*" beginning on page 87), 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 RISKS

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been reviewed, recommended or 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 investors is invited to "*Risk Factors*" beginning on page 24.

COMPANY 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 or inclusion 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 Selling Shareholder severally and not jointly accepts responsibility for and confirms only statements made or undertaken expressly by such Selling Shareholder in this Prospectus solely in relation to itself and the respective portion of the Offered Shares offered by such Selling Shareholder and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Each of the Selling Shareholders, severally and not jointly, assumes no responsibility for any other statements, made by or relating to our Company or its business in this Prospectus.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received an 'in-principle' approval from BSE and NSE for the listing of the Equity Shares pursuant to letters dated December 26, 2019 and January 1, 2020, 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 delivered to the RoC for filing in accordance with Section 26(4) and Section 32 of the Companies Act, 2013. For details of the material contracts and documents that 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 415.

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: utiamc.ipo@kotak.com Investor Grievance E-mail: kmccredressal@kotak.com Contact Person: Ganesh Rane Website: www.investmentbank.kotak.com SEBI Registration Number: INM000008704	**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: utiamc.ipo@axiscap.in Investor Grievance E-mail: complaints@axiscap.in Contact Person: Mayuri Arya Website: www.axiscapital.co.in SEBI Registration Number: INM000012029	**Citigroup Global Markets India Private Limited** 1202, 12th Floor, First International Financial Centre G-Block, C54 & 55, Bandra Kurla Complex, Bandra (East) Mumbai 400 098 Maharashtra, India Tel: +91 22 6175 9999 E-mail: uti.ipo@citi.com Investor Grievance E-mail: investors.cgmib@citi.com Contact Person: Ayush Vimal Website: www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm SEBI Registration Number: INM000010718	**DSP Merrill Lynch 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.utiamc_ipo@bofa.com Investor Grievance E-mail: dg.india_merchantbanking@bofa.com Contact Person: Ahmed Kolsawala Website: www.ml-india.com SEBI Registration Number: INM000011625

BOOK RUNNING LEAD MANAGERS			**REGISTRAR TO THE OFFER**
ICICI Securities Limited ICICI Centre H.T. Parekh Marg Churchgate Mumbai 400 020 Maharashtra, India Tel: +91 22 2288 2460 E-mail: UTIAMC.ipo@icicisecurities.com Investor Grievance E-mail: customercare@icicisecurities.com Contact Person: Sameer Purohit / Anurag Byas Website: www.icicisecurities.com SEBI Registration Number: INM000011179	**JM Financial Limited** 7th Floor, Cnergy Appasaheb Marathe Marg Prabhadevi Mumbai 400 025 Maharashtra, India Tel: +91 22 6630 3030 E-mail: UTIAMC.IPO@jmfl.com Investor Grievance E-mail: grievance.ibd@jmfl.com Contact Person: Prachee Dhuri Website: www.jmfl.com SEBI Registration Number: INM000010361	**SBI Capital Markets Limited**[2] 202, Maker Tower 'E' Cuffe Parade Mumbai 400 005 Maharashtra, India Tel: +91 22 2217 8300 E-mail: uti.ipo@sbicaps.com Investor Grievance E-mail: investor.relations@sbicaps.com Website: www.sbicaps.com Contact Person: Janardhan Wagle / Karan Savardekar SEBI Registration Number: INM000003531	**KFin Technologies Private Limited** (formerly known as "Karvy Fintech Private Limited") Selenium Tower-B Plot 31 & 32, Gachibowli Financial District, Nanakramguda, Serilingampally Hyderabad 500 032 Telangana, India Tel: +91 40 6716 2222 E-mail: utiamc.ipo@kfintech.com Investor Grievance E-mail: einward.ris@kfintech.com Website: www.kfintech.com Contact Person: M Murali Krishna SEBI Registration Number: INR000000221

BID/OFFER PROGRAMME			
BID/OFFER OPENED ON	**September 29, 2020**[1]	**BID/OFFER CLOSED ON**	**October 1, 2020**

(1) *The Anchor Investor Bid/Offer Period was one Working Day prior to the Bid/Offer Opening Date i.e. September 28, 2020.*

(2) *SBI participated as a Selling Shareholder in the Offer for Sale. SBI Capital Markets Limited ("**SBICAP**") has signed the due diligence certificate and has been disclosed as a BRLM for the Offer. SBI and SBICAP are associates in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended ("**SEBI Merchant Bankers Regulations**"). Accordingly, in compliance with the proviso to Regulation 21A of the SEBI Merchant Bankers Regulations and Regulation 23(3) of the SEBI ICDR Regulations, SBICAP was involved only in the marketing of the Offer.*

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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, 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.

Offer related terms used but not defined in this Prospectus shall have the meaning ascribed to such terms under the General Information Document. Any other words and expressions used but not defined in this Prospectus 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", "Restated Financial Information", "Outstanding Litigation and Material Developments", "Description of Equity Shares and Terms of Articles of Association" and "Offer Procedure" beginning on pages 90, 95, 179, 213, 346, 409, and 392, respectively, shall have the meanings ascribed to such terms in these respective sections.

Company Related Terms

Term	Description
"our Company" / "the Company" / "the Issuer" / "UTI AMC"	UTI Asset Management Company Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at UTI Tower, 'Gn' Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries
AoA/ Articles of Association/ Articles	The articles of association of the Company, as amended
Audit Committee	The audit committee of our Board, as described in "*Our Management – Committees of the Board*" on page 202
Auditors/Statutory Auditors	Statutory auditors of our Company, being G.D. Apte & Co., Chartered Accountants
Board/ Board of Directors	The board of directors of our Company or a duly constituted committee thereof
BOB	Bank of Baroda
CSR Committee	The corporate social responsibility committee of our Board, as described in "*Our Management - Committees of the Board*" on page 202
ESOP 2007	UTI AMC - Employee Stock Option Scheme, 2007
Erstwhile UTI	The erstwhile Unit Trust of India, established pursuant to the Unit Trust of India Act, 1963 and divided pursuant to the UTI Repeal Act
Investment Management Agreement / IMA	The agreement dated December 9, 2002 between UTI Mutual Fund (acting through the Trustee Company) and our Company for providing asset management services to UTI Mutual Fund
IPO Committee	The IPO committee of our Board constituted to facilitate the process of the Offer
LIC	Life Insurance Corporation of India
Material Subsidiary	Subsidiaries which contribute 10% or more to the turnover or net-worth or profits before tax of our Company as per the Restated Financial Information. Accordingly, UTI International Limited is a material subsidiary of our Company
Nomination and Remuneration Committee	Nomination and remuneration committee of our Board, as described in "*Our Management – Committees of the Board*" on page 202
PNB	Punjab National Bank
Restated Financial Information	Our restated consolidated financial statements of assets and liabilities as at and for the three months ended June 30, 2020 and June 30, 2019 and Financial Years ended March 31, 2020, March 31, 2019 and March 31, 2018 and our restated statements of profit and loss (including other comprehensive income), restated consolidated statement of changes in equity and restated consolidated statement of cash flow for the three months ended June 30, 2020 and June 30, 2019 and Financial Years ended March 31, 2020, March 31, 2019 and March 31, 2018, together with the annexures and notes thereto and the examination report, thereon, as

Term	Description
	prepared and presented in accordance with Ind AS, in each case restated in accordance with the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI
Registrar of Companies / RoC	Registrar of Companies, Maharashtra at Mumbai
SBI	State Bank of India
Shareholders' Agreement/ SHA	Shareholders' agreement dated November 7, 2009 amongst SBI, LIC, BOB, PNB, TRP and our Company, as amended by the amendment agreement dated December 16, 2019 and the and the letter dated September 14, 2020 executed by SBI, LIC, BOB, PNB, TRP and our Company
Share Purchase Agreement	Share purchase agreement dated November 7, 2009 amongst SBI, LIC, BOB, PNB, TRP and our Company, as amended by the amendment agreement dated December 22, 2009
Sponsors	Sponsors of UTI Mutual Fund under the SEBI Mutual Fund Regulations, namely, SBI, LIC, BOB and PNB
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board, as described in "*Our Management – Committees of the Board*" on page 202
Subsidiaries	UTI Venture Funds Management Company Private Limited, UTI Retirement Solutions Limited, UTI Capital Private Limited, UTI International Limited, UTI International (Singapore) Private Limited, UTI Investment Management Company (Mauritius) Limited and UTI Private Equity Limited. For details, see "*History and Certain Corporate Matters – Our Subsidiaries*" beginning on page 190
SUUTI/ Specified Undertaking	Specified Undertaking, which includes all business, assets, liabilities and properties of the Erstwhile UTI representing and relatable to the Schemes and Development Reserve Fund specified in Schedule I of the UTI Repeal Act
Transfer Agreement	Transfer agreement dated January 15, 2003, amongst the President of India, SBI, LIC, BOB and PNB. For details, see "*History and Certain Corporate Matters*" beginning on page 187
TRP	T. Rowe Price International Ltd
Trust Deed	Trust deed dated December 9, 2002 executed by and between SBI, LIC, BOB, PNB and the Trustee Company establishing the UTI Mutual Fund, as amended from time to time
Trustee Company	UTI Trustee Company Private Limited
UFC	UTI Financial Centres, being the branch offices of our Company
UTI Mutual Fund	UTI Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882
UTI Capital	UTI Capital Private Limited
UTI International	UTI International Limited
UTI PEL	UTI Private Equity Limited
UTI RSL	UTI Retirement Solutions Limited
UTI VF	UTI Venture Funds Management Company Private Limited

Technical, Industry Related Terms or Abbreviations

Term	Description
AMC	Asset management company
AMFI	Association of Mutual Funds in India
ARN	AMFI Registration Number
AUC / AUM	Assets under custody / Assets under management
BDAs	Business development associates
BND	Banks and distributors
Bps	Basis points
Cas	Chief agents
CBT, EPF	Central Board of Trustees, EPF
CLRD	CRISIL Limited's Ratings Division

Term	Description
CPF	Central Provident Fund
CPI	Consumer price index
CRISIL	CRISIL Research, a division of CRISIL Limited
CRISIL Report	The reports titled "Assessment of mutual fund industry in India", August 2020 prepared by CRISIL
CSR	Corporate Social Responsibility
EIR	Effective interest rate
ELSS	Equity-linked savings schemes
ESOP	Employee stock option plan
ETF	Exchange traded fund
FVOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit and loss
GDS	Gross domestic savings
HNI	High net worth individuals
IFAs	Independent financial advisors
IMF	International Monetary Fund
MAT	Minimum alternative tax
NFO	New fund offer
NPS	National Pension System
NSDF	National Skill Development Fund
OPAs	Official points of acceptance
PLI	Postal Life Insurance
PMAY	Pradhan Mantri Awas Yojana
PMJDY	Pradhan Mantri Jan Dhan Yojana
PMJJBY	Pradhan Mantri Jeevan Jyoti Bima Yojana
PMS	Portfolio management services
PRI	Price return index
PSU	Public sector undertakings
QAAUM	Quarterly average AUM
RMs	Relationship managers
SIPs	Systematic investment plans
STPs	Systematic transfer plans
SWPs	Systematic withdrawal plans
TER	Total expense ratio
Total AUM	The sum of the total QAAUM of all domestic mutual funds managed by, and the aggregate closing AUM of any PMS business of and all NPS schemes managed by, the relevant entity, in each case as of the relevant date, according to CRISIL
ULIP	Unit-linked insurance plan

Offer Related Terms

Term	Description
Allotment	Unless the context otherwise requires, it shall mean the transfer of Equity Shares by the Selling Shareholders pursuant to the Offer to the successful Bidders
Allottee	A successful Bidder to whom the Equity Shares are Allotted

Term	Description
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 who has Bid for an amount of at least ₹ 100 million
Anchor Investor Allocation Price	₹554 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, 2020, 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	₹554 per Equity Share The Anchor Investor Offer Price was decided by our Company, in consultation with the Book Running Lead Managers
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), the Anchor Investor Bid/Offer Period
Anchor Investor Portion	60% of the QIB Portion constituting 11,636,124* Equity Shares which have been allocated by our Company and the Selling Shareholders, in consultation with 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 * *Subject to finalisation of the Basis of Allotment*
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 which includes amounts blocked by the SCSB upon acceptance of UPI Mandate Request by RIBs using the UPI Mechanism
ASBA Account	Bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of an RIB which was blocked upon acceptance of a UPI Mandate Request made by the RIBs using the UPI Mechanism
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	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
Axis	Axis Capital Limited
Banker(s) to the Offer	Collectively, the Escrow Collection Bank, Refund Bank, Public Offer Bank and Sponsor Bank
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer and which is described in "*Offer Structure*" beginning on page 389
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 the 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. The term "Bidding" shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Anchor Investor or blocked in the ASBA Account of the ASBA Bidders, as the case may be, upon submission of the Bid in the Offer. However, Eligible Employees who applied in the Employee Reservation Portion, and Retail Individual Investors could apply at the Cut-Off Price subject to applicable law and the Bid amount was Cap Price multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee was ₹ 500,000.

Term	Description
	However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000. Only in the event of an under-subscription in the Employee Reservation Portion post the initial allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000
Bidder(s)	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, including Anchor Investors, RIBs and Eligible Employees
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, October 1, 2020
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, September 29, 2020
Bid/Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days
Bid cum Application Form	Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	27 Equity Shares and in multiples of 27 Equity Shares thereafter
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
BofA Securities	DSP Merrill Lynch Limited
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer was made
Book Running Lead Managers/BRLMs	The book running lead managers to the Offer, namely, Kotak, Axis, Citi, BofA Securities, I-Sec, JM Financial and SBICAP
CAN/Confirmation Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/ Offer Period
Cap-Price	₹ 554 per Equity Share
Collecting Depository Participant / CDP	A depository participant, as defined under the Depositories Act, 1996 and registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Citi	Citigroup Global Markets India Private Limited
Cut-off Price	The Offer Price being ₹ 554 per Equity Share as finalised by our Company, in consultation with the Book Running Lead Managers. Only RIBs and Eligible Employees (subject to the Bid Amount being up to ₹ 200,000) were entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders were not entitled to Bid at the Cut-off Price
Designated Branches	Such branches of the SCSBs which collected the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
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/or the instructions are issued to the SCSBs (in case of RIBs, using the 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 or the Refund Account, as the case may be, in terms of the Red Herring Prospectus and this Prospectus following which Equity Shares will be Allotted in the Offer
Designated Intermediary(ies)	In relation to ASBA Forms submitted by RIBs by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIBs where the Bid Amount was blocked upon acceptance of UPI Mandate Request by such RIB, using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs, Non-Institutional Bidders and Eligible Employees, Designated Intermediaries shall mean Syndicate, Sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs

Term	Description
Designated Stock Exchange	NSE
Draft Red Herring Prospectus or DRHP	The draft red herring prospectus dated December 18, 2019 filed with SEBI and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer
Eligible Employee(s)	All or any of the following: (a) a permanent employee of our Company or our Subsidiaries, working in India or outside India, (excluding such employees who are not eligible to invest in the Offer under applicable laws) as of the date of filing of the Red Herring Prospectus with the RoC and who continued to be a permanent employee of our Company or our Subsidiaries, until the submission of the Bid cum Application Form; and (b) a Director of our Company, whether whole time or not, who is eligible to apply under the Employee Reservation Portion under applicable law as on the date of filing of the Red Herring Prospectus with the RoC and who continued to be a Director of our Company, until the submission of the Bid cum Application Form, but not including Directors who either themselves or through their relatives or through any body corporate, directly or indirectly, hold more than 10% of the outstanding Equity Shares of our Company. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee cannot exceed ₹ 500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000. Only in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000
Eligible FPI(s)	FPI(s) 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 constitutes an invitation to subscribe to the Equity Shares
Eligible NRI(s)	NRI(s) eligible to invest under Schedule III and Schedule IV 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
Employee Reservation Portion	The portion of the Offer 200,000* Equity Shares, which was made available for allocation to Eligible Employees, on a proportionate basis. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee could not exceed ₹ 500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000. Only in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000 ** Subject to finalisation of the Basis of Allotment*
Escrow Account(s)	Accounts opened with the Escrow Collection Bank and in whose favour the Anchor Investors transferred money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	Bank(s), 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 has been opened, in this case being, ICICI Bank Limited
Escrow and Sponsor Bank Agreement	The escrow and sponsor bank agreement dated September 8, 2020 entered into between our Company, the Selling Shareholders, the Book Running Lead Managers, the Registrar to the Offer and the Banker to the Offer for, *inter alia*, 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
Floor Price	₹ 552 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

Term	Description
General Information Document or GID	The General Information Document for investing in public issues, prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI, suitably modified and updated pursuant to, among others, the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016, the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, the circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018, the circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, the circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, the circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, the circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 and the circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs
I-Sec	ICICI Securities Limited
JM Financial	JM Financial Limited
Kotak	Kotak Mahindra Capital Company Limited
Mutual Fund Portion	5% of the Net QIB Portion or 387,871* Equity Shares which was available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids having been received at or above the Offer Price * *Subject to finalisation of the Basis of Allotment*
Net Offer	The Offer less the Employee 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 85
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Non-Institutional Bidders, Non-Institutional Investors or NIIs	All Bidders that are not QIBs or RIBs 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 5,818,062* Equity Shares which was available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids having been received at or above the Offer Price * *Subject to finalisation of the Basis of Allotment*
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 38,987,081* Equity Shares of face value of ₹ 10 each for cash at a price of ₹ 554 each (including a share premium of ₹ 544 per Equity Share), aggregating to ₹ 21,598.84 million, comprising an offer for sale of 10,459,949 Equity Shares by SBI, of 10,459,949 Equity Shares by LIC, of 10,459,949 Equity Shares by BOB, of 3,803,617 Equity Shares by PNB and of 3,803,617 Equity Shares by TRP * *Subject to finalisation of the Basis of Allotment*
Offer Agreement	The offer agreement dated December 18, 2019 entered into between our Company, the Selling Shareholders and the Book Running Lead Managers, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer Price	₹ 554 per Equity Share The Offer Price was decided by our Company in consultation with the Book Running Lead Managers on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus
Offered Shares	38,987,081* Equity Shares aggregating to ₹ 21,598.84 million offered by the Selling Shareholders in the Offer for Sale

Term	Description
	* *Subject to finalisation of the Basis of Allotm*ent
Price Band	The price band of a minimum price of ₹ 552 per Equity Share (Floor Price) and the maximum price of ₹ 554 per Equity Share (Cap Price).
Pricing Date	The date on which our Company, in consultation with the Book Running Lead Managers, finalised the Offer Price, being October 3, 2020
Prospectus	This prospectus dated October 3, 2020 to be filed with the RoC after the Pricing Date in accordance with Section 26 of the Companies Act and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information including any addenda or corrigenda hereto
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 Account Bank to receive monies from the Escrow Accounts and the ASBA Accounts on the Designated Date
Public Offer Account Bank(s)	Bank(s) with whom the Public Offer Account for collection of Bid Amounts from Escrow Accounts and ASBA Accounts have been opened, in this case being ICICI Bank Limited
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer comprising 19,393,540* Equity Shares which was made available for allocation to QIBs (including Anchor Investors), subject to valid Bids having been received at or above the Offer Price * *Subject to finalisation of the Basis of Allotment*
QIBs, QIB Bidders or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QP or Qualified Purchaser	"qualified purchasers", as defined in section 2(a)(51) of the U.S. Investment Company Act
Red Herring Prospectus or RHP	The red herring prospectus dated September 21, 2020 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 will be offered and the size of the Offer.
Refund Bank(s)	The Banker(s) to the Offer with whom the Refund Account(s) has been opened, in this case being, ICICI Bank Limited
Registrar Agreement	The registrar agreement dated December 16, 2019 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
Registrar to the Offer or Registrar	KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited)
Regulation S	Regulation S under the U.S. Securities Act
Retail Individual Bidder(s), Retail Individual Investor(s), RII(s) or RIB(s)	Resident Indian 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 who applied through their Karta) and Eligible NRIs
Retail Portion	The portion of the Offer being not less than 35% of the Net Offer comprising 13,575,479* Equity Shares, which 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 * *Subject to finalisation of the Basis of Allotment*
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 website of the Stock Exchanges at www.nseindia.com and www.bseindia.com
Rule 144A	Rule 144A under the U.S. Securities Act
SBICAP	SBI Capital Markets Limited

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
Selling Shareholders	SBI, LIC, BOB, PNB and TRP
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement namely, KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited)
Share Escrow Agreement	The share escrow agreement dated September 8, 2020 entered into between our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of the Offered Shares under the Offer by the Selling Shareholders and credit of such Equity Shares to the demat accounts of the Allottees in accordance with the Basis of Allotment
Sponsor Bank	ICICI Bank Limited, registered with SEBI as a banker to an issue, 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 using the UPI Mechanism, in terms of the UPI Circulars
Syndicate or members of the Syndicate	The Book Running Lead Managers and the Syndicate Members
Syndicate Agreement	The syndicate agreement dated September 19, 2020 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 Investec Capital Services (India) Private Limited, JM Financial Services Limited, Kotak Securities Limited, and SBICAP Securities Limited
Underwriters	The BRLMs and the Syndicate Members
Underwriting Agreement	The underwriting agreement dated October 3, 2020 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. 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, circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 and any subsequent circulars or notifications issued by SEBI in this regard
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI application and by way of a SMS for directing the RIB to such UPI mobile application) to the RIB 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 submitted with intermediaries with UPI as mode of payment, in terms of the UPI Circulars
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
U.S. Bank Holding Company Act	U.S. Bank Holding Company Act of 1956
U.S. Investment Company Act	U.S. Investment Company Act of 1940, as amended
U.S. Securities Act	U.S. Securities Act of 1933, as amended
U.S. Persons	"U.S. persons", as defined in Regulation S under the U.S. Securities Act
U.S. QIBs	"qualified institutional buyers", as defined in Rule 144A
Volcker Rule	Section 13 of the U.S. Bank Holding Company Act

Term	Description
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
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 the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI, including the UPI Circulars

Conventional and General Terms or Abbreviations

Term	Description
₹, Rs., Rupees or INR	Indian Rupees
AGM	Annual general meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations
AS or Accounting Standards	Accounting standards issued by the ICAI
AY	Assessment year
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as "Category III 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 FPIs	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CERSAI	Central Registry of Securitisation Asset Reconstruction and Security Interest
CIN	Corporate Identity Number
Companies Act	Companies Act, 2013, along with the relevant rules, clarifications and modifications made thereunder
Consolidated FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT under D/o IPP F. No. 5(1)/2017-FC-1 dated the August 28, 2017, effective from August 28, 2017
COVID-19	Coronavirus disease 2019, a respiratory illness caused by the Novel Coronavirus and a public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DIPAM	Department of Investment and Public Asset Management, Ministry of Finance, Government of India
DP or Depository Participant	A depository participant as defined under the Depositories Act
DP ID	Depository Participant's Identification
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)
EPFO	Employees' Provident Fund Organisation
EPS	Earnings per share

Term	Description
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year, Fiscal, 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
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Indian Penal Code	The Indian Penal Code, 1860
Income Tax Act	The Income-tax Act, 1961
Ind AS	Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time
IT	Information Technology
KYC	Know Your Customer
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
NAV	Net Asset Value
Negotiable Instruments Act	The Negotiable Instruments Act, 1881
NOF	Net owned funds
Novel Coronavirus	Severe acute respiratory syndrome coronavirus 2, a strain of coronavirus that causes coronavirus disease 2019, a respiratory illness.
NPCI	National Payments Corporation of India
NR	Non-Resident
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
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

Term	Description
PAT	Profit After Tax
Pension Fund Regulations	Pension Fund Regulatory and Development Authority (Pension Fund) Regulations, 2015
PFRDA	Pension Fund Regulatory and Development Authority
PFRDA Act	Pension Fund Regulatory and Development Authority Act, 2013
PMLA	Prevention of Money Laundering Act, 2002
PoP	Registered point of presence in terms of the Point of Presence Regulations
Point of Presence Regulations	Pension Fund Regulatory and Development Authority (Point of Presence) Regulations, 2018
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
Scheme(s)	Scheme established under and in accordance with the SEBI Mutual Fund Regulations and shall, where the context so permits/requires, include the schemes launched pursuant to the provisions of the UTI Act which shall have vested in the UTI Mutual Fund
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
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Investment Advisers Regulations	Securities and Exchange Board of India (Investment Advisers) Regulations, 2013
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 Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Portfolio Managers Regulations	Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020
SEBI SBEB Regulations	SEBI (Share Based Employee Benefits) Regulations, 2014
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
Stamp Act	The Indian Stamp Act, 1899
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
U.S., US, USA or United States	United States of America
USD or US$	United States Dollars
UTI Act	The Unit Trust of India Act, 1963

Term	Description
UTI Repeal Act	The Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002
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", "USA" or "United States" are to the United States of America and its territories and possessions, all references to "U.K", or "United Kingdom" are to the United Kingdom of Great Britain and Northern Ireland, all references to "Singapore" are to the Republic of Singapore, all references to "Mauritius" are to the Republic of Mauritius, and all references to "Guernsey" are to the island of Guernsey, Channel Islands.

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, the financial information and financial ratios in this Prospectus have been derived from our Restated Financial Information. For further information, see "*Restated Financial Information*" beginning on page 213.

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 Financial Year, Fiscal or Fiscal Year, unless stated otherwise, are to the 12-month period ended on March 31 of that particular calendar year.

Our restated consolidated financial statements of assets and liabilities as at and for the three months ended June 30, 2020 and June 30, 2019 and Financial Years ended March 31, 2020, March 31, 2019 and March 31, 2018 and our restated statements of profit and loss (including other comprehensive income), restated consolidated statement of changes in equity and restated consolidated statement of cash flow for the three months ended June 30, 2020 and June 30, 2019 and Financial Years ended March 31, 2020, March 31, 2019 and March 31, 2018, together with the annexures and notes thereto and the examination report, thereon, are prepared and presented in accordance with Ind AS, in each case restated in accordance with the requirements of the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI.

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 – 51. Significant differences exist between Ind AS, U.S. GAAP and IFRS, which may be material to investors' assessments of our financial condition.*" beginning on page 54.

Unless the context otherwise indicates, any percentage amounts (excluding certain operational metrics), relating to the financial information of our Company in the "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Conditional and Results of Operations*" beginning on pages 24, 146 and 314, respectively, and elsewhere in this Prospectus have been calculated on the basis of our Restated Financial Information.

Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India; and
- "USD" or "US$" are to United States Dollar, the official currency of the United States.
- "SGD" are to Singapore Dollar, the official currency of the Republic of Singapore.
- "GBP" or "£" are to the Pound Sterling, official currency of the United Kingdom.

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

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. Except in the sections "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", where figures have been rounded off to the first decimal, all figures derived from our Restated Financial Information in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. 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.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the US$, SGD and GBP:

(Amount in ₹)

Currency	As on June 30, 2020	As on March 31, 2020	As on March 29, 2019*	As on March 28, 2018**
1 US$	75.58	75.39	69.17	65.04
1 SGD	53.99	52.68	50.98	49.44
1 GBP	92.69	93.08	90.48	92.28

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

* *Exchange rate as on March 29, 2019, as RBI Reference Rate is not available for March 30, 2019 being Saturday and March 31, 2019 being a Sunday.*

** *Exchange rate as on March 28, 2018, as RBI Reference Rate is not available for March 29, 2018 and March 30, 2018 being public holidays and March 31, 2018 being a Saturday.*

Industry and Market Data

Unless stated otherwise, industry and market data used in this Prospectus has been obtained or derived from the reports titled "Assessment of mutual fund industry in India" dated August, 2020 ("**CRISIL Report**") prepared by CRISIL, and publicly available information as well as other industry publications and sources. The CRISIL Report have been prepared at the request of our Company.

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 and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be based on such information. We believe the industry and market data used in this Prospectus is reliable, however, it has not been independently verified by our Company, the Selling Shareholders or the Book Running Lead Managers or any of their affiliates or advisors and none of these parties, jointly or severally, make any representation as to the accuracy of this information. The data used in these sources may have been re-classified 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.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors – 41. This Prospectus contains information from third parties and an industry report which we have commissioned from CRISIL Research (the "Industry Report").*" beginning on page 48.

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. UTI Asset Management Company 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 Division / 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 Division / CRIS. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval."

Disclaimer by Nielsen (India) Private Limited

"Nielsen Information reflects estimates of market conditions based on samples, and is prepared primarily as a marketing research tool for consumers, service providers and others in the industry. This information should not be viewed as a basis for investments and references to Nielsen should not be considered as Nielsen's opinion as to the value of any security or the advisability of investing in the company."

Disclaimer by ICRA Analytics Limited (formerly known as ICRA Online Limited)

"All information contained herein is obtained by ICRA Analytics Limited (formerly known as ICRA Online Limited) ("**ICRA**") from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. ICRA adopts all necessary measures so that the information it uses is of sufficient quality and from sources ICRA considers to be reliable including, when appropriate, independent third-party sources. However, ICRA is not an auditor and cannot in every instance independently verify or validate information received in preparing this document.

All information contained herein must be construed solely as statements of opinion, and ICRA or its affiliates or group companies and its respective and any of its officers, directors, personnel and employees, disclaim liability to any loss, damage of any nature, including but not limited to direct, indirect, punitive, special, exemplary, consequential, as also any loss of profit in any way arising from the use of this document or its contents in any manner or for any contingency within or beyond the control of, ICRA or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information. Opinions expressed in the document are not the opinions of our holding company, ICRA Limited , and should not be construed as any indication of credit rating or grading of ICRA Limited for any instruments that have been issued or are to be issued by any entity. The recipient alone shall be fully responsible and/or are liable for any decision taken on the basis of this document and/or the information contained herein."

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

The Equity Shares have not been reviewed or 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 (the "**U.S. Securities Act**") or any other applicable law of the United States (or any state or other jurisdiction therein), and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the U.S. Securities Act ("**Regulation S**")) ("**U.S. Persons**") except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Our Company has not registered and does not intend to register under the U.S. Investment Company Act of 1940, as amended (the "**U.S. Investment Company Act**"), and investors will not be entitled to the benefits of the U.S. Investment Company Act. Accordingly, the Equity Shares are only being offered and sold (a) to persons in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act ("**Rule 144A**") and referred to in this Prospectus as "U.S. QIBs" and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as QIBs) and "qualified purchasers" (as defined under the U.S. Investment Company Act and referred to in this Prospectus as "QPs") in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act in reliance on Rule 144A and of the U.S. Investment Company Act in reliance on Section 3(c)(7) of the U.S. Investment Company Act; and (b) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in "offshore transactions" (as defined in Regulation S) in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares may not be re-offered, re-sold, pledged or otherwise transferred except in an offshore transaction in accordance with Regulation S to a person outside the United States and not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (including, for the avoidance of doubt, a bona fide sale on BSE or NSE). See "*Legal and Other Information — Other Regulatory and Statutory Disclosures — Eligibility and Transfer Restrictions*", on page 362.

As we are relying on an analysis that our Company does not come within the definition of an "investment company" under the U.S. Investment Company Act because of the exception provided under Section 3(c)(7) thereof, our Company may be considered a "covered fund" as defined in the Volcker Rule. See "*Risk Factors— 64. U.S. regulation of investment activities may negatively affect the ability of banking entities to purchase our Equity Shares.*" beginning on page 58.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any 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.

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", "believe", "expect", "estimate", "intend", "likely to", "objective", "plan", "propose", "project", "seek to", "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.

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 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:

- Uncertainty in relation to the continuing effects of the COVID-19 pandemic and associated responses on our business and operations.
- Dependence on the value and composition of our AUM for our income and profit, which may decline because of factors outside our control.
- Underperformance of our investment portfolio could lead to a loss of clients and reduction in AUM and result in a decline in our income.
- Concentration in our investment portfolio.
- Inability to identify appropriate investment opportunities or if the investment strategy for any of our funds goes out of favour with our clients.
- Increase in redemption requests, interest rates, or concern about potential future increases, could have an adverse effect on our fixed income, liquid and hybrid business, liquidity and AUM.

For details regarding factors that could cause actual results to differ from expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 24, 146 and 314, 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 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 requirements of SEBI and as prescribed under applicable law, the Selling Shareholders shall ensure that the Bidders in India are informed of material developments, in relation to statements and undertakings specifically undertaken or confirmed by the Selling Shareholders in relation to themselves and the respective portion of the Offered Shares offered by each of the Selling Shareholders 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 the Selling Shareholders, as the case may be, in this Prospectus shall be deemed to be statements and undertakings made by the Selling Shareholders.

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 "Description of Equity Shares and Terms of Articles of Association" beginning on pages 24, 60, 75, 85, 95, 146, 392, 346 and 409, respectively.

Summary of our primary business

As on June 30, 2020, we are the second largest AMC in India by Total AUM, we are the eighth largest AMC in India by mutual fund QAAUM, and we have the largest share of monthly average AUM in B30 cities among the top 10 AMCs in India, according to CRISIL. We cater to a diverse group of individual and institutional investors through a wide variety of fund products and services including the domestic mutual funds of UTI Mutual Fund, portfolio management services to institutional clients and high net worth individuals, and retirement, offshore and alternative investment fund management services.

Summary of Industry

Industry AUM have grown at a healthy pace over the past ten years. CRISIL expects industry QAAUM to grow at a CAGR of 18% between March 31, 2021 and March 31, 2025, driven by improved overall economic growth, growing investor base and growing investable household surpluses. CRISIL expects industry revenues to grow at a CAGR of between 13% and 15% and net profits to grow at a CAGR of between 15% and 16%, over the same period, driven by higher AUM and a mix shift from fixed income to equity-oriented products, partly offset by ongoing fee pressures due to increased competition and tightening expense ratio regulations.

Our Promoters

Our Company is a professionally managed company and does not have an identifiable promoter in terms of SEBI ICDR Regulations and the Companies Act.

Offer Size

Offer of Equity Shares by way of Offer for Sale by the Selling Shareholders[(1)(2)(3)]	38,987,081* Equity Shares aggregating to ₹ 21,598.84 million
of which	
Offer for Sale by SBI	10,459,949* Equity Shares
Offer for Sale by LIC	10,459,949* Equity Shares
Offer for Sale by BOB	10,459,949* Equity Shares
Offer for Sale by PNB	3,803,617* Equity Shares
Offer for Sale by TRP	3,803,617* Equity Shares
of which	
Employee Reservation Portion[(4)]	200,000* Equity Shares
Net Offer	38,787,081* Equity Shares aggregating to ₹ 21,488.04 million

** Subject to finlisation of the Basis of Allotment*

(1) The Offer for Sale has been authorized by resolutions of our Board of Directors at their meetings held on August 22, 2019 and October 23, 2019.

(2) The Offer for Sale has been authorised by the Selling Shareholders as follows:

Selling Shareholder	*Date of consent*	*Date of corporate authorization / board resolution*
SBI	December 16, 2019	December 4, 2019
LIC	December 9, 2019	October 14, 2019
BOB	December 9, 2019	December 9, 2019
PNB	December 11, 2019	November 27, 2019
TRP	December 12, 2019	November 18, 2019

(3) 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 the SEBI, and are otherwise eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures" beginning on page 357.

(4) In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹ 500,000), shall be added to the Net Offer. For further details, see "Offer Structure" beginning on page 389.

Objects of the Offer

The objects of the Offer are to achieve the benefits of listing the Equity Shares on the Stock Exchanges and the sale of 38,987,081* Equity Shares by the Selling Shareholders. For further details, see "*Objects of the Offer*" on page 85.

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

Pre-Offer Shareholding of the Selling Shareholders

The equity shareholding of our Selling Shareholders as on the date of this Prospectus is set forth below:

S. No.	Selling Shareholders	Number of Equity Shares	% of total paid up Equity Share capital
1.	SBI	23,125,000	18.24
2.	LIC	23,125,000	18.24
3.	BOB	23,125,000	18.24
4.	PNB	23,125,000	18.24
5.	TRP	32,964,686	26.00

Summary of Restated Financial Information

(in ₹ million, other than share data)

Particulars	Three months ended June 30, 2020	Three months ended June 30, 2019	Financial Year		
			2020	2019	2018
Equity Share Capital	1,267.87	1,267.87	1,267.87	1,267.87	1,267.87
Net worth	28,349.29	26,531.75	27,624.96	26,043.72	23,674.33
Total Revenue from operations	2,617.93	2,345.10	8,549.69	10,505.08	11,500.52
Profit / (loss) for the period from continuing operations	1,005.54	715.30	2,730.30	3,528.31	3,642.05
Earnings per Equity Share (basic and diluted)					
- Basic (in ₹)	7.93	5.64	21.53	27.83	28.73
- Diluted (in ₹)	7.93	5.64	21.53	27.83	28.73
Net asset value per Equity Share (in ₹)	223.60	209.26	217.88	205.41	186.72
Total borrowings	-	-	-	-	-

For details of the related party transactions, as per the requirements under Ind AS 24 '*Related Party Disclosures*' issued by the ICAI and as reported in the Restated Financial Information, see *"Restated Financial Information — Annexure VI —Notes to Restated Financial Information—Note 36—Related party disclosures"* beginning on page 266.

Qualifications of the Statutory Auditors

The Restated Financial Information does not contain any qualifications by the Statutory Auditor.

Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company and our Subsidiaries as on the date of this Prospectus, is provided below:

Types of Proceedings	Number of Cases	Amount (in ₹ million)*
Litigation against our Company		
Criminal proceedings	10	Nil
Civil proceedings	1	31.95
Other matters	11	Nil**
Actions by regulatory and statutory authorities involving our Company	2	Nil

Types of Proceedings	Number of Cases	Amount (in ₹ million)*
Direct and indirect tax proceedings	5	90.55
Total	**29**	**122.50**
***Litigation involving our Subsidiaries*#**		
UTI International (Singapore) Private Limited		
Cases filed against UTI International (Singapore) Private Limited	2	Nil
UTI Capital		
Cases involving UTI Capital	3	Nil

**One of the taxation matters involving our Company is not quantifiable.*
#Does not include recovery matters filed by UTI RSL.
*** In relation to the writ petitions by the UTI Retired and VSS Employees' Social Association demanding the 3rd pension option to switch from the provident fund scheme to the pension scheme, the petitioners in such litigation now contend that the liability arising from such an additional option would be over ₹ 10,000 million basis a letter dated February 5, 2015 which the Company had written to the GoI with a proposal to resolve the issue. However, our Company disputes that the liability is quantifiable at this stage. The same association has filed another litigation challenging the Company's pension regulations and have now claimed that the liability that would arise from the same would be ₹2,000 million. Similarly, the All India UTI AMC Officers' Association had initiated litigation challenging certain service conditions of officers and have now contended that liability in relation to the same would be approximately ₹500 million. The Company asserts that this liability is not quantifiable at this stage. For further details, see "Outstanding Litigation and Material Developments — Litigation against our Company — C. Other Matters" on page 347."*

For further details of the outstanding litigation proceedings involving our Company or Subsidiaries, and certain other material proceedings involving funds or schemes managed by our Company or Subsidiaries, see "*Outstanding Litigation and Material Developments*" beginning on page 346.

Risk Factors

For details in relation to certain risks applicable to us, see "*Risk Factors*" beginning on page 24.

Summary of Contingent Liabilities of our Company

As of June 30, 2020, our contingent liabilities (to the extent not provided for), as disclosed in our Restated Financial Information, are as follows:

(*in ₹ million*)

Particulars	Our Company	UTI VF	UTI RSL	UTI Capital	UTI International
Claims against the Company not acknowledged as debts	33.62	-	-	-	-
Amounts in dispute with Income Tax Authorities	100.80	-	-	-	-
Bank guarantees given - ₹ 4.00 million (including on behalf of subsidiary ₹ 2 million & Employee Provident Fund Organisation (EPFO) (₹ 200 Million), Employee State Insurance Corporation (ESIC) (₹ 100 million), Coal Mines Provident Fund Organisation (CMPFO) (₹ 10 million)	314.00	-	-	-	-
Towards probable liability for provident fund of employees who retired on August 31, 2009 and freshly appointed on September 01, 2009, beyond ₹ 6,500 salary per month threshold, covered with Ascent Capital Advisors India Private Limited.	-	3.46	-	-	-
Towards non-registration as an NBFC with RBI as per section 45(IA) of the RBI Act*	-	0.50	-	-	-

** Pursuant to its letter dated October 21, 2019, the RBI has directed UTI VF to take certain steps to comply with Section 45(IA) of the RBI Act within six months on the basis that it qualifies as a non-banking financial institution, and failing to do so would subject it to proceedings under Section 45MC of the RBI Act. Subsequently, by its letter dated November 22, 2019 ("**RBI Letter**"), the RBI has advised UTI VF to ensure that the ratio of financial assets to total assets of UTI VF is brought down to less than 50% by the end of Financial Year 2020. UTI VF by way of its letter to the RBI dated November 28, 2019 has confirmed that the said ratio will be less than 50% at the end of Financial Year 2020. The independent auditor's report on standalone financial statements of UTI VF for the Financial Year ended March 31, 2020 confirms that the ratio of financial assets to total assets of UTI VF is less than 50% at the end of Financial Year 2020 as required by the RBI Letter. UTI VF by way of its letter dated August 24, 2020 to the RBI has submitted UTI VF's audited financial statements for the fiscal year ended March 31, 2020.*

For details, see "*Restated Financial Information – Annexure VI — Notes to Restated Financial Information — Note 32 – Contingent liabilities & Capital and other commitments*" beginning on page 264.

Summary of Related Party Transactions

(in ₹ million)

Sr. No.	Name of Related Party	Nature of Transactions	Period ended June 30, 2020	Period ended June 30, 2019	Financial Year 2020	Financial Year 2019	Financial Year 2018
			Transactions for the period	Transactions for the period	Transactions for the year	Transactions for the year	Transactions for the year
1.	TRP	Reimbursement towards Expenses	4.67	-	4.25	7.46	8.46
		Dividend Paid	-	-	164.82	164.82	131.86
2	UTI AMC Ltd Employees Provident Fund	Contribution to the fund	65.84	50.31	203.70	193.21	177.01
3	UTI AMC Ltd Pension Fund	Contribution to the fund	13.12	9.28	37.55	35.47	31.57
Key Management Personnel:							
1.	Leo Puri[(1)]	Remuneration	-	-	-	66.09	72.56
2.	Imtaiyazur Rahman	Remuneration	29.23	26.85	45.41	23.01	21.13
3.	Kiran Vohra	Remuneration	-	2.17	10.54	4.31	4.28
4.	Surojit Saha	Remuneration	4.93	-	10.35	-	-
5.	Arvind Patkar	Remuneration	0.91	-	1.46	-	-
6.	Praveen Jagwani	Remuneration	18.87	8.68	47.11	55.09	51.17
7.	P. N. Venkatachalam[(2)]	Sitting fees	-	-	-	0.23	0.47
8.	M. V. Suryanarayana[(3)]	Sitting fees	-	-	-	0.29	0.43
9.	N Seshadri	Sitting fees	0.50	0.18	1.84	0.73	0.37
10.	Sumit Bose	Sitting fees	-	-	-	-	0.28
11.	Uttara Dasgupta	Sitting fees	0.35	0.16	0.96	0.50	0.26
12.	Dinesh Kumar Mehrotra	Sitting fees	0.50	0.13	1.57	0.73	0.27
13.	Arun Kanti Dasgupta[(4)]	Sitting fees	-	-	-	0.05	-
14.	Sachin Jain	Sitting fees	-	-	-	-	0.05
15.	Deepak Kumar Chatterjee[(5)]	Sitting fees	0.35	0.14	1.48	0.22	-
16.	Ashok Shah	Sitting fees	0.20	-	0.70	-	-
17.	Jayshree Vaidhyanathan	Sitting fees	0.20	-	0.25	-	-
18.	Dipali H. Sheth	Sitting fees	0.35	-	0.25	-	-
19.	Rajeev Kakar	Sitting fees	0.25	-	0.15	-	-
20.	Christopher M W Hill	Sitting fees	0.29	0.26	1.06	1.06	0.94
21.	Surojit Saha	Dividend paid	-	-	0.01	0.03	0.03
22.	Kiran Vora	Dividend paid	-	-	0.01	0.01	0.01
23.	Imtaiyazur Rahman	Share based payment	7.50	-	8.39	-	-
24.	Surojit Saha[(6)]	Share based payment	0.77	-	0.86	-	-

25.	Arvind Patkar[7]	Share based payment	0.07	-	0.08	-	-
26.	Praveen Jagwani	Share based payment	3.26	-	-	-	-

(1) Leo Puri has resigned with effect from August 13, 2018.
(2) P.N. Venkatachalam has resigned with effect from August 16, 2018.
(3) M. V. Suryanarayana has resigned with effect from September 25, 2018.
(4) Arun Kanti Dasgupta was appointed with effect from September 25, 2018 and has resigned with effect from February 18, 2019.
(5) Deepak Kumar Chatterjee has been appointed with effect from September 25, 2018.
(6) Surojit Saha has been appointed as CFO with effect from December 16, 2019.
(7) Casual vacancy created on demise of Kiran Vohra filled up by appointment of Arvind Patkar with effect from December 16, 2019.

For details of the related party transactions and as reported in the Restated Financial Information, see "*Restated Financial Information — Annexure VI —Notes to Restated Financial Information—Note 36—Related Party Transactions* " on page 266.

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

Our Company has not issued any Equity Shares through bonus issue or for consideration other than cash in the one year preceding the date of this Prospectus.

Financing Arrangements

There have been no financing arrangements whereby our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date 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 Selling Shareholders in the one year preceding the date of this Prospectus

None of the Selling Shareholders acquired Equity Shares in the one year preceding the date of this Prospectus.

Average Cost of Acquisition for Selling Shareholders

The average cost of acquisition per Equity Share by the Selling Shareholders, as on the date of this Prospectus is:

S. No.	Name of Selling Shareholder	Number of Equity Shares acquired	Average cost of Acquisition per Equity Share (in ₹)
1.	SBI	23,125,000	99.76
2.	LIC	23,125,000	99.76
3.	BOB	23,125,000	99.76
4.	PNB	23,125,000	99.76
5.	TRP	32,964,686	200.43

Details of pre-Offer Placement

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Prospectus until the listing of the Equity Shares.

Split or Consolidation of Equity Shares in the last one year

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Prospectus.

SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. Prior to making a decision to invest in our Equity Shares, prospective investors and purchasers should carefully consider all the information contained in this Prospectus, including the risks and uncertainties described below and the sections titled "Our Business" and "Management's Discussion and Analysis of Financial Conditions and Results of Operations", beginning on pages 146 and 314, respectively, as well as other financial information contained in this Prospectus. In addition, the risks described below may not be exhaustive and are not the only ones relevant to us or our Equity Shares, to the industry and segments in which we currently operate or to the countries or regions in which we currently conduct business, particularly India. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our businesses, results of operations, financial condition and cash flows. Any potential investors in, and purchasers of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment which in some material respects may be different from that which prevails in the United States, the European Union and other countries. If any of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occurs, our business, results of operations, financial condition and prospects could be adversely affected and the market price of our Equity Shares and the value of your investment in our Equity Shares could decline.

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. For details, see "Forward-Looking Statements", beginning on page 18. Unless the context requires otherwise, the financial information of our Company has been derived from our Restated Financial Information.

Internal Risk Factors

1. Our income and profit are largely dependent on the value and composition of our AUM, which may decline because of factors outside our control.

A substantial part of our income is dependent on the total value and composition of our AUM, as our management fees are usually calculated as a percentage of our AUM. Our income from management fees for the three-month periods ended June 30, 2020 and June 30, 2019 was ₹1.6 billion and ₹2.0 billion, respectively, representing 58.8% and 83.6%, respectively, of our total consolidated income for such period. Our income from management fees for the fiscal years ended March 31, 2020, March 31, 2019 and March 31, 2018 was ₹7.9 billion, ₹8.8 billion and ₹9.4 billion, respectively, representing 88.3%, 81.5% and 80.4%, respectively, of our total consolidated income for such period. Any decrease in the value, and certain changes to the composition, of our AUM will cause a decline in income and profit. For example, the total QAAUM of our domestic mutual funds ("**Domestic Mutual Fund QAAUM**") decreased by ₹242.4 billion, or 15.4%, from ₹1,578.7 billion as of June 30, 2019 to ₹1,336.3 billion as of June 30, 2020 as a result of the impact of the COVID-19 pandemic on financial markets and an increase in redemption requests from investors (largely following the recent credit crisis in India), driving a significant decline in our income from management fees. AUM may decline or fluctuate for various reasons, many of which are outside our control, and which may also hinder our ability to grow our AUM and therefore our income and profit.

Factors that could cause our AUM and income to decline, or impair our ability to grow our AUM, include the following:

- *Declines in the Indian equity markets.* The AUM for our equity funds, and, to a lesser extent, our hybrid funds, are concentrated in the Indian equity markets. As such, declines in the equity markets or the market segments in which our investment portfolios are concentrated will impair our domestic mutual funds' performance and cause our AUM to decline. The equity markets in India have been and may continue to be volatile, including as a result of the ongoing COVID-19 pandemic, and such volatility may contribute to fluctuations in our AUM. In turn, a delayed recovery in the equity markets in India may cause a corresponding delay in the recovery of our AUM and income, and the outlook, speed and duration of any such recovery remains uncertain.

- *Changes in interest rates and defaults.* Our income and liquid and money market funds (which accounted for 42.7% of our total Domestic Mutual Fund QAAUM as of June 30, 2020) and funds managed or advised by our other businesses invest in fixed income securities, including short-term money market instruments. The value of such fixed income securities has in the past declined, and may in the future decline, as a result of changes in interest rates, an issuer's actual or perceived creditworthiness, an issuer's ability to meet its obligations or a more general deterioration of credit markets as a whole (such as the recent credit crisis in India). For further details, see "*Risk Factors — 10. Credit risks related to the debt portfolio of our funds may expose our funds to significant losses, which may have a material adverse effect on our business, results of operations and financial condition*" and "*Risk Factors — 11. Credit risks related to our investments, loans and advances may expose us to significant losses*", beginning on pages 32 and 33, respectively.

- *Redemptions and withdrawals.* Clients, in response to adverse market conditions, inconsistent or poor investment performance, the pursuit of other investment opportunities (including similar opportunities provided by competitors), or other factors, may reduce their investments in our funds or the market segments in which our funds are concentrated. In a declining market, the pace of redemptions may accelerate rapidly and potentially more quickly than we can sell assets to meet such redemptions, which would require us to temporarily suspend redemptions or borrow money to meet redemption requirements. Our open-ended funds accounted for 89.4% of our Domestic Mutual Fund QAAUM as of June 30, 2020 and our clients can redeem their investments in such funds at any time for any (or no) reason. Some of our income and hybrid closed-ended funds have a short duration, so, after the life of the fund, clients may choose not to reinvest in our funds and seek alternative forms of investments. For example, as a result of the recent credit crisis in India, many of our clients chose to redeem their investments and/or decided not to reinvest, which was one of the factors that contributed to the reduction of our Domestic Mutual Fund QAAUM invested in income funds from ₹318.3 billion as of June 30, 2019 to ₹193.3 billion as of June 30, 2020.

- *Changes in the composition of our AUM*. Our rates for management fees differ depending on the type of fund and product or service. For example, fee levels for equity and hybrid funds are generally higher than the fee levels for income and liquid and money market funds and fee levels for active funds are generally higher than fee levels for passive funds. In general, we are able to charge relatively stable fees for equity funds, whereas fees for debt funds vary significantly depending on market conditions as well as fund duration and type. Fees for portfolio management services ("**PMS**") and management fees for Government mandates are generally lower than fees for our other businesses. Accordingly, declines in the proportion of our AUM invested in equity funds or in active funds as well as certain other changes in the composition of our AUM may cause our margins and profits to decrease.

- *Decline in inflows through systematic plans.* Inflows from systematic investment plans, which can have the benefit of providing steady and regular increases to our AUM, have increased reasonably steadily in recent years from ₹6.5 billion for the quarter ended March 31, 2018 and were ₹7.2 billion for the quarter ended June 30, 2020. However, such inflows, and average transaction sizes, have been declining in recent fiscal quarters as market conditions have become more volatile and economic conditions in India have worsened, including due to the COVID-19 pandemic and associated responses. As a consequence of the COVID-19 pandemic and associated responses, including disruption in our sales and market activities, we also experienced a slight decline in the number of SIP Live Folios in the quarter ended June 30, 2020. Volatile market conditions and adverse economic performance 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, consequently causing a decline in inflows, and thus a reduction in our ability to grow our AUM, through such systematic transactions.

- *Decline in PMS AUM.* As of June 30, 2020, our PMS business had AUM of ₹6,970.5 billion, 84.9 % of which were attributable to our mandate to manage part of the corpus of the Employees' Provident Fund Organisation ("**EPFO**"). Increased competition in the PMS space or the loss of PMS mandates may cause a decline in our income or profits, and the loss of a single PMS mandate could have a significant adverse impact on our PMS business as a whole.

The amount of expenses funds can charge is also usually based on a percentage of AUM. Accordingly, the value of AUM can also affect the level of our operating expenses. In addition, excluding any distribution costs, most of our costs do not vary directly with AUM or income. As a result, our operating margins may fluctuate by a higher percentage than changes in income.

2. Underperformance of our investment portfolio could lead to a loss of clients and reduction in AUM and result in a decline in our income.

Investment performance is one of the most important factors for retaining existing customers and attracting new ones, and therefore for maintaining and growing our AUM. The performance of our funds depends not only on our investment strategies but also on a number of factors that are outside our control, including 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 we deem to be the best investment strategies, which could restrict our performance. Poor investment performance, either on an absolute or relative basis, could have a negative effect on our business or impair our income and growth in a number of ways, including:

- existing clients might withdraw funds in favour of better-performing products offered by our competitors, which would reduce our AUM and therefore result in lower income from management fees;

- our ability to attract funds from existing clients and incremental funds from new clients might diminish; and

- negative absolute investment performance will directly reduce the value of our managed assets and hence result in reduced income from management fees.

In addition, we may on occasion review our investment management fees, or limit total expenses, on certain products or services for particular time periods to improve fund performance, manage fund expenses, to help retain or increase managed assets, or for other reasons. If our income declines without a commensurate reduction in our expenses, our profits will be reduced.

Some of our funds have not delivered strong or consistent investment performance, on a relative basis, compared to the relevant industry benchmark and competing funds, and in some cases, on an absolute basis. In particular, the recent performance of our income funds has been adversely affected by defaulted companies to which our income funds have exposures and 106 of our 108 income funds (representing 77.4% of our total QAAUM for income funds as of June 30, 2020) have underperformed their respective benchmarks in the twelve-month period ended June 30, 2020. For further details, see "*Risk Factors — 10. Credit risks related to the debt portfolio of our funds may expose our funds to significant losses, which may have a material adverse effect on our business, results of operations and financial condition.*", beginning on page 32. Ten of our 23 active equity funds and seven of our nine hybrid funds (representing 20.8% and 84.2%, respectively, of our total QAAUM for active equity and hybrid funds, as applicable, as of June 30, 2020) have also underperformed against their respective benchmarks in the twelve-month period ended June 30, 2020. See "*Our Business — Domestic Mutual Fund Management — Investment Performance*", beginning on page 154.

Underperformance by some of our funds may hinder our ability to grow our AUM and income and, in some cases, may contribute to a reduction in our AUM and income. Any reduction in our AUM, in particular for our income funds, may result in the respective portfolios of such funds becoming more difficult to manage, may result in an increased concentration of exposures to particular issuers or sectors, or may result in our funds holding a higher proportion of illiquid or low-rated securities. This may in turn adversely affect the performance of such funds or result in such funds being wound-up or merged with other funds, which could result in a decline in our income. For further details, see "*Risk Factors — 10. Credit risks related to the debt portfolio of our funds may expose our funds to significant losses, which may have a material adverse effect on our business, results of operations and financial condition.*", beginning on page 32.

3. Our market share has declined consistently over the past years and may continue to do so, which could have an adverse impact on our business, financial condition and results of operations.

Factors such as increased competition in the mutual fund industry, including from technology-driven platforms, underperformance by our funds as compared to their respective benchmarks and competing schemes and shifts in the investment preferences of our customers may hinder our ability to maintain or grow our market share and may contribute to a reduction in our market share. For example, while our Domestic Mutual Fund QAAUM has almost doubled from ₹742.3 billion as of March 31, 2014 to ₹1,336.3 billion as of June 30, 2020, with some of our funds underperforming as compared to their respective benchmarks and competing schemes, and competition in the mutual fund industry increasing, according to CRISIL, our market share has fallen from 8.2% to 5.4% over the same period. In the future our market share may continue to decline and we may be forced to reduce our management fees, or incur increased sales and marketing costs and increased capital expenditures on technology upgrades, in order to maintain or increase our market share, which could have an adverse impact on our business, financial condition and results of operations. See "*Risk Factors – 47. The asset management industry is intensely competitive, and increased competition has affected and in the future can further adversely affect our market share.*" beginning on page 52.

4. Concentration in our investment portfolio could have a material adverse effect on our business, financial condition and results of operations.

A large portion of our Domestic Mutual Fund QAAUM, which decreased from ₹1,578.7 billion as of June 30, 2019 to ₹1,336.3 billion as of June 30, 2020, is concentrated in a small number of funds. For example, as of June 30, 2020, our top six active equity funds constituted 75.3% of our total QAAUM for active equity funds, our top five passive equity funds constituted 98.7% of our total QAAUM for passive equity funds, our top six hybrid funds constituted 94.3% of our total QAAUM for hybrid funds and our top five income funds constituted 35.9% of our total QAAUM for income funds. In addition, as of June 30, 2020, our top five equity-oriented funds (which invest at least 65% of their portfolio in equity securities) contributed 60.3% to our Domestic Mutual Fund QAAUM for equity-oriented funds, while our top five debt-oriented funds (which invest at least 65% of their portfolio in debt securities) contributed 63.6% to our Domestic Mutual Fund QAAUM for debt-oriented funds. We have only four liquid and money market funds (including the UTI Overnight Fund and the UTI Floater Fund). Underperformance by any of these funds may cause increased requests for redemptions and have a disproportionate adverse impact on our financial liquidity, AUM and income. In addition, we have invested or co-invested in some of our funds and have, as of June 30, 2020, uncalled commitments of USD 25.0 million (₹1.8 billion as of June 30, 2020) in respect of the proposed UTI Structured Debt Opportunities Fund II, both managed by UTI Capital Private Ltd. ("**UTI Capital**"). Following the recent credit crisis in India and the impact of the COVID-19 pandemic, there has been a reduction in the valuation of investments held by the UTI Structured Debt Opportunities Fund I, in which we have invested ₹1.6 billion as of June 30, 2020. Many

of the investments held by such funds are illiquid and carry high credit risk, and market fluctuations could result in losses for the funds and us depending on market, economic and other conditions.

Events or developments that have a negative effect on any particular industry, asset class, group of related industries, country or geographic region may have a material adverse effect on the investment portfolio of our schemes and products to the extent that such portfolio is concentrated in such affected category. These types of concentrations in the investment portfolios of our schemes and products could therefore increase the risk that, in the event we experience a significant loss in any of these investments, our financial condition and results of operations would be materially and adversely affected. For instance, our income schemes in our domestic mutual funds business had a 28.7% aggregate exposure (by closing AUM) to non-banking financial institutions and housing finance companies as of March 31, 2018; the exposure of such funds to such institutions and companies adversely affected the performance of our income funds following the recent credit crisis in India. For further details see "*Risk Factors — 11. Credit risks related to our investments, loans and advances may expose us to significant losses.*", beginning on page 33. In addition, if we become subject to additional restrictions in the future with regard to the asset classes or types 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 in India*", beginning on page 179.

5. Our investment performance, income and profitability may be materially adversely affected if we are unable to identify appropriate investment opportunities or if the investment strategy for any of our funds goes out of favour with our clients.

An important driver of investment performance and AUM growth is the availability of appropriate investment opportunities for new and existing funds. If we are not able to identify favourable investment opportunities for assets in a timely manner (due, for instance, to a delay in conducting or concluding our research, or our inability to execute our investment strategy in a timely manner) our investment performance could be adversely affected. Alternatively, if we do not have sufficient investment opportunities for new funds, we may elect to limit the growth of such funds by reducing the rate at which they receive new investments from clients or delay or cancel the proposed launch of new funds. Furthermore, any delay in the deployment of investor funds beyond any relevant commitment period may lead to investors withdrawing funds. Depending on, among other factors, prevailing market conditions, the asset manager's investment style, regulatory and other limits and the market sectors and types of opportunities in which the asset manager typically invests (such as less capitalized companies and other more thinly traded securities in which relatively smaller investments are typically made), the risks of not having sufficient investment opportunities may increase when an asset manager increases its AUM, particularly when the increase occurs very quickly. Certain of our funds and businesses, including our PMS business, have had relatively large increases in their AUM in recent years. If our asset managers are not able to identify sufficient investment opportunities for these funds or any other fund, our investment performance and our ability to continue to grow may be reduced and we may have to change the investment objectives of the affected funds.

We also face regulatory constraints that limit our investment opportunities for particular funds or investors. For example, 68.6% of the closing AUM for UTI International is invested in fixed income securities. The Government of India currently limits the level of foreign investment by any foreign portfolio investor in its debt securities. Failure to comply with such limits could lead to regulatory action. For further details, see "*Risk Factors — 7. We are currently subject to SEBI actions in connection with India Debt Opportunities Fund Limited ("IDOF") and the outcome of such actions could expose us to penalties and restrictions.*", beginning on page 29.

In addition, our investment strategy in relation to any of our funds could go out of favour with our clients for a number of reasons, such as underperformance relative to market indices, competition or other factors. For example, there is an ongoing shift in customer preferences from active to passive equity funds, which may adversely impact our income and profitability as the fees we receive for passive funds are generally lower than those we receive for active funds. If our investment strategies were to go out of favour with our clients, it could cause our clients to reduce the assets we manage for them. Any inability to formulate new investment strategies or offer new products promptly if market conditions change or new opportunities arise may also adversely affect the growth of our AUM, which may have a material adverse effect on our income and profit.

6. Our business is subject to extensive regulation, including periodic inspections by SEBI and by the Pension Fund Regulatory and Development Authority ("PFRDA"), and our non-compliance with existing regulations or SEBI's or PFRDA'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 under the SEBI Mutual Fund Regulations. SEBI also issues guidelines applicable to asset management companies in the form of circulars and notifications from time to time. 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 Company 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). Similarly, our subsidiaries are subject to various regulatory guidelines and inspections. 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, Securities and Exchange Board of India (Procedure for Holding Enquiry by Officer and Imposing Penalty) Regulations, 2002 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. Every scheme we propose to introduce is also required to file a draft scheme information document with SEBI for its observations. In past inspection reports and warning letters, SEBI has, among other things, identified deficiencies in our systems and operations such as: (i) failure to provide updated daily net asset value of our funds within the time period prescribed by SEBI, (ii) non-compliance with limits for exposure to debt securities in a particular sector, (iii) taking blanket approval for enhancing issuer-level investment limits in violation of provisions of the SEBI Mutual Fund Regulations, (iv) delays in payment of dividends and redemption proceeds within the prescribed time limits, (v) deviation from the scheme information document in asset allocation patterns, (vi) lapses in know-your-customer ("**KYC**") diligence, (vii) non-compliance with per-investor limits for instant redemption facilities, (viii) failure to obtain permanent account numbers ("**PAN**") for redemptions from non-PAN exempt existing folios and (ix) rolling-over of short term deposits, in contravention of the Mutual Fund Regulations. While we have taken actions in response to these observations and have reported these actions to SEBI, there can be no assurance that such actions have been or will be satisfactory to our regulators. Furthermore, although we have replaced the software infrastructure of our front-office systems through the deployment of Bloomberg Asset and Investment Management software, which includes alert mechanisms, we cannot provide any assurances that these and other kinds of failures or breaches will not occur in the future, which could result in severe economic penalties, suspension of our licenses and damage to our brand name and reputation.

Additionally, in the past there may have been, and in the future there may be, unsanctioned delays in replying to notices issued by SEBI or our other regulators and in the event such delay is not condoned by SEBI as part of its final order in the applicable proceeding, our Company may be subject to an additional monetary penalty which could also result in an adverse effect on our brand name and reputation. While we endeavor to comply with all regulatory timelines, including timelines for filing replies to regulatory notices issued for alleged non-compliance, there can be no assurance that we will be able to meet all regulatory timelines in the future, nor can there be any assurance that the regulator will condone any delay without any additional adverse action against our Company.

SEBI may also initiate proceedings against our Company, our Subsidiaries or any of the funds we are associated with for any alleged non-compliance with its regulations, which could expose us to penalties and restrictions. For instance, see "*Risk Factors — 7. We are currently subject to actions by SEBI in connection with India Debt Opportunities Fund Limited ("IDOF") and the outcome of such actions could expose us to penalties and restrictions and may also harm our reputation.*", beginning on page 29.

Further, pursuant to its letter dated October 21, 2019, the RBI has directed UTI VF, one of our Subsidiaries, to take certain steps to comply with Section 45(IA) of the RBI Act within six months on the basis that it qualifies as a nonbanking financial institution, and failing to do so would subject it to proceedings under Section 45MC of the RBI Act. By its letter dated November 22, 2019 ("**RBI Letter**"), RBI has advised UTI VF to ensure that the ratio of financial assets to total assets of UTI VF is brought down to less than 50% as of March 31, 2020 and also submit UTI VF's audited financial statements for the fiscal year ended March 31, 2020 to RBI. While the ratio of financial assets to total assets of UTI VF was less than 50% at the end of the fiscal year ended March 31, 2020, UTI VF has only submitted its financial statements for such fiscal year to the RBI on August 24, 2020. While we have complied with the RBI Letter, there can be no assurance that RBI will not penalize us for not adhering to all the directions mandated in the RBI Letter in a timely manner.

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 materially affect our ability to carry on our business. For further details, see "*Government and Other Approvals*" beginning on

page 355.

We are also regulated by PFRDA and are subject to regular scrutiny and supervision by such statutory body, which has the power to conduct periodic inspections at our premises and take such regulatory action as it may deem fit under the Pension Fund Regulatory and Development Authority Act, 2013 and the regulations thereunder. In the latest inspection and audit report on our activities operating points of presence for the National Pension System for the fiscal year ended March 31, 2019, PFRDA observed certain irregularities such as: (i) different nomenclature of collection accounts; (ii) delays in uploading the subscriber contribution file and remitting funds to the trustee bank; (iii) delegation of functions to KFin Technologies Private Limited ("**KFin**") without PFRDA's written consent; (iv) dispatching documents to the Central Record Keeping Agency in non-compliance with PFRDA guidelines; and (v) delays in processing requests for subscribers' maintenance. In addition, during its inspections of UTI Retirement Solutions Limited ("**UTI RSL**"), our subsidiary, for the fiscal years ended March 31, 2018 and 2019, PFRDA made certain observations about UTI RSL's infrastructure, staff strength, research team and cyber-security.

While we have taken actions in response to these observations and have reported these actions to PFRDA, there can be no assurance that such actions have been or will be satisfactory to our regulators. For instance, PFRDA has issued a show-cause notice dated February 7, 2020 ("**PFRDA Notice**") to our Company, in connection with performance of our obligations as an operator of points of presence for the National Pension System ("**NPS**"), alleging that our Company has violated certain provisions of the PFRDA Act and the Point of Presence Regulations by: (i) outsourcing the functions of points of presence to KFin without PFRDA's written consent and (ii) failing to comply with PFRDA's instructions, including submitting indemnity bonds indemnifying two NPS subscribers in respect of alleged fraudulent or irregular withdrawal claims processed by KFin. For further details in relation to the above PFRDA Notice, see "*Outstanding Litigation and Material Developments — Actions by regulatory and statutory authorities involving our Company*", beginning on page 349.

We were also required to obtain certain approvals for the Offer from PFRDA, which approvals may not be forthcoming or which may be subject to the satisfaction of certain conditions, which may be onerous or impracticable. Accordingly there can be no assurance that the Offer will proceed in a timely manner or at all.

7. We are currently subject to actions by SEBI in connection with India Debt Opportunities Fund Limited ("IDOF") and the outcome of such actions could expose us to penalties and restrictions and may also harm our reputation.

UTI International manages the offshore interests of UTI AMC and the overseas marketing of our investment strategies, including through its overseas offices and two wholly owned subsidiaries in Mauritius and Singapore. Through UTI International and its subsidiaries, we currently provide certain advisory services to clients outside of India. In relation to a fund managed by UTI International, SEBI has issued show-cause notices dated (i) June 26, 2019 under the SEBI Act (the "**First SCN**"); (ii) September 13, 2019 under the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (the "**Inquiry Rules SCN**"); and (iii) September 13, 2019 under the SEBI Intermediaries Regulations ("**Intermediaries Regulations SCN**", and together with the First SCN and the Inquiry Rules SCN, the "**SCNs**"), to IDOF, a fund managed by our Subsidiary, UTI International, that is registered as a Category II FPI under the SEBI FPI Regulations, in connection with its investments in the India Debt Opportunities Fund Unit Scheme ("**IDOF Scheme**"), alleging that (i) the IDOF Scheme is not a domestic mutual fund scheme under the SEBI Mutual Fund Regulations and the investments made by IDOF in the IDOF Scheme are in contravention of the SEBI FPI Regulations; (ii) investments made by IDOF through the IDOF Scheme in government securities were made without purchasing debt limits under the auction route, in contravention of circulars issued by SEBI and the SEBI FPI Regulations, allegedly causing a notional loss of ₹244.3 million to the Government of India; (iii) investments made by IDOF through the IDOF Scheme in liquid and money market instruments were in contravention of circulars issued by SEBI and the SEBI FPI Regulations; and (iv) IDOF made incorrect statements to the designated depository participant regarding its compliance with the SEBI FPI Regulations in relation to being a "broad based" fund for the purpose of registration as a Category II FPI. Pursuant to the First SCN, SEBI has directed IDOF to, amongst others, show cause as to why directions under Section 11B read with Section 11(4) of the SEBI Act, including directions to disgorge the allegedly undue profit of ₹ 244.3 million, should not be issued to IDOF. Further, if an adverse order is passed against IDOF in relation to the Inquiry Rules SCN, SEBI could impose a penalty on IDOF between ₹0.1 million and ₹10 million and if an adverse order imposing penalties under Section 25 read with Section 27 of the Intermediaries Regulations. is passed against IDOF in relation to the Intermediaries Regulations SCN, SEBI could impose penalties that include: (i) suspending IDOF's certificate of registration for a specified period, (ii) cancelling IDOF's certificate of registration, (iii) prohibiting IDOF from taking up any new assignments or contracts or launching any new schemes for a specified period, (iv) debarring a principal officer of IDOF from being employed or associated with any registered intermediary or other registered person for a specified period, (v) debarring a branch or an office of IDOF from carrying out activities for a specified period or (vi) issuing a warning to IDOF.

Further, SEBI has also issued a show-cause notice dated January 21, 2020 ("**January 2020 SCN**"), to our Company and to UTI Mutual Fund (together with the Company, the "**Noticees**"), in connection with the provision of management and advisory services to IDOF under Rule 4(1) of the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 ("**Adjudication Rules**") read with Section 15I of the SEBI Act. IDOF is

a registered Category II FPI under the SEBI FPI Regulations. Pursuant to an in-principle approval letter dated September 20, 2004 and approval letter dated May 17, 2005 issued to our Company by SEBI, IDOF was set up to raise funds from foreign investors and invest the funds so raised in India through the IDOF Scheme. The Notice alleges that the Noticees have violated certain provisions of SEBI Mutual Fund Regulations by: (i) facilitating investment by IDOF in the IDOF Scheme, which is not a domestic mutual fund scheme; (ii) vesting the management of IDOF in UTI International Limited, resulting in non-compliance with conditions stated in the in-principle approval letter dated September 20, 2004 issued by SEBI; and (iii) failing to segregate the activities of management and advisory services and fund manager provided to IDOF from that of the domestic mutual fund schemes. SEBI has directed the Noticees to show cause as to why an inquiry should not be held against the Noticees under Rule 4 of the Adjudication Rules and why penalties should not be imposed under Section 15 HB of the SEBI Act. If an adverse order imposing penalties under Section 15 HB of the SEBI Act is passed in relation to the January 2020 SCN, our Company would be subject to a penalty between ₹0.1 million and ₹10 million. While our Company and IDOF have responded to the January 2020 SCN and the SCNs, respectively, we cannot assure you that there will not be additional penalties that may be levied pursuant to supplemental or additional show-cause notices that are issued to our Company or to any of our funds or those of our subsidiaries, including in respect of procedural delays in relation to the January 2020 SCN or any other procedural delays that may occur in relation to the SCNs or the January 2020 SCN. For further details in relation to the above show-cause notices issued to IDOF and our Company, see "*Outstanding Litigation and Material Developments — Other Matters*" and "*Outstanding Litigation and Material Developments — Actions by regulatory and statutory authorities involving our Company*", beginning on pages 352 and 349, respectively. Any additional action by SEBI in connection with the aforementioned show-cause notices could subject us to further scrutiny or enforcement actions and have a material adverse effect on our reputation, business, financial position or results of operation.

8. Our Company, Subsidiaries and Directors are subject to litigation risks and are involved in a number of legal proceedings that, if determined against them, could adversely impact our reputation and may have an adverse effect on our business, results of operations and financial condition.

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 materially adversely affect our reputation, business, results of operations and financial condition. We can give no assurance that these legal proceedings will be decided favourably 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, Subsidiaries and Directors, as of the date of this Prospectus. According to our materiality policy adopted by our Board, any outstanding litigation, other than criminal proceedings, statutory or regulatory actions and taxation matters, is considered material: (i) if the monetary amount claimed by or against the entity in any such pending matter is in excess of ₹27.3 million; or (ii) if an adverse outcome of any such litigation could materially and adversely affect our business, prospects, operations, financial position or reputation.

Types of Proceedings	Number of Cases	Amount (in ₹ million)*
Litigation against our Company		
Criminal proceedings	10	Nil
Civil proceedings	1	32.0
Other matters	11	Nil**
Actions by regulatory and statutory authorities involving our Company	2	Nil
Direct and indirect tax proceedings	5	90.6
Total	**29**	**122.5**
Litigation involving our Subsidiaries#		
UTI International (Singapore) Private Limited		
Cases filed against UTI International (Singapore) Private Limited	2	Nil
UTI Capital		
Cases involving UTI Capital	3	Nil

**One of the taxation matters involving our Company is not quantifiable.*

#Does not include recovery matters filed by UTI RSL.

*** In relation to the writ petitions by the UTI Retired and VSS Employees' Social Association demanding the 3rd pension option to switch from the provident fund scheme to the pension scheme, the petitioners in such litigation now contend that the liability arising from such an additional option would be over ₹10,000 million basis a letter dated February 5, 2015 which the Company had written to the GoI with a proposal to resolve the issue. However, our Company disputes that the liability is quantifiable at this stage. The same association has filed another litigation challenging the Company's pension regulations and have now claimed that the liability that would arise from the same*

would be ₹2,000 million. Similarly, the All India UTI AMC Officers' Association had initiated litigation challenging certain service conditions of officers and have now contended that liability in relation to the same would be approximately ₹500 million. The Company asserts that this liability is not quantifiable at this stage. For further details, see "Outstanding Litigation and Material Developments — Litigation against our Company — C. Other Matters" on page 347.

We also have inherited ongoing litigation originally initiated against Unit Trust of India before its bifurcation into SUUTI and UTI Mutual Fund in 2003. Further, we are also involved in litigation filed by an association of employees and a former employee, which in addition to reliefs in connection with service conditions, also challenge the sale of Equity Shares in our Company by the Sponsors to TRP in 2009. For further details, see "*Outstanding Litigation and Material Developments—Litigation against our Company—C. Other Matters*" on page 347.

In addition to the above, our Company is involved in various labour and employment-related proceedings and consumer-related matters involving our Company and UTI Mutual Fund. For further details, see "*Outstanding Litigation and Material Developments"*, beginning on page 346.

After the filing of the Draft Red Herring Prospectus, our Company received multiple complaints from various third parties, including associations of its employees and former employees such as the UTI Retired and VSS Employees Social Association ("**URVES Association**"), All India UTI AMC Officers Association ("**Officers' Association**") and All India UTI SC/ST/Neo Buddhist & OBC Employees Welfare Association and from certain former employees of our Company, in relation to the disclosures made in the Draft Red Herring Prospectus with respect to certain cases filed by such parties before various courts in India (collectively, the "**Complaints**"). The Complaints included various allegations, including that our Company failed to quantify the contingent liability alleged to be approximately ₹10,000 million in the Draft Red Herring Prospectus in relation to an eventual adverse outcome of the litigation filed by the URVES Association relating to, amongst others, the exercise of pension options and dearness allowance claims. The Complaints were also addressed to SEBI, the Registrar and/or the BRLMs. Our Company has examined such Complaints and responded to the complainants and SEBI, as applicable. For further details, see "*Outstanding Litigation and Material Developments – E. Complaints received in connection with the DRHP"* and "*Risk Factors — 34. We have received multiple complaints from various employees' associations of our Company regarding inadequate disclosures in the DRHP; labour unrest could harm us by impairing our ability to attract and retain clients and subject us to significant legal liability and reputational harm*", on pages 350 and 45, respectively.

As of June 30, 2020, our Company has provisioned ₹3.9 million for outstanding litigation, while contingent liabilities not provisioned for amounted to ₹33.7 million. These matters may not be settled in our favour 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 favour, 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.

As an asset management company, we have fiduciary duties to our clients. If our clients 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 materially 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 and financial condition.

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 346.

9. We are dependent on the strength of our brand and reputation, and activities of third-party entities that are entitled to use the UTI brand may damage that brand and reputation, which may harm our business.

Our business and prospects are dependent on the strength of our brand and reputation and, to a lesser extent, that of the Sponsors. In an industry where integrity, trust and customer confidence are paramount, we are exposed to the risk that litigation, misconduct, operational failure, negative publicity (including through social media), press speculation or other problems, including in respect of the Sponsors, could harm our brand and reputation. Our brand and reputation

could also be adversely affected if our schemes, products or services underperform certain benchmarks or do not perform as expected by investors, whether or not the expectations of investors are well founded. We are also exposed to the risk that the conduct or performance of third parties over which we have no control, including our approximately 53,000 independent financial advisors ("**IFAs**") and KFin, our main registrar and transfer agent ("**RTA**"), will have a negative impact on our brand or reputation.

Our registered trademark (including the name and logo), "uti", is an important asset of our business and maintaining and enhancing the reputation associated with that trademark is integral to our success. Currently, UTI Infrastructure Technology and Services Limited ("**UTI ITSL**") and UTI Investment Advisory Services Limited ("**UTI IAS**") are owned by SUUTI, which is itself controlled by the Government of India, and are allowed to use the UTI brand. Any potential attempts on our part to restrict UTI ITSL or UTI IAS from using the UTI name may be time-consuming and expensive and require the support of the Government of India and there can be no assurance that any such attempts would be successful. Since UTI ITSL and UTI IAS also operate in the financial services sector, others may incorrectly assume that these entities are under common ownership and management with us and therefore the conduct of those entities is more likely to damage our brand name or reputation, resulting in loss to our business.

Our individual fund names and logos have not been registered, exposing us to the risk that other entities may also use them or claim ownership of the relevant intellectual property, which will make it more difficult to maintain and enhance our brand name or reputation, resulting in loss to our business. In addition, we may be exposed to adverse publicity relating to the investment industry as a whole and thus the conduct of other third parties in the industry may indirectly taint our reputation and brand or its perception by customers. Further, negative publicity may result in greater regulatory scrutiny of our operations and of the industry generally.

10. Credit risks related to the debt portfolio of our funds may expose our funds to significant losses, which may have a material adverse effect on our business, results of operations and financial condition.

Our funds are exposed to credit risks in relation to their investments, as issuers of the fixed income securities owned by such funds may default on their obligations thereunder, including in respect of principal and interest payments. The value of the debt portfolio of our funds 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 more general deterioration of credit markets as a whole. 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 and related measures, and we are also exposed to the risk that the rights of our funds against such issuers may not be enforceable in all circumstances. For example, in September 2018, a leading Indian non-banking financial institution defaulted on its loan repayment obligations, which resulted in difficulties for other non-banking financial institutions to secure new financing or refinance their existing financial indebtedness, leading to successive defaults, including by companies to which our income funds have exposures.

Losses sustained by our funds as a result of defaults by, or reductions in the credit rating or actual or perceived creditworthiness of, issuers of fixed income securities owned by our funds may result in decreases in our AUM, income and profit, which may have a material adverse effect on our business, results of operations and financial condition. See "*Risk Factors — 1. Our income and profit are largely dependent on the value and composition of our AUM, which may decline because of factors outside our control.*", on page 24. As of June 30, 2020, 50.8% of our Domestic Mutual Fund Closing AUM was invested in equity shares, 0.4% was invested in gold and 48.7% was invested in fixed income securities. In terms of the credit ratings of fixed income securities held by our funds, 44.4% was invested in government securities/treasury bills/TREPS/cash, 46.8% was invested in AAA/A1+ rated fixed income securities, 6.3% was invested in AA+/AA+/AA- rated fixed income securities and 2.6% was invested in debt securities rated A+ or below.

We have in the past created, and in future may create, segregated portfolios in accordance with SEBI regulations in respect of certain debt securities held by our funds in the event that such debt securities are subject to credit ratings downgrades or other adverse credit events. We created eight such segregated portfolios in the fiscal year ended March 31, 2020; we created no segregated portfolio during the three-month period ended June 30, 2020. For instance, on February 17, 2020, we created segregated portfolios due to the downgrade of certain debt securities issued by Vodafone Idea Limited from 'BBB-' as of November 22, 2019 to 'BB-' as of February 17, 2020, as rated by CARE Ratings Limited. As of February 17, 2020, five of our funds had exposures to such securities and the aggregate market value of such securities amounted to ₹1.9 billion; the respective exposures of the relevant funds to such securities accounted for 9.9%, 3.9%, 2.6%, 1.8% and 0.7% of the respective net assets held by these funds as of February 17, 2020. We also created segregated portfolios on March 6, 2020 due to the downgrade of certain debt securities issued by Yes Bank Limited from 'BBB-' as of February 20, 2020 to 'D' as of March 6, 2020, as rated by ICRA Limited (to which two of our funds had aggregate exposures of ₹0.5 billion, representing 5.1% and 2.5% of their respective net assets, as of such date), and more recently on July 7, 2020, due to the downgrade of certain debt securities issued by Zee Learn Limited from 'AA/A1+' as of January 2016 to 'B' as of July 7, 2020, as rated by CARE Ratings Limited (to which two of our funds had aggregate exposures of ₹0.4 billion, representing 9.2% and 3.0% of their respective net assets, as of such date). Although investors in our schemes are reimbursed upon any recovery of funds from the relevant issuers whose securities are transferred to segregated portfolios (for instance, funds partially recovered from Vodafone Idea

Limited in respect of its debt securities on July 10, 2020, as well as funds fully recovered in respect of debt securities of Zee Learn Limited on July 14, 2020, were distributed to unit-holders of the respective segregated portfolios on July 13, 2020 and July 15, 2020, respectively), such reimbursements are proportional to the amounts received and there is no assurance that any or all of such investments will be recovered. In addition, holders of units in such segregated portfolios may not redeem their units in such portfolios. Accordingly, the creation of such segregated portfolios may adversely affect the investment performance of our schemes and our reputation, business, results of operations and financial condition.

The total nominal exposure to defaulted companies in our domestic mutual funds business as of June 30, 2020 was ₹44.9 billion (of which ₹38.4 billion had been provisioned as of such date), which includes our exposure of ₹19.4 billion to Dewan Housing Finance Corporation Limited ("**DHFL**"). When our funds invested in DHFL's non-convertible debentures beginning in September 2015 until September 2018, such debentures were rated AAA by a rating agency; they were downgraded to a D rating on June 5, 2019. Due to the downgrading and other factors, we took a 100% markdown on DHFL's securities on June 6, 2019. On November 20, 2019, the RBI superseded the board of directors of DHFL and appointed an administrator. Further, pursuant to the petition filed by the RBI, the corporate insolvency resolution process ("**CIRP**") under the IBC has been initiated against DHFL on December 3, 2019. Any resolution plan which may be approved pursuant to the CIRP will be subject to the approval of the committee of creditors. We may not have representation on such committee and we may not have control over, or be able to influence, the recovery of amounts due to us. Similarly, other companies which have defaulted and to which our schemes have exposure are also, or may become subject to, CIRP and other restructuring processes over which we may not have control or which we may not be able to influence. 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. Similarly, our funds in other businesses have also been adversely affected by credit risks. The recent outbreak of the COVID-19 pandemic and associated responses has adversely affected the financial strength of some of our invested companies, which is likely to increase the probability of a higher number of downgrades and defaults in our debt portfolio. See "*Risk Factors — 43. Our business and results of operations have been, and may continue to be, adversely affected by the ongoing COVID-19 outbreak and associated responses.*", beginning on page 49.

We cannot assure you that we are able to identify and mitigate credit risks successfully. This exposes us to the risk of a reduction in the value of our debt portfolio due to a number of unexpected circumstances, including redemptions and consequent reductions in our AUM, which could have an adverse effect on our financial condition, results of operations and prospects.

11. Credit risks related to our investments, loans and advances may expose us to significant losses.

We are exposed to credit risks in relation to our investments, including because issuers of the fixed income securities that we own or have exposures to through the interests we hold in our funds may default on their obligations thereunder, including in respect of principal and interest payments. The counterparties in our investments, including issuers of securities we hold, counterparties of any derivative transactions that we may enter into, banks that hold our deposits and debtors, may default on their obligations to us 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 subject to the risk that our rights against these counterparties may not be enforceable in all circumstances. In addition, we provide loan and advances to parties, including related parties. If such parties delay or default in repaying such loans and advances, we may incur significant losses. For details of our investments, loans and advances, see "*Restated Financial Information*", beginning on page 213.

12. Our investment activities are also exposed to investment, liquidity, operational, market, regulatory and other risks and limitations in our risk management system, and our ability to adequately and effectively identify or mitigate our risk exposure may expose us to material unanticipated losses.

Our investment activities are also exposed to investment, liquidity, operational, market, regulatory and other risks. Each type of scheme or the instruments in which the funds are invested have specific risks associated with them, for instance:

1. *Equity securities:* Equity shares and equity-related instruments (which represented 50.8% and 50.2% of our Domestic Mutual Fund Closing AUM as of June 30, 2020 and March 31, 2020, respectively) are volatile and prone to price fluctuations on a daily basis. Our ability to sell listed 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 impact our revenues; and

2. *Debt securities and money market instruments:* The value of debt securities and money market instruments we hold (which represented 48.7% and 49.3% of our Domestic Mutual Fund Closing AUM as of June 30, 2020 and March 31, 2020, respectively) is generally affected by interest rate fluctuations. Many of these

instruments also lack a well-developed secondary market, which may restrict their saleability or liquidity. Given that our customers invested in open-ended income funds can redeem their investments in such funds at any time, and the investments of such may be in instruments with longer maturities or may not be readily saleable or liquid, such funds may face liquidity challenges. There is a risk that if we were to be faced with significant redemption pressures from our customers, we may need to implement restrictions on redemptions or wind up such funds, either of which could result in reductions in our AUM, income and profit, and could also have adverse consequences for our reputation. The COVID-19 pandemic and associated responses has in certain cases adversely affected the liquidity of securities held by our funds; see "*Risk Factors — 10. Credit risks related to the debt portfolio of our funds may expose our funds to significant losses, which may have a material adverse effect on our business, results of operations and financial condition*" and "*Risk Factors — 43. Our business and results of operations have been, and may continue to be, adversely affected by the ongoing COVID-19 outbreak and associated responses*", beginning on pages 32 and 49, respectively. Furthermore, investing in lower-rated or unrated debt securities offering higher yields is subject to greater risks. Investments in debt instruments are subject to varying degree of credit risk, such as downgrade risk or default risk, which includes the risk of an issuer's inability to meet interest and principal payments on its obligations or any other issues. Changes in the financial condition of an issuer or changes in economic and political conditions in general may have an adverse impact on an issuer's credit quality and security value. This may increase the risk of our portfolio. Debt securities also carry prepayment, reinvestment, settlement and recovery risks.

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. Our business, financial condition and operations could be materially and 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/derivative 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 experience data we rely on may quickly 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.

Our employees, intermediaries and distributors may make decisions that expose us to risks regardless of our internal control mechanisms. Similarly, due to the large size of our operations, the large number of locations in which we operate and the large number of intermediaries we work with, we cannot assure that we will always be able to effectively monitor and control the activities of, including any excessive risks taken by, our employees, intermediaries and distributors.

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 a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

13. Increases in interest rates, or concern about potential future increases, could have an adverse effect on our fixed income, liquid and hybrid business, liquidity and AUM.

As of June 30, 2020, 48.7% of our Domestic Mutual Fund Closing AUM were invested in fixed income securities. Increases in interest rates from their present levels may adversely affect the net asset values of the assets of our income, liquid and, to a lesser extent, hybrid funds. In a rising interest rate environment investors may shift their assets to liquid and money market funds to realize higher yields. Liquid and money market funds tend to be less profitable than other funds. Retail investors may shift their investments to bank deposits. Furthermore, increases in interest rates will contribute to lower prices for the fixed income securities in our portfolio. Any of these effects may lower our AUM and income and, if our income declines without a commensurate reduction in our expenses, our profit will be reduced.

14. Our investment management agreements and other business commitments may generally be terminated by the counterparties on little or no notice, making our future client and income base unpredictable.

Our Investment Management Agreement with UTI Mutual Fund (acting through the Trustee Company) may be terminated by the Trustee Company for any reason (or no reason) by the decision of the majority of the directors of the Trustee Company, provided the Trustee Company has given us not less than 180 days' written notice and obtained SEBI's approval. Additionally, the board of directors of the Trustee Company may immediately terminate the Investment Management Agreement by giving a notice to our Company if our Company (i) becomes insolvent or goes into liquidation or otherwise ceases to exist; or (ii) commits a material breach of the its obligations under the Investment Management Agreement; or (iii) becomes guilty of serious misconduct or gross negligence in the performance of its duties under the Investment Management Agreement. The Investment Management Agreement shall be terminated if the UTI Mutual Fund comes to an end or is dissolved or wound up by a Court or in any manner prescribed by law.

Further, pursuant to the SEBI Mutual Fund Regulations, our Company's appointment as the AMC of UTI Mutual Fund can be terminated by a majority of trustees of the Trustee Company or with the approval of 75.0% of the unitholders of our Schemes. Pursuant to the SEBI Mutual Fund Regulations, any change in our Company's appointment as the AMC of UTI Mutual Fund is subject to the prior approval of the unitholders of our Schemes and SEBI. The termination of our investment management agreement with UTI Mutual Fund would have a material adverse effect on our business and financial viability. The Trustee Company may also elect to renegotiate the fees we are permitted to charge under the agreement, which could adversely affect our financial results. The Board of Directors of the Trustee Company must approve any change of control of UTI AMC.

Clients of our PMS business may terminate their portfolio management agreements with us on little or no notice. For example, we are the largest fund manager for the EPFO and, following the mandate awarded to us in September 2019, we manage 55.0% of the total corpus of EPFO. Our portfolio management agreement can be terminated by EPFO with no prior notice under certain circumstances specified in the PMS agreement. Similarly, the portfolio management agreements with the Postal Life Insurance ("**PLI**") and the National Skill Development Fund ("**NSDF**") can be terminated by PLI and NSDF, respectively, with 30 days' notice. Our portfolio management services clients (including EPFO and PLI) may also significantly decrease the value of their investment in our funds and may choose to divert their funds to other asset managers. For instance, EPFO may divert their funds to other selected asset managers or decide not to provide us with any additional funds in subsequent years. Likewise, clients in our overseas funds can typically redeem their fund units on little or no notice. Our overseas funds have a very limited number of investors, and the loss of any such investors can lead to a substantial reduction in our overseas AUM.

15. We may engage in strategic transactions and other business combinations that could create risks and harm our business and financial results.

As part of our business strategy, we may from time to time pursue potential strategic transactions and other business opportunities, including acquisitions, dispositions, consolidations, joint ventures or similar transactions, some of which may be material. We may not find suitable candidates for such transactions at acceptable prices, have sufficient capital resources to accomplish our strategy, or be successful in entering into agreements for desired transactions. After completion, these transactions pose a number of additional risks and financial, managerial and operational challenges, including integration difficulties, contingent liabilities and disputes with counterparties.

Business combinations may result in the loss of clients or employees or underperform relative to expectations. We may also experience financial or other setbacks if business combinations encounter unanticipated problems, including problems related to execution or integration. Following the completion of an acquisition or joint venture, we may have to rely on the seller or joint venture partner to provide administrative and other support, including financial reporting and internal controls, to the acquired business or the joint venture. The seller or joint venture partner may not do so in a manner that is acceptable to us.

16. Competitive pressures could cause us to review our fees, which may reduce our income and profitability.

Investment management fees received from our clients constituted 58.8% and 83.6% of our total consolidated income for the three-month periods ended June 30, 2020 and June 30, 2019, respectively, and 88.3%, 81.5% and 80.4% for the fiscal years ended March 31, 2020, March 31, 2019 and March 31, 2018, respectively.

We encounter competitive pricing pressures in our business. For example, although total expense ratios (and historically our fee levels) for our domestic equity and hybrid mutual funds (except passive funds) have generally been commensurate with SEBI-prescribed limits for such funds, the total expense ratios (and historically our fee levels) for our domestic income and liquid and money market mutual funds have usually been considerably lower than applicable SEBI-prescribed limits. See "*Risk Factors — 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.*", beginning on page 35. Asset management fees tend to be low for pension fund and Government-sponsored business generally, such as the portfolio management services we provide to EPFO, PLI and NSDF. In order for us to maintain our fee structure in a competitive environment, we must be able to provide clients with superior investment returns and service that will encourage them to be willing to pay our fees. We may not be able to maintain our current fee structure and fee reductions on our existing or future business would have an adverse impact on our income and profitability.

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 regulations, all mutual fund scheme expenses (other than initial issue expenses incurred in connection with the launch of a new scheme, which are required to be fully borne by us) must be borne by the scheme itself rather than the asset management company. SEBI also prescribes that aggregate scheme expenses (including all management fees, distributor and agent commissions, RTA fees, custodian fees, audit fees, insurance costs, bank service charges, marketing and selling expenses, and investor communication costs) must not exceed the following maximum Total Expense Ratios ("**TERs**"), which are calculated by dividing the total costs of the fund by its total assets:

a) For passive funds, 1.0% of daily net assets;

b) For closed-ended funds and interval funds, 1.25% of daily net assets for equity-oriented schemes (which invest at least 65% of their portfolio in equity securities), and 1.0% of daily net assets for other schemes.

c) For open-ended funds (other than passive funds, interval funds and funds of funds), the maximum TER limits (as a percentage of daily net assets) vary by AUM band, as set forth in the table below:

AUM band	Equity-oriented schemes	Other schemes
On the first ₹5 billion of daily net assets	2.25%	2.00%
On the next ₹2.5 billion of daily net assets	2.00%	1.75%
On the next ₹12.5 billion of daily net assets	1.75%	1.50%
On the next ₹30 billion of daily net assets	1.60%	1.35%
On the next ₹50 billion of daily net assets	1.50%	1.25%
On the next ₹400 billion of daily net assets	TER reduction of 0.05% for every increase of ₹50 billion of daily net assets or part thereof	
On any additional daily net assets	1.05%	0.80%

Incremental increases in TER of up to 0.05% of daily net assets are permitted for schemes where an exit load is charged in respect of redemptions. Incremental increases in TER of up to 0.30% of daily net assets are permitted for sales to certain individual investors in B30 cities.

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%. These reductions resulted in a reduction in the weighted average base TER of our open-ended active equity and hybrid schemes of eight basis points. As the mutual fund industry in India increases in size, there may be a greater likelihood that TER limits will be reduced further. SEBI also issued new regulations in February 2018 prohibiting the charging of additional TER of 0.05% in respect of schemes where an exit load is not charged. As a result, our management fee income has been adversely affected, in particular for our equity-oriented and closed-ended schemes.

To date, although total expense ratios (and historically our fee levels) for our equity and hybrid funds (except passive funds) have generally been commensurate with SEBI-prescribed limits for such funds, the total expense ratios (and historically our fee levels) for our income and liquid and money market funds have usually been considerably lower than applicable SEBI-prescribed limits. The fees we are able to charge for portfolio management services vary depending on our contractual agreements with investors and are generally lower than our fees for our mutual fund management services. The management fees for Government mandates such as the ones from the EPFO, PLI and the National Skill Development Fund are generally lower than fee levels in our other businesses. It is particularly important to maintain low expenses for our income and liquid and money market funds and the internal expense limits we set for such funds are often well below prescribed TER limits. 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 income 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.

We also carry out marketing activities for the promotion of the general UTI brand. For example, we incurred general marketing expenses of ₹146.8 million in the fiscal year ended March 31, 2020. Expenses for such activities are paid by UTI AMC. These general marketing activities may not generate sufficient business to offset their costs and hence may adversely affect our profitability. Increased competition may mean that we will increase greater marketing, as well as distribution, expenses in the future.

18. We may not be able to successfully implement our growth strategies.

Our Domestic Mutual Fund QAAUM decreased from ₹1,549.4 billion for the fiscal year ended March 31, 2018 to ₹1,515.1 billion for the fiscal year ended March 31, 2020, representing a compound annual growth rate ("**CAGR**") of -1.1%, and further decreased to ₹1,336.3 billion as of June 30, 2020, largely due to the reduction in our Domestic Mutual Fund QAAUM in liquid and income funds and the effects of the COVID-19 pandemic. For further details, see

"*Risk Factors — 11. Credit risks related to our investments, loans and advances may expose is to significant losses*" and "*Risk Factors — 43. Our business and results of operations have been, and may continue to be, adversely affected by the ongoing COVID-19 outbreak and associated responses*," beginning on pages 33 and 49, respectively. Conversely, our Other AUM increased from ₹2,048.2 billion as of March 31, 2018 to ₹8,280.8 billion as of March 31, 2020, primarily as a result of the additional EPFO mandate awarded to us in September 2019, representing a CAGR of 101.1%, and further increased to ₹8,493.9 billion as of June 30, 2020, primarily due to an increase in the AUM of our PMS and retirement solutions business. Our business growth depends on our ability to achieve positive investment performance from our investment strategies as well as our ability to maintain and expand our geographical reach and distribution capabilities, including through the effective use of technology. Our historical growth rates may not be indicative of our future growth. There is no assurance that our strategies will improve our profitability and increase the value of our business. Any failure to implement our growth strategies, the anticipation and implementation of similar or superior growth strategies in a more effective or timely manner by our competitors, or our failure to increase our geographical reach or expand our distribution capabilities could have a material adverse impact on our revenue, results of operations and our business.

We expect to incur capital expenditures and marketing expenses in the future in order to achieve our expansion strategies by conducting extensive marketing of our products, increasing our business development initiatives and opening new branches across India. We cannot assure you that we will succeed in expanding our business, as such expansion is subject to many factors beyond our control, such as competition, customer requirements, market conditions, regulatory environment and rising employee costs. As we also plan to expand our geographic footprint outside of 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 adapting our marketing strategy and operations to new markets in India in which different languages are spoken and areas with which we may have no familiarity, attracting customers in markets in which we do not have significant experience or visibility and maintaining standardised systems and procedures. To address these challenges, we may have to make significant investments that may not yield the desired results or incur costs that we may not be able to recover.

We regularly 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 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 or launch new 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.

The current COVID-19 pandemic and associated responses has led to economic disruption and has adversely affected our growth in the short-term and may continue to do so for the duration of the pandemic, including as a result of its impact on our ability to engage with distributors, and our and their ability to engage with investors. For further details, see "*Risk Factors — 43. Our business and results of operations have been, and may continue to be, adversely affected by the ongoing COVID-19 outbreak and associated responses.*", beginning on page 49.

19. The results of operations of our subsidiaries, including any losses incurred, may adversely affect our consolidated financial results.

Some of our subsidiaries have recently incurred losses. For example, loss after tax for UTI Capital was ₹15.4 million for the year ended March 31, 2020, largely due to the reduction in the value of investments made in the UTI Treasury Advantage Fund and interest costs on short term loans. UTI Capital's losses have had an adverse effect on our consolidated profits.

20. The regulatory environment in which we operate is subject to change, and such changes may be unpredictable and may expose us to additional costs or materially adversely affect our business, growth results and financial condition.

The legislative and regulatory environment in which we operate has undergone many changes in the recent past. We believe that significant regulatory changes in our industry are likely to continue on a scale that exceeds the historical pace of regulatory change, which is likely to subject industry participants to additional, generally more stringent regulation. The requirements imposed by our regulators are designed to ensure the integrity of the financial markets and to protect customers and other third parties who deal with us, and are not typically designed to protect our shareholders. Consequently, as these regulations often serve to limit our activities and/or increase our costs, including through customer protection and market conduct requirements, unanticipated measures undertaken by the Government of India or any regulatory authority may adversely affect our business, financial condition and results of operations.

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. For instance, effective from June 30, 2020, liquid funds are required to hold at least 20% of their net assets in liquid assets (including cash, government securities, t-bills and repurchase agreements on government securities), which may result in a reduction in our returns, as yield to maturity is expected to come down after the implementation of this measure. Furthermore, as of June 30, 2020, we had 1,354 employees, most of which are subject to 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, financial condition and results of operations.

Regulatory changes may have a material adverse impact on our business as a whole. For example, on October 6, 2017, SEBI issued a circular, later amended on December 4, 2017 (the "**SEBI Categorisation Circular**"), which categorised and rationalised open-ended 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, and asset management companies were required to analyse their existing open-ended schemes and submit proposals for merging, winding-up or changing the fundamental attributes of their funds to SEBI. The regulator has approved the categorisation of all our schemes, except in relation to the UTI Unit Linked Insurance Plan, where we have requested for the scheme to be categorised as Dynamic Asset Allocation under hybrid schemes, and we await observations from the regulator. Further, SEBI by its recent circular dated September 11, 2020 has 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. Existing multi cap funds are required to comply with the provisions of this circular by January 2021.

The implementation of these changes resulted in fundamental attributes to 38 of our schemes which has affected the comparability of historical returns of certain of our funds to other funds now falling with the same SEBI-prescribed product categories. This may cause investors to redeem their investments in such schemes and our assets under management for these schemes may be affected. This may also cause investors to misinterpret the relative performance of these funds and choose to invest in other funds, which could have an adverse impact on our business, financial condition, results of operations and prospects. 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 have become 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. Further, SEBI also approved certain proposals which are to be notified by way of circulars, including that mutual fund distributors will also be required to inform their clients of products which are not offered by the distributors. These proposals or other proposals in the future may adversely impact our business structure in case existing distributors decide to discontinue distribution due to increased operational and regulatory costs, thereby impacting our business prospects, financial condition and results of operations. In addition, SEBI, at its board meeting held on November 20, 2019, approved certain changes to the regulations governing portfolio managers to replace the existing Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993. Accordingly, SEBI subsequently notified the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 with effect from January 16, 2020, which introduces requirements such as heightened eligibility and net-worth criteria for portfolio managers, increased minimum investment limits for clients from ₹2.5 million to ₹5.0 million, restrictions on off-market transfers and restricting investments by discretionary portfolio managers to listed securities. Further, SEBI has also issued circulars in relation to guidelines for portfolio managers, which introduced further changes to the regulatory framework for portfolio managers, with effect from October 1, 2020, including with respect to fees and charges, periodic reporting, disclosure documents and supervision of distributors. For further details, see "*Key Regulations and Policies in India*" at page 179.

Further, there could also be actions against the Sponsors for failure to comply with regulations applicable to the mutual fund industry, including changes in, or in the enforcement of, such regulations. For example, pursuant to an order dated December 6, 2019, the whole time member of SEBI issued certain directions against LIC, SBI and BOB (the "**Noticees**") to ensure strict compliance with Regulation 7B of the SEBI Mutual Fund Regulations by, among others, reducing their shareholding and voting rights in our Company and the Trustee Company to below 10%, on or prior to December 31, 2020. Further, in a separate proceeding in connection with compliance with Regulation 7B of the SEBI Mutual Fund Regulations, the adjudicating officer levied a penalty of ₹1.0 million on each of the Noticees for violation of Regulation 7B of the SEBI Mutual Fund Regulations, by separate orders each dated August 14, 2020. The Noticees are in discussions for the divestment and may undertake such divestment in the Trustee Company subject to receipt of

requisite approvals. For further details, see "*Other Regulatory and Statutory Disclosures*" beginning on page 357. If the Noticees are unable to comply with Regulation 7B of the SEBI Mutual Fund Regulations by December 31, 2020, the shareholding and voting rights of the Noticees in our Company and the Trustee Company in excess of 9.99% and corporate benefits thereon shall stand frozen until such time the Noticees comply with the aforesaid directions, and the Noticees may also be subject to further penalties. Any failure to comply with the aforesaid directions could adversely affect our Company's reputation and the trading price of the Equity Shares.

The mutual fund industry has also benefitted from favourable regulations in the past. For example, favourable regulations have allowed mutual funds and asset management companies to accept payments from customers of up to ₹50,000 per mutual fund per financial year for investments through cash and e-wallets (prepaid payment instruments) in accordance with specific conditions set out by SEBI and to provide instant access facilities in respect of liquid funds which facilitated the crediting of redeemed proceeds of up to ₹50,000 per day to the bank account of the investor on the same day of the redemption request. Such regulations may change, be repealed by action of the legislature or judiciary decisions, or be replaced with regulations, which may increase our business and operational cost. For instance, we have in the past used Aadhar-based biometric devices to expedite the onboarding of new clients, but such Aadhar-based KYC process was discontinued following a decision of the Supreme Court of India dated September 26, 2018 prohibiting such use.

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

Although we have implemented anti-money laundering, KYC and insider trading policies and procedures and seek to adhere to all requirements under applicable law, our business and reputation could suffer if we fail to fully comply with applicable KYC/AML laws and regulations and the relevant government agencies and regulatory authorities may impose fines and other penalties against us, which could adversely affect our business and reputation.

We have in the past received regulatory observations highlighting certain instances of procedural lapses relating to KYC rules and regulations. Although we have implemented corrective measures designed to prevent recurrence of these lapses, no assurances can be provided that such measures will be effective or that similar issues will not arise in the future. SEBI as well as other regulators are empowered to impose penalties on us and our employees and take other administrative measures to enforce applicable regulatory requirements, and failure by us to comply with such regulatory requirements could expose us to significant monetary liabilities, regulatory challenges and reputational damage. Penalties imposed by regulators may generate adverse publicity for us and our business. Such adverse publicity or any future scrutiny or investigation could result in fines and damage to our reputation and involve significant time and attention of our management, and may materially adversely affect our business and financial results.

22. As we expand our business infrastructure with, among others, additional branches, improved systems and better compensated fund managers and other professionals, we may not be able to generate sufficient additional income to offset our higher incremental costs.

We are in the process of improving and expanding our infrastructure, which includes strengthening our information technology ("**IT**") systems, exploring potential partnership agreements and opening a number of new branches in locations in order to further improve and expand the reach of our distribution system, especially in B15 cities. For example, we intend to increase the number of our UTI Financial Centres ("**UFCs**") nationwide outside the B15 cities and upgrade some of our existing UFCs. We are continuously looking to hire skilled investment and other professionals and provide competitive, market-aligned compensation so that we can retain and attract talented individuals, but we may experience difficulties in identifying, attracting and retaining appropriately qualified and suitable individuals. We may not be able to manage our expanded operations and maintain our growth, and our income may not in the short term or in the long term increase in proportion to the increase in costs and expenses incurred as we expand and grow our business.

As a result of the COVID-19 pandemic and associated responses 90.0% of our employees have been working remotely as of June 30, 2020. This has resulted in an increase in our investments in IT systems and infrastructure, as we have procured additional IT infrastructure in order to help employees continue performing their duties remotely, such as providing laptops and internet data cards. We may be required to incur additional costs and expenses in order to support and optimize remote working by our employees. See "*Risk Factors — 43. Our business and results of operations have*

been, and may continue to be, adversely affected by the ongoing COVID-19 outbreak and associated responses.", on page 49.

23. We depend on third-party distribution channels and other intermediaries, and issues 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.

We depend on third-party distribution channels such as our IFAs channel, which includes a network of approximately 53,306 independent financial advisors and our banks and distributors channel ("**BND**"), which is comprised of 346 distributors, 58 domestic and foreign banks and 58 institutional distributors as of June 30, 2020. As of June 30, 2020, 14.2% and 17.3% of our Domestic Mutual Fund QAAUM for our income and liquid/money market funds was attributable to our IFAs and BND channel, respectively, while the remaining 68.5% was directly invested. Similarly, as of June 30, 2020, 60.4% and 9.8% of our Domestic Mutual Fund QAAUM for our equity and hybrid funds was attributable to our IFAs and BND channel, respectively, while the remaining 29.8% was directly invested. Our distribution network also includes 43 official points of acceptance ("**OPAs**") at investor service centres owned by KFin. Any failure to secure new distribution relationships or maintain our existing relationships may adversely affect our competitiveness. Our ability to access clients through third-party intermediaries is subject to a number of risks, including:

- Third-party intermediaries may choose not to sell our schemes or to sell our schemes with lower priority for any reason, including absolute or relative performance, scheme sizes or fee structure compared to other schemes, or for no reason at all. For instance, certain banks that also own or are affiliated with other asset management companies have had comparatively higher sales of the schemes of such asset management companies as compared to their sales of our schemes. See "*Risk Factors – 47. The asset management industry is intensely competitive, and increased competition has affected and in the future can further adversely affect our market share.*", beginning on page 52;

- Generally, third-party intermediaries also offer similar products from our competitors to our existing and prospective clients and do not provide services for us on an exclusive basis;

- Third-party intermediaries may provide better service to our competitors and promote their products to prospective clients instead of ours because of a more attractive compensation arrangement, close relationships with our competitors or for other reasons; and

- We may be liable for misrepresentations, inappropriate behaviour, mistakes and negligent acts on the part of third-party intermediaries while marketing or providing services for our products.

We also depend on referrals from investment consultants, financial planners and other professional advisors, as well as from our existing clients. Maintaining good relations with these intermediaries is key to attracting and retaining clients. Loss of any of the distribution channels afforded by third-party intermediaries, and the inability to access clients through new distribution channels, could decrease our AUM and adversely affect our income and growth.

We rely on various third-party intermediaries to maintain good relations with our clients. Third-party intermediaries are often the link between us and the existing or prospective clients and therefore the manner in which the intermediaries conduct themselves, and market and service our products, may affect our reputation and business. Any misconduct, inappropriate behaviour or negligent behaviour on the part of any of our third-party intermediaries while marketing our products or while providing any after-sales services may adversely affect our reputation and brand name, which may lead to a decrease in our AUM and our income.

The COVID-19 pandemic and associated measures have adversely affected, and are likely to continue to adversely affect, our distribution channels, including as a result of, the temporary closure of UFCs, some of which remain closed, the impairment of our ability to engage with distributors and intermediaries, and our and their abilities to engage with investors. See "*Risk Factors — 43. Our business and results of operations have been, and may continue to be, adversely affected by the ongoing COVID-19 outbreak and associated responses.*", beginning on page 49;

24. We rely on third-party service providers in several areas of our operations and may not have full control over the services provided by them to us or to our customers.

We rely on third-party service providers in several areas of our operations on a regular basis. We have outsourced a portion of our operations, such as registrar and transfer activity, custody of securities and collection of funds by banks. For our domestic funds, we rely on KFin as our main RTA that records and registers transactions carried out by our clients in respect of their investments in our funds on a daily basis. We are mainly dependent on KFin for the process of recording and registering transactions, and any difficulties, interruption and delays during its recording and registration of transactions could adversely affect our reputation and lead to loss of clients. We also rely on third-party

custodians for settling trades. Any failure by a custodian to settle trades 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-upon services at acceptable standards or at all to us for any reason, whether as a result of a lack of robust business continuity planning on their part or otherwise, our business and results of operations could be materially disrupted until suitable alternatives are put in place. In addition, if the third-party service providers make mistakes, leak 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. Such situations could disrupt our operations and have a material adverse impact on our business, financial condition, results of operations and prospects.

25. Our business is highly dependent upon IT systems to process transactions, and any weaknesses, disruptions, failures or inadequacies in our IT systems and related risk management strategies may limit our growth, disrupt our business and result in a material adverse effect on our business, financial position and prospects.

Our business is highly dependent on the capacity, performance and reliability of our communications and IT systems and the communication and IT systems of our key service providers, including various banks, custodians and our RTA. We are also highly dependent on our ability to process a large number of transactions on a daily basis, and rely on financial, accounting, trading, settlement, compliance and other data processing systems to do so. Any failure or interruption of such systems (or their back-up systems and procedures), whether caused by cyber security threats or attacks, external hacking, malware infection or other security breaches, fire or other natural disaster, power or telecommunications failure, acts of terrorism, war or otherwise, could result in a disruption of our business, liability to customers, regulatory intervention or reputational damage, and thus have a material adverse effect on our business. See "*Risk Factors — 6. Our business is subject to extensive regulation including periodic inspections by SEBI and by the Pension Fund Regulatory and Development Authority ("**PFRDA**") and our non-compliance with existing regulations or SEBI's or PFRDA's observations or our failure or delay to obtain, maintain or renew regulatory approvals could expose us to penalties and restrictions.*", beginning on page 27. Given our volume of transactions, certain errors may be repeated or compounded before they are discovered and successfully rectified.

In the course of developing our digital transformation strategy in 2016, we engaged an external IT consulting firm which identified a number of potential issues or areas for improvement with our IT systems including four key development areas within our IT systems: (i) an inadequate security governance and operating model, which could lead to the loss of confidential data and a breach of customer trust, reputation and legal consequences; (ii) a fragmented IT landscape presenting the risk of increased redundancy, leading to a higher total cost of ownership; (iii) inadequate and incomplete customer data hampering a 360-degree customer view and leading to dispersed customer experience, which could result in low customer retention; and (iv) inadequate business IT alignment with limited IT governance, which could lead to IT sprawl with a reduction of return on investment. Our front office system was replaced with the Bloomberg Asset and Investment Management Application in July 2020. Our new back office system is currently under development.

While we have committed significant time and resources to initiatives aimed at addressing the foregoing, we cannot guarantee that their execution will result in sufficient improvements to our internal IT systems that will adequately address these development areas. There can also be no assurance that the implementation of these initiatives will not cause unexpected IT problems such as higher maintenance costs, system interruptions, technical malfunctions, hardware or software integration errors, appliance adoption issues or incompatibility of data and data loss.

Although we have back-up systems and cyber security and consumer protection measures in place, our back-up procedures, cyber defences and capabilities in the event of a failure, interruption, or breach of security may not be adequate and insurance and other safeguards we use may not be available or may only partially reimburse us for our losses related to operational failures or cyber-attacks. As our customer base, number of investment strategies and/or physical locations increase, developing and maintaining our operational systems and infrastructure, and protecting our systems from cyber security attacks and threats may become increasingly challenging and costly and we may be unable to prevent or address any disruption to the operation of our communications and IT system in a timely manner. Any such failure could result in our inability to perform, or result in prolonged delays in the performance of, critical business and operational functions, the loss of key business information and customer data, or a failure to comply with regulatory requirements. Any such failure could also affect our risk management and customer service functions, resulting in a material adverse effect on our business, prospects, financial condition and results of operations. A failure of our IT or communications systems could damage our reputation and have a material adverse effect on our business, financial condition and results of operations.

Furthermore, our customer-facing technological platforms and features, including our website, which generated gross sales of approximately ₹4.8 billion for the three-month period ended June 30, 2020 and approximately ₹12.3 billion for the fiscal year ended March 31, 2020, our "UTI MF App", which generated gross sales of approximately ₹1.3 billion for the three-month period ended June 30, 2020 and approximately ₹4.6 billion for the fiscal year ended March

31, 2020, and our "UTI Buddy App", which generated gross sales of approximately ₹1.9 billion for the three-month period ended June 30, 3030 and approximately ₹3.4 billion for the fiscal year ended March 31, 2020, are important for our business. If our systems are unable to accommodate an increasing volume of transactions and if we fail to continue to provide the latest technological platforms to our clients, our ability to expand could be affected and it is possible that we may not be able to retain our clients, which would result in a decrease of our AUM.

Further, during the COVID-19 pandemic, the number of our employees working remotely has increased significantly and we are increasingly reliant on our connection and IT systems and those of our key service providers, increasing the risk of security breaches and the potential adverse impact of IT disruption, failures or inadequacies. See "*Risk Factors — 43. Our business and results of operations have been, and may continue to be, adversely affected by the ongoing COVID-19 outbreak and associated responses.*", beginning on page 49.

26. We may not be able to attract, appoint and retain senior management and investment professionals and other personnel, which may adversely affect our business.

Competition for employees 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 client service personnel have direct contact with our clients and certain third-party intermediaries, which can lead to strong relationships. Our standard terms and conditions of employment do not limit the ability of these personnel to solicit our clients after termination of their employment, and therefore the loss of these personnel could jeopardize our relationships with certain clients and third-party intermediaries and result in the loss of client accounts. Although we endeavour to offer market-aligned compensation, loss of key employees may occur due to perceived limited opportunities for career development or promotion, increased compensation or other reasons, some of which may be beyond our control. The inability to recruit and retain qualified personnel could affect our ability to provide an acceptable level of service to our clients or our ability to retain clients and attract new clients, each of which could have a material adverse effect on our business.

We are highly dependent on our senior management team, as well as our fund and relationship managers and other employees, to manage our current operations and meet future business challenges. The loss of the services of any of these persons could lead to a loss of clients or relationships with third-party intermediaries and may adversely affect our business and our financial results. Our attrition rate as of June 30, 2020 was 7.1% for our managerial staff, compared to 6.0%, 7.4%, 6.1% and 6.9% as of June 30, 2019 and March 31, 2020, 2019 and 2018, respectively. For our key managerial personnel, our attrition rate as of June 30, 2020 was 0.0%, compared to 0.0%, 0.0%, 14.3% and 0.0% as of June 30, 2019 and March 31, 2020, 2019 and 2018, respectively. Since March 31, 2018, five senior managers, including key management personnel, departmental heads and fund managers, have resigned. While these resignations may not have had a material impact on our business, there is no guarantee that any further loss or vacancy will not have an adverse impact on our financial condition or results of operations.

27. 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.

We have implemented the UTI AMC Employee Stock Option Scheme - 2007 ("**ESOP 2007**"). As of the date of the Red Herring Prospectus, we have 2,110,259 outstanding employee stock options under the ESOP 2007, which, if vested, would result in 2,110,259 Equity Shares) and we may grant additional stock options pursuant to other employee stock option schemes that we may implement 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 2007 or any other employee stock option scheme we may implement in the future, may dilute your shareholding in our 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 ESOP 2007, see "*Capital Structure—Notes to Capital Structure—Employee Stock Option Scheme*" beginning on page 80.

28. The Sponsors and their affiliates may compete with us as they manage and sell participations in similar types of funds and target similar types of clients and offer services that are related to our business, which may create conflicts of interest.

Three of the Sponsors operate and control asset management companies, some of which target types of clients similar to ours. In particular, and according to CRISIL, SBI Funds Management Private Limited ("**SBI Funds**"), a subsidiary of SBI, is one of our major competitors and held ₹3,643.6 billion QAAUM as of June 30, 2020 (compared to our Domestic Mutual Fund QAAUM ₹1,336.3 billion over the same period).

Some of our clients, such as EPFO and NSDF, also utilize services provided by SBI Funds as eligible portfolio managers for their investment management needs. In addition, NSDF has also appointed LIC AMC alongside UTI AMC and SBI Funds as portfolio managers for its corpus. We therefore may in the future compete with SBI Funds and other similar providers to attract a larger share of fund management business from EPFO and PLI and similar

mandates.

29. The Sponsors' shareholding in our Equity Shares will be diluted after the Offer and they will own less than 51% of our outstanding shares, which may adversely affect our ability to gain and retain Government business.

The majority shareholding of each of the Sponsors is held by the Government of India and this has helped us in procuring business from Government-controlled entities in the past, such as PLI, which handles large amounts of public funds.

In response to an expression of interest from the PLI directorate in July 2019, UTI participated in a request for proposal process for the appointment as portfolio manager and was selected as one of the two portfolio managers for the Post Office Life Insurance Fund and the Rural Post Office Life Insurance Fund on June 10, 2020, although the respective portfolio management agreements have not yet been executed as of the date of the Red Herring Prospectus. However, pursuant to the gazette notification No-29-13/2004-LI(Pt), dated May 22, 2008, historically only public sector mutual funds were to be appointed to provide advisory and management services to PLI. Although none of the expression of interest or request for proposal documents issued by the Directorate of PLI in this regard specified a requirement for portfolio manager candidates to be public sector entities, we cannot assure you that such a requirement will not be enforced at the time of renewal of our ending mandates or in future request for proposal processes. The request for proposal documents issued by the PFRDA related to the NPS for government employees also specifically require that its pension fund managers must be directly or indirectly controlled by the Government. UTI RSL, our wholly-owned subsidiary, was eligible to act as the pension fund manager for the NPS because more than 51% of our Equity Share capital was at the time held by the Sponsors, which are Government-controlled entities. However, with effect from April 1, 2019, government employees can also choose to invest in pension funds with private sector pension fund managers as part of the National Pension System or any other pension scheme. Further, in terms of the Insurance Laws (Amendment) Act, 2015, read with Section 24 of the Pension Fund Regulatory and Development Authority Act, 2003 ("**PFRDA Act**"), the foreign holding limit in pension funds was raised to 49% of the paid-up capital. Pursuant to such amendment, the PFRDA has issued clarificatory guidelines through a circular dated August 13, 2020 to provide for the mode and manner of calculation and determination of the aggregate holding limit by a foreign company in a pension fund in accordance with Section 24 of the PFRDA Act. Similar restrictions exist for eligible investments by Central Public Sector Enterprises ("**CPSEs**"); for example, the Department of Public Enterprises stipulates that CPSEs may only invest in SEBI-regulated public sector mutual funds, the asset management companies of which are majority-owned by the Government of India and its financial institutions and/or public sector banks, either individually or collectively. As of June 30, 2020, the portfolio management services we provide to EPFO accounted for 69.7% of our Other AUM, the portfolio management services we provide to CMPFO accounted for 6.2% of our Other AUM, the portfolio management services we provide to PLI accounted for 5.0% of our Other AUM and the portfolio management services we provide to ESIC accounted for 1.1% of our Other AUM. Similarly, the funds we manage for CPSEs accounted for 1.2% of our Domestic Mutual Fund QAAUM, as of June 30, 2020. We may not be able to retain such clients or attract new ones when the Sponsors cease to own at least 51% of our Equity Shares, because we will cease to be indirectly controlled by the Government, and therefore may not be able to satisfy some of their eligibility criteria, which would have an adverse impact on our AUM and revenue. The Government of India must approve any sales of additional Equity Shares by the Sponsors after this Offer. Likewise, if the Government of India ceases to hold the majority shareholding in any one of the Sponsors, we may not satisfy such eligibility criteria.

30. Data privacy laws, rules and regulations and the potential loss or misuse of customer data could have a material adverse effect on our business, financial condition and results of operations.

We are subject to data privacy laws, rules and regulations that regulate the use of customer data. Compliance with these laws, rules and regulations may restrict our business activities, require us to incur increased expense and devote considerable time to compliance efforts. For example, data privacy laws, rules and regulations could limit our ability to leverage our large customer base, as well as the customer base of our distribution partners, to develop cross-selling opportunities. Applicable data privacy laws, rules and regulations could also adversely affect our distribution channels, such as our direct distribution channel, and limit our ability to use third-party firms in connection with customer data. Certain of our distribution agreements provide for the sharing of customer data between us and our distribution partners, which is done in accordance with applicable laws, rules and regulations relating to data privacy. In the event of any change of such norms in the future, we may be unable to honour our obligations under these agreements, which may adversely affect our business. Certain of these laws, rules and regulations are relatively new and their interpretation and application remain uncertain. Data privacy laws, rules and regulations are also subject to change and may become more restrictive in the future. Changes or further restrictions in data privacy laws, rules and regulations could have a material adverse effect on our business, financial condition and results of operations.

We maintain significant amounts of highly sensitive client data, both online and offline. 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 cyber threats such as phishing and Trojans-targeting our clients, hacking and data theft. Any security breach, data theft, unauthorised access, unauthorised 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, cause negative publicity or result in customers incorrectly blaming us for any incidents. Any such loss or misuse of customer data could result in increased regulatory scrutiny, fines, the need to compensate customers, remediation costs and a negative impact on our reputation, with a consequential impact on sales volumes and persistency levels, and hence have a material adverse effect on our business, financial condition and results of operations.

The Government of India is considering enactment of the Personal Data Protection Bill, 2019 ("**Data Protection Bill**"), which would mandate the implementation of organizational and technical measures in processing personal data and proscribe norms for cross-border transfer of personal data to ensure the accountability of entities processing personal data. The enactment of this Bill may introduce stricter data protection norms for our Company and may impact our systems and processes. If the Data Protection Bill is enacted, it may increase our cost of compliance and the risk of penalties in case of contravention of these regulations.

31. Our Principal Shareholders will continue to hold a significant equity stake in our Company after the Offer and will continue to be able to influence the outcome of any shareholder voting, which may conflict with the interests of our other shareholders.

Following completion of the Offer, our Principal Shareholders, SBI, LIC, BOB, PNB and TRP, will continue to hold a significant percentage of our Equity Share capital. Our Principal Shareholders will therefore have the ability to influence our operations, including the ability to approve significant actions at Board and at shareholders' meetings such as issuing Equity Shares, paying dividends, and determining business plans and mergers and acquisitions strategies. Upon listing of the Equity Shares on recognized stock exchanges, pursuant to the SHA and the amendments thereto and the Articles of Association, each Shareholder of our Company shall have a right to nominate Director(s) to the Board for every multiple of 10% (ten percent) of the issued, subscribed and paid-up equity share capital held by such Shareholder (together with its Affiliates), subject to applicable laws. For details in relation to rights to nominate Directors, see "*History and Certain Corporate Matters—Summary of Key Agreements*", beginning on page 189. The trading price of our Equity Shares could be adversely affected if potential new investors are disinclined to invest in us because they perceive disadvantages due to a large shareholding being concentrated in our Principal Shareholders. For details of our Equity Shares held by our Principal Shareholders, see "*Capital Structure*", beginning on page 75.

Further, the majority shareholding of each of the Sponsors is held by the Government of India. After the Offer, the Sponsors will continue to hold a significant proportion of our Equity Shares, although (assuming full subscription) not a majority of them. Any further dilution in the shareholding of the Sponsors will require prior approval from the Government. Moreover, after the Offer, our Principal Shareholders will continue to have a substantial share ownership in respect of the Trustee Company. Further, some of our Principal Shareholders are considering reducing their shareholding and voting rights in the Trustee Company to below 10% and are in discussions with one of the other Principal Shareholders for such Principal Shareholder to acquire the shares in the Trustee Company so divested, subject to the receipt of requisite approvals. For further details, see "*Other Regulatory and Statutory Disclosures*", beginning on page 357. Such Principal Shareholder, or any entity which acquires such shareholding in the Trustee Company, may therefore exert significant influence and may control the Trustee Company to reach decisions which may not be in the best interest of our Company or the other Shareholders. The interest of the Sponsors as shareholders of our Company could be in conflict of interest with our other Shareholders, and we cannot assure you that the Sponsors will act to resolve any conflicts of interests in favour of our Company or the other Shareholders. SEBI has issued guidelines designed to reduce the risk of conflicts of interest between us and the Sponsors, but these guidelines may not be sufficient to avoid all conflicts of interest or there may be interpretative differences leading to conflicts of interest.

32. We are required to prioritise 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, financial condition and results of operations.

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 prioritise 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 prioritise 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, financial condition and results of operations.

33. Employee misconduct or failure of our internal processes or procedures could harm us by impairing our ability to attract and retain clients and subject us to significant legal liability and reputational harm.

We run the risk of employee misconduct or the failure of our internal processes and procedures to identify and prevent such misconduct. For example, misconduct by employees could involve engaging in misselling, misrepresentation or fraudulent, deceptive or otherwise improper activities when marketing or selling products; binding us to transactions; hiding unauthorised or unsuccessful 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 unauthorised 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 and serious reputational or financial harm to us. While we strive to monitor, detect and prevent fraud or misappropriation by our employees through various internal control measures and insurance coverage, we may be unable to adequately prevent or deter such activities in all cases. Although we have been able to identify such issues in the past, 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. For example, part of the rewards meant to be granted to some of our distributors and their family members during the fiscal years ended March 31, 2014 through March 31, 2017 were not delivered due to misconduct of the employee concerned. We were able to detect this only upon receipt of a complaint in August 2018 and, although corrective steps were taken thereafter, we cannot assure you that similar issues will not occur again.

In addition, we may be subject to regulatory or other proceedings in connection with any such unauthorised transaction, fraud or misappropriation by our agents or employees, which could adversely affect our goodwill, business prospects and future financial performance. 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.

Due to the COVID-19 pandemic, most of our employees have been working from home since the end of March 2020, which may result in increased risks of employee misconduct and compromises our ability to ensure internal processes and procedures are observed due to monitoring difficulties associated with working from home arrangements. See "*Risk Factors — 43. Our business and results of operations have been, and may continue to be, adversely affected by the ongoing COVID-19 outbreak and associated responses.*", beginning on page 49.

34. We have received multiple complaints from various employees' associations of our Company regarding inadequate disclosures in the DRHP; labour unrest could harm us by impairing our ability to attract and retain clients and subject us to significant legal liability and reputational harm.

We run the risk of an industrial action by our unionised non-managerial employees. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers related to retrenchment. Furthermore, certain of our current and former employees have formed the UTI AMC Officers' Association (the "**Officer's Association**"), which is not sanctioned or recognized by us. The Officer's Association, UTI Retired and VSS Employees Social Association (the "**URVES Association**") and All India UTI SC/ST/Neo Buddhist & OBC Employees Welfare Association have each lodged complaints with SEBI in the context of this Offer alleging certain inaccurate disclosures in the DRHP (the "**Complaints**"). The Complaints included various allegations, including that our Company failed to quantify the contingent liability alleged to be approximately ₹10,000 million in the Draft Red Herring Prospectus in relation to an eventual adverse outcome of the litigation filed by the URVES Association relating to, amongst others, the exercise of pension options and dearness allowance claims. The Complaints were also addressed to SEBI, the Registrar and Share Transfer Agent and the Book Running Lead Managers. The letters alleged, amongst other things, suppression of material facts, inadequacy of disclosures on the part of our Company and the contingent liability in relation to the pension option not being quantified in the financials of our Company. Although all letters received to date in relation to the Complaints have been responded to, some of the Complainants filed cases against the Company in relation to these matters before appropriate courts and we cannot guarantee that in future the Officer's Association along with other employees' association will not continue to oppose this Offer or otherwise raise grievances or cause disruptions with our workforce. See "*Risk Factors — 8. Our Company, Subsidiaries and Directors are subject to litigation risks and are involved in a number of legal proceedings that, if determined against them, could adversely impact our reputation and may have an adverse effect on our business, results of operations and financial condition.*", on page 30 and "*Outstanding Litigation and Material Developments — E. Complaints received in connection with the DRHP"*, on page 350.

Our non-managerial staff are organized in a registered trade union through which we negotiate the terms and conditions of their compensation and the redressal of their grievances. In connection with the bifurcation of the Unit Trust of India into two separate entities in February 2003, we entered into a settlement memorandum with one of our workers' unions in relation to a review of wages and other service conditions. The settlement memorandum expired on December 2008 and was successively extended to December 31, 2013 and December 31, 2018. A new settlement memorandum was entered into on March 6, 2020, with effect from January 1, 2019, under which we estimate that we will incur approximately ₹104.3 million in labour costs during the current fiscal year.

35. The insurance policies we maintain may be insufficient to cover future costs and losses, the incurrence or magnitude of which are unforeseen or unpredictable, and such insufficient coverage could result in an adverse effect on our business operations, financial condition, results of operations and cash flows.

We maintain insurance which we believe is typical in our industry in India and in amounts which we believe to be commercially appropriate for a variety of risks for a company of our size and nature. As of June 30, 2020, the percentage of our total assets (including property at purchase value) covered under our insurance policies amounted to 43.7%, which includes the reconstruction cost of the property. We have an investment management insurance policy for our business and operations and group term life insurance, group personal accident policy and group health insurance. However, such insurance may not be adequate to cover all losses or liabilities that may arise from our operations, particularly when the loss suffered is not easily quantifiable. For instance, our employees' medical claims exceeded our group medical insurance policy coverage ₹0.1 million, ₹0.1 million and ₹0.5 million for the three-month period ended June 30, 2019 and the fiscal years ended March 31, 2019 and 2018, respectively. Our insurance policies contain exclusions and limitations on coverage, as a result of which we may not be able to successfully assert our claims for any liability or loss under the said insurance policies. Additionally, there may be various other risks and losses for which we are not insured because such risks are either uninsurable or not insurable on commercially acceptable terms, including in relation to the COVID-19 pandemic, and in the event any of such risks materialise, our Company would be required to bear the financial liability (as applicable to it) and accordingly face an adverse effect on our financial position and results of operations. Furthermore, there can be no assurance that in the future we will be able to maintain insurance of the types or at levels which we deem necessary or adequate or at premiums which we deem to be commercially acceptable. The occurrence of an event for which we are not insured, where the loss is in excess of insured limits, or where we are unable to successfully assert insurance claims from losses could result in uninsured liabilities. Any such uninsured losses or liabilities could result in an adverse effect on our business operations, financial condition, results of operations and cash flows.

36. We have entered into a number of related-party transactions in the past and may continue to do so.

We have entered into various transactions with related parties, including with the Sponsors. The table below presents a summary of our related-party transactions for the three-month periods ended June 30, 2020 and 2019, as well as for the fiscal years ended March 31, 2020, 2019 and 2018:

(₹ in millions)		Period ended June 30,				Period ended March 31,					
		2020		2019		2020		2019		2018	
Name of Related Party	Nature of Transac-tions	Transac-tions for the period	Outstan-ding at the period end	Transac-tions for the period	Outstan-ding at the period end	Transac-tions for the period	Outstan-ding at the period end	Transac-tions for the period	Outstan-ding at the period end	Transac-tions for the period	Outstand-ing at the period end
TRP	Reimbur-sement towards expenses	4.67	-	-	-	4.25	-	7.46	-	8.46	-
	Dividend paid	-	-	-	-	164.82	-	164.82	-	131.86	-
UTI AMC Ltd Employees Provi-dent Fund	Contribu-tion to the fund	65.84	-	50.31	18.33	203.70	6.44	193.21	-	177.01	-
UTI AMC Ltd Pension Fund	Contribu-tion to the fund	13.12	-	9.28	3.36	37.55	-	35.47	-	31.57	-

*None of the outstanding balances presented above are secured.

Our related-party transactions as a percentage of total income amounted to 5.6% and 4.0% for the three-month periods ended June 30, 2020 and 2019, respectively, compared to 6.1%, 5.1% and 4.3% for the fiscal years ended March 31, 2020, 2019 and 2018, respectively.

It is likely that, subject to compliance with the SEBI Listing Regulations, applicable accounting standards and other statutory requirements, we will enter into additional related-party transactions in the future. We cannot assure you that our existing or any future related-party transactions will be conducted on an arm's-length basis or contain commercially reasonable terms, that we could not have achieved more favourable terms if such transactions had not

been entered into with related parties, or that our related-party transactions will not have an adverse effect on our financial condition and results of operations. For more information on our related party transactions, see "*Summary of the Offer Document—Summary of Related-Party Transactions*", on page 22.

37. We undertake certain business operations outside of India and we may not be able to grow our overseas business in accordance with our growth plans or at all.

UTI International manages the offshore interests of UTI AMC and the overseas marketing of our investment strategies, including through its overseas offices and two wholly owned subsidiaries in Mauritius and Singapore. Through UTI International and its subsidiaries, we currently provide certain advisory services to clients outside of India, which presents additional difficulties as operations outside of India are subject to different competitive environments and regulatory regimes, in respect of which we have less knowledge and expertise and the customer base outside of India that is interested in investments in Indian securities is more limited than inside India. Following the outbreak of the COVID-19 pandemic and the associated responses, including in the countries in which our offshore offices operate, the fees received in connection with our offshore activities decreased from ₹130.2 million for the three-month period ended June 30, 2019 to ₹124.0 million for the three-month period ended June 30, 2020.

Therefore, we may not be able to grow our business outside of India in accordance with our current growth plans or at all, and it is possible that we will find it difficult to maintain our operations in such jurisdictions. As a result, UTI International and its subsidiaries may in the future have fewer attractive investment opportunities (see "*Risk Factors — 5. Our investment performance, income and profitability may be materially adversely affected if we are unable to identify appropriate investment opportunities or if the investment strategy for any of our funds goes out of favour with our clients.*", on page 27), which may adversely affect our growth in offshore AUM.

38. There have been certain instances of delays in complying with legal or regulatory requirements, including with respect to mandatory form filings, as well as instances in which the records of certain forms filed with the Registrar of Companies ("RoC") by our Company were filed with irregularities; these and other similar irregularities may lead to penalties being imposed on us and have an adverse effect on our business and operations.

There have been certain instances of delays in complying, or non-compliance, with legal or regulatory requirements, including with respect to mandatory form filings by our Company. In the past, there have been certain instances of non-compliance with provisions of the Companies Act, 2013 by our Company, including in relation to delays in the appointment of members of senior management and certain inadvertent errors in requisite corporate authorisations and form filings. Further, in the past, there have been instances of delays in filing annual performance reports by us for overseas direct investments.

Furthermore, some of our past filings and corporate authorizations have not been filed within the period prescribed under the Companies Act, 1956 and the Companies Act, 2013 or have inadvertently been filed with certain factual inaccuracies in the past. For instance, certain forms filed with the RoC have factual inaccuracies which related to, among others, the paid-up Equity Share capital of our Company, the number of members and the appointment of Directors. We cannot assure you that the statutory or regulatory authorities will not impose any penalties for these and other irregularities and, if imposed, such penalties may have an adverse effect on our business, operations and financial results.

Further, since we are currently subject to actions by SEBI in connection with IDOF, while our Company and IDOF have responded to the January SCN and the SCNs, we cannot assure you that there will not be additional penalties that may be levied pursuant to supplemental or additional show-cause notices that are issued to our Company or to any of our funds or those of our subsidiaries, including in respect of procedural delays in relation to the January 2020 SCN or any other procedural delays that may occur in relation to the SCNs or the January 2020 SCN. See "*Risk Factors — 7. We are currently subject to SEBI actions in connection with India Debt Opportunities Fund Limited ("IDOF") and the outcome of such actions could expose us to penalties and restrictions.*", beginning on page 29.

39. We will not receive any proceeds from this Offer but will incur increased administrative and regulatory costs from being a publicly listed company and may need additional capital in the future which we may not be able to obtain on acceptable terms or at all.

This Offer is being made by the Selling Shareholders and there is no fresh issue by our Company. The primary objects of this Offer are to achieve the benefits of listing of our Equity Shares and to carry out the divestment of Equity Shares by the Selling Shareholders, but we will not receive any proceeds from the sale of Equity Shares. As a publicly listed company, we will be required to implement additional regulatory and administrative procedures and processes for the purpose of addressing the standards and requirements applicable to publicly listed companies, including SEBI and the relevant stock exchange rules and guidelines and related regulatory initiatives. These increased administrative and regulatory costs and burdens are not reflected in our historical financial statements and could adversely affect our results of operations.

We are also not raising any capital presently but may require additional capital in the future in order for us to maintain our net worth 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, market conditions, debt and equity raising activities by competitive companies and other financial institutions, 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 or on acceptable terms, if at all. Future debt financing could include terms that restrict our financial flexibility or restrict our ability to manage our business freely. Furthermore, the terms and amount of any additional capital raised through issuances of equity securities may result in significant dilution to our shareholders' equity interests. For further details, see "*Capital Structure*" and "*Objects of the Offer*", beginning on pages 75 and 85, respectively.

40. We may not successfully complete the registration of our corporate office premises in our name and we may be unable to renew some of the lease agreements for the offices from which our branches conduct our operations.

Our Company has its registered office at 'UTI Tower', Gn Block, Bandra Kurla Complex, Bandra (East), Mumbai ("**UTI Tower**"), our primary office building, of which we currently occupy a majority portion. Although we are the legal owner of UTI Tower, certain consents to the transfer of leasehold interests to our Company from the Mumbai Metropolitan Region Development Authority ("**MMRDA**") in its capacity as the property freeholder remain outstanding and accordingly, the registration of premise of our registered office in our name is pending as on the date of this Prospectus. Failure to obtain or any delay in obtaining MMRDA's consent may interrupt our operations and adversely affect our financial results.

As of June 30, 2020, a majority of our offices from which our UFCs conduct their operations are leased or licensed to us and certain of such leases or licenses have expired. Additionally, the lease of our Dubai office is scheduled to expire on October 10, 2020. If the owners of these properties do not renew or extend the term of the agreements under which we occupy the premises or only agree to renew such agreements on terms and conditions that are unacceptable to us, or if the owners of such premises withdraw their consent to our occupancy, our operations may suffer a disruption. It may take a long time or we may be unable to locate suitable alternate facilities on favourable terms, or at all, and this may disrupt our operations, limit our distribution capabilities and increase our expenses.

41. This Prospectus contains information from third parties and an industry report which we have commissioned from CRISIL Research (the "CRISIL Report").

The information in the sections entitled "*Our Business*", "*Industry Overview*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", beginning on pages 146, 95 and 314, respectively, includes information that is derived from the CRISIL Report. We commissioned this report for the purpose of confirming our understanding of the industry in connection with the Offer. Neither have we, any of the Selling Shareholders, any of the Book Running Lead Managers or their associates or affiliates, nor any other person connected with the Offer verified the information in the CRISIL Report, and while we believe such information to be true, we cannot guarantee the accuracy, adequacy or completeness of it. 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. Accordingly, benchmarking may be inaccurate and unreliable. 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.

We have not independently verified data obtained from official and industry publications and other sources referred to in this Prospectus and therefore, while we believe them to be true, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis or without consents from those used in the publications referred to in the CRISIL Report. Therefore, discussions of matters relating to India, its economy and the industries in which we currently operate are subject to the caveat that the third-party and statistical data upon which such discussions are based may be incomplete or unreliable. See "*Industry Overview*" beginning on page 95.

42. We have not been able to obtain certain records of the educational qualifications of two of our Directors and have relied on declarations and undertakings furnished by such Directors for details of their profiles included in this Prospectus.

Our directors, Mr. Dinesh Kumar Mehrotra and Mr. Ashok Shah, have been unable to trace copies of documents pertaining to their educational qualifications. Accordingly, reliance has been placed on declarations, undertakings and affidavits furnished by such directors to us and the BRLMs to disclose details of their educational qualifications in this Prospectus. We and the BRLMs have been unable to independently verify these details prior to inclusion in this Prospectus. Further, there can be no assurances that our Directors will be able to trace the relevant documents pertaining to their respective qualifications in the future, or at all.

External Risk Factors

43. Our business and results of operations have been, and may continue to be, adversely affected by the ongoing COVID-19 outbreak and associated responses.

Beginning in December 2019, a new strain of the coronavirus (COVID-19) has spread rapidly throughout the world, including in India (where the majority of our operations are located), Singapore, Mauritius, the United Kingdom, the United Arab Emirates and Guernsey (where we also have operations). The World Health Organisation has declared the COVID-19 outbreak a health emergency of international concern and has categorised the COVID-19 virus outbreak as a pandemic. The COVID-19 pandemic and associated responses have adversely affected workforces, consumer sentiment, economies and financial markets around the world, including in India, and have created significant uncertainty for our business. 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, including severe travel and transport restrictions and a directive to all citizens to shelter in place. 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 behaviour, preferences and needs of our customers, including reductions in SIP inflows and average transaction sizes, as well as consequential reductions in our AUM. Owing to the volatility in equity and other markets due to the COVID 19 pandemic, mutual fund inflows have been adversely affected since the start of the pandemic, and equity fund inflows in the month of June 2020 were significantly lower than June 2019. There has also been some reduction in SIP inflows and the mutual fund industry has also experienced SIP stoppages. As a result, our Domestic Mutual Fund QAAUM decreased by ₹242.4 billion, or 15.4%, from ₹1,578.7 billion as of June 30, 2019 to ₹1,336.3 billion as of June 30, 2020, driving a significant decline in our income from management fees.

Approximately 90% of our employees are working remotely as of June 30, 2020. Heightened cybersecurity, information security and operational risks may result from these remote working arrangements. Although we have business continuity plans and other safeguards in place, we cannot assure you that such plans and safeguards will be effective during the ongoing COVID-19 pandemic. During the COVID-19 pandemic there has been an increased propagation of malware that could expose our employees and system to increased cybersecurity threats through phishing and other means. As the number of our employees working from unprotected home networks increases, there are a variety of threats that their devices are exposed to on their local home networks. Since many of our employees do not use a mobile computing device to carry out their jobs, we have provided them with hired mobile computing devices or allowed them to use their personal computing devices to access our network resources, exposing our network and systems to an increased risk of security breaches. Corporate devices also face increased risks of compromise due to a higher population of malware that is more prevalent on residential networks. Also, some of our employees have to be provided with temporary internet access for carrying out business operations. Additional costs have been and may continue to be incurred in supporting these remote working arrangements. We could be adversely affected if key personnel or a significant number of employees were to become unavailable due to the effects and restrictions imposed as a result of the COVID-19 pandemic. If any of our employees were suspected of contracting COVID-19 or any other contagious disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations.

Our operations are also reliant on the strength and efficacy of our distribution network, including our UFCs, BDAs and IFAs, which are also affected by the measures taken as a response of the COVID-19 pandemic. For instance, 4.2% of our UFCs are closed, and their staff working remotely, as of June 30, 2020, and approximately 8% of our BDAs are performing their services remotely. Furthermore, approximately half of our IFAs are also performing their services remotely as of June 30, 2020. If our UFCs, BDAs, IFAs and any other members of our distribution network are unable to continue to operate, or face difficulties in working remotely in a productive and efficient manner, our ability to serve our existing and prospective customers may be adversely affected. We are constrained in our ability to hold physical meetings with our clients as a result of visitor restrictions during the COVID-19 pandemic. In our BND channel, our ability to actively engage with banks and wealth distributors has similarly been adversely affected, given that banks in smaller towns have been reduced to limited staff and in turn place a low priority on third-party product sales. The pandemic has also triggered a drop in the number of prospective walk-in customers to offices of our IFAs and OPAs. Travel restrictions imposed during the COVID-19 pandemic have also adversely impacted, and are likely to continue to adversely impact, our ability to utilize distribution channels, such as our BDAs, to sell and market our products, resulting in reduced sales. Further, customers seeking products or services may face extended turn-around time due to stoppages or delays of postal and courier services in certain areas during the pandemic. The COVID-19 pandemic has also led to tightened investment windows that have adversely impacted, and are likely to continue to adversely impact, our ability to generate business from and service our clients. For example, investors that invest in overnight and liquid funds, making up 95% of our PSU business, now have a tightened investment window that ends at 12:30 p.m., as

opposed to 1:30 p.m. prior to the pandemic. Similarly, the window for processing redemptions and all other income scheme investment now closes at 1 p.m. as opposed to 3 p.m.

Further, the COVID-19 pandemic and associated measures, imposition of social distancing norms, general apprehension in the minds of the public and negative consumer sentiment, increased market volatility and poor investment performance due to the COVID-19 pandemic are likely to delay the implementation of our growth strategy. For example, the pandemic will result in delays to our plans to expand the network of our physical branches. We may also face delays in printing and dispatching materials related to product launches or payment instruments for certain segment of customers who prefer to receive documents in physical forms. The process of new IFA empanelment has been, and is likely to continue to be, impacted in B30 cities due to restrictions on holding physical meetings. Recruitment of management trainees has also been delayed due to the closure of educational institutions and postponement of examinations. The frequency of traveling and touring for the purpose of sales and marketing of products has been, and is likely to continue to be, reduced, resulting in reduced sales.

In light of recent market events in connection with the COVID-19 pandemic, SEBI has by its circulars dated March 23, 2020, March 30, 2020, April 23, 2020 and April 30, 2020 extended the effective dates of implementation for various policy decisions and relaxed various requirements for mutual funds, such as filing requirements for financial results, periodical disclosures, risk management framework for liquid and overnight funds, revised investment norms for debt and money market instruments, valuation requirements and submission of cyber security audits. We cannot assure you that such relaxations will be extended, which may result in increases in our business and operational costs and difficulties for us in complying with such regulatory requirements. Further, the Finance Minister of India has announced the suspension of fresh insolvency proceedings for up to one year, which may adversely impact our investment performance and result in increases in our business and operational costs if any of our credit investments are implicated.

There is significant uncertainty surrounding the future economic conditions that will emerge in the months and years following the outbreak of the COVID-19 pandemic. As a result, we are confronted with a significant and unfamiliar degree of uncertainty in estimating the impact of the COVID-19 pandemic on investment decisions and performance, customer behaviour (including as to saving, investment and redemption decisions), and our AUM size and composition, revenues and profitability. Many of our customers have become unemployed or may face unemployment, and certain businesses in which our funds have invested are at risk of, or have filed for, insolvency as their revenues and profitability decline precipitously, especially in businesses related to travel, hospitality and leisure. Certain businesses in which our funds are invested may ultimately not reopen as there is significant uncertainty regarding the level of economic activity that will return to our markets over time, the impact of governmental measures, the speed of any economic recovery, any resurgence of the COVID-19 pandemic or similar outbreaks in the future and changes to demographic and social norms that may take place. Because of the potential length of the COVID-19 pandemic, the ongoing lack of clarity regarding the efficacy and effects of the governmental and other measures being put in place to address its consequences, and the impact to date on financial markets and the behaviour of our customers, are unknown, we expect our income and profitability to continue to be adversely affected for the remainder of the fiscal year ending March 31, 2021, and possibly for a longer period. Although we produce estimates of the potential financial impacts of the COVID-19 pandemic as part of our internal evaluations and plans, such estimates involve significant judgment and are made in the context of considerable uncertainty as to the impact the COVID-19 pandemic will have, including on our funds' investment portfolios and the behaviour of our customers.

Given the dynamic nature of this outbreak (including its impact on the global economy and the associated responses), the extent to which the COVID-19 pandemic and associated responses impact our business, results of operations and financial condition will depend on future developments, which remain highly uncertain and cannot be accurately predicted at this time. If the outbreak continues for an extended period, reoccurs or increases in severity, it could have an adverse effect on economic activity and financial markets worldwide, including India, and could materially and adversely affect our business, financial conditions and results of operations and the trading price of the Equity Shares and other securities. Similarly, any other future public health epidemics or outbreak of contagious disease in India or elsewhere could also materially and adversely affect our business, cash flows, results of operations and financial condition. See also "*Management's Discussion and Analysis of Financial Condition and Results of Operations— Factors Affecting Our Results of Operations — Developments Related to the COVID-19 Pandemic.*", beginning on page 316. Any of the foregoing could adversely affect the Indian securities markets as a whole or the trading price of our Equity Shares in particular or otherwise have an adverse effect on our business, results of operations and financial condition. See "*Risk Factors — 50. Economic, political and social developments in India could adversely affect our business.*", beginning on page 53.

44. AUM and the future of the asset management industry are dependent on the performance of the Indian economy and securities market, and any slowdown, decline or volatility in the economy and markets may adversely affect our business and financial results.

AUM and the future of the Indian asset management industry is heavily dependent on how the Indian securities market and the Indian economy performs. The growth of the Indian mutual fund industry depends in part on whether the Indian economy continues to maintain a reasonable growth rate.

Consistent with overall trends of the past five years, CRISIL identifies (i) the continued growth in the size of the Indian population at an estimated 1% per year to reach 1.44 billion by 2024, (ii) the increasing proportion of India's working age population (age 15 to 69), reaching 64% of its total population by 2020 and (iii) further urbanization of the Indian population, reaching a proportion of 37% of its total population by 2025 as three main demographic growth drivers of the asset management industry in India. According to CRISIL, these growth drivers are supported by several secular trends in the Indian economy, including an increasing degree of financial inclusion in the population, rising levels of investor education across a broader potential customer base and additional regulatory initiatives that incentivize asset management companies to increase mutual fund product penetration in remote geographies. As of July 2020, CRISIL expects India's real GDP to grow at a CAGR of approximately 5% over the next five years.

Demographic and macroeconomic trends may be less positive, or negative, in the future and there can be no guarantee that the future demographic and macroeconomic environment in India will not be a detriment to the prospects of the asset management industry in general and our business in particular. A number of political and social developments could also negatively affect the Indian economy. For further details see "*Risk Factors — 43. Our business and results of operations have been, and may continue to be, adversely affected by the ongoing COVID-19 outbreak and associated responses.*" and "*Risk Factors — 50. Economic, political and social developments in India could adversely affect our business*", beginning on pages 49 and 53, respectively.

As illustrated by the recent slowdown of economic growth in India, driven in part by increased volatility in economic activity and financial markets globally, as well as the effects of the COVID-19 pandemic and the recent credit crisis domestically, economic growth in India may be less positive, or negative, in the future. Even if demographic and economic trends continue to provide a favourable environment for the asset management industry in India, we may fail to take advantage of any such environment. As a result, there can be no guarantee that industry AUM or our AUM will continue to grow in the future, which may adversely affect our business and financial results.

45. The mutual fund business in India may be adversely affected by changes in the present favourable 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 relent 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. However, such press release does not have a binding effect and legislative amendments in this regard may be needed in order to implement such reduction. We cannot guarantee that such legislative amendments will be passed to implement the proposal in the specified terms, or at all. 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 damages 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 a material adverse effect on our business, financial condition and operations. If, as a result of a particular tax risk materialising, 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 a material 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.

46. Many of our large competitors are part of diversified financial institutions that offer clients a wide range of services, which places us at a relative disadvantage and may adversely affect our market share and growth plans.

Many of our large competitors offer a wide range of financial services to their clients, which places us at a relative disadvantage. These diverse services may be offered directly or through affiliates and include insurance products, credit card facilities and money transfer, money-changing and other retail banking facilities, and can take advantage of extensive in-house distribution networks. Our competitors may receive client referrals from their affiliates and other departments that provide other financial services. They may also be seen by our clients as a "one-stop shop" for all their financial services needs and may choose to give their business to our competitors for the sake of convenience. This puts us at a disadvantage and may adversely affect our market share and growth prospects.

47. The asset management industry is intensely competitive, and increased competition has affected and in the future can further adversely affect our market share.

The asset management industry is intensely competitive, with competition based on a variety of factors, including investment performance, the quality of service provided to clients, the level of fees and commissions charged for services, brand recognition and business reputation, the range of products offered, the level of expenses paid to financial intermediaries related to administration and distribution and financial strength.

We compete not only with other mutual fund providers and other asset managers but also with a large number of commercial banks, alternative investment funds, broker-dealers, insurance companies and other financial institutions. For example, insurance products, such as unit-linked insurance plans ("**ULIP**") offered by insurance companies, vigorously compete with equity mutual funds, as some of these products may have higher returns, while also providing insurance coverage. Some of the insurance companies have more extensive distribution network than we do, and aggressively market their products. Other competitors offer their products through retail banking networks in major metropolitan areas, the typical source of financial products for many Indians. Large global financial services companies have also entered the Indian mutual fund space through strategic partnerships. Given their global brand recognition, governance, diversifying business, experience and financial resources, their products pose competitive risks. In connection with our overseas fund business, we compete with a number of other mutual fund providers, in particular with larger and more well-established international asset managers.

A variety of factors increase our competitive risks:

- A number of our competitors have greater financial and other resources, offer more comprehensive lines of products and services, and have more extensive distribution networks than we do;
- The trend toward consolidation within the asset management industry, and the securities business in general, has increased the size and strength of a number of our competitors. In particular, we have in the past faced difficulties in our BND distribution channel as many of our major competitors in the asset management industry are owned by or affiliated with banks, impairing our ability to market our products to such banks' clients and thus limiting our ability to capture a share of the AUM attributable to this channel;
- While SEBI and PFRDA have prescribed eligibility requirements for commencing mutual fund, pension fund and other businesses in India, successful efforts of recent entrants into our various lines of business, including major banks, insurance companies and other financial institutions, have resulted in increased competition;
- Other industry participants seek to imitate our innovative products, resulting in commoditisation of our products over time and increasing pricing pressures;
- Other industry participants seek to recruit our employees; and
- Our competitors are seeking to expand market share in the products and services we offer or intend to offer in the future and may increase spending on marketing and distribution.

These and other competitive pressures could reduce our market share, AUM or force us to reduce our management fees, which will reduce our income and profit and could have a material adverse effect on our business.

48. The asset management business is subject to substantial liquidity and periodic redemption risks, which could materially adversely affect our business and financial condition and cause significant harm to our reputation and brand.

Clients of our open-ended funds may typically redeem their investments at any time for any reason or no reason. Clients to whom we provide portfolio management services may instruct us to redeem their investments at any time for any reason or no reason. If a large number of such clients, or a small number of large clients, decide to redeem their investments within a short period of time, we may be faced with severe liquidity risk. For example, the investor base of our liquid and money market funds is significantly more concentrated than our other funds, increasing the liquidity and redemption risk of such funds. Additionally, since individual investors accounted for 45.5% of our Domestic Mutual Fund Closing AUM as of June 30, 2020, volatile market conditions and adverse economic performance or economic outlook in India or globally could result in a decline in the disposable income of Indian retail customers for investing in mutual funds; this could cause a shift in the savings or investment pattern in India, resulting in lower sales and higher levels of redemptions. While we seek to maintain a reasonably liquid investment portfolio and also have a line of credit against short-term deposits, there is no guarantee that we will have sufficient liquidity in the future to meet and satisfy redemption demands made by our clients in a timely and sufficient manner. Failure to meet redemption demands promptly could materially adversely affect our business and financial condition and cause significant harm to our reputation.

Liquidity needs of asset management businesses increase at the end of each fiscal quarter (*i.e.*, at the end of June, September, December and March) when corporate clients tend to redeem units in liquid and income funds to fund tax payments. In addition, at or near the end of each March and September, banks typically make periodic redemptions to help address funding and other regulatory requirements.

49. The asset management industry benefits significantly from the high rate of financial savings in India, and any decline in the rate of savings may adversely affect our business.

According to CRISIL, gross financial savings grew by 38.7% from ₹14,384 billion in the fiscal year ended March 31, 2017 to ₹19,957 billion in the fiscal year ended March 31, 2019 compared to an overall growth in gross household savings of 31.4% from ₹26,229 billion to ₹34,468 billion over the same period, increasing the share of financial savings in gross household savings from 54.8% to 57.9% over the same period. The mutual fund industry benefits immensely from the high rate of savings, in particular financial savings, in India, which increases aggregate demand for financial investment products, including mutual fund products. Any decline in the savings rates may adversely affect our growth and business.

Any damage caused to the reputation of the mutual fund industry or to the reputation of any of our major competitors may dissuade clients from investing in mutual funds and cause clients to invest their savings in alternative investment products such as deposits in banks owned directly or indirectly by the Government of India, gold or real estate, all of which Indian households have traditionally regarded as safe forms of investment. This may adversely affect our business and growth.

50. Economic, political and social developments in India could adversely affect our business.

The majority of our business, assets and employees are located in India. As a result, our business is highly dependent on prevailing economic conditions in India and our operations could be significantly adversely affected by political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries or the occurrence of natural or man-made disasters or natural calamities, such as the ongoing COVID-19 pandemic. See "*Risk Factors — 43. Our business and results of operations have been, and may continue to be, adversely affected by the ongoing COVID-19 outbreak and associated responses.*", beginning on page 49. Our insurance policies do not cover loss of business from war or pandemics. We are also exposed to general weaknesses in the financial markets and economic environment in India, including due to changes in the global financial markets and economy. Additionally, changes in interest rates or inflation, exchange rate fluctuations, increased volatility and/or other perceived trends in commodity prices, increased volatility in trading activity on India's principal stock exchanges, increases in India's trade deficit or any other significant economic developments in India or affecting India could adversely affect our business.

The central and state governments serve multiple roles in the Indian economy, including as producers, consumers and regulators, which have significant influence on the mutual fund industry and on us. Economic liberalisation policies have encouraged foreign investment in the financial sector, and changes in these governmental policies, such as the imposition of restrictions in foreign investment, could have a significant impact on the business and economic conditions in India in general and the financial sector in particular, which in turn could adversely affect our business, future financial condition and results of operations.

Our results may also be adversely affected by changes in the political and social conditions in India, and by changes in governmental policies with respect to trade, fiscal or monetary policy or other laws and regulations, currency

conversion and remittance abroad, and rates and methods of taxation, among other things. Political and social conditions in India have recently been, and could in future be, affected by various factors including government policies and social unrest. Volatility in political and social conditions in India may interrupt, limit or otherwise affect our operations.

The occurrence of any of these events may result in a loss of investor confidence, which could potentially lead to economic recession, adversely affect the Indian securities markets as a whole or the trading price of our Equity Shares in particular or otherwise have an adverse effect on our business, results of operations and financial condition.

51. Significant differences exist between Ind AS, U.S. GAAP and IFRS, which may be material to investors' assessments of our financial condition.

Our financial statements for the three-month periods ended June 30, 2020 and 2019, as well as for the years ended March 31, 2020 and 2019, have been prepared in accordance with the Ind AS, read with the Companies (Indian Accounting Standards) Rules, 2015, and our financial statements for the fiscal year ended March 31, 2018 have been restated in accordance with Ind AS. 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 financial statements included in the Draft Red Herring Prospectus, the Red Herring Prospectus and 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 accordingly be limited. In addition, some of our competitors may not present their financial statements in accordance with Ind AS and their financial statements may not be directly comparable to ours, and therefore reliance should accordingly be limited.

52. 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 shareholders' rights under the laws of other countries or jurisdictions.

53. It may not be possible to enforce any judgment obtained outside of India, including in the United States, against us or any of our affiliates in India, except by way of suit in India on such judgment, which will adversely affect foreign investors by increasing the cost of litigation and delaying the enforcement of judgments.

We are organized under the laws of India. All our directors and senior executive officers reside in India (other than two directors and those executives who work in our overseas offices) and most of our assets, and the assets of our directors and officers, are located in India. As a result, you may be unable to:

- effect service of process in jurisdictions outside of India, including in the United States, upon us and these other persons or entities;
- enforce in the Indian courts judgments obtained in courts of jurisdictions outside of India against us and these other persons or entities, including judgments predicated upon the civil liability provisions of securities laws of jurisdictions outside India; and
- enforce in US courts judgments obtained in US courts against us and these other persons or entities, including judgments predicated upon the civil liability provisions of the federal securities laws of the United States.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, the United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the Indian Code of Civil Procedure, 1908 ("**CPC**"). The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, 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, including the United States, 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 directly enforceable in India.

The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, 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 the public policy in India.

Risks Related to the Offer

54. There is no existing market for our Equity Shares, the Offer Price may not be indicative of the trading price of the Equity Shares upon listing on the Stock Exchanges subsequent to the Offer and, as a result, you may lose a significant part or all of your investment.

Prior to this offering, there has been no public trading market for our Equity Shares. It is possible that, after this offering, an active trading market will not develop or continue. 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. If an active trading market does not develop, you may have difficulty selling any of the Equity Shares that you buy.

The determination of the Offer Price was based on various factors and assumptions, and has been determined by us in consultation with the BRLMs through the Book Building Process. This Offer Price is based on certain factors, as described under "*Basis for Offer Price*" beginning on page 87 and may not be indicative of the trading price of the Equity Shares, upon listing on the Stock Exchanges subsequent to the Offer. The trading price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. Consequently, you may not be able to sell the Equity Shares at prices equal to or greater than the price you paid in this offering.

55. *There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all and if they are listed you may not be able to immediately sell the Equity Shares you purchased in the Offer.*

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer. There can be no guarantee that these actions will be completed in a timely manner or at all and as a result our Equity Shares may not be listed on the Stock Exchanges in a timely manner or at all.

In accordance with the current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the Stock Exchanges within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner, in accordance with timelines prescribed under the UPI Circulars, or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

You can begin trading in the Equity Shares only after they have been credited to your dematerialized account and after final listing and trading permissions have been received from the Stock Exchanges, which will be within six working days of closing of the public issue. Final trading permissions may not be received from the Stock Exchanges, the Equity Shares allocated to you may not be credited to your dematerialized account and trading in the Equity Shares may not commence within the time periods specified above.

56. 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 negatively affected the Indian economy in the past and may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy, financial sector and business 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; see "*Risk Factors — 43. Our business and results of operations have been, and may continue to be, adversely affected by the ongoing COVID-19 outbreak and associated responses.*", beginning on page 49. Furthermore, 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 are rising geopolitical tensions between the countries. Furthermore, on June 23, 2016, the United Kingdom held a referendum on its membership of the European Union and voted to leave the European Union ("**Brexit**"). The United Kingdom left the European Union on January 31, 2020 and, pursuant to a negotiated withdrawal agreement, there will be an eleven-month transition period, ending on December 31, 2020, during which EU rules will continue to apply in the United Kingdom. The terms of any withdrawal are subject to complex and ongoing negotiations and have created significant political and economic uncertainty about the future trading relationship between the United Kingdom and the European Union and any consequential impact on global financial markets.

Although economic conditions vary across markets, loss of investor confidence in one emerging 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, financial condition and results of operations. 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 stabilising effects. Adverse economic developments overseas in countries where we have operations or other significant financial disruptions could have a material adverse effect on our business, future financial performance and the trading price of the Equity Shares.

57. 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.

If listed, 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 substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

58. Your holdings may be diluted by additional issuances of Equity Shares by our Company, and any sales of Equity Shares by the Sponsors and shareholders in the future may adversely affect the market price of our Equity Shares.

Any future issuance of our Equity Shares by us, including pursuant to the exercise of share options under any scheme in the future, may dilute the positions of investors in our Equity Shares, which could adversely affect the market price of our Equity Shares. We may decide to issue Equity Shares in the future in order to help fund acquisitions and other expansion plans, as well as improvements to our existing infrastructure and other business activities. Any such future issuance of Equity Shares, or the possibility of such issuances, could negatively impact the market price of our Equity Shares. Additional Equity Shares may be issued at prices below the then-current market price. We may also issue convertible debt securities to finance future acquisitions or fund other business activities.

Sales of Equity Shares by the Sponsors and shareholders in the future, or the possibility of such sales, may adversely affect the market price of our Equity Shares. The Equity Shares held by the Sponsors and TRP and not sold in this Offer will be subject to a one-year selling restriction.

59. You may be subject to Indian taxes arising out of capital gains on sale of the Equity Shares or arising in relation to dividends being declared by our Company, which will adversely affect any gains made upon sale of Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Long term capital gains arising from the off market sale of listed Equity Shares (*i.e.*, where the shares have been held for more than 12 months), would be taxed at the rate of 20% (plus applicable surcharge and cess (*i.e* a form of tax levied over and above the base tax liability of a tax payer; different cess taxes are levied under different legislations)), if the taxpayer proposes to claim the indexation benefit or at the rate of 10% (plus applicable surcharge and cess), if the taxpayer does not propose to claim the indexation benefit. However, where the listed equity shares have been sold on a recognized stock exchange, long-term capital gains exceeding ₹100,000 arising from sale of such equity shares are taxed at the rate of 10% (plus applicable surcharge and cess), while the unrealised capital gains earned up to January 31, 2018 on such equity shares are exempt. This provision is subject to payment of STT both at the time of sale and acquisition of such equity shares. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares could be exempt from taxation in India in cases where the exemption from taxation is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

Further, prior to the notification of the Finance Act, 2020, the distribution of dividends by a domestic company was subject to Dividend Distribution Tax ("**DDT**") in the hands of our Company at an effective rate of 20.6%. Such dividends were generally exempt from tax in the hands of the shareholders. However, pursuant to the Finance Act, 2020, the Income Tax Act has been amended to abolish the DDT regime. Accordingly, any dividend distributed by a domestic company is subject to tax in the hands of the investor at the applicable rate. Additionally, our Company is required to withhold tax on such dividends distributed at the rate of 10%, where such distribution is made to an investor

resident in India, and with respect to dividend distribution to an investor not resident in India, our Company is required to withhold tax at the applicable tax rates in force (which may depend on the relevant facts and circumstances) in case of non-resident investors. Accordingly, you may be subject to tax on dividend income received in respect of the Equity Shares. Further, in order to provide additional funds to taxpayers to deal with the outbreak of the COVID-19 pandemic and associated responses, the Government of India issued a press release on May 13, 2020 proposing to reduce such withholding tax rate from 10% to 7.5% for the period beginning on May 14, 2020 until March 31, 2021. However, such press release does not have a binding effect and legislative amendments in this regard may be needed in order to implement such reduction. We cannot guarantee that such legislative amendments will be passed to implement the proposal in the specified terms, or at all.

60. We intend to pay dividends to our shareholders in accordance with our dividend policy but our ability to do so will depend upon our future earnings, financial condition, results of operations, cash flows, working capital requirements, capital expenditures and applicable provisions of Indian law and is subject to the discretion of our board of directors.

After this offering, we intend to pay dividends to our shareholders in accordance with our dividend policy. Our ability to make dividend payments will be subject to our future earnings, financial condition, results of operations, cash flows, working capital requirements, capital expenditures and applicable laws of India (which may limit the amount of funds available for distribution) as well as our ability to access the cash flow of our subsidiaries. If, as a consequence of these and other limitations and restrictions, we are unable to generate sufficient distributions and profits from our business, we may not be able to make, or may have to reduce or eliminate, the payment of dividends on our Equity Shares. Our board of directors may, in its discretion, decrease the level of dividends or discontinue the payment of dividends entirely.

61. Foreign investors are subject to restrictions prescribed under Indian laws that may limit their ability to transfer shares and thus our ability to attract foreign investors, which may have an adverse impact on the market price of the Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority. Further, in accordance with press note 3 of 2020, the Consolidated FDI Policy has been recently amended to state that all investments by entities incorporated in a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is citizen of any such country will require the prior approval of the Government of India. We cannot assure investors that any required approval from the RBI or any other government agency can be obtained on any particular terms or at all.

Under Indian law, foreign investment of up to 100% of the total paid-up share capital is currently permitted in a financial services company regulated by a sectoral regulator (in our case, SEBI), while foreign investment of up to 49% of the total paid-up share capital under the automatic route, *i.e.*, without prior regulatory approval, is permitted in a company operating in the pension sector (such as our Subsidiary, UTI RSL). Accordingly, foreign investment in our Company is effectively permitted up to 49% of our total paid-up Equity Share capital, under the automatic route. Within such foreign investment limits, there are certain restrictions with respect to investments by FPIs and NRIs. FPI investment in our Company's total paid-up Equity Share capital is currently restricted to 10%, on an individual basis (together with its investor group), beyond which such FPI or its investor group is required to divest the excess shareholding within five trading days. In case such FPI chooses not to divest, its investment (taken together with the investment of its investor group in the company) would be reclassified as FDI, in respect of which different regulatory requirements apply. Further, FPI investment in our Company is permitted up to the applicable sectoral cap, which is effectively up to 49% of our total paid-up Equity Share capital. For further information, also see "*Restrictions on Foreign Ownership of Indian Securities*" and "*Offer Procedure – Bids by FPIs*", beginning on pages 408 and 397 respectively. As of the date of this Prospectus, the aggregate foreign investment in our Company constitutes 26% of the total paid-up Equity Share capital of our Company. Our ability to attract further foreign investment, or the ability of foreign investors to transact in the Equity Shares may accordingly be limited, which may also have an impact on the market price of the Equity Shares.

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.

Under the Companies Act, a company that has share capital and is 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 approval of a special resolution by our Company. 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 our Company makes 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 may be reduced.

63. If we were to become subject to the U.S. Investment Company Act because of a change of law or otherwise, the various restrictions imposed by the U.S. Investment Company Act, and the substantial costs and burdens of compliance therewith, could adversely affect our operating results and financial performance.

We have not registered and do not intend to register as an investment company under the U.S. Investment Company Act of 1940, as amended (the "**U.S. Investment Company Act**"). Accordingly, unlike registered investment companies, we will not be subject to the vast majority of the provisions of the U.S. Investment Company Act, including provisions that require investment companies to have a majority of disinterested directors, provide limitations on leverage and limit transactions between investment companies and their affiliates. None of these protections or restrictions is or will be applicable to us.

If we were to become subject to the U.S. Investment Company Act because of a change of law or otherwise, the various restrictions imposed by the U.S. Investment Company Act, and the substantial costs and burdens of compliance therewith, could adversely affect our operating results and financial performance. Moreover, parties to a contract with an entity that has improperly failed to register as an investment company under the U.S. Investment Company Act may be entitled to cancel or otherwise void their contracts with the unregistered entity, and shareholders in that entity may be entitled to withdraw their investment.

We are relying on the exemption provided by section 3(c)(7) of the U.S. Investment Company Act to avoid being required to register as an investment company under the U.S. Investment Company Act and related rules. In order to help ensure compliance with the exemption provided by section 3(c)(7) of the U.S. Investment Company Act, our Company has implemented restrictions on the ownership and transfer of Equity Shares by any persons acquiring our Equity Shares in Offer who are in the United States or who are U.S. Persons (as defined in Regulation S under the U.S. Securities Act of 1933, as amended, which may materially affect your ability to transfer our Equity Shares. See *"Other Regulatory and Statutory Disclosures—Eligibility and Transfer Restrictions"* beginning on page 362.

64. U.S. regulation of investment activities may negatively affect the ability of banking entities to purchase our Equity Shares.

The Volcker Rule generally prohibits certain "banking entities" from engaging in proprietary trading, or from acquiring or retaining an "ownership interest" (as defined therein) in, sponsoring or having certain relationships with "covered funds", unless pursuant to an exclusion and exemption under the Volcker Rule. As we are relying on an analysis that our Company does not come within the definition of an "investment company" under the U.S. Investment Company Act because of the exception provided under section 3(c)(7) thereunder, our Company may be considered a "covered fund" for purposes of the Volcker Rule. The following would be considered a "banking entity" subject to the Volcker Rule: (i) any U.S.-insured depository institution, (ii) any company that controls a U.S.-insured depository institution, (iii) any non-U.S. company that is treated as a bank holding company for purposes of Section 8 of the International Banking Act of 1978 (that is, a non-U.S. company that maintains a branch, agency or commercial lending office in the U.S.) and (iv) any affiliate or subsidiary of any of the foregoing under the U.S. Bank Holding Company Act, other than a "covered fund" that is not itself a banking entity under clauses (i), (ii) or (iii), above.

There may be limitations on the ability of "banking entities" to purchase or retain our Equity Shares in the absence of an applicable Volcker Rule exclusion or exemption. Consequently, depending on market conditions and the "banking entity" status of potential purchasers of our Equity Shares from time to time, the Volcker Rule restrictions could negatively affect the liquidity and market value of our Equity Shares.

Each investor must make its own determination as to whether it is a "banking entity" subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain our Equity Shares. Investors are responsible for analysing their own regulatory positions and none of our Company, the BRLMs or any other person connected with the Offer makes any representation to any prospective investor or holder of our Equity Shares regarding the treatment of our Company under the Volcker Rule, or to such investor's investment in our Company at any time in the future.

65. Transfer restrictions for Shareholders in the United States may make it difficult to resell the Equity Shares or may have an adverse impact on the market price of the Equity Shares.

The Equity Shares have not been registered in the United States under the U.S. Securities Act or under any other applicable securities laws and are subject to certain transfer restrictions including restrictions on the resale of the Equity

Shares by Shareholders who are in the United States and on the resale of Equity Shares by any Shareholders to any person who is in the United States. These restrictions may make it more difficult to resell the Equity Shares in many instances and this could have an adverse impact on the market value of Equity Shares. There can be no assurance that shareholders in the United States will be able to locate acceptable purchasers or obtain the required certifications to effect a sale.

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)]	38,987,081* Equity Shares aggregating to ₹ 21,598.84 million
of which:	
(i) Offer for Sale by SBI	10,459,949* Equity Shares
(ii) Offer for Sale by LIC	10,459,949* Equity Shares
(iii) Offer for Sale by BOB	10,459,949* Equity Shares
(iv) Offer for Sale by PNB	3,803,617* Equity Shares
(v) Offer for Sale by TRP	3,803,617* Equity Shares
Of which:	
A) Employee Reservation Portion[(5)]	200,000* Equity Shares
B) Net Offer	
Of which	
QIB Portion[(3)]	Not more than 19,393,540* Equity Shares
of which:	
Anchor Investor Portion	11,636,124* Equity Shares
Balance available for allocation to QIBs other than Anchor Investors	7,757,416* Equity Shares
of which:	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion)[(4)]	387,871* Equity Shares
Balance of QIB Portion for all QIBs including Mutual Funds	7,369,545* Equity Shares
C) Non-Institutional Portion	Not less than 5,818,062* Equity Shares
D) Retail Portion	Not less than 13,575,479* Equity Shares
Pre-Offer and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	126,787,254 Equity Shares
Equity Shares outstanding after the Offer	126,787,254 Equity Shares

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

(1) *The Offer for Sale has been authorized by resolutions of our Board of Directors at their meetings held on August 22, 2019 and October 23, 2019.*

(2) *The Selling Shareholders have authorised and consented to participate in the Offer for Sale. For details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures" beginning on page 357. 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 the SEBI, or are otherwise eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations.*

(3) *Subject to valid bids having been received at or above the Offer Price, undersubscription, if any, in any category, except in the QIB Portion, is allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the Book Running Lead Managers, and the Designated Stock Exchange, subject to applicable laws. For details, see "Offer Procedure" beginning on page 392.*

(4) *Our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, have allocated up to 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. For details, see "Offer Procedure" on page 392.*

(5) *In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment*

made to such Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation up to ₹ 500,000), shall be added to the Net Offer. For further details, see "Offer Structure" beginning on page 389.

For details of the terms of the Offer including allocation, see "*Terms of the Offer*" beginning on page 384.

SUMMARY OF FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Financial Information as at and for the three months ended June 30, 2020 and June 30, 2019 and Financial Years 2020, 2019 and 2018.

The Restated 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 Financial Information, the notes thereto and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 314.

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Restated Consolidated Statement of Assets and Liabilities

(Rs. In Million)

Particulars	Note No	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
I. ASSETS						
1 Financial Assets						
Cash and cash equivalents	3	1,238.56	1,150.61	1,192.52	1,241.80	1,501.92
Receivables	4					
Trade Receivables		420.92	506.61	456.18	275.54	500.41
Other Receivables		92.30	260.68	97.39	361.80	48.75
Loans	5	364.05	277.12	374.40	281.65	356.82
Investments	6	24,573.89	23,185.45	23,557.51	22,613.70	21,788.49
Other Financial Assets	7	1,513.46	1,306.34	1,542.38	1,278.59	922.32
Total Financial Assets		**28,203.18**	**26,686.81**	**27,220.38**	**26,053.08**	**25,118.71**
2 Non Financial Assets						
Current Tax Assets (Net)	8	500.58	434.30	461.05	320.56	170.55
Investment Property	9	105.97	111.18	107.27	112.47	117.68
Property, Plant and Equipments	10	2,471.08	2,510.73	2,503.88	2,529.42	2,585.53
Right of use assets	11	959.36	846.28	896.53	834.18	912.70
Capital work in progress	12	5.71	24.28	2.84	8.78	22.91
Intangible assets under development	13	19.06	-	7.56	-	31.20
Other Intangible Assets	14	104.52	31.13	118.01	36.13	24.91
Other Non Financial Assets	15	264.78	282.79	231.66	238.01	208.33
Total Non Financial Assets		**4,431.06**	**4,240.69**	**4,328.80**	**4,079.55**	**4,073.81**
TOTAL ASSETS		**32,634.24**	**30,927.50**	**31,549.18**	**30,132.63**	**29,192.52**
II LIABILITIES AND EQUITY						
Liabilities						
1 Financial Liabilities						
Trade Payables	16					
Total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		8.43	24.94	14.22	37.77	111.10
Other Payables						
Total outstanding dues of micro enterprises and small enterprises		4.54	1.73	7.96	9.27	1.64
Total outstanding dues of creditors other than micro enterprises and small enterprises		318.75	439.33	640.06	667.00	1,496.21
Borrowings		-	-	-	-	-
Other Financial Liabilities	17	1,782.23	1,647.72	1,755.75	1,593.87	1,543.93
Total Financial Liabilities		**2,113.95**	**2,113.72**	**2,417.99**	**2,307.91**	**3,152.88**
2 Non Financial Liabilities						
Current Tax Liabilities (Net)	18	76.91	172.39	44.94	43.40	50.68
Provisions	19	1,298.10	1,135.36	830.89	916.07	1,061.15
Deferred Tax Liabilities (Net)	20	498.77	399.82	444.54	363.36	438.30
Other Non Financial liabilities	21	182.78	208.06	77.99	86.23	113.29
Total Non Financial Liabilities		**2,056.56**	**1,915.63**	**1,398.36**	**1,409.06**	**1,663.42**
Equity						
Equity Share Capital	22	1,267.87	1,267.87	1,267.87	1,267.87	1,267.87
Other Equity	23	27,081.42	25,263.88	26,357.09	24,775.85	22,406.46
Equity attributable to owners of the Company		**28,349.29**	**26,531.75**	**27,624.96**	**26,043.72**	**23,674.33**
Non-controlling interests		114.44	366.40	107.87	371.94	701.89
Total Equity		**28,463.73**	**26,898.15**	**27,732.83**	**26,415.66**	**24,376.22**
TOTAL EQUITY AND LIABILITIES		**32,634.24**	**30,927.50**	**31,549.18**	**30,132.63**	**29,192.52**

Restated Consolidated Statement of Profit and Loss

(Rs. In Million)

Particulars	Note No	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Income						
Revenue from Operations	24					
Interest Income		34.22	37.46	177.90	140.48	67.51
Dividend Income		0.12	0.28	2.52	4.89	5.72
Rental Income		24.39	14.42	75.16	62.54	102.56
Net Gain on Fair Value Changes		901.21	167.48	(86.61)	931.73	(225.05)
Sale of Services		1,597.84	2,038.37	7,878.87	8,906.25	9,668.58
Others - Net Gain/Loss on sale of Investments		60.15	87.09	501.85	459.19	1,881.20
Total Revenue from Operations		**2,617.93**	**2,345.10**	**8,549.69**	**10,505.08**	**11,500.52**
Other Income	25	92.75	87.52	359.92	303.86	126.95
Total Income		**2,710.68**	**2,432.62**	**8,909.61**	**10,808.94**	**11,627.47**
Expenses						
Fees and Commission Expense	26	6.65	6.38	29.11	21.09	17.90
Impairment on Financial Instruments	27	-	-	-	-	19.00
Finance Cost	28	22.93	20.54	84.76	81.92	87.09
Employee Benefit Expenses	29	980.38	888.26	3,398.56	3,066.50	3,207.56
Depreciation, amortisation and impairment	30	84.56	82.73	313.42	291.47	272.51
Other Expenses	31	383.93	370.33	1,629.30	2,435.50	2,569.12
Total Expenses		**1,478.45**	**1,368.24**	**5,455.15**	**5,896.48**	**6,173.18**
Profit/(Loss) before exceptional items and tax		**1,232.23**	**1,064.38**	**3,454.46**	**4,912.46**	**5,454.29**
Exceptional items		-	-	-	-	-
Profit Before Tax		**1,232.23**	**1,064.38**	**3,454.46**	**4,912.46**	**5,454.29**
Tax Expenses						
Current Tax		165.75	320.94	744.02	1,408.35	1,597.43
Tax adjustments for the earlier years		-	0.01	4.67	0.77	0.00
Deferred Tax		57.63	38.80	(54.01)	26.27	(188.95)
MAT Credit entitlement		(1.90)	(5.12)	(5.07)	(2.20)	(5.10)
Total Tax Expenses		**221.48**	**354.63**	**689.61**	**1,433.19**	**1,403.38**
Profit for the year		**1,010.75**	**709.75**	**2,764.85**	**3,479.27**	**4,050.91**
Profit attributable to:						
Owners of the Company		**1,005.54**	**715.30**	**2,730.30**	**3,528.31**	**3,642.05**
Less: Non-controlling interests		5.21	(5.55)	34.55	(49.04)	408.86
Other Comprehensive Income						
A i Items that will not be reclassified to profit & loss		(359.97)	(124.47)	(637.30)	(367.85)	(5.32)
ii Income Tax relating to items that will not be reclassified to profit and loss		-	-	-	-	-
B i Items that will be reclassified to profit & loss		-	-	-	-	-
ii Income Tax relating to items that will be reclassified to profit and loss		-	-	-	-	-
Total Other Comprehensive Income for the period		**(359.97)**	**(124.47)**	**(637.30)**	**(367.85)**	**(5.32)**
Profit for the year						
Other comprehensive income attributable to:						
Owners of the Company		(359.97)	(124.47)	(637.30)	(367.85)	(5.32)
Non-controlling interests						
Other comprehensive income for the year						
Total comprehensive income attributable to:						
Owners of the Company		645.57	590.83	2,093.00	3,160.46	3,636.73
Non-controlling interests		5.21	(5.55)	34.55	(49.04)	408.86
Total comprehensive income for the year		**650.78**	**585.28**	**2,127.55**	**3,111.42**	**4,045.59**
Earning per Equity Share						
Basic (in Rs.)		7.93	5.64	21.53	27.83	28.73
Diluted (in Rs.)		7.93	5.64	21.53	27.83	28.73
0.00 indicates amount less than Rs.0.005 Million						

Restated Consolidated Statement of Cash Flows

(Rs. In Million)

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
INDIRECT METHOD CASH FLOW FROM OPERATING ACTIVITIES					
Net profit & Loss Before Taxation	**1,232.23**	**1,064.38**	**3,454.46**	**4,912.46**	**5,454.29**
Adjustment for					
Depreciation, amortization and impairment	84.56	82.73	313.42	291.47	272.51
Finance Cost	22.93	20.54	84.76	81.92	87.09
Interest Income	(34.22)	(37.46)	(177.90)	(140.48)	(67.51)
Dividend Income	(0.12)	(0.28)	(2.52)	(4.89)	(5.72)
Rental Income	(24.39)	(14.42)	(75.16)	(62.54)	(102.56)
Expenses on the employee stock option scheme	(89.97)	-	(104.83)	-	-
Provision no longer required withdrawn (net)	(4.27)	-	32.07	46.68	5.31
Impairment on Financial Instruments	-	-	-	-	19.00
Amortisation of Other Financial Instrument	2.57	(0.47)	10.86	(6.86)	8.57
(Profit) / Loss on fair value changes	(901.21)	(167.48)	86.61	(931.73)	225.05
(Profit) / Loss on Sale of Investment	(60.15)	(87.09)	(501.85)	(459.19)	(1,881.20)
(Profit) / Loss on Sale of Property, Plant and Equipments	(0.06)	(0.17)	(1.76)	(0.73)	(0.69)
Operating Profit Before Working Capital Changes	**227.90**	**860.28**	**3,118.16**	**3,726.11**	**4,014.14**
Profit/(Loss) before exceptional items and tax					
(Increase)/ Decrease in Financial Assets Loans	10.35	4.53	(92.75)	75.17	18.22
(Increase)/ Decrease in other financial assets	4.27	(23.82)	(61.24)	(7.14)	(110.43)
(Increase)/ Decrease in Financial Assets Trade Receivable	35.26	(231.07)	(180.64)	224.87	(162.67)
(Increase)/ Decrease in Financial Assets Other Receivable	5.09	101.12	264.41	(313.05)	201.20
(Increase)/ Decrease in other Non Financial Assets	(35.69)	(44.31)	(4.51)	(22.82)	(67.23)
Increase/ (Decrease) in Financial Liabilities - Trade Payable	(236.28)	(248.04)	20.96	(941.59)	424.62
Increase/ (Decrease) in Other Financial Liabilities	18.44	87.50	290.61	81.99	37.42
Increase/ (Decrease) in Non Financial Provisions	467.21	219.29	(85.18)	420.46	267.50
Increase/ (Decrease) in Other Non Financial Liabilities	104.79	121.84	(8.24)	(27.06)	79.18
(Increase)/ Decrease in Other Comprehensive Income	(275.18)	(118.92)	(567.02)	(324.41)	(404.74)
	98.26	**(131.88)**	**(423.60)**	**(833.58)**	**283.07**
Cash Generated from Operations	**326.16**	**728.40**	**2,694.56**	**2,892.53**	**4,297.21**
Less : Income Tax Paid	(174.81)	(302.92)	(747.38)	(1,665.42)	(1,611.62)
Net cash generated from Operating Activities	**151.35**	**425.48**	**1,947.18**	**1,227.11**	**2,685.59**
CASH FLOW FROM INVESTING ACTIVITIES					
(Purchase) / Sale of Property, Plant and Equipments/ other intangible assets	(14.91)	(29.85)	(217.66)	(65.55)	(118.02)
(Purchase) / Sale of Financial Investment	(1,031.73)	(575.68)	(1,146.36)	(1,174.34)	(3,815.28)
Distribution from IIDF	-	-		(565.54)	565.54
Interest Income	34.22	37.46	177.90	140.48	67.51
Rental Income	24.39	14.42	75.16	62.54	102.56
Dividend Income	0.12	0.28	2.52	4.89	5.72
Profit / (Loss) on Sale of Investment	961.36	254.57	415.24	1,390.92	1,656.15
Increase/ (Decrease) in Other Financial Liabilities (ROU)	(135.62)	(98.56)	(365.42)	(51.24)	(2.03)
Net cash generated from Investing Activities	**(162.17)**	**(397.36)**	**(1,058.62)**	**(257.84)**	**(1,537.85)**
CASH FLOW FROM FINANCING ACTIVITIES					
Dividend Paid Previous year	-	-	(633.94)	(633.94)	(507.15)
Corporate Dividend Distribution Tax Paid Previous year	-	-	(58.36)	(130.31)	(78.81)
Effect of foreign exchange fluctuations	28.76	(102.80)	75.71	(21.22)	354.08
Repayment of lease liability	(54.79)	(45.76)	(191.08)	(165.21)	(167.66)
Increase/ (Decrease) in Other Financial Liabilities (lease liabilities)	76.32	34.79	133.90	51.24	2.04
(Increase)/ Decrease in Non Controlling Interest	6.57	(5.54)	(264.07)	(329.95)	(348.96)
Net cash generated from Financing Activities	**56.86**	**(119.31)**	**(937.84)**	**(1,229.39)**	**(746.46)**
Net Increase/ (Decrease) in cash and cash equivalent	**46.04**	**(91.19)**	**(49.28)**	**(260.12)**	**401.28**
Opening Cash and cash equivalents	1,192.52	1,241.80	1,241.80	1,501.92	1,100.65
Closing Cash and cash equivalents	**1,238.56**	**1,150.61**	**1,192.52**	**1,241.80**	**1,501.92**
Components of Cash and cash equivalent					
Cash and cash equivalents					
Balances with banks:					
On current accounts	752.72	958.43	707.69	486.82	1,329.27
Cash on hand	0.15	0.96	0.10	0.10	0.10
Other bank balances					
Deposits with Banks	485.69	191.22	484.73	754.88	172.55
	1,238.56	**1,150.61**	**1,192.52**	**1,241.80**	**1,501.92**

GENERAL INFORMATION

Our Company was incorporated as "UTI Asset Management Company Private Limited", a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated November 14, 2002 issued by the RoC. Subsequently, pursuant to a special resolution approved at the Annual General Meeting on September 18, 2007, our Company was converted to a public limited company and consequently the name of our Company was changed to "UTI Asset Management Company Limited" and a fresh certificate of incorporation dated November 14, 2007 was issued by the RoC.

For details in relation to the change in the registered office of our Company, see "*History and Certain Corporate Matters*" beginning on page 187.

Corporate Identification Number: U65991MH2002PLC137867

Company Registration Number: 137867

Registered and Corporate Office of our Company

UTI Tower, 'Gn' Block
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Maharashtra, India

Address of the RoC

Our Company is registered with the RoC, situated at the following address:

The Registrar of Companies, Maharashtra at Mumbai
100, Everest
Marine Drive
Mumbai 400 002
Maharashtra, India

Board of Directors of our Company

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

Name	Designation	DIN	Address
Dinesh Kumar Mehrotra	Non-executive Chairman and Independent Director	00142711	3A, Harmony, Dr. E. Moses Road, Worli Naka, Worli, Mumbai 400 018, Maharashtra, India
Ashok Shah	Independent Director	01194846	'The Priory', Ayarpatta, Mallital, Nainital 263 001, Uttarakhand, India
Deepak Kumar Chatterjee	Independent Director	03379600	B-9/6435, Vasant Kunj, New Delhi 110 070, Delhi, India
Dipali Hemant Sheth	Independent Director	07556685	A-2002, Lodha Bellissimo, N M Joshi Marg, Apollo Mills Compound, Mahalakshmi East Mumbai 400 011, Maharashtra, India
Edward Cage Bernard	Non-Executive Director	08243277	7712, Ruxwood Road, Baltimore, MD 21204 USA
Flemming Madsen	Non-Executive Director	02904543	1922, Ruxton Road, Towson, BA, MD 21204 USA
Imtaiyazur Rahman	Whole-time Director and Chief Executive Officer	01818725	B-1/62, Maker Kundan Garden, Juhu Tara Road, Santacruz West, Mumbai 400 049, Maharashtra, India
Jayashree Vaidhyanathan	Independent Director	07140297	Apartment 2B, NO 76 PT Rajan Road, Kalaignar Karunanidhi Nagar, Chennai 600 078, Tamil Nadu, India
Narasimhan Seshadri	Independent Director	03486485	12 Aditya Second Main Road, AECS Layout, IIIrd Stage, RMV Extension, IInd Stage, Bangalore North, Bangalore 560 094, Karnataka, India
Rajeev Kakar	Independent Director	01888608	M-9, Greater Kailash II 110 048, New Delhi, India
Uttara Dasgupta	Independent Director	06570950	Neonest, 376/2 Block G, New Alipore, Kolkata 700 053, West Bengal, India

For further details of the Directors, see "*Our Management*" beginning on page 195.

Company Secretary and Compliance Officer

Arvind Patkar is our Company Secretary and Compliance Officer. His contact details are as set forth below:

Arvind Patkar
UTI Tower, 'Gn' Block
Bandra Kurla Complex
Bandra (East)
Mumbai, Maharashtra 400 051
Tel: +91 22 6678 6666
E-mail: cs@uti.co.in

Filing

A copy of the Draft Red Herring Prospectus has been filed with SEBI at Corporation Finance Department, Plot No.C4 A, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

A copy of the Red Herring Prospectus, along with the documents required to be submitted under Section 32 of the Companies Act has been delivered for filing with the RoC and a copy of this Prospectus to be filed under Section 26 of the Companies Act shall be delivered for filing at the office of the RoC at 100, Everest, Marine Drive, Mumbai 400 002, Maharashtra, India.

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: utiamc.ipo@kotak.com
Investor Grievance E-mail: kmccredressal@kotak.com
Website: www.investmentbank.kotak.com
Contact Person: Ganesh Rane
SEBI Registration Number: INM000008704

Axis Capital Limited
1st Floor, Axis House
C-2 Wadia International Centre
Pandurang Budhkar Marg, Worli
Mumbai 400 025
Maharashtra, India
Tel: +91 22 4325 2183
Email: utiamc.ipo@axiscap.in
Investor Grievance E-mail: complaints@axiscap.in
Website: www.axiscapital.co.in
Contact Person: Mayuri Arya
SEBI Registration Number: INM000012029

Citigroup Global Markets India Private Limited
1202, 12th Floor
First International Financial Centre
G-Block, C54 & 55, Bandra Kurla Complex
Bandra (East)
Mumbai 400 098
Maharashtra, India
Tel: +91 22 6175 9999
E-mail: uti.ipo@citi.com
Investor Grievance E-mail: investors.cgmib@citi.com
Website:
www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm
Contact Person: Ayush Vimal
SEBI Registration Number: INM000010718

DSP Merrill Lynch 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.utiamc_ipo@bofa.com
Investor Grievance E-mail:
dg.india_merchantbanking@bofa.com
Website: www.ml-india.com
Contact Person: Ahmed Kolsawala
SEBI Registration Number: INM000011625

ICICI Securities Limited
ICICI Centre
H.T. Parekh Marg
Churchgate
Mumbai 400 020
Maharashtra, India
Tel: +91 22 2288 2460
E-mail: UTIAMC.ipo@icicisecurities.com
Investor Grievance E-mail:
customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Sameer Purohit / Anurag Byas
SEBI Registration Number: INM000011179

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025
Maharashtra, India
Tel: +91 22 6630 3030
E-mail: UTIAMC.IPO@jmfl.com
Investor Grievance E-mail: grievance.ibd@jmfl.com
Website: www.jmfl.com
Contact Person: Prachee Dhuri
SEBI Registration Number: INM000010361

SBI Capital Markets Limited*
202, Maker Tower 'E'
Cuffe Parade
Mumbai 400 005
Maharashtra, India
Telephone: +91 22 2217 8300
E-mail: uti.ipo@sbicaps.com
Investor Grievance E-mail: investor.relations@sbicaps.com
Website: www.sbicaps.com
Contact Person: Janardhan Wagle / Karan Savardekar
SEBI Registration Number: INM000003531

**SBI has participated as a Selling Shareholder in the Offer for Sale. SBICAP has signed the due diligence certificate and has been disclosed as a BRLM for the Offer. SBI and SBICAP are associates in terms of the SEBI Merchant Bankers Regulations. Accordingly, in compliance with the proviso to Regulation 21A of the SEBI Merchant Bankers Regulations and Regulation 23(3) of the SEBI ICDR Regulations, SBICAP was involved only in the marketing of the Offer.*

Legal Advisors to the Offer

Indian Legal Counsel to our Company

Cyril Amarchand Mangaldas
5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013
Maharashtra, India
Tel: +91 22 2496 4455

Indian Legal Counsel to the Underwriters

Shardul Amarchand Mangaldas & Co
24th Floor, Express Towers
Nariman Point,
Mumbai 400 021
Maharashtra, India
Tel.: +91 22 4933 5555

International Legal Counsel to the Book Running Lead Managers

Cravath, Swaine & Moore LLP
CityPoint,
One Ropemaker Street
London EC2Y 9HR
United Kingdom
Tel: +44 (0)20 7453 1000

Indian Legal Counsel to the Selling Shareholders

Khaitan & Co
One Indiabulls Centre
13th Floor, Tower 1
841, Senapati Bapat Marg
Mumbai 400 013
Maharashtra, India
Tel: +91 22 6636 5000

Registrar to the Offer

KFin Technologies Private Limited
(formerly known as "Karvy Fintech Private Limited")
Selenium Tower-B, Plot 31 & 32
Gachibowli, Financial District
Nanakramguda, Serilingampally
Hyderabad 500 032
Telangana, India
Tel: +91 40 6716 2222
E-mail: utiamc.ipo@kfintech.com
Investor grievance E-mail: einward.ris@kfintech.com
Website: https://karisma.kfintech.com/
Contact Person: M Murali Krishna
SEBI Registration Number: INR000000221

Banker to the Offer

Escrow Collection Bank, Refund Bank, Public Offer Bank and Sponsor Bank

ICICI Bank Limited
Capital Markets Division, 1st Floor
122, Mistry Bhavan, Dinshaw Vachha Road,
Backbay Reclamation, Churchgate
Mumbai 400 020
Maharashtra, India
Tel: +91 22 6681 8911/23/24

E-mail: kmr.saurabh@icicibank.com
Website: www.icicibank.com
Contact Person: Saurabh Kumar
SEBI Registration No.: INBI00000004

Bankers to our Company

Axis Bank Limited
Ground Floor, Manek Plaza
CST Road, Opp. Central Plaza
Kalina, Santacruz East
Mumbai 400 092
Tel: +91 22 2654 2007 / 8
E-mail: kalina.branchhead@axisbank.com
Website: www.axisbank.com

Syndicate Members

Investec Capital Services (India) Private Limited
1103-04, 11th Floor, B Wing, Parinee Crescenzo
Bandra Kurla Complex, Mumbai 400051
Tel: +91 22 6849 7400
E-mail: suhani.bhareja@investec.co.in
Website: https://www.investec.com/india.html
Contact person: Ms. Suhani Bhareja
SEBI Registration No: INZ000007138

JM Financial Services Limited
2, 3 & 4, Kamanwala Chambers
Ground Floor Sir P. M. Road, Fort, Mumbai-400001
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.jmfinancialservices.in
Contact Person: Surajit Misra / Deepak Vaidya / T N Kumar / Sona Verghese
SEBI Registration No. : INZ000195834

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

SBICAP Securities Limited
Marathon Futurex, 12th Floor A & B–Wing
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: Ms. Archana Dedhia
SEBI Registration No.: INZ000200032

Statutory Auditors to our Company

G. D. Apte & Co., Chartered Accountants
Office 604, 6th Floor
Windsor Building, Off CST Road
Kalina, Santacruz East
Mumbai 400 098
Maharashtra, India

Telephone number: +91 22 4922 0555
E-mail ID: chetan.sapre@gdaca.com
Contact Person: CA Chetan R. Sapre
Firm registration number: 100515W
Peer Review No: 010485

Changes in Auditors

Except as disclosed below, there has been no change in the statutory auditors of our Company during the last three years:

Particulars	Date of change	Reason for change
G. D. Apte & Co., Chartered Accountants	August 22, 2019	Appointment as the Statutory Auditors*
S. Bhandari & Co. Address: 201, Neo Corporate Plaza, Ramachandra Lane, Malad West, Mumbai 400 064 Email: sudhajaideep@gmail.com Peer review number: 012081 Firm registration number: 000560C	August 22, 2019	Completion of term of appointment

**In terms of section 139 (5) of Companies Act, the Comptroller and Auditor General of India by way of its letter dated August 7, 2020 has re-appointed G. D. Apte & Co., Chartered Accountants, as the statutory auditor of our Company for the financial year ending March 31, 2021. Pursuant to such letter of the Comptroller and Auditor General of India, our Board has taken note of such re-appointment in its meeting held on August 26, 2020. In terms of section 142 of Companies Act, remuneration of the statutory auditors of our Company for the financial year ending March 31, 2021 will be fixed at the ensuing general meeting of the Company.*

Inter-se Allocation of Responsibilities

The following table sets forth the inter-se allocation of responsibilities for various activities among the BRLMs:

Sr. No.	Activity	Responsibility	Co-ordinator
1.	Capital structuring with the relative components and formalities such as type of instruments, composition of debt and equity, size of the Offer, *etc.*	BRLMs*	JM Financial
2.	Due diligence of the Company's operations/ management/ business plans/ legal, *etc.* Drafting and design of offer documents. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, Registrar of Companies and SEBI including finalisation of this Prospectus and filing with the RoC.	BRLMs*	Kotak
3.	Drafting and approval of statutory advertisements	BRLMs*	Kotak
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertisement, brochure, etc. and filing of media compliance report.	BRLMs*	JM Financial
5.	Appointment of Registrar, bankers to the Offer, printers, advertising agency, any other intermediary	BRLMs*	Axis
6.	International institutional marketing of the Offer, which will cover, inter alia, • Finalising the list and division of investors for one to one meetings; and • Finalising road show schedule and investor meeting schedules	BRLMs	BofA Securities and Citi
7.	Domestic institutional marketing of the Offer, which will cover, inter alia, • Finalising the list and division of investors for one to one meetings; and • Finalising road show schedule and investor meeting schedules	BRLMs	Kotak
8.	Non-Institutional marketing strategy which will cover, inter alia: • Finalising media, marketing and public relations strategy; • Formulating strategies for marketing to Non-Institutional Investors	BRLMs	Axis
9.	Retail marketing of the Offer, which will cover, inter alia: • Formulating marketing strategies, preparation of publicity budget;	BRLMs	I-Sec and SBICAP

Sr. No.	Activity	Responsibility	Co-ordinator
	• Finalising media, marketing and public relations strategy including list of frequently asked questions at road shows; • Finalising centres for holding conferences for brokers, *etc.*; • Finalising collection centres and arranging for selection of underwriters and underwriting agreement; and • Follow-up on distribution of publicity and offer material including form, Prospectus and deciding on the quantum of the offer material		
10.	Preparation and finalisation of road show marketing presentation	BRLMs*	Citi
11.	Preparation and finalisation of FAQs	BRLMs*	BofA Securities
12.	Coordination with stock exchanges for book building software, bidding terminals, mock trading, anchor coordination and intimation of anchor allocation, payment of 1% security deposit to the designated stock exchange	BRLMs*	I-Sec
13.	Managing the book and finalisation of pricing in consultation with our Company	BRLMs*	Citi
14.	Post-Offer activities, which shall involve essential follow-up with banker(s) to the Offer and SCSBs to get quick estimates of collection and advising our 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, 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, release of 1% security deposit post closure of the Offer.	BRLMs*	Axis

***** *Excluding SBICAP which is involved, as a merchant banker, only in the marketing of the Offer. SBI participated as a Selling Shareholder in the Offer for Sale. SBICAP has signed the due diligence certificate and has been disclosed as a BRLM for the Offer. SBI and SBICAP are associates in terms of the SEBI Merchant Bankers Regulations. Accordingly, in compliance with the proviso to Regulation 21A of the SEBI Merchant Bankers Regulations and Regulation 23(3) of the SEBI ICDR Regulations, SBICAP was involved only in the marketing of the Offer.*

IPO Grading

No credit rating agency registered with SEBI has been appointed for grading the Offer.

Monitoring Agency

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

Appraising Entity

The Offer, being an offer for sale, the objects of the Offer are not required to, and have not, been appraised.

Credit Rating

As this is an Offer of Equity Shares, credit rating is not required.

Trustees

As this is an Offer of Equity Shares, the appointment of trustees is not required.

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 RII 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 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 Investor) 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 SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) as 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 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 stock broker 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 http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and www.nseindia.com, 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 http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and www.nseindia.com, 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 from our Statutory Auditors, G. D. Apte & Co., Chartered Accountants, to include their name in this Prospectus as required under Section 26(1) of the Companies Act read with SEBI ICDR Regulations and as an "expert" as defined under Section 2(38) of the Companies Act to the extent and in their capacity as an auditor and in respect of the examination report dated August 29, 2020 on Restated Financial Information and the statement of special tax benefits dated August 29, 2020 and such consents have 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.

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, which was decided by our Company and the Selling Shareholders in consultation with the Book Running Lead Managers, and was advertised in all editions of the English national daily newspaper, Financial Express, all editions of Hindi national daily newspaper, Jansatta and Mumbai edition of the Marathi daily newspaper Navshakti (Marathi being the regional language of Maharashtra, where our Registered 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 in consultation with the Book Running Lead Managers after the Bid/Offer Closing Date. For details, see "*Offer Procedure*" beginning on page 392.

All Bidders (other than Anchor Investors) were required to participate 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. Anchor Investors were not permitted to participate in the Offer through the ASBA process.

In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors 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 Eligible Employees Bidding in the Employee Reservation Portion could revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until the Bid/ Offer Closing Date. Anchor Investors were not allowed to withdraw their Bids after the Anchor Investor Bid/Offer Period. Except for Allocation to RIBs and the Anchor Investors, Allocation in the Offer was made on a proportionate basis. Further, allocation to Anchor Investors was made on a discretionary basis.

For further details, see "*Terms of the Offer*", "*Offer Structure*" and "*Offer Procedure*" on pages 384, 389 and 392, 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 the 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 have 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 3, 2020. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters are several and are 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 (in ₹ million)
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: utiamc.ipo@kotak.com	5,569,483	3,085.49
Axis Capital Limited 1st Floor, Axis House, C-2 Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai 400 025, Maharashtra, India. Tel: +91 22 4325 2183 Email: utiamc.ipo@axiscap.in	5,569,583	3,085.55
Citigroup Global Markets India Private Limited 1202, 12th Floor, First International Financial Centre, G-Block, C54 & 55, Bandra Kurla Complex, Bandra (East), Mumbai 400 098, Maharashtra, India Tel: +91 22 6175 9999 E-mail: uti.ipo@citi.com	5,569,583	3,085.55
DSP Merrill Lynch 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.utiamc_ipo@bofa.com	5,569,583	3,085.55

Name, address, telephone number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (in ₹ million)
ICICI Securities Limited ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai 400 020, Maharashtra, India. Tel: +91 22 2288 2460 E-mail: UTIAMC.ipo@icicisecurities.com	5,569,583	3,085.55
JM Financial Limited 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025 Maharashtra, India. Tel: +91 22 6630 3030 E-mail: UTIAMC.IPO@jmfl.com	5,569,483	3,085.49
SBI Capital Markets Limited* 202, Maker Tower 'E', Cuffe Parade, Mumbai 400 005, Maharashtra, India. Telephone: +91 22 2217 8300 E-mail: uti.ipo@sbicaps.com	5,569,383	3,085.44
Investec Capital Services (India) Private Limited 1103-04, 11th Floor, B Wing, Parinee Crescenzo, Bandra Kurla Complex, Mumbai 400051. Tel: +91 22 6849 7400 E-mail: suhani.bhareja@investec.co.in	100	0.06
JM Financial Services Limited 2, 3 & 4, Kamanwala Chambers, Ground Floor Sir P. M. Road, Fort, Mumbai-400001. Tel: +91 22 6136 3400 E-mail: surajit.Misra@jmfl.com; deepak.vaidya@jmfl.com; tn.kumar@jmfl.com; sona.verghese@jmfl.com	100	0.06
Kotak Securities Limited 4th Floor, 12-BKC, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051. Tel: +91 22 6218 5470 E-mail: umesh.gupta@kotak.com	100	0.06
SBICAP Securities Limited Marathon Futurex, 12th Floor A & B–Wing, N. M. Joshi Marg Lower Parel, Mumbai 400 013, Maharashtra, India. Tel: +91 22 4227 3300 E-mail: archana.dedhia@sbicapsec.com	100	0.06

* *SBI has participated as a Selling Shareholder in the Offer for Sale. SBICAP has signed the due diligence certificate and has been disclosed as a BRLM for the Offer. SBI and SBICAP are associates in terms of the SEBI Merchant Bankers Regulations. Accordingly, in compliance with the proviso to Regulation 21A of the SEBI Merchant Bankers Regulations and Regulation 23(3) of the SEBI ICDR Regulations, SBICAP was involved only in the marketing of the Offer.*

The aforementioned underwriting commitments are indicative and will be finalised after the finalisation of the Basis of Allotment and 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 of Directors/IPO Committee, at its meeting held on October 3, 2020, 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 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.

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**		
	200,000,000 Equity Shares (having face value of ₹ 10 each)	2,000,000,000	
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	126,787,254 Equity Shares (having face value of ₹ 10 each)	1,267,872,540	
C	**PRESENT OFFER IN TERMS OF THIS PROSPECTUS** (1)		
	Offer for Sale of 38,987,081* Equity Shares (having face value of ₹ 10 each) aggregating to ₹ 21,598.84 million (1)(2)	389,870,810	21,598,842,874
	Employee Reservation Portion of 200,000* Equity Shares (having face value of ₹ 10 each) (3)	2,000,000	110,800,000
	Net Offer of 38,787,081* Equity Shares	387,870,810	21,488,042,874
D	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	126,787,254 Equity Shares (having face value of ₹ 10 each)]	1,267,872,540	
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer		356,129,680
	After the Offer		356,129,680

* *Subject to finalisation of the Basis of Allotment. The Offer Price is ₹ 554 per Equity Share.*

(1) The Offer has been authorised by a resolution of our Board at their meetings held on August 22, 2019 and October 23, 2019. The Selling Shareholders have confirmed and authorised their respective participation in the Offer. For further details, see "Other Regulatory and Statutory Disclosures" on page 357.

(2) The Equity Shares being offered by each Selling Shareholders 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 Regulation 8 of SEBI ICDR Regulations and accordingly, are eligible for 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" on page 357.

(3) Eligible Employees Bidding in the Employee Reservation Portion could Bid up to a Bid Amount of ₹ 500,000. For details, see "Offer Structure", beginning on page 389.

Increase in Authorised Share Capital

Date of Shareholders' Resolution	Nature of Amendment
September 26, 2006	The authorised share capital of our Company was increased from ₹ 100,000,000 divided into 10,000,000 Equity Shares of ₹ 10 each to ₹ 750,000,000 divided into 75,000,000 Equity Shares of ₹ 10 each.
September 18, 2007	The authorised capital was increased from ₹ 750,000,000 divided into 75,000,000 Equity Shares of ₹ 10 each to ₹ 1,000,000,000 divided into 100,000,000 Equity Shares of ₹ 10 each.
December 20, 2007	The authorised capital was increased from ₹ 1,000,000,000 divided into 100,000,000 Equity Shares of ₹ 10 each to ₹ 2,000,000,000 divided into 200,000,000 Equity Shares of ₹ 10 each.

Notes to the Capital Structure

I. 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
December 9, 2002	10,000	10	10	Initial subscription to the Memorandum of Association(1)	Cash
December 9, 2002	9,990,000	10	10	Further issue of shares after incorporation(2)	Cash

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
December 21, 2006	40,000,000	10	NA	Issuance of bonus Equity Shares in the ratio of 4:1[(3)]	Capitalisation of reserves and surplus
December 27, 2007	75,000,000	10	NA	Issuance of bonus Equity Shares in the ratio of 3:2[(4)]	Capitalisation of reserves and surplus
August 22, 2014	37,012	10	260	Allotment of Equity Shares under the ESOP 2007[(5)]	Cash
August 22, 2014	553,166	10	200	Allotment of Equity Shares under the ESOP 2007[(6)]	Cash
February 24, 2015	732,390	10	200	Allotment of Equity Shares under the ESOP 2007[(7)]	Cash
September 21, 2015	13,004	10	260	Preferential Allotment of Equity Shares[(8)]	Cash
September 21, 2015	451,682	10	230	Preferential Allotment of Equity Shares[(9)]	Cash
Total	**126,787,254**				

(1) Allotment of 2,500 Equity Shares to N. S. Shrinivasan, M. R. Murali, S. V. Shenoy and K.S.V. Krishnama Chari as nominees of BOB, LIC, PNB and SBI, respectively.

(2) Allotment of 2,497,500 Equity Shares each to BOB, LIC, PNB and SBI.

(3) Allotment of 9,990,000 Equity Shares each to BOB, LIC, PNB and SBI and 10,000 Equity Shares each to M. R. Murali (as a nominee of LIC), S. V. Shenoy (as a nominee of PNB), S.K. Hariharan (as a nominee of SBI) and D.A. Parekh (as a nominee of BOB).

(4) Allotment of 18,750,000 Equity Shares to PNB, 18,731,250 Equity Shares each to BOB, LIC and SBI, 18,750 Equity Shares each to Y. Vijayanand (as a nominee of SBI) and M.R. Murali (as a nominee of LIC), 15,000 Equity Shares to D.A. Parekh (as a nominee of BOB) and 3,750 Equity Shares to Anil D. Parulkar (as a nominee of BOB).

(5) An aggregate of 37,012 Equity Shares have been allotted by our Company under ESOP 2007.

(6) An aggregate of 553,166 Equity Shares have been allotted by our Company under the ESOP 2007.

(7) An aggregate of 732,390 Equity Shares have been allotted by our Company under the ESOP 2007.

(8) Allotment of 13,004 Equity Shares to TRP.

(9) Allotment of 451,682 Equity Shares to TRP.

2. **Equity Shares issued for consideration other than cash 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:

Date of Allotment	Number of Equity Shares Allotted	Face Value per Equity Shares (in ₹)	Issue Price per Equity Shares (in ₹)	Nature of Allotment	Nature of consideration
December 21, 2006	40,000,000	10	NA	Issuance of bonus Equity Shares in the ratio of 4:1	Capitalisation of Reserves and Surplus
December 27, 2007	75,000,000	10	NA	Issuance of bonus Equity Shares in the ratio of 3:2	Capitalisation of Reserves and Surplus

Our Company has not issued any Equity Shares out of revaluation reserves.

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**

For details of Equity Shares issued by our Company pursuant to the exercise of options which have been granted under the ESOP 2007, see "*-Equity Share capital history of our Company"* on page 75.

5. **Equity Shares issued in the preceding one year below the Offer Price**

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. **Details of Lock-in**

a) ***Details of Equity Shares locked-in for three years***

Our Company is a professionally managed company and does not have an identifiable promoter in terms of the SEBI ICDR Regulations and the Companies Act. Accordingly, in terms of Regulation 14(1) of the SEBI ICDR Regulations, there is no requirement of minimum promoter's contribution in this Offer and accordingly, none of the Equity Shares will be locked in for a period of three years pursuant to the Offer.

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

In terms of Regulations 17 of the SEBI ICDR Regulations, the entire pre-Offer equity share capital will be locked-in for a period of one year from the date of Allotment, other than (a) Equity Shares which are successfully transferred as part of the Offer for Sale; and (b) any Equity Shares allotted to employees, whether currently an employee or not, pursuant to the ESOP 2007 prior to the Offer.

c) ***Lock-in of Equity Shares Allotted to Anchor Investors***

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

d) ***Other Requirements in respect of Lock-in***

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Shareholders prior to the Offer and locked-in for a period of one year may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the applicable lock-in and the transferee being ineligible to transfer such Equity Shares until expiry of the lock-in period, and compliance with the provisions of the SEBI Takeover Regulations.

7. **Shareholding Pattern of our Company**

The table below presents the shareholding pattern of our Company as on September 30, 2020:

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**	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(B)	**Public**	1,943*	126,787,254	-	-	126,787,254	100.00	126,787,254	-	126,787,254	100.00	-	100.00	-		-		126,448,078
(C)	**Non Promoter-Non Public**	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C1)	**Shares underlying DRs**	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C2)	**Shares held by Employee Trusts**	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
	Total	1,943*	126,787,254	-	-	126,787,254	100.00	126,787,254	-	126,787,254	100.00	-	100.00	-		-		126,448,078

* *The number of shareholders is calculated based on the number of folios.*

8. **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 on the date of this Prospectus:

Sr. No.	Name of the shareholder	Pre-Offer	
		Number of Equity Shares on a fully diluted basis	Percentage of the Equity Share capital (%) on a fully diluted basis
1.	TRP	32,964,686	26.00
2.	SBI	23,125,000	18.24
3.	LIC	23,125,000	18.24
4.	BOB	23,125,000	18.24
5.	PNB	23,125,000	18.24
	Total	**125,464,686**	**98.96**

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:

Sr. No.	Name of the shareholder	Pre-Offer	
		Number of Equity Shares on a fully diluted basis	Percentage of the Equity Share capital (%) on a fully diluted basis
1.	TRP	32,964,686	26.00
2.	SBI	23,125,000	18.24
3.	LIC	23,125,000	18.24
4.	BOB	23,125,000	18.24
5.	PNB	23,125,000	18.24
	Total	**125,464,686**	**98.96**

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:

Sr. No.	Name of the shareholder	Pre-Offer	
		Number of Equity Shares on a fully diluted basis	Percentage of the Equity Share capital (%) on a fully diluted basis
1.	TRP	32,964,686	26.00
2.	SBI	23,125,000	18.24
3.	LIC	23,125,000	18.24
4.	BOB	23,125,000	18.24
5.	PNB	23,125,000	18.24
	Total	**125,464,686**	**98.96**

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:

Sr. No.	Name of the shareholder	Pre-Offer	
		Number of Equity Shares on a fully diluted basis	Percentage of the Equity Share capital (%) on a fully diluted basis
1.	TRP	32,964,686	26.00
2.	SBI	23,125,000	18.24
3.	LIC	23,125,000	18.24
4.	BOB	23,125,000	18.24
5.	PNB	23,125,000	18.24
	Total	**125,464,686**	**98.96**

9. As on the date of this Prospectus, the total number of shareholders (based on the number of folios) of our Company is 1,943.

10. None of our Directors hold Equity Shares in our Company. Further, none of the Directors of our Company or any of their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Prospectus.

11. There have been no financing arrangements whereby our Directors and any of their relatives have financed the purchase by any other person of securities of our Company (other than in the normal course of the business of the relevant financing entity) 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.

12. 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 Book Running Lead Managers have not made any buy-back arrangements for purchase of Equity Shares from any person.

13. As on the date of this Prospectus, other than SBI, which is an associate of SBICAP in terms of the SEBI Merchant Bankers Regulations, the Book Running Lead Managers and their respective associates (as defined under the SEBI Merchant Bankers Regulations) do not hold any Equity Shares.

14. All Equity Shares transferred pursuant to the Offer will be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Prospectus.

15. Except the options granted pursuant to ESOP 2007, 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 on the date of this Prospectus.

16. Except for the issue of any Equity Shares pursuant to exercise of options granted under the ESOP 2007, there is no proposal or intention, negotiations and consideration of our Company to alter its capital structure by way of split or consolidation of the Equity Shares or issue of Equity Shares or convertible securities on a preferential basis or issue of bonus or rights or further public offer of such securities, within a period of 6 months from the date of opening of the Offer. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity.

17. Any oversubscription to the extent of 1% of the Offer Size can be retained for the purposes of rounding off to the nearest multiple of minimum allotment lot while finalizing the Basis of Allotment.

18. Except for any exercise of options vested pursuant to ESOP 2007, 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 during the period commencing from filing of this Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges, or all application monies have been refunded, as the case may be.

19. Our Company shall ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

20. No person connected with the Offer, including, but not limited to, the members of the Syndicate, our Company and the Directors, shall offer or make payment of any incentive, direct or indirect, in the nature of discount, commission and allowance, except for fees or commission for services rendered in relation to the Offer, in any manner, whether in cash or kind or services or otherwise, to any Bidder for making a Bid.

21. **Employee Stock Option Scheme**

Our Company instituted the ESOP 2007, pursuant to a resolution of the Shareholders dated September 18, 2007, which has been amended by the special resolution of the Shareholders on December 20, 2007.

As a regulatory requirement in connection with the proposed Offer, the ESOP 2007 has been amended by our Company pursuant to resolution passed by our Board on November 13, 2019 and Shareholders on December 16, 2019. The ESOP 2007, as amended, is in compliance with the SEBI SBEB Regulations.

Our Company has made allotments on August 22, 2014 and February 24, 2015 under the ESOP 2007. For further details, see "– *Notes to the Capital Structure*" on page 75.

The details of the ESOP 2007 are as follows:

Particulars	Total
Options granted	7,009,944
Options vested (excluding options that have been exercised)	3,739,215
Options exercised	1,322,568
Total number of Equity Shares that would arise as a result of full exercise of options granted (net of cancelled / forfeited / lapsed options)	2,110,259
Options forfeited/ lapsed/ cancelled	3,577,117
Money realised by exercise of options (₹)	266,734,320
Total number of options in force	2,110,259

The following table sets forth the particulars of the ESOP 2007, including options granted during the last three Fiscals, and as on the date of this Prospectus:

Particulars	Fiscal 2018	Fiscal 2019	Fiscal 2020	For the period beginning April 1, 2020 till the date of this Prospectus
Options granted	-	-	2,191,554	-
Options vested (excluding options that have been exercised) during the year / period	-	-	-	-
Options exercised during the year / period	-	-	-	-
Exercise price of options granted (₹) during the year / period	-	-	728	-
Exercise price of options exercised (₹) during the year / period	-	-	-	-
Total number of Equity Shares that would arise as a result of full exercise of options granted (net of cancelled options)	-	-	2,191,554	-
Options forfeited/lapsed/cancelled	-	-	-	81,295
Variation in terms of options	-			
Money realised by exercise of options	-	-	-	-
Total number of options in force	-	-	2,191,554	2,110,259
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				
Method of option valuation	Black Scholes Valuation Model has been used for computation of the fair value of options			
Expected Volatility (%)	-	-	39.78	-
Expected Dividend Yield (%)	-	-	-	-
Expected life (Years)	-	-	4 Years (mid-way between option vesting and expiry)	-
Risk free interest rate (%)	-	-	6.33%	-
Weighted average exercise prices and weighted average fair value of options whose exercise price where:	-	-		-
a) Exercise price equals market price on the date of grant - Fair Value of options granted (₹) - Exercise Price (₹)	-	-	728	-
b) Exercise price is greater than market price on the date of grant - Fair Value of options granted (₹) - Exercise Price (₹)	-	-	-	-
c) Exercise price is less than market	-	-	-	-

Particulars	Fiscal 2018	Fiscal 2019	Fiscal 2020	For the period beginning April 1, 2020 till the date of this Prospectus
price on the date of grant - Fair Value of options granted (₹) - Exercise Price (₹)				
Fully diluted EPS on a pre-Offer basis on exercise of options calculated in accordance with Ind AS 33 'Earning Per Share' (₹)	28.73	27.83	21.53	-
Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognized if our Company had used fair value of options and impact of this difference on profits and EPS of our Company				
Increase in profit/(loss) for the year (₹ million)	-	-	-	-
Revised EPS (₹)	28.73	27.83	21.53	-
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				
Increase in profit/(loss) for the year (₹ million)	-	-	-	-
Revised EPS (₹)	28.73	27.83	21.53	-
Intention of the KMPs and whole time directors who are holders of Equity Shares allotted on exercise of options granted to sell their equity shares within three months after the date of listing of Equity Shares pursuant to the Offer				66,400**
Intention to sell Equity Shares arising out of ESOP 2007 within three months after the listing of Equity Shares, by Directors, senior management personnel and employees having Equity Shares arising out of the ESOP 2007, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)				NA

** *Intention to sell by Key Managerial Personnel (collectively, ESOP Scheme 2007, and as amended)*

Name of Key Managerial Personnel	Number of Equity Shares or stock options
Amandeep Singh Chopra	25,000
Debasish Mohanty	27,000
Gaurav Suri	6,000
Rakesh Trikha	4,400
Surojit Saha	3,000
Vivek Maheshwari	1,000

Employee wise details of options granted to Key Managerial Personnel

Name and designation	No. of options granted during the year	No. of options lapsed / cancelled during the year	No. of options exercised during the year	No. of options outstanding as at the end of the year / period
Period from April 1, 2020 till the date of this Prospectus				
Imtaiyazur Rahman	-	-	-	175,000
Surojit Saha	-	-	-	17,893
Arvind Patkar	-	-	-	1,696
Amandeep Singh Chopra		-	-	74,918
Vetri Subramaniam	-	-	-	62,888
Indranil Choudhury	-	-	-	16,287
Debasish Mohanty	-	-	-	26,955
Gaurav Suri	-	-	-	24,410
Rakesh Trikha	-	-	-	12,378
Sandeep Samsi	-	-	-	6,655
Siddhartha Dash	-	-	-	4,860
Vinay Lakhotia	-	-	-	17,893
Vivek Maheshwari	-	-	-	16,742
Fiscal 2020				
Imtaiyazur Rahman	175,000	-	-	175,000
Surojit Saha	17,893	-	-	17,893
Arvind Patkar	1,696	-	-	1,696
Amandeep Singh Chopra	74,918	-	-	74,918
Vetri Subramaniam	62,888	-	-	62,888
Indranil Choudhury	16,287	-	-	16,287
Debasish Mohanty	26,955	-	-	26,955
Gaurav Suri	24,410	-	-	24,410
Rakesh Trikha	12,378	-	-	12,378
Sandeep Samsi	6,655	-	-	6,655
Siddhartha Dash	4,860	-	-	4,860
Vinay Lakhotia	17,893	-	-	17,893
Vivek Maheshwari	16,742	-	-	16,742
Fiscal 2019				
-	-	-	-	-
Fiscal 2018				
-	-	-	-	-

List of employees who received a grant in any one year of options amounting to 5% or more of the options granted during the year

Name and designation	No. of options granted	No. of options lapsed / cancelled	No. of options exercised	No. of options outstanding
Period from April 1, 2020 till the date of this Prospectus				
-	-	-	-	-
Fiscal 2020				
Imtaiyazur Rahman	175,000	-	-	175,000
Fiscal 2019				
-	-	-	-	-
Fiscal 2018				

Name and designation	No. of options granted	No. of options lapsed / cancelled	No. of options exercised	No. of options outstanding
-	-	-	-	-

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

Name and designation	Grant period	No. of options granted	No. of options lapsed / cancelled	No. of options exercised	No. of options outstanding
-	-	-	-	-	-

OBJECTS OF THE OFFER

The objects of the Offer are to achieve the benefits of listing the Equity Shares on the Stock Exchanges and the sale of 38,987,081* Equity Shares by the Selling Shareholders in the Offer. Further, the listing of Equity Shares will enhance our Company's brand name and provide liquidity to the existing Shareholders. Our Company expects that the proposed listing will also 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.

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

Offer Expenses

The Offer expenses are estimated to be approximately ₹ 551.26 million. All expenses with respect to the Offer will be borne by the Selling Shareholders in the manner mutually agreed upon amongst them, in accordance with applicable law, while the listing fees shall be borne by our Company. The Offer expenses comprises of, among other things, listing fee, underwriting fee, selling commission and brokerage, fee payable to the BRLMs, 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 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 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 estimated Offer expenses is as follows:

Activity	Estimated expenses (in ₹ million)[(1)]	As a % of total estimated Offer expenses[(1)]	As a % of the total Offer size[(1)]
Book Running Lead Managers fees	149.73	27.16%	0.69%
Commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Offer. Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs[(2) (3)(4)]	47.24	8.57%	0.22%
Fees payable to Registrar to the Offer	1.06	0.19%	0.00%
Others			
- fees payable to the Auditors	26.90	4.88%	0.12%
- regulatory filing fees, book building software fees, listing fees, etc.)	57.27	10.39%	0.27%
- printing and stationery	34.96	6.34%	0.16%
- fee payable to legal counsels	92.66	16.81%	0.43%
- advertising and marketing	71.60	12.99%	0.33%
- other advisors to the Offer	9.22	1.67%	0.04%
- miscellaneous	60.62	11.00%	0.28%
Total estimated Offer expenses	551.26	100%	2.55%

(1) *Offer expenses include applicable taxes, where applicable.*

(2) *Selling commission payable to the SCSBs, Syndicate Members (including their Sub-Syndicate Members), RTAs and CDPs which are directly procured by them would be as follows:*

Portion for Retail Individual Investors	*0.30% of the amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Investors	*0.15% of the amount Allotted* (plus applicable taxes)*
Portion for Employee Reservation	*0.15% 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 Registered Brokers on the portion for Retail Individual Investors using the UPI Mechanism, Non-Institutional Investors and Employee Reservation, which are directly procured by the Registered Brokers and submitted to SCSB for processing, shall be ₹ 10 per valid Bid cum Application Form (plus applicable taxes).

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) *Bidding charges of ₹ 10 (plus applicable taxes) shall be payable as per valid ASBA Form collected by the Syndicate, RTAs and CDPs (excluding applications made by Retail Individual Investors using the UPI Mechanism). The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges. No additional bidding charges shall be payable to SCSBs on the Bid cum Application Forms directly procured by them.*

(4) *Processing fees payable to the SCSBs for Bid cum Application Forms which are procured by the Members of the Syndicate / Registered Brokers / RTAs / CDPs and submitted to the SCSB for blocking shall be ₹ 10 per valid Bid cum Application Form (plus applicable taxes).*

Processing fees for applications made by Retail Individual Investors using the UPI Mechanism would be as follows:

Members of the Syndicate /RTAs / CDPs	*₹ 30 per valid Bid cum Application Form (plus applicable taxes)*
Sponsor Bank	*₹ 8 per valid Bid cum Application Form (plus applicable taxes)* *The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, the NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws*

Eligible Employees cannot apply under Employee Reservation portion using UPI mechanism.

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, in consultation with 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 ₹ 10 each and the Offer Price is 55.40 times the face value.

Bidders should read "*Our Business*", "*Risk Factors*", "*Restated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 146, 24, 213 and 314 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) Well-positioned to capitalise on favourable industry dynamics, including the underpenetration of mutual fund products.

(b) Pure-play independent asset manager with strong brand recognition and diverse portfolio of funds and services.

(c) Multiple distribution channels with wide reach and broad and stable client base.

(d) Long-term track record of product innovation, consistent and stable investment performance and AUM growth.

(e) Established position in retirement solutions through product innovation and large retirement fund mandates.

(f) Experienced management and investment teams supported by strong governance structures and human resources programs.

(g) Enhanced profitability driven by our size and product mix.

For further details, see "*Our Business – Our Strengths*" on page 148,

Quantitative Factors

Certain information presented below, relating to our Company, is based on the Restated Financial Information. For details, see "*Restated 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 EPS as adjusted for changes in capital:

As per the Restated Financial Information:

Financial Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Financial Year 2020	21.53	21.53	3
Financial Year 2019	27.83	27.83	2
Financial Year 2018	28.73	28.73	1
Weighted Average	24.83	24.83	-
Three months ended June 30, 2020*	7.93	7.93	-

* *Not annualized*

Notes:

(1) EPS has been calculated in accordance with the Indian Accounting Standard (Ind AS) 33 (earnings per share) issued by the ICAI. The face value of the Equity Shares is ₹ 10.

(2) The above statement should be read with significant accounting policies and the notes to the Restated Financial Information as appearing in "Restated Financial Information" beginning on page 213.

2. Price/Earning ("P/E") ratio in relation to Offer Price of ₹ 554 per Equity Share:

Particulars	P/E at the Offer Price (no. of times)
Based on Basic EPS for Financial Year 2020	25.73
Based on Diluted EPS for Financial Year 2020	25.73

Industry P/E ratio

	P/E Ratio
Highest	39.78

	P/E Ratio
Lowest	38.40
Average	39.09

Notes:

The industry high and low has been considered from the industry peer set provided later in this section. The industry composite has been calculated as the arithmetic average of P/E for industry peer set disclosed in this section. For further details, see "– Comparison of Accounting Ratios with Listed Industry Peers" on page 88.

3. Average Return on Net Worth ("RoNW")

As per the Restated Financial Information of our Company:

Particulars	RoNW %	Weight
Financial Year 2020	9.88	3
Financial Year 2019	13.55	2
Financial Year 2018	15.38	1
Weighted Average	12.02	-
Three months ended June 30, 2020*	3.55	-

* *Not annualized*

Notes:

(1) RoNW is calculated as net profit after tax and minority interest attributable to the Shareholders of our Company divided by the shareholders' funds for that year. Shareholders' funds = Share capital + reserves & surplus – revaluation reserves.

(2) Net worth for ratio mentioned in above note represents the aggregate of the equity share capital and other equity (including Securities premium, General reserve, Employee stock options outstanding and Retained earnings).

4. Net Asset Value per Equity Share of face value of ₹ 10 each

Net Asset Value per Equity Share	(₹)
As on March 31, 2020	217.88
As on June 30, 2020	223.60
Offer Price	554

Notes:

(1) Offer Price per Equity Share has been determined on conclusion of the Book Building Process

(2) Net Asset Value per Equity Share represents net worth as at the end of the fiscal year, as restated, divided by the number of Equity Shares outstanding at the end of the period/year.

(3) There will be no change in the net worth post Offer as the Offer is by way of Offer for Sale by the Selling Shareholders.

5. Comparison of Accounting Ratios with Listed Industry Peers

Name of Company	Face Value (₹ per equity share)	Closing price on October 1, 2020 (₹ per equity share)	Total Income, for Financial Year 2020 (in ₹ million)	EPS[1] (₹)		NAV[4] (₹ per share)	P/E(times)[2]	RoNW[3] (%)
				Basic	Diluted			
UTI AMC	10	NA	8 ,909.61	21.53	21.53	217.88	25.73^	9.88%
Peer Group								
HDFC Asset Management Company Limited	5	2,275.10	21,434.30	59.37	59.24	189.34	38.40	31.33%
Nippon Life Asset Management Limited	10	266.10	11,932.10	6.78	6.69	42.36	39.78	16.03%

Source: All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the financial results of the respective company for the year ended March 31, 2020 submitted to stock exchanges.

Source for our Company: Based on the Restated Financial Information for the year ended March 31, 2020.

Notes:

^ Based on Offer Price of ₹ 554 per Equity Share divided by diluted EPS.

(1) Basic EPS and Diluted EPS refer to the Basic EPS and Diluted EPS sourced from the annual reports of the respective company for the year ended March 31, 2020, except for Company in which case it is sourced from Restated Financial Information.

(2) P/E Ratio has been computed based on the closing market price of equity shares available on NSE on October 1, 2020, divided by the Diluted EPS provided under Note 1 above.

(3) RoNW is computed as profit after tax (after removing profit attributable to non-controlling interest, if applicable) divided by closing net worth. Net worth has been computed as sum of equity share capital and other equity as on March 31, 2020.

(4) NAV is computed as the closing net worth divided by the number of equity shares outstanding as on March 31, 2020.

The Offer Price of ₹ 554 has been determined by our Company, in consultation with the Book Running Lead Managers, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. The trading price of Equity Shares could decline due to factors mentioned in "*Risk Factors*" beginning on page 24 and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

To,

The Board of Directors
UTI Asset Management Company Limited
UTI Tower, Gn Block Bandra Kurla Complex
Bandra (East), Mumbai - 400051
Maharashtra, India

Ladies and Gentlemen,

Re: Proposed initial public offer of UTI Asset Management Company Limited (the "Company", and such offering, the "Offer")

1. We, G.D. Apte & Co., Statutory Auditors of the Company, hereby confirm that the 'Statement of Special Tax Benefits', enclosed herewith as **Annexure A**, prepared by the Company and initialled by us and the Company (the "**Statement**"), provides the possible special tax benefits (under direct and indirect tax laws) available to the Company, to its shareholders and its material subsidiaries as stated in **Annexure B** ("**Material Subsidiaries**") pursuant to (i) the Income Tax Act, 1961, as amended and read with the rules, circulars and notifications issued in relation thereto; and (ii) applicable indirect taxation laws, as amended and read with the rules, circulars and notifications issued in connection thereto. Several of such possible special tax benefits forming part of the Statement are dependent on the Company and/or its shareholders and/or its material subsidiaries fulfilling applicable conditions prescribed within the relevant statutory provisions and accordingly, the ability of the Company and/or its shareholders and/or its material subsidiaries to derive such possible special tax benefits is entirely dependent upon the lawful fulfilment of such conditions by the Company and/or its shareholders, as applicable.

2. The special tax benefits discussed within the Statement are not exhaustive. The preparation of the statement and its contents are the responsibility of the management of the company. The statement is intended to provide an illustrative understanding to prospective investors with respect to the possible special tax benefits available to the Company and/or its shareholders and/or its material subsidiaries 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 changing tax laws, each prospective investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.

3. We do not express any opinion or provide any assurance as to whether the:

    (i) Company and/or its shareholders and/or its material subsidiaries will continue to obtain such possible special tax benefits in the future; or

    (ii) conditions prescribed for availing such possible special tax benefits where applicable, have been/would be complied with.

4. The contents of the Statement are based on information, explanations and representations obtained from the Company and its material subsidiaries and on the basis of our understanding of the business activities and operations of the Company and its material subsidiaries.

5. Our views expressed herein are based on the facts and assumptions indicated to us. 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 the tax laws and its interpretation, which are subject to change from time to time.

6. We do not assume responsibility to update this statement consequent to such changes. We shall not be liable to the company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

7. Our examination of the Statement has been carried out in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) as issued by the Institute of Chartered Accountants of India ("**ICAI**") and accordingly, we confirm that we have complied with ethical requirements stipulated within the Code of Ethics issued by the ICAI.

8. The enclosed statement is intended solely for your information and for inclusion in the Red Herring Prospectus, the Prospectus and any other material in connection with the Proposed Offer and is not used, referred to or distributed for any other purpose without our prior written consent.

Yours faithfully,

For G. D. Apte & Co.,
Chartered Accountants
ICAI Firm Registration No: 100515W

CA Chetan R. Sapre
Partner
Membership No. 116952
Peer certificate no. 010485
UDIN: 20116952AAAALX5241
Date: August 29, 2020
Place: Mumbai

ANNEXURE A

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY, ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARY/IES.

Outlined below are the Possible Special Tax Benefits available to the Company, its Shareholders and its Material Subsidiaries under the applicable direct and indirect tax Laws ("Tax Laws"). These Possible Special Tax Benefits are dependent on the Company, its shareholders and its Material Subsidiaries fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company and its shareholders and its material subsidiaries to derive the Possible 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. I961

I . Special Tax Benefits available to the Company:

There are no Special Tax Benefits available to the company under the Direct Tax Laws.

II. Special Tax Benefits available to its shareholders:

There are no Special Tax Benefits available to its shareholders under the Direct Tax Laws.

III. Special Tax Benefits available to M/s UTI lnternational Limited, a material subsidiary identified by the management.

UTI International Limited having its jurisdiction at Guernsey, has two wholly owned subsidiaries viz. UTI Investment Management Company (Mauritius) Limited and UTI International (Singapore) Private Limited with jurisdiction at Mauritius and Singapore, respectively.

(i) UTI International Limited is taxed at the Guernsey company standard rate of 0% (NIL) and hence there is no tax liability.

(ii) UTI Investment Management Company (Mauritius) Limited being the holder of a "category global business license", is classified as a tax incentive Company and under the current laws and regulations is liable to pay Income Tax on its profits, as adjusted for tax purposes, at the rate of 15%. It is however, entitled to a tax credit equivalent to the higher of actual foreign tax suffered or a deemed tax credit of 80% in respect of foreign source income.

The capital gains are exempted from tax in Mauritius.

The foregoing is based on current interpretation and practice and is subject to any future changes in Indian or Mauritian laws and in the treaty between India and Mauritius

(iii) UTI International (Singapore) Private Limited was granted the Financial Sector Incentive Award (Fund Management or Investment Advisory Services) ("FSI"), effective from 29 April 2016 to 28 April 2021. Under the FSI award, the company is entitled to concessionary rate of 10% on qualifying transactions under the provisions of Concessionary rate of Tax for Financial Sector Incentive Companies in Section 43Q of the Income Tax Act (Chapter 134).

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 Indirect Tax Laws.

II. Special Tax Benefits available to its shareholders:

There are no Special Tax Benefits available to its shareholder under the Indirect Tax Laws

III. Special Tax Benefits available to M/s UTI International Limited, a material subsidiary identified by the management.

There are no Special Tax Benefits available to its material subsidiaries under the Indirect Tax Laws.

ANNEXURE B

List of material subsidiaries identified by management and considered as part of the statement:

Material Subsidiary:	UTI International Limited
Subsidiaries of Material Subsidiary:	UTI Investment Management Company (Mauritius) Limited; UTI International (Singapore) Private Limited

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*The information in this section is derived from the report titled "Assessment of mutual fund industry in India", August 2020 (the "**CRISIL Report**"), prepared by CRISIL Research ("**CRISIL**"), a division of CRISIL Limited. We commissioned the CRISIL Report for the purposes of confirming our understanding of the industry in connection with the Offer. Neither our Company nor any other person connected with the Offer has verified the information in the CRISIL Report or other publicly available information cited therein or in this section. Further, 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, CRISIL does not guarantee the accuracy, adequacy or completeness of the CRISIL Report or the information contained therein and is not responsible for any errors or omissions or for the results obtained from the use of the CRISIL Report or the information contained therein. Further, the CRISIL Report is not a recommendation to invest in or disinvest from any company covered in the CRISIL Report, no part of the CRISIL 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, and CRISIL states that it has no financial liability whatsoever to the subscribers, users, transmitters or distributors of the CRISIL Report. CRISIL operates independently of, and does not have access to information obtained by CRISIL Limited's Ratings Division ("**CLRD**") 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 and not of our Company, CLRD or CRIS. Prospective investors are advised not to unduly rely on the information contained in the CRISIL Report.*

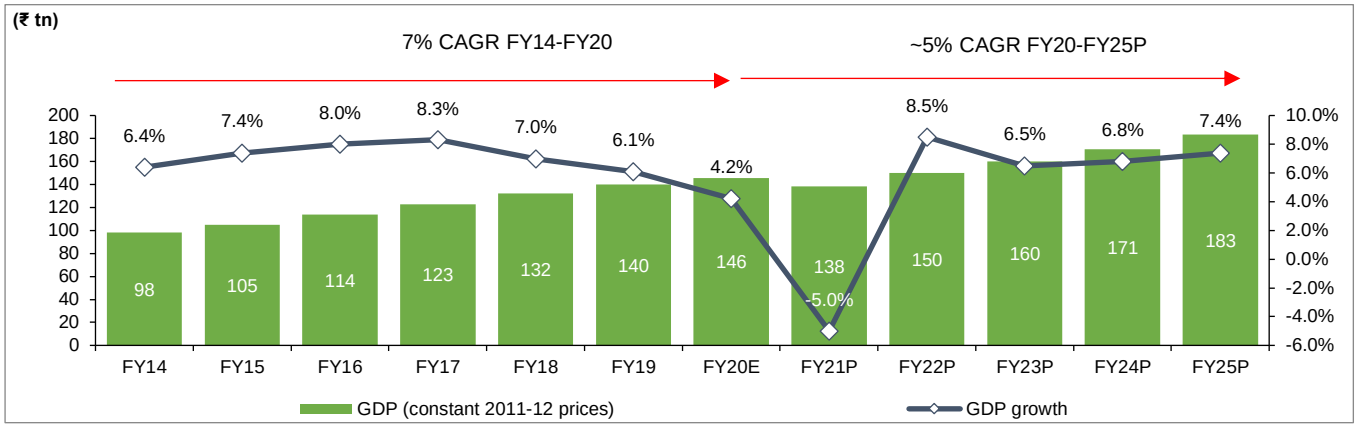
Macroeconomic Outlook

Impact of the COVID-19 Pandemic on the Indian Economy

Private consumption and investment drove real gross domestic product (GDP) growth in India from Fiscal 2014 until Fiscal 2019. Exports picked up in 2017 and the first half of 2018 in line with higher global growth but lost momentum since the second half of 2018 on the back of decelerating global economic growth driven by falling trade intensity due to rising US-China trade tensions into Fiscal 2020 as well as volatile commodity and energy prices driven by economic uncertainties owing to Brexit. India's financial sector, which is experiencing significant corrections in credit quality following the recent Infrastructure Leasing & Financial Services (IL&FS) and non-banking financial institution (NBFC) crises, caused a domino effect on the Indian economy as liquidity squeeze led to consumption slow down and decline in GDP growth. A broad-based recovery of the Indian economy was expected in the last quarter of Fiscal 2020, following the Government of India's fiscal and monetary measures, but was stalled by the outbreak of the COVID-19 pandemic, which has further disrupted the Indian economy on a scale not seen in recent years.

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

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



Note: E - Estimated, P – Projected. Data as of March 31 of the relevant fiscal years.
*Source: National Statistics Office ("**NSO**"), IMF and CRISIL.*

As of June 2020, the International Monetary Fund ("**IMF**") expects the real GDP of India for the 2020 calendar year to decline 4.5% compared to the prior year, compared to a contraction of global real GDP of 4.9%. At the same time, the IMF expects the Indian economy to experience a sharp recovery in the 2021 calendar year and projects India's real GDP to grow at a rate of 6.0% in 2021.

Real GDP growth of major economies (% year-on-year)

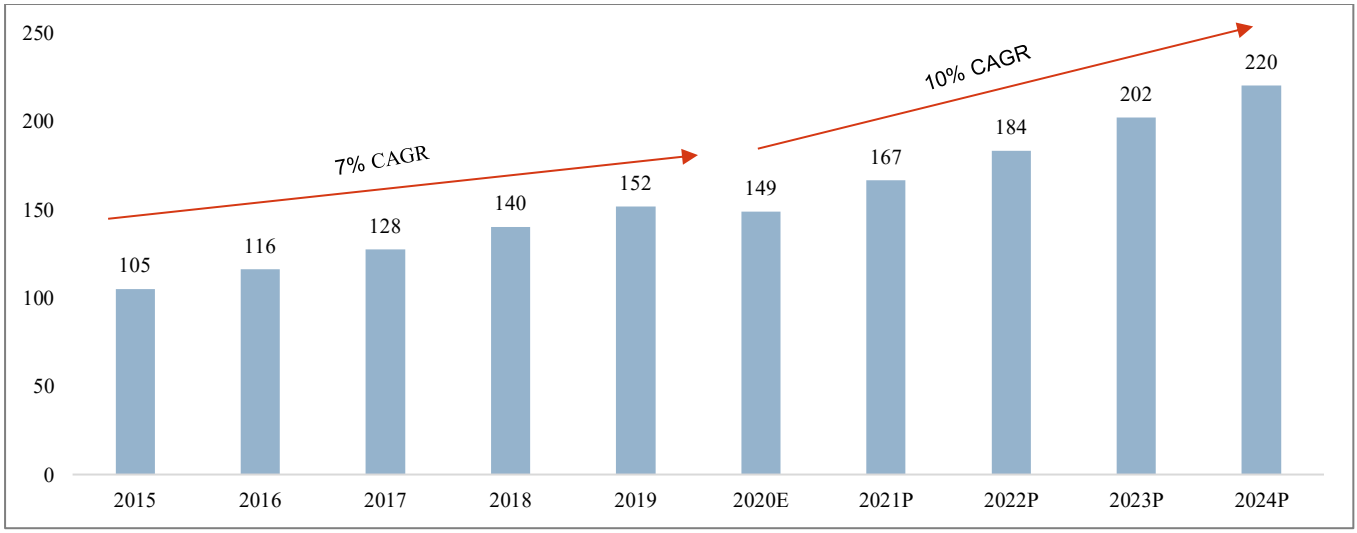
In (%)	2014	2015	2016	2017	2018	2019	2020E	2021P
India	7.4	8.0	8.3	7.0	6.1	4.2	-4.5	6.0
Brazil	0.5	-3.6	-3.3	1.3	1.3	1.1	-9.1	3.6
China	7.3	6.9	6.8	6.9	6.8	6.1	1.0	8.2
Australia	2.6	2.3	2.8	2.5	2.7	1.8	-4.5	4.0
Singapore	3.9	3.0	3.2	4.3	3.4	0.7	-3.5	3.0
Switzerland	2.5	1.3	1.7	1.9	2.7	0.9	-6.0	3.8
United Kingdom	2.6	2.4	1.9	1.9	1.3	1.4	-10.2	6.3
United States	2.5	2.9	1.6	2.4	2.9	2.3	-8.0	4.5
World	3.6	3.5	3.4	3.9	3.6	2.9	-4.9	5.4
Emerging market and developing economies	4.7	4.3	4.6	4.8	4.5	3.7	-3.0	5.9

Note: E - Estimated, P – Projected. Data as of December 31 of the relevant fiscal years.
Note: GDP growth is based on constant prices. The figures include IMF estimates and forecast as of June 30, 2020.
Source: IMF (World Economic Outlook - June 2020 update), CRISIL.

CRISIL expects nominal GDP per capita in India to grow at a CAGR of 10% in the period from Fiscal 2020 to Fiscal 2024, based on the following assumptions:

- Despite entering the second phase of unlocking on July 1, 2020, lockdowns will continue to affect the Indian economy, particularly in states with high and rising COVID-19 infections;
- Consistent with the expectations of the India Meteorological Department, the monsoon will be within the 96-104% range long period average this year, having a positive effect on agriculture; and
- Crude oil prices will continue to be range-bound and average approximately $30 per barrel throughout Fiscal 2021.

Nominal per capita GDP (₹ '000)



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

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

Macro variable	FY19	FY20	FY21P	Rationale for outlook
Real GDP (%, year-on-year)	6.1	4.2	-5.0%	Higher-than-expected economic costs of the pandemic have outweighed weaker-than-expected effects of mitigating government policies and actions, muting a near-term recovery and weighing on the Fiscal 2021 outlook.
CPI inflation (%, year-on-year)	3.4	4.8	4.0	Lockdown-induced demand reduction puts pressure on core inflation, partly offset by a sharp drop in crude oil prices while food inflation limits downside to core inflation.
10-year Government security (%, March-end)	7.5	6.2	6.5	Higher borrowings rates amid fiscal slippage may overcompensate for lower inflation and softer policy rates, pushing up market yields.
CAD/GDP (%)	2.1	1.0	0.2	CAD likely to remain low on the back of low commodity prices while rupee expected to be volatile due to sell-off by foreign portfolio investors and a risk-off scenario.
₹/$ (March average)	69.5	74.4	74.0	

Note: P – Projected, CPI: consumer price index, CAD: current account deficit. Data as of March 31 of the relevant calendar years.
*Source: Reserve Bank of India ("**RBI**"), National Statistical Office ("**NSO**"), CRISIL.*

The main risks related to these projections are:

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

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

Fiscal and Monetary Policies

Over the past four years, India's macroeconomic situation has gradually improved: twin deficits (current account and fiscal) have been coming down and the growth-inflation mix has improved. Fiscal and monetary policies have been more prudent with a focus on raising the quality (and not just the rate) of growth. The Government of India has adopted an inflation-targeting framework that provides an institutional mechanism for inflation control, while modernizing central banking. Fiscal policy has remained growth-focused while also managing a gradual reduction in the deficit. As a result, India's macroeconomic variables have become more stable heading into the pandemic and, with sufficiently large reserves, the economy has structurally become more resilient to global shocks than it was during the "taper tantrum" of 2013.

Structural Reforms

- **Financial Inclusion**

  In Fiscal 2015, the Government of India launched two key initiatives for financial inclusion: Pradhan Mantri Jan Dhan Yojana ("**PMJDY**") and Pradhan Mantri Jeevan Jyoti Bima Yojana ("**PMJJBY**")). The PMJDY was launched to ensure that every household in India has affordable access to a bank account and basic financial services products, such as savings and deposit accounts, remittance, credit and insurance. The PMJJBY is a one-year life insurance scheme that offers a life coverage of ₹200,000 at a premium of ₹330 per member annually, which can be renewed every year. The Government of India has also launched the Pradhan Mantri Suraksha Bima Yojana, an accidental insurance policy that offers accidental death and full disability coverage of ₹200,000 at a premium of ₹12 annually. As per the Government of India, more than 100 million people have registered for schemes under the PMJDY and PMJJBY.

- **Goods and Services Tax**

  Introduced on July 1, 2017, the GST is a single indirect tax that replaces multiple cascading taxes levied by the central and state governments. GST implementation has resulted in structural changes in the supply chain and logistics networks in India, and the input-tax credit system (which helps businesses recover taxes charged on goods and services) is expected to ensure wider coverage of taxpayers in the supply chain. As the input-tax credit system is limited to registered taxpayers, businesses and stakeholders are likely to insist on registration of their suppliers and traders, which should increase the share of organised participants. Since implementation, GST revenues have been stabilising and have brought transparency and formalisation to the system, and are expected to support more robust economic growth as the central Government begins to invest incremental revenues generated through the system. As of November 2019, GST revenues surpassed ₹1 trillion.

- **Affordable Housing**

  The Real Estate (Regulation and Development) Act, 2016 ("**RERA**") has had a direct impact on housing supply and demand dynamics. Since RERA, developers have begun focusing on completing ongoing projects as well as exploring affordable housing as a new area in lieu of focusing more on middle and premium income-category projects. As a result, CRISIL expects about half of the incremental housing unit supply in urban areas over the next few years to be affordable housing and an overall increase in transparency to drive increased customer demand. The Government of India has extended the timelines of RERA projects by six months for projects expiring on or after March 25, 2020 and extended the deadline for first time homebuyers to avail themselves of an additional ₹150,000 interest deduction on home loans to March 31, 2021. As a result, CRISIL expects overall residential construction to increase at a CAGR of 6% to 7% from Fiscal 2020 to Fiscal 2024, in value terms compared with -1.5% CAGR from Fiscal 2015 to Fiscal 2020, primarily driven by the Pradhan Mantri Awas Yojana scheme, which is due for completion in Fiscal 2022.

- **Insolvency and Bankruptcy Code ("IBC")**

  The IBC reform will structurally strengthen the identification and resolution of insolvencies in India, enhance credit enforcement structures and provide more certainty around timing of insolvency resolutions. The main goals of the IBC are to simplify legal processes, preserve value for creditors and provide them with greater outcome certainty. With this reform, the RBI has sent a strong signal to borrowers to improve credit discipline and to banks to break resolution deadlocks by introducing definite timelines. CRISIL expects the introduction of the IBC to enhance investor confidence when investing in India. Internationally, recovery rates have improved significantly after the implementation of bankruptcy reforms, as can be seen in the following table.

Country	***Year of bankruptcy reform***	***Pre-reform***		***Five years post-reform***	
		Recovery rate (%)	*Time (years)*	*Recovery rate (%)*	*Time (years)*
Brazil	*2005*	*0.2*	*10.0*	*17.0*	*4.0*

Country	*Year of bankruptcy reform*	*Pre-reform*		*Five years post-reform*	
Russia	*2009*	*28.2*	*3.8*	*42.8*	*2.0*
China	*2007*	*31.5*	*2.4*	*36.1*	*1.7*
India	*2016*	*26.0*	*4.3*	*Data not yet available.*	

Source: World Bank.

- **Corporate Tax Reform**

  On September 20, 2019, the finance minister announced Taxation Laws (Amendment) Ordinance, 2019, to make certain amendments to the Income Tax Act, 1961 to allow domestic companies to elect paying income tax at a rate of 22% in lieu of claiming any exemptions or incentives, bringing the effective tax rate for electing companies to 25.17% (including surcharge and cess). No electing companies will be subject to the minimum alternate tax.

  Companies that do not opt-in for the concessional tax regime and avail themselves of tax exemptions/incentives will continue to be taxed at the pre-amended rate, but may still make an irrevocable election after the expiry of a tax holiday/exemption period. In order to provide relief to companies that continue to rely on exemptions or incentives, the minimum alternate tax rate has been reduced to 15.0% from 18.5%.

  In addition, to stabilise the flow of funds into the capital markets, a new provision was passed on September 20, 2019, for not applying additional surcharges as per the Finance Act, 2019, on capital gains arising out of the sale of equity shares in a company or unit of equity-oriented fund or business trust liable for securities transaction tax, in the hands of an individual, Hindu Undivided Family ("**HUF**"), Association of Persons ("**AOP**"), Body of Individuals ("**BOI**") and Artificial Juridical Persons ("**AJP**"). The enhanced surcharges will also not apply to capital gains on the sale of securities, including derivatives, in the hands of foreign portfolio investors. To provide relief to listed companies that have announced share buybacks before July 5, 2019, tax on the buyback of shares will not be charged as per these latest amendments.

  CRISIL believes that these recent amendments could boost the capital base of financial institutions and help revive growth in the financial services sector, which has been challenged by high NPAs, rising defaults, and liquidity concerns and also revive the private capital expenditure cycle, which could lead to higher credit growth in the broader economy.

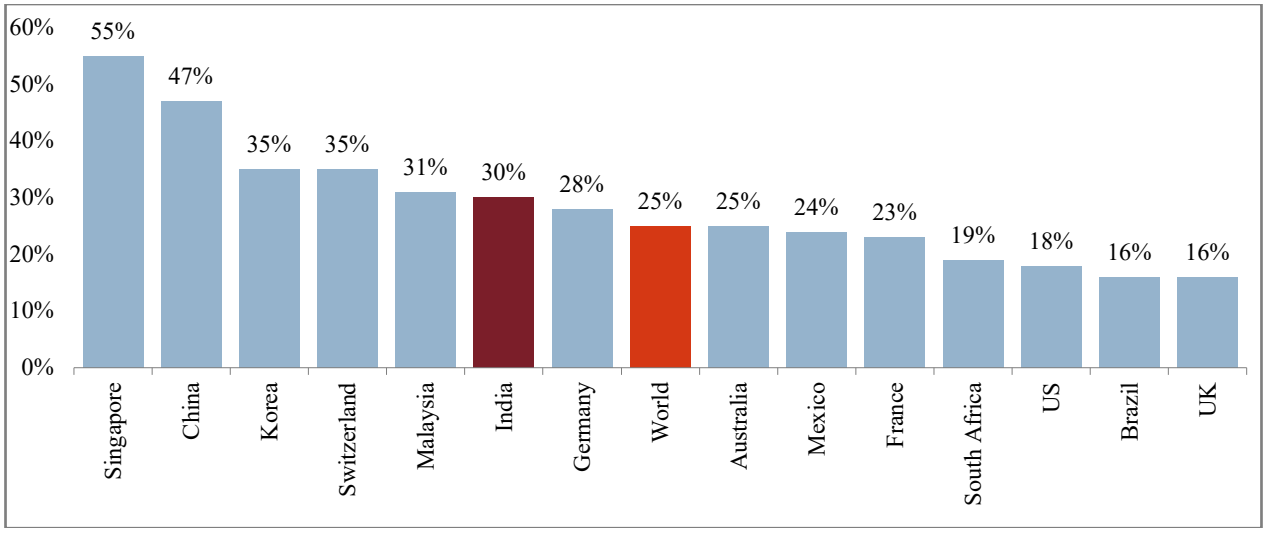
Household Savings

- **Gross Domestic Savings Rate**

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

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

- **Gross Domestic Savings Rate (%)**



Note: Data as of March 31, 2019
GDS are calculated as GDP less final consumption expenditure (total consumption); Data for China, US States and world include data for 2017.
*Source: World Bank, Handbook of Statistics on Indian Economy 2018-19, RBI, Ministry of Statistics and Programme Implementation ("**MOSPI**"), CRISIL.*

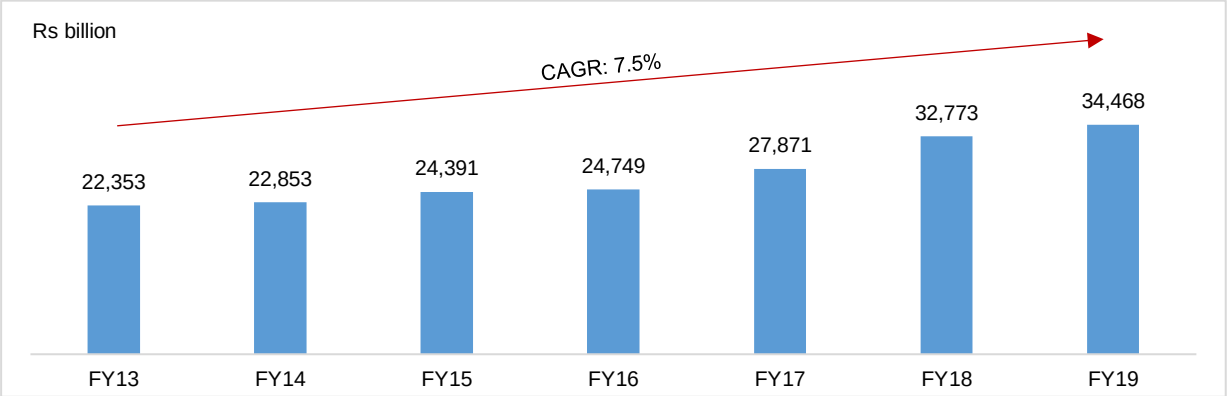
While India's gross domestic savings ("**GDS**") rate has declined from 33.9% of GDP as of Fiscal 2013 to 30.1% as of Fiscal 2019, this was primarily the result of a sharp decline in public savings as the central Government resorted to fiscal stimulus to address the external shocks from the global financial crisis of the past decade. Household savings as a percentage of GDP have seen declines from 22.5% as of Fiscal 2013 to 18.2% as of Fiscal 2019, largely due to higher consumption, low job creation and an increase in financial liabilities to meet short-term consumption needs. As of Fiscal 2019, the quantum of gross household financial savings was approximately ₹20 trillion. With rising income levels and better control over inflation, CRISIL expects the household savings rate to have increased as of Fiscal 2020.

(₹ billion)	Mar-13	Mar-14	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19
GDS	33,692	36,082	40,200	42,823	48,251	55,384	57,129
Percentage of GDP	33.95%	32.1%	32.2%	31.1%	31.3%	32.4%	30.1%
Household sector savings (net financial savings, savings in physical assets and in the form of gold and silver ornaments)	22,353	22,853	24,391	24,749	27,871	32,773	34,468
Percentage of GDP	22.5%	20.3%	19.6%	18.0%	18.1%	19.2%	18.2%
Gross financial savings	10,640	11,908	12,572	14,962	16,147	20,610	19,957
Financial liabilities	3,304	3,587	3,768	3,854	4,686	7,381	7,655
Savings in physical assets	14,650	14,164	15,131	13,176	15,946	19,128	21,808
Savings in the form of gold and silver ornaments	367	368	456	465	465	415	358

Note: Data are as of March 31 of the relevant fiscal years; Physical assets means assets held in physical form, like real estate. March 2019 data is based on first revised estimates of national income, consumption expenditure, savings and capital formation, Released in January 2020.
Source: Handbook of Statistics on Indian Economy 2018-19, RBI, NSO, MOSPI, CRISIL.

- **Household Savings Growth**

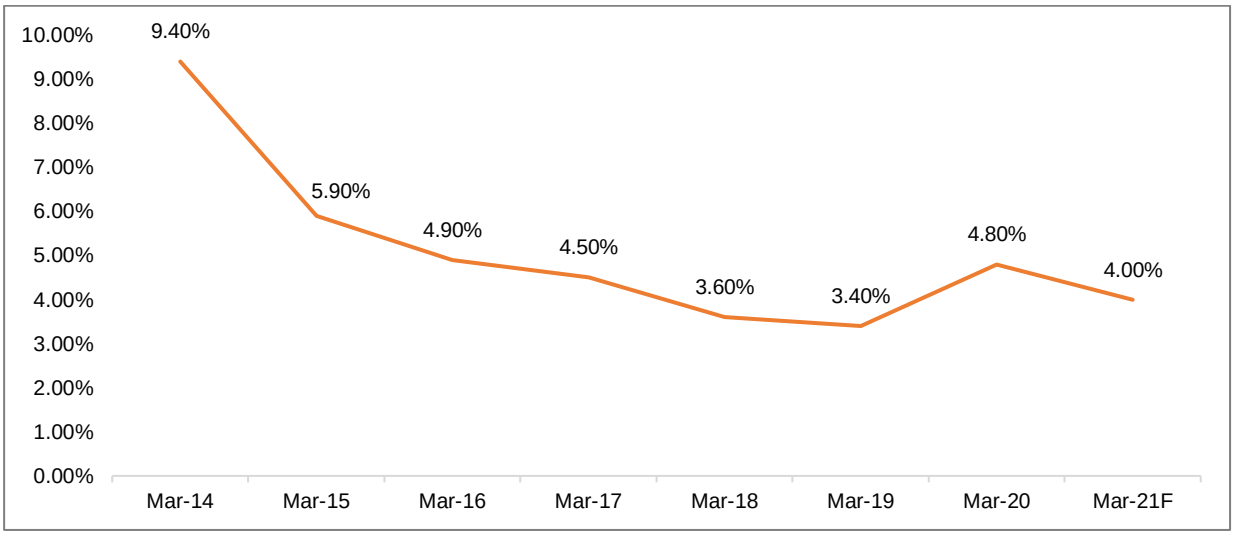
Going forward, with stable inflation, rising disposable income levels and robust GDP growth following the recovery from the COVID-19 pandemic, CRISIL expects the growth in household savings of the past few years to continue.



Note: Data are as of March 31 of the relevant fiscal years.
Source: MOSPI, CRISIL.

- **Share of Savings in Physical Assets**

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

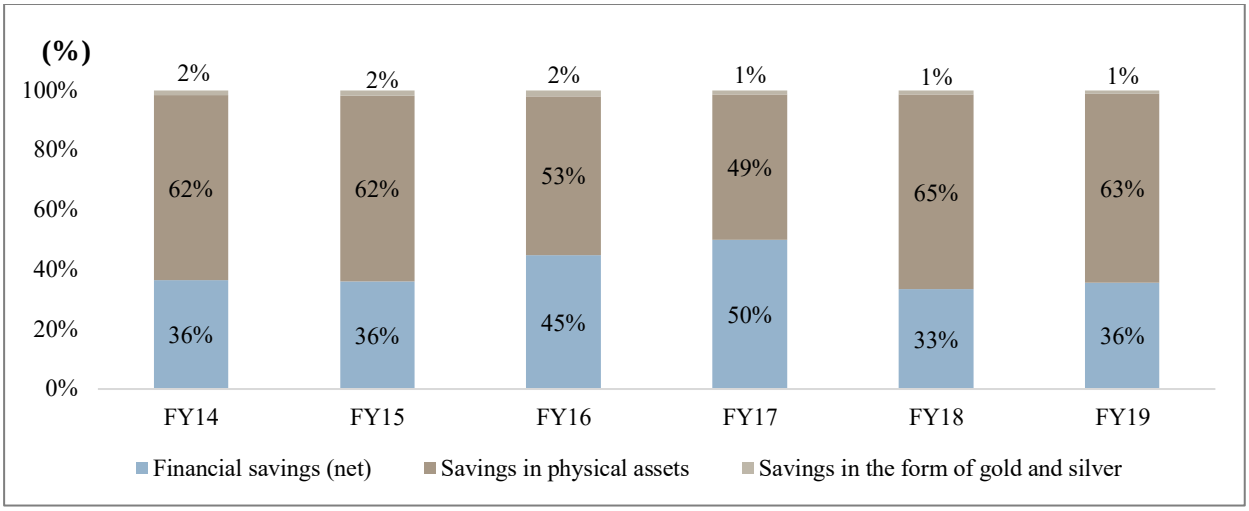


Note: F: Forecast; Data are as of March 31 of the relevant fiscal years.
Source: CSO, CRISIL.

While households' savings in physical assets have increased from 53.0% in Fiscal 2016 to 63.0% in Fiscal 2019, financial savings have decreased from 45.0% to 36.0%, which could be due to a slowdown in the economy, as a response to which people are concentrating more on physical assets.

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

Net Household Savings



Note: Data are as of March 31 of the relevant fiscal years.
Source: Handbook of Statistics on Indian Economy 2018-19, RBI, MOSPI, CRISIL.

- **Capital Markets to Remain an Attractive Part of Financial Savings**

The share of mutual funds in overall household savings has increased steadily since Fiscal 2013 and stood at 2.9% as of Fiscal 2019. With the financial sector being particularly sensitive to improved economic conditions and given the expected changes in saving patterns, CRISIL expects an increase in the share of financial assets (direct and through mutual funds and insurance) in total financial savings.

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

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

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

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

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

Financial saving of household sector

Percent of GNDI	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
A. Gross Financial Saving	10.4	10.5	10.4	9.9	10.7	10.4	11.9	10.4	10.5
of which									
1. Currency	1.2	1.1	0.9	1.0	1.4	-2.1	2.8	1.5	1.4
2. Deposits	6.0	6.0	5.8	4.8	4.6	6.3	3.1	4.1	3.6
3. Shares and debentures	0.2	0.2	0.2	0.2	0.2	1.1	1.0	0.4	0.4
4. Claims on govern-ment	-0.2	-0.1	0.2	0.0	0.5	0.7	0.9	1.0	0.0
5. Insurance funds	2.2	1.8	1.8	2.4	1.9	2.3	2.0	1.3	1.7
6. Provident and pension funds	1.1	1.5	1.5	1.5	2.1	2.1	2.1	2.1	2.1
B. Financial Liabilities	3.2	3.2	3.1	3.0	2.7	3.0	4.3	4.0	2.9
C. Net Financial Savings (A-B)	7.2	7.2	7.2	6.9	7.9	7.3	7.6	6.4	7.6

Note: 1- GNDI: Gross National Disposable Income, 2- #: As per the preliminary estimate of the RBI, 3- Figures may not add up to total due to rounding off.
Source: RBI Annual report 2019-20

Gross Financial Assets

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

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

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

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

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

RBI Policies to Counteract the Effects of the COVID-19 Pandemic

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

- **Rate cuts and liquidity enhancements**: On March 27, 2020, the Monetary Policy Committee ("**MPC**") of the RBI cut the repo rate under the liquidity adjustment facility by 75 bps to address the stress in the financial markets in the wake of the COVID-19 pandemic and the subsequent imposition of the nationwide lockdown, followed by a further reduction of 40 bps on May 22, 2020 . On March 27, 2020, the MPC also cut the reverse repo rate by 90 bps, followed by further 25 bps and 40 bps reductions, on April 17, 2020 and May 22, 2020, respectively. The repo and reverse repo rates were 4.00% and 3.35%, respectively, as of August 6, 2020 (unchanged from May 22, 2020 levels). As of August 6, 2020, the marginal standing facility ("**MSF**") rate was 4.25% (unchanged from May 22, 2020 levels). On March 27, 2020, the RBI also reduced the cash reserve ratio ("**CRR**") requirement of all banks by 100 bps to 3% of net demand and time liabilities ("**NDTL**"). Further, the minimum daily CRR balance maintenance was lowered from 90% to 80% as a one-time dispensation until June 26, 2020. In addition, in view of the exceptionally high volatility in domestic financial markets, the MPC increased the borrowing limits under the MSF of the liquidity adjustment facility window from 2.00% to 3.00% of NDTL initially up to June 30, 2020, which was later extended up to September 30, 2020.

- **Broad market liquidity measures**: On March 27, 2020, the RBI announced targeted long-term repo operations of up to three years for a total of up to ₹1 trillion. Liquidity availed under the scheme by banks may only be invested in investment-grade corporate bonds, commercial paper, or non-convertible debentures. On April 17, 2020, the RBI announced targeted longer-term refinancing operations worth ₹500 billion for non-banking financial companies ("**NBFCs**") and micro-finance institutions ("**MFIs**"), with 50% of them targeted towards small- and mid-sized firms. Investments made by banks under this facility are classified as held-to-maturity and excluded under the large exposure framework.

- **Special NBFCs and housing finance company ("HFCs") liquidity measures**: On May 29, 2020, the Government of India announced a special liquidity scheme for eligible NBFCs and HFCs to improve the liquidity position of such NBFCs and HFCs by setting up a special purpose vehicle, which will issue securities of up to ₹300 billion to be purchased by the RBI (the "**Scheme**"). Proceeds from the sale of the securities will be used to purchase short-term (three-month) investment grade commercial paper and non-convertible debentures from eligible NBFCs and HFCs to extinguish existing liabilities. On July 1, 2020, the RBI notified certain conditions required to be satisfied by NBFCs and HFCs in order for such NBFCs and HFCs to be eligible to avail themselves of liquidity benefits under the Scheme.

- **Debt servicing moratoria**: Lending institutions are permitted to allow a moratorium of six months on the repayment of instalments for term loans outstanding as of March 1, 2020 (the moratorium was initially for three months, which was subsequently extended further by three months until August 31, 2020). However, banks are instructed to provide 10% additional provisioning on all loans that were overdue as of March 1, 2020 and classified under moratorium, which could be later adjusted against the provisioning requirements for actual slippages. Lending institutions were also permitted to defer payment of interest on working capital facilities outstanding as of March 1, 2020 by three months. In addition, the RBI has clarified that these measures will not result in asset quality downgrades, nor will they affect the credit history of affected borrowers.

- **Credit growth policies**: The RBI postponed the implementation of a net stable funding ratio from April 1, 2020 to October 1, 2020 and deferred the implementation of the last tranche of the capital conservation buffer from March 31, 2020 to September 30, 2020. On April 17, 2020, the RBI announced special refinance facilities aggregating to ₹500

billion for National Bank for Agriculture and Rural Development (₹250 billion), Small Industries Development Bank of India (₹150 billion), and National Housing Bank (₹100 billion) to increase credit availability to regional rural banks, cooperative banks and microfinance institutions and housing finance companies.

- **Rupee volatility**: Banks in India that have an Authorised Dealer Category I license and operate International Financial Services Centre Banking Units have been allowed to offer non-deliverable forward derivative contracts involving the Rupee, or otherwise, to persons not resident in India.

'Aatmanirbhar' package

The Government of India announced the following measures as part of the 'Aatmanirbhar' package:

- A ₹450 billion partial guarantee scheme for NBFCs and a ₹300 billion special liquidity scheme for NBFCs, HFCs and MFIs aimed at addressing concerns of credit risk perception regarding mid- and small- size non-banking financial institutions;
- Collateral-free automatic loans of ₹3 trillion to businesses, including micro, small and medium enterprises ("**MSMEs**"): Banks and NBFCs are required to provide up to 20% of their entire outstanding credit to MSMEs. MSMEs with up to ₹250 million outstanding credit and ₹1 billion turnover are eligible for term loans at concessional rates of interest and the Government of India will provide a full guarantee of principal and interest;
- Subordinated debt of ₹200 billion to MSMEs: The Government of India will facilitate the provision of ₹200 billion as subordinated debt for stressed assets of MSMEs together with ₹40 billion partial credit guarantee support to banks for lending to MSMEs;
- Equity infusion of ₹500 billion in MSMEs: The Government of India will infuse ₹500 billion in equity in MSMEs and encourage MSMEs to list on the stock exchange;
- Clearing MSME dues and MSME guarantee scheme: The Government of India has directed central public sector enterprises to release all pending MSME payments within 45 days to boost transaction-based lending by fintech enterprises. Under the Emergency Credit Line Guarantee Scheme, banks will offer ₹3 trillion government-backed guaranteed loans to fund MSME borrowers' non-performing assets ("**NPAs**") to address short-term liquidity issues and provide a boost to the MSME sector;
- Global tender offers disallowed up to ₹2 billion: The Government of India will bar foreign companies from Government procurement tender offers of up to ₹2 billion, which is expected to ease competition faced by MSMEs against foreign companies;
- Loan interest subvention scheme of ₹15 billion: The Government of India provides 2% interest subvention to loans given under the Mudra-Shishu scheme up to a ticket size of ₹50,000, which are primarily given by NBFC and MFIs, thereby benefiting low income group customers; and
- Special credit facility of ₹50 billion for street vendors: The Government of India announced this scheme to facilitate easy access to credit for street vendors to offset the adverse effect of the COVID-19 pandemic and associated governmental responses on their livelihoods.

Industry Overview

Evolution of the Mutual Fund Industry

- **The Initial Years (1963-1987)**

  The Indian mutual fund industry has a history of over 50 years, starting with the formation of the Unit Trust of India ("**UTI**"), a joint initiative of the Government of India and the RBI in 1964. 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 assets under management ("**AUM**") reached ₹67 billion by 1988.

- **Entry of Public Sector Banks (1987-1993)**

  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, taking the industry assets to ₹470 billion by the end of 1993.

- **Formal Regulation and Entry of Private Sector Mutual Funds (1993-2003)**

  Seeing the rise in demand for mutual funds and with the onset of 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 (Mutual Fund) Regulations, 1993. All mutual funds, except UTI, were under the ambit

of these regulations, which were later replaced by Securities and Exchange Board of India (Mutual Fund) Regulations, 1996. Similarly, SEBI introduced Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, for the regulation of portfolio management services and Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, for the regulation of alternative investment funds. The Association of Mutual Funds in India ("**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.

- **Development of the Regulatory Landscape (2003-present)**

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 the Securities and Exchange Board of India (Mutual Fund) Regulations, 1996. The other is the UTI Mutual Fund. Sponsored by the 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 the Securities and Exchange Board of India (Mutual Fund) Regulations, 1996. With this bifurcation and a number of mergers among other private sector funds, the mutual fund industry entered its current phase of consolidation and growth.

Over the years, SEBI has introduced and amended several key regulations:

- mutual funds may invest moneys collected under any of their schemes only in securities, money market instruments, privately placed debentures, securitised debt instruments which are asset-backed or mortgage-backed, gold or gold-related instruments, real estate assets, infrastructure debt instrument and assets;

- fees and expenses are limited as follows:

  - total expense ratio ("**TER**") including investment and advisory fees for index fund schemes and exchange-traded funds ("**ETFs**") shall not exceed 1.0% daily net assets; and

  - TER limits for other open-ended schemes apart from fund of funds, index fund schemes or ETFs:

AUM bracket	TER limit for equity-oriented schemes	TER limit for other than equity-oriented schemes
On the first ₹5 billion of daily net assets	2.25%	2.00%
On the next ₹2.5 billion of daily net assets	2.00%	1.75%
On the next ₹12.5 billion of daily net assets	1.75%	1.50%
On the next ₹30 billion of daily net assets	1.60%	1.35%
On the next ₹50 billion of daily net assets	1.50%	1.25%
On the next ₹400 billion of daily net assets	TER reduction of 0.05% for every increase of ₹5,000 crores of daily net assets or part thereof	
On balance of assets	1.05%	0.80%

- in 2012, SEBI introduced new norms to allow cash transactions in mutual funds up to ₹20,000 (now ₹50,000) per investors, per mutual fund per financial year to enable small-scale investors without a PAN to invest, and also allowed AMCs to charge incremental expenses of 30 bps depending on the extent of new fund flows from beyond T15 or B15 cities (now B30 cities);

- to boost awareness among investors, SEBI has directed AMCs to annually set aside at least 2 bps of the daily net assets for investor education and awareness initiatives;

- in 2017, SEBI issued guidelines for categorisation of open-ended mutual fund schemes to clearly distinguish between schemes by asset allocation, investment strategies, etc.;

  - all schemes should be categorised into equity, debt, hybrid, solution-oriented, and others; and

- for equity schemes, the top 1-100 companies by full market capitalisation are termed 'large cap', the top 100-250 companies by full market capitalisation are termed as 'mid cap', and all other companies as 'small cap';

- in 2018, SEBI issued revised terms and definitions and permitted additional TER of up to 30 bps for inflows from beyond top 30 cities instead of beyond top 15 cities and, accordingly, changed the key geographical classifications from T15 cities and B15 cities to T30 cities and B30 cities, respectively, to also emphasise its increased focus on industry penetration of more remote geographies; and

- in case of mutual fund schemes, including close-ended schemes, where exit load is not levied, SEBI had, in 2012, directed that AMCs would not be eligible to charge expenses to the scheme of up to 0.20% of the daily net assets, which was reduced to 0.05% in 2018.

Given below is an illustrative comparison of how the new total expense ratio regulations affect different equity schemes based on their cumulative size and what the effective TERs of such schemes would be.

Old Effective TER Rates

AUM Increments (₹ million)	TER (%)	TER amount (₹ million)	Cumulative AUM (₹ million)	Cumulative TER (₹ million)	Effective TER (%)
1,000	2.50%	25.0	1,000	25.0	2.50%
3,000	2.25%	67.5	4,000	92.5	2.31%
1,000	2.00%	20.0	5,000	112.5	2.25%
2,000	2.00%	40.0	7,000	152.5	2.18%
500	1.75%	8.8	7,500	161.3	2.15%
12,500	1.75%	218.8	20,000	380.0	1.90%
30,000	1.75%	525.0	50,000	905.0	1.81%
50,000	1.75%	875.0	100,000	1,780.0	1.78%
50,000	1.75%	875.0	150,000	2,655.0	1.77%
50,000	1.75%	875.0	200,000	3,530.0	1.77%
50,000	1.75%	875.0	250,000	4,405.0	1.76%
50,000	1.75%	875.0	300,000	5,280.0	1.76%
50,000	1.75%	875.0	350,000	6,155.0	1.76%
50,000	1.75%	875.0	400,000	7,030.0	1.76%
50,000	1.75%	875.0	450,000	7,905.0	1.76%
50,000	1.75%	875.0	500,000	8,780.0	1.76%
50,000	1.75%	875.0	550,000	9,655.0	1.76%

Note: Illustrative for equity funds
Source: SEBI, CRISIL

New Effective TER Rates

AUM Increments (₹ million)	TER (%)	TER Amount (₹ million)	Cumulative AUM (₹ million)	Cumulative TER (₹ million)	Effective TER (%)	Reduction in (%)
5,000	2.25%	112.5	5,000	112.5	2.25%	0.00%
2,500	2.00%	50	7,500	162.5	2.17%	(0.02)%
12,500	1.75%	218.8	20,000	381.3	1.91%	(0.01)%
30,000	1.60%	480.0	50,000	861.3	1.72%	0.09%
50,000	1.50%	750.0	100,000	1,611.3	1.61%	0.17%
50,000	1.45%	725.0	150,000	2,336.3	1.56%	0.21%
50,000	1.40%	700.0	200,000	3,036.3	1.52%	0.25%
50,000	1.35%	675.0	250,000	3,711.3	1.48%	0.28%
50,000	1.30%	650.0	300,000	4,361.3	1.45%	0.31%
50,000	1.25%	625.0	350,000	4,986.3	1.42%	0.33%
50,000	1.20%	600.0	400,000	5,586.3	1.40%	0.36%
50,000	1.15%	575.0	450,000	6,161.3	1.37%	0.39%
50,000	1.10%	550.0	500,000	6,711.3	1.34%	0.41%
50,000	1.05%	525.0	550,000	7,236.3	1.32%	0.44%

Note: Illustrative for equity funds.
Source: SEBI, CRISIL.

Classification of Mutual Funds

- **By Structure**

  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 investors' units at any time.

  Closed-end schemes can be purchased only during the new fund offer ("**NFO**") 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.

- **By Fund Management Style**

  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, which 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 between the daily returns and the underlying total return index of the scheme. A low tracking error indicates efficiency in the management of the scheme.

  Active funds attempt to generate higher returns than their benchmark index by actively managing the portfolio. An investor in an active fund relies on the expertise of the fund manager, who buys and sells securities based on his/her research and judgment of the market.

  Another important aspect of active versus passive funds is the difference in expense structures. Expenses for passive funds are typically lower than those for active funds due to the lower fund management cost associated with the former.

- **By Asset Class**

  There are five broad categories of mutual fund schemes by asset class – equity, hybrid, debt, solution-oriented and other schemes. Each category, in turn, offers numerous funds, as shown in the tables below.

  Equity Schemes

Scheme Category	Scheme Characteristics
Multi-cap fund	Minimum investment in equity and equity-related instruments - 75% of total assets, where 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
Large cap fund	Minimum investment in equity and equity-related instruments of large cap companies - 80% of total assets
Large and mid-cap fund	Minimum investment in equity and equity-related instruments of large cap companies - 35% of total assets; minimum investment in equity and equity-related instruments of mid cap stocks - 35% of total assets
Mid cap fund	Minimum investment in equity and equity-related instruments of mid cap companies - 65% of total assets
Small cap fund	Minimum investment in equity and equity-related instruments of small cap companies - 65% of total assets
Dividend yield fund	Predominantly invests in dividend yielding stocks. Minimum investment in equity - 65% of total assets
Value fund*	Follows a value investment strategy. Minimum investment in equity and equity-related instruments - 65% of total assets
Contra fund*	Follows a contrarian investment strategy. Minimum investment in equity and equity-related instruments - 65% of total assets

Scheme Category	Scheme Characteristics
Focussed fund	A scheme focussed on the number of stocks (maximum 30). Minimum investment in equity and equity-related instruments - 65% of total assets. Funds mention where the scheme intends to focus, viz., multi-, large-, mid- or small-cap
Sectoral/thematic	Minimum investment in equity and equity-related instruments of a particular sector/ particular theme - 80% of total assets
ELSS	Minimum investment in equity and equity-related instruments - 80% of total assets. An open-ended ELSS has a statutory lock-in of 3 years and tax benefit

*Note: *Mutual funds are permitted to offer either value or contra funds; ELSS – equity linked savings scheme.*
Source: SEBI, CRISIL.

Debt Schemes

Scheme Category	Scheme Characteristics
Overnight fund	Investment in overnight securities with maturity of one day
Liquid fund	Investment in debt and money market securities with maturity of up to 91 days only
Ultra-short duration fund	Investment in debt and money market instruments such that the Macaulay duration of the portfolio is 3-6 months
Low duration fund	Investment in debt and money market instruments such that the Macaulay duration of the portfolio is 6-12 months
Money market fund	Investment in money market instruments with maturity of up to 1 year
Short duration fund	Investment in debt and money market instruments such that the Macaulay duration of the portfolio is 1-3 years
Medium duration fund	Investment in debt and money market instruments such that the Macaulay duration of the portfolio is 3-4 years
Medium to long duration fund	Investment in debt and money market instruments such that the Macaulay duration of the portfolio is 4-7 years
Long duration fund	Investment in debt and money market instruments such that the Macaulay duration of the portfolio is greater than 7 years
Dynamic bond	Investment across duration
Corporate bond fund	Minimum investment in corporate bonds - 80% of total assets (only in highest rated instruments)
Credit risk fund	Minimum investment in corporate bonds - 65% of total assets (investment in below highest rated instruments)
Banking and PSU fund	Minimum investment in debt instruments of banks, PSUs, public financial institutions - 80% of total assets
Gilt fund	Minimum investment in G-secs - 80% of total assets (across maturity)
Gilt fund with 10-year constant duration	Minimum investment in G-secs - 80% of total assets such that the Macaulay duration of the portfolio is equal to 10 years
Floater fund	Minimum investment in floating rate instruments - 65% of total assets

Note: Macaulay duration is the weighted average term to maturity of cash flows from a bond or how long it will take to recoup the investment.
Source: SEBI, CRISIL

Hybrid Schemes

Scheme Category	Scheme Characteristics
Conservative hybrid fund	Investment in equity and equity-related instruments — 10-25% of total assets; in debt instruments – 75-90% of total assets
Balanced hybrid fund*	Equity and equity-related instruments – 40%-60% of total assets; debt instruments – 40-60% of total assets. No arbitrage permitted in this scheme
Aggressive hybrid fund*	Equity and equity-related instruments – 65%-80% of total assets; debt instruments – 20-35% of total assets
Dynamic asset allocation or balanced advantage	Investment in equity/debt that is managed dynamically
Multi asset allocation^	Invests in at least three asset classes with a minimum allocation of at least 10% each
Arbitrage fund	Follows arbitrage strategy. Minimum investment in equity and equity-related instruments - 65% of total assets
Equity savings	Minimum investment in equity and equity-related instruments - 65% of total assets; minimum investment in debt - 10% of total assets. Minimum hedged and unhedged to be stated in the scheme information document.

*Note: *Mutual funds are permitted to offer either aggressive hybrid or balanced fund; ^ foreign securities not to be treated as a separate asset class.*
Source: SEBI, CRISIL.

Solution-oriented Schemes

Scheme Category	Scheme Characteristics
Retirement fund	Scheme having a lock-in for at least 5 years or till retirement age, whichever is earlier
Children's fund	Scheme having a lock-in for at least 5 years or till the child attains age of majority, whichever is earlier

Source: SEBI, CRISIL.

Other Schemes

Scheme Category	Scheme Characteristics
Index funds/ETFs	Minimum investment in securities of a particular index (which is being replicated/ tracked) - 95% of total assets
Fund of funds ("**FoFs**") (overseas/domestic)	Minimum investment in the underlying fund - 95% of total assets

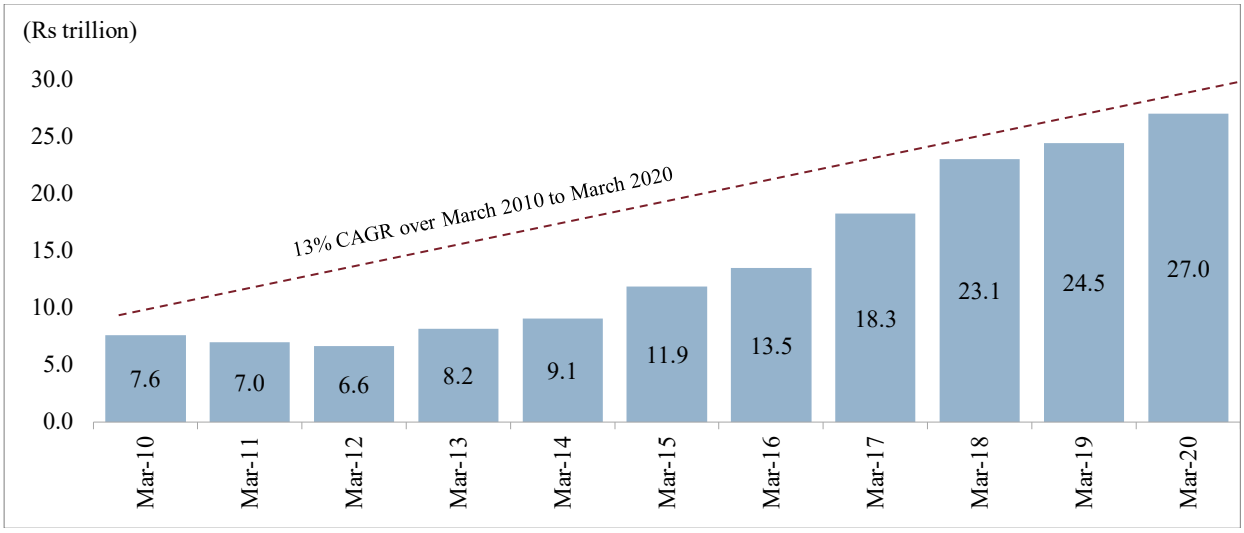
Source: SEBI, CRISIL.

Performance and Trends

- **Long-Term AUM Growth**

Aggregate AUM of the Indian mutual fund industry have grown at a healthy pace over the past ten years, against the backdrop of an expanding domestic economy, robust inflows and rising investor participation, particularly from individual investors. Average AUM grew at a CAGR of 13% from ₹7.6 trillion as of March 31, 2010 to ₹27.0 trillion as of March 31, 2020.

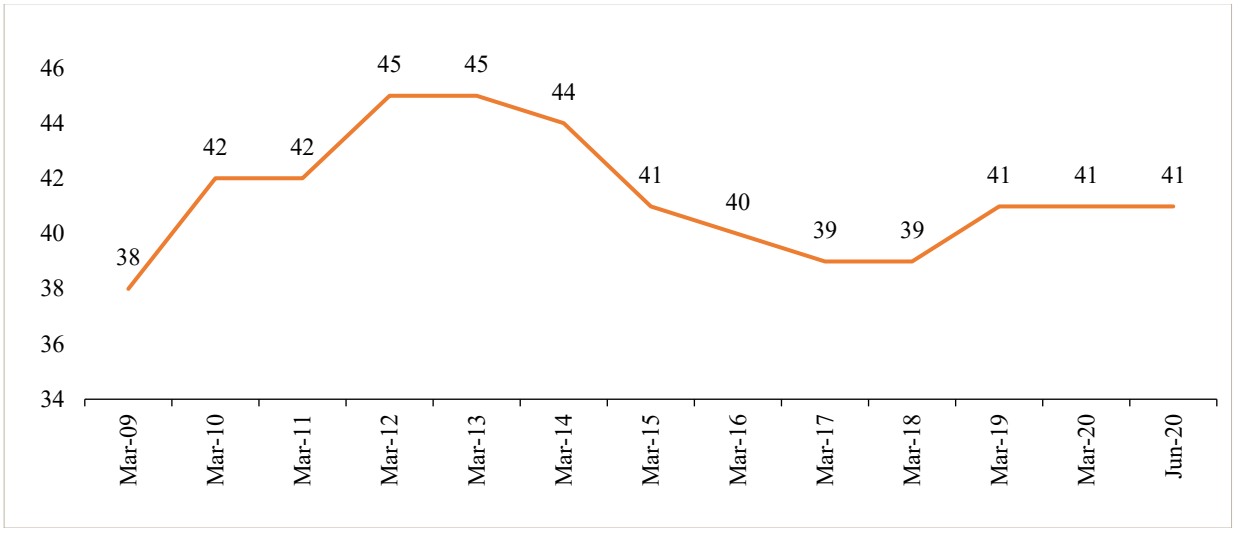
AUM (₹ trillion)



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

As of June 2020, there were 41 fund houses having non-zero mutual fund AUM.

Number of Fund Houses



Note: Number of fund houses, excluding infrastructure debt funds (IDF). Data are as of March 31 of the relevant fiscal years.
Source: AMFI, CRISIL.

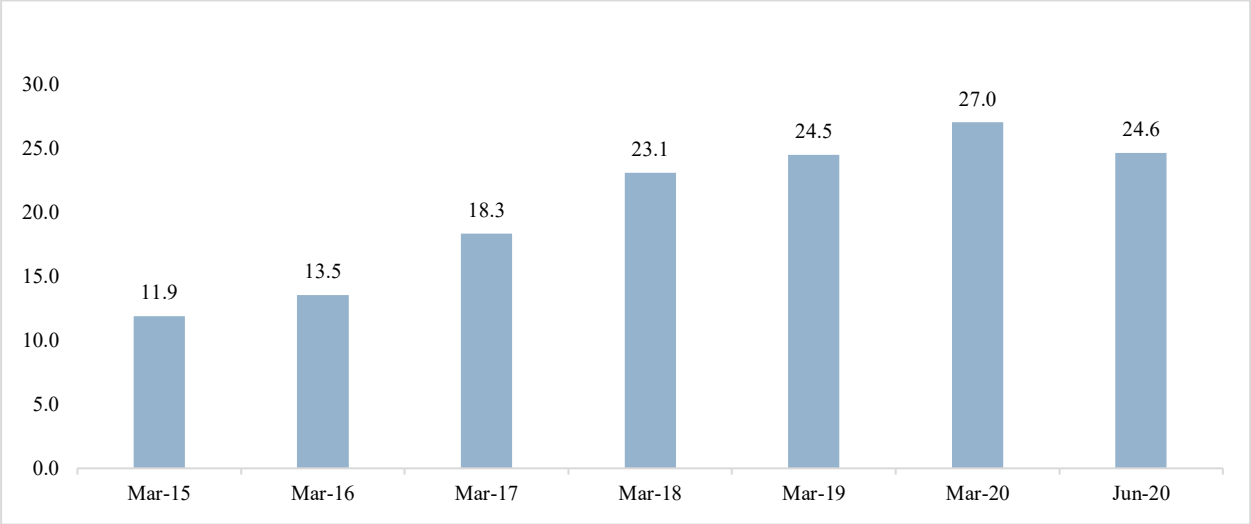
- **Equity Markets and Retail Participation**

Aggregate industry AUM grew at a CAGR of approximately 14.9%, from ₹11.9 trillion as of March 31, 2015 to ₹24.6 trillion as of June 30, 2020, driven by increasing aggregate financial savings combined with growing investor awareness of mutual fund products. Between March 2015 (Including Fiscal 2015) and June 2020, the industry witnessed a net inflow of ₹11.7 trillion. The first quarter of Fiscal 2021 saw a drop in AUM as a result of the nationwide lockdown and overall capital markets performance. Fund flows after March 31, 2020 have been inconsistent, driven by the money market/liquid funds (with higher net inflows in April and May) and debt funds (with higher outflows in April).

Average AUM of equity-oriented funds grew at a CAGR of approximately 20.5%, from ₹3.7 trillion as of March 31, 2015 to ₹9.7 trillion as of June 30, 2020, while average AUM of debt-oriented funds grew at a CAGR of approximately 4.9%, from ₹5.3 trillion as of March 31, 2015 to ₹6.8 trillion as of June 30, 2020, primarily driven by the IL&FS default and the ensuing NBFC crisis and subsequently exacerbated by the COVID-19 global pandemic. This had a negative impact on investor confidence in debt markets and resulted in a considerable drop in demand for mutual fund debt products, a trend CRISIL expects to see continuing in the wake of the COVID-19 pandemic. However, as the effects of the COVID-19 pandemic subside, credit quality is expected to improve through the longer term. AUM of multi cap, large cap, large and mid-cap, mid-cap, value/contra and ELSS together accounted for 78.1% of the industry's open ended growth/equity-oriented scheme AUM as on June 30, 2020.

Average AUM of other category of funds (including ETFs, index funds and FoF investing overseas) saw robust growth of approximately 57.2% CAGR over a lower base as institutional investors (such as the Employees' Provident Fund Organisation or EPFO) began investing a portion (currently 15%) of their incremental deposits into equities via passively managed funds, an industry trend CRISIL expects to continue long term. Average AUM of liquid/money market funds logged grew at a CAGR of approximately 16.8% from March 2015 to June 2020, supported by corporate investments, stable returns, and a high level of aggregate re-allocations from long-term debt instruments.

AUM Growth Trajectory - Mutual funds (₹ trillion)



Note: Quarterly average AUM for the quarter mentioned.
Source: AMFI, CRISIL.

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

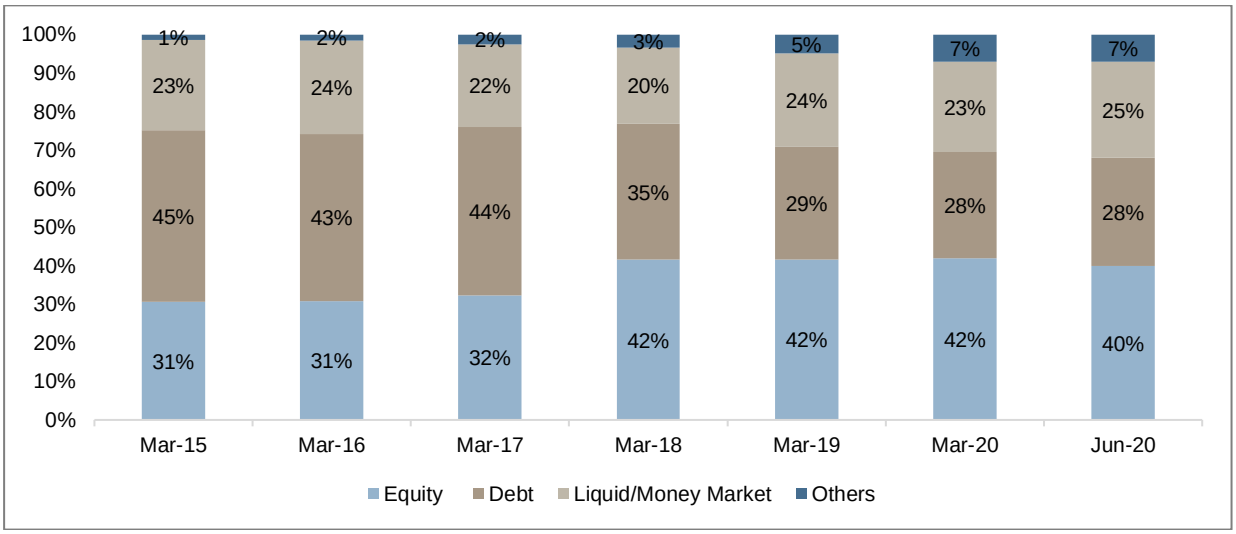
Segment	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Jun-20	Mar-15 to Jun-20 CAGR
Equity	3,652	4,183	5,927	9,582	10,210	11,348	9,740	20.5%
Debt	5,292	5,871	7,982	8,134	7,152	7,449	6,797	4.9%
Liquid/money market	2,774	3,269	3,940	4,562	5,916	6,327	6,272	16.8%
Others	169	212	446	773	1,206	1,913	1,818	57.2%
Total	11,887	13,534	18,296	23,052	24,484	27,037	24,628	14.9%

Notes: (1) Equity funds include ELSS, arbitrage and balanced funds. Debt funds include gilt, income and infrastructure debt funds. Others include gold ETFs, other ETFs and FoFs investing overseas.
(2) After March 31, 2019, equity includes growth/equity-oriented schemes (other than ELSS), ELSS funds, hybrid schemes and solution-oriented schemes. Debt includes gilt fund/gilt fund with 10-year constant duration, and remaining income/debt-oriented schemes. Liquid/money market includes liquid/money market/floater fund/overnight fund. Others include index funds, gold ETF, other ETF and FoFs investing overseas.
Source: AMFI, CRISIL.

The share of debt funds decreased from 45% in the last quarter of Fiscal 2015 to 28% in the first quarter of Fiscal 2021. The initial decrease was primarily driven by the IL&FS default and the ensuing NBFC crisis and subsequently exacerbated by the COVID-19 global pandemic, which negatively impacted investor confidence in debt markets, resulting in a considerable drop in demand for mutual fund debt products. In April 2020, Franklin Templeton Mutual Fund shut down six of its debt mutual fund schemes, citing lack of liquidity in the bond market, which ultimately led to their debt funds seeing high redemption pressure. During the same month, however, the industry saw net inflows of approximately ₹460 billion backed by liquid funds. Inflows into liquid/money market funds have remained stable from Fiscal 2015 to the first quarter of Fiscal 2021, which led to its share in quarterly average AUM growing from 23% to

25% over that period. The share of equity funds increased to from 31% in the last quarter of Fiscal 2015 to 40% in the first quarter of Fiscal 2021, due to steady inflows and strong growth of the equity markets in the previous years across the industry. The share of other category of funds grew from 1% to 7% over the same period.

Trend in Share of Various Mutual Fund Segments (%)



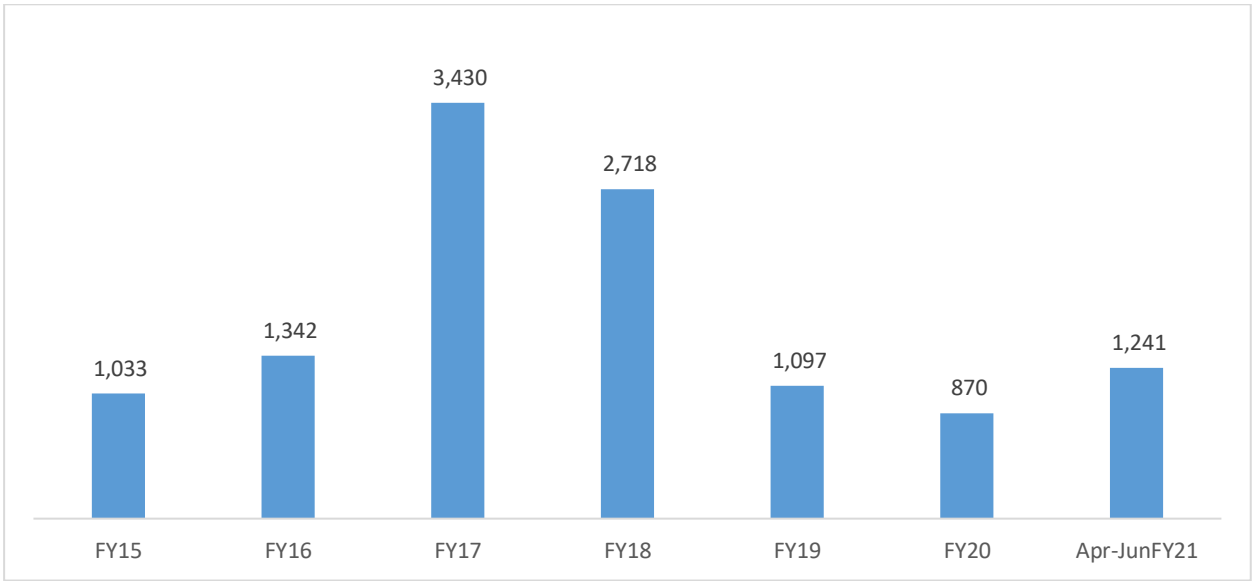
Notes: (1) Equity funds include: ELSS, arbitrage and balanced funds. Debt funds include: gilt, income and infrastructure debt funds. "Others" include gold ETFs, other ETFs and FoFs investing overseas. Average AUM is for the Jul- Sept quarter of the fiscal years. (2) After March 31, 2019, equity includes: growth/equity oriented schemes (other than ELSS), ELSS funds, hybrid schemes and solution-oriented schemes. Debt includes: gilt fund/gilt fund with 10-year constant duration, and remaining income/debt oriented schemes. Liquid/money market includes liquid/money market/floater fund. Others include: index funds, gold ETF, other ETF and FoFs investing overseas.
Source: AMFI, CRISIL.

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

- **Net Inflows Driven by Equity**

Net inflows declined from ₹3,430 billion in Fiscal 2017 to ₹870 billion in Fiscal 2020 after major outflows in the last month of Fiscal 2020. In the long term, an increasing share of mutual funds in the financial savings of households, driven by expectations of higher and stable returns, is one of the key factors that are expected to contribute to fund inflows, especially into passive and equity fund categories.

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

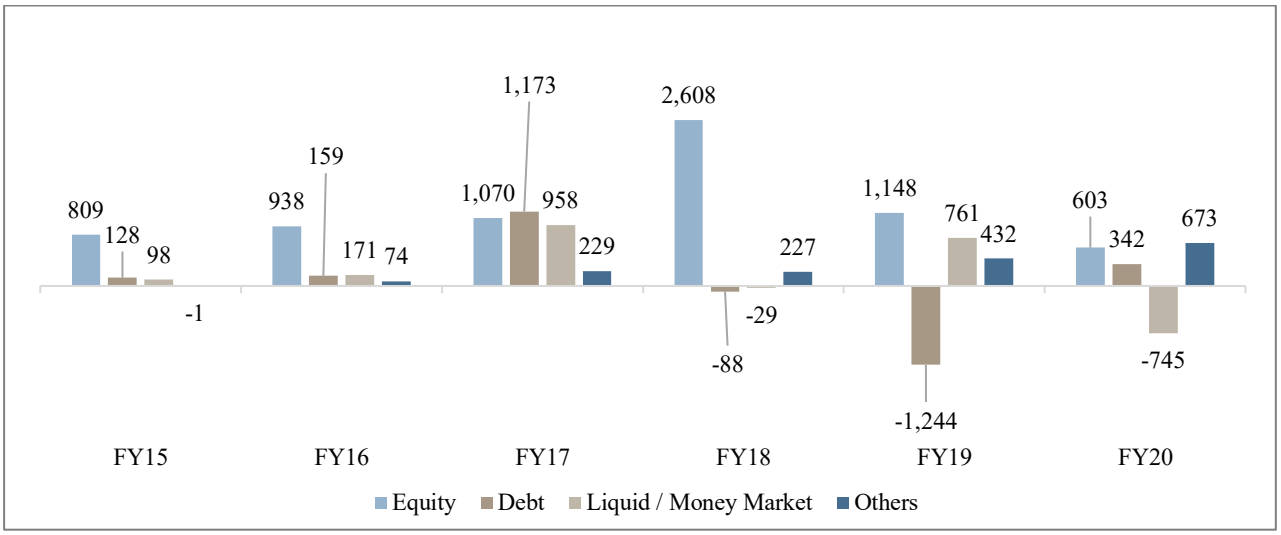


Note: Data are as of March 31 of the relevant fiscal years, unless indicated otherwise.
Source: AMFI, CRISIL.

Prior to the recent credit crisis, AMCs saw robust and consistent net inflows across asset classes with a peak of ₹3,430 billion as of Fiscal 2017. As of Fiscal 2018, non-equity inflows declined sharply, as ₹2,608 billion in equity net inflows accounted for 95% of aggregate inflows across all asset classes. This was aided by the high number of primary market issuances in equity (201 issuances) accounting for ₹837 billion raised in Fiscal 2018. At the height of the impact of the recent credit crises as of Fiscal 2019, debt outflows of ₹1,244 billion more than offset equity inflows of ₹1,148 billion. The last quarter of Fiscal 2020 saw a net outflow of ₹943 billion, driven by outflows from liquid funds following the outbreak of the COVID-19 pandemic. Additional outflows from debt funds in April 2020, were driven by Franklin Templeton's closure of six of its debt mutual funds schemes, but liquid funds bounced back with a net inflow of ₹853 billion.

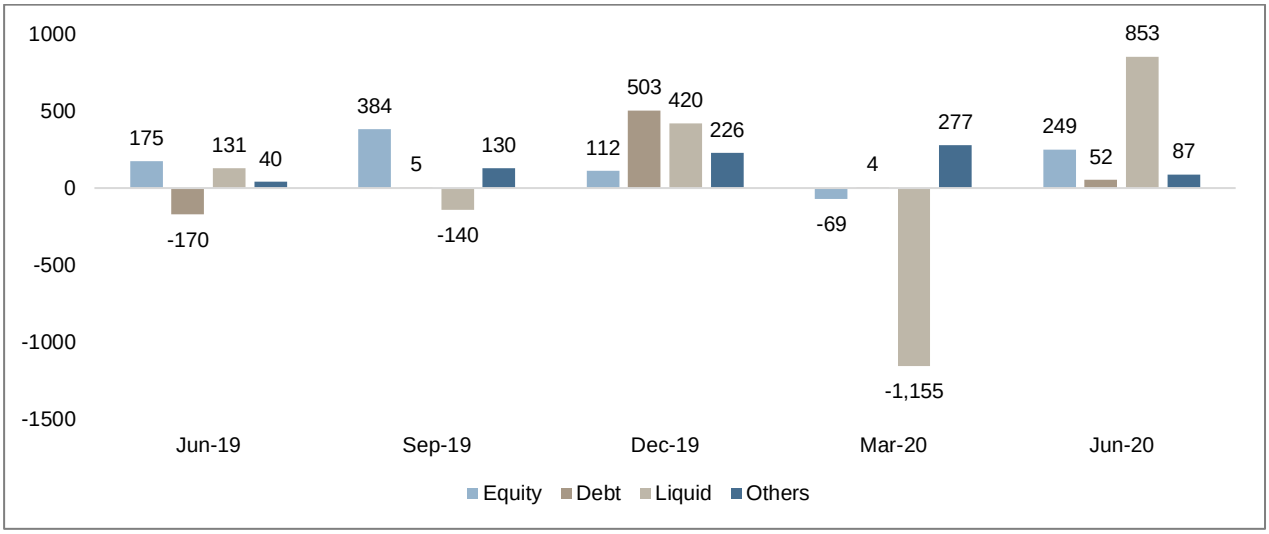
The 'others' segment, comprising ETFs and FoFs, rose steadily over a smaller base in inflows. Further aiding this category was SEBI's decision to allow gold ETFs to invest up to 20% of their assets in the gold monetisation scheme, which saw a rise in inflows in this segment.

Net Inflows by Segment (₹ billion)



Notes: (1) Equity funds include: ELSS, arbitrage and balanced funds. Debt funds include: gilt, income, and infrastructure debt funds. "Others" include gold ETFs, other ETFs, and FoFs investing overseas.
(2) After March 31, 2019, equity includes: growth/equity oriented schemes (other than ELSS), ELSS funds, hybrid schemes, and solution-oriented schemes. Debt includes: gilt fund/gilt fund with 10 year constant duration, and remaining income/debt oriented schemes. Liquid/money market includes liquid/money market/floater fund. Others include: index funds, gold ETF, other ETF, and FoFs investing overseas.
Source: AMFI, CRISIL.

Quarterly Trends in Net Inflows (₹ billion)



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

Source: AMFI, CRISIL.

A SEBI working group that included representatives from AMCs, other industry professionals, and academicians made recommendations to the Mutual Fund Advisory Committee (a committee that was constituted in 2008 and advises SEBI on the development, disclosures and regulatory aspects of the industry) to implement key measures and best practices to avoid similar shocks in the future. Some of these announced post-crisis period included:

1. creation of vehicles for debt schemes to allow fund managers to segregate stressed investments from healthy assets in their portfolio;

2. full mark to market valuation without amortisation for all the debt securities, irrespective of maturity;

3. introduction of standardised haircuts across AMCs based on securities valuations by independent valuation agencies, applicable for securities rated below investment grade;

4. reduction in sectoral limits to HFCs from 25% to 20% and reduction in additional exposures permitted for HFCs from 15% to 10% (with additional exposure of 5% of scheme net assets to securitised debt instruments based on retail and affordable housing loan portfolios);

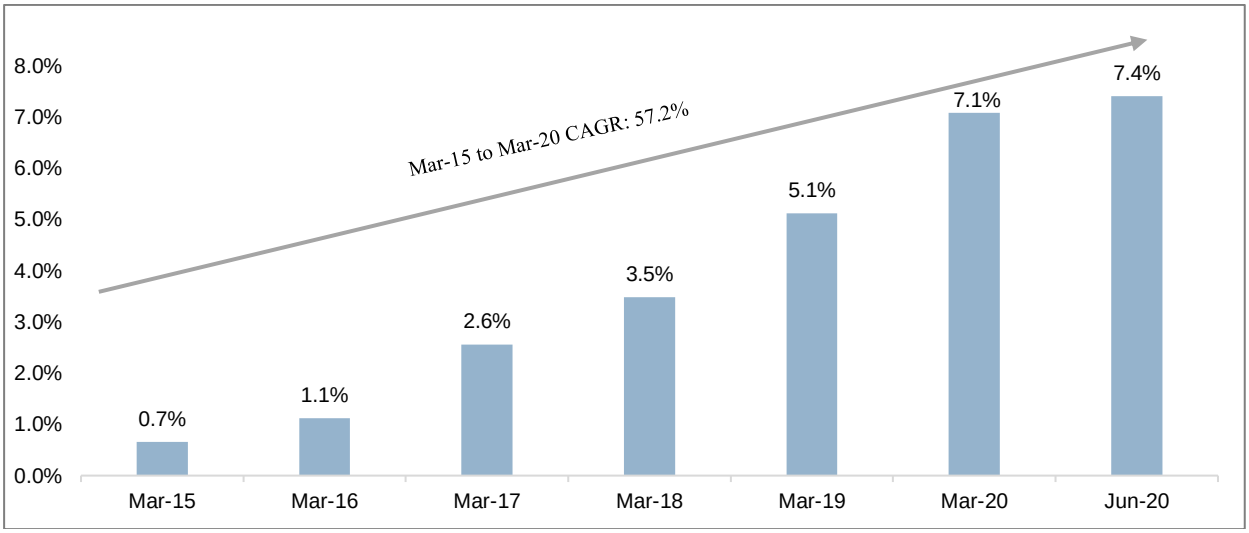
5. higher liquidity requirements and prescription of exit loads for investors who exit schemes within seven days of investment; and

6. mandatory investments in only listed debt securities and mechanisms to develop early warning signals by fund houses.

- **Share of Passive Funds**

Passively managed ETFs and index funds are yet to gain widespread attraction in India. Passive funds in India had aggregate AUM of approximately ₹1.8 trillion as of June 30, 2020, representing approximately a 7.4% share, compared to 0.7% as of March 31, 2015. Other ETFs have seen a steady rise in AUM, along with index funds. Overall, passive funds' AUM have grown at a 57.2% CAGR from March 31, 2015 to June 30, 2020. ETF investments have received a boost from the EPFO investing approximately 15.0% of its fresh accretion into ETFs.

Share of Passive Funds in AUM (% of AAUM)

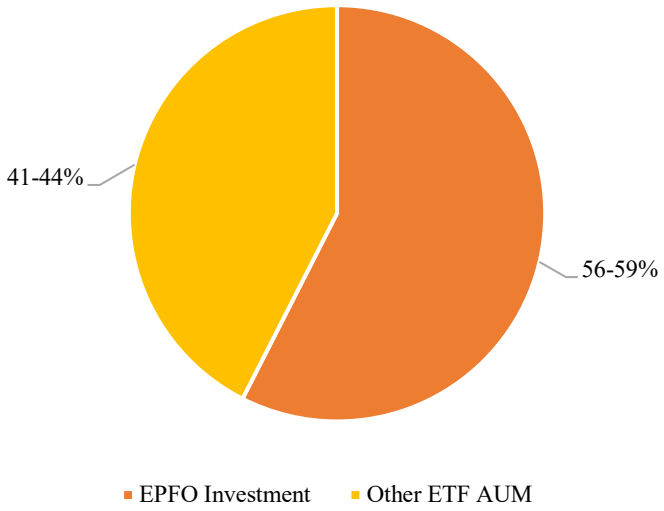


Note: Passive funds include gold ETFs, other ETFs, index funds, FOFs investing overseas; QAAUM considered.
Source: AMFI, CRISIL.

SBI and UTI are the major players in passive funds among AMCs 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 due to discounts provided through government disinvestment schemes (CPSE ETF and Bharat 22) aimed at increasing retail investor participation.

Players with higher shares of these funds can better cross-sell other products to their retail base and thus save on the costs incurred for marketing and business acquisition for retail customers. High growth potential of this fund category makes it an attractive segment for AMCs and the large proportion of institutional mandates makes managing the funds more profitable.

EPFO Investment in ETFs (%)



Note: Data are as of September 30, 2019.
Source: CRISIL Estimates.

- **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 behavioural weakness during uncertain periods, the force of 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 inflows across the industry. With contribution levels set low enough to make inflows less susceptible to cycles, SIPs have also helped reduce the volatility of aggregate inflows.

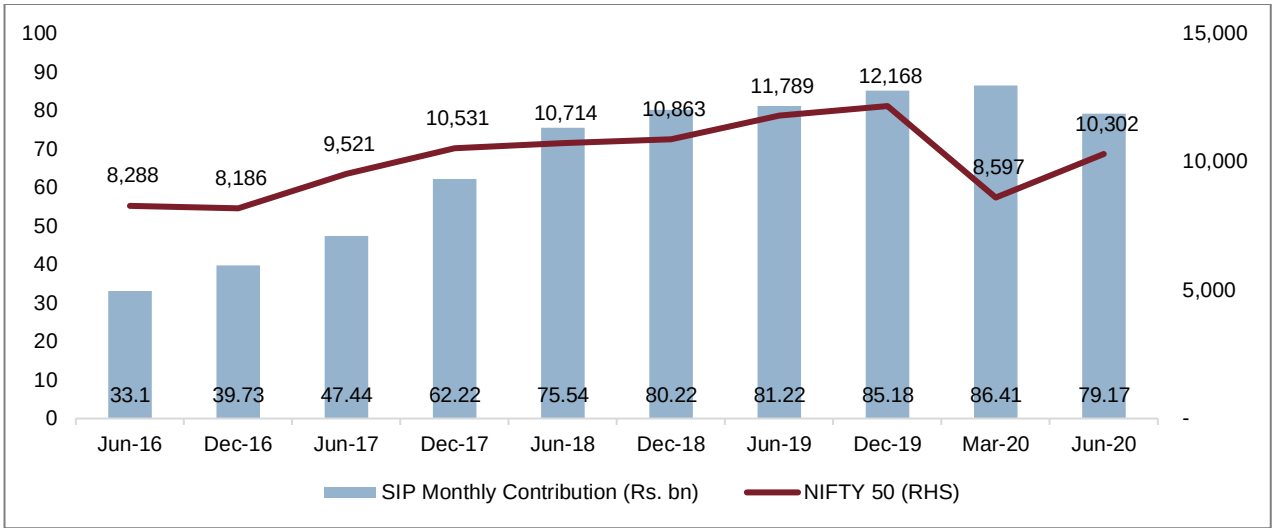
Between April 2016 (when AMFI first began disclosing aggregate monthly SIP contributions) and June 30, 2020, the aggregate amount invested through SIPs has grown from ₹33.1 billion to ₹79.2 billion per month. This surge is the result of low contribution minimums increasing accessibility to lower income households. This is reflected in an increase in the number of SIP accounts, from 21.1 million as of March 31, 2018 to 32.3 million as of June 30, 2020. The industry added roughly 982,000 SIP accounts each month in Fiscal 2020, with an average per month ticket size of ₹2,673 per account in Fiscal 2020, from a high of ₹3,375 as of Fiscal 2018. The average ticket size as of June 30, 2020 was ₹2,549.

As of Fiscal 2020, the mutual fund industry collected approximately ₹1.0 trillion through SIPs, an increase of 8% over the ₹972.0 billion collected as of Fiscal 2019. In the first quarter of Fiscal 2021, SIP contributions to mutual funds have already reached approximately ₹244.0 billion. As of June 30, 2020, aggregate SIP AUM stood at approximately ₹3.0 trillion or 11.8% of total industry AUMs.

The popularity of equity funds, the rising participation of retail investors, recent investor education initiatives, and the apparent benefits of SIPs to households that traditionally did not invest in mutual funds lead CRISIL to believe the growth in inflows from SIPs will accelerate over the foreseeable future. This would make SIPs an increasingly important factor in overall AUM growth.

However, SIP AUM growth slowed during the COVID-19 pandemic as lower discretionary spending and expenditures of personal emergency funds resulted in a decline in household liquidity available for SIP contributions.

Systematic Investment Plans



Source: AMFI, NSE.

Overview of Competitive Landscape

Market Share Analysis – Total AUM

Amongst all SEBI-licensed AMCs and their subsidiaries in India, UTI AMC and its subsidiaries have the largest Total AUM considering mutual funds, PMS and NPS assets.

(₹ in billion)

Mutual Fund Name	Mutual Fund QAAUM	PMS Closing AUM	NPS Closing AUM	Total AUM
SBI Mutual Fund	3,644	7,250	1,786	12,679
UTI Mutual Fund	1,336	7,014	1,356	9,706
HDFC Mutual Fund**	3,562	12	100	3,673
ICICI Prudential Mutual Fund	3,263	27	51	3,340
Nippon India Mutual Fund	1,801	768	-	2,568
Aditya Birla Sun Life Mutual Fund	2,146	17	2	2,165
Kotak Mahindra Mutual Fund	1,673	18	11	1,703
LIC Mutual Fund	150	36	1,341	1,527
Axis Mutual Fund	1,343	11	-	1,355
IDFC Mutual Fund	1,018	1	-	1,018
Franklin Templeton Mutual Fund	798	111	-	910
DSP Mutual Fund	735	-	-	735
L&T Mutual Fund	584	-	-	584
Tata Mutual Fund	482	2	-	484
Mirae Asset Mutual Fund	410	-	-	410
Invesco Mutual Fund	231	129	-	360
Motilal Oswal Mutual Fund	172	131	-	304
Sundaram Mutual Fund	258	21	-	279
Edelweiss Mutual Fund	236	23	-	259

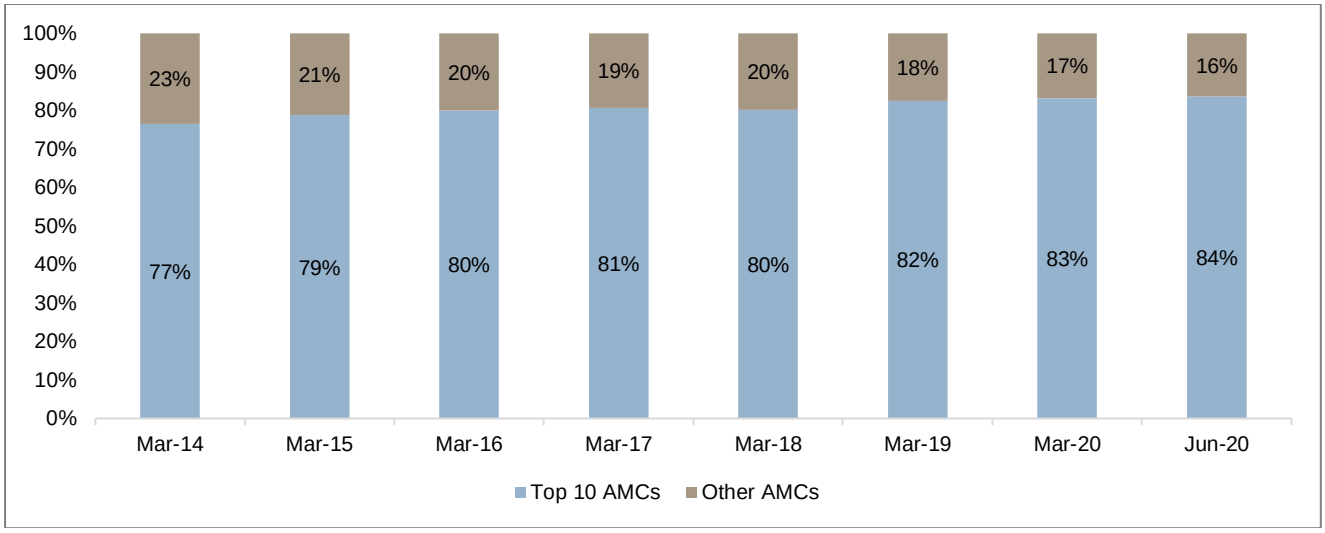
Mutual Fund Name	Mutual Fund QAAUM	PMS Closing AUM	NPS Closing AUM	Total AUM
Canara Robeco Mutual Fund	173	-	-	173
HSBC Mutual Fund	87	68	-	155
BNP Paribas Mutual Fund	64	26	-	90
Baroda Mutual Fund	73	-	-	73
IIFL Mutual Fund	15	50	-	65
Principal Mutual Fund	55	-	-	55
Mahindra Manulife Mutual Fund	47	-	-	47
JM Financial Mutual Fund	40	-	-	40
PGIM India Mutual Fund	37	2	-	39
IDBI Mutual Fund	38	-	-	38
Union Mutual Fund	36	-	-	36
PPFAS Mutual Fund	36	-	-	36
BOI AXA Mutual Fund	19	-	-	19
Quantum Mutual Fund	12	-	-	12
Indiabulls Mutual Fund	9.7	1	-	11
Essel Mutual Fund	6.39	-	-	6
ITI Mutual Fund	5.81	-	-	6
Taurus Mutual Fund	3.58	-	-	4
Quant Mutual Fund	2.39	-	-	2
Shriram Mutual Fund	1.65	-	-	2
YES Mutual Fund	0.57	-	-	1
Sahara Mutual Fund	0	-	-	0

*Note: 1. *Quarterly average AUM for the quarter ended June 30, 2020.*
2. NPS data is as of June 30, 2020.
*3. **PMS data for HDFC AMC is as of May 31, 2020.*
4. The table is arranged in order of total AUM .
5. Infrastructure Debt funds are excluded.
Source: AMFI, SEBI, NPS trust, CRISIL.

Market Share Analysis – Domestic Mutual Fund AUM

As of June 30, 2020, the ten largest AMCs by AUM (the "**Top 10 AMCs**") collectively account for 84% of the Indian mutual fund industry's assets and are thus a major driver of the industry's overall performance. The Top 10 AMCs data and analyses set forth herein are as of June 30, 2020. The Top 10 AMCs' aggregate AAUM grew at a CAGR of 20% from ₹6.9 trillion as of March 31, 2014 to ₹21.8 trillion as of June 30, 2020. The industry monthly AAUM increased at a CAGR of 19% over the same period.

Top 10 AMCs Share of Aggregate Industry AUM (%)

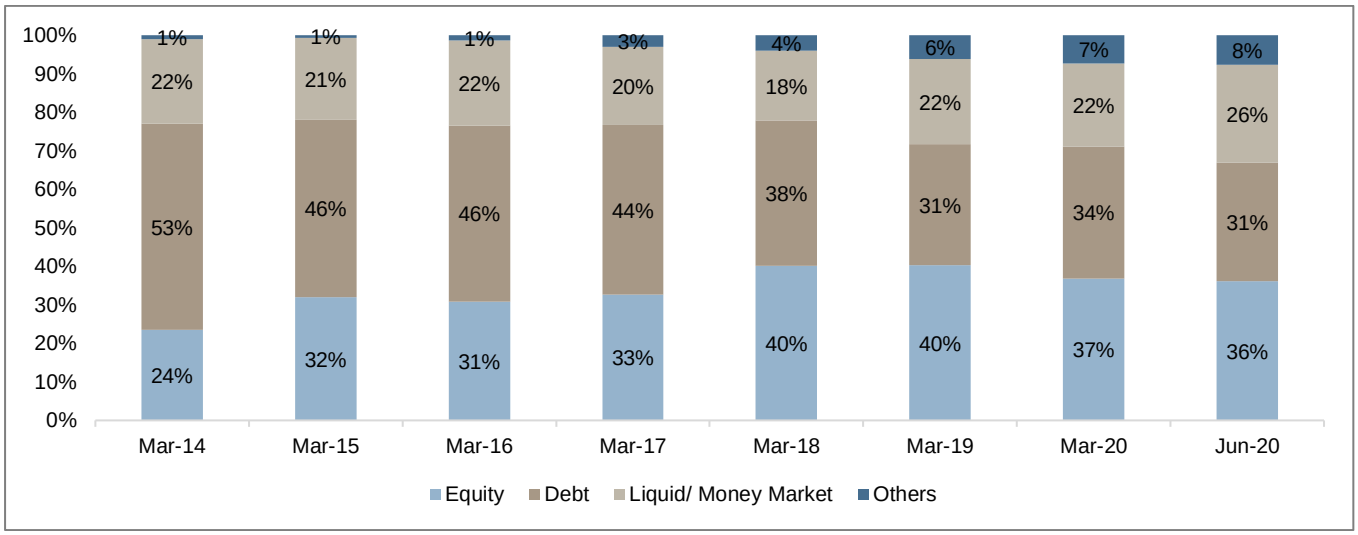


Note: Based on monthly average AUM for the relevant periods.
Source: AMFI, CRISIL.

The share of equity funds in the portfolio of the Top 10 AMCs increased from 24% as of March 31, 2014 to 36% as of June 30, 2020, on the back of the rising retail participation and a targeted approach by the top funds. The share of debt funds in the portfolio of the Top 10 AMCs dropped from 53% as of March 31, 2014 to 31% as of June 30, 2020.

Liquid funds have been stable over this period and have seen an increase in their average AUM share from 22% as of March 31, 2020 to 26% as of June 30, 2020. Higher fear and uncertainty in the market due to the spread of the COVID-19 pandemic has led investors to withdraw money from debt funds and invest in liquid funds, leading to an increase in the market share of the latter funds.

Top 10 AMCs Aggregate AUM by Segment



Note: Based on monthly average AUM for March of the relevant fiscal years. Equity includes equity and balanced schemes; others include gold ETFs, other ETFs and fund of funds overseas.
Source: AMFI, CRISIL.

Top 10 players	AAUM (March 2014) (₹ billion)	AAUM market share (March 2014) (%)	AAUM (March 2019) (₹ billion)	AAUM market share (March 2019) (%)	AAUM (March 2020) (₹ billion)	AAUM market share (March 2020) (%)	AAUM (June 2020) (₹ billion)	AAUM market share (June 2020) (%)
SBI Mutual Fund	655	7.2%	2,838	11.6%	3,735	13.8%	3,644	14.8%
HDFC Mutual Fund	1,130	12.5%	3,423	14.0%	3,698	13.7%	3,562	14.5%
ICICI Prudential Mutual Fund	1,068	11.8%	3,208	13.1%	3,507	13.0%	3,263	13.2%
Aditya Birla Sun Life Mutual Fund	891	9.8%	2,465	10.1%	2,475	9.2%	2,146	8.7%

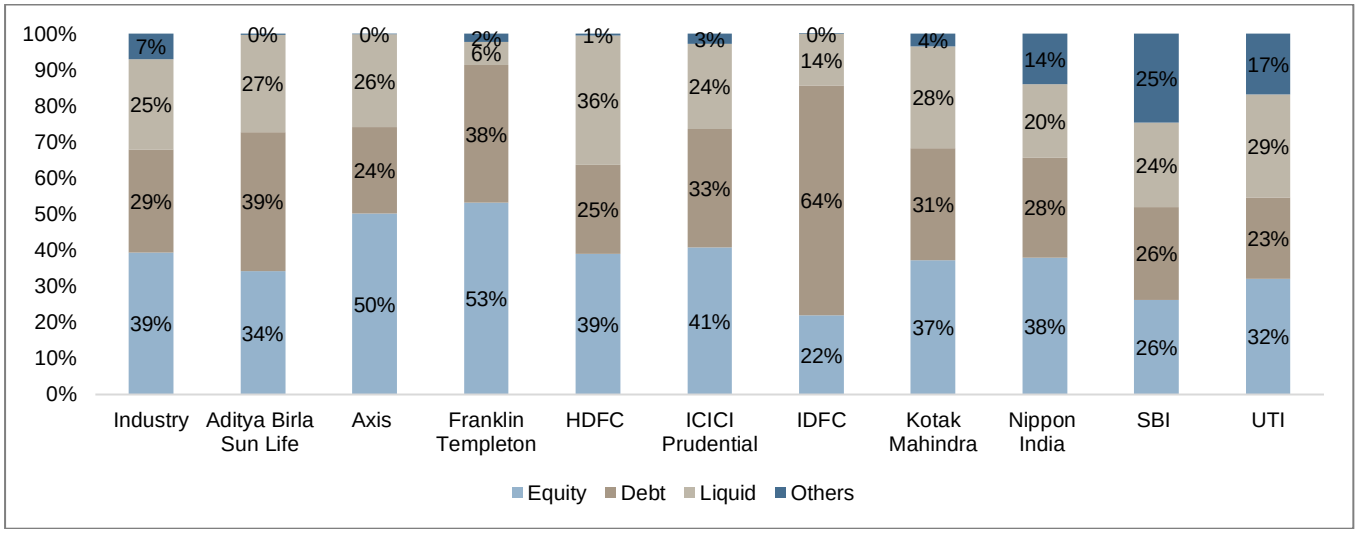
Top 10 players	AAUM (March 2014) (₹ billion)	AAUM market share (March 2014) (%)	AAUM (March 2019) (₹ billion)	AAUM market share (March 2019) (%)	AAUM (March 2020) (₹ billion)	AAUM market share (March 2020) (%)	AAUM (June 2020) (₹ billion)	AAUM market share (June 2020) (%)
Nippon India Mutual Fund	1,035	11.4%	2,336	9.5%	2,049	7.6%	1,801	7.3%
Kotak Mahindra Mutual Fund	331	3.7%	1,501	6.1%	1,861	6.9%	1,673	6.8%
Axis Mutual Fund	162	1.8%	897	3.7%	1,384	5.1%	1,343	5.5%
UTI Mutual Fund	742	8.2%	1,597	6.5%	1,515	5.6%	1,336	5.4%
IDFC Mutual Fund	413	4.6%	694	2.8%	1,039	3.8%	1,018	4.1%
Franklin Templeton Mutual Fund	454	5.0%	1,189	4.9%	1,163	4.3%	798	3.2%
Total (Top 10)	6,881	76.0%	20,148	82.3%	22,427	83.0%	20,583	83.6%
Total	9,055	100%	24,484	100%	27,037	100%	24,628	100%

Note: Ranking based on QAAUM as of March 31, 2020.
Source: AMFI, CRISIL.

AUM Composition

Other segments account for over 10% of the assets of SBI AMC, UTI AMC and Nippon India AMC; this share is expected to grow at a higher pace in the coming years due to the growth presence of ETFs. At the industry level, this segment has approximately a 7% share of AUM. UTI manages the largest dividend yield fund (the UTI Dividend Yield Fund) and the largest index fund, excluding ETFs (the UTI Nifty Index Fund), in India as of June 30, 2020. It also manages the largest retirement benefit pension fund in the retirement fund category.

Top 10 AMCs AUM by Segment

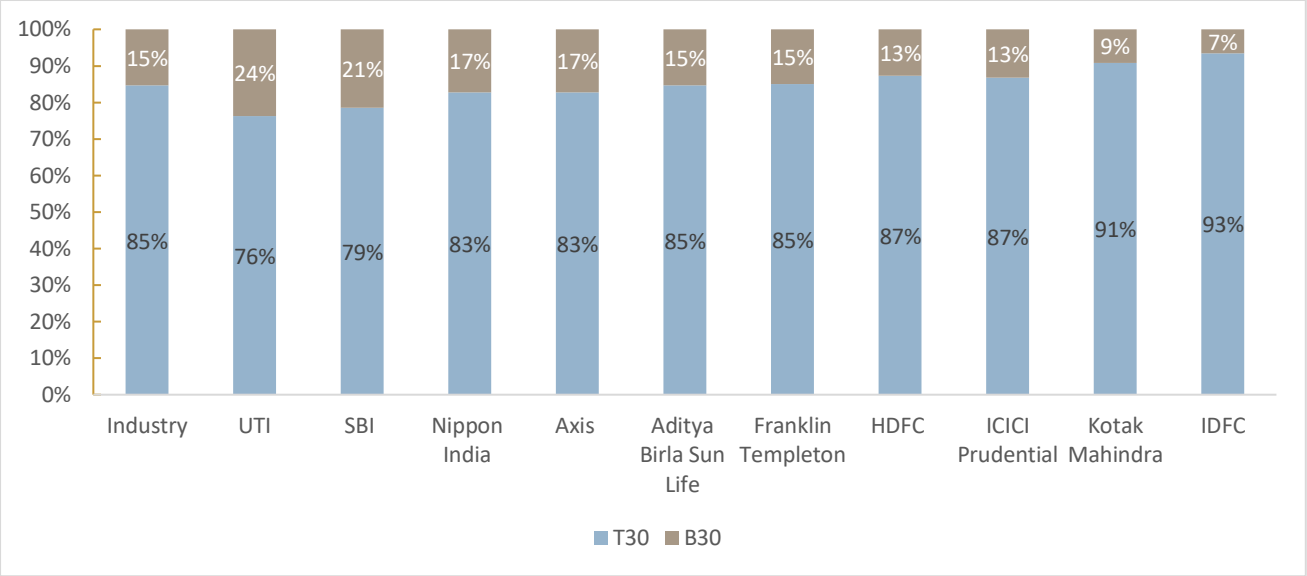


Note: Data are as of June 30, 2020 and based on monthly average AUM. Equity includes equity and balanced schemes, others include gold ETFs, other ETFs and fund of funds overseas. Short name for AMCs used. Refer to annexure for full names.
Source: AMFI, CRISIL.

B30 Markets

With approximately ₹340 billion, or 24% of its overall AUM in B30 geographies, UTI has the highest concentration in B30 markets among the Top 10 AMCs. SBI AMC is the only other player with a concentration of over 20% in B30 markets. UTI AMC also has the highest concentration in equity AUM in B30 geographies, followed by SBI AMC. Higher share of equity AUM in their portfolio helps AMCs in generating higher fee income. A higher presence of AMCs in the B30 regions should allow AMCs to leverage their established position and the potential infrastructural capabilities in which they have already invested in these markets. The ability to charge an additional 30 bps in B30 locations lowers pressure on scheme margins in these geographies. B30 geographies account for a low proportion of overall industry AUM.

Share of B30 Markets in Top 10 AMCs AUM



Note: Data are as of June 30, 2020. Based on monthly average AUM; short name for AMCs used. Refer to annexure for full names. AMCs are arranged in order of percentage share of B30 AUM.
Source: AMFI, CRISIL.

- **Customer Satisfaction**

  UTI AMC has the lowest complaints against folios (0.002%), followed by Aditya Birla Sun life (0.003%), Nippon India (0.013%) and SBI Mutual Fund (0.013%).

  Customer Satisfaction (Fiscal 2020)

Fund name	Number of folios	Complaints against folios
UTI Mutual Fund	1,0915,080	0.002%
Aditya Birla Sun Life Mutual Fund	7,186,083	0.003%
Nippon India Mutual Fund	8,899,683	0.013%
SBI Mutual Fund	8,570,990	0.013%
Axis Mutual Fund	6,010,731	0.016%
Kotak Mahindra Mutual Fund*	2,478,358	0.020%
IDFC Mutual fund	1,341,238	0.022%
ICICI Prudential Mutual Fund	9,384,601	0.025%
Franklin Templeton Mutual Fund	3,754,244	0.033%
HDFC Mutual Fund	9,426,600	0.056%

Note: The table is arranged in increasing order of complaint against folios; data includes complaints against its authorised persons /distributors/employees. Complaint against folio is calculated as total complaints raised/total number of folios
Source: AMFI, CRISIL

Investor Profile of the Industry

- **Individual Investors Outpace Institutional**

  Historically, the majority of the industry's assets were held by institutional investors, mainly corporates. However, the share of institutional investments (corporates, banks/financial institutions ("**FIs**") and foreign institutional investors ("**FIIs**") has gradually declined from 54% as of March 31, 2015 to 49% as of June 30, 2020. Institutional investor AUM grew at a CAGR of 13.9% from March 31, 2015 to June 30, 2020. Retail AUM saw a faster 17.8% CAGR over the same period due to increased participation, especially in equity funds.

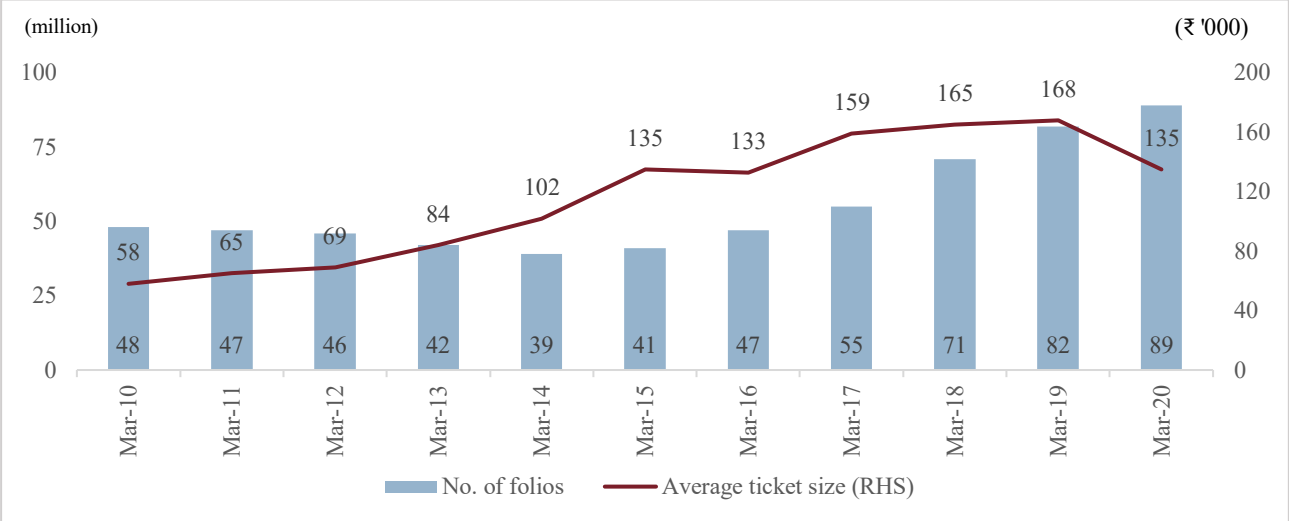
Share of AUM by Investor Classification (₹ billion)

Category	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Jun-20	CAGR (Mar-15 to Jun-20)
Corporates	5,673	6,440	8,816	10,051	10,102	10,985	11,745	**15%**
Banks/FIs	663	843	1,104	866	826	767	1,096	**10%**
FIIs	159	110	131	125	111	54	53	**-19%**
Institutional sub-total	**6,495**	**7,393**	**10,051**	**11,042**	**11,039**	**11,806**	**12,894**	**14%**
Retail	2,442	2,627	3,824	5,355	6,446	4,696	4,975	**15%**
HNIs	3,140	3,531	4,703	6,310	7,095	8,207	8,202	**20%**
Individual sub-total	**5,582**	**6,158**	**8,527**	**11,665**	**13,541**	**12,903**	**13,177**	**18%**
Total	**12,077**	**13,552**	**18,578**	**22,707**	**24,580**	**24,709**	**26,069**	**16%**

Note: AUM as at the end of period mentioned; the total and subtotal may not add up to rounding off.
Source: AMFI, CRISIL.

The mutual fund industry has seen growing participation from households in recent years as a result of growing awareness, financial inclusion, and improved access to banking channels. Between March 31, 2015 and March 31, 2020, the industry grew by 48 million folios to approximately 89.7 million folios, driven almost entirely by individual investors (retail and high net worth individuals or HNIs). These represented an approximate CAGR of 17% in accounts over the period and an increase in average ticket size from approximately ₹135,000 as of March 31, 2015 to approximately ₹168,000 as of March 31, 2019. Following the outbreak of the COVID-19 pandemic, the average ticket size of individual folios has decreased to ₹134,500 as of March 31, 2020.

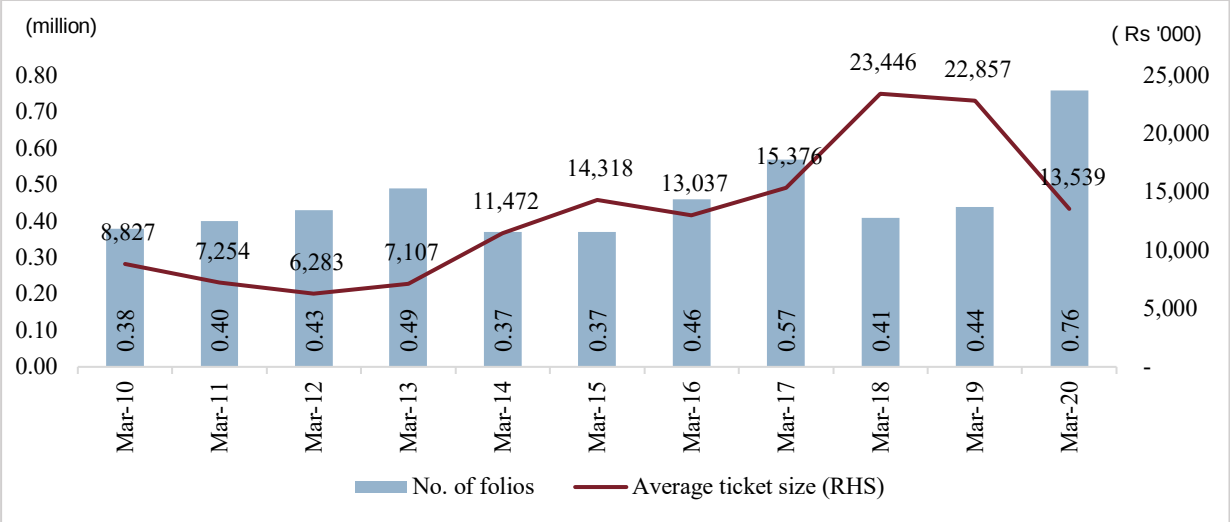
Individual Investor Folios and Average Ticket Size



Note: Number of folios as on end of fiscal year.
Source: AMFI, CRISIL.

Institutional investor folios, on the other hand, saw no significant additions until Fiscal 2020. However, their average ticket size decreased from ₹14.3 million to ₹13.5 million over the same period but has gone down recently as institutional investors have chosen more schemes to diversify their portfolio as a risk mitigation strategy.

Institutional Investor Folios

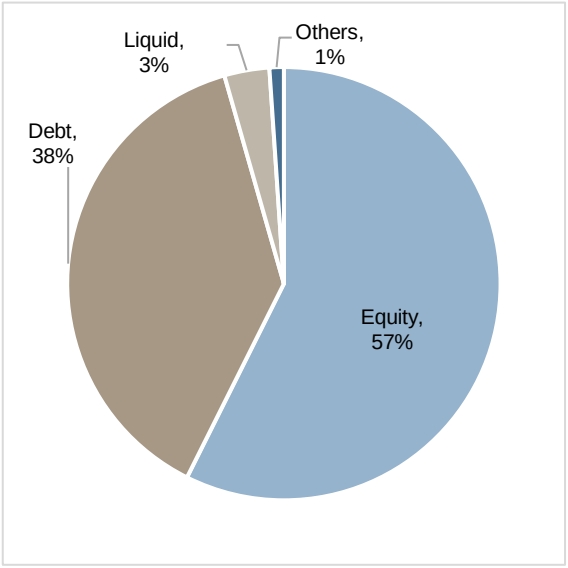
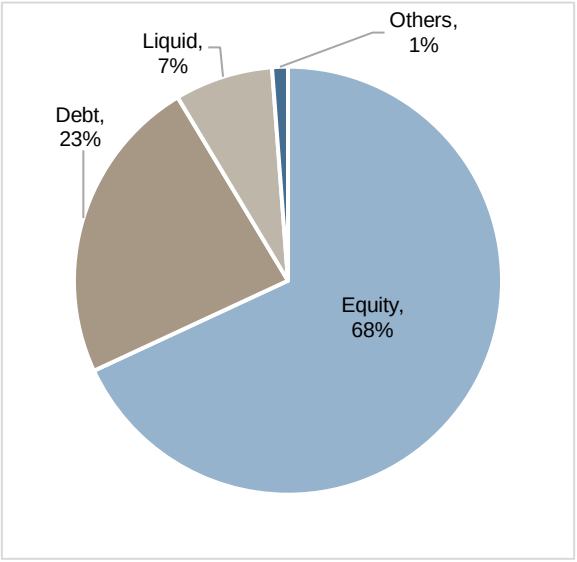


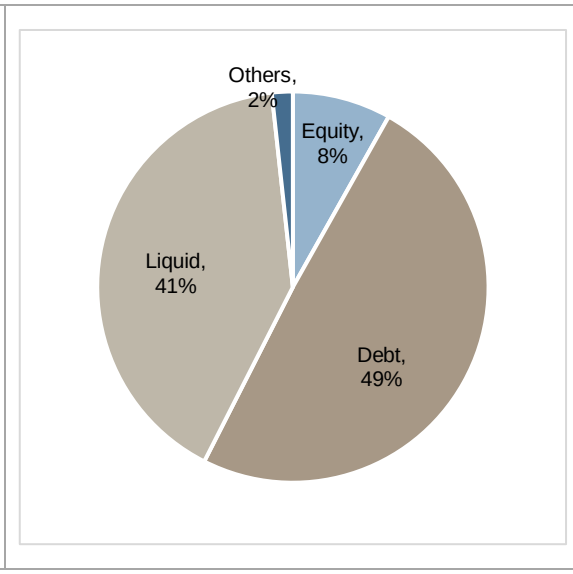
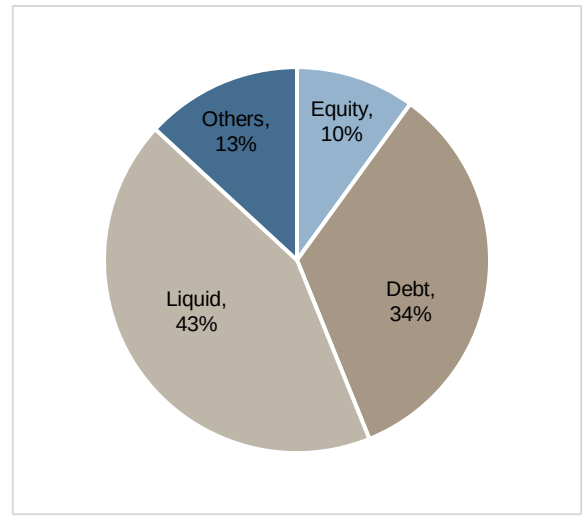
Note: Number of folios as on end of fiscal year.
Source: AMFI, CRISIL.

- **Individual Investors are Highly Concentrated in Equity Funds**

As of June 30, 2020, the AUMs of approximately 68% individual investors were invested in equity-oriented funds, up from 57% as of March 31, 2015. This was driven by sharp reductions in debt-oriented funds as a result of the recent credit crises, relative outperformance of equity funds over other asset classes, and a higher push of equity products by AMCs and distributors owing to their relatively higher profitability and expense ratios.

For institutional investors too, the proportion of others and equity-oriented funds have seen a rise. The rise in the others category is due to the investment of 15% of fresh accretion of the EPFO into equity ETFs by its fund managers. However, despite this, the share is dominated by debt funds, including the liquid category.

Investor category	**March 2015**	**June 2020**
Individual investors		

Institutional investors		

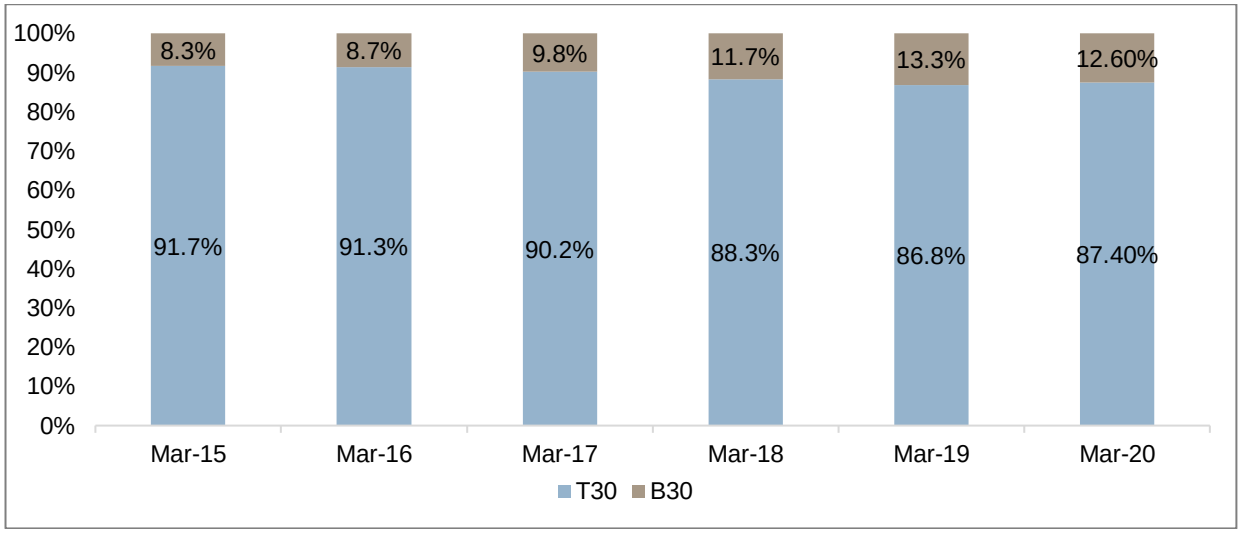
Note: As per monthly average AUM. Equity funds include growth/ equity-oriented schemes (other than ELSS), ELSS funds and balanced schemes. Debt funds include gilt funds, FMP, debt (assured return), IDFs and other debt schemes. Liquid/money market schemes include liquid fund/money market funds. "Others" include gold ETFs, other ETFs and FoF investing overseas. Categories may not add up to 100% due to rounding.
Source: AMFI, CRISIL.

- **Presence of AMCs in B30 Markets**

As of June 30, 2020, AUM in T30 cities stood at ₹22.1 trillion compared with ₹4.0 trillion for B30 cities as per AMFI data. This classification has been revised by SEBI from T15 and B15 to T30 and B30, respectively, to encompass a broader set of cities that have lower penetration after seeing the share of B15 cities improve regularly in the previous years.

As per data from Computer Age Management Services, over the past five years, the share of T30 AUMs as a proportion of aggregate industry AUM has decreased from 91.7% as of March 31, 2015 to 87.4% as of March 31, 2020. Conversely, the share of B30 AUM has increased from 8.3% to 12.6% over the period, illustrating the rising importance of higher growth B30 geographies.

Composition of Aggregate T30/B30 Market AUM

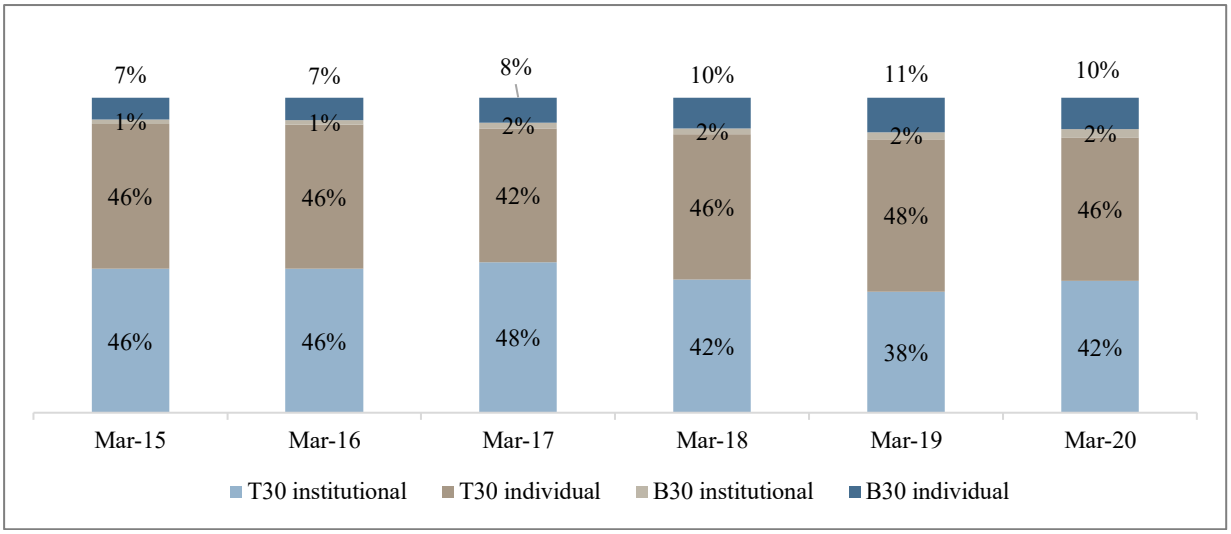


Note: AUM as on end of fiscal year.
*Source: Computer Age Management Services ("**CAMS**") database.*

As of Fiscal 2020, 68.6% of AUM in B30 geographies were concentrated in equity schemes compared with only 43% for T30 geographies. This was primarily due to the higher presence of institutions and corporates in T30 geographies. Given the higher concentration of individual investors in equity products, an increased penetration of B30 markets should thus further increase the overall proportion of equity AUMs to aggregate industry AUM. Such a development would allow AMCs to charge higher expense ratios, albeit with help from distributors. AMCs with higher shares of AUM in B30 geographies are thus less susceptible to overall margin pressures than their T30-focused peers, especially

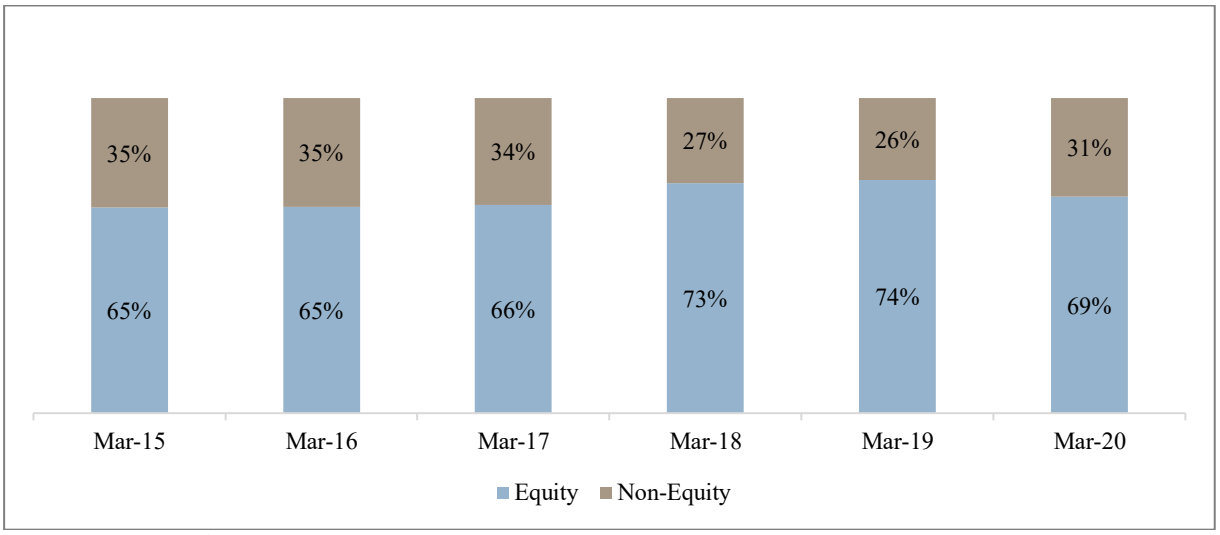
given the recent regulatory exacerbations of margin pressures owing to the reduction in total expense ratios across the industry.

Individual vs. Institutional AUM Split of Aggregate T30/B30 Market AUM



Note: AUM as on end of fiscal year.
Source: CAMS Database.

Aggregate B30 AUM by Segment



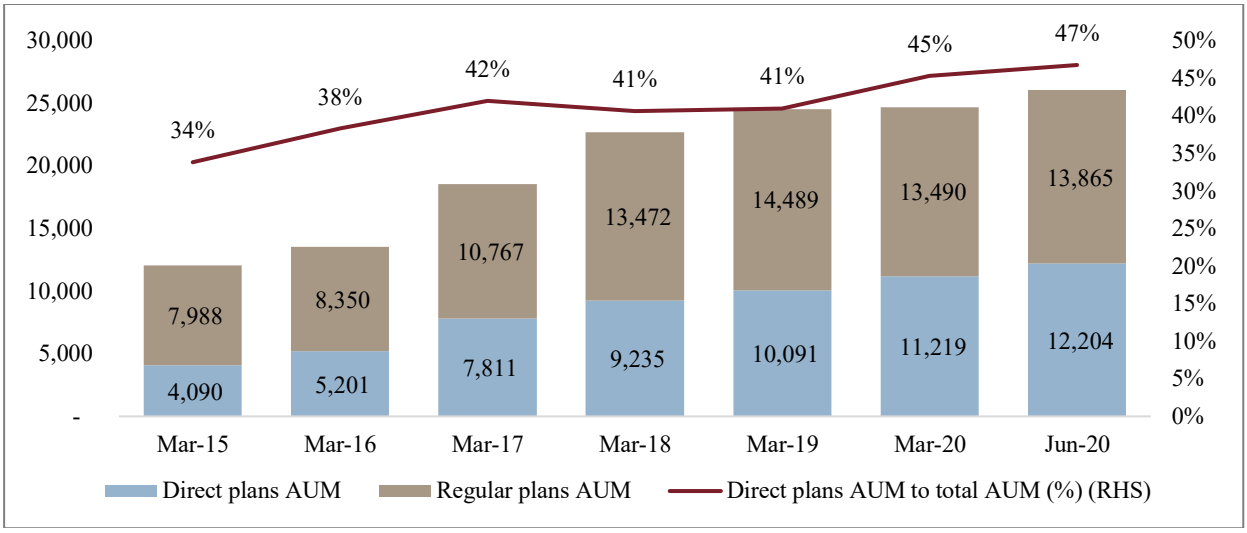
Source: CAMS Database.

Investment Channels

- **Direct Route Becoming More Important**

  In September 2012, SEBI mandated mutual fund houses to offer their products through the direct route alongside distributors, causing asset managers to begin offering direct plans in January 2013. As a result, AUM under direct plans grew at an annualised 23% between March 31, 2015 and June 30, 2020. At ₹12.2 trillion, AUM under direct plans represent 47% of average industry AUM as of June 30, 2020, up from 34% as of March 31, 2015.

AUM (₹ billion)



Note: Based on monthly average AUM.
Source: AMFI, CRISIL.

Going forward, growing investor awareness and preparation as well as integration of user interfaces through digital channels are expected to provide additional boosts to growth in direct plan AUMs.

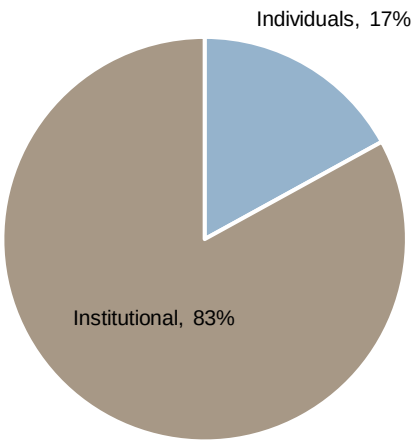
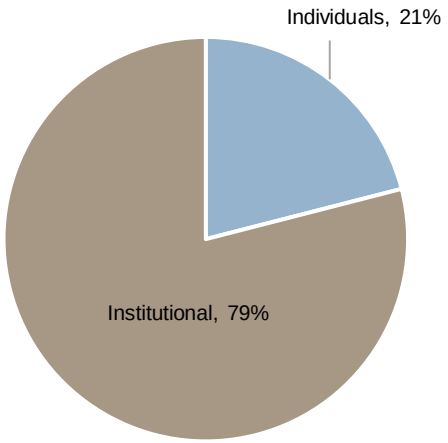
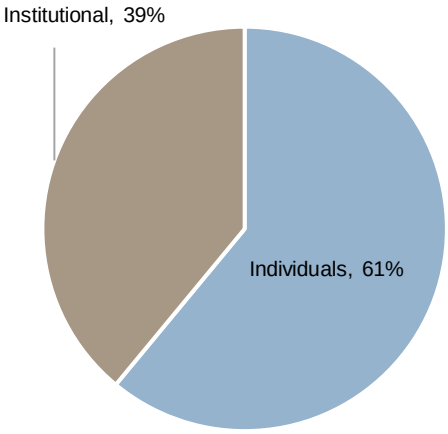
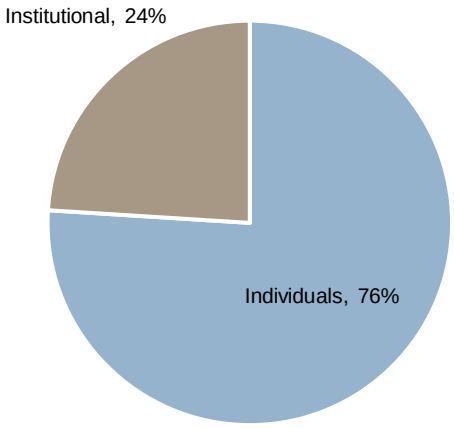
- **Regular vs. Direct Plans**

As of June 30, 2020, institutional investors accounted for approximately 79% of aggregate direct plan monthly average AUMs (down from 83% as of March 31, 2015) vs. 21% for individual investors (up from 17% as of March 31, 2015). The rising popularity of direct plans with individual investors is a result of various campaigns and investor education initiatives in the mutual industry.

Regular vs. Direct Split of Individual and Institutional AUM

(₹ billion)	March 31, 2015				June 30, 2020			
	Regular	Direct	Total	Share in Total AUM	Regular	Direct	Total	Share in Total AUM
Individual investors	4,893	688	**5,581**	**46.2%**	10,591	2,585	**13,176**	**51.5%**
Institutional investors	3,094	3,401	**6,496**	**53.8%**	3,274	9,619	**12,893**	**49.5%**
Total	**7,988**	**4,090**			**13,865**	**12,204**		

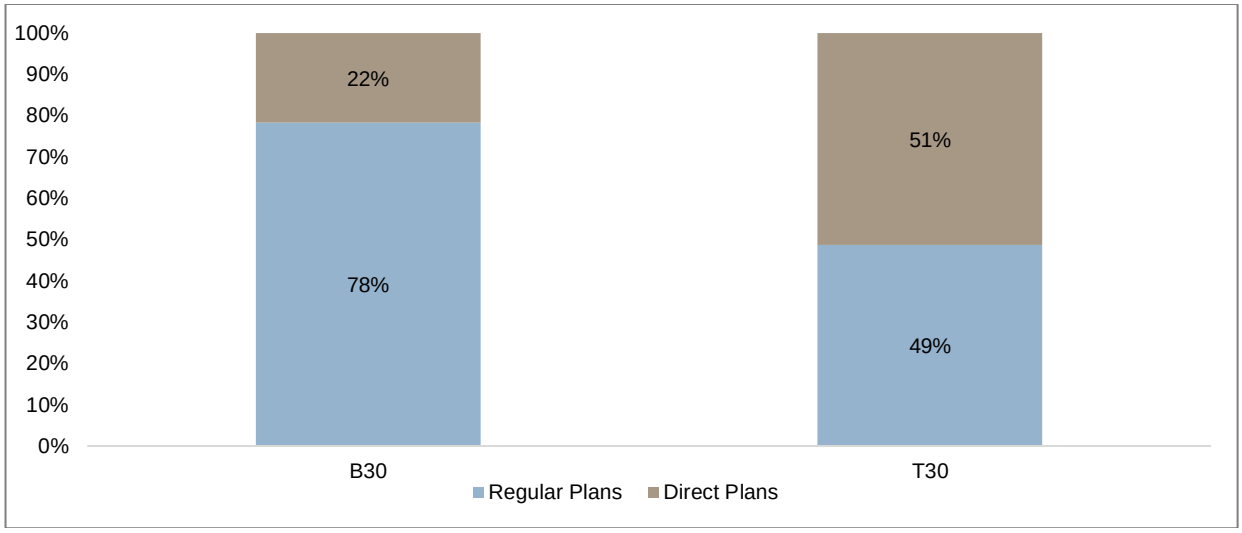
Note: Based on monthly average AUM.
Source: AMFI, CRISIL.

Plan type	Mar 2015	Jun 2020
Direct plan		
Regular plan		

Note: Based on monthly average AUM.
Source: AMFI, CRISIL.

Regular plans have a higher share of B30 assets and constitute the vast majority of aggregate equity AUM. AMCs incur additional distribution costs to onboard retail customers, which requires higher spending on infrastructure and marketing capabilities. As a result, AMCs with a strong existing presence in B30 markets are in a better position to penetrate these markets and have a better play on operating leverage.

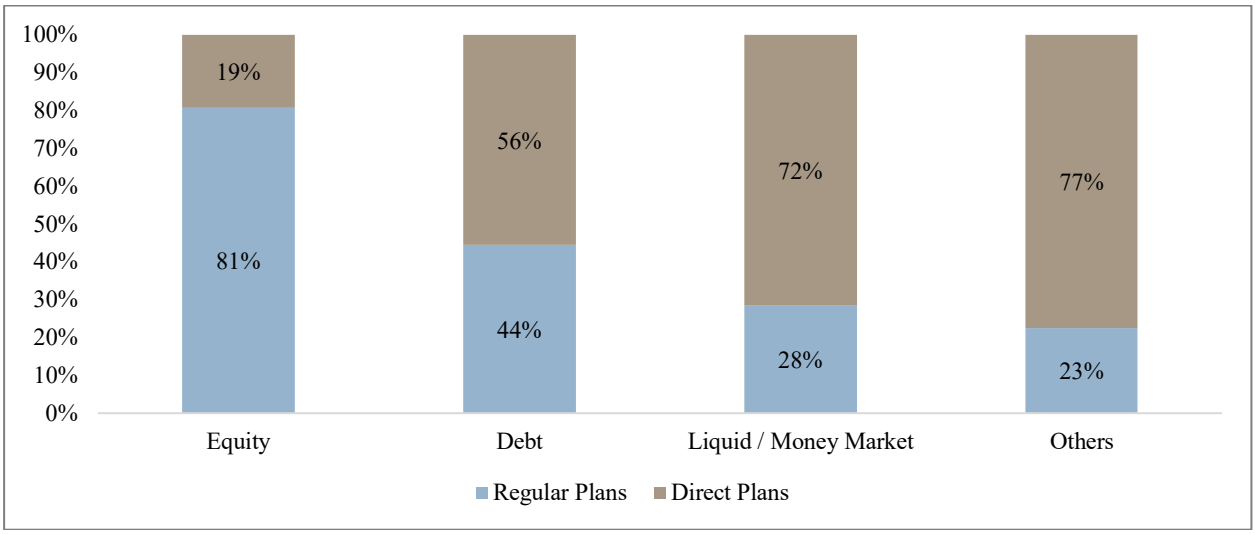
Regular vs. Direct Split of B30 AUM



Note: Based on monthly average AUM for the month ended June 30, 2020.
Source: AMFI, CRISIL.

A large proportion of individual AUM is in equity funds; institutional AUM are more concentrated in non-equity and other funds. Thus, for equity funds, AMCs depend on distributors and partners to aggregate larger amounts of assets, as individuals still largely depend on them for investment advice. As of June 30, 2020, 81% of equity funds are from regular plans. At the same time, investment decisions are directly made by corporates in non-equity and other categories of funds, and funds flow in through direct plans.

Regular vs. Direct Split of Equity AUM



Note: Based on monthly average AUM for the month ended June 30, 2020; equity includes balanced funds;" others" include Gold ETFs, Other ETFs and FOF – Investing Overseas.
Source: AMFI, CRISIL.

- **Expense Ratios**

Expense ratios have declined noticeably across the industry over the past few years, mainly due to increasingly stringent SEBI regulations, rising competition among managers, and the availability of alternative investments. Management fees, fees for RTAs and distributor commissions have been declining as well, driven in part by an increased use of technology, improving employee efficiency, and expense ratio regulations from SEBI. As managers are increasing in size, economies of scale are beginning to show in declining expense ratios. As fee increases are not proportionate to AUM growth, average expense ratios have shrunk over the years.

Average Expense Ratios by Scheme Type for Regular Plans (%)

Category	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20
Aggressive hybrid fund	2.70	2.59	2.44	2.22	2.17	2.15
Arbitrage fund	1.09	1.09	0.94	0.90	0.90	1.03

Category	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20
Banking and PSU fund	1.04	0.59	0.56	0.60	0.62	0.63
Conservative hybrid fund	2.45	2.24	2.24	2.17	2.14	2.08
Corporate bond fund	1.43	0.89	1.01	0.76	0.80	0.71
Credit risk fund	1.59	1.53	1.71	1.69	1.69	1.54
Dynamic bond fund	1.48	1.46	1.45	1.45	1.50	1.50
ELSS	2.53	2.58	2.49	2.25	2.36	2.26
Focused fund	2.29	2.55	2.35	2.35	2.26	2.25
Gilt fund	1.26	1.23	1.26	1.24	1.20	1.27
Index funds/ETFs	1.05	0.52	0.59	0.48	0.48	0.35
Large- and mid-cap fund	2.52	2.51	2.41	2.40	2.29	2.27
Large-cap fund	2.50	2.43	2.42	2.43	2.28	2.22
Liquid fund	0.17	0.21	0.18	0.19	0.19	0.24
Low duration fund	0.95	0.81	0.74	0.69	0.73	0.80
Medium duration fund	1.84	1.68	1.49	1.42	1.46	1.48
Medium to long duration fund	2.06	1.82	1.72	1.70	1.67	1.60
Mid-cap fund	2.57	2.48	2.39	2.41	2.33	2.29
Money market fund	0.81	0.51	0.46	0.50	0.45	0.47
Multi-cap fund	2.59	2.52	2.39	2.41	2.31	2.21
Sectoral/Thematic	2.69	2.61	2.56	2.54	2.50	2.53
Short duration fund	1.14	1.16	1.17	1.10	1.09	1.08
Small-cap fund	2.73	2.60	2.42	2.39	2.26	2.22
Ultra-short duration fund	0.48	0.81	0.73	0.73	0.75	0.75
Value/Contra fund	1.93	2.40	2.27	2.29	2.19	2.21

Note: Average Expense Ratio; funds ranked under CRISIL Mutual Fund Ranking are considered for each category.
Source: Monthly portfolio disclosures by AMCs, CRISIL.

Average Expense Ratios by Scheme Type for Direct Plans (%)

Category	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20
Aggressive hybrid fund	1.99	1.58	1.22	1.02	1.02	1.11
Arbitrage fund	0.59	0.53	0.40	0.32	0.35	0.41
Banking and PSU fund	0.65	0.25	0.26	0.26	0.29	0.28
Conservative hybrid fund	1.64	1.31	1.38	1.25	1.18	1.10
Corporate bond fund	0.69	0.43	0.48	0.30	0.37	0.37
Credit risk fund	1.09	0.76	0.83	0.80	0.82	0.79
Dynamic bond fund	0.96	0.77	0.81	0.78	0.82	0.81
ELSS	2.00	1.71	1.59	1.36	1.26	1.21
Focused fund	1.82	1.56	1.43	1.21	1.26	1.12
Gilt fund	0.78	0.62	0.57	0.49	0.52	0.64
Index Funds/ETFs	0.81	0.32	0.36	0.25	0.24	0.14
Large- and mid-cap fund	1.85	1.68	1.47	1.25	1.21	1.19
Large-cap fund	1.78	1.37	1.42	1.38	1.21	1.23
Liquid fund	0.08	0.12	0.10	0.10	0.12	0.14
Low duration fund	0.53	0.43	0.35	0.30	0.33	0.35
Medium duration fund	1.02	0.88	0.87	0.69	0.75	0.78
Medium to long duration fund	1.62	1.04	0.89	0.88	0.92	0.86
Mid-cap fund	1.47	1.69	1.52	1.41	1.22	1.17
Money market fund	0.39	0.23	0.22	0.22	0.20	0.19
Multi-cap fund	1.70	1.65	1.51	1.38	1.36	1.23
Sectoral/Thematic	1.98	1.77	1.67	1.47	1.59	1.55
Short duration fund	0.48	0.46	0.47	0.40	0.41	0.37
Small-cap fund	1.79	1.64	1.55	1.42	1.17	1.13
Ultra-short duration fund	0.24	0.40	0.26	0.28	0.31	0.31
Value/Contra fund	1.87	1.42	1.33	1.34	1.19	1.08

Note: Average Expense Ratio; funds ranked under CRISIL Mutual Fund Ranking are considered for each category.
Source: Monthly portfolio disclosures by AMCs, CRISIL.

India follows a bundled expense ratio structure wherein various commission expenses are embedded in the expense ratios of the funds. The investors do not bear any additional cost such as platform fees or advisory fees. Funds in India are not allowed to charge performance fees. Thus, in direct comparison with other countries, expense ratios in India may appear higher, but are bundled and have no other costs attached.

Expense Ratio Comparison By Country (%)

Country	Expense ratio (Equity)	Expense ratio (Fixed-income)
India	1.75 - 2.00	0.50 - 0.75
China	1.75 - 2.00	<0.50
Thailand	1.50 - 1.75	<0.50
US	<1.00	<0.50
UK	<1.00	0.75 - 1.00
Singapore	1.50 - 1.75	0.75 - 1.00
Australia	1.00 - 1.25	0.50 - 0.75

Note: Asset weighted median expense ratio range (locally domiciled funds) (%).
Source: Morningstar Inc.

- **AUM by Geography**

The mutual fund industry in India has historically been concentrated in a few states with the top five states accounting for 72% of the AUM as of June 30, 2020. Maharashtra has the highest share at 44%, followed by New Delhi at 9% and Karnataka at 7%.

Over the past five years, the share of the top five states has remained stable, while growth and penetration into other states is expected to pick up in the near term, driven in part by a heightened regulatory focus on increasing penetration levels in underdeveloped markets.

AUM Share of Top Five States

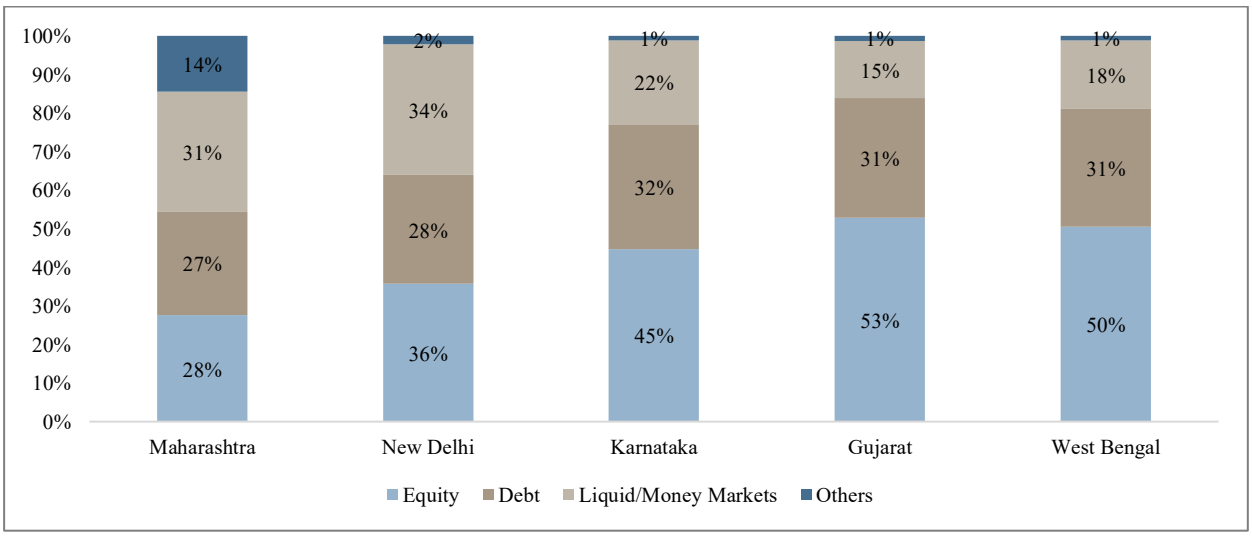
State	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Jun-20
Maharashtra	44%	44%	43%	41%	41%	41%	44%
New Delhi	10%	10%	10%	10%	9%	10%	9%
Karnataka	7%	7%	7%	7%	7%	7%	7%
Gujarat	6%	6%	6%	7%	7%	7%	6%
West Bengal	5%	5%	5%	5%	5%	5%	5%
Total	**71%**	**72%**	**71%**	**70%**	**70%**	**70%**	**72%**

Note: Based on monthly average AUM for relevant fiscal years; top five states as per June 30, 2020.
Source: AMFI, CRISIL.

Asset allocation of the top five states shows Gujarat has the highest preference for equity-oriented funds, at 53% of its total assets, while Karnataka has the highest allocation to debt (32%), and New Delhi is titled towards liquid/money market funds (34%).

On an aggregate level, the top five states are less concentrated in equity funds due to the strong presence of institutional investors in their markets. CRISIL expects further penetration into other states to result in an aggregate mix shift into equity products, driving incremental expense opportunities for AMCs.

Concentration mix of players in top five states



Note: Based on the monthly average AUM; equity includes balanced funds; "others" include gold ETFs, other ETFs and FOF – investing overseas; figures as of June 2020.

Source: AMFI, CRISIL.

Aggregate AAUM in Top Five States by Segment

(₹ billion)	Maharashtra	New Delhi	Karnataka	Gujarat	West Bengal
Equity	3,183	847	763	884	704
Debt	3,111	670	552	517	427
Liquid/Money market	3,583	803	369	248	247
Others	1,671	54	21	23	18
Total	11,548	2,373	1,706	1,671	1,395

Note: Based on the monthly average AUM; equity includes balanced funds; "others" include gold ETFs, other ETFs and FOF – Investing overseas. Figures as of June 30, 2020.
Source: AMFI, CRISIL.

Commissions

As per the SEBI circular dated August 22, 2011, AMCs must disclose on their website the total commissions and expenses paid to distributors that meet any of the following criteria with respect to non-institutional investors:

1. those present in at least 20 locations;

2. those managing assets worth at least ₹1 billion;

3. those that received commissions worth at least ₹10 million across all mutual funds put together; and

4. those that received commission above ₹5 million from a single mutual fund.

Based on such disclosures, a total of 852 distributors collected aggregate commissions of ₹61.3 billion on average AUM of ₹10.1 trillion as of Fiscal 2020. Thereof, the top 10 agents (seven banks and three national distributors) accounted for ₹29.4 billion or 48% of total commissions on aggregate average AUM of ₹4.46 trillion or approximately 44%.

	Mar-14	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20
Aggregated commission (₹ billion)	26.0	47.4	36.6	50.0	85.5	79.5	61.3
Aggregated average assets under management (₹ trillion)	4.1	5.2	6.1	6.9	9.2	10.1	10.1
Number of distributors	396	519	540	732	1017	1073	852
Commission as a % of AAUM	0.6%	0.9%	0.6%	0.7%	0.9%	0.8%	0.6%

Source: AMFI, CAMS Database, CRISIL.

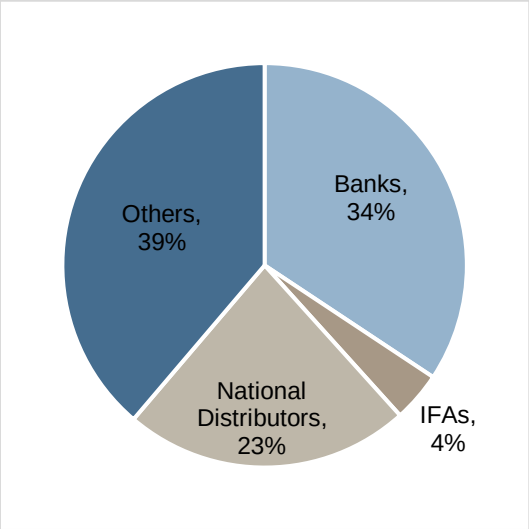
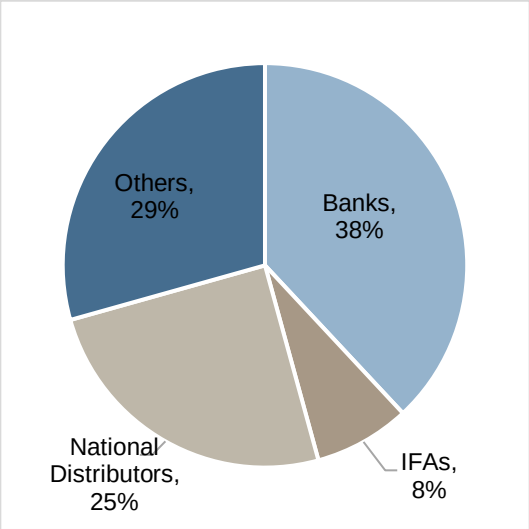
In Fiscal 2020, the number of distributors satisfying the SEBI criteria of disclosure saw a decline, as the industry continues moving towards direct plans. Excluding the top few distributors responsible for most of the assets managed, the rest have seen a reduction in the commission for bringing in a similar quantum of assets managed.

AMCs with strong distributor networks as well as higher penetration in underpenetrated regions have better standing if regulators are more inclined to reduce the expenses in mutual fund schemes with bundled expense ratios. This is evident in B30 cities and in equity schemes. AMCs with a larger share of institutional AUM and a lower share of regular plans could thus benefit from lower overall scheme expense ratios.

As of Fiscal 2020, banks and national distributors accounted for approximately 38% and approximately 25% of industry AUM, respectively, while others, including regional and overseas institutional distributors, wealth advisors and financial advisors accounted for a 29% share.

The share of banks as distributors has increased as many funds have tie-ups with banks to promote their schemes in lieu of a predetermined pay-out structure. The share of others, which includes regional and overseas institutional distributors, and wealth and financial advisors, has dropped from 39% as of Fiscal 2015 to 29% as of Fiscal year 2020.

Industry Distribution Channel Mix

Distributor type-wise	Fiscal Year Ended March 31, 2015	Fiscal Year Ended March 31, 2020
Divided based on the AAUM among distributors as per list provided on AMFI website		

Note: Based on the AAUM for FY20 and FY15 by the distributors.
Source: AMFI, CAMS Database, CRISIL.

Smaller distributors who have a higher likelihood of being present in the B30 cities are paid a lower commission in comparison with larger distributors. AMCs opting to further penetrate B30 cities can better bundle expense ratios, thus allowing them to experience lower pressure on expenses.

CRISIL expects the SEBI ban on upfront commissions to help decrease volatility of inflows, significantly reduce unnecessary "churning" of mutual fund portfolios, particularly in B30 geographies where higher upfront commissions were being paid, and to further help increase the longevity of investments in the industry.

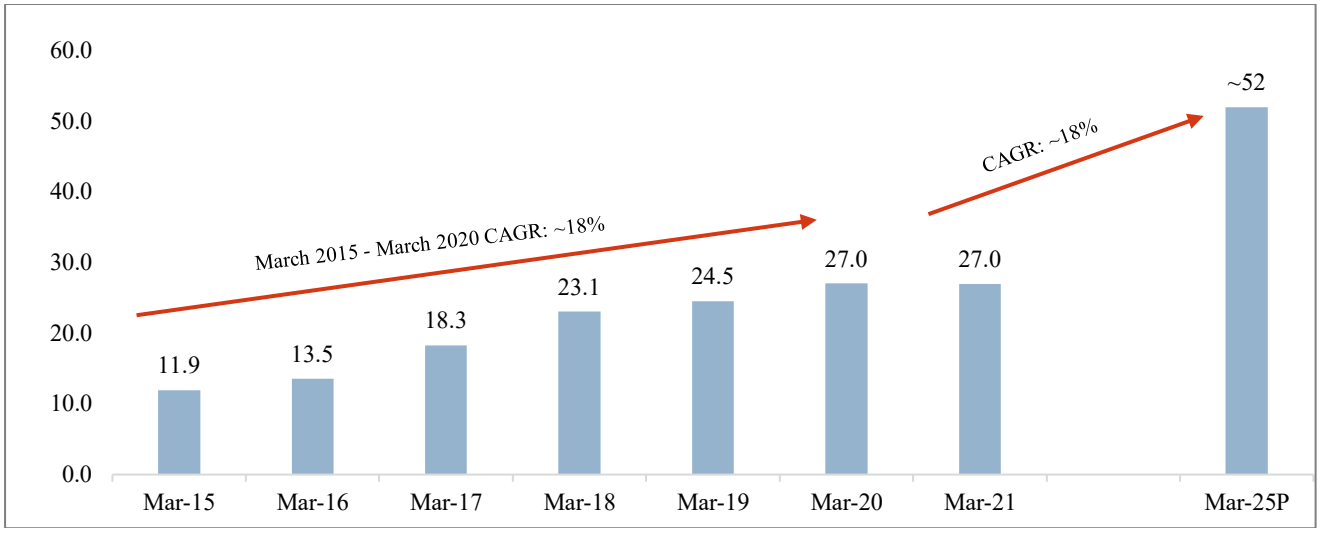
Industry Outlook

AUM Growth

CRISIL expects the mutual fund QAAUM growth to be near-flat for Fiscal 2021. After growing at a CAGR of approximately 18% between March 31, 2015 and March 31, 2020, from ₹11.9 to ₹27.0 trillion, respectively, the QAAUM as March 31, 2021 is expected to stay at approximately ₹27.0 trillion, mainly due to the effects of the COVID-19 pandemic. In an environment in which the GDP growth is expected to be around 5%, and there is no clear visibility on corporate earnings growth or disposable income levels, fund flows into the mutual fund industry are likely to be limited and the capital markets returns are also expected to remain range-bound.

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

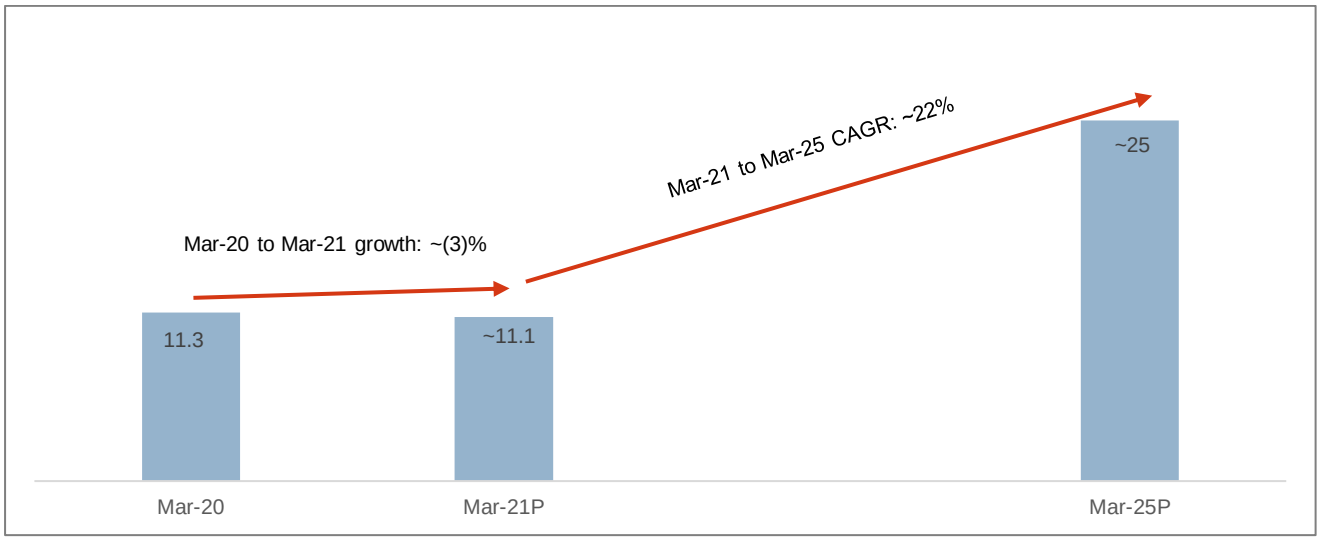
AUM (₹ trillion)



Note: AUM is the average of last quarter for each Fiscal; P – Projected.
Source: AMFI, CRISIL.

CRISIL expects equity AUM to decline by approximately 3% year-on-year in Fiscal 2021 as equity inflows, including through SIPs, remain low in Fiscal 2021 due to lower disposable income and lower savings among households as a result of the effects of the COVID-19 pandemic. However, CRISIL expects net inflows in mutual funds to gradually increase in line with its expectation for a broader economic recovery starting in Fiscal 2021 and equity funds to be the engine of overall industry growth with an approximate 22% CAGR between March 31, 2020 and March 31, 2025, driven by strong inflows due to GDP growth, recovery in corporate earnings, growing individual investor base on the back of rising household incomes, growing financial savings and robust performance in the underlying equity markets.

Projected growth in equity AUM (₹ trillion)



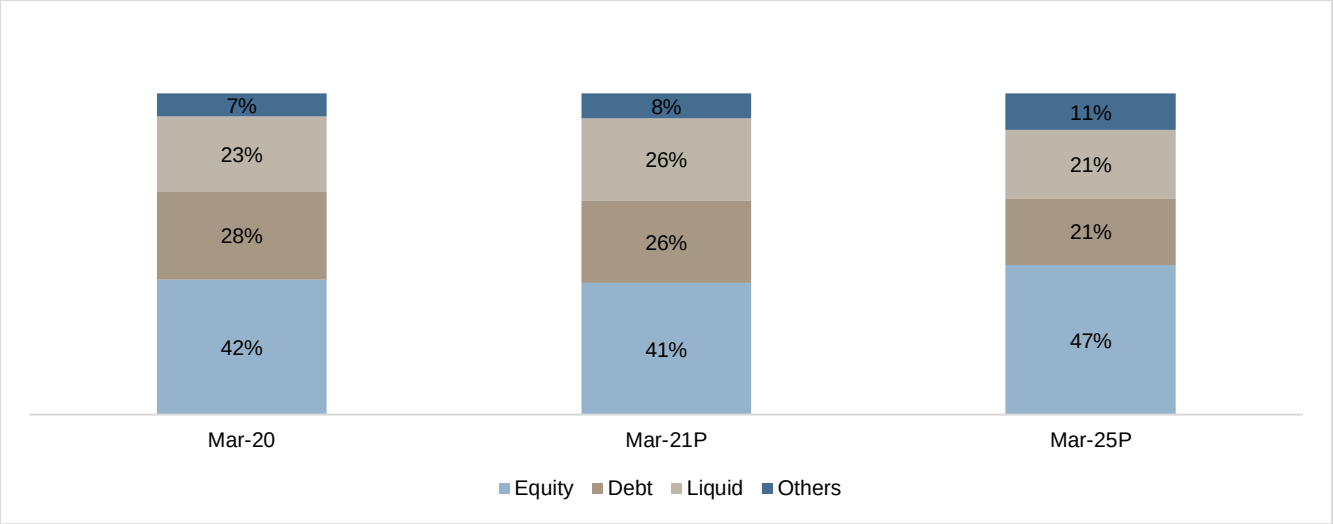
Note: As per quarterly average AUM; equity funds include growth/equity oriented schemes (other than ELSS), ELSS funds, hybrid schemes and solution oriented schemes; P – Projected.
Source: AMFI, CRISIL.

CRISIL expects similar performance across debt, liquid and other categories of funds, including index funds and ETFs. The initial effects of the COVID-19 pandemic, including business requirements by corporates and lower savings rates, in Fiscal 2021 are expected to drive down QAAUM in the last quarter of Fiscal 2021 while the initial moratorium period is expected to keep inflows to a minimum and may result in a negative mark-to-market return in the debt category.

Following Fiscal 2021, CRISIL expects improved returns from income (debt-oriented) schemes due to a change in investment philosophy towards safer products and more moderate coupon rates to drive inflow growth. The gain of mark-to-market returns is expected to be limited due to stable interest rate cycles due to current high government borrowing and low prevalent rates, which leaves limited room for further rate cuts.

CRISIL expects the growing preference for passive funds, the investment of EPFO and government divestment plans to raise funds to drive growth in the other funds category.

Trend in share of various mutual fund segments until Fiscal 2025 (%)



Note: P – Projected; as per quarterly average AUM; equity funds include growth/equity oriented schemes (other than ELSS), ELSS funds, hybrid schemes and solution oriented schemes; debt funds include gilt funds/gilt fund with 10-year constant duration and remaining income/ debt oriented schemes; liquid/money market schemes include liquid fund/money market fund/floater fund/overnight fund; "others" include index funds, gold ETFs, other ETFs and fund of fund investing overseas.
Source: AMFI, CRISIL.

Trend in share of various mutual fund segments (₹ trillion)

Category	March 20	March 21P	March 2020 to March 2021 growth	Mar 2025P	March 2021 to March 2025 growth
Equity	11.3	11.1	~(3)%	~24.7	~22%
Debt	7.4	6.9	~(7)%	~10.8	~12%
Liquid	6.3	6.9	~10%	~11.0	~12%
Others	1.9	2.1	~10%	~5.9	~30%

Note: P – Projected; as per quarterly average AUM; equity funds include growth/equity oriented schemes (other than ELSS), ELSS funds, hybrid schemes and solution oriented schemes; debt funds include gilt funds/gilt fund with 10-year constant duration and remaining income/debt oriented schemes; Liquid/money market schemes include liquid fund/money market fund/floater fund/overnight fund; "others" include index funds, gold ETFs, other ETFs and fund of fund investing overseas.
Source: AMFI, CRISIL

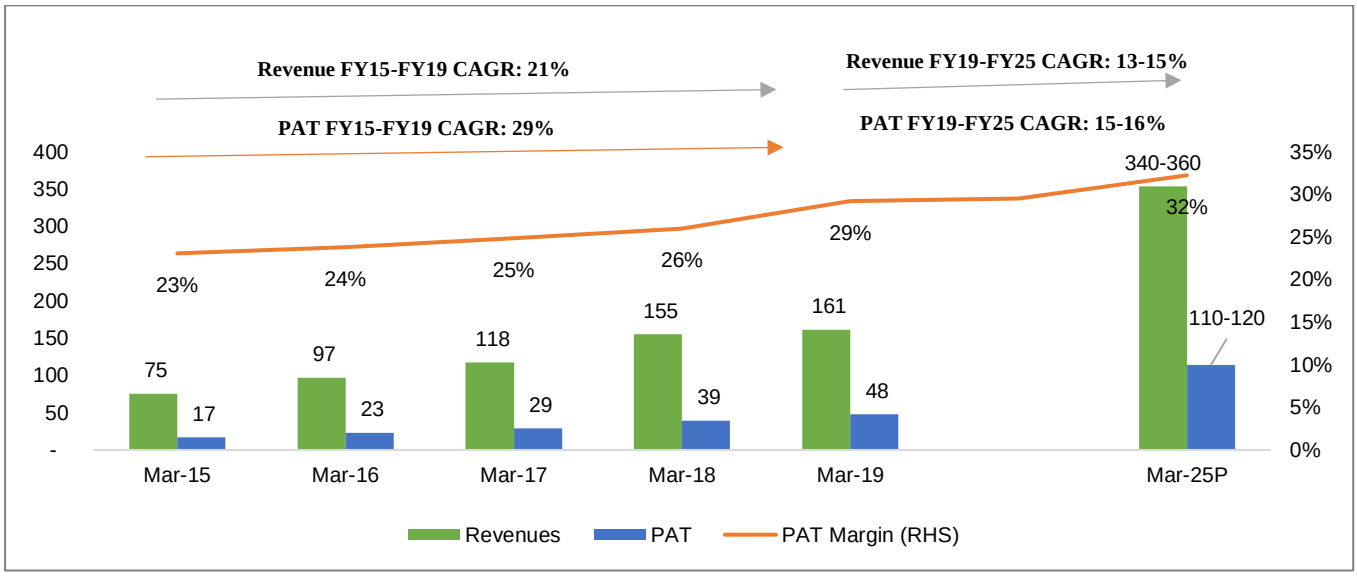
Revenue and Profit Growth

CRISIL expects industry revenues to grow at a CAGR of between 13% and 15%, from ₹161 billion in Fiscal 2019 to between ₹340 and ₹360 by Fiscal 2025, driven mainly by growth in AUM and incremental re-allocations of AUM from fixed income to equity-oriented funds (which usually charge higher investment management fees (on actively managed equity funds) than other categories). In addition, other revenue streams, including portfolio management services ("**PMS**"), alternative investment funds ("**AIF**") 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 high net worth individuals ("**HNI**") segment.

CRISIL expects industry profitability to improve and net profits to grow at a high CAGR of between 15% and 16% over the same period to total between ₹110 and ₹120 billion by Fiscal 2025, due in part to gradual decreases in the percentage of management fees as a result of higher competition and tighter TER regulations. Intensifying competition will also require increased marketing expenses, but CRISIL believes this will be partly offset by an improvement in employee efficiency and technological enhancements, which will eventually help increase profit margins.

Both revenue and profit after tax will stay impacted due to the COVID-19 pandemic and will witness a decrease in Fiscal 2021, after which CRISIL projects they will grow at a steady pace, in line with the overall AUMs.

Projected Industry Revenue and Profits (₹ billion)



Note: P – Projected; Calculated with respect to total revenue; financials for Fiscal 2019 and Fiscal 2018 are under Indian Accounting Standards (Ind AS).
Source: AMC annual reports, CRISIL.

Growth Drivers

- **Population**

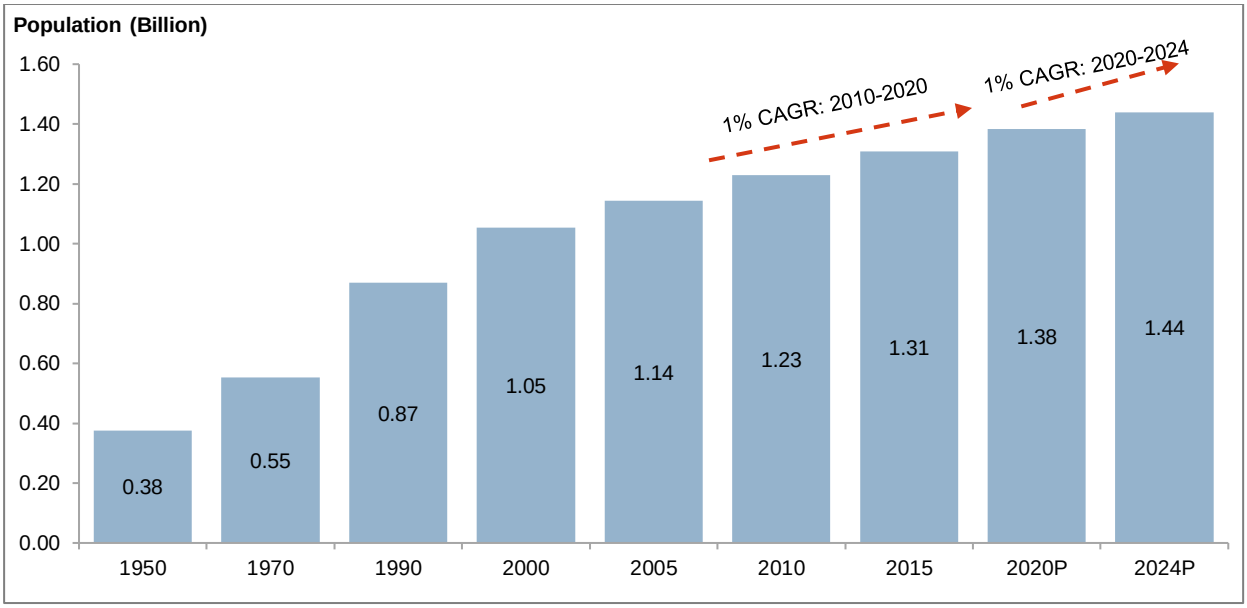
  India is the second most populated country in the world.

	2020 (P) population (millions of people)
People's Republic of China	1,404.455
India	1,369.557
United States	331.052
Indonesia	269.865
Brazil	211.376
Pakistan	208.570
Nigeria	206.140
Bangladesh	168.312
Russian Federation	146.618
Japan	125.758

Note: P - Projected.
Source: IMF (World Economic Outlook, October 2019), CRISIL.
Between 2001 and 2010, India's population grew nearly 18% and it is expected to continue to grow at a rate of 1% per year to reach 1.44 billion by 2024.

India's population is expected to continue to grow at a CAGR of 1% over the next five years.

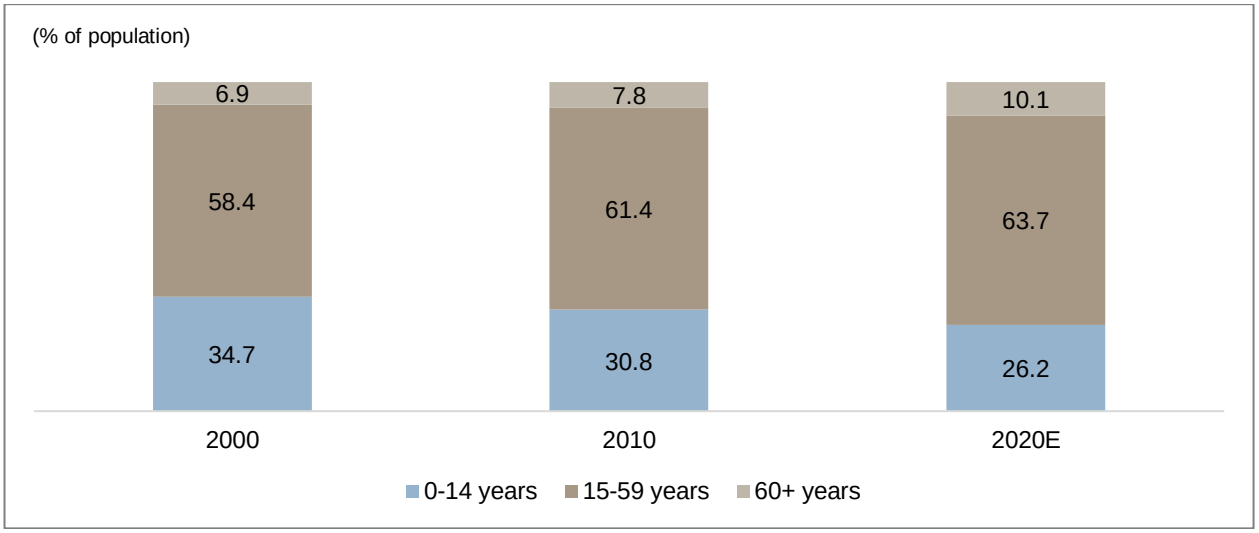
Population (Billion)



Note: P – Projected.
Source: United Nations Department of Economic and Social Affairs, Population Division; CRISIL.

- **Age and Size of Working Population**

As per 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 to 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.

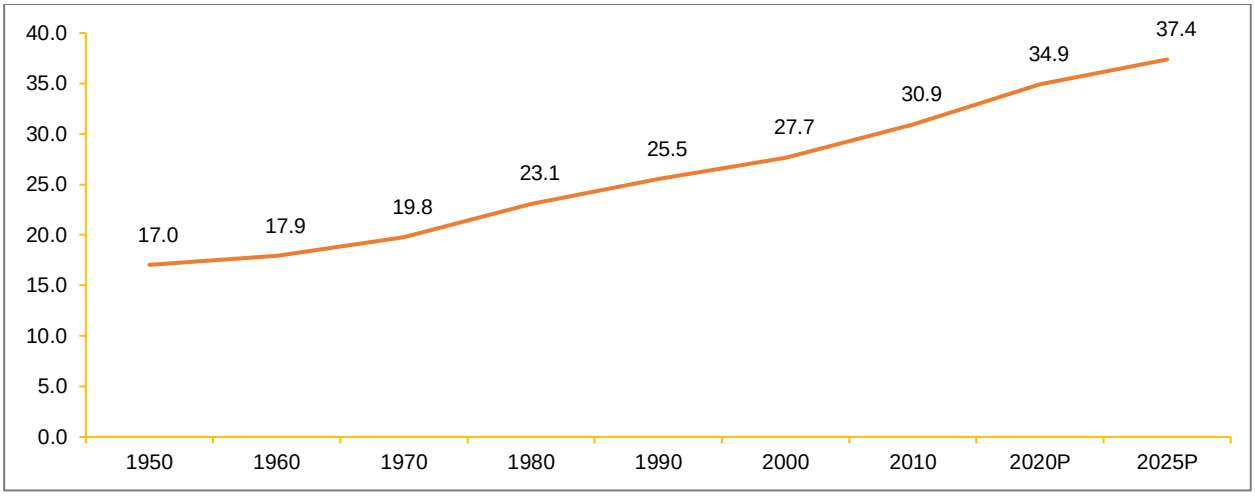


Note: E - Estimated.
Source: United Nations Department of Economic and Social Affairs, Population Division; CRISIL.

- **Urbanisation**

Urbanisation is one of India's most important economic growth drivers as it will drive substantial investments in infrastructure development, which, in turn, is expected to lead to job creation, development of modern consumer services and increased ability to mobilise savings. The country's urban population has been rising consistently over the past decades, is currently estimated to represent approximately 35% of the total population and is expected to reach approximately 37% by 2025.

India's Urban Population (% of Total Population)



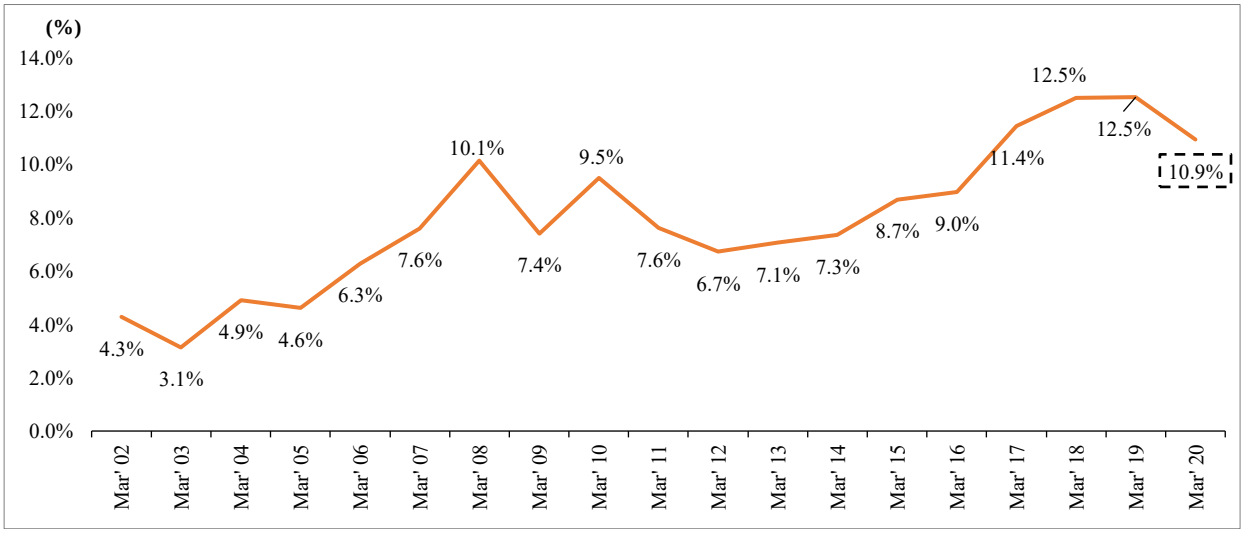
Note: P - Projected.
Source: Census 2011, World Urbanization Prospects: The 2018 Revision (UN).

- **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 of the 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% as of Fiscal 2002 to approximately 11% as of Fiscal 2020, penetration levels remain well below those in other developed and fast-growing peers.

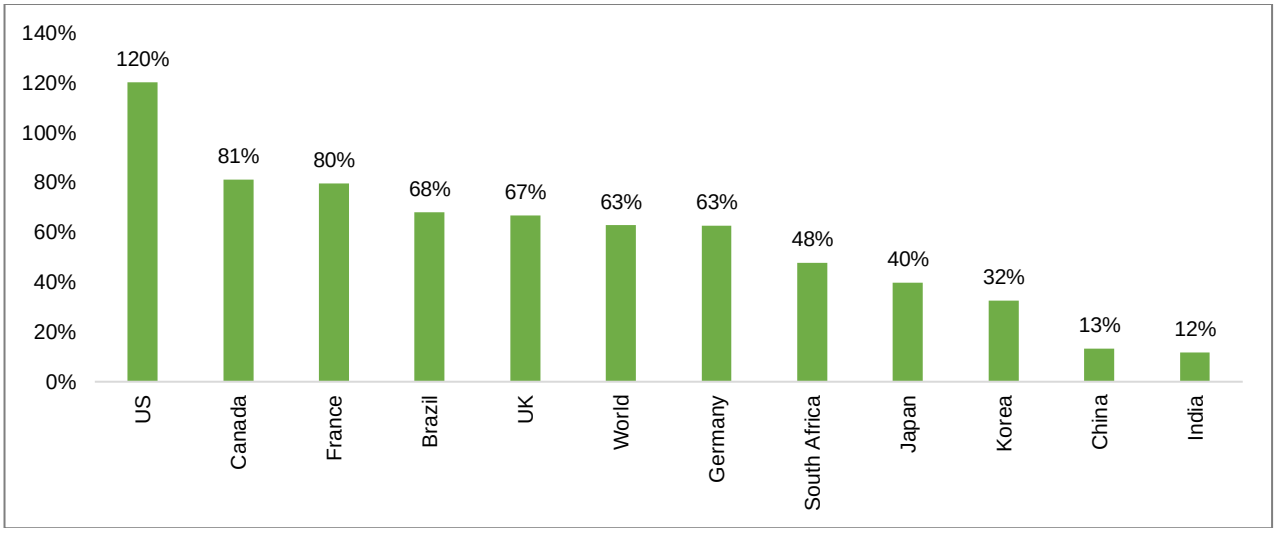
Mutual Fund AUM (% of GDP)



Note: Based on end of Fiscal AUM and GDP at current prices.
Source: AMFI, IMF, RBI, CRISIL.

India's mutual fund penetration (AUM as a percentage of GDP) is significantly lower than the world average of 63% and also lower than many developed economies such as the US (120%), Canada (81%), France (80%) and the UK (67%) and key emerging economies such as Brazil (68%) and South Africa (48%).

AUM (% of GDP)

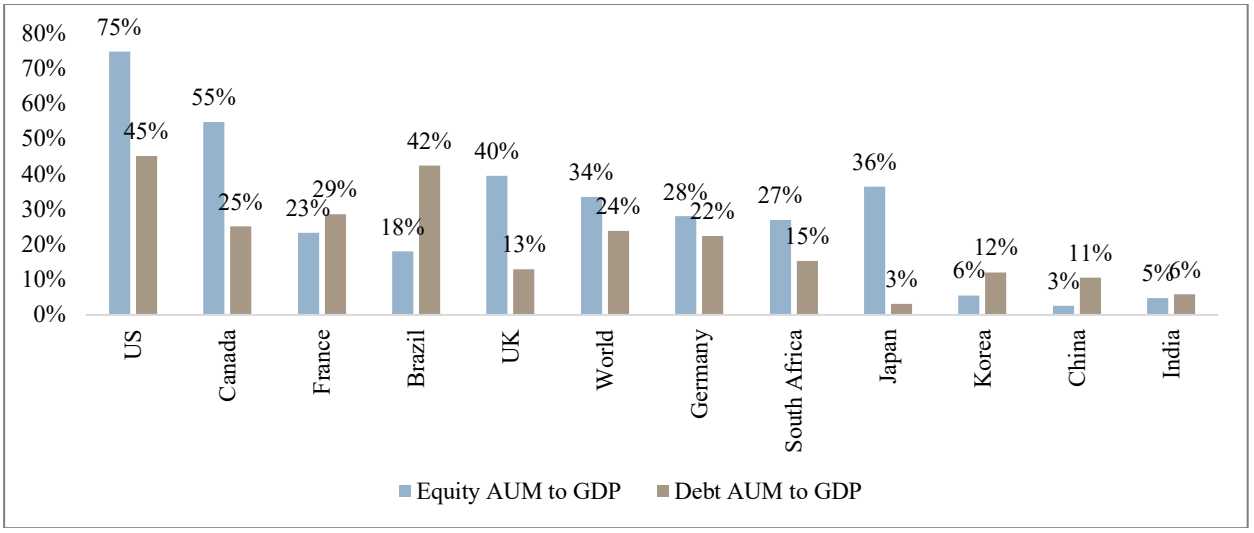


Note: AUM data as of CY 2019:Q4 for all countries; only open-ended funds have been considered. Includes equity, debt and others. GDP is based on current prices estimation by IMF in world economic outlook July 2019.

Source: IMF, IIFA, CRISIL.

The ratio of equity mutual fund AUM to GDP stands at 5% in India compared to 75% in the US, 55% in Canada, 40% in the UK, 27% in South Africa and 18% in Brazil.

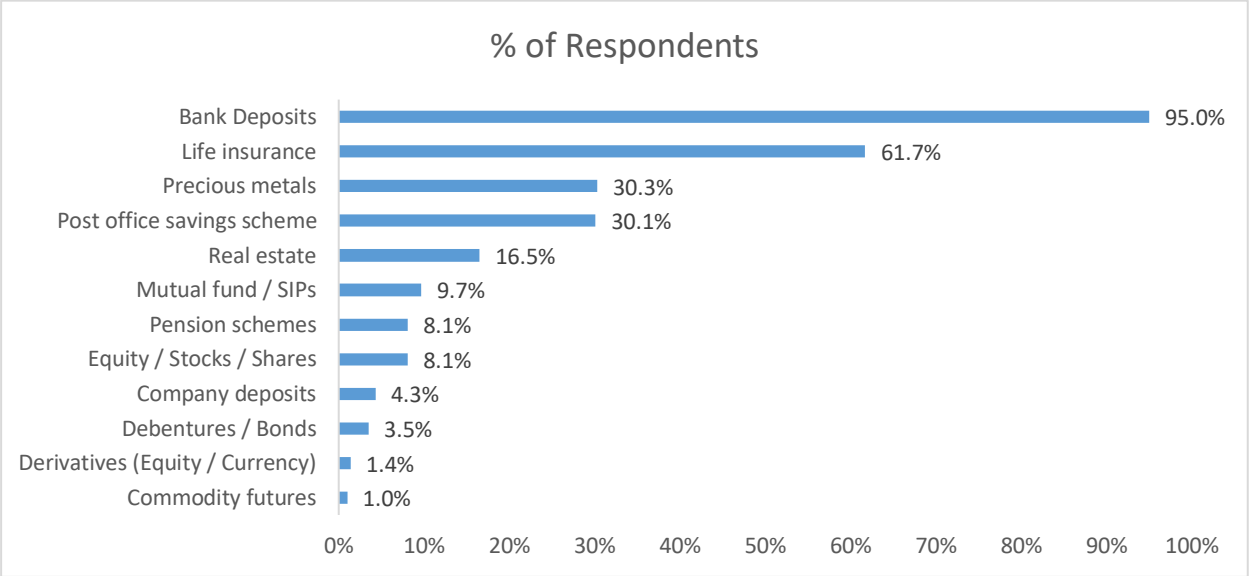
Equity Mutual Fund AUM (% of GDP)



Note: AUM data as of CY 2019:Q4; only open-ended funds have been considered; balanced/mixed funds are assumed to be composed of 70% equity and 30% debt; guaranteed/protected and real estate funds have not been considered. GDP is based on current prices.
Source: IMF, IIFA, CRISIL.

Financial Inclusion, Investor Education and Regulatory Initiatives

Low mutual fund penetration levels in India are largely due to the lack of awareness about this investment vehicle. 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.



Source: SEBI Investor Awareness Survey, 2015, n = 36,756 (all urban respondents, SIS 2015). Respondents could check multiple options.

The central Government launched the Pradhan Mantri Jan Dhan Yojana with an objective to broaden financial inclusion by bringing India's unbanked population into the formal banking sector. Under the scheme, there were as many as 397.1 million beneficiaries as of June 30, 2020, with deposits totalling ₹1,325 billion. Over time, these new banking customers are also expected to utilise other financial services options like investing in capital markets through mutual fund products.

As outlined above, SEBI has directed AMCs to annually set aside at least 2 bps of daily net assets for investor education initiatives to boost awareness of capital market investment products. The overall increase in advertisement by fund houses and robust market performance are likely to boost industry AUM, which, in turn, will result in higher spending on investor awareness. This will ultimately help deepen mutual fund penetration among new investors, particularly in B30 markets.

Retirement planning is an untapped market in India. If channelled through mutual funds, it has the potential to significantly improve penetration levels among households. EPFO's move to invest 15% of its fresh accretion into exchange-traded funds has boosted the industry. This illustrates how mutual funds can be promoted as a vehicle for retirement planning in India.

The popularity of equity-linked savings schemes, 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 31, 2019 stood at ₹960 billion, up from ₹255 billion as of March 31, 2014, representing a CAGR of 30.3%. This further illustrates retail investors' rising interest in equity products.

- **Fund Performance**

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. 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 across asset class is likely to only increase over time.

Returns by Fund Category

Broad Category	Category	1-year	3-year	5-year	7-year	10-year
Debt	Banking and PSU debt funds	11.89	8.49	8.57	8.59	NA
Debt	Corporate bond funds	11.72	8.53	8.70	8.77	8.79
Debt	Credit opportunity funds	4.28	4.85	6.64	NA	NA
Debt	Dynamic bond funds	7.71	5.48	7.52	7.65	8.16
Debt	Gilt funds	13.50	8.38	9.76	8.76	8.59
Debt	Medium-duration funds	3.50	4.16	6.05	6.65	7.30
Debt	Medium-to-long duration funds	12.03	6.87	8.34	7.96	8.26
Debt	Short-duration funds	9.53	7.18	7.87	8.08	8.25
Equity	ELSS funds	-11.89	-0.26	3.96	11.48	8.64
Equity	Focused equity funds	-10.54	1.81	5.46	11.74	9.22

Broad Category	Category	1-year	3-year	5-year	7-year	10-year
Equity	Infrastructure funds	-23.32	-6.92	0.03	8.02	2.09
Equity	Large and mid-cap funds	-10.55	0.57	4.05	12.35	9.10
Equity	Large-cap funds	-13.06	0.65	4.27	9.78	7.86
Equity	Mid-cap funds	-10.66	-2.08	4.44	14.27	10.78
Equity	Multi-cap funds	-14.41	0.24	4.12	11.07	8.03
Equity	Small-cap funds	-18.99	-7.09	3.55	17.57	10.93
Equity	Value and contra funds	-13.26	-2.42	2.43	11.71	8.15
Hybrid	Aggressive hybrid funds	-8.68	0.94	5.08	10.81	8.85
Hybrid	Conservative hybrid funds	0.25	2.53	5.71	7.68	7.55
Money market	Liquid funds	5.63	6.63	6.95	7.57	7.80
Money market	Low-duration funds	7.95	7.07	7.53	7.99	8.14
Money market	Ultra-short duration funds	7.03	7.09	7.54	7.99	8.15

Note: Data are as of June 30, 2020. Returns calculated using asset-weighted indices of funds ranked under each category in CRISIL Mutual Fund Rankings; returns less than one year are absolute, and greater than one year are annualised.
Source: CRISIL.

- **Other Drivers**

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 a median age of 28 years, is also favourable 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 speeds are expected to support digitalisation of the sector, which, in turn, should help AMCs 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.

In May 2017, SEBI allowed investments up to ₹50,000 per mutual fund per financial year through digital wallets. Given the rise in the penetration of smartphones and greater adoption of technology platforms by India's young population, measures such as these can make mutual fund products more easily available to investors.

The growth of AUM through the direct route can also be partially attributed to ease of transactions facilitated by online portals, including mobile applications. While the direct route is mainly used by institutional investors, CRISIL 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.

In May 2017, SEBI allowed mutual funds to offer instant access facility via online mode to individual investors in liquid schemes. People can invest up to ₹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 invest money for short time frames. While this category of mutual funds is currently dominated by institutional investors, introduction of the facility is encouraging individual investors to invest excess funds in liquid products instead of savings accounts.

Reintroduction of Aadhar-based KYC (which was discontinued as of September 2018 due to a Supreme Court ruling) 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 and lower the inconvenience threshold which keeps some investors from entering the market.

- **Key Challenges**

The Indian economy has faced its first contraction in more than four decades due to the impacts of the COVID-19 pandemic and associated governmental responses. The impact of this pandemic will likely widen India's fiscal deficits, which would exacerbate the structural risk factors that were visible even before the pandemic and make India's economy even more vulnerable to further downside risk and volatility.

As of July 1, 2020, the Government of India charges stamp duty of 0.005% on all mutual fund purchases, which is expected to have an adverse impact on large corporates, which invest large amounts in liquid fund products for short periods of time thus resulting in a proportionately higher impact on their returns compared to other investors.

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

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

Low financial literacy and the lack of awareness, unless addressed properly, will continue to hinder the mutual fund industry from capitalising on the full potential of the Indian economy. Mutual funds and other market-linked products remain push products in India and thus regular interaction will play a critical role in building trust, retaining 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 will mutual funds be able to move investors away from traditional investment products such as fixed deposits, gold and real estate and attract them to 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 fund industry to realise its full potential.

Expanding into B30 markets will require substantial investments in marketing and distribution which will pressure profit margins of fund houses. As a result, AMCs should adopt innovative mobile/online interfaces to reach out to consumers in B30 markets. This will lower the cost of customer acquisition, compliance and other processes. In addition, optimising the utilisation of the branch network of strategic partners will play an important part in finding the right balance between online interfacing 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 in India or other markets around the world, significant protectionist measures by large economies or faster-than-required tightening of monetary policies could impact global growth and trade.

Other Revenue Opportunities

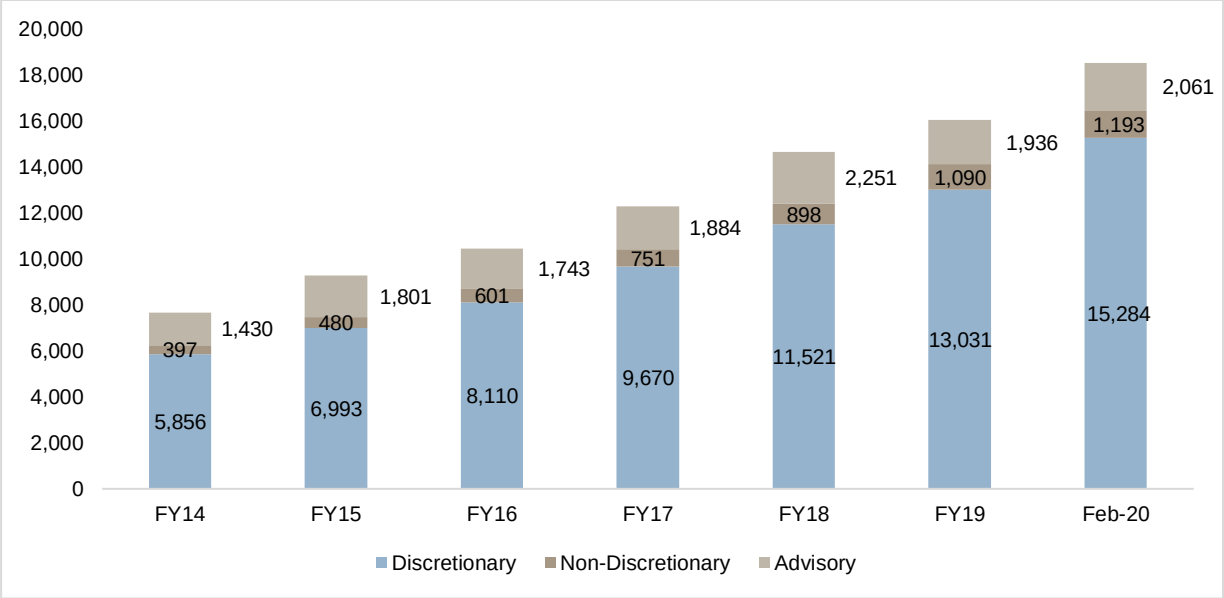
- **Portfolio Management Services**

  In India, PMS are offered by AMCs, banks, brokerages and independent investment managers. PMS are usually focused on customised discretionary, non-discretionary or advisory service offerings tailored to meet specific investment objectives through basic portfolio management services 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 August 9, 2020, there were 354 portfolio managers (including AMCs) registered under SEBI. As of February 29, 2020, discretionary PMS dominated the space with an 82% share, followed by advisory (11%) and non-discretionary (7%) services.

  Over the last five years, the industry has seen significant growth, with the market becoming more mature, an increase in the number of HNIs, greater need for customised asset allocation based on risk-return profiling, and growing awareness of PMS as a product. As of March 31, 2019, the AUM of PMS asset managers stood at approximately ₹16.1 trillion, reflecting a CAGR of 16% over the last five years. As of February 29, 2020, the AUM of PMS asset managers has grown by approximately 15% over March 31, 2019 to reach approximately ₹18.5 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, CRISIL expects this to impact PMS AUM growth as the market of potential investors will decrease. The increase in net worth requirement will likely limit the number of businesses that enter and retain their registration and help bigger players, which, in turn, should lead to increased investor confidence in the product.

PMS AUM (₹ billion)



Source: SEBI, CRISIL.
Note: AUM as of end of fiscal year.

Comparison between PMS and Mutual Fund Investment

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 as low as ₹100. Regulations require that PMS services 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 give more flexibility to the fund manager than mutual funds in respect of portfolio construction, 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 than those in key equity PMS schemes (as they usually have high exit loads and longer lock-in periods).

- **Taxation —** Mutual fund schemes have "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.

Other

	Mutual funds	PMS
Entry barriers	Low	High
Typical fixed fee for equity funds	~1.5-2.0% (TER)	1.0-2.5% (on the lower range if performance-based fee is included)
Profit-sharing arrangements	No	Yes
Redemption/Churn	High	Moderate
Exit loads	Low	High
Taxation	On selling units	On selling stocks
Flexibility to portfolio manager	Moderate	High

- **Distribution Channels**

PMS providers tie up with distributors to market their product to investors. Distributors account for a large part of PMS providers' incremental inflows compared to 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 as well as trail commissions that are relatively small, compared to their upfront commission, until the investor withdraws his money from the scheme.

- **Alternative Investment Funds**

Compared with mutual funds and PMS, the AIF market in India is still at a very early stage. Since SEBI regulations came into effect in 2012, the number of AIFs registered in India have grown to 687 as of August 9, 2020. Funds raised by AIFs increased significantly from ₹410 billion as of March 31, 2017, to ₹1,717 billion as of December 31, 2019. The amount of investments made by AIFs rose from ₹351 billion to ₹1,421 billion over the same period.

The majority of commitments raised were in Category II funds (75%), followed by Category III (14%) and Category I (11%) as of December 31, 2019. Some of the AMCs have started targeting the HNI segment with AIFs, and CRISIL expects this to continue to modestly boost AMC revenue.

AIF Commitments and Funds Raised

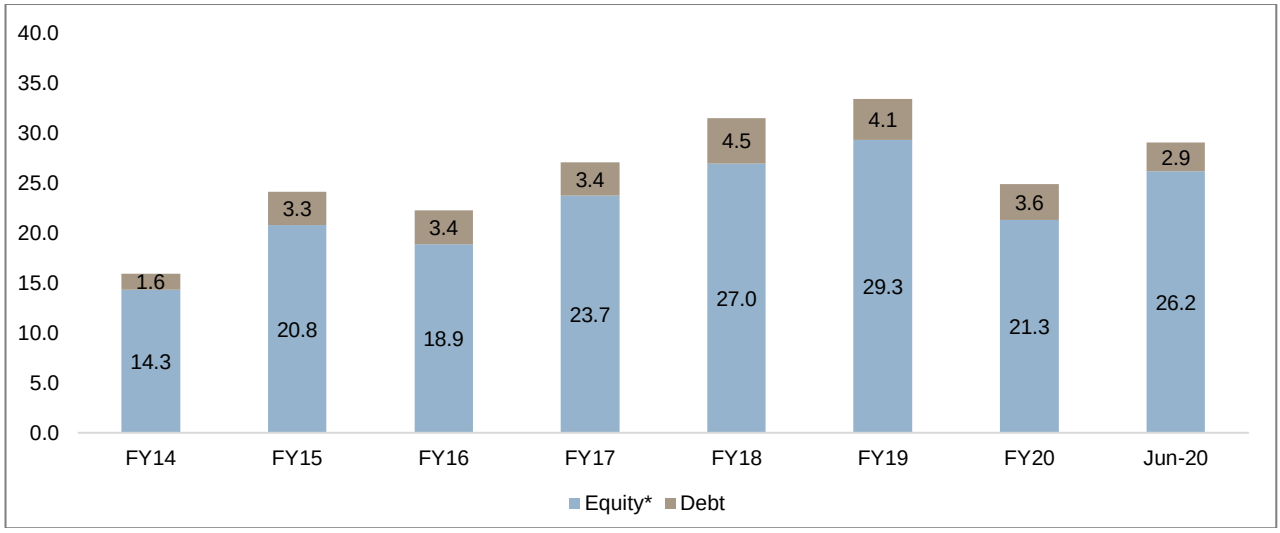
Category	March 31, 2017			March 31, 2018			March 31, 2019			December 31, 2019		
	Commitments raised	Funds raised	Investments made	Commitments raised	Funds raised	Investments made	Commitments raised	Funds raised	Investments made	Commitments raised	Funds raised	Investments made
Category I												
Infrastructure fund	68	42	35	95	57	47	121	65	55	127	78	67
Social venture fund	10	6	5	11	4	3	13	9	8	18	10	6
Venture capital fund	126	29	19	171	44	31	199	63	46	238	87	65
SME fund	2	2	0	2	2	0	3	2	1	5	1	1
Category I Total	206	78	58	280	108	82	335	138	109	388	176	139
Category II	517	247	211	1,058	505	340	2,053	836	681	2608	1,127	924
Category III	120	85	82	313	240	192	432	369	308	482	414	358
Grand total	843	410	351	1,651	853	614	2,821	1,342	1,098	3,478	1,717	1,421

Source: SEBI, CRISIL.
Note: Commitments as of end of the relevant fiscal years.

- **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 foreign portfolio investors ("**FPIs**")/ foreign institutional investors ("**FIIs**") in India have increased from ₹15.9 trillion as of Fiscal 2014 to ₹29.1 trillion as of June 30, 2019. As of June 30, 2019, equity and debt constituted 90% and 10% of the assets, respectively. Some of the AMCs generate revenue through managing or advising offshore funds and CRISIL expects this to continue to modestly boost overall revenue.

FPIs/ FIIs AUC (₹ billion)



*Note: * Includes hybrid funds.*
Source: NSDL; data as of end of relevant fiscal years, except otherwise indicated.

- **National Pension System ("NPS")**

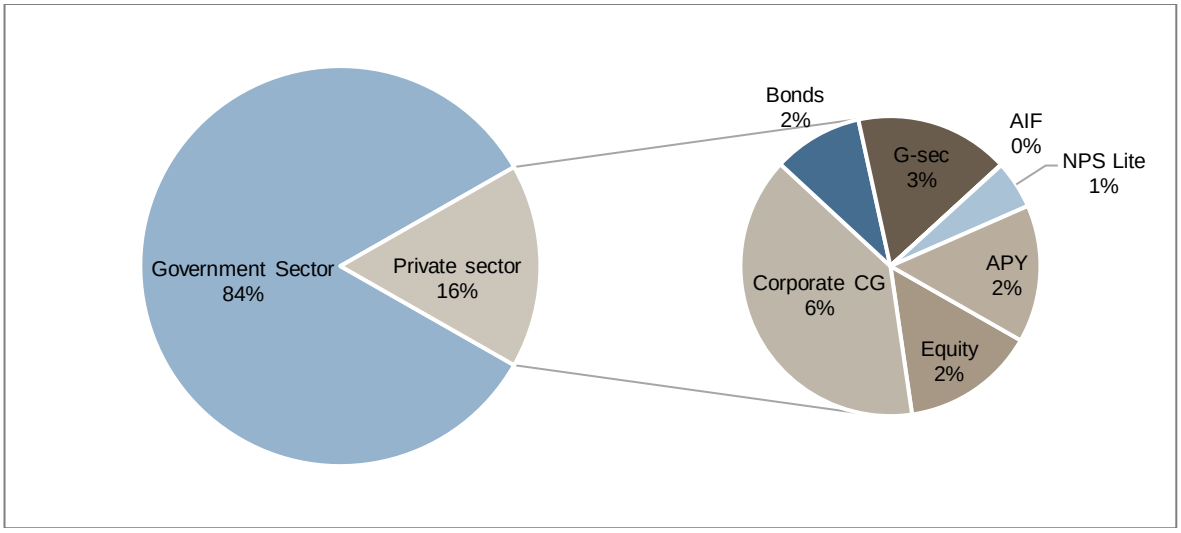
AUM of the NPS grew to ₹4,647 billion as of June 30, 2020 from ₹809 billion as of March 31, 2015 at a CAGR of approximately 39%, driven by strong growth across all subscriber classes. In August 2019, Reliance Capital Pension Fund surrendered its NPS licence and transferred all subscribers to LIC pension fund, unless the subscriber specifically opted for an alternative.

Pension Funds Performance (AUM in ₹ billion)

Pension Fund	March 31, 2015	March 31, 2016	March 31, 2017	March 31, 2018	March 31, 2019	March 31, 2020	June 30, 2020	CAGR (March 31, 2015 – March 31, 2020)
SBI Pension Fund Pvt Ltd	314	460	667	893	1,220	1,605	1,786	39%
UTI Retirement Solution Ltd	248	359	520	695	937	1,222	1,356	38%
LIC Pension Fund Limited	240	355	527	701	927	1,210	1,341	38%
HDFC Pension Management Company Ltd	1	4	12	26	52	83	100	178%
ICICI Prudential Pension Funds Management Company Ltd	4	7	14	23	35	44	51	64%
Kotak Mahindra Pension Fund Ltd	1	2	3	5	8	10	11	55%
Reliance Capital Pension Fund Ltd	1	1	2	2	3	0	0	-
Birla Sunlife Pension Management Ltd	-	-	-	0	1	2	2	124%*

Source: NPS trust; CRISIL.
Note: For Birla Sunlife Pension Management Ltd, the growth is from March 2018 to March 2020.

NPS Scheme AUM Split (%)



Note: Data are as of June 30, 2020.
Source: NPS Trust; CRISIL

OUR BUSINESS

We have included various operational and financial performance indicators in this Prospectus, some of which may not be derived from our Restated Financial Information or otherwise subjected to an examination, audit or review by our auditors or any other expert. 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 categorisations 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, which may also be reflected in our Restated Financial Information. 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 Financial Information and other information relating to our business and operations included in this Prospectus.

Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.

The following discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the section titled "Risk Factors" on page 24 and elsewhere in this Prospectus. See "Forward-Looking Statements" on page 18.

*Unless otherwise specified in this section, references to "our quarterly average assets under management ("**QAAUM**")"as of a given date or words of similar import refers to the average assets under management for the quarter ended on the specified date of the our domestic mutual funds, and references to our "Other AUM" as of a given date refer to the total closing AUM as of that date for all our other businesses. Unless otherwise specified in this section, references to "our schemes", "our funds" or words of similar import refers to the mutual fund schemes of the Company.*

Overview

We are the second largest asset management company in India in terms of Total AUM and the eighth largest asset management company in India in terms of mutual fund QAAUM as of June 30, 2020, according to CRISIL. As of June 30, 2020 we also had the largest share of our monthly average AUM attributable to B30 cities of the top ten Indian asset management companies by QAAUM as of June 30, 2020, according to CRISIL. We cater to a diverse group of individual and institutional investors through a wide variety of funds and services. We manage the domestic mutual funds of UTI Mutual Fund, provide portfolio management services ("**PMS**") to institutional clients and high net worth individuals ("**HNIs**"), and manage retirement funds, offshore funds and alternative investment funds. As of June 30, 2020, our total QAAUM for our domestic mutual funds ("**Domestic Mutual Fund QAAUM**") was ₹1,336.3 billion, while our Other AUM was ₹8,493.9 billion. With 10.9 million Live Folios as of March 31, 2020, our client base accounts for 12.2% of the approximately 89.7 million folios that, according to CRISIL, are managed by the Indian mutual fund industry. Our history and track record in the mutual fund industry, strong brand recognition, distribution reach, performance and client relationships provide a platform for future growth.

We and our predecessor (Unit Trust of India) have been active in the asset management industry for more than 55 years, having established the first mutual fund in India. We are a professionally managed company led by our Board of Directors and a dedicated and experienced management team. For purposes of the SEBI Mutual Fund Regulations, the four sponsors are the State Bank of India ("**SBI**"), Life Insurance Corporation of India ("**LIC**"), Punjab National Bank ("**PNB**") and Bank of Baroda ("**BOB**") (collectively, the "Sponsors"), each of which has the Government of India as a majority shareholder. T. Rowe Price Group, Inc., a global asset management company, is our other major shareholder (through its subsidiary T. Rowe Price International Ltd. ("**TRP**")).

We have a national footprint and offer our schemes through a diverse range of distribution channels. As of June 30, 2020, our distribution network includes 163 UTI Financial Centres ("**UFCs**"), 257 Business Development Associates ("**BDAs**") and Chief Agents ("**CAs**") (40 of whom operate Official Points of Acceptance ("**OPAs**")) and 43 other OPAs, most of which are in each case located in B30 cities. Our IFAs channel includes approximately 53,000 Independent Financial Advisors ("**IFAs**") as of June 30, 2020. We believe that our BDA and CA network distinguishes us from other asset management companies in India, as our BDAs and CAs, who are engaged by us on an exclusive basis primarily in B30 cities, allow us to efficiently and effectively develop, maintain and service our relationships with our distributors and investors. Our banks and distributors ("**BND**") channel involves distribution arrangements with domestic and foreign banks, as well as with national and regional distributors. In addition, we have dedicated sales teams for institutional and public sector undertaking ("**PSU**") clients and also offer products directly through our UFCs, digital applications and website. Our distribution channels are supported by 459 relationship managers ("**RMs**") (as of June 30, 2020), who interact with clients and distributors and help generate new business and maintain our existing relationships. Investors are also able to directly invest in our mutual funds through our mobile applications for customers. We also have offices in London, Dubai, Guernsey and Singapore, through which we market our offshore and domestic mutual funds to offshore investors who seek to invest in India.

Our clients include domestic individual investors (which represented 43.8% of the total closing AUM for our domestic mutual

funds ("**Domestic Mutual Fund Closing AUM**") as of June 30, 2020), corporate and other institutional investors (which represented 45.4% of our Domestic Mutual Fund Closing AUM as of June 30, 2020), and banks and other financial institutions (which represented 3.5% of our Domestic Mutual Fund Closing AUM as of June 30, 2020). Trusts (5.7%) and non-resident Indians ("**NRIs**") (1.7%) represented the remainder of our Domestic Mutual Fund Closing AUM as of June 30, 2020.

We manage 153 domestic mutual fund schemes, comprising equity, hybrid, income, liquid and money market funds as of June 30, 2020. Our Domestic Mutual Fund QAAUM was ₹1,336.3 billion as of June 30, 2020, which accounted for approximately 5.4%, or the eighth largest amount, of the total QAAUM invested in all mutual funds in India as of June 30, 2020, according to CRISIL. Set forth below is the breakdown of our Domestic Mutual Fund QAAUM (in absolute amounts and as a percentage of the total) by category of mutual funds:

(₹ in billions, except percentages)	As of June 30,				As of March 31,					
	2020		2019		2020		2019		2018	
Category of Fund	**QAAUM**	**% of Total**	**QAAUM**	**% of Total**	**QAAUM**	**% of Total**	**QAAUM**	**% of Total**	**QAAUM**	**% of Total**
Active	332.7	24.9%	387.5	24.6%	381.9	25.2%	372.6	23.3%	366.7	23.7%
Passive[(1)]	244.5	18.3%	198.0	12.5%	252.2	16.7%	167.4	10.5%	92.1	5.9%
Total Equity	577.2	43.2%	585.5	37.1%	634.1	41.9%	540	33.8%	458.8	29.6%
Hybrid	187.9	14.1%	221.5	14.0%	209.6	13.8%	219.3	13.7%	219.1	14.1%
Income	193.3	14.5%	318.3	20.2%	213.5	14.1%	391.9	24.5%	487.5	31.5%
Liquid / Money Market[(2)]	377.9	28.2%	453.3	28.7%	457.9	30.2%	445.8	27.9%	384.0	24.8%
Total	**1,336.3**	**100%**	**1,578.7**	**100%**	**1,515.1**	**100%**	**1,596.9**	**100%**	**1,549.4**	**100%**

(1) Includes the UTI Gold Exchange Traded Fund, which had QAAUM of ₹4.8 billion as of June 30, 2020.

(2) Includes the UTI Overnight Fund and the UTI Floater Fund, which had QAAUM of ₹48.9 billion and ₹13.9 billion, respectively, as of June 30, 2020.

Our investment philosophy endeavours to deliver investment outperformance against benchmarks and competitors, and our investment strategy is to have a balanced and well-diversified portfolio within each of our funds, which are subject to internal norms governing asset allocation, sectoral allocation and security selection. Our domestic equity mutual fund management team includes 19 members, with an average of more than 11 years of experience with us, while our domestic fixed income mutual fund management team is composed of 13 members, with an average of over 12 years of experience with us. Many of our equity mutual funds have demonstrated strong performance through economic cycles. For example, schemes representing 92.3% of the closing AUM invested as of June 30, 2020 in our six core equity strategies (being the SEBI-prescribed product categories of multi cap, large cap, large and mid cap, mid cap, value/contra and ELSS, which according to CRISIL collectively accounted for 78.1% of industry open-ended equity scheme closing AUM as of June 30, 2020) have outperformed their respective benchmark indices (by an average of 1.3% per annum, weighted by AUM as of June 30, 2020) for an average return (weighted by AUM as of June 30, 2020) of 9.6% per annum in the ten-year period ended June 30, 2020. We believe that our professional and disciplined investment approach contributes to the efficient management of our funds. We have a rigorous internal control structure with emphasis on risk management, internal audit systems and regulatory compliance.

Our PMS business provides portfolio management services to institutional clients and HNIs. We provide Discretionary PMS to the Employees' Provident Fund Organization ("**EPFO**"), the Coal Mines Provident Fund Organisation ("**CMPFO**"), the Employees' State Insurance Corporation ("**ESIC**"), the National Skill Development Fund ("**NSDF**") and to HNIs, Non-Discretionary PMS to Postal Life Insurance ("**PLI**"), and Advisory PMS to various offshore and domestic accounts. We were approved to manage 55.0% of the total corpus on October 31, 2019 of the Central Board of Trustees, EPF ("**CBT, EPF**"), accounting for ₹5,916.6 billion, or 84.9% of our PMS AUM as of June 30, 2020. Our AUM for our PMS business increased from ₹1,158.5 billion as of March 31, 2018 to ₹6,890.6 billion as of March 31, 2020, representing a CAGR of 143.9%, and to ₹6,970.5 billion as of June 30, 2020.

We also manage retirement funds (in our retirement solutions business, which manages the National Pension System ("**NPS**") funds), offshore funds (including the Shinsei UTI India Fund, a co-branded fund with Shinsei Bank of Japan) and alternative investment funds. These other businesses (excluding our domestic mutual funds and our PMS business) had an aggregate

closing AUM of ₹ 1523.4 billion as of June 30, 2020.

The following table sets forth the breakdown of our Other AUM (in absolute amounts and as a percentage of the total) by category of business:

(₹ in billions, except percentages)	As of June 30,				As of March 31,					
	2020		2019		2020		2019		2018	
Category	**AUM**	**% of Total**	**AUM**	**% of Total**	**AUM**	**% of Total**	**AUM**	**% of Total**	**AUM**	**% of Total**
PMS[(1)]	6,970.5	82.1%	4,849.8	80.4%	6890.6	83.2%	1,332.7	55.6%	1,158.5	56.6%
Retirement Solutions	1,355.9	15.9%	1,020.9	16.9%	1,222.0	14.7%	937.1	39.1%	694.8	33.9%
Offshore Funds	156.9	1.8%	147.2	2.4%	157.7	1.9%	118.7	5.0%	187.9	9.2%
Alternative Investment Funds	10.6	0.1%	9.7	0.2%	10.5	0.1%	8.3	0.4%	7.0	0.3%
Total	**8,493.9**	**100%**	**6,027.6**	**100%**	**8,280.8**	**100%**	**2,396.9**	**100%**	**2,048.2**	**100%**

(1) Includes assets under advisory services.

Our consolidated total income equalled ₹2.7 billion and ₹2.4 billion for the three-month periods ended June 30, 2020 and 2019, respectively, and ₹8.9 billion, ₹10.8 billion and ₹11.6 billion for the fiscal years ended March 31, 2020, 2019 and 2018, respectively. Our consolidated profit after tax equalled ₹1.0 billion and ₹0.7 billion for the three-month periods ended June 30, 2020 and 2019, respectively, and ₹2.8 billion, ₹3.5 billion and ₹4.1 billion for the fiscal years ended March 31, 2020, 2019 and 2018, respectively.

Our Strengths

Well-positioned to capitalise on favourable industry dynamics, including the underpenetration of mutual fund products.

According to CRISIL, the Indian mutual fund industry is expected to continue to grow due to supportive industry dynamics and long-term structural drivers, including the increasing financialisation of household savings, increasing market penetration of mutual fund products, particularly in B30 cities, and favourable population and urbanisation trends.

As a percentage of GDP, the AUM of domestic mutual funds in India (12%) was significantly lower than the global average (63%) as of December 2019, according to CRISIL. This was despite recent AUM growth for the Indian mutual fund industry; according to CRISIL, from March 31, 2015 to March 31, 2020 the industry's AUM increased at a CAGR of approximately 18% from ₹11.9 trillion to ₹27.0 trillion, with equity funds accounting for a major proportion of that increase, and then decreasing to ₹24.6 trillion as of June 30, 2020. According to CRISIL, individual investors have been a particular driver of such AUM growth, with AUM attributable to such investors growing at a CAGR of 17.8% from ₹5.6 trillion as of March 31, 2015 to ₹12.9 trillion as of March 31, 2020, and increasing further to ₹13.2 trillion as of June 30, 2020; as of June 30, 2020, approximately 68.0% of industry AUM attributable to individual investors was invested in equity-oriented funds.

Mutual funds continue to constitute a small portion of gross household financial savings in India, accounting for 7.0% of gross household financial savings as of March 31, 2020, according to CRISIL. However, India has a high rate of household savings as a percentage of GDP, with a gross domestic savings rate of 30.1% in the fiscal year ended March 31, 2019, compared to a global average of 25.0%; household savings have grown in absolute terms in each fiscal year during the period from March 31, 2013 to March 31, 2019 and at a CAGR of 7.0% over that period, in each case according to CRISIL. In addition, over that period the proportion of gross financial savings to household sector savings increased from 47.6% to 57.9%, according to CRISIL.

We have the highest proportion of our monthly average AUM as of June 30, 2020 attributable to B30 cities of the top ten asset management companies in India as of June 30, 2020 according to CRISIL. CRISIL notes that there is a particularly low penetration of mutual fund products in B30 cities; as of March 31, 2020 the Indian mutual fund industry's AUM attributable to B30 cities was only 12.6% of total industry AUM. However, the share of industry AUM accounted for by B30 cities has increased in every fiscal year or period since March 31, 2015 (when it accounted for 8.3% of total industry AUM); individual investors, who have historically tended to prefer equity funds, have been a large driver of this shift, with individuals in B30 cities increasing their share of total industry AUM from approximately 7% as of March 31, 2015 to approximately 10% as of March 31, 2020.

The Indian mutual fund industry is also experiencing a shifting channel mix, with the share of industry AUM accounted for by

direct distribution rising from 34.0% to 47.0% from March 31, 2015 to June 30, 2020. According to CRISIL, individual investors have historically preferred to invest in mutual funds via intermediaries, but they are increasingly investing directly, reflecting growing investor awareness and adoption of digital sales channels; AUM attributable to direct individual investors increased from approximately 17% to approximately 21% of direct distribution AUM from March 31, 2015 to June 30, 2020. However, intermediated investments accounted for approximately 78.0% of AUM attributable to B30 cities as of June 30, 2020, as compared to 49.0% of AUM attributable to T30 cities, according to CRISIL. Recent years have seen an increase in the popularity of systematic transactions, and according to CRISIL, between April 2016 and June 2020 the monthly amount invested through SIPs has increased from ₹31.0 billion to ₹79.0 billion, while from March 2018 to June 2020 the number of SIP accounts increased from 21.1 million to 32.3 million due to low contribution minimums increasing accessibility to lower-income households. PSUs and private sector institutions have also increasingly sought to directly outsource the management of their retirement and pension funds, and according to CRISIL industry PMS AUM increased at a CAGR of approximately 14.4% from March 2014 to reach ₹18.1 trillion as of March 2020; we are the second-largest PMS provider by AUM in India as of June 2020, according to CRISIL.

According to CRISIL, the Indian mutual fund industry is also expected to benefit from other growth drivers, including population and urbanisation trends. According to the United Nations Department of Economic and Social Affairs, Population Division, in the period from July 1, 2007 to July 1, 2018, India's population grew from 1.2 billion people to 1.4 billion people, and was expected to grow by a further 27 million people by July 1, 2020. However, despite urbanising at a CAGR of 1.2% over that period, India's urban population as of July 1, 2018 only represented 34.0% of the total population, compared to a worldwide average of 55.3%, though this proportion was expected to increase to 34.9% by July 1, 2020. In addition, according to the United Nations Department of Economic and Social Affairs, Population Division, India's share of working population (defined as individuals from 15 to 59 years of age) increased from 58.4% to 61.4% from July 1, 2000 to July 1, 2010, and was expected to reach 63.7% by July 1, 2020.

Our size and diverse client base, coupled with our strong product portfolio and, particularly in B30 cities, extensive distribution network and widely recognized brand, position us to capitalise on future growth in the Indian mutual fund industry.

Pure-play independent asset manager with strong brand recognition and diverse portfolio of funds and services.

Our brand is recognised nationwide for our strength and more than 55 years of heritage as a leading, and pioneering, participant in the mutual fund industry. We believe that we have built a reputation for service, integrity and innovative solutions. Our national footprint, with a presence in many metropolitan and rural areas, and particular strength in B30 cities, has allowed us to leverage the UTI name and establish UTI as a brand which is recognised across the country. The UTI brand was also amongst the top five preferred industry brands in the Nielsen Mutual Fund Studies for December 2015 to January 2016 and September 2017. We believe our pan-India presence and recognition generates and supports investor confidence in our ability to provide consistent quality services wherever located, and also helps us recruit and retain skilled professionals.

We are the second largest asset management company in India in terms of Total AUM and the eighth largest asset management company in India in terms of Domestic Mutual Fund QAAUM as of June 30, 2020, according to CRISIL. Our independence and our focus on our business of asset management distinguish us from most of our major competitors that are part of diversified financial services institutions with varied sales, trading, underwriting, research and lending activities. Our investment professionals can better serve clients with their expertise in our investment products, and our in-house research analysts are able to provide independent and objective analyses to our investment professionals, in each case free from many of the conflicts of interest that can arise with other business lines. We are able to form stronger and deeper relationships with a wide range of banks, distributors and other financial intermediaries through whom we distribute our schemes, as we do not have other business lines that may compete with such parties. We have also developed particular in-house skills in fund accounting, improving our efficiency and cost-effectiveness. Our size enables us to benefit from economies of scale, particularly in the areas of fund management, marketing and distribution.

We offer a diverse portfolio of domestic funds, including equity, hybrid, income, liquid and money market funds, as well as portfolio management services, retirement solutions, and offshore and alternative investment funds. As of June 30, 2020, our Domestic Mutual Fund QAAUM equalled ₹1,336.3 billion while our Other AUM equalled ₹8,493.9 billion (of which PMS represented ₹6,970.5 billion); the management fees in respect of our Domestic Mutual Fund QAAUM accounted for 58.7 of our total income for the three-month period ended June 30, 2020. As of June 30, 2020, our domestic mutual fund portfolio included 43 open-ended mutual fund schemes covering the vast majority of SEBI-approved scheme categories, including 20 equity schemes (including two index funds and five ETFs), nine hybrid schemes, ten income schemes and four liquid and money market schemes (including the UTI Overnight Fund and the UTI Floater Fund). Our diverse portfolio of funds and services enables us to operate through market cycles, cater to the requirements of our customers, reduce concentration risks for our business, and leverage our core competencies at scale.

Multiple distribution channels with wide reach and broad and stable client base.

We have a comprehensive multi-channel distribution network with both in-house capabilities and external distribution channels. We reach clients through a number of distribution channels, including IFAs, direct distribution, and banks and distributors. Our IFA distribution channel comprises approximately 53,000 IFAs, while our direct distribution channel includes internal sales

teams for institutional and PSU clients and our digital platforms, and our banks and distributors ("**BND**") channel comprises arrangements with various domestic and foreign banks and other distributors. Although IFAs remain a significant distribution channel by AUM (accounting for 29.8% of our Domestic Mutual Fund QAAUM as of June 30, 2020), direct distribution is becoming an increasingly important channel for us (accounting for 58.7% of our Domestic Mutual Fund QAAUM as of June 30, 2020). Digital initiatives, including our digital transaction system for our institutional clients, UTI Buddy mobile app for our distributors, UTI mobile app for customers, mobile applications for our sales force, digital marketing platform and data-driven digital marketing campaigns, are also an increasingly important part of our distribution, particularly following the outbreak of the COVID-19 pandemic. Sales through our and third-party digital platforms accounted for 6.5%, 15.9%, 22.9%, 18.9% and 41.3% of our equity and hybrid mutual fund gross sales in the fiscal years ended March 31, 2018, 2019 and 2020, and the three-month periods ended June 30, 2019 and 2020, respectively.

Our wide-spread distribution network in India gives us access to our investors located in 697 districts (out of 722 districts in total), including remote areas, and reinforces our strong presence in small and medium towns, cities and villages. As of June 30, 2020, our distribution network in India includes the following points of presence, divided by location:

Category	Total	Location	
		T30 Cities	B30 Cities
UFCs[(1)]	**163**	58	105
OPAs[(2)]	**43**	6	37
BDAs and CAs[(3)]	**257**	2	255
Total	**463**	**66**	**397**

(1) UFCs are branch offices at which, among other things, our employees service investors and distributors and conduct sales and marketing activities.

(2) OPAs are authorised points of service at which scheme investors can conduct transactions relating to their investments. An additional 40 OPAs are operated by BDAs in the locations in which they are based.

(3) BDAs and CAs are individuals engaged by us on an exclusive basis to develop, maintain and service our distributor and investor relationships in their assigned districts.

Our established presence in B30 cities has enabled us to attract new clients and positions us to capitalise on future growth in those underpenetrated cities. Our offshore funds are also distributed through our foreign offices in London, Guernsey, Dubai and Singapore.

We have made directed efforts to improve the experience of our customers, including our responsiveness to customers and their digital experience. According to CRISIL, at 0.002% our grievance ratio (representing the ratio of customer complaints to number of folios) for the fiscal year ended March 31, 2020 was the lowest in the Indian mutual fund industry. Our broad client base also provides us with a number of opportunities, including cross-selling different funds.

With 10.9 million Live Folios as March 31, 2020, our client base accounts for 12.2% of the approximately 89.7 million folios that, according to CRISIL, were managed by the Indian mutual fund industry as of that date. Our list of clients includes individual investors, banks and other financial institutions, corporate and other institutional investors, trusts and NRIs. The nature of our clients and distribution channels, as well as our favourable relationships with clients, the customer experience we provide to them, and the performance of our schemes, have resulted in a stable and growing investor base, with the number of Live Folios increasing from 10.7 million as of March 31, 2018 to 10.9 million as of June 30, 2020. Individual domestic clients (including clients investing through systematic transactions) represented 43.8% of our Domestic Mutual Fund Closing AUM as of June 30, 2020, which helps insulate us from excessive short-term churn and volatility in our funds as more than 50.0% of the equity mutual fund AUM of our individual clients had a holding period of more than three years as of June 30, 2020. Individual investors in our solution-oriented schemes (such as the UTI Retirement Benefit Pension Fund and the UTI Children's Career Fund) are also generally long-term investors, with lock-in periods of at least five years. Institutional clients also comprise a large share of our client base, representing 54.5% % of our Domestic Mutual Fund Closing AUM and nearly 100% of the AUM of our PMS business as of June 30, 2020, providing us with economies of scale, particularly in our passive schemes and PMS business, and further enhancing our brand and reputation.

Long-term track record of product innovation, consistent and stable investment performance and AUM growth.

As one of the pioneers of the Indian mutual fund industry, we have a long history of introducing and supporting products and solutions that deliver consistent and stable returns through the cycle, driving AUM growth. Many of our open-ended funds were the first in their category in India or have been established for more than ten years (including five with over 25 years of track record), including India's first equity-oriented fund, according to CRISIL (the UTI Mastershare Unit Scheme), and first tax

saving cum insurance fund (the UTI ULIP). We also manage the largest dividend yield fund (the UTI Dividend Yield Fund) and the largest non-ETF index fund (the UTI Nifty Index Fund) in India as of June 30, 2020, according to CRISIL.

Our investment philosophy endeavours to deliver investment outperformance against benchmarks and competitors. Our rigorous investment research processes take into account both qualitative and quantitative factors, and includes proprietary ratings systems and research methodologies with an emphasis on risk and performance through comprehensive review procedures to drive investment and divestment decisions. Our in-house research teams covered 319 companies (from an equity perspective) and 251 companies (from a fixed income perspective) as of June 30, 2020. Many of our equity mutual funds have demonstrated strong performance through economic cycles. For example, schemes representing 92.3% of the closing AUM invested as of June 30, 2020 in our six core equity strategies (being the SEBI-prescribed product categories of multi cap, large cap, large and mid cap, mid cap, value/contra and ELSS, which according to CRISIL collectively accounted for 77.6% of industry open-ended equity scheme closing AUM as of June 30, 2020) have outperformed their respective benchmark indices (by an average of 1.3% per annum, weighted by AUM as of June 30, 2020) for an average return (weighted by AUM as of June 30, 2020) of 9.6% per annum in the ten-year period ended June 30, 2020. According to data from ICRA Online, our UTI Sensex ETF and UTI Nifty Index Fund had amongst the lowest tracking errors (being the volatility of the difference in returns between a passive fund and the benchmark or index it was intended to track) in their respective product categories for the fiscal year ended June 30, 2020, at 0.02% and 0.19%, compared to category averages of 0.20% and 0.86%, respectively. Notwithstanding recent challenges, our income funds have also generally demonstrated stable and consistent long-term performance; for example, the UTI Gilt Fund has outperformed its benchmark index in the ten-year period ended June 30, 2020. In addition, our liquid and money market funds have also demonstrated stable and consistent long-term performance, outperforming their respective benchmark indices in the ten-year period ended June 30, 2020.

We believe our track record of product innovation and consistent and stable investment performance has contributed to our AUM growth. For example, from March 31, 2018 to March 31, 2020, the QAAUM of our domestic equity mutual funds increased at a CAGR of 17.6% (largely due to inflows into our passive schemes), although it decreased by 9.0% in the three-month period ended June 30, 2020 due to the continued impacts of the COVID-19 pandemic. Our Other AUM grew at a CAGR of 101.1% over the same period, primarily due to our appointment to manage ₹3,282.8 billion of additional assets for the EPFO and increased by a further ₹213.1 billion in the three-month period ended June 30, 2020. In our domestic mutual funds business, our passive funds have been growing particularly rapidly during these periods, with the QAAUM of our UTI Nifty ETF growing from ₹60.8 billion to ₹146.5 billion between March 31, 2018 and June 30, 2020, and the QAAUM of our UTI Sensex ETF growing from ₹19.8 billion to ₹64.2 billion between March 31, 2018 and June 30, 2020. Our SIP AUM has grown at a CAGR of 3.3% from March 31, 2018 to March 31, 2020, and continued to increase by a further ₹21.2 billion in the three-month period ended June 30, 2020, despite the COVID-19 pandemic.

Established position in retirement solutions through product innovation and large retirement fund mandates.

We have developed particular strengths in managing retirement funds for beneficiaries right across the socioeconomic spectrum. In our domestic mutual funds business, according to CRISIL we manage the largest income tax-notified fund in the retirement fund category in India (the UTI Retirement Benefit Pension Fund), which as of June 30, 2020 had QAAUM of ₹ 26.0 billion. This scheme counts a number of micro pensioners as investors, including, as of June 30, 2020, more than 189,000 teachers in Bihar through an arrangement we have entered into with the Government of Bihar. Through our PMS business we are one of two fund managers appointed to manage the EPFO corpus and have also been appointed as a fund manager for CMPFO, ESIC and NSDF. These appointments have resulted in strong growth in our PMS AUM, which totalled ₹1,158.5 billion, ₹1,332.7 billion and ₹6,890.6 billion as of March 31, 2018, 2019 and 2020, respectively, representing a CAGR of 143.9% over the relevant period; as of June 30, 2020, our PMS AUM had increased to ₹6,970.5 billion, largely due to new mandates from EPFO, ESIC and CMPFO. Similarly, our RSL business, which manages NPS funds, had AUM of ₹694.8 billion, ₹937.1 billion and ₹1,222.0 billion as of March 31, 2018, 2019 and 2020, respectively, representing a CAGR of 32.6% over the relevant period; as of June 30, 2020, our RSL AUM had increased to ₹1,355.9 billion, primarily due to a steady increase in the number of individuals enrolled in both our Government and non-Government NPS schemes during the relevant periods. According to CRISIL, as of June 30, 2020 we had the second highest market share by AUM of PMS services in India (at 44.7%), and the second highest market share by AUM of NPS funds (at 29.2%). The track record that we are continuing to develop in retirement solutions enhances our brand value and provides additional cross-selling opportunities to grow our AUM, particularly in our domestic mutual funds business.

Experienced management and investment teams supported by strong governance structures and human resources programs.

We are a professionally managed asset management company led by our Board of Directors and a dedicated and experienced senior management team. The market knowledge and depth of our senior management team enables us to identify and capitalise on strategic opportunities and changing industry, macroeconomic and regulatory dynamics in India. We hire and retain talent through initiatives such as industry-benchmarked salaries, incentive-based compensation (including an employee share ownership plan) and specific training programs. Our organisation, including our Board of Directors and senior management team, operates within strong governance structures, including audit, risk management and nomination and remuneration board committees and internal audit, risk management and compliance policies and procedures.

Our investment performance is supported by our experienced and professional investment team. We have a 42-member

investment team, with a total of 519 years of experience with us, across our domestic mutual fund, PMS, RSL and offshore businesses, including 19 members in our domestic equity mutual fund management team, 13 members in our domestic fixed income mutual fund management team, five members in our PMS investment team, three members in our RSL investment team, and two members in our offshore fund management team.

Enhanced profitability driven by our size and product mix.

We strive to maintain and enhance profitability while we grow our business and AUM. The fees we are able to charge for equity and hybrid funds are generally higher than the fees charged for income and liquid and money market funds, and our QAAUM for equity and hybrid funds (excluding passive funds) as a percentage of Domestic Mutual Fund QAAUM were 24.9% and 14.1%, respectively, of our Domestic Mutual Fund QAAUM as of June 30, 2020; B30 cities contribute a significant percentage of our closing AUM for domestic active equity and hybrid funds, at 45.7% and 50.7%, respectively, as of June 30, 2020. Our size and broad distribution network, particularly in B30 cities, provides us with economies of scale, particularly in distribution, marketing, and back-office activities. AUM growth, particularly in our passive schemes and PMS business, delivers further economies of scale as a result of our operating leverage. Our client services are managed on an automated and integrated basis, which improves our cost structure; we are implementing a digital transformation program to leverage technology to improve efficiency and optimise our costs even further, including through the introduction of marketing automation and global investment management applications. Our total expenses as a percentage of total income equalled 53.1%, 54.5% and 61.2% in the fiscal years ended March 31, 2018, 2019 and 2020, respectively. Total expenses as a percentage of total income equalled 54.5% and 56.2% for the three-month period ended June 30, 2020 and June 30, 2019, respectively.

Our Strategies

Drive superior investment performance across our categories of funds.

We believe the most effective strategy for growing our businesses is to enable our clients to achieve their financial goals. Our economic interests are aligned with our clients when we deliver strong investment performance. We follow a disciplined and rigorous investment process. This is supported by in-house fundamental research, a data-based framework for portfolio construction and internal risk management processes. We intend to invest in the human and organisational resources needed to increase the number of companies covered by our in-house research team and our fund strategies. This will enable us to launch new products and enable AUM growth. We continuously refine the performance review processes for our fund managers and research analysts to optimize the performance of the team and incorporate best practices. We have implemented a next generation front-end trading system, Bloomberg Asset and Investment Manager, which will improve our trade execution by providing a more responsive, agile and efficient interface for our dealing operations and simplify risk and compliance monitoring.

Increase geographical reach and expand distribution channels.

We seek to continue to develop our distribution network and increase our geographical reach through reinforcing and expanding our distribution channels. We plan to do so by deepening our presence in T30 cities, where we believe there remain attractive growth opportunities, and expanding our reach into new markets. To improve our distribution execution and productivity in our existing cities, we have initiated a cross-functional executive mentoring program, wherein senior management members will mentor a select number of managers of our UFCs.

Our broad distribution network enables us to reach individual investors, particularly in B30 cities and other historically underserved areas. We will continue to leverage our long-standing relationships with IFAs, which allow us to reach more remote areas without incurring substantial costs. According to CRISIL, individual investors invest relatively more in equity and hybrid funds, with approximately 68% of such investors' AUM invested in such funds as of June 30, 2020; such funds typically have higher margins than income funds. We have adopted a segmented focus to our IFAs to enable us to strengthen our relationships with, and be more responsive to the needs of, our most important IFAs. We plan to introduce new digital training initiatives to develop new IFAs, including a program to train recruits throughout India and ensure that they are business-ready. Increasing the number of SIP-selling IFAs and their share of wallet is a particular priority for our IFA engagement strategy, due to the regular AUM inflows and high retention rate of investors in SIP products.

We plan to further strengthen and deepen our relationship with our institutional and PSU clients, with a particular focus on developing relationships with small- and medium-sized institutional clients to expand our domestic mutual fund investor base. We also endeavour to expand our share of the provident fund business of institutional clients, as well as targeting institutional clients who have not to date invested in our domestic mutual funds. In our BND channel, in addition to the active funds we are marketing, we intend to continue to focus on marketing our passive fund products in response to increasing demand from clients for such products.

Actively pursue additional partnership opportunities.

We are actively exploring potential additional strategic partnership opportunities with different types of distributors, including banks, aggregators, and fintech platforms, in order to further enhance our distribution reach and capabilities. In particular, we

are pursuing a potential additional tie-up with a bank in order to significantly expand our geographical footprint beyond our current locations. We expect this to further improve our positioning to capitalise on future AUM growth in underpenetrated markets and to increase our market share in T30 cities. We believe that a preferential tie-up with a bank would enable us to compete more effectively with many of our competitors that are part of diversified financial institutions and so benefit from referrals from their affiliates. This will shore up the strength of our BND channel, which we expect will continue to be an important distribution channel for the industry. We will explore opportunities to establish strategic partnerships or relationships with other established and reputable distributors, including aggregators with extensive networks of sub-brokers, to capture market segments which we may not be able to access efficiently ourselves. We are also actively engaging with fintech and payments platforms and other digital intermediaries to capture AUM growth driven by the increasing importance of digital distribution, and as of June 30, 2020 have entered into distribution arrangements with 11 such distributors.

Continue to develop PMS, offshore and alternative funds businesses.

We seek to increase AUM by accessing new markets which we believe are strategically viable. We intend to use our track record with institutional mandates to manage superannuation funds (such as EPFO and CMPFO) to pursue other opportunities in our PMS business. The latest CMPFO and ESIC mandates awarded to us in January 2020, as well as the EPFO mandate awarded to us in September 2019, enhanced our credibility as a provider of portfolio management services for the pension and superannuation funds of similar institutions. Such additional institutional pension fund mandates not only drive AUM growth and profitability in our PMS business, but also provide cross-selling opportunities that to date have resulted in asset allocations to our domestic mutual funds, providing scale to our passive funds in particular. In our offshore business we aim to capture a disproportionate share of India-directed investment flows, with a particular focus on growing our three UCITS funds and other products with maturities of more than one year. We plan to grow our offshore business by focusing on distribution partnerships, including co-branded and white-labelled funds, expanding our in-house distribution and client coverage capabilities, including through making further in-market hires overseas, and strengthening our relationships with wealth platforms and local banks. We are also seeking to grow our alternative investment funds business, leveraging and augmenting the new team we hired at UTI Capital in 2017. In particular, to build upon the success of our debut private debt fund, UTI Structured Debt Opportunities Fund I, we plan to launch a new private debt fund, UTI Structured Debt Opportunities Fund II (for which we obtained SEBI approval on May 20, 2020), to take advantage of emerging opportunities to provide credit in situations not adequately serviced by banks and non-bank financial companies.

Leverage technology and digitisation to enhance organisational efficiency and cost optimisation, improve customer acquisition and experience, and ensure data security.

We plan to leverage investments made in technology to drive business growth and improve profitability across our business. We are implementing a comprehensive digital transformation program to build the efficacy, capacity, resilience and cost-effectiveness of our organisation. This program involves multiple initiatives with respect to application modernisation, hybrid cloud architecture adoption, business process digitisation, enterprise data platform adoption and cyber security enhancement. A focus of this program is the implementation of a "cloud first" vision, with the adoption of applications and services aimed at reducing time-to-market and ensuring high availability, scalability, security and the cost-optimised deployment of applications and services, leading to a reduced cost of ownership and maintenance. We currently expect this program to be substantially complete by March 2021.

We intend to continue our investments in digital marketing and other customer- and distributor-facing digital initiatives. We envisage using analytical tools and our digital marketing platform to identify and capitalise on cross-selling and upselling opportunities, facilitate customer segmentation, improve our understanding of customer behaviour, develop and implement targeting and personalisation strategies, and improve customer service using predictive analytics. We believe that data analytics and our enterprise data platform will enable us to further enhance the experience of our customers, increasing customer loyalty and retention. We intend to continue to make our services seamlessly accessible on mobile platforms by building, improving and maintaining mobile applications for our salesforce, as we expect that customers, distributors and employees will increasingly use mobile platforms to access our services. We also expect to scale up the frequency and pace of our digital marketing campaigns and to increase the number of digital platforms through which we interact with current and potential customers to include platforms such as WhatsApp and chatbots. We will continue to build interfaces for fintech, payments and other digital distribution platforms to ensure seamless connectivity and enhance customer reach and will also continue to encourage the adoption of our digital tools, which have proven particularly important during the COVID-19 pandemic. We are in the advanced stages of implementation of our digital video KYC solution, which will help us transact with new customers virtually and ease our customers' investment journey.

We understand that the protection of customer and organisational information is critical to our organisation's survival and growth. Our information security policies help us to adequately ensure the confidentiality, integrity and availability of information. We continue to invest in data protection technologies to ensure that we are able to protect, detect, recover from and respond to cyber threats. We have also recently strengthened our infrastructure monitoring services through the introduction of a network operations centre, to monitor and ensure high availability of applications and related infrastructure, and a security operations centre, to monitor security incidents across our IT landscape and alert us to any instances of unauthorised access or enterprise data-related breaches. As a result of the COVID-19 pandemic and associated responses, we have increased our investments in IT systems and infrastructure in order to support and optimize large-scale remote working by our employees.

Continue to attract, retain and develop human capital.

Our success depends on our team of employees and we are implementing a number of measures to further strengthen our workforce and improve employee motivation and development. We will continue to provide employee compensation that is merit-based and benchmarked to our industry. We use a balanced score card system as part of our performance management system to facilitate a holistic assessment of our employees' performance, supporting our pay for performance culture. We also plan to continue to focus on training and development for our employees. We identify short- and long-term organisational capability requirements and establish training and development strategies and plans aligned to our business objectives. We also have a mentoring program to support the professional growth and development of new hires. Our employee share ownership plan fosters a culture of ownership and better aligning our employees' interests with our interests. We believe this ownership model and our emphasis on team-oriented management will result in a more shared sense of purpose with our clients and also contribute to our low staff turnover and enable us to attract and retain the quality people critical to our success. We will also continue to pursue our strategy of external recruitment from the market, as well as merit-based internal promotions, with a particular focus on recruiting junior talent such as the 128 management trainees we hired in the fiscal year ended March 31, 2020. We currently plan to hire approximately 55 management trainees, and 100 graduate trainees as entry-level executives for core sales roles, nationwide during the current fiscal year.

History and Corporate Structure

Our predecessor, Unit Trust of India, was established in 1964 pursuant to the UTI Act passed in 1963 and over time grew into one of the largest financial institutions in India, catering to a diverse group of investors through a wide variety of funds. As the first mutual fund in India, the Unit Trust of India played a pioneering role in the development and growth of India's capital markets, with initiatives such as launching the first unit-linked insurance plan ("**ULIP**") in 1971 and the first equity-oriented fund in 1986, according to CRISIL.

In 2002, the Government of India enacted the UTI Repeal Act, which repealed the UTI Act and bifurcated the Unit Trust of India into two separate entities: the Specified Undertaking and the Specified Company, the latter being the Trustee Company in its capacity as a trustee of the UTI Mutual Fund, which was established as a SEBI registered mutual fund with SBI, LIC, BOB and PNB as its sponsors. The Trustee Company functions as the sole trustee of the UTI Mutual Fund. In this process, 38 SEBI-registered funds and five offshore funds of the Unit Trust of India were transferred to UTI Mutual Fund. Our Company was incorporated on November 14, 2002 and appointed by UTI Trustee to manage the funds of UTI Mutual Fund. Our Company was converted into a public limited company on November 14, 2007. In January 2010, T. Rowe Price Group Inc., through its wholly owned subsidiary, TRP, acquired a 26.0% stake in our Company. As of June 30, 2020, we are, according to CRISIL, the second largest asset management company in India in terms of Total AUM, and the eighth largest asset management company in India in terms of domestic mutual fund QAAUM with 10.9 million Live Folios and Domestic Mutual Fund QAAUM of ₹1,336.3 billion. As of June 30, 2020, our Other AUM equalled ₹8493.9 billion.

We have four direct subsidiaries as of June 30, 2020, being UTI Retirement Solutions Limited ("**UTI RSL**"), UTI International Limited ("**UTI International**") (which, in turn, has two subsidiaries, UTI Investment Management Co. (Mauritius) Ltd. and UTI International (Singapore) Private Ltd.), UTI Capital Private Ltd. ("**UTI Capital**"), and UTI Venture Funds Management Company Private Limited ("**UTI VF**") (which, in turn, has one subsidiary, UTI Private Equity Limited ("**UTI PEL**")). UTI VF, the sole shareholder of UTI PEL, has, pursuant to a resolution dated June 29, 2020, resolved to remove UTI PEL from the register of companies in Mauritius (the "**Register**"), since UTI PEL has ceased to carry on its business, has discharged its liabilities in full to all its known creditors and has distributed its surplus assets in accordance with applicable law. Accordingly, the requisite procedure prescribed in the applicable law for such removal from the Register has been initiated and UTI PEL shall be removed from the Register when a notice signed by the Registrar of Companies stating that UTI PEL has been removed from the Register is issued, and will cease to be registered and exist as a company under the Companies Act 2001. For further details, see "*History and Certain Corporate Matters – Our Subsidiaries.*", beginning on page 190.

Domestic Mutual Fund Management

Investment Performance

The following table presents the net returns of our largest domestic funds measured by QAAUM in each category during various time periods from their inception to June 30, 2020, relative to the performance of the relevant benchmark index and its respective total return index ("**TRI**"). We believe our investment approach yields the most benefit, and is best evaluated, over the medium to long term.

Fund and Inception Year	Years Since Inception (as of June 30, 2020)	QAAUM as of June 30, 2020	Compounded Annual Yield [1] Period Ended June 30, 2020				
			Since Inception	1 Year	3 Years	5 Years	10 Years
		(₹ in billions)	(In percentages)				
A) Active Equity Funds							
1. UTI Equity Fund (1992)	28	89.3	11.4	(3.8)	4.9	6.1	10.5
Nifty 500				(12.3)	0.6	4.2	6.7
Excess / (Deficit) from Benchmark				8.4	4.4	1.9	3.8
Nifty 500TRI				(11.2)	1.8	5.5	8.0
Excess / (Deficit) from Benchmark TRI				7.4	3.1	0.6	2.5
2. UTI Mastershare Unit Scheme (1986)	33	54.3	14.9	(8.3)	2.6	4.7	8.3
S&P BSE 100				(12.6)	1.9	4.2	6.6
Excess / (Deficit) from Benchmark				4.3	0.7	0.5	1.7
S&P BSE 100 TRI				(11.5)	3.1	5.6	8.1
Excess / (Deficit) from Benchmark TRI				3.2	(0.5)	(0.9)	0.2
3. UTI Value Opportunities Fund (2005)	14	36.8	12.3	(7.3)	2.5	3.5	8.8
Nifty 500				(12.3)	0.6	4.2	6.7
Excess / (Deficit) from Benchmark				5.0	1.9	(0.7)	2.1
Nifty 500 TRI				(11.2)	1.8	5.5	8.0
Excess / (Deficit) from Benchmark TRI				3.9	0.7	(2.0)	0.8
4. UTI Mid Cap Fund (2004)	16	31.4	15.3	(6.4)	(1.7)	3.3	11.6
NIFTY Midcap 150				(11.4)	(1.9)	5.6	8.4
Excess / (Deficit) from Benchmark				5.0	0.2	(2.3)	3.2
Nifty Midcap 150TRI				(10.3)	(1.0)	6.7	9.8
Excess / (Deficit) from Benchmark TRI				3.9	(0.7)	(3.4)	1.8
5. UTI Dividend Yield Fund (2005)	15	19.5	12.6	(7.4)	1.8	5.0	7.3
NIFTY Dividend Opportunities 50				(15.6)	(1.6)	2.3	5.3
Excess / (Deficit) from Benchmark				8.2	3.4	2.7	2.0
Nifty Dividend Opportunities 50 TRI				(13.2)	1.2	5.1	8.1
Excess / (Deficit) from Benchmark TRI				5.8	0.6	(0.1)	(0.8)
6. UTI MNC Fund (1998)	22	19.4	15.6	0.3	3.5	4.8	13.2

Fund and Inception Year	Years Since Inception (as of June 30, 2020)	QAAUM as of June 30, 2020	Compounded Annual Yield [1] Period Ended June 30, 2020				
			Since Inception	1 Year	3 Years	5 Years	10 Years
		(₹ in billions)	(In percentages)				
NIFTY MNC				1.4	3.0	5.8	10.8
Excess / (Deficit) from Benchmark				(1.1)	0.5	(1.0)	2.4
NIFTY MNCTRI				3.1	4.6	7.4	12.3
Excess / (Deficit) from Benchmark TRI				(2.8)	(1.1)	(2.6)	0.9
Total of Top 6 Equity Funds		**250.7**					
Total of Active Equity Funds		**332.7**					
% of Top 6 Funds to Total Funds		**75.4%**					
B) Passive Equity Funds							
1. UTI Nifty Exchange Traded Fund (2015)	4	146.5	7.2	(11.9)	3.8		
NIFTY 50				(12.6)	2.7		
Excess / (Deficit) from Benchmark				0.7	1.1		
NIFTY 50 TRI				(11.6)	4.0		
Excess / (Deficit) from Benchmark TRI				(0.3)	(0.2)		
2.UTI Sensex Exchange Traded Fund (2015)	4	64.2	7.8	(10.5)	5.3		
S&P BSE Sensex Index				(11.4)	4.1		
Excess / (Deficit) from Benchmark				0.9	1.2		
S&P BSE Sensex Index TRI				(10.5)	5.3		
Excess / (Deficit) from Benchmark TRI				0.0	0.0		
3.UTI Nifty Index Fund (2000)	20	20.6	9.9	(12.1)	3.6	5.2	7.4
NIFTY 50				(12.6)	2.7	4.2	6.8
Excess / (Deficit) from Benchmark				0.5	0.9	1.0	0.6
NIFTY 50 TRI				(11.6)	4.0	5.6	8.1
Excess / (Deficit) from Benchmark TRI				(0.5)	(0.4)	(0.4)	(0.7)
4. UTI Nifty Next 50 Index Fund (2018)	2	5.3	(4.1)	(5.3)			

Fund and Inception Year	Years Since Inception (as of June 30, 2020)	QAAUM as of June 30, 2020	Compounded Annual Yield [1] Period Ended June 30, 2020				
			Since Inception	1 Year	3 Years	5 Years	10 Years
		(₹ in billions)	(In percentages)				
NIFTY Next 50				(5.8)			
Excess / (Deficit) from Benchmark				0.5			
NIFTY Next 50 TRI				(4.7)			
Excess / (Deficit) from Benchmark TRI				(0.6)			
5. UTI Gold Exchange Traded Fund (2007)	13	4.8	12.2	39.2	17.8	11.6	8.8
Gold Market Price				40.7	18.9	12.5	9.8
Excess / (Deficit) from Benchmark				(1.5)	(1.1)	(0.9)	(1.0)
Total of Top 5 Passive Equity Funds		**241.3**					
Total of Passive Equity Funds		**244.5**					
% of Top 5 Funds to Total Funds		**98.7%**					
C) Hybrid Funds							
1. UTI Unit Linked Insurance Plan (1971)	48	40.6	10.3	(0.4)	1.8	4.7	7.1
CRISIL Short Term Debt Hybrid 60+40 Fund Index				3.8	6.9	8.0	8.9
Excess / (Deficit) from Benchmark				(4.2)	(5.1)	(3.3)	(1.8)
2. UTI Hybrid Equity Fund (1995)	25	34.3	13.5	(11.1)	(1.7)	3.6	7
CRISIL Hybrid 25+75 - Aggressive Index				(3.8)	4.9	7.2	8.8
Excess / (Deficit) from Benchmark				(7.3)	(6.6)	(3.6)	(1.8)
3. UTI Children's Career Fund Saving Plan (1993)	26	32.7	10.6	(0.9)	1.4	5.2	8.4
CRISIL Short Term Debt Hybrid 60+40 Fund Index				3.8	6.9	8.0	8.9
Excess / (Deficit) from Benchmark				(4.7)	(5.5)	(2.8)	(0.5)
4. UTI Arbitrage Fund (2006)	14	26.5	7.3	5.8	6.1	6.1	7.1
NIFTY 50 Arbitrage				4.3	4.9	5.3	6.6
Excess / (Deficit) from Benchmark				1.5	1.2	0.8	0.5
5. UTI Retirement Benefit Pension Fund (1994)	25	26.0	9.9	(1.7)	0.6	4.9	6.7

Fund and Inception Year	Years Since Inception (as of June 30, 2020)	QAAUM as of June 30, 2020	Compounded Annual Yield [1] Period Ended June 30, 2020				
			Since Inception	1 Year	3 Years	5 Years	10 Years
		(₹ in billions)	(In percentages)				
CRISIL Short Term Debt Hybrid 60+40 Fund Index				3.8	6.9	8.0	8.9
Excess / (Deficit) from Benchmark				(5.5)	(6.3)	(3.1)	(2.2)
6.UTI Regular Savings Fund (2003)	16	17.2	8.7	(1.6)	2.4	5.2	7.5
CRISIL Short Term Debt Hybrid 75+25 Fund Index				6.9	7.5	8.3	8.8
Excess / (Deficit) from Benchmark				(8.5)	(5.1)	(3.1)	(1.3)
Total of Top 6 Hybrid Funds		**177.2**					
Total of Hybrid Funds		**187.9**					
% of Top 6 Hybrid Funds to Total Funds		**94.3%**					
D) Income Funds							
1.UTI Treasury Advantage Fund (2007)[2]	13[3]	18.4	7.3[3]	8.8	3.5	5.5	7.3
CRISIL Low Duration Debt Index				8.7	7.9	8.2	8.4
Excess / (Deficit) from Benchmark				0.1	(4.4)	(2.7)	(1.1)
2. UTI Short Term Income Fund (2009)[2]	11[3]	16.0	7.6[3]	12.0	3.6	5.8	7.7
CRISIL Short Term Bond Fund Index				11.5	8.4	8.6	8.5
Excess / (Deficit) from Benchmark				0.5	(4.8)	(2.8)	(0.8)
3. UTI Ultra Short Term Fund (2003)[2]	16	14.5	7.1	6.5	5.4	6.6	7.6
CRISIL Ultra Short Term Debt Index				7.5	7.6	7.7	8.3
Excess / (Deficit) from Benchmark				(1.0)	(2.2)	(1.1)	(0.7)
4. UTI - Corporate Bond Fund (2018)	1	13.7	11.1	12.9			
Crisil Corporate Bond Composite Index				12.9			
Excess / (Deficit) from Benchmark				0.0			
5. UTI - Gilt Fund (2002)	18	6.3	8.9	12.7	8.2	10.0	9.6
CRISIL Dynamic Gilt Index				12.8	8.3	9.3	8.6
Excess / (Deficit) from Benchmark				(0.1)	(0.1)	0.7	1.0
Total of Top 5 Income Funds		**69.0**					

Fund and Inception Year	Years Since Inception (as of June 30, 2020)	QAAUM as of June 30, 2020	Compounded Annual Yield [1] Period Ended June 30, 2020				
			Since Inception	1 Year	3 Years	5 Years	10 Years
		(₹ in billions)	(In percentages)				
Total of Income Funds		**193.3[4]**					
% of Top 5 Income to Total Funds		**35.7%[4]**					
E) Liquid and Money Market Funds							
1. UTI Liquid Cash Plan (2003)	16	265.5	7.4	5.5	6.6	7.0	7.9
CRISIL Liquid Fund Index				5.8	6.8	7.0	7.8
Excess / (Deficit) from Benchmark				(0.3)	(0.2)	0.0	0.1
2. UTI Money Market Fund (2009)	10[3]	49.6	7.9[3]	7.5	7.6	7.6	8.2
CRISIL Money Market Index				6.9	7.4	7.4	8.1
Excess / (Deficit) from Benchmark				0.6	0.2	0.2	0.1
3. UTI Overnight Fund (formerly UTI G-Sec STP) (2003)	16	48.9	6.2	4.4	5.2	6.2	7.0
CRISIL CBLO Index				4.5	5.6	6.0	6.9
Excess / (Deficit) from Benchmark				(0.1)	(0.4)	0.2	0.1
4. UTI Floater Fund (2018)	1	13.9	8.6	9.1			
CRISIL Short Term Bond Fund Index				7.5			
Excess / (Deficit) from Benchmark				1.6			
Total of Liquid and Money Market Funds (Represents 100% of Liquid and Money Market Funds)		**377.9**					

(1) Past performance is no assurance of future returns. Net returns represent returns after the payment of management fees and other expenses and are for regular growth options, reflecting the reinvestment of dividends and other earnings.

(2) The recent performance of our income funds has been adversely affected by their exposures to a small number of distressed and defaulted debtors. We have created segregated portfolios in accordance with SEBI regulations in respect of certain debt securities held by our income funds. See "*Risk Factors—10. Credit risks related to the debt portfolio of our funds may expose our funds to significant losses, which may have a material adverse effect on our business, results of operations and financial condition.*", beginning on page 32.

(3) Represents number of years, and yields, since the introduction of our growth institutional options in UTI Treasury Advantage Fund, UTI Short Term Income Fund and UTI Money Market Fund. The original years of inception of these funds are as follows: UTI Treasury Advantage Fund—1999, UTI Short Term Income Fund—2003 and UTI Money Market Fund—1997.

(4) Includes ₹107.5 billion in closed-ended and interval funds.

The table below presents our Domestic Mutual Fund Closing AUM in T30 and B30 cities, by mutual fund category:

(₹ in billion)			Category of Fund						
			Active	Passive[1]	Total Equity	Hybrid	Income	Liquid /Money Market[2]	Total
As of June 30,	**2020**	**T30**	196.8	271.3	468.1	97.9	158.8	370.3	**1,095.1**
		% of Total for the Period	54.3%	97.5%	73.1%	49.3%	83.6%	91.2%	**76.3%**
		B30	165.7	6.8	172.5	100.8	31.3	35.8	**340.4**
		% of Total for the Period	45.7%	2.5%	26.9%	50.7%	16.4%	8.8%	**23.7%**
		Total for the Period	**362.5**	**278.1**	**640.5**	**198.7**	**190.1**	**406.1**	**1,435.5**
	2019	**T30**	213.6	205.4	419.0	105.5	215.5	384.2	**1,124.2**
		% of Total for the Period	55.0%	97.9%	70.1%	48.4%	80.4%	87.1%	**73.7%**
		B30	174.5	4.3	178.8	112.3	52.5	56.9	**400.3**
		% of Total for the Period	45.0%	2.1%	29.9%	51.6%	19.6%	12.9%	**26.3%**
		Total for the Period	**388.1**	**209.7**	**597.8**	**217.7**	**268.0**	**441.1**	**1,524.6**
As of March 31,	**2020**	**T30**	164.6	211.6	376.3	86.8	169.1	260.8	**893.1**
		% of Total for the Period	55.0%	97.8%	72.9%	49.2%	82.3%	93.2%	**75.8%**
		B30	134.8	4.8	139.6	89.8	36.5	19.2	**285.0**
		% of Total for the Period	45.0%	2.2%	27.1%	50.8%	17.7%	6.8%	**24.2%**
		Total for the Period	**299.4**	**216.4**	**515.9**	**176.6**	**205.6**	**280.0**	**1,178.1**
	2019	**T30**	215.4	186.1	401.5	108.2	293.0	239.4	**1,042.1**
		% of Total for the Period	54.8%	97.9%	68.8%	48.2%	84.2%	89.6%	**73.2%**
		B30	177.8	4.0	181.8	116.5	55.0	27.9	**381.1**
		% of Total for the Period	45.2%	2.1%	31.2%	51.8%	15.8%	10.4%	**26.8%**
		Total for the Period	**393.2**	**190.2**	**583.4**	**224.7**	**347.9**	**267.2**	**1,423.3**
	2018	**T30**	173.0	101.4	274.4	86.7	399.3	194.5	**954.8**
		% of Total for the	48.4%	97.4%	59.5%	40.0%	83.9%	94.5%	**70.2%**

(₹ in billion)			Category of Fund						
			Active	Passive[1]	Total Equity	Hybrid	Income	Liquid /Money Market[2]	Total
		Period							
		B30	184.4	2.7	187.1	129.7	76.6	11.4	**404.7**
		% of Total for the Period	51.6%	2.6%	40.5%	60.0%	16.1%	5.5%	**29.8%**
		Total for the Period	**357.3**	**104.1**	**461.4**	**216.4**	**475.9**	**205.8**	**1,359.6**

(1) Includes the UTI Gold Exchange Traded Fund.

(2) Includes the UTI Overnight Fund and the UTI Floater Fund.

Investment Approach, Fund Types and Product Cycles

Overview of Investment Philosophy and Process

Our investment philosophy endeavours to deliver investment outperformance against benchmarks and competitors. We believe the most effective strategy for growing our businesses is aligning our economic interests with those of our clients and delivering strong investment performance. We follow a disciplined and rigorous investment process, which is supported by our in-house fundamental research, a comprehensive data-supported framework for disciplined portfolio construction and detailed internal risk management processes. We evaluate the performance of our fund management teams based on the performance of our funds against the relevant benchmarks and competing funds over different time periods.

For each of our active equity funds, our fund managers construct the portfolio in light of the fund's objectives, size, internal guidelines, prudential exposure norms and regulatory requirements, as well as the liquidity required for income distribution. Each portfolio is proactively monitored based on various factors, including company research, market conditions, valuations, outlook of the economy and individual sectors, and fresh inflows and outflows in the fund. Our investment process supports diverse strategies, each of which is implemented in a disciplined fashion. The fund manager's strategy and its implementation are also reviewed internally on an ongoing basis based on a comprehensive data-supported framework and internal risk guidelines.

The investment process for our income funds combine top-down and bottom-up approaches for yield and duration management. Our rigorous investment research processes take into account both qualitative and quantitative factors, proprietary ratings and research methodologies to arrive at a universe of issuers in which to invest. The fund managers construct their portfolios in light of investment objectives and investment strategies with an emphasis on risk, diversification and performance. There is a comprehensive review mechanism which also supports the investment and divestment decisions of fund managers.

Secondary market dealings are handled by our Department of Dealing. The fund managers generate orders on the front end trading system, which are transmitted to the dealers after being checked for compliance with applicable regulatory and internal limits.

Categories of Domestic Mutual Funds

We offer products and solutions to multiple customer segments and primarily manage four types of domestic mutual funds:

1. ***Equity Funds***: The primary aim of our equity funds is to provide capital appreciation over the medium to long term. These funds predominantly invest in equity and equity-related instruments according to the investment objectives of each scheme. As of June 30, 2020 we had 30 equity funds (including open- and closed- ended funds), with a total QAAUM of ₹577.2 billion, which constituted 43.2% of the total Domestic Mutual Fund QAAUM. We classify our equity funds as follows:

    a. *Diversified Equity Funds*: Diversified equity funds invest across multiple sectors, thereby providing broad market diversification to investors. The allocation strategy of funds under this category differ based on various aspects, including style, concentration, market capitalisation and investment objectives of the respective funds. As of June 30, 2020, we had six open-ended and four closed-ended diversified equity funds and our QAAUM from this category was ₹237.8 billion and ₹11.7 billion, respectively. Our funds in this category include the UTI Mastershare Unit Scheme, a large-cap fund and, according to CRISIL, India's first equity-oriented fund, the UTI Equity Fund, a multi-cap fund investing in businesses that have an ability to show growth for a long period of time and are run by seasoned management teams, the UTI Value Opportunities

Fund, which takes sector positions based on valuation considerations and medium-term growth prospects, and the UTI Dividend Yield Fund, which looks at parameters such as dividend yield, cash flow generation, management quality, earnings growth prospects and industry scenario;

b. *Thematic and Sector Funds*: Thematic and sector funds invest in specific market segments with an aim to capitalise on certain opportunities with the potential to deliver higher returns compared to the broader market. As of June 30, 2020, we had six open-ended thematic and sector funds and our QAAUM from this category was ₹49.4 billion. Some of our thematic and sector funds include the UTI Infrastructure Fund, which predominantly invests in stocks of companies engaged either directly or indirectly in the infrastructure areas of the Indian economy, and the UTI India Consumer Fund, which invests in sectors that benefit directly or indirectly from rising consumption, changing demographics, consumer aspirations and lifestyles;

c. *Index Funds*: Index funds seek to replicate underlying indices to enable investors to gain from passive exposure to the markets. These funds are catered to clients that prefer a passive strategy and seek to minimise the risks associated with investments in specific companies or sectors. As of June 30, 2020, we had two open-ended index funds and our QAAUM from this category was ₹25.9 billion. Our funds in this category are the UTI Nifty Index Fund, which endeavours to replicate the underlying Nifty 50 index, and the UTI Nifty Next 50 Index Fund, which endeavours to replicate the underlying Nifty Next 50 index;

d. *Exchange Traded Funds ("**ETFs**")*: ETFs typically try to replicate a stock market index, a market sector or a commodity. Unlike other funds, ETFs trade like a common stock on a stock exchange and their price changes throughout the day. These schemes are suitable for clients that prefer a low-cost passive strategy. As of June 30, 2020, we had five open-ended ETFs and our QAAUM from this category was ₹218.6 billion. Some of our ETFs include the UTI Sensex Exchange Traded Fund, which tracks the S&P BSE Sensex index, the UTI Nifty Exchange Traded Fund, which tracks the Nifty 50 index, and the UTI Gold Exchange Traded Fund, which passively tracks the performance of the gold bullion; and

e. *Equity-Linked Savings Schemes ("**ELSSs**"):* ELSSs offer certain tax benefits and invest in equities, cumulative convertible preference shares and fully convertible debentures and bonds. ELSSs may also invest in partly convertible issues of debentures and bonds, including those issued on a rights basis, subject to the condition that, as far as possible, the non-convertible portion of the debentures so acquired or subscribed for is divested within twelve months. ELSSs are suitable for clients who seek long-term wealth creation. As of June 30, 2020, we had one open-ended ELSS (the UTI Long Term Equity Fund (Tax Saving), which seeks to invest in businesses that have healthy return ratios and cash flows and sound management, with an aim to provide superior risk-adjusted returns) and six closed-ended ELSSs, and our QAAUM from this category was ₹11.1 billion and ₹22.7 billion, respectively.

2. ***Hybrid Funds***: The aim of our hybrid funds is to provide both growth and regular income. These funds invest both in equity and fixed income securities in the proportion indicated in the respective scheme information documents for each fund. As of June 30, 2020, we had nine open-ended hybrid funds with a total QAAUM of ₹187.9 billion, which constituted 14.1% of the total Domestic Mutual Fund QAAUM. We classify our hybrid funds as follows:

a. *Arbitrage*: Arbitrage funds aim to offer liquidity while generating income through arbitrage opportunities arising out of the mispricing of assets across different markets. As all positions are hedged, the strategy mitigates the risk associated with equity market volatility. As of June 30, 2020, we had one arbitrage fund (the UTI Arbitrage Fund, which endeavours to enhance returns through arbitrage between spot and futures equity markets) and our QAAUM from this category was ₹26.5 billion;

b. *Aggressive Hybrid Funds*: Aggressive hybrid funds invest predominantly in equity and equity-related securities. Their primary objective is to generate long-term capital appreciation. As of June 30, 2020, we had one aggressive hybrid fund (the UTI Hybrid Equity Fund, which follows a top-down approach for large-caps and bottom-up approach for small- and mid- caps) and our QAAUM from this category was ₹34.3 billion;

c. *Conservative Hybrid Funds*: Conservative hybrid funds invest predominantly in high quality debt instruments with the aim of generating stable income and invest part of the portfolio in equity and equity-related securities with the aim of generating capital appreciation. As of June 30, 2020, we had one conservative hybrid fund (the UTI Regular Savings Fund, which invests predominantly in debt and money market instruments) and our QAAUM from this category was ₹17.2 billion;

d. *Dynamic and Multi Asset Allocation Funds*: Dynamic and multi-asset allocation funds provide clients with a diversified portfolio of investments in various asset classes, such as equities, fixed income, gold and cash equivalents. These funds are suitable for those clients seeking long-term capital appreciation. As of June 30, 2020, we had one dynamic asset allocation fund (the UTI ULIP, India's first tax savings cum insurance fund according to CRISIL) and one multi-asset allocation fund (the UTI Multi Asset Fund, which invests in equity, debt and gold assets) and our QAAUM from these categories was ₹46.6 billion;

e. *Equity Savings Funds*: Equity savings funds seek to provide capital appreciation and income distribution to investors through portfolio diversification and minimisation of downside risk. These funds are suitable for clients looking for tax efficient returns, retirees looking for moderate and stable returns with low volatility, and first-time investors. As of June 30, 2020, we had one equity savings fund (the UTI Equity Savings Fund, which seeks to use arbitrage opportunities and invests in equity and equity-related instruments, as well as in debt and money market instruments) and our QAAUM from this category was ₹1.9 billion; and

f. *Solution-Based Funds*: Solution-based funds cater to clients who are looking at need-based solutions for their specific goals, such as children's career planning and retirement planning. As of June 30, 2020, we had three solution-based funds and our QAAUM from this category was ₹61.4 billion. Our solution-based funds are the UTI Children's Career Fund - Investment Plan and the UTI Children's Career Fund - Savings Plan, which are directed to clients looking to secure their children's future, and the UTI Retirement Benefit Pension Fund, which caters to clients looking to build a long-term retirement corpus.

3. ***Income Funds***: The aim of our income funds is to provide steady income and capital appreciation to investors. The assets of these funds are generally invested in fixed income securities such as bonds, corporate debentures, government securities and money market instruments. Income funds are typically less risky than equity funds. As of June 30, 2020, we had 129 income funds and the total QAAUM from our income funds was ₹193.3 billion (including the 110 open- and closed- ended active funds and 19 additional funds that had matured before June 30, 2020), which constituted 14.5% of our Domestic Mutual Fund QAAUM. We classify our income funds as follows:

a. *Accrual and Duration Funds*: Accrual funds typically have shorter durations than duration funds and are less sensitive to interest rate movements. Accrual funds are classified as ultra-short term funds or low duration funds, while duration funds are classified as short, medium or long duration funds. As of June 30, 2020, we had six open-ended accrual and duration funds and our QAAUM from these categories was ₹ 57.5 billion. Our accrual and duration funds are classified as follows:

i. *Ultra-Short Term and Low Duration Funds*: These funds generally invest in debt securities with short-term maturities, such as money market and debt instruments, and are ideal for individual and corporate clients looking for steady returns and liquidity over the near- to short-term. As of June 30, 2020, we had one ultra-short term fund (the UTI Ultra Short Term Fund, the duration of which is between three and six months) and one low duration fund (the UTI Treasury Advantage Fund, the duration of which is between six and twelve months), and our QAAUM from these categories was ₹32.9 billion;

ii. *Short Duration and Medium Duration Funds*: These funds invest in corporate and government bonds with short to medium maturities and cater to clients that prefer low to medium duration risk. As of June 30, 2020, we had one short duration fund (the UTI Short Term Income Fund, the duration of which is between one and three years) and one medium duration fund (the UTI Medium Term Fund, the duration of which is between three and four years), and our QAAUM from these categories was ₹17.4 billion; and

iii. *Medium to Long Duration and Dynamic Bond Funds*: These funds invest in debt and money market instruments and cater to clients who are looking to capitalise on interest rate movements. As of June 30, 2020, we had one medium to long duration fund (the UTI Bond Fund, the duration of which is between four and seven years) and one dynamic bond fund (the UTI Dynamic Bond Fund, the duration of which increases when interest rates fall and decreases when interests rates rise) and our QAAUM from these categories was ₹7.2 billion;

b. *Gilt Funds*: Gilt funds have the primary objective of generating credit risk-free returns through investments in sovereign securities. They are directed to investors with a moderate risk appetite with a longer investment horizon. As of June 30, 2020, we had one open-ended gilt fund (the UTI Gilt Fund, which invests in sovereign securities issued by the Government of India or State Governments) and our QAAUM from this category was ₹6.3 billion;

c. *Banking and PSU Funds*: Banking and PSU funds aim to generate reasonable income with low-risk and high-level of liquidity from a portfolio of predominantly high-quality banking and PSU securities. As of June 30, 2020, we had one open-ended banking and PSU fund (the UTI Banking & PSU Debt Fund, with a portfolio predominantly of debt and money market securities issued by banks, PSUs, public financial institutions and municipal bonds) and our QAAUM from this category was ₹1.4 billion;

d. *Credit Quality-Oriented Funds*: Credit quality-oriented funds make investment decisions according to the credit quality and ratings of the instruments in which they invest. Credit quality-oriented funds can be classified as credit risk funds or corporate bond funds. As of June 30, 2020, we had two open-ended credit quality-oriented funds and our QAAUM from this category was ₹20.5 billion. Our credit quality-oriented

funds are classified as follows:

i. *Credit Risk Funds*: Credit risk funds aim to generate reasonable interest income and capital appreciation by investing in high income-accruing securities with relatively moderate to low credit quality. As of June 30, 2020, we had one credit quality-oriented fund (the UTI Credit Risk Fund, which invests at least 65.0% of its total assets in AA (as rated by various Indian credit rating agencies) and lower-rated corporate bonds) and our QAAUM from this category was ₹6.8 billion; and

ii. *Corporate Bond Funds*: Corporate bond funds aim to generate steady and reasonable interest income by investing in high credit quality instruments. As of June 30, 2020, we had one corporate bond fund (the UTI Corporate Bond Fund, which invests predominantly in AA+ (as rated by various Indian credit rating agencies) and higher-rated corporate bonds) and our QAAUM from this category was ₹13.7 billion;

e. *Closed-Ended and Interval Funds:* Closed-ended funds issue units to investors only during the funds' launch, after which such units are listed and can be traded on the stock exchanges. Interval funds issue units to investors only during the funds' launch and at pre-determined intervals thereafter, and permit investor redemptions only at such pre-determined intervals. Closed-ended and interval funds are suitable for clients who seek their investment to appreciate over time until the closure of the fund or, in the case of interval funds, opening of the next redemption window. Our closed-ended and interval funds invest in a variety of debt and money market instruments. As of June 30, 2020, we had 105 closed-ended funds and 14 interval funds, and our QAAUM from this category was ₹107.5 billion.

4. ***Liquid and Money Market Funds***: These funds are also income accrual-oriented funds and their aim is to provide access to liquidity, preservation of capital and moderate income. Returns on these funds are typically less volatile compared to other categories of funds. As of June 30, 2020, we had four open-ended active liquid and money market funds (including the UTI Overnight Fund and the UTI Floater Fund), with a total QAAUM of ₹377.9 billion, which constituted 28.3% of the Domestic Mutual Fund QAAUM. We classify our liquid and money market funds as follows:

a. *Liquid Funds*: Liquid funds typically invest in short-term instruments such as treasury bills, certificates of deposit, commercial paper and government securities. These funds are directed to clients looking for a high level of liquidity in their investments. As of June 30, 2020, we had one liquid fund (the UTI Liquid Cash Plan, which invests in high-quality debt and money market instruments with maturities of up to 91 days) and our QAAUM for this category was ₹265.5 billion;

b. *Money Market Funds*: Money market funds invest only in money market instruments such as commercial paper, certificates of deposit and tri-party repos. These funds cater to individual and corporate clients looking for steady returns and liquidity over the near- to short-term. As of June 30, 2020, we had one money market fund (the UTI Money Market Fund, which invests in a diversified portfolio of money market instruments) and our QAAUM from this category was ₹49.6 billion;

c. *Overnight Funds*: Overnight funds invest in securities that have a maturity of one business day. These funds cater to clients that seek to generate reasonable income, with low-risk and high-level of liquidity. As of June 30, 2020, we had one overnight fund (the UTI Overnight Fund, which invests in securities with maturities of one business day) and our QAAUM from this category was ₹48.9 billion; and

d. *Floater Funds*: Floater funds aim reduce interest rate risk and generate reasonable returns by investing in a portfolio comprising predominantly floating rate instruments and fixed rate instruments swapped for floating rate returns. These funds cater to clients who seek to benefit from interest rate trends going upwards in the future. As of June 30, 2020, we had one floater fund (the UTI Floater Fund, which may invest a portion of its net assets in fixed rate debt securities swapped for floating rate returns and money market instruments) and our QAAUM from this category was ₹13.9 billion.

Open-Ended, Closed-Ended and Interval Funds

We have open-ended, closed-ended and interval funds, with the following breakdown as of June 30, 2020:

Category of Fund	Open-Ended Funds		Closed-Ended Funds[1]	
	Number of Funds	QAAUM (₹ in billions)	Number of Funds	QAAUM (₹ in billions)
Active Funds	13	298.3	10	34.5

Category of Fund	Open-Ended Funds		Closed-Ended Funds[1]	
	Number of Funds	QAAUM (₹ in billions)	Number of Funds	QAAUM (₹ in billions)
Passive Funds[2]	7	244.5	0	0
Total Equity Funds	**20**	**542.8**	**10**	**34.5**
Hybrid Funds	9	187.9	0	0
Income Funds	10	85.7	119[4]	107.5
Liquid / Money Market Funds[3]	4	377.9	0	0
Total	**43**	**1,194.3**	**129**	**142.0**

(1) Includes all closed-ended and interval schemes that were active during the quarter ended June 30, 2020, although 19 closed-ended income funds (with aggregate QAAUM of ₹6.2 billion) matured before the end of the first quarter of fiscal year 2021 and as on the date of the Red Herring Prospectus.

(2) Includes the UTI Gold Exchange Traded Fund, which had QAAUM of ₹4.8 billion as of June 30, 2020.

(3) Includes the UTI Overnight Fund and the UTI Floater Fund, which had QAAUM of ₹48.9 billion and ₹13.9 billion, respectively, as of June 30, 2020.

(4) Includes 14 interval schemes with aggregate QAAUM of ₹1.1 billion.

Systematic Plans

The majority of our funds have features that allow for regular investments or withdrawals through a onetime mandate given by clients at the beginning of their investments. This systematic investment approach has become a popular form of investing in the mutual fund industry as it offers customers the opportunity to invest smaller amounts over longer periods of time and helps mitigate the risk of market timing. We offer the following types of systematic transactions:

1. *Systematic Investment Plans ("**SIPs**")*: SIPs are a disciplined, risk mitigating and convenient way to invest in mutual funds and allow clients to invest a fixed amount at regular intervals. The features our SIPs offer to clients include:

    a. *Flexibility of Investment Tenure*: Clients can choose the tenure of their investment according to their own requirements, suitability and goals, with a minimum period of investment of six months and no limit on the maximum tenure of investment; and

    b. *SIP Step Up*: Clients' monthly contributions can be increased by a predetermined fixed amount, or a fixed percentage, at recurrent intervals (half-yearly or annually) in line with the clients' income levels and financial goals.

2. *Systematic Transfer Plans ("**STPs**")*: STPs allow clients to periodically transfer a certain amount of funds or units from one scheme (the "**Source Scheme**") to another scheme (the "**Target Scheme**") at regular intervals. Clients looking to invest in a fund over a period of time to tackle market volatility may choose to invest through STPs. Clients can avail themselves of this facility with an amount as low as ₹100.0 per day. We offer two types of STPs:

    a. *Fixed STPs*: Through fixed STPs, a fixed and pre-determined amount is transferred from the Source Scheme to the Target Scheme on a periodic basis determined by the client, which can be daily, weekly, monthly or quarterly; and

    b. *Flexi STPs*: Through flexi STPs, the client invests a higher amount in the Target Scheme when markets go down and only minimum amounts when markets rise, which enables clients to take advantage of market cycles by accelerating their investments automatically during falling markets.

3. *Systematic Withdrawal Plans ("**SWPs**")*: SWPs allow clients to periodically redeem their mutual fund investments over a period of time. SWPs offer investors the flexibility to determine the frequency and amount of withdrawal per SWP transaction and are an ideal tool for investors to plan their regular cash flows. The key benefits of SWPs include:

    a. *Meeting Periodical Cash Flow Requirements*: SWPs provide certainty to clients in terms of periodical cash flows, since clients themselves specify the periodic withdrawal amount at the time of registration. Such an amount may be fixed by the investor based on his or her periodical cash flow requirements or based on the

total investment corpus;

b. *Managing Cash Flows*: Redemptions from mutual fund schemes are made only to the extent required by the client and, therefore, the unredeemed balance in the mutual fund scheme continues to earn returns over a longer period of time; and

c. *Eliminating Timing Bias*: In general, clients are inclined to redeem a higher portion of their investments as the markets go up, which may restrict their upside potential. SWPs help clients avoid any such timing bias and allows them to redeem the funds on a periodical basis and only to the extent needed, irrespective of the direction of the market.

As of June 30, 2020 and 2019, we had 1.2 million and 1.1 million SIP Live Folios, respectively, compared to 1.2 million, 1.1 million and 0.9 million as of March 31, 2020, 2019 and 2018. The table below presents the quarterly gross inflows, average transaction size, closing SIP AUM and SIP Live Folios as of and for the quarterly periods ended on the dates indicated:

	Gross SIP inflows (₹ in billions)	Average transaction size (₹)	Closing SIP AUM (₹ in billions)	SIP Live Folios (in thousands)
June 30, 2017	5.2	2,651.0	61.7	821.1
September 30, 2017	5.9	2,784.6	66.1	867.3
December 31, 2017	6.2	2,817.1	74.8	898.8
March 31, 2018	6.5	2,800.0	73.6	943.7
June 30, 2018	6.7	2,778.6	77.0	980.6
September 30, 2018	7.0	2,796.1	78.5	1,039.4
December 31, 2018	7.4	2,814.7	84.1	1,073.7
March 31, 2019	7.3	2,757.7	90.2	1,119.3
June 30, 2019	7.5	2,772.4	91.5	1,121.2
September 30, 2019	7.5	2,752.9	95.0	1,148.5
December 31, 2019	7.3	2,702.4	101.6	1,161.2
March 31, 2020	7.3	2,698.9	78.6	1,204.8
June 30, 2020	7.2	2,680.4	99.8	1,204.3

Product Development Cycle

Our dedicated product team works closely with other departments (including the fund management, sales and marketing and compliance teams) to periodically scan the market landscape, undertake trend and competition analysis and seek feedback from internal and external stakeholders in order to identify opportunities to develop new products and enhance the features of existing ones. Depending on their nature, the products may progress through some or all of the following stages of our product development cycle: researching, generating, screening and selecting new product ideas, based on primary and secondary research; concept development, back testing, market surveys and continuous market feedback; corporate and regulatory approvals; pre-marketing activities and product launch; and managing, monitoring and enhancing the products throughout their lifecycle, to ensure they remain relevant in the market.

Investment Teams

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, 2020, the equity fund management team included 19 members, with an average of more than 11 years of experience with us, while our fixed income fund management team included 13 members, with an average of over 12 years

of experience with us.

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. As of June 30, 2020, our equity analysts provided research support to fund managers for approximately 319 companies, covering 89.1% of the market cap of the Nifty 500, and our fixed income analysts provided research support to fund managers for approximately 251 companies. 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.

Awards

We have won numerous industry awards over the years. The table below details some of the awards we, and some of the funds we manage, have won since April 1, 2017:

Award	Recipient
Fiscal Year Ended March 31, 2020	
Outlook Money Awards, 2019 – Gold Award Winner – Pension Manager of the Year	UTI RSL
Best of the Best Awards, 2020 – India – Asia Asset Management – Best Pension Fund Manager	UTI RSL
Winners in the ETF, Liquid Fund and Arbitrage Fund category–Nivesh Manthan Mutual Fund Samman 2019	UTI Nifty Exchange Traded Fund UTI Liquid Cash Plan UTI Arbitrage Fund
Best Fund Over 10 Years–Equity India–Lipper Fund Awards, Japan, 2018	Shinsei UTI India Fund
Fiscal Year Ended March 31, 2019	
Best Fund House: Debt–Morningstar Awards, 2019	Our Company
Best Performing Portfolio Manager–EPFO, 2018	Our Company
Best Credit Risk Fund–CNBC TV18 Mutual Fund Awards	UTI Credit Risk Fund
Best of the Best Awards, 2018–India–Asia Asset Management for Best Pension Fund Manager	UTI RSL
Fiscal Year Ended March 31, 2018	
Best Fund House: Debt–Morningstar Awards, 2018	Our Company
Winner in the Debt Fund House Category–Outlook Money Awards, 2017	Our Company
Best Portfolio Manager–EPFO (2017)	Our Company

For our other awards, see "*History and Certain Corporate Matters*", beginning on page 187.

Clients and Distribution Channels

Clients

We market and support our products through our sales and client services teams. Our domestic fund clients include individual investors, corporate and other institutional investors, banks and other financial institutions, trusts and NRIs. Set forth below is a breakdown of our clients, based on our Domestic Mutual Fund Closing AUM as of June 30, 2020:

Clients	Live Folios (in millions)	Closing AUM (in ₹ Billions)	% of Domestic Mutual Fund Closing AUM
Individual investors (other than NRIs)	10.8	629.1	43.8%
Corporate and other institutional investors	0.1	651.1	45.4%
Banks and other financial institutions	0.0	49.6	3.5%
Trusts	0.0	81.4	5.7%
NRIs	0.1	24.3	1.7%
Total	**10.9**	**1,435.5**	**100.0%**

The table below presents the average transaction size of our individual and institutional clients as of the dates indicated:

(₹ in thousands)	As of June 30,		As of March 31,		
	2020	2019	2020	2019	2018
Individual	56.8	70.9	58.4	72.4	66.4
Institutional	9,348.8	22,542.4	9,299.1	21,324.4	21,350.0

Distribution Channels

We benefit from a comprehensive distribution network with both in-house capabilities and external distribution channels. Each of our distribution channels have the requisite oversight and manpower to service the potential opportunities in the market place. Our distribution channels include the following:

1. *IFAs channel:* Our IFAs distribution channel comprises approximately 53,000 IFAs (independent parties that provide advice with respect to investments). Our IFAs channel accounted for 29.8% of our Domestic Mutual Fund QAAUM as of June 30, 2020, compared to 32.3%, 29.9%, 31.6% and 31.1% of our Domestic Mutual Fund QAAUM as of June 30, 2019 and March 31, 2020, 2019 and 2018, respectively;

2. *BND channel*: Our BND channel relies on partnerships and strategic alliances with various domestic and foreign banks, as well as with distributors, including Citibank, State Bank of India, Punjab National Bank, Bank of Baroda, ICICI Bank, Axis Bank and HDFC Bank. Our BND channel accounted for 11.4% of our Domestic Mutual Fund QAAUM as of June 30, 2020, compared to 14.0%, 11.1%, 13.9% and 14.4% of our Domestic Mutual Fund QAAUM as of June 30, 2019 and March 31, 2020, 2019 and 2018, respectively; and

3. *Direct channel*: Our direct distribution channel includes business from our institutional and PSU sales teams, digital distribution and other direct sales to investors. We are experiencing increasing digital sales due to our digital initiatives, such as our digital transaction system for institutional clients, our data-driven campaign through SMS and emails, our mobile applications for clients and our increased digital sales through our website. Our direct channel accounted for 58.7% of our Domestic Mutual Fund QAAUM as June 30, 2020, compared to 53.7%, 59.0%, 54.5% and 54.5% of our Domestic Mutual Fund QAAUM as of June 30, 2019 and March 31, 2020, 2019 and 2018, respectively.

The following table presents the breakdown of our distribution channels as a percentage of our Domestic Mutual Fund QAAUM as of the dates indicated:

Channel	As of June 30,		As of March 31,		
	2020	2019	2020	2019	2018
IFAs	29.8%	32.3%	29.9%	31.6%	31.1%
BND	11.4%	14.0%	11.1%	13.9%	14.4%
Direct	58.7%	53.7%	59.0%	54.5%	54.5%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Total QAAUM (in ₹ billion)	**1,336.3**	**1,578.7**	**1,515.1**	**1,596.9**	**1,549.4**

The following table presents the breakdown of our distribution channels by QAAUM for our active equity and hybrid funds as of the dates indicated:

Channel	As of June 30,		As of March 31,		
	2020	2019	2020	2019	2018
IFAs	60.4%	62.3%	60.1%	62.6%	61.0%
BND	9.8%	10.3%	10.3%	10.1%	9.5%
Direct	29.8%	27.4%	29.6%	27.3%	29.5%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Total QAAUM (in ₹ billion)	**520.6**	**609.0**	**591.6**	**591.9**	**585.8**

Our widespread distribution network gives us access across India, including remote areas, and reinforces our strong presence in small and medium towns, cities and villages. As of June 30, 2020, this network includes 163 UFCs (branch offices at which, among other things, our employees service investors and distributors and conduct sales and marketing activities), 257 BDAs and CAs (40 of whom operate OPAs) and 43 other OPAs (authorised points of service at which scheme investors can conduct transactions relating to their investments). Our distributors are responsible for monitoring the licenses, authorisations and exemptions they require in order to distribute our funds. Our sales and client services teams focus on educating existing and prospective clients on our investment philosophy and processes and providing a high level of ongoing client service.

Our sales force is organised according to the above distribution channels, and we believe this helps us better address the needs of different client segments. We are actively exploring potential strategic partnership opportunities in order to further enhance our distribution reach and capabilities.

Fees and Expenses

We generate income mainly from fees that are based on contractually specified percentages of the net asset value of the funds we manage. We refer to these fees as "management fees". Our management fees cover fund management services and support services, such as fund accounting and other administrative functions.

Management fees are set based on factors such as AUM, investment strategy, servicing requirements, regulatory considerations, multiple or related account relationships and client type. The fees charged for equity and hybrid funds (other than passive funds) are generally higher than the fees charged for income, liquid and money market and passive funds. The fees on portfolio management services vary depending on our contractual agreement with investors and are generally lower than our fees for asset management services. The management fees for NPS Schemes and Government mandates such as the ones from the EPFO, PLI and the NSDF are generally lower than our other businesses.

In respect of mutual fund schemes, a specified percentage of our funds' daily AUM is accrued to cover (i) management fees and (ii) other expenses, based on the regulatory prescribed or lower internally determined maximum limits regarding those items. Management fees are paid by our funds to us on a weekly basis. The remaining expenses accrued are used by the funds to offset other permissible expenses.

The regulator prescribes maximum Total Expense Ratios ("**TERs**") for schemes, which are calculated by dividing the total costs of the fund by its total average assets, as described below. Aggregate scheme expenses, including all management fees, distributor and agent commissions, RTA fees, custodian fees, audit fees, insurance costs, bank service charges, marketing and selling expenses, and investor communication costs, must not exceed the applicable TER for the relevant scheme. However, initial issue expenses incurred in connection with the launch of a new scheme are required to be fully borne by us.

For passive funds, the maximum TER limit is 1.0% of daily net assets. For closed-ended and interval funds, the maximum TER limits is 1.25% of daily net assets for equity-oriented schemes (which invest at least 65% of their portfolio in equity securities), and 1.0% of daily net assets for other schemes. For open-ended funds (other than passive funds and funds of funds), the maximum TER limits (as a percentage of daily net assets) vary by AUM band, as set forth in the table below:

AUM Band	Equity-Oriented Open-Ended Schemes	Other Schemes (Excluding Passive Funds and Funds of Funds)
On the first ₹5 billion of daily net assets	2.25%	2.00%
On the next ₹2.5 billion of daily net assets	2.00%	1.75%
On the next ₹12.5 billion of daily net assets	1.75%	1.50%
On the next ₹30 billion of daily net assets	1.60%	1.35%
On the next ₹50 billion of daily net assets	1.50%	1.25%
On the next ₹400 billion of daily net assets	TER reduction of 0.05% for every increase of ₹50 billion of daily net assets or part thereof	
On any additional daily net assets	1.05%	0.80%

Incremental TER increases of up to 0.05% in respect of daily net assets are permitted for schemes where an exit load is charged in respect of redemptions. Incremental TER increases of up to 0.30% of daily net assets are permitted in respect of sales to certain individual investors in B30 cities. The current TER limits were introduced by SEBI with effect from April 1, 2019; the reductions from the previously-permitted TER levels only resulted in a reduction in the weighted average base TER of our open-ended active equity and hybrid schemes by approximately eight basis points.

Portfolio Management Services

We launched our PMS business in May 2004 and, since then, it has become an increasingly important part of our business and has had a positive track record in terms of performance and diversification opportunities. Our PMS business has a five-member investment team, with one member for equity investment management, with over 14 years of experience with us, and four members for debt investment management, with over 17 years of average experience with us. As of June 30, 2020, our PMS business had AUM of ₹6,970.5 billion (which includes assets under advisory services) and managed the funds of and advised institutional clients and HNIs. Our PMS business aims to provide individual clients with investment solutions commensurate with their risk profile and their return expectations using research-based valuation and security selection techniques. Our PMS business works closely with the rest of our personnel and infrastructure in areas such as distribution, marketing and investor services, which lowers our cost of operation and allows us to provide more competitive prices, while also ensuring that our clients benefit from the more than 55 years of our expertise in the asset management industry. In particular, our PMS business interacts and works closely with our research divisions for both debt and equity products, which ensures that comprehensive and detailed information underlie every investment decision. Investment decisions are taken individually and independently by each portfolio manager on behalf of each client, in accordance with the client's needs and risk profile, as well as with the

specific requirements of the mandate.

Our PMS business offers Discretionary and Non-Discretionary PMS, as well as research-based Advisory PMS, for both domestic and overseas clients. As of June 30, 2020, the total AUM of our PMS business was ₹6,970.5 billion, representing 82.1% of our Other AUM, as compared to ₹4,849.8 billion for the three-month period ended June 30, 2019, and ₹6,890.6 billion, ₹1,332.7 billion and ₹1,158.5 billion for the fiscal years ended March 31, 2020, 2019 and 2018, respectively, which represented 80.5%, 83.2%, 55.6%, and 56.6%, respectively, of our Other AUM for such periods. This significant growth in the AUM of our PMS business during the fiscal year ending March 31, 2020 is largely due to the enlarged mandate obtained from EPFO and the new mandates from CMPFO and ESIC. Our first PMS mandate with EPFO began on July 1, 2015. On April 1, 2019, the CBT, EPF entrusted us with the management of an additional portfolio, and assets of approximately ₹3,282.8 billion were transferred to us. We were selected on September 9, 2019 as one of the two portfolio managers for managing EPFO's corpus for a period of three years and, on October 31, 2019, we were approved to manage 55.0% of the corpus of CBT, EPF, for a period starting on November 1, 2019 and ending on September 30, 2022. As of June 30, 2020, the total AUM we managed for EPFO amounted to ₹5,916.6 billion. We were selected as the best portfolio manager for EPFO for both 2017 and 2018.

We are also one of the portfolio managers appointed by CMPFO on January 30, 2020 to manage assets amounting to ₹530.4 billion, comprising 60.0% of its corpus for a period of five years and one of the portfolio managers appointed by ESIC on January 24, 2020 to manage assets amounting to ₹93.3 billion for a period of three years. Further, we have also been selected as one of the two portfolio managers appointed by the PLI Directorate, Department of Posts, on June 10, 2020 to manage Postal Life Insurance Fund and Rural Postal Life Insurance Fund. As of June 30, 2020, the total AUM we managed for CMPFO, ESIC and PLI amounted to ₹530.4 billion, ₹93.3 billion and ₹426.3 billion, respectively, which accounted for 7.6%, 1.3% and 6.1% of our PMS AUM for the same period, respectively.

Retirement Solutions

We were one of the three asset managers originally appointed by the Pension Fund Regulatory and Development Authority ("**PFRDA**") in September 2007 to manage the pension funds for Central and State Government employees (hired since January 2004 and excluding the armed forces) under the NPS. We set up a subsidiary on December 14, 2007, UTI RSL, to manage such pension funds. On March 13, 2009, UTI RSL was also appointed to manage NPS contributions from citizens other than government employees who joined the NPS on a voluntary basis.

As of June 30, 2020, UTI RSL manages 12 schemes, two of which are Government-sector schemes, with an aggregate closing AUM of ₹1,293.1 billion as of June 30, 2020, while the remaining ten are non-Government sector schemes, with an aggregate closing AUM of ₹62.8 billion as of June 30, 2020. UTI RSL's total AUM has been growing steadily over the past years, from ₹694.8 billion as of March 31, 2018 to ₹1,222.0 billion as of March 31, 2020, representing a CAGR of 32.6%; as of June 30, 2020, our RSL AUM had increased to ₹1,355.9 billion.

According to the Organisation for Economic Co-Operation and Development ("**OECD**") based on the 2011 census, only about 12% of the total working population in India is covered under some form of pension. Furthermore, as per United Nations' estimates, the number of elderly people in India will rise from 126 million in 2017 to 317 million by 2050; at the same time, life expectancy at age 60 is expected to increase from 17.7 in the years 2010-2015 to 20.3 in the years 2050-55, as per CRISIL. In addition, the PFRDA and the Government of India have been strengthening the NPS and taking initiatives to simplify, improve and incentivize more people to enrol in the NPS.

UTI RSL has a three-member investment team, with average of over 14 years of experience with us, which interacts with our other fund management and research teams, drawing on their fund management expertise. However, decisions are taken independently. We have obtained a Point of Presence ("**PoP**") license from the PFRDA for marketing NPS schemes. Therefore, in addition to our 163 UFCs, our 257 BDAs and CAs conduct marketing activities for UTI RSL, thus expanding the reach of our retirement solutions business.

Offshore Fund Management

UTI International manages the offshore interests of UTI AMC and the global marketing of our investment strategies. UTI International also markets our domestic funds in adherence with local regulations through its offshore offices and has two subsidiaries: UTI Investment Management Company Mauritius Limited, and UTI International (Singapore) Private Limited, both wholly owned by UTI International.

UTI International manages and markets offshore and foreign portfolio investor ("**FPI**") funds for offshore investors (excluding US investors) who want to invest in India, including the following funds:

1. *UTI India Dynamic Equity Fund*: The portfolio of this fund generally consists of high quality companies with predictable earning, low leverage, high operating and free cash flows. The investment objective of the fund is to achieve medium to long-term growth through investment primarily in growth oriented Indian stocks listed on BSE Limited and National Stock Exchange of India Limited;

2. *UTI India Balanced Fund*: This fund allocates dynamically between debt and equity, with quarterly rebalancing. The equity investments of the fund are intended to be a diversified portfolio of predominantly large-cap Indian stocks, while the debt investments of the fund are intended to be high-quality fixed income instruments; and

3. *UTI Indian Fixed Income Fund*: This open-ended fund gives comprehensive access to the entire spectrum of the Indian fixed income market. Its investment objective is to generate returns with moderate levels of credit risks.

Current investors in our offshore funds include family offices, insurance companies, pension funds and other financial institutions. A few of our offshore funds have a concentrated number of investors, and hence the AUM for these funds can fluctuate significantly. For example, between March 31, 2018 and March 31, 2019, the AUM of UTI International and its subsidiaries decreased from ₹187.9 billion to ₹118.7 billion, as a large institutional client redeemed ₹73.8 billion from the India Debt Opportunities Fund in such period.

In 2006, UTI International launched the Shinsei UTI India Fund in Japan, a co-branded fund with Shinsei Bank of Japan ("**Shinsei Bank**"). UTI Investment Management Company Mauritius Limited acts as an investment manager and UTI AMC acts as investment advisor to the fund, which is a long-only diversified equity fund with exposure to sectors such as infrastructure, consumption and exports. The fund had AUM of ₹15.4 billion as of June 30, 2020.

Alternative Investment Funds Management

We conduct our alternative investment fund management business through our wholly owned subsidiaries UTI VF and UTI Capital.

UTI Capital, which has a six-member investment team, seeks to invest across sectors in businesses with committed entrepreneurs, serving not only their needs for growth and expansion capital, but also striving to create value for their portfolio companies by providing them with industry knowledge, access to local talent and their business network in the Indian and offshore markets. Among the funds managed by UTI Capital, we have commitments of ₹1.2 billion in respect of the India Infrastructure Development Fund and ₹1.6 billion in respect of the UTI Structured Debt Opportunities Fund I and have approved a sponsor commitment of USD 25.0 million (₹1.8 billion as of June 30, 2020); we will also earn investment income on any returns the funds generate.

We have one venture capital fund, the India Infrastructure Development Fund which, as of June 30, 2020, had total closing AUM of ₹4.0 billion (calculated on the basis of investor capital commitments). We also have two other alternative investment funds, the UTI Structured Debt Opportunities Fund I, which, as of June 30, 2020, had total closing AUM of ₹7.0 billion (calculated on the basis of investor capital commitments), and the UTI Structured Debt Opportunities Fund II, which, as of June 30, 2020, had not been launched.

Our alternative investment funds have varying fee structures centred around an annual management fee and certain performance-related incentives. Our performance-related incentives entitle us to receive an amount which is calculated as a percentage of the amount of net investment gain by the fund, as at the date when the incentive payment is to be determined.

SUUTI

Following the bifurcation of Unit Trust of India in 2002 into SUUTI and UTI Mutual Fund (see "*History and Corporate Structure*", beginning on page 187), we have been providing support services to SUUTI, such as fund administration, accounting and investor services. For the three-month periods ended June 30, 2020 and 2019, the fees received from SUUTI amounted to ₹25.0 million and ₹27.5 million, respectively, which represents 0.9% and 1.1% of our total income, compared to ₹100.0 million, ₹110.0 million and ₹130.0 million for the fiscal years ended March 31, 2020, 2019 and 2018, respectively, which represents 1.1%, 1.0% and 1.1% of our total income for these periods, respectively.

Operations

With 10.9 million Live Folios as of June 30, 2020 and a national footprint, our operations are complex. Our operations team aims to ensure prompt and competent delivery of services to our clients by efficiently managing our front-office and back-office operations to provide our clients high levels of customer satisfaction. We benefit from a comprehensive distribution network with both in-house capabilities and external distribution channels. See "*–Clients and Distributions Channels*", beginning on page 167.

The primary focus of our operations team is to execute all stages of a transaction with minimal errors. We have established controls to ensure accuracy and speed in transaction processing, such as time stamping, image-based processing and bar coding transactions, as well as introducing an 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 Kfin Technologies Private Limited, our registrar and transfer agent ("**RTA**"). During the three-month period ended June 30, 2020, we processed 5.0 million transactions (which includes all commercial and non-commercial transactions), compared to 6.4 million, 25.4 million, 28.8 million and 27.5 million transactions for the three-month period ended June 30, 2019 and the

financial years ended March 31, 2020, 2019 and 2018, respectively. As part of our front-office services, investors can buy or sell fund units and redirect other transactions through our IFAs and BND distribution channels, as well as directly through our website or our mobile app. Our back-office services are supported by our RTA and our day to day operations are run by an experienced team of 382 RTA staff members. In order to ensure a high standard of services we maintain segregated databases and customised system modules, and we have in place fund-specific and role-based access controls. We have multiple layers of checks to ensure accurate data entry and conduct regular audits and surveillance checks.

We aim to deliver a positive customer experience by establishing systems that connect with our OPAs across the country and implementing new technologies that can be used by our business partners for processing transactions swiftly without compromising our quality controls. We ensure our regulatory compliance by implementing multiple layers of review on commercial transactions and by building system-validation tools and logical access controls for users, as well as by having our audit and compliance office monitor transactions and conduct sample checks.

Our Department of Fund Accounts is responsible for all investment and unit capital accounting and the maintenance of the books and records for our domestic funds. We have an integrated platform covering both front and back-office transactions, which eliminates the need for multiple data entry points. This not only saves time and reduces the number of errors made, but also allows us to better utilise the information captured internally. Among other responsibilities, the Department of Fund Accounts handles the valuation of portfolios at the end of each business day and computes and disseminates NAV for approximately 1,056 fund options, in accordance with regulatory requirements. The Department of Fund Accounts also monitors fund expenses and payment of fees to us on a weekly basis, as well as all statutory financial reporting.

Some of the initiatives put in place since March 31, 2018 include the empanelment of new agents through our website, which helps on-board valid AMFI Registration Number ("**ARN**") holders without any physical paperwork. In addition to that, a unified payment interface ("**UPI**") has been added to our existing payment modes and a SIP cancellation option was made available on our UTI's mobile applications and website. We have also introduced an "eKYC" on the basis of offline Aadhaar, which allows us to onboard new investors more swiftly by validating their details through the Unique Identification Authority of India, based on a QR Code.

Operations Following the Outbreak of the COVID-19 Pandemic

Beginning in December 2019, a new strain of the coronavirus (COVID-19) has spread rapidly throughout the world, including in India (where the majority of our operations are located), Singapore, Mauritius, the United Kingdom, the United Arab Emirates and Guernsey (where we also have operations). The World Health Organisation has declared the COVID-19 outbreak a health emergency of international concern and has categorised the COVID-19 virus outbreak as a pandemic. The COVID-19 pandemic and associated responses have adversely affected workforces, consumer sentiment, economies and financial markets around the world, including in India, and have created significant uncertainty for our business. 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, including severe travel and transport restriction and a directive to all citizens to shelter in place. 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 behaviour, preferences and needs of our customers, including consequential reductions in our AUM. Following the outbreak of the pandemic we have experienced meaningful falls in our Domestic Mutual Fund QAAUM due to market volatility, with our Domestic Mutual Fund QAAUM decreasing by ₹178.8 billion, or 11.8%, in the three-month period ended June 30, 2020 compared to the fiscal year ended March 31, 2020. There has also been some reduction in inflows and SIP Live Folios and the mutual fund industry has also experienced SIP stoppages. 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 behaviour (including as to saving, investment and redemption decisions), and our AUM size and composition, revenues and profitability.

The situation created by the outbreak of the COVID-19 pandemic and associated responses has brought significant challenges in ensuring business continuity and our employees' health and safety. At the outset of the pandemic, we began to prepare for a scenario, which has since eventuated, of nearly all of our employees accessing our systems remotely. We equipped our investor-servicing employees with the necessary infrastructure to work remotely and provided them with laptops and internet cards. We also redesigned our system architecture in order to enable access through a distributed delivery model, and deployed agile development operations to help our RTA run all critical processes on a business-as-usual model and deliver all core outcomes expected by our investors, distributors and regulators. Due to the robustness of our business continuity program, we have been able to serve our investors without any interruptions or stoppages since the outbreak of the pandemic, including fulfilling redemption requirements of our individual and institutional investors. Some of the measures we have implemented include processing all commercial transactions over e-mail, ensuring continued investor and distributor support through our contact centres and we have been successful in timely delivering all required management information system, business intelligence, regulatory and statutory reports and enabling our full spectrum of digital initiatives (including our online platform and our mobile application, UTI Buddy) to continue working without interruptions. As of June 30, 2020, more than 90.0% of our branches had been re-opened for investor and distributor services across the country and we are currently working towards

opening all of them within the coming months, in line with and subject to the guidelines of the relevant authorities. For further details, see "*Risk Factors – 43. —Our business and results of operations have been, and may continue to be, adversely affected by the ongoing COVID-19 outbreak and associated responses.*" and "*Management's Discussion And Analysis Of Financial Condition And Results Of Operations — Developments Related to the COVID-19 Pandemic"*, beginning on pages 49 and 316, respectively.

Competition

Investment performance, distribution reach, quality of service, continuity of client relationships, brand recognition and business reputation are the principal competitive factors in the asset management industry. Fee competition also affects our business, as do compensation, administration, commissions and other expenses paid to intermediaries. Prospective clients typically base their decisions on our ability to generate returns that exceed a market index, and HNIs, corporate and other institutional investors, in particular, carefully consider pricing when selecting an asset manager. We face particularly intense competition in major metropolitan areas.

Our key competitors in the asset management industry include HDFC Asset Management Company Limited, ICICI Prudential Asset Management Company Limited, SBI Funds Management Private Limited, Aditya Birla Sun Life AMC Limited, Nippon Life Asset Management Company Limited and Kotak Asset Management Company Limited. In addition, we compete with a large number of investment management firms, investment advisors, commercial banks, brokerage firms, broker-dealers and other financial institutions, and technology platforms. We also compete with other savings providers, such as insurance companies and banks. Bank deposits, small savings schemes and other savings products, life insurance and pension products are among the key products competing with our funds. For example, ULIPs provided by insurance companies vigorously compete with equity mutual funds, as some of these insurance plans may offer higher returns while also providing insurance coverage. Advertising and sales promotions also influence competition for sales.

We face intense competition in attracting and retaining qualified employees, including fund managers, research analysts and sales persons. The ability to continue to compete effectively in our businesses depends in part on our ability to attract and retain such talent.

A number of our key competitors are part of diversified financial institutions and may have greater resources and offer a broader range of services than ours. The mutual fund industry in India is expected to attract a number of new entrants in the upcoming years due to favourable market conditions and the low barriers to entry. In our offshore business, we compete with many well established international asset managers for opportunities to manage assets dedicated to India.

Regulation and Compliance

Overview

As a mutual fund provider, we are regulated primarily under the SEBI Mutual Fund Regulations. Given the nature of our other business, we are also regulated under the SEBI Portfolio Manager Services Regulations, SEBI AIF Regulations and SEBI FPI Regulations. SEBI issues guidelines from time to time and has issued separate regulations governing portfolio managers and alternative investment funds. SEBI has the power to inspect our books to ensure that we are in compliance with its regulations and guidelines and we may be subject to fines, sanctions (including suspension of our license) and court proceedings if we fail to comply with any of such regulations or guidelines, which may also adversely affect our relationship with SEBI. Additionally, our retirement solution business is primarily regulated by the PFRDA under the PFRDA Regulations.

The legislative and regulatory environment in which we operate has undergone significant changes in the recent past. We believe that significant regulatory changes in our industry are likely to continue on a scale that exceeds the historical pace of regulatory change. While regulatory changes may improve the scale of investors protection, corporate governance and investment discipline, such changes are likely to subject industry participants to additional, generally more stringent, regulation. Further, given the practical challenges faced by companies and intermediaries due to the COVID-19 pandemic and the resultant restrictions on commercial and private establishments, various regulators, including the SEBI, have taken measures to temporarily relax the compliance requirements for such entities. The specific impact of the new regulations and the regulatory changes due to the COVID-19 pandemic on our businesses is difficult to predict currently and 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, see "*Risk Factors – 43. —Our business and results of operations have been, and may continue to be, adversely affected by the ongoing COVID-19 outbreak and associated responses.*" and "*Key Regulations and Policies in India*", on pages 49 and 179, respectively.

Compliance Monitoring

We have structured our compliance monitoring program to address regulatory requirements and other applicable laws, rules and regulations and to address any other requirements necessary to support our securities trading operations. Our compliance programs are in some cases more stringent than regulatory requirements. Our Compliance Officer has extensive experience with the regulation of investment managers; he supervises and is part of a team of four compliance professionals, reports to the

Boards of UTI AMC and UTI Trustee, and fosters a regulatory compliance and best practices culture inside UTI AMC. Our compliance team also conducts due diligence reviews of the draft offer documents for new funds before such documents are sent to the relevant regulator for approval and reviews advertisements and other sales materials to ensure conformity with the SEBI Advertisement Code and other scheme-specific provisions. Our compliance program includes comprehensive policies and supervisory procedures implemented to monitor compliance, including the review of employees' personal investment transactions. We review and update our policies periodically.

Code of Ethics

We have adopted a code of ethics, which sets forth ethical standards and requires all employees to comply with all applicable laws and regulations. Our key, access and other designated employees are required to get prior approval from the Compliance Officer before buying or selling securities in the secondary market, and such approval is generally not granted if any of our funds has bought or sold the same security within the preceding 15 days. All securities transactions by key, access and designated employees must be reported to our Department of Compliance within seven calendar days. All our employees must submit, on an annual basis, a complete listing of all personal securities holdings and, in addition, key employees must submit a statement of transactions on a semi-annual basis. Violations of our code of ethics can result in serious sanctions, up to and including dismissal from employment.

Risk Management

Risk management is one of our key focus areas and we have established processes and systems to ensure robust firm-wide risk management. The Board of Directors of UTI AMC (the "**Board**") formulates and periodically reviews our risk management policies, procedures and processes, which include the delegation of investment and financial responsibilities, the establishment of prudential investment norms, the approval and dissemination of guidelines and restrictions, as well as the establishment of counter-party limits. The Board also reviews the performance of funds against the relevant benchmark and competing funds.

Our risk management structure also includes:

1. *Board Risk Management Committee*: consists of five members of the Board and meets at least twice a year to review the overall risk management policies and guidelines and implementation thereof, and undertakes risk management in respect of critical projects or activities;

2. *Equity and Debt Steering Committees*: our Equity Steering Committee consists of four members, and our Debt Steering Committee consists of two members. Meetings are held on a regular basis to review funds' performance and strategy reports, as well as to discuss products strategies and market developments;

3. *Department of Risk Management*: consists of seven members (as of June 30, 2020) and reviews portfolio risks affecting our funds, conducts performance attribution of funds vis-à-vis their respective benchmarks and competing funds, tracks the adherence of portfolio characteristics to the respective scheme mandates and computes various portfolio analytics to judge the risk and return indicators over a period of time;

4. *Investment Committee*: consists of four members and meets on a monthly basis to review, among other things, the performance of our funds, top securities transactions and exceptions, if any, to establish investment norms or scheme limits; and

5. *Department of Internal Audit*: consists of four members who oversee the work of the chartered accountancy firm appointed to carry out our internal audit function. The Department of Internal Audit, together with the Investment Committee and the Department of Risk Management, ensures that the policies, procedures and processes laid down by the Board and the Board Risk Management Committee are effectively implemented.

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

1. *Investment risk*: Our funds are exposed to underperformance risk with respect to both the relevant benchmarks and competing funds due to investment related risks, which include market risks and credit risks. The measures we take to address and mitigate such risks include prudential investment limits, well-documented investment policies and procedures (including regarding the delegation of powers, research methodologies, risk evaluation framework and brokers' empanelment policy), sophisticated market information tools, a dedicated securities research team, experienced fund managers, and a regular performance reporting and review mechanism.

2. *Liquidity risk*: Liquidity risk mainly arises in respect of open-ended funds, which typically allow investors to redeem their units at any time. If a significant number of investors opt for redemption from a particular fund at the same time, the fund may face liquidity risk. The risk is particularly high in respect of income funds, considering the low level of debt securities actively traded in Indian markets and the high concentration of investors in select funds. The measures we take to address and mitigate liquidity risk include reviewing our portfolio positions in light of average trading

volumes and historical redemption of funds, regularly reviewing illiquid equity positions, observing concentration limits for single positions, issuers and sectors, and prudential issuer and sector norms, having a high proportion of the fixed income investments of our relevant funds in highly-rated fixed income securities, and having a line of credit available to address our liquidity shortfalls;

3. *Operational risk*: Operational risk is the risk of loss from inadequate or failed internal processes and systems or from external events, including employee errors, improper documentation of transactions, failure of operational and information security procedures, computer systems, software or other equipment, business interruptions and inappropriate behaviour of employees or vendors. The measures we take to address and mitigate operational risk include internal control systems, including a concurrent audit system for dealing and NAV computation and an outsourced internal audit function, a straight-through investment processing system, isolating and monitoring the dealing room, service level agreements with third party vendors, conducting disaster recovery drills at least twice a year, separating front-office and back-office functions, an effective customer redress mechanism, periodic training for our sales team, an independent compliance officer supported by experienced officers, and insurance coverage. As a result of the COVID-19 pandemic and associated responses, we have reinforced our operational risk management and enhanced our business continuity program to scale beyond the physical office premises and enable our employees to work from home with secure remote access (including, by using virtual private networks and two-factor authentication for software as a service-based applications);

4. *Market risk*: Market risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as equity prices, interest rates, exchange rates or other asset prices, or higher volatility of funds or returns as compared to benchmark or competing funds. The measures we take to address and mitigate market risk include implementing investment guidelines and position limits in terms of individual stocks, sectors and industries, having experienced fund managers closely monitoring investments and positions, as well as measuring risk-adjusted performance;

5. *Credit risk*: Credit risk is the risk of loss in market value of debt securities due to downgrading by credit rating agencies or default in payment by issuers. The measures we take to address and mitigate credit risk include establishing counter-party exposure limits and placing restrictions on investments in unrated or low-rated debt securities; and

6. *Regulatory risk*: Our business is highly regulated and we may be impacted by new laws, rules and regulations or changes in existing ones, which may affect our ability to operate. The measures we take to address and mitigate regulatory risk include following regulatory limits and carrying on compliance audits on a monthly basis.

Corporate Social Responsibility ("CSR")

We have adopted a CSR policy in compliance with the requirements of the Companies Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014. We have a CSR Committee of the Board that recommends the amount of expenditure to be incurred on the activities related to CSR and monitors our CSR Policy from time to time. The CSR Committee has also constituted a sub-Committee of CSR Executives to identity the projects, carry out the ground work, empanel agencies, NGOs, organisations and other related parties and recommend to the CSR Committee the projects to be undertaken. It has been decided that, initially, we would concentrate our CSR activities in the areas of health and education. The total amount spent on CSR during the three-month periods ended June 30, 2020 and 2019, as well as for the fiscal years ended March 31, 2020, 2019 and 2018 was ₹42.2 million, ₹1.0 million, ₹55.0 million, ₹83.2 million and ₹32.6 million, respectively. Our CSR spending for the three-month period ended June 30, 2020 includes ₹10.0 million to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund ("**PM Cares**") as of June 30, 2020, following the outbreak of the COVID-19 pandemic.

Distributor Training and Investor Education

UTI Swatantra is our flagship investor education initiative. The program was launched in 2010 in order to create awareness about the concepts of financial planning and the benefits of investing in mutual funds. In 2013, UTI Swatantra became India's largest investor education program based on reach, according to the 2013 Limca Book of Records. In 2019, we celebrated the tenth year of UTI Swatantra and rejuvenated the platform by creating a multi-channel approach with integrated content, with our regular publications in print media, our talk show radio programs, our presence on social media and our dedicated website, which remains the convergence point of all our investor education initiatives.

We also engage with our distributors and fund managers in order to build relationships and conduct training at different levels. Some of our most recent initiatives include UTI Equity Yatra, symposia and debt forums, in connection with which our fund managers have travelled across India to discuss our investment strategy and process, and UTI Jagruti, through which we have conducted training programs on subjects such as asset allocation and financial planning, investment and wealth planning, comprehensive financial planning and business yoga. We have continued to conduct our distributor training and investor education programs remotely following the outbreak of the COVID-19 pandemic and we have been conducting monthly "live" market outlook sessions on our social media channels and organising online training programs on various subjects, such as understanding the economic impact of COVID-19, client engagement tools, working from home and yoga.

Customer Service

Superior customer service is an integral part of our business model and we intend to continue servicing our clients efficiently. Customers today are highly informed and expect a service standard that meets all their requirements in a fast and highly efficient manner. We believe that innovation, efficient service delivery, robust grievance redressal, and easy and simple on-boarding process are the key elements of our service value proposition.

Our clients often connect with us in the first instance through our UFCs, BDAs, CAs and OPAs present across the country, where they are informed about the various schemes we have on offer, receive help completing their Know Your Customer process, and submit their transaction requests to buy, sell or switch their holdings, as well as update their customer profile information and receive updates or confirmations regarding their investments. Our digital presence is increasingly important as a tool for connecting and reaching out to our clients, and for ensuring that our clients can get in touch with us through a variety of different channels. For instance, clients can reach us online through our website and mobile application for clients, as well as through our RTA's portal and mobile application. Social media (including our presence on Facebook, Twitter, YouTube and LinkedIn) has also become another important tool for engaging with our clients. In addition, customer services are readily available to our clients in various other ways, including through: (i) UTI contact centre services; (ii) customer touchpoints, with lines open 24 hours a day, seven days a week; and (iii) interactive voice response, currently available in six languages (English, Hindi, Marathi, Gujarati, Tamil and Telugu).

Some of the initiatives we have implemented to enhance customer service include: (i) "eKYC" on the basis of offline Aadhaar, which allows us to onboard new investors more swiftly by validating their details through the UIDAI, based on a QR Code, (ii) cost free "Pause Facility in SIPs" (which had been used by 3,873 of our customers as of June 30, 2020), which allows investors who have registered their SIPs in any of our schemes (except ULIP) to pause their SIPs while they review their financial goals, rather than cancelling them and (iii) "Missed SIP Instalments" (which had been used by 1,795 of our customers as of June 30, 2020, since its inception in May 2020), which informs our investors, by SMS and/or email, about missing SIP instalments that have not been honoured by their banks (for insufficiency of funds or other reasons) and gives them a chance to pay these missing instalments, to help investors stay on track towards their financial goals. Furthermore, we are in advanced stages of implementation of our digital video KYC solution, which will allow us to help transact with new customers virtually and reduce the time for new investors to open a folio with us by using a combination of permanent account numbers ("**PAN**"), Aadhaar numbers and other official valid documents, along with e-signatures, video and artificial intelligence.

We believe that our measure of service efficiency is directly related to the number of complaints received. Complaints are often analysed periodically to assess them for systemic, human, operational or any other contributory factors. A root cause analysis is carried out to ensure non-recurrence and resolve other related matters that resulted in such complaints. We endeavour to constantly refine and redefine our processes in order to ensure our operational efficiency. Our grievance ratio (representing the ratio of customer complaints to the numbers of Live Folios) has decreased from 0.007% for the fiscal year ended March 31, 2018 to 0.002% for the fiscal year ended March 31, 2020, according to CRISIL. According to CRISIL, at 0.002% our grievance ratio was the lowest in the Indian mutual fund industry for the fiscal year ended March 31, 2020.

Marketing and Digital Initiatives

We believe in consistent, continuous and credible communication as a primary driver of our growth. Our marketing activities have been traditionally integrated and have often used multiple mediums and channels, like print, radio, and television media, as well as out-of-home and digital advertising in order to attract new customers and clarify the investment process. Our digital presence has been increasingly important in the promotion of our funds. Our ongoing digital marketing activities, which include our email campaigns, digital marketing platform, our presence in social media, mobile applications for clients and IFAs and our website, have helped increase our overall digital contribution to sales.

We also believe that content plays a vital role in building our brand through social media and our web presence, and have therefore created content that is distributed in contemporary formats like eBooks, surveys, infographics, GIF, animated videos and low resolution WhatsApp formats, which are popular in the digital environment.

Information Technology and Security

Our business is dependent on communication and information systems for all aspects of the investment process, including risk management, security analysis and trade processing. We use information technology to improve the efficiency of our business processes and our distribution capabilities.

We have recently implemented a comprehensive digital transformation program to build the efficacy, capacity, resilience and cost effectiveness of our organization. In this process, we identified over 25 initiatives with respect to application modernization, hybrid cloud architecture adoption, business process digitisation, enterprise data platform adoption and cyber security enhancement, of which 16 have been implemented as of June 30, 2020. We have implemented the Bloomberg Asset and Investment Manager software to improve the efficiency of our investment team and have also implemented digital platforms and solutions to improve the efficiency of our sales and marketing functions and improve our distribution capabilities. We have adopted an electronic document management system to help streamline processes and move to a "less paper" organization,

thereby optimising costs in the long run. We have also adopted a "cloud first" vision to reduce time-to-market and ensure high availability, scalability, security and the cost-optimized deployment of applications and services, leading to a reduced cost of ownership and maintenance.

We have conducted business impact and risk assessment and defined business continuity management and planning process for the organization. We have also defined our information security policies and are adopting the same to comply with regulations and to be aligned with the ISO 27001 framework for information security management systems. We intend to apply for the ISO 27001 certification once the operation of our information technology and security systems has stabilised following the implementation of recent changes due to the COVID-19 pandemic. In addition, we have implemented multiple security solutions to strengthen the security posture of the organisation and are adopting infrastructure and security monitoring services through the introduction of a network operations centre, to monitor and ensure high availability of applications and related infrastructure, and a security operations centre to monitor security incidents across our IT landscape and alert us about instances of unauthorised access or enterprise data-related breaches.

Since March 2020, following the outbreak of the COVID-19 pandemic, our employees have been working remotely, using virtual private network-based connectivity. We have reinforced our operational risk management and enhanced our business continuity program to address the heightened cybersecurity, information security and operational risks that may result from these remote working arrangements. We have provided our employees with the necessary infrastructure and tools to continue performing their functions while working remotely, including laptops and internet access. We have implemented reasonable security controls under layered defence mechanisms to safeguard our IT resources and services and adopted a hybrid infrastructure, including secure cloud services with automated disaster recovery capabilities to sustain our systems in the event of a security incident and two-factor authentication for software as a service-based applications. Our IT service desk is available to address IT-related issues remotely and our security operation centre is operational 24 hours, seven days a week, to monitor various security logs and threats. Our regular cyber security awareness programs are designed to make users aware of various cyber risks (for instance, phishing and social engineering) and to curb down the possibility of cyber incidents. In implementing the above-mentioned measures, we have followed the SEBI Circular on Cyber Security and Resilience Framework for Mutual Funds and AMCs, published on January 10, 2019, to ensure robust and resilient cyber security management and governance functions. We have also adopted a cloud-based employee productivity suite in order to enhance collaboration across our organization. This has enabled our employees to stay connected and remain productive while working remotely and continue conducting business meetings with colleagues, clients, distributors and partners.

Intellectual Property

Brand name and logo recognition are important to our business. We have rights to the logo under which our services are offered in connection with financial analysis and consultation, financial portfolio management and financial investment. We have registered the logo "UTI Mutual Fund/uti" and slogans in India and abroad. We will consider registering other brands as new trademarks and service marks are developed or acquired.

The Transfer Agreement whereby we and UTI Trustee acquired the rights to the "Unit Trust of India/UTI" name permitted other entities, two of which also operated in the financial services sector, to use the UTI name without paying any royalty for so long as such entities are wholly owned by SUUTI. Currently, UTI Infrastructure Technology and Services Limited and UTI Investment Advisory Services also use the UTI name and do not pay us any royalties, nor do we have the ability to control their use of the UTI name. See "*Risk Factors – 9. We are dependent on the strength of our brand and reputation, and activities of third party entities that are entitled to use the UTI brand may damage that brand and reputation, which may harm our business.*", beginning on page 31.

Human Resources

As of June 30, 2020, we had 1,386 full-time employees, including 951 officers (who perform managerial roles in our investment and sales teams, as well as in support teams), and including 32 employees who are employed by our subsidiaries, and 403 non-officers (who perform non-managerial support roles across functions). We strive to maintain a work environment that fosters professionalism, integrity, excellence and cooperation among our employees. The table below presents the breakdown of our number of employees by function:

	As of June 30,		As of March 31,		
	2020	**2019**	**2020**	**2019**	**2018**
Officers					
BND Channel	45	55	47	43	42
IFAs Channel	585	584	587	515	479
Institutional and PSU Channel	28	32	30	32	31
Total Sales Team	**658**	**671**	**664**	**590**	**552**
Investment[(1)]	47	44	46	42	40
Support	246	234	245	224	227

	As of June 30,		As of March 31,		
	2020	2019	2020	2019	2018
Subsidiaries' Employees[2]	32	38	34	36	38
Total Officers	**983**	**987**	**989**	**892**	**857**
Non-Officers	403	412	406	414	418
Total	**1,386**	**1,399**	**1,395**	**1,306**	**1,275**

(1) Our investment team included seven dealers for the three-month periods ended June 30 2020 and 2019, as well as for the fiscal years ended March 31, 2020 and 2019.

(2) Includes the employees of UTI International, UTI VF and UTI Capital. Employees of UTI RSL are included in the other categories of officers.

We have an incentive-based compensation plan through a balanced score card system with a variable pay structure for our sales force. We believe this plan, along with our merit-based promotion system and our market-aligned compensation, have enhanced our ability to attract and retain talent. Our annual attrition rate as of June 30, 2020 was 7.1% for our officers, compared to 5.3% as of June 30, 2017.

Our non-officers employees are part of a trade union, with which we maintain a cordial relationship. In September 2003, we faced an industrial action by such trade union, which ended after we entered into a settlement memorandum. The initial settlement memorandum expired in December 2008 and was successively extended to December 31, 2013 and December 31, 2018; a new settlement memorandum, effective from January 1, 2019 for a period of five years, was executed. Any labour problems, including any form of industrial action by our employees, may damage our reputation and adversely affect our business. See "*Risk Factors – 34. We have received multiple complaints from various employees' associations of our Company regarding inadequate disclosures in the DRHP; labour unrest could harm us by impairing our ability to attract and retain clients and subject us to significant legal liability and reputational harm.*", beginning on page 45.

Our human resources department has adopted certain initiatives over the last year, such as pursuing our strategy of external recruitment and merit-based internal promotions, with a particular focus on recruiting high-quality junior talent. We hired 128 management trainees in the fiscal year ended March 31, 2020; we currently plan to hire approximately 55 management trainees and 100 graduate trainees nationwide in the remainder of the fiscal year ending March 31, 2021. We intend to continue to focus on training and development with quarterly reviews of the performance of employees and training inputs from our assessment and performance appraisal reports. To ensure the strengthening of our talent pool, we have an education assistance policy for our employees, to help them achieve higher levels of professional development and personal fulfilment.

Properties

Our registered and principal executive office is located at the seven-storey UTI Tower, "Gn" Block, Bandra-Kurla Complex, Bandra East, Mumbai-400051. We occupy a substantial portion of the UTI Tower, while a small area is occupied by UTI Infrastructure and Technology Services Limited. Although we are the legal owners of our principal executive office under a perpetual lease, consent from the Mumbai Metropolitan Regional Development Authority, in its capacity as the property freeholder, to the transfer of certain leasehold interests to us is still pending. See "*Risk Factors – 40. We may not successfully complete the registration of our corporate office premises in our name and we may be unable to renew some of the lease agreements for the offices from which our branches conduct our operations.*", beginning on page 48.

As of June 30, 2020, 160 offices from which our UFCs conduct their operations are leased or licensed to us and three UFCs conduct their operations from offices owned by us.

Insurance

We maintain insurance policies that we believe are customary for companies operating in our industry. We have an investment management policy insurance of up to ₹250.0 million in place, which provides coverage for professional civil liability, management liability and crime coverage. This policy covers us, as the investment manager to our mutual funds, as well as UTI Trustee and all our subsidiaries, including our employees and directors. Our other types of coverage include group term life insurance, group personal accident policy, group health insurance for officers and their dependents as well as for employees who have taken voluntary retirement schemes or retired from services of the company.

KEY REGULATIONS AND POLICIES IN INDIA

The following is a brief overview of certain specific 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 355. 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 in accordance with the powers vested with it under the SEBI Act. SEBI has the power to impose (i) monetary penalty 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, including, money market instruments or gold or gold related instruments or real estate assets*". 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 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 operated 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 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 of the trust 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; and

(f) the applicant is a fit and proper person as per the criterial prescribed in Schedule II of SEBI (Intermediaries) Regulations, 2008

(g) in case the applicant is an existing AMC it has a sound track record, general reputation and fairness in transactions.

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 these 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 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 provide the trustees with the responsibility of overseeing the functioning of the AMC.

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 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 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 marketing and selling expenses, brokerage and transaction costs, registrar services, fees and expenses of trustees, audit fees, custodian fees and investor communication costs but excluding issue or redemption expenses) that these schemes can incur.

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. Under the SEBI Mutual Fund Regulations, the term 'control' is defined to mean: (i) in the case of a company any person or combination of persons 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 combination of persons 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 open ended scheme of the mutual fund, the sponsor or the AMC is required to invest in the growth option of the scheme an amount which is lesser of (a) 1% of the amount (i) raised in the new fund offer for a new scheme or (ii) the assets under management of an existing scheme, or (b) ₹ 5 million, and such an investment cannot be redeemed unless the scheme is wound up. Further, pursuant to the circular dated June 12, 2020 issued by SEBI in this regard, in case the growth option is not available, the investment should be made in the dividend reinvestment option of the scheme and if both are not available, then the investment should be made in the dividend option of the scheme.

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 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.

The AMC may become a proprietary trading member for carrying out trades in the debt segment of a recognised stock exchange, on behalf of a mutual fund.

SEBI Circulars on enhancing fund governance for Mutual Funds

On November 30, 2017, SEBI issued a circular in relation to enhancing fund governance for mutual funds, which was subsequently modified pursuant to a circular issued by SEBI on February 7, 2018. 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 in relation to review of additional expenses of up to 0.30% towards inflows from beyond top 15 cities. The top 15 cities means 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 upto 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 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) ("**Feb 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 amending certain provisions of the Feb 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 the performance of all schemes on the website of the Association of Mutual Funds in India ("**AMFI**") in the manner prescribed, which includes the scheme returns vis-à-vis benchmark returns in terms of CAGR for various past periods, scheme AUM and also mandates daily update of the disclosure based on the net asset value on the previous day.

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 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. Existing multi cap funds are required to comply with the provisions of this circular by January 2021.

SEBI Circulars on Investment Norms for mutual funds for investment in debt and money 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 dated December 24, 2019 and 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 companies. Stewardship responsibilities towards clients / beneficiaries 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) to formulate and publicly disclose a comprehensive policy on the discharge of their stewardship responsibilities, publicly disclose it, review which shall be reviewed and updated periodically; (ii) to have a clear policy on how they manage 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; (v) have a clear policy on voting and disclosure of voting activity; and (vi) Institutional Investors should periodically report their stewardship activities.

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 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 and the financial performance of the portfolio manager based on the audited financial statements, 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. This disclosure document should 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.

Further, pursuant to its circular dated February 13, 2020 ("**PMS Guidelines**"), 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 man power. 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

The SEBI Investment Advisers Regulations, provides that no person shall act as an investment adviser unless he holds a certificate granted by SEBI under these 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 have become 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. Further, SEBI also approved certain proposals which are to be notified by way of circulars, including that mutual fund distributors will also be required to inform their clients of products which are not offered by the distributors.

Pension Fund Regulations

The PFRDA Pension Fund Regulations, 2015, aim to standardize the framework for monitoring, supervision and internal control for the pension funds to enable these funds to establish high standards of internal control and operational conduct. A certificate of registration as the sponsor of a pension fund is provided by the PFRDA under regulation 3 on fulfilment of the eligibility conditions. The pension fund is required to enter into an investment management agreement, a non-disclosure agreement with the National Pension System Trust and agreements with other intermediaries as may be specified by PFRDA. Apart from registration as a pension fund, the pension fund is required to additionally obtain a 'certificate for commencement of business' from the PFRDA and commence its operations within six months from the date of registration.

The pension fund shall manage schemes as notified by the PFRDA on the terms and conditions in accordance with the norms of management of corpus of pension funds and investment guidelines as approved by PFRDA. The pension fund is not allowed to directly or indirectly invest outside India, the funds of the subscribers. The general obligations of the pension fund include, among other things, a duty to employ well qualified professionals, to maintain books of accounts, records, registers and documents relating to the operations of the pension schemes, to submit periodical and compliance reports as required, to undertake public disclosure of information for the benefit of subscribers in the manner as specified in the Pension Fund Regulations. The pension fund undertaking the activities as point of presence upon being registered by the PFRDA for the purpose is required to maintain separate infrastructure, manpower, accounts including revenue and expenditure in order to maintain arm's length distance from the fund management activities.

Further pursuant to Pension Fund Regulatory and Development Authority (Pension Fund) (Second Amendment) Regulations, 2020, *amongst others,* (a) the requirement of minimum tangible net worth for a pension fund has been increased from ₹ 250 million to ₹ 500 million, and (b) a certificate of registration granted to a pension fund will remain valid unless suspended or cancelled by the PFRDA.

PFRDA Circular on manner of calculation of foreign investment

In terms of the Insurance Laws (Amendment) Act, 2015 read with Section 24 of the PFRDA Act, the foreign holding limit in the pension funds was raised to 49% of the paid-up capital. Pursuant to such amendment, the PFRDA has issued clarificatory guidelines through a circular dated August 13, 2020 ("**PFRDA Circular**") to provide for the mode and manner of calculation and determination of the aggregate holding limit by a foreign company in a pension fund in accordance with Section 24 of the PFRDA Act. In terms of the PFRDA Circular, pension funds registered under the Pension Fund Regulations, are required to comply with requirements, including in relation to (i) appointment of directors and key managerial personnel by Indian sponsors or Indian investors of the pension fund; (ii) quorum and casting vote for meetings of the board of directors of such pension fund; and (iii) providing undertakings at the time of registration and periodically with respect to compliance with requirements under Section 24 of the PFRDA Act. Further, in terms of the PFRDA Circular, pension funds are required to furnish to the PFRDA a statement indicating changes exceeding 1% of the paid up capital of the sponsor or the pension fund and are required to obtain the prior approval of the PFRDA in case such change is more than 5% of the paid up capital of the sponsor or pension fund.

Point of Presence Regulations

The PFRDA Act envisages that all distribution related activities including collection of funds and instructions from subscribers under the pension schemes are to be transmitted to central record keeping agencies through points of presence. Accordingly, the Point of Presence Regulations were issued by the PFRDA to regulate such intermediaries, which amongst others, replaced the erstwhile Pension Fund Regulatory and Development Authority (Point of Presence) Regulations, 2015 and the erstwhile Pension Fund Regulatory and Development Authority (Aggregator) Regulations, 2015. The Point of Presence Regulations provide for registration of points of presence in various categories depending on the activity proposed to be carried out by the PoP in relation to the National Pension System, NPS-Lite-Swavalamban scheme, Atal Pension Yojana and any other scheme regulated or administered by the PFRDA. Amongst others, the Point of Presence Regulations prescribe the duties and obligations of PoPs and regulation by the PFRDA of such PoPs, including the right to inspect.

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 these 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.

Regulatory Measures on account of COVID-19

Due to outbreak of COVID-19 and the resultant lockdown, SEBI has issued various circulars to temporarily relax certain compliance obligations for, amongst others, AMCs and portfolio managers. Pursuant to its circulars dated March 23, 2020, April 30, 2020 ("**MF COVID Circulars**"), SEBI has temporarily relaxed certain requirements and increased timelines for compliances specified in SEBI Mutual Fund Regulations. In terms of the MF COVID Circulars, the schemes (NFO) yet to be launched will have a validity of one year from the date of final observation letter issued by SEBI. Further, the filing timelines have been extended for certain disclosures such as for half yearly disclosures of unaudited financial results of the mutual fund and the AMC, disclosure of commission paid to distributors, yearly disclosure of investor complaints, submission of the cyber security audit report and filing of the annual report for the year 2019-20. Additionally, pursuant to the MF COVID Circulars, SEBI has also extended the effective dates of certain policy initiatives such as in relation to: (i) the risk management framework for liquid and overnight funds and norms governing investment in short term deposits under SEBI's circular dated September 20, 2019, (ii) review of investment norms for mutual funds for investment in debt and money market instruments under SEBI's circular dated October 1, 2019 and (iii) the valuation of money market and debt securities under SEBI's circular dated September 24, 2019.

Further, pursuant to SEBI's circular dated September 24, 2019, amongst others, valuation agencies appointed by AMFI would recognise defaults for the purpose of valuation of money market and debt securities held by mutual funds. In this regard, SEBI in its circular dated April 23, 2020, has permitted such valuation agencies to not regard a delay in payment of interest/principal or extension of maturity of a security as a default, provided that the valuation agencies are satisfied that such instance had arisen solely due to COVID - 19 pandemic lockdown and/or in light of the moratorium permitted by the RBI by its notification no. RBI/2019 - 20/186, dated March 27, 2020) creating temporary operational challenges in servicing debt. Accordingly, in this pandemic scenario, if there is any difference in the valuation of securities provided by two valuation agencies, the conservative valuation shall be accepted. Pursuant to its circular dated March 30, 2020, SEBI has (i) relaxed the timelines for monthly reporting by portfolio managers by for the months ending March 31, 2020 and April 30, 2020 by two months; and (ii) extended the date of effectiveness of the PMS Guidelines by two months.

Further, pursuant to orders dated March 24, 2020, April 15, 2020 and May 1, 2020 issued by the Ministry of Home Affairs, commercial and private establishment were to be closed down for period until two weeks from May 4, 2020 but that the debt and capital market service as notified by SEBI shall be exempted from such closure. In this regard, SEBI by its circulars March 24, 2020, April 15, 2020 and May 3, 2020 had notified various intermediaries including all mutual funds, AMCs, FPIs, AIFs and portfolio managers.

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 incorporated as 'UTI Asset Management Company Private Limited', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated November 14, 2002 issued by the RoC. Subsequently, pursuant to a special resolution approved at the Annual General Meeting on September 18, 2007, our Company was converted to a public limited company and consequently the name of our Company was changed to 'UTI Asset Management Company Limited' and a fresh certificate of incorporation dated November 14, 2007 was issued by the RoC.

Our predecessor, Erstwhile UTI, was established in 1964 by the Government of India under the UTI Act passed in 1963. In 2002, the Government of India enacted the UTI Repeal Act which repealed the UTI Act and bifurcated the Erstwhile UTI into two separate entities *viz*; the Specified Undertaking and the Specified Company being the Trustee Company in its capacity as a trustee of the UTI Mutual Fund, which was established as a SEBI registered mutual fund with SBI, LIC, BOB and PNB as its sponsors. The Trustee Company functions as the sole trustee of the UTI Mutual Fund.

By virtue of Section 4(1)(a) of the UTI Repeal Act, the undertaking including all business, assets, liabilities and properties of the Erstwhile UTI, representing and relatable to the Schemes specified and/or to be further specified in the Schedule II of the UTI Repeal Act were vested in the Trustee Company as a trustee of the UTI Mutual Fund while other schemes of the Erstwhile UTI were transferred to the Specified Undertaking. Pursuant to the UTI Repeal Act, a Transfer Agreement dated January 15, 2003 was entered between the President of India and SBI, LIC, BOB and PNB for the vesting of the undertaking with the Trustee Company and transfer of officers and employees of the Erstwhile UTI to our Company. Further, in terms of the Investment Management Agreement dated December 9, 2002, between our Company and the Trustee Company, our Company was appointed to provide the services of asset manager to UTI Mutual Fund which is responsible for management of the fund and schemes of UTI Mutual Fund.

As of the date of this Prospectus, our Company has 1,943 shareholders (based on the number of folios). For details, see '*Capital Structure*' beginning on page 75.

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
May 20, 2003	Change in registered office from 13, Sir Vithaldas Thackersay Marg, New Marine Lines, Mumbai, Maharashtra 400 020 to UTI Tower, Gn Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India.	Administrative reasons

Main Objects of our Company

The main objects contained in the Memorandum of Association are set forth below.

1. *"To carry on the activities of raising or acquiring funds for and managing mutual funds, venture capital funds, offshore funds, pension funds, provident funds, insurance funds, portfolio management service or any other funds, and to act as managers, consultants, advisors, administrators, attorneys, agents, or representatives of or for mutual funds, venture capital funds, offshore funds, pension funds, provident funds, insurance funds, portfolio management service or any other funds formed or established in India or elsewhere by the Company or any other person (whether incorporated or not) or by any government, state, local authority, association, institution (whether incorporated or not) or any other agency or organisation."*

2. *"To act as Financial Advisors and Investment Advisors, and to render such financial management, financial consultancy and advisory services to individuals, companies, corporations, trusts and other entities as supplemental activities of the Company and as do not conflict with the fund management activities."*

3. *"To carry on the activities as a Foreign Institutional Investor to manage the funds/investments of the Offshore funds, individuals, companies, trusts, and all other entities including 'sub-account' as per SEBI (Foreign Institutional Investors) Regulations, as applicable."*

The main objects as contained in our Memorandum of Association enable our Company to carry on business presently being carried out.

Amendments to our Memorandum of Association in the last ten years

Our Company has not amended our Memorandum of Association in the last ten years.

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, suppliers, customers, capacity build-up, technology, and managerial competence, see "*Our Business*", "*Our Management*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Government and Other Approvals*" beginning on pages 146, 195, 314 and 355, respectively.

Major events and milestones in relation to our Company

Some of the key events in the history of our Company are set forth below.

Calendar Year	Event
2002	• Our Company was incorporated
2003	• UTI Mutual Fund was registered with SEBI under the SEBI Mutual Fund Regulations
	• Approval for our Company to act as the asset management company to UTI Mutual Fund
2004	• Acquisition of schemes of IL&FS mutual fund along with its AUM by UTI Mutual Fund
	• Launch of Axel Portfolio Management Services
2006	• UTI International Singapore (Private) Limited was established as a joint venture
2007	• Our Subsidiary, UTI RSL, was incorporated with our Company as its sponsor
	• UTI RSL was appointed as one of the pension fund managers by PFRDA
2009	• Our Company was appointed as one of the two fund managers of the Postal Life Insurance corpus
	• UTI Mutual Fund investor folios crossed 10 million
2010	• Launch of our investor education initiative - Swatantra
	• TRP became a Shareholder in our Company
2011	• Incorporation of UTI Capital Private Limited
2017	• Launch of Alternate Investment Fund – UTI Structured Debt Opportunities Fund
	• Launch of Digi-invest Campaign
2018	• Our Company's Mutual Fund Closing AUM was the highest on September 5, 2018 at ₹ 1,766,463.22 million
2019	• Our Company has been appointed as one of the two Fund Managers of the EPFO corpus
	• UTI Retirement Solutions Limited AUM crossed ₹ 1,000 billion
	• Amongst all SEBI licensed AMCs and their subsidiaries in India, UTI AMC and its subsidiaries have the largest asset under management of ₹ 7,674,657.90 million as of September 30, 2019 considering mutual funds (QAAUM), PMS (Month end AUM) and NPS (Month end AUM) assets (as per CRISIL)
2020	• Our Company has been appointed as portfolio manager of ESIC fund. • Our Company has been appointed to undertake functions of portfolio manager for CMPFO corpus. • Our Company has been selected as portfolio manager of Post Office Life Insurance Fund and Rural Post Office Life Insurance Fund.

Awards, Accreditations and Recognitions

Key awards, accreditations and recognitions received by us and funds managed by us are set forth below.

Award	Recipient
Fiscal Year Ended March 31, 2020	
Outlook Money Awards, 2019 - Gold Award Winner – Pension Manager of the Year	UTI RSL
Best of the Best Awards, 2020 – India – Asia Asset Management - Best Pension Fund Manager	UTI RSL
Best of the Best Awards, 2019 – India – Asia Asset Management for Best Pension Fund Manager	UTI RSL
Winners in the ETF, Liquid Fund and Arbitrage Fund category – Nivesh Manthan Mutual Fund Samman 2019	UTI Nifty Exchange Traded Fund UTI Liquid Cash Plan UTI Arbitrage Fund
Best Fund Over 10 Years–Equity India–Lipper Fund Awards, Japan, 2018	Shinsei UTI India Fund
Fiscal Year Ended March 31, 2019	
Best Fund House: Debt–Morningstar Awards, 2019	Our Company
Best Performing Portfolio Manager–EPFO, 2018	Our Company
Best Credit Risk Fund–CNBC TV18 Mutual Fund Awards	UTI Credit Risk Fund
Best of the Best Awards, 2018–India–Asia Asset Management for Best Pension Fund Manager	UTI RSL
Fiscal Year Ended March 31, 2018	

Award	Recipient
Best Fund House: Debt–Morningstar Awards, 2018	Our Company
Winner in the Debt Fund House Category–Outlook Money Awards, 2017	Our Company
Best Portfolio Manager–EPFO (2017)	Our Company

Our holding company

As of the date of this Prospectus, our Company does not have a holding company.

Defaults or rescheduling of borrowings with financial institutions/ banks and conversion of loans into equity

There have been no defaults or rescheduling of borrowings with financial institutions in respect of our current borrowings from lenders.

Significant financial and strategic partnerships

As of the date of this Prospectus, our Company does not have any significant financial and strategic partnerships.

Summary of key agreements

Shareholders' Agreement

1. Shareholders' agreement dated November 7, 2009 (the "SHA") and the amendment agreement to the SHA dated December 16, 2019 ("Amendment Agreement") entered into amongst SBI, LIC, BOB, PNB, TRP (collectively, the "Institutional Shareholders") and our Company and the letter dated September 14, 2020 executed by the Insitutional Shareholders and our Company ("Extension Letter") and the sale and purchase agreement (the "SPA") dated November 7, 2009 and the first amendment agreement to the Share Purchase Agreement dated December 22, 2009 to the SPA entered into amongst the Institutional Shareholders, our Company and the Trustee Company

Pursuant to the SPA, as amended, TRP acquired 26% percent of the issued and paid up share capital of our Company and the Trustee Company.

The SHA has been entered amongst the Institutional Shareholders and our Company to set out the terms and conditions of their relationship as shareholders of our Company and certain matters connected therewith.

The SHA, *inter alia*, sets out the rights and obligations amongst the parties thereto, and provides certain rights, subject to certain terms and conditions, including the right to nominate directors, pre-emptive rights in the event of transfer of all or any part of the Equity Shares held by them, non-competition, restrictions on transfer of Equity Shares to competitors, right of first refusal, non-solicitation restrictions and certain information rights. In terms of the SHA, as long as TRP (together with its affiliates) holds 17.5% or more of the issued, subscribed and paid-up Equity Share capital in our Company: (i) TRP shall have the right to manage and advise certain investment strategies of our Company and its wholly owned Subsidiaries where the majority of the securities and assets are invested in non-Indian securities; (ii) our Company shall have the right to manage and advise the investment strategies of TRP where all the securities or assets are invested in Indian securities. Further, in case of any conflict between the terms of the SHA and any other agreement, the terms of the SHA shall prevail unless (i) the other agreement expressly states that it overrides the SHA, and (ii) Shareholders are party to such other agreement or otherwise expressly agree in writing.

Pursuant to the Amendment Agreement, the Institutional Shareholders have consented and provided waivers for such actions which have been taken or may be taken by our Company in relation to initiation or consummation of the Offer as required under the SHA. In terms of the Amendment Agreement, each Shareholder of our Company shall have a right to nominate Director(s) to the Board (excluding the Chairman) for every multiple of 10% (ten percent) of the issued, subscribed and paid-up equity share capital held by such Shareholder (together with its Affiliates), subject to Applicable Laws.

Additionally, in accordance with the terms of the Amendment Agreement, the SHA, including the special rights of the Institutional Shareholders thereunder, shall automatically stand terminated, except for the right of the Institutional Shareholders, to nominate Directors with effect from the date of listing and commencement of trading of the Equity Shares of our Company on Stock Exchanges. The nomination rights shall be subject to such rights being approved by the members of our Company through a special resolution at the first general meeting of our Company held post listing of Equity Shares on the Stock Exchanges in accordance with the provisions of the Companies Act and the SEBI Listing Regulations.

In terms of the Amendment Agreement and Extension Letter, in the event the listing and commencement of trading of the Equity Shares of our Company does not occur by October 31, 2020, or such other date mutually decided by the

Shareholders and our Company, the Amendment Agreement shall stand terminated and the terms of the SHA shall be deemed to have been reinstated in its entirety as on the execution date of this termination agreement.

Key terms of other subsisting material agreement

1. Investment Management Agreement dated December 9, 2002, with UTI Mutual Fund and the Trustee Company ("IMA"), as amended by the note dated March 17, 2003 and first supplemental investment management agreement dated July 6, 2004 ("Supplemental Agreement")

Our Company entered into the IMA with UTI Mutual Fund (acting through the Trustee Company) for providing management, advisory and administrative services to the Schemes of the UTI Mutual Fund pursuant to which all the powers and privileges given to the Trustee Company under the Trust Deed were given to our Company. Under the IMA, our Company agrees to formulate and devise various Schemes with the approval of the board of directors of the Trustee Company and SEBI and to invest and manage the funds mobilised under various Schemes in accordance with the provisions of the IMA, Trust Deed and the SEBI Mutual Fund Regulations.

The IMA provides that our Company shall not undertake (i) any other business activity in so far as they are in conflict with the activities which it is bound to perform; or (ii) take up management of or act as an asset manager for any other mutual fund, without the prior written approval of the board of directors of the Trustee Company and if required from the SEBI. Additionally, the IMA amongst others, provides the rights and responsibilities of our Company, investment guidelines, collection and disposal of income from funds of the UTI Mutual Fund and fees and remuneration payable to our Company. In terms of the IMA, our Company shall continue to provide the services of an asset manager to UTI Mutual Fund until the IMA is terminated in accordance with the provisions contained therein.

After taking prior approval of the SEBI, the board of directors of the Trustee Company may terminate the IMA by giving a written notice of not less than 180 days, to our Company. Our Company shall require prior approval of the board of directors of the Trustee Company for bringing any change in its control and shall be subject to scrutiny and approval of SEBI.

Pursuant to the Supplemental Agreement, our Company was entrusted with operating and managing the schemes acquired by the Trustee Company from IL&FS Trustee Company Limited and IL&FS Asset Management Company Limited.

2. Service Agreement with the Administrator of the Specified Undertaking (appointed pursuant to the Section 7 of the UTI Repeal Act) dated November 14, 2019 ("Service Agreement")

Our Company entered into a Service Agreement dated November 14, 2019 with the Administrator of the Specified Undertaking (appointed pursuant to the Section 7 of the UTI Repeal Act) to define the scope of services to be rendered by our Company to the Administrator of the Specified Undertaking and vice-versa. Among other things, our Company in exchange for a mutually decided service fee has agreed to provide certain services including to depute or second certain number of employees to the Specified Undertaking, to provide support services for management of Schemes of the Specified Undertaking and to provide office space and other infrastructural facilities to the Specified Undertaking.

Further, the Specified Undertaking has allowed our Company to use its fixed assets and buildings office in return for mutually agreed charges which shall be paid by our Company on a monthly basis. The agreement is valid till March 31, 2020 and may be renewed for further terms as may be mutually agreed by our Company and the Administrator of the Specified Undertaking.

Agreements with Key Managerial Personnel, Directors or any other employee

There are no agreements entered into by our Key Managerial Personnel or Directors 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 seven subsidiaries, of which four are direct subsidiaries and three are step-down subsidiaries, as set forth below:

Indian Subsidiaries

1. UTI Venture Funds Management Company Private Limited ("UTI VF")

Corporate Information

UTI VF was incorporated on March 27, 2001 under the Companies Act, 1956 at Bangalore, Karnataka as 'UTI Venture Funds Management Company Limited'. Subsequently, its name was changed to 'UTI Venture Funds Management Company Private Limited' and a fresh certificate of incorporation consequent to change of name dated August 24, 2004 was issued by the Registrar of Companies, Karnataka at Bangalore. The registered office of UTI VF is at no.1, Ali Asker Road, Bengaluru – 560 052, Karnataka. Its CIN is U65991KA2001PTC028827. The principal business of UTI VF is to manage venture capital funds and private equity funds.

Capital Structure

As on the date of this Prospectus, details of the capital structure of UTI VF are as follows:

Particulars	No. of equity shares	Aggregate value at face value (₹)
Authorised share capital	6,000,000 equity shares of face value ₹ 10 each	60,000,000
Issued, subscribed and paid-up share capital	4,550,000 equity shares of face value ₹ 10 each	45,500,000

The following table sets forth details of the shareholding of UTI VF:

S. No.	Name of the Shareholder	No. of equity shares	Percentage of total Equity holding
1.	Our Company	4,549,930	99.99
2.	Imtaiyazur Rahman*	10	Negligible
3.	Vinay Lakhotia*	20	Negligible
4.	Surojit Saha*	20	Negligible
5.	Vivek Maheshwari*	20	Negligible
Total		**4,550,000**	**100.00**

* *Shares held as nominees of our Company*

Amount of accumulated profits or losses

As on the date of this Prospectus, there are no accumulated profits or losses of UTI VF, not accounted for, by our Company.

2. UTI Retirement Solutions Limited

Corporate Information

UTI Retirement Solutions Limited ("**UTI RSL**") was incorporated on December 14, 2007 under the Companies Act, 1956 at Mumbai, Maharashtra. UTI RSL manages the pension funds and assets of Central and State Government Employees and employees of the private sector. The registered office of UTI RSL is at UTI Tower, 'Gn' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra. Its CIN is U66020MH2007GOI176785. UTI RSL is engaged in the business of carrying out the operations as pension fund manager as directed by the PFRDA and the Board of Trustees of the National Pension System Trust set up under the Indian Trust Act, 1882, and to undertake wholesale asset management as prescribed by the Government or PFRDA as authorized by its memorandum of association.

Capital Structure and Shareholding of our Company

As on the date of this Prospectus, details of the capital structure of UTI RSL are as follows:

Particulars	No. of equity shares	Aggregate value at face value (₹)
Authorised share capital	35,000,000 equity shares of face value ₹ 10 each	350,000,000
Issued, subscribed and paid-up share capital	22,000,000 equity shares of face value ₹ 10 each	220,000,000

The following table sets forth details of the shareholding of UTI RSL:

S. No.	Name of the Shareholder	No. of equity shares	Percentage of total equity holding
1.	Our Company	21,999,300	99.99
2.	Imtaiyazur Rahman*	100	Negligible

S. No.	Name of the Shareholder	No. of equity shares	Percentage of total equity holding
3.	Debasish Mohanty*	100	Negligible
4.	Vinay Lakhotia*	100	Negligible
5.	Surojit Saha*	100	Negligible
6.	Vivek Maheshwari*	100	Negligible
7.	Rajeev K. Gupta*	100	Negligible
8.	Balram Prasad Bhagat*	100	Negligible
	Total	**22,000,000**	**100.00**

* *Shares held as nominees of our Company.*

Amount of accumulated profits or losses

As on the date of this Prospectus, there are no accumulated profits or losses of UTI RSL, not accounted for, by our Company.

3. UTI Capital Private Limited

Corporate Information

UTI Capital Private Limited ("**UTI Capital**") was incorporated on May 13, 2011 under the Companies Act, 1956 at Mumbai, Maharashtra. The registered office of UTI Capital is at UTI Tower, 'Gn' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra, India. Its CIN is U65900MH2011PTC217430. It is engaged in the business of investment management as authorized by its memorandum of association.

The board of directors of UTI Capital has, pursuant to its resolution dated July 21, 2020, accorded its in-principle approval to the merger of UTI VF with UTI Capital.

Capital Structure

As on the date of this Prospectus, details of the capital structure of UTI Capital are as follows:

Particulars	No. of equity shares	Aggregate value at face value (₹)
Authorised share capital	15,000,000 equity shares of face value ₹ 10 each	150,000,000
Issued, subscribed and paid-up share capital	12,000,000 equity shares of face value ₹ 10 each	120,000,000

The following table sets forth details of the shareholding:

S. No.	Name of the Shareholder	No. of equity shares	Percentage of total equity holding
1.	Our Company	11,999,400	99.99
2.	Imtaiyazur Rahman*	100	Negligible
3.	S L Pandian*	100	Negligible
4.	Debasish Mohanty*	100	Negligible
5.	Vinay Lakhotia*	100	Negligible
6.	Surojit Saha*	100	Negligible
7.	Vivek Maheshwari*	100	Negligible
	Total	**12,000,000**	**100.00**

** Shares held as nominees of our Company*

Amount of accumulated profits or losses

As on the date of this Prospectus, there are no accumulated profits or losses of UTI Capital, not accounted for, by our Company.

Foreign Subsidiaries

1. UTI International Limited

Corporate Information

UTI International Limited ("**UTI International**") was incorporated as a limited liability company under the laws of Guernsey on January 30, 1996 pursuant to an Act of the Royal Court of the Guernsey Island. Subsequently, the name of UTI International was changed to its current name and a certificate of change of name of company, dated July 16, 1999 was issued. Its registered address is at Kingsway House, Havilland Street, St Peter Port, Guernsey. UTI International is engaged in the business of investment management of equity and debt funds as authorized by its memorandum of incorporation. The company registration number of UTI International is 30532.

Capital Structure and Shareholding of our Company

As on the date of this Prospectus, details of the capital structure of UTI International are as follows:

Particulars	No. of ordinary shares	Aggregate value at nominal value (£)
Issued, subscribed and paid-up share capital	6,758,062 ordinary shares of nominal value £ 1 each	6,758,062

The following table sets forth details of the shareholding:

S. No.	Name of the Shareholder	No. of ordinary Shares of £ 1 each	Percentage of total shareholding
1.	Our Company	6,758,061	100.00
2.	Cannon Nominees Limited	1	Negligible
	Total	**6,758,062**	**100.00**

Amount of accumulated profits or losses

As on the date of this Prospectus, there are no accumulated profits or losses of UTI International, not accounted for, by our Company.

2. UTI International (Singapore) Private Limited

Corporate Information

UTI International (Singapore) Private Limited ("**UTI Singapore**") was incorporated on November 15, 2006 under the laws of Singapore. Its registered office is situated at 3 Raffles Place, #08-02, Bharat Building, Singapore 048 617. The principal business of UTI Singapore is engaged in the business of investment management of equity and debt funds as authorized by its memorandum of association. UTI Singapore is a step down subsidiary of our Company.

Capital Structure and Shareholding of our Company

As on the date of this Prospectus, details of the capital structure of UTI Singapore are as follows:

Particulars	No. of ordinary shares	Aggregate value (SGD)
Issued, subscribed and paid-up share capital	600 ordinary shares	6,000,000

The following table sets forth details of the shareholding:

S. No.	Name of the Shareholder	No. of ordinary shares	Percentage of total shareholding
1	UTI International	600	100.00
	Total	**600**	**100.00**

Amount of accumulated profits or losses

As on the date of this Prospectus, there are no accumulated profits or losses of UTI Singapore, not accounted for, by our Company.

3. UTI Investment Management Company (Mauritius) Limited

Corporate Information

UTI Investment Management Company (Mauritius) Limited ("**UTI Investment**") was incorporated on November 17, 2006 under the laws of Mauritius. Its registered office is situated at 3rd Floor, 355 NEX, Rue du Savoir, Cybercity, Ebene 72201, Mauritius. UTI Investment is engaged in the business of investment management of equity and debt

funds as authorized by its constitution dated November 7, 2014. UTI Investment is a step down subsidiary of our Company.

Capital Structure and Shareholding of our Company

As on the date of this Prospectus, details of the capital structure of UTI Investment are as follows:

Particulars	No. of ordinary shares	Aggregate value at face value (USD)
Issued, subscribed and paid-up share capital	50,000 ordinary shares of face value of U.S.$ 1	50,000

The following table sets forth details of the shareholding:

S. No.	Name of the Shareholder	No. of ordinary shares of USD 1 each	Percentage of total shareholding
1	UTI International	50,000	100.00
	Total	**50,000**	**100.00**

Amount of accumulated profits or losses

As on the date of this Prospectus, there are no accumulated profits or losses of UTI Investment, not accounted for, by our Company.

4. UTI Private Equity Limited

Corporate Information

UTI Private Equity Limited ("**UTI PEL**") was incorporated on July 21, 2004 under the name 'UTI Private Equity Advisors Limited' as a private company under the laws of Mauritius. The name of UTI PEL was changed to its current name and a certificate of change of name of company, dated June 29, 2018 was issued. Its registered office is situated at c/o IQ EQ Fund Services (Mauritius) Ltd, 33, Edith Cavell Street, Port Louis, 11324, Mauritius. UTI PEL is a step down subsidiary of our Company. UTI VF pursuant to its resolution dated June 29, 2020 has resolved to remove UTI PEL from the Register of Companies in Mauritius ("**Register**"), since UTI PEL has ceased to carry on its business, discharged in full its liabilities to all its known creditors and distributed its surplus assets in accordance with applicable law. Accordingly, the requisite procedure prescribed by applicable law for such removal from the Register has been initiated and UTI PEL shall be removed from the Register when a notice signed by the Registrar of Companies stating that UTI PEL has been removed from the Register is issued, and will cease to be registered and exist as a company under the Companies Act 2001.

Further, UTI PEL holds 100 management shares issued by Ascent India Limited ("**Ascent Fund**") having a face value of USD 1 each. Ascent Fund is an offshore pooling vehicle for investment. The management shares do not carry any economic interest in the form of dividends and are not redeemable but carry voting rights in Ascent Fund. The shareholders of Ascent Fund have approved the voluntary winding up of Ascent Fund by way of their resolution March 23, 2020.

Capital Structure and Shareholding of our Company

As on the date of this Prospectus, details of the capital structure of UTI PEL are as follows:

Particulars	No. of ordinary shares	Aggregate value at face value (USD)
Stated share capital	17,000 ordinary shares	17,000

The following table sets forth details of the shareholding:

S. No.	Name of the Shareholder	No. of Equity Shares of USD 1 each	Percentage of total Equity holding
1	UTI Venture Funds Management Company Private Limited	17,000	100.00
	Total	**17,000**	**100.00**

Amount of accumulated profits or losses

As on the date of this Prospectus, there are no accumulated profits or losses of UTI PEL, not accounted for, by our Company.

OUR MANAGEMENT

In terms of the Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As on the date of this Prospectus, our Board comprises 11 Directors, including eight Independent Directors (of which three are women Directors), one Whole-time Director and two 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.	**Dinesh Kumar Mehrotra** **Designation:** Non-Executive Chairman and Independent Director **Term:** Appointed with effect from August 23, 2017 until the conclusion of AGM to be held in 2020; not liable to retire by rotation **Period of Directorship:** Director since April 11, 2017 **Address:** 3A, Harmony, Dr. E. Moses Road, Worli Naka, Worli, Mumbai 400 018, Maharashtra, India **Occupation:** Professional **Date of Birth:** May 5, 1953 **DIN:** 00142711 **Age:** 67 years	1. Metropolitan Stock Exchange of India Limited 2. V L S Finance Limited 3. West End Housing Finance Limited 4. Tata AIA Life Insurance Company Limited 5. AIDIA Technovations Private Limited 6. SBI Cards and Payment Services Limited 7. Vardan Ceqube Advisors Private Limited 8. Computer Age Management Services Limited
2.	**Ashok Shah** **Designation:** Independent Director **Term:** Appointed with effect from August 22, 2019 until the conclusion of AGM to be held in 2022; not liable to retire by rotation **Period of Directorship:** Director since May 7, 2019 **Address: '**The Priory**',** Ayarpatta, Mallital, Nainital 263 001, Uttarakhand, India **Occupation:** Professional **Date of Birth:** June 5, 1950 **DIN:** 01194846 **Age:** 70 years	1. 3i Infotech Limited 2. 3i Infotech Inc. 3. 3i Infotech Holdings Private Limited
3.	**Deepak Kumar Chatterjee** **Designation:** Independent Director **Term:** Appointed with effect from September 25, 2018 until the conclusion of AGM to be held in 2021; not liable to retire by rotation. **Period of Directorship:** Director since September 25, 2018 **Address:** B-9/6435, Vasant Kunj, New Delhi 110 070, Delhi, India **Occupation:** Professional	Nil

S. No.	Name, DIN, designation, term, period of directorship, address, occupation, date of birth and age	Other Directorships
	Date of Birth: November 1, 1953 **DIN:** 03379600 **Age:** 66 years	
4.	**Dipali H Sheth** **Designation:** Independent Director **Term:** Five years with effect from December 16, 2019 till December 15, 2024; not liable to retire by rotation **Period of Directorship:** Director since November 20, 2019 **Address:** Lodha Bellissmo, A 2002, N M Joshi Marg Apollo Mills Compound, Mahalaxmi, Mumbai 400 011, Maharashtra, India **Occupation:** Professional **Date of Birth:** July 4, 1965 **DIN:** 07556685 **Age:** 55 years	1. Centrum Financial Services Limited 2. DFM Foods Limited
5.	**Edward Cage Bernard** **Designation:** Non-Executive Director **Term:** Liable to retire by rotation **Period of Directorship:** Director since October 1, 2018 **Address:** 7712, Ruxwood Road, Baltimore, MD 21204 USA **Occupation:** Professional **Date of Birth:** February 12, 1956 **DIN:** 08243277 **Age:** 64 years	1. LPL Financial, Inc. (LPLA)
6.	**Flemming Madsen** **Designation:** Non-Executive Director **Term:** Liable to retire by rotation **Period of Directorship:** Director since January 20, 2010 **Address:** 1922, Ruxton Road, Towson, BA, MD 21204 USA **Occupation:** Professional **Date of Birth:** August 12, 1965 **DIN:** 02904543 **Age:** 55 years	1. UTI Capital Private Limited
7.	**Imtaiyazur Rahman**	1. Indian Oiltanking Limited

S. No.	Name, DIN, designation, term, period of directorship, address, occupation, date of birth and age	Other Directorships
	Designation: Whole-time Director and Chief Executive Officer **Term:** Three years with effect from August 23, 2019 till August 22, 2022 (as Whole-time Director); not liable to retire by rotation **Period of Directorship:** Director since April 28, 2019 **Address:** B-1/62, Maker Kundan Garden, Juhu Tara Road, Santacruz West, Mumbai 400 049, Maharashtra, India **Occupation:** Service **Date of Birth:** September 7, 1963 **DIN:** 01818725 **Age:** 57 years	2. UTI Venture Funds Management Company Private Limited 3. UTI Retirement Solutions Limited 4. UTI Capital Private Limited 5. UTI International (Singapore) Private Limited 6. UTI International Limited
8.	**Jayashree Vaidhyanathan** **Designation:** Independent Director **Term:** Five years with effect from December 16, 2019 till December 15, 2024; not liable to retire by rotation **Period of Directorship:** Director since November 20, 2019 **Address:** Apartment 2B, No 76 PT Rajan Road, Kalaignar Karunanidhi Nagar, Chennai 600 078, Tamil Nadu, India **Occupation:** Professional **Date of Birth:** February 1, 1970 **DIN:** 07140297 **Age:** 50 years	Nil
9.	**Narasimhan Seshadri** **Designation:** Independent Director **Term:** Appointed with effect from August 23, 2017 until the conclusion of AGM to be held in 2020; not liable to retire by rotation **Period of Directorship:** Director since October 14, 2016 **Address:** 12 Aditya Second Main Road, AECS Layout, IIIrd Stage, RMV Extension, IInd Stage, Bangalore North, Bangalore 560 094, Karnataka, India **Occupation:** Professional **Date of Birth:** April 30, 1953 **DIN:** 03486485 **Age:** 67 years	1. Medreich Limited 2. Adcock Ingram Limited 3. IDFC First Bharat Limited
10.	**Rajeev Kakar** **Designation:** Independent Director **Term:** Five years with effect from December 16, 2019 till December 15,	1. Eurobank Ergasias SA, Greece 2. Gulf International Bank, Bahrain

S. No.	Name, DIN, designation, term, period of directorship, address, occupation, date of birth and age	Other Directorships
	2024; not liable to retire by rotation **Period of Directorship:** Director since November 20, 2019 **Address:** M-9, Greater Kailash II 110 048, New Delhi, India **Occupation:** Professional **Date of Birth:** July 1, 1963 **DIN:** 01888608 **Age:** 57 years	3. Gulf International Bank, Kingdom of Saudi Arabia 4. Commercial International Bank, Egypt
11.	**Uttara Dasgupta** **Designation:** Independent Director **Term:** Appointed with effect from August 23, 2017 until the conclusion of AGM to be held in 2020; not liable to retire by rotation **Period of Directorship:** Director since October 14, 2016 **Address:** Neonest, 376/2 Block G, New Alipore, Kolkata 700 053, West Bengal, India **Occupation:** Professional **Date of Birth:** November 19, 1949 **DIN:** 06570950 **Age:** 70 years	Nil

Relationship between our Directors and Key Managerial Personnel

None of our Directors are related to each other or to any of the Key Managerial Personnel.

Brief Biographies of Directors

Dinesh Kumar Mehrotra is the Non-Executive Chairman and Independent Director of our Company. He holds a B.Sc. (Honours) degree from University of Patna. He has previously served as the chairman and the managing director of LIC. He has also served as the executive director of international operations at LIC. He was appointed as an Independent Director of our Company with effect from August 23, 2017.

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

Deepak Kumar Chatterjee is an Independent Director of our Company. He holds a B.Sc. (Honours) degree in Physics from University of Delhi, an M.Sc. degree in Agricultural Physics from Indian Agricultural Research Institute, New Delhi and an MBA degree from University of Delhi. He is also a certificated associate of the Indian Institute of Bankers. Prior to joining our Company, he was associated with SBI Funds Management Private Limited as the managing director and chief executive officer and SBI Capital Markets Limited as a general manager. He was also associated with IIFCL Projects Limited as its chief executive officer and IIFCL Asset Management Company Limited as a director. He was appointed as an Independent Director of our Company with effect from September 25, 2018.

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

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

Flemming Madsen is a Non-Executive Director of our Company pursuant to the terms of the Shareholders' Agreement. He completed his education till high school level. He is head of global financial intermediaries and an interim global head of product at T. Rowe Price. He is a vice president of T. Rowe Price Group, Inc., T. Rowe Price International Ltd and member of the Global Distribution Executive Committee. He has been associated with T. Rowe Price for 19 years. His experience in the financial industry includes capital markets transactions, investment banking, and asset management. He was appointed as a Non-Executive Director of our Company pursuant to the terms of the Shareholders' Agreement with effect from January 20, 2010.

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

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

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

Rajeev Kakar is an Independent Director of our Company. He holds a B. Tech. degree in Mechanical Engineering from Indian Institute of Technology, Delhi and a Post Graduate Diploma in Management from Indian Institute of Management, Ahmedabad. He currently serves on the board of directors of various banks and financial institutions such as, Eurobank Ergasias SA (Greece), Gulf International Bank (GIB Bahrain), Gulf International Bank (GIB Saudi Arabia) and Commercial International Bank (Egypt). He started his career in 1988 at Citibank NA where he worked for 18 years and in his last role he was the managing director and division head for Turkey, Middle East and Africa region. In 2006, he moved to become the global co-founder of Fullerton Financial Holdings Pte. Ltd., headquartered in Singapore (a wholly owned subsidiary of Temasek Holdings Pte. Ltd., Singapore) where he served for 11 years in various roles including serving on its global management board, as its executive vice president, head of consumer banking and head of Central and Eastern Europe, Middle East and Africa region. Simultaneously, he also was the founder of Dunia Finance LLC in UAE, where he operated as its managing director and chief executive officer. He was appointed as an Independent Director of the Company with effect from December 16, 2019.

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

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.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange.

Other than Edward Cage Bernard and Flemming Madsen nominated by TRP pursuant to the SHA, 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 – Summary of Key Agreements*" beginning on page 189.

Further, none of our Directors have been identified as wilful defaulters as defined under the SEBI ICDR Regulations.

Terms of Appointment of our Whole-time Director

Imtaiyazur Rahman

Pursuant to resolution passed by the Board at its meeting held on April 28, 2019 and by the Shareholders in their AGM held on August 22, 2019, Imtaiyazur Rahman was appointed as the Whole-time Director of our Company with effect from August 23, 2019, for a term of three years up to August 22, 2022. Further, he has been appointed as the Chief Executive Officer of our Company for a period of two years with effect from June 13, 2020. The details of his remuneration are set forth below.

S. No.	Remuneration	Details
1.	Basic Salary	₹ 21,801,481
2.	Perquisites and allowances	1. Business class seats for domestic and foreign travel; 2. Foreign travel allowance; 3. Two elite club memberships; 4. Membership to business centers; 5. Two office cars along with a driver; 6. Medical benefits including hospitalization charges and insurance for the entire family.

Payment or benefit to Directors of our Company

Details of the sitting fees or other remuneration paid to our Directors in Financial Year 2020 are set forth below.

Remuneration to Whole-time Director

Details of the remuneration paid to our Whole-time Director in Financial Year 2020 are set forth below:

S. No.	Name of Whole-time Director	Remuneration (in ₹ million)
1.	Imtaiyazur Rahman	45.42

Remuneration to Non-Executive Directors

(a) Non-Executive Directors

Other than the sitting fees paid to the Independent Directors, no sitting fees were paid to the Non-Executive Directors by our Company for the Financial Year 2020.

(b) Independent Directors

Our Independent Directors are entitled to receive sitting fees of ₹ 100,000 per sitting and for every meeting of the Board and ₹50,000 for each meeting of a Committee that they attend, pursuant to resolution of the Board dated October 23, 2019.

Details of the sitting fees paid to the Independent Directors of our Company in Financial Year 2020 are set forth below:

S. No.	Name of Non-Executive Director	Number of meetings attended [(1)]	Sitting Fees, including commission (in ₹ million)
1.	Dinesh Kumar Mehrotra	30	1.62
2.	Deepak Kumar Chatterjee	26	1.48
3.	Narasimhan Seshadri	35	1.84
4.	Uttara Dasgupta	16	0.96
5.	Ashok Shah[(2)]	8	0.70
6.	Jayashree Vaidhyanathan[(3)]	3	0.25
7.	Dipali H Sheth[(3)]	3	0.25
8.	Rajeev Kakar[(3)]	2	0.15

(1) *Meetings include meetings of the Board and Committees of the Board*
(2) *Appointed on our Board with effect from May 7, 2019*
(3) *Appointed on our Board with effect from November 20, 2019*

Bonus or Profit Sharing Plan of the Directors

None of our Directors are party to any bonus or profit sharing plan of our Company.

Remuneration paid to Directors of our Company by our Subsidiaries

None of our Subsidiaries have paid any remuneration to the Directors of our Company during Financial Year 2020 for their association with our Subsidiaries, including in their capacity as directors of such Subsidiaries during Financial Year 2020.

Shareholding of Directors in our Company

None of our Directors hold any Equity Shares of our Company.

Our Articles of Association do not require our Directors to hold any qualification shares.

Interests of Directors

(a) All our 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, if any, payable to them for attending meetings of our Board or Committees thereof. For details, see " – *Payment or benefit to Directors of our Company*" on page 200.

(b) None of our Directors have any interests in the promotion or formation of our Company.

(c) None of our Directors have any interest in any property acquired or proposed to be acquired of our Company or by our Company in the preceding three years.

(d) None of our Directors have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

(e) No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which any of our Directors are interested, by any person, either to induce him to become, or to qualify him as, as a Director, or otherwise for services rendered by our Directors or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

(f) None of our Directors have any interests in our business.

(g) No loans have been availed by our Directors from our Company.

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
Narasimhan Seshadri	August 23, 2017	Appointment as Independent Director
Dinesh Kumar Mehrotra	August 23, 2017	Appointment as Independent Director
Sumit Bose	August 23, 2017	Appointment as Independent Director
Uttara Dasgupta	August 23, 2017	Appointment as Independent Director
Sumit Bose	March 27, 2018	Cessation as Independent Director
Leo Puri	August 13, 2018	Cessation as Managing Director
Pudugramam Narayanaswamy Venkatachalam	August 16, 2018	Cessation as Independent Director
Venkata Suryanarayana Malakapalli	September 25, 2018	Cessation as Independent Director
Deepak Kumar Chatterjee	September 25, 2018	Appointment as Independent Director
Arun Kanti Dasgupta	September 25, 2018	Appointment as Independent Director
James Riepe	October 1, 2018	Cessation as Director
Edward Cage Bernard	October 1, 2018	Appointment as Additional Director(1)
Arun Kanti Dasgupta	February 18, 2019	Cessation as Independent Director
Imtaiyazur Rahman	April 28, 2019	Appointment as Additional Director(1)
Ashok Shah	May 7, 2019	Appointment as Additional Director(1)
Jayashree Vaidhyanathan	November 20, 2019	Appointment as Additional Director(2)
Dipali H Sheth	November 20, 2019	Appointment as Additional Director(2)

Name	Date of Change	Reason
Rajeev Kakar	November 20, 2019	Appointment as Additional Director[(2)]

[(1)] *Regularised pursuant to the resolution of shareholders passed at the meeting held on August 22, 2019.*

[(2)] *Regularised pursuant to the resolution of shareholders passed at the meeting held on December 16, 2019.*

Borrowing Powers of Board

Our Board is empowered to borrow money in accordance with Section 179 and Section 180 of the Companies Act and our Articles of Association.

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 the 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, our Board comprises 11 Directors, including eight Independent Directors (of which three are women Directors), one Whole-time Director and two Non-Executive Directors.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of SEBI Listing Regulations and the Companies Act.

Committees of the Board

Details of the committees of the Board are set forth below. In addition to the committees of the Board 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:

1. Deepak Kumar Chatterjee, Chairman
2. Dinesh Kumar Mehrotra, Member
3. Flemming Madsen, Member
4. Narasimhan Seshadri, Member
5. Rajeev Kakar, Member

The Board of our Company decided to continue with the committee constituted by the Erstwhile UTI, as the Audit Committee, pursuant to resolution dated January 28, 2003. The Committee was last reconstituted pursuant to resolution passed by our Board in its meeting held on December 16, 2019. The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act and the SEBI Listing Regulations and its terms of reference as stipulated pursuant to resolution passed by our Board in its meeting held on December 16, 2019 include the following.

a) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;

b) Recommending to the Board for appointment, re-appointment and replacement, remuneration and terms of appointment of statutory auditors of the Company;

c) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;

d) Approving payment to statutory auditors for any other services rendered by the statutory auditors;

e) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;

   (b) Changes, if any, in accounting policies and practices and reasons for the same;

(c) Major accounting entries involving estimates based on the exercise of judgment by management;

(d) Significant adjustments made in the financial statements arising out of audit findings;

(e) Compliance with listing and other legal requirements relating to financial statements;

(f) Disclosure of any related party transactions; and

(g) Modified opinion(s) in the audit report.

f) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board of Director for approval;

g) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of funds raised through the proposed initial public offer by the Company;

h) Approval or any subsequent modifications of transactions of our Company with related parties;

i) Scrutiny of inter-corporate loans and investments;

j) Valuing of undertakings or assets of the Company, wherever it is necessary;

k) Evaluating of internal financial controls and risk management systems;

l) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

m) Reviewing with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;

n) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

o) Discussing with the internal auditors on any significant findings and follow up there on;

p) 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;

q) Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

r) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

s) Reviewing the functioning of the whistle blower mechanism;

t) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;

u) Carrying out any other function as mentioned in the terms of reference as may be decided by the Board or specified/provided under the Companies Act or the SEBI Listing Regulations or by any other regulatory authority; and

v) Reviewing the utilization of loans and / or advances from/ investment by the holding company in any subsidiary exceeding ₹ 100 crore or 10 % of the asset size of the subsidiary , whichever is lower including existing loans/ advances/ investments.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

1. Narasimhan Seshadri, Chairman

2. Dinesh Kumar Mehrotra, Member

3. Uttara Dasgupta, Member

4. Edward Cage Bernard, Member

5. Dipali H Sheth, Member

The Nomination and Remuneration Committee was constituted pursuant to resolution passed by our Board in its meeting held on February 6, 2006 as HR & Compensation Committee. The HR & Compensation Committee was renamed as the Nomination and Remuneration Committee pursuant to a resolution of our Board dated July 22, 2014 and last reconstituted pursuant to resolution passed by our Board in its meeting held on December 16, 2019. The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act and the SEBI Listing Regulations and its terms of reference as stipulated pursuant to resolution passed by our Board in its meeting held on December 16, 2019 include the following.

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the board of directors a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

2. Formulating of criteria for evaluation of the performance of the independent directors and the board of directors;

3. Devising a policy on board of directors diversity;

4. Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the board of directors their appointment and removal, and carrying out evaluations of every director's performance;

5. Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

6. Analysing, monitoring and reviewing various human resource and compensation matters;

7. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and determination of remuneration packages of such directors;

8. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component and in accordance with the remuneration policy approved by the board of directors;

9. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

10. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014, as amended;

11. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

    (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended); or

    (b) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;

12. Recommending to the Board, all remuneration, in whatever form, payable to the senior management; and

13. Performing such other activities as may be delegated by the Board and/or specified/provided under the Companies Act, the SEBI Listing Regulations, or by any other regulatory authority.

Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

1. Edward Cage Bernard, Chairman

2. Uttara Dasgupta, Member

3. Deepak Kumar Chatterjee, Member

The Stakeholders' Relationship Committee was constituted pursuant to resolution passed by our Board in its meeting held on July 22, 2014 and last reconstituted pursuant to resolution passed by our Board in its meeting held on April 27, 2019. The scope and functions of the Stakeholder Relationship Committee are in accordance with Section 178 of the Companies Act and the SEBI Listing Regulations and its terms of reference as stipulated pursuant to resolution passed by our Board in its meeting held on December 16, 2019 include the following.

1. Considering and resolving grievances of security holders of the Company, including complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;

2. Allotment and listing of shares; Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

3. Review of measures taken for effective exercise of voting rights by shareholders.

4. Review of adherence to the service standards adopted by our Company in respect of various services being rendered by the Registrar and Share Transfer Agent.

5. Review of the various measures and initiatives taken by our Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

6. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

7. To approve, register, refuse to register transfer or transmission of shares and other securities;

8. To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;

9. Approval of transfer or transmission of shares, debentures or any other securities;

10. To authorise affixation of common seal of the Company; and

11. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

1. Uttara Dasgupta, Chairperson

2. Dinesh Kumar Mehrotra, Member

3. Edward Cage Bernard, Member

The Corporate Social Responsibility Committee was constituted pursuant to resolution passed by our Board in its meeting held in October 23, 2013 and last reconstituted pursuant to resolution passed by our Board in its meeting held on October 24, 2018. The scope and functions of the Corporate Social Responsibility Committee are in accordance with Section 135 of the Companies Act and its terms of reference as stipulated pursuant to resolution passed by our Board in its meeting held on December 16, 2019 are set forth below.

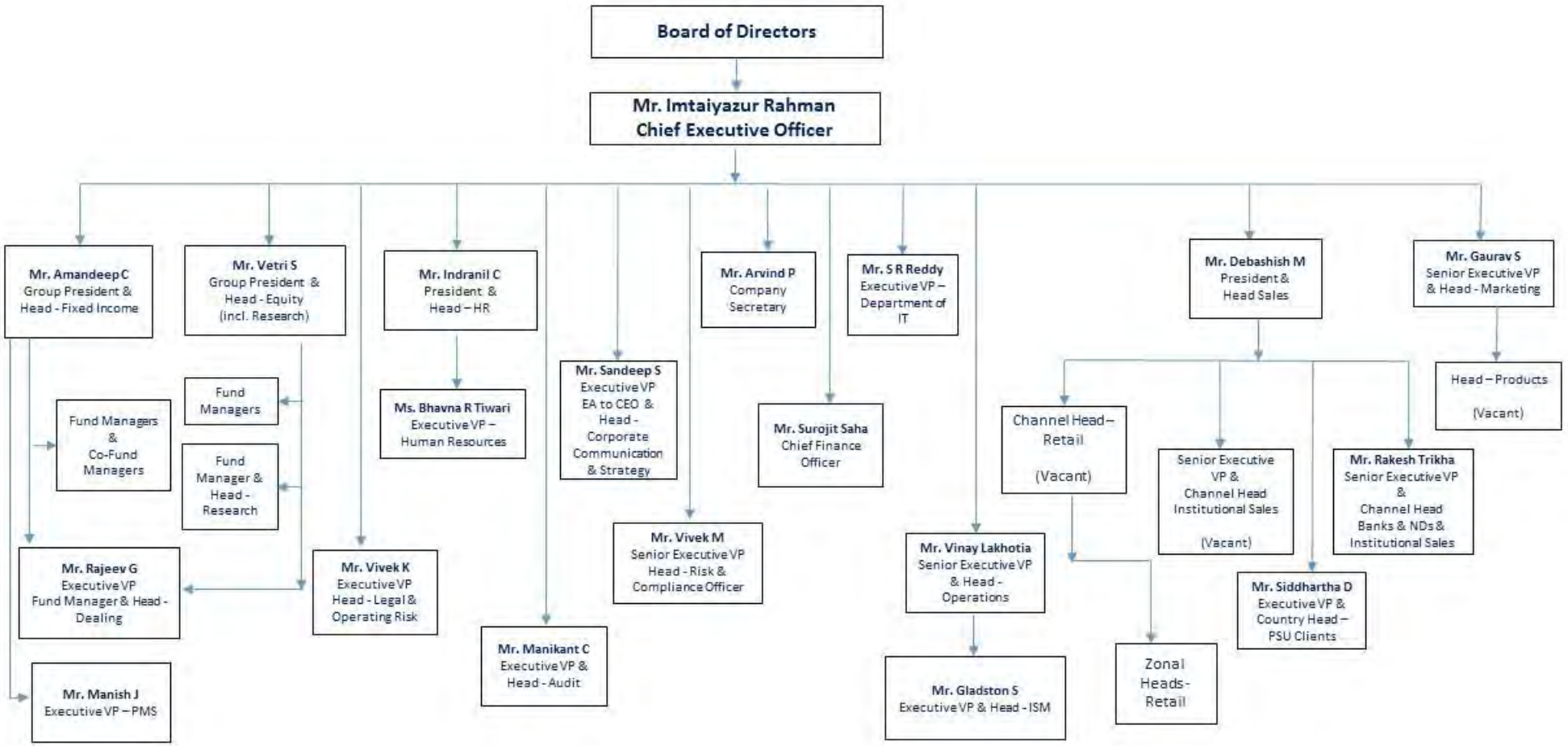
1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by our Company as specified in Schedule VII of the Companies Act;

2. To recommend the amount of expenditure to be incurred on the activities referred to in clause(a);

3. To monitor the Corporate Social Responsibility Policy of the Company, from time to time; and

4. To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the Committee in terms of the provisions of Section 135 of the Companies Act.

Management Organisation Structure



Key Managerial Personnel

The details of the key managerial personnel of our Company as of the date of this Prospectus are as follows:

Imtaiyazur Rahman is a Whole-time Director and Chief Executive Officer of our Company. For details, see "- *Brief Biographies of Directors*" beginning on page 198. For details of compensation paid to him during Financial Year 2020, see "- *Payment or benefit to Directors of our Company – Remuneration to Whole-time Director*" on page 200.

Surojit Saha is the Chief Financial Officer of our Company. He holds a B.Com. (Honours) degree from University of Calcutta, and an M. Com. degree from University of Calcutta. He has passed the final examination held by the Institute of Cost and Works Accountants of India. He joined Erstwhile UTI on December 5, 1990 and was subsequently transferred to our Company with effect from January 15, 2003. Prior to joining Erstwhile UTI, he was associated with National Insurance Company Limited. During the Financial Year 2020, he received remuneration of ₹ 10.42 million.

Amandeep Singh Chopra is the Group President and Head of Fixed Income of our Company. He holds a B.Sc. degree from University of Delhi and an MBA degree from University of Delhi. He joined Erstwhile UTI on June 27, 1994 and was subsequently transferred to our Company with effect from January 15, 2003. Prior to joining erstwhile UTI, he was associated with Aaina Exports Private Limited and Stenay Limited. During the Financial Year 2020, he received a remuneration of ₹ 31.19 million.

Arvind Patkar is the Company Secretary of our Company. He holds B.Com. and LL.B degrees from Rani Durgavati Vishwavidyalaya Jabalpur. He is also an associate member of the Institute of Company Secretaries of India. He joined our Company with effect from April 2, 2008. During the Financial Year 2020, he received a remuneration of ₹ 2.18 million.

Vetri Subramaniam is the Group President and Head of Equity of our Company. He holds a B. Com. degree from University of Madras and a Post Graduate Diploma in Management from Indian Institute of Management, Bangalore. He joined our Company with effect from January 23, 2017. Prior to joining our Company, he was associated with Invesco Asset Management Private Limited, Kotak Mahindra Asset Management Company Limited, Motilal Oswal Securities Limited, S S Kantilal Ishwarlal Services Private Limited and Kotak Mahindra Finance Limited. During the Financial Year 2020, he received a remuneration of ₹ 42.24 million.

Indranil Choudhury is the President and Head of Human Resources of our Company. He holds a B.Com. (Honours) degree from Utkal University and a Post Graduate Diploma in Business Management with specialisation in Human Resource Management from Northern University for Integrated Learning in Management. He joined our Company as President and Head of Human Resources with effect from December 16, 2019. Prior to joining our Company, he was associated with HDFC Life Insurance Company Limited and Shoppers Stop Limited. During the Financial Year 2020, he received a remuneration of ₹ 1.90 million.

Vivek Maheshwari is the Senior Executive Vice President, Head of Risk and Compliance Officer of our Company. He holds a B.Com. degree from University of Lucknow. He has passed the final examination of chartered accountancy held by the Institute of Chartered Accountants of India. Further, he is also a financial risk manager certified by Global Association of Risk Professionals. He joined Erstwhile UTI with effect from November 15, 1994 and was subsequently transferred to our Company with effect from with effect from January 15, 2003. During the Financial Year 2020, he received a remuneration of ₹ 10.45 million.

Sandeep Vivek Samsi is the Executive Vice President, Executive Assistant to Chief Executive Officer and Head of Corporate and Communications and Strategy and Head of Investor Relations of our Company. He holds B.Sc. and M.Sc. degrees in Zoology from University of Mumbai. He also holds a MMS degree from S.I.E.S College of Management Studies. He joined Erstwhile UTI on June 1, 2001 and was subsequently transferred to our Company with effect from January 15, 2003. Prior to joining Erstwhile UTI, he was associated with Kandla Flooring and Fabrics Private Limited. During the Financial Year 2020, he received remuneration of ₹ 5.89 million.

Vinay Lakhotia is the Senior Executive Vice President and Head of Operations of our Company. He holds a B.Com. (Honours) degree from University of Calcutta. He is an associate of the Institute of Chartered Accountants of India and is also a chartered financial analyst from the CFA Institute. He joined Erstwhile UTI on July 15, 1999 and was subsequently transferred to our Company with effect from January 15, 2003. During the Financial Year 2020, he received remuneration of ₹ 11.39 million.

Gaurav Suri is the Senior Executive Vice President and Head of Marketing of our Company. He holds a B.E. degree in Mechanical Engineering from Maulana Azad National Institute of Technology and a Post Graduate Diploma in Business Management from XLRI (Institute of Management and Labour Studies). He joined our Company on April 23, 2007. Prior to joining our Company, he was associated with MetLife India Insurance Company Private Limited, Perfetti Van India Private Limited and Britannia Industries Limited. During the Financial Year 2020, he received a remuneration of ₹ 15.37 million.

Rakesh Trikha is the Senior Executive Vice President and Channel Head of Institutional Sales, Banks and National Distributors of our Company. He holds B.Sc. and LL.B degrees from Panjab University. He also holds an M.A degree in Public

Administration from Panjab University and a Diploma in Industrial Relations and Personnel Management from Bharatiya Vidya Bhavan. He is also an associate of the Insurance Institute of India. He joined Erstwhile UTI on July 25, 1989 and was subsequently transferred to our Company with effect from January 15, 2003. Prior to joining Erstwhile UTI, he was associated with the New India Assurance Company Limited. During the Financial Year 2020, he received a remuneration of ₹ 7.30 million.

Debasish Mohanty is the President and Head of Sales. He holds a B.A. (Honours) degree in Economics from Utkal University, M.A. and M.Phil. degrees from Jawaharlal Nehru University. He is a certified chartered wealth manager from American Academy of Financial Management. He joined Erstwhile UTI on February 14, 1986 and was subsequently transferred to our Company with effect from January 15, 2003. During the Financial Year 2020, he received a remuneration of ₹ 13.92 million.

Siddhartha Dash is the Executive Vice President and Country Head of Public Sector Undertaking Clients of our Company. He holds a B.A. degree in Economics from University of Delhi and a Post Graduate Diploma in Management from Xavier Institute of Management. He joined our Company on January 1, 2008. Prior to joining our Company, he was associated with ICICI Bank Limited, Cholamandalam Investment Finance Company Limited, GE Countrywide Consumer Financial Services Limited and Canon India Private Limited. During the Financial Year 2020, he received a remuneration of ₹ 3.72 million.

All our Key Managerial Personnel are permanent employees of our Company.

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.

Shareholding of Key Managerial Personnel in our Company

Except as disclosed below, none of our Key Managerial Personnel hold any Equity Shares as on the date of this Prospectus:

Name of the Key Managerial Personnel	Number of Equity Shares held
Amandeep Singh Chopra	42,900
Debasish Mohanty	27,900
Gaurav Suri	14,500
Rakesh Trikha	4,400
Surojit Saha	3,000
Vivek Maheshwari	1,010
Vinay Lakhotia	600

Relationship between our Key Managerial Personnel

None of our Key Managerial Personnel are related to each other.

Interests of Key Managerial Personnel

None of the Key Managerial Personnel of our Company have any interest 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 be regarded as interested in the Equity Shares held by them, if any, (together with dividends and any other distributions in respect of such Equity Shares). For details, see "- *Shareholding of Key Managerial Personnel in our Company*" on page 208.

Except as mentioned below no loans have been availed by our Key Managerial Personnel from our Company.

Name	Outstanding amount as of June 30, 2020	
	Vehicle (in ₹)	General Purpose Advance (in ₹)
Vinay Lakhotia	507,500.00	-
Rakesh Trikha	-	279,100.00
Sandeep Vivek Samsi	-	306,100.00
Siddhartha Dash	-	91,749.00
Debasish Mohanty	-	149,500

Changes in our Key Managerial Personnel in the three immediately preceding years

Details of the changes in our Key Managerial Personnel in the three immediately preceding years are set forth below.

Name	Date of change	Reason for change
Leo Puri	August 13, 2018	Cessation as the Managing Director
Imtaiyazur Rahman	August 14, 2018	Appointment as the Acting Chief Executive Officer
Kiran Vohra	December 11, 2019	Cessation as the Company Secretary
Arvind Patkar	December 16, 2019	Appointment as the Company Secretary
Imtaiyazur Rahman	December 16, 2019	Cessation as the Chief Financial Officer
Surojit Saha	December 16, 2019	Appointment as the Chief Financial Officer
Imtaiyazur Rahman	June 13, 2020	Appointment as the Whole Time Director and Chief Executive Officer
Davino Antony	July 28, 2020	Cessation as the Executive Vice President and Head of Products
Smita Vermani	August 7, 2020	Cessation as the Senior Executive Vice President and Country Head of Institutional Sales

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, is entitled to any benefits upon termination of employment under any service contract entered into with 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 variable pay component as part of the remuneration paid to our Key Managerial Personnel, none of our Key Managerial Personnel is party to any bonus or profit sharing plan of our Company.

Employee stock option plan and employee stock purchase plan

For details of our employee stock option plan, see "*Capital Structure*" on page 75.

OUR PRINCIPAL SHAREHOLDERS

Our Company is a professionally managed company and does not have an identifiable promoter in terms of SEBI ICDR Regulations and the Companies Act. Consequently, there are no members forming part of the 'promoter group' in terms of the SEBI ICDR Regulations.

Principal Shareholders

1. *Shareholders who control 15% or more of the voting rights in our Company*

   Except for SBI, LIC, BOB, PNB and TRP, that hold 18.24%, 18.24%, 18.24%, 18.24% and 26% of the paid up Equity Share capital of our Company, respectively, as on the date of this Prospectus, no shareholder controls 15% or more of the voting rights in our Company. Pursuant to the Offer and subject to finalisation of the Basis of Allotment, the respective shareholding of SBI, LIC and BOB will each be less than 15% of the paid up Equity Share capital of our Company. For further details, see "*Capital Structure – Notes to the Capital Structure – Details of equity shareholding of the major Shareholders of our Company*" and "*History and Certain Corporate Matters – Shareholders' Agreement*" on pages 79 and 189, respectively.

2. *Persons who have the right to appoint director(s) on our Board*

   In terms of the Amendment Agreement, each Shareholder of our Company shall have a right to nominate Director(s) to the Board for every multiple of 10% (ten percent) of the issued, subscribed and paid-up Equity Share capital held by such Shareholder (together with its affiliates), subject to applicable laws.

   Further, in terms of Part A of our Articles of Association, which will become effective upon commencement of listing and trading of our Company's Equity Shares on the Stock Exchanges, each Shareholder of our Company shall have a right to nominate Director(s) to the Board for every multiple of 10% (ten percent) of the issued, subscribed and paid-up Equity Share capital held by such Shareholder (together with its affiliates), subject to applicable laws. The special rights shall be subject to such rights being approved by the Shareholders through a special resolution at the first general meeting of our Company held post listing of Equity Shares on the Stock Exchanges in accordance with the provisions of the Companies Act and the SEBI Listing Regulations. For details, see "*History and Certain Corporate Matters – Summary of Key Agreements – Shareholders' Agreement*", "*Our Management*" and "*Description of Equity Shares and Terms of Articles of Association*" on pages 189, 195 and 409, respectively.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term "Group Company" includes such companies (other than promoters and subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Information, as covered under the applicable accounting standards, and also other companies as considered material by our Board. In accordance with the materiality policy approved pursuant to a resolution of our Board dated July 22, 2020, for the purposes of disclosure in connection with the Offer, a company shall be considered material and disclosed as a group company if: (i) there were related party transactions with such company as per the Restated Financial Information; (ii) there were related party transactions with such company in the period beginning July 1, 2020; or (iii) such company is considered material by our Board.

While transactions with TRP have been reported in the Restated Financial Information, given that TRP continues to be a financial investor in our Company and the transactions with it continue to be undertaken only in respect of reimbursement of expenses for Directors on our Board recommended by them and payment of dividend, TRP has not been considered as a group company for the purposes of disclosure in this Prospectus.

Accordingly, as on the date of this Prospectus, there are no group companies of our Company in terms of the SEBI ICDR Regulations.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the RBI Act and the Companies Act. The dividend policy of our Company was approved and adopted by our Board in their meeting on December 16, 2019 and was amended on September 12, 2020. The declaration of dividend is required to be in compliance with Companies Act, RBI Act, the SEBI Listing Regulations and our Article of Association. The dividend policy states that our Board may declare dividend equivalent to 50% or more of the profits after tax of the Company after considering, inter alia, certain financial and external factors which will be considered before declaration of dividend by our Board. Such factors include profitability, accumulated reserves, profitability outlook for the coming years, significant changes in the macro-economic and market conditions and other factors which our Board may consider. We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividend in the foreseeable future. Our Company may also, from time to time, pay interim dividends. For details in relation to risks involved in this regard, see "*Risk Factors – 60. We intend to pay dividends to our shareholders in accordance with our dividend policy but our ability to do so will depend upon our future earnings, financial condition, results of operations, cash flows, working capital requirements, capital expenditures and applicable provisions of Indian law and is subject to the discretion of our board of directors*" on page 57.

The details of dividend on equity shares paid by our Company for the current and last three Financial Years are set forth:

	Three months ended June 30, 2020	**For the Financial Year ended March 31**		
		2020*	**2019****	**2018****
Number of Equity Shares	126,787,254	126,787,254	126,787,254	126,787,254
Face value of Equity Shares	10	10	10	10
Rate of Dividend (%)	-	-	50%	50%
Dividend per Equity Share (in ₹)	-	-	5	5
Amount of Dividend (in ₹ million)	-	-	633.94	633.94
Mode of payment of dividend	-	-	Electronic payment and demand drafts	Electronic payment and demand drafts

** The board of directors of the Company in its meeting held on April 29, 2020 has recommended a dividend of ₹ 7 per Equity Share for the year ended March 31, 2020 to the shareholders, which is subject to the approval of the shareholders at the ensuing Annual General Meeting.*

***Dividends announced in relation to a particular Financial Year are paid in the subsequent Financial Year.*

SECTION V: FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

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The Board of Directors
UTI Asset Management Company Limited
UTI Tower, 'Gn' Block,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051

Auditor's Examination Report On Restated Consolidated Financial Information in connection with the Initial Public Offer of Equity Shares of UTI Asset Management Company Limited

Dear Sirs,

1. We have examined the attached Restated Consolidated Financial Information of UTI Asset Management Company Limited ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), comprising the Restated Consolidated Summary Statement of Assets and Liabilities as at June 30, 2020, June 30, 2019 March 31, 2020, March 31, 2019 and March 31, 2018, the Restated Consolidated Summary Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Summary Statement of Changes in Equity, the Restated Consolidated Summary Statement of Cash Flows, for the three month period ended June 30, 2020 and June 30, 2019 and for the years ended March 31, 2020, March 31, 2019 and March 31, 2018 , the Summary Statement of Significant Accounting policies and other explanatory information (collectively, the "Restated Consolidated Summary Financial Information"), as approved by the Board of Directors of the Company at their meeting held on July 22, 2020 for the purpose of inclusion in the Red Herring Prospectus ("RHP") and the Prospectus to be prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") 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 from time to time in pursuance of provisions of Securities and Exchange Board of India Act,1992 (the "SEBI 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").

2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the RHP to be filed with Securities and Exchange Board of India and relevant stock exchanges, in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of Preparation stated in note 2.1 to the Restated Consolidated Financial Information. The Board of Directors responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, SEBI ICDR Regulations and the Guidance Note.

3. We have examined such Restated Consolidated Financial Information taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated September 20, 2019 in connection with the proposed IPO of equity shares of the Company;

   b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

   c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and

d) The requirements of Section 26 of the Act and the SEBI ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Consolidated Financial Information have been compiled by the management from:

a) Audited interim consolidated Ind AS financial statements of the Group as at and for the three months period ended June 30, 2020 and the comparative Audited interim consolidated Ind AS financial statements of the Group as at and for the three months period ended June 30, 2019 included in such financial statements prepared in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under Section 133 of the Act and other accounting principles generally accepted in India, (the Interim Consolidated Ind AS Financial Statements") which have been approved by the Board of Directors at their meeting held on July 22, 2020.

b) Audited Consolidated Ind AS financial statements of the Group as at and for the year ended March 31, 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 April 29, 2020.

c) Audited Consolidated Ind AS financial statements of the Group as at and for the year ended March 31, 2019, prepared in 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, which was approved by the Board of directors at their meeting held on April 27, 2019. The comparative information for the year ended March 31, 2018 included in such financial statements have been prepared by making Ind AS adjustments to the audited consolidated financial statements of the Company as at and for the year ended March 31, 2018, prepared in accordance with the accounting standards notified under the section 133 of the Act ("Indian GAAP") which was approved by the Board of directors at their meeting held on April 26, 2018.

5. For the purpose of our examination, we have relied on:

a) Auditors' report issued by us dated August 5, 2020 and May 11, 2020 on the Audited Consolidated Financial Statements of the Group as at and for the three months ended June 30, 2020 and for the year ended March 31, 2020 respectively, as referred in para 4 above;

b) Auditors' report of the Company's previous auditors, M/s. S. Bhandari & Co., Chartered Accountants (the "Previous Auditors") dated April 27, 2019, April 26, 2018 on the Audited Consolidated Financial Statements of the Group as at and for the years ended March 31, 2019 and March 31, 2018 respectively, as referred in para 4 above.

c) Our Special Purpose Audit on the Restated Consolidated Financial Information of the Group as at and for the three months ended June 30, 2019 prepared by the Company in accordance with the Ind AS for the limited purpose of complying with the requirements of SEBI ICDR Regulations in relation to proposed IPO.

6. As indicated in our audit reports referred above:
a) we did not audit the financial statements of certain subsidiaries whose share of total assets, total revenues and net cash inflows / (outflows) included in the restated consolidated financial statements, for the relevant years / period is tabulated below, which have been audited by the respective auditors of the Subsidiaries, and whose reports have been furnished to us by the Company's management and our opinion on the restated 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 furnished before us:

(Rs in million)

Particulars	As at/ for the three month period ended June 30, 2020	As at/ for the three month period ended June 30, 2019	As at / for the year ended March 31, 2020	As at / for the year ended March 31, 2019	As at / for the year ended March 31, 2018
Total assets	1,081.62	1,473.42	1,115.84	1,430.14	2,603.97
Total Revenues	80.68	78.95	291.25	169.28	805.81
Net cash inflows/ (outflows)	(38.78)	50.69	57.33	26.40	(7.75)

b) we did not audit the financial statements of one of the subsidiaries [not included in para 6 a) above] whose share of total assets, total revenues and net cash inflows / (outflows) included in the restated consolidated financial statements, for the relevant years is tabulated below, which have been audited by another auditor. The same are restated by the management after incorporating adjustments for the changes in accounting policies, regrouping/reclassifications retrospectively in the relevant periods. Our opinion on the restated consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this component is based solely on the report of the other auditor and restated financial information furnished before us by the management:

(Rs in million)

Particulars	As at/ for the three month period ended June 30, 2020	As at/ for the three month period ended June 30, 2019	As at / for the year ended March 31, 2020	As at / for the year ended March 31, 2019	As at / for the year ended March 31, 2018
Total assets	3,813.49	3,795.74	3,460.76	3,832.32	3,800.96
Total Revenues	517.13	207.21	117.89	1,015.48	952.31
Net cash inflows/ (outflows)	19.57	(14.31)	26.12	(390.97)	416.56

c) The comparative financial information of the Company for the year ended March 31, 2019 and the transition date opening balance sheet as at April 1, 2017 prepared in accordance with Ind AS included in these consolidated Ind AS financial statements have been audited by the previous auditors. The report of the previous auditors on the comparative financial information and the said opening balance sheet dated April 27, 2019 expressed an unmodified opinion.

Our opinion on the consolidated Ind AS financial statements is not modified in respect of these matters.

With reference to restated financial statements referred to in para 'a' and 'b' above, we have been confirmed that the Restated Consolidated Summary Financial Information:

a) has been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2020, 2019, 2018, and for the three month period ended June 30, 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the three months period ended June 30, 2020 ;

b) have been made after giving effect to the matter/s giving rise to modifications; and

c) have been prepared in accordance with the Act, SEBI ICDR Regulations and the Guidance Note.

7. Based on our examination and according to the information and explanations given to us and based on the para 5 and 6 above, we report that the Restated Consolidated Summary Financial Information:

a) has been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2020, 2019, 2018, and three months period ended June 30, 2019 reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the three months period ended June 30, 2020;

b) There were no qualifications in Auditor's Report on the Consolidated Audited Financial Statements of the Company and its subsidiaries, respectively for the year ended March 31 2020, 2019 and2018 and for the three months period ended June 30, 2020 and 2019, which require any adjustments to the Restated Financial Information.; and

c) have been prepared in accordance with the Act, SEBI ICDR Regulations and the Guidance Note.

8. We have also examined the following other Restated Consolidated Summary Financial Information of the Group set out in the Annexures prepared by the management and approved by the Board of Directors for the financial year ended March 31, 2020, 2019, 2018, and for the three months period ended June 30, 2020 and June 30, 2019:

Annexure - V	Summary of significant accounting policies and other explanatory information forming part of the restated Consolidated financial statements
Annexure - IV	Restated consolidated summary statement of Share Capital
Annexure – VI	Restated consolidated summary statement of Reserves and Surplus
Annexure – VI	Restated consolidated summary statement of Long Term Provisions
Annexure – VI	Restated consolidated summary statement of Trade Payables
Annexure – VI	Restated consolidated summary statement of Other Current Liabilities
Annexure –VI	Restated consolidated summary statement of Short Term Provisions
Annexure – VI	Restated consolidated summary statement of property plant and equipment and intangible assets
Annexure – VI	Restated consolidated summary statement of Non-Current Investments
Annexure – VI	Restated consolidated summary statement of Deferred Tax Assets
Annexure – VI	Restated consolidated summary statement of Long Term Loans and advances
Annexure – VI	Restated consolidated summary statement of Current Investments
Annexure - VI	Restated consolidated summary statement of Trade Receivables
Annexure - VI	Restated consolidated summary statement of Cash and Cash Equivalents
Annexure – VI	Restated consolidated summary statement of Short Term Loans and advances
Annexure – VI	Restated consolidated summary statement of Other current assets
Annexure – VI	Restated consolidated summary statement of Revenue from operations
Annexure – VI	Restated consolidated summary statement of Other Income
Annexure – VI	Restated consolidated summary statement of Employee benefit expenses
Annexure – VI	Restated consolidated summary statement of Other Expenses
Annexure – VI	Notes forming part of the restated consolidated financial statements
Annexure – X	Restated consolidated summary statement of dividend declared and paid
Annexure – IX	Restated consolidated summary statement of capitalization
Annexure – VIII	Restated consolidated summary statement of accounting ratios

9. We have not audited or reviewed any financial statements of the Company as of any date or for any period subsequent to June 30, 2020. Accordingly, we express no opinion on the financial position, results of the operations or cash flow of the Company as of any date or for any period subsequent to June 30, 2020.

10. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the interim audited consolidated Ind AS financial statements and audited consolidated financial statements mentioned in paragraph 4 above.

11. 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.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the Board of Directors for inclusion in the RHP and Prospectus to be filed with Securities and Exchange Board of India and relevant stock exchanges in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For
G. D. Apte & Co.,
Chartered Accountants
ICAI Firm Registration No: 100515W

CA Chetan R. Sapre
Partner
Membership No. 116952
Peer Review Certificate no. 010485
UDIN: 20116952AAAALZ4497

Date: August 29, 2020
Place: Mumbai

UTI Asset Management Company Limited

Annexure I - Restated Consolidated Summary Statement of Assets and Liabilities

(Rs. In Million)

Particulars	Note No	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
I. ASSETS						
1 Financial Assets						
Cash and cash equivalents	3	1,238.56	1,150.61	1,192.52	1,241.80	1,501.92
Receivables	4					
Trade Receivables		420.92	506.61	456.18	275.54	500.41
Other Receivables		92.30	260.68	97.39	361.80	48.75
Loans	5	364.05	277.12	374.40	281.65	356.82
Investments	6	24,573.89	23,185.45	23,557.51	22,613.70	21,788.49
Other Financial Assets	7	1,513.46	1,306.34	1,542.38	1,278.59	922.32
Total Financial Assets		**28,203.18**	**26,686.81**	**27,220.38**	**26,053.08**	**25,118.71**
2 Non Financial Assets						
Current Tax Assets (Net)	8	500.58	434.30	461.05	320.56	170.55
Investment Property	9	105.97	111.18	107.27	112.47	117.68
Property, Plant and Equipments	10	2,471.08	2,510.73	2,503.88	2,529.42	2,585.53
Right of use assets	11	959.36	846.28	896.53	834.18	912.70
Capital work in progress	12	5.71	24.28	2.84	8.78	22.91
Intangible assets under development	13	19.06	-	7.56	-	31.20
Other Intangible Assets	14	104.52	31.13	118.01	36.13	24.91
Other Non Financial Assets	15	264.78	282.79	231.66	238.01	208.33
Total Non Financial Assets		**4,431.06**	**4,240.69**	**4,328.80**	**4,079.55**	**4,073.81**
TOTAL ASSETS		**32,634.24**	**30,927.50**	**31,549.18**	**30,132.63**	**29,192.52**
II LIABILITIES AND EQUITY						
Liabilities						
1 Financial Liabilities						
Trade Payables	16					
Total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		8.43	24.94	14.22	37.77	111.10
Other Payables						
Total outstanding dues of micro enterprises and small enterprises		4.54	1.73	7.96	9.27	1.64
Total outstanding dues of creditors other than micro enterprises and small enterprises		318.75	439.33	640.06	667.00	1,496.21
Borrowings		-	-	-	-	-
Other Financial Liabilities	17	1,782.23	1,647.72	1,755.75	1,593.87	1,543.93
Total Financial Liabilities		**2,113.95**	**2,113.72**	**2,417.99**	**2,307.91**	**3,152.88**
2 Non Financial Liabilities						
Current Tax Liabilities (Net)	18	76.91	172.39	44.94	43.40	50.68
Provisions	19	1,298.10	1,135.36	830.89	916.07	1,061.15
Deferred Tax Liabilities (Net)	20	498.77	399.82	444.54	363.36	438.30
Other Non Financial liabilities	21	182.78	208.06	77.99	86.23	113.29
Total Non Financial Liabilities		**2,056.56**	**1,915.63**	**1,398.36**	**1,409.06**	**1,663.42**
Equity						
Equity Share Capital	22	1,267.87	1,267.87	1,267.87	1,267.87	1,267.87
Other Equity	23	27,081.42	25,263.88	26,357.09	24,775.85	22,406.46
Equity attributable to owners of the Company		**28,349.29**	**26,531.75**	**27,624.96**	**26,043.72**	**23,674.33**
Non-controlling interests		114.44	366.40	107.87	371.94	701.89
Total Equity		**28,463.73**	**26,898.15**	**27,732.83**	**26,415.66**	**24,376.22**
TOTAL EQUITY AND LIABILITIES		**32,634.24**	**30,927.50**	**31,549.18**	**30,132.63**	**29,192.52**

Refer note 2 of Annexure V

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 examination report of even date attached.

As per our Report of even date
For G.D. Apte & Co.
Chartered Accountants
FRN: 100515W

For and on behalf of the Board of Directors of UTI Asset Management Company Limited

D K Mehrotra
Non Executive Chairman
(DIN: 00142711)

Imtaiyazur Rahman
Chief Executive Officer
& Whole Time Director
(DIN: 01818725)

CA Chetan R. Sapre
Partner
MRN: 116952

Surojit Saha
Chief Financial Officer

Arvind Patkar
Company Secretary

Place: Mumbai
Date: 10/08/2020

UTI Asset Management Company Limited

Annexure II - Restated Consolidated Summary Statement of Profit and Loss for the period ended

(Rs. In Million)

Particulars	Note No	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Income						
Revenue from Operations	24					
Interest Income		34.22	37.46	177.90	140.48	67.51
Dividend Income		0.12	0.28	2.52	4.89	5.72
Rental Income		24.39	14.42	75.16	62.54	102.56
Net Gain on Fair Value Changes		901.21	167.48	(86.61)	931.73	(225.05)
Sale of Services		1,597.84	2,038.37	7,878.87	8,906.25	9,668.58
Others - Net Gain/Loss on sale of Investments		60.15	87.09	501.85	459.19	1,881.20
Total Revenue from Operations		**2,617.93**	**2,345.10**	**8,549.69**	**10,505.08**	**11,500.52**
Other Income	25	92.75	87.52	359.92	303.86	126.95
Total Income		**2,710.68**	**2,432.62**	**8,909.61**	**10,808.94**	**11,627.47**
Expenses						
Fees and Commission Expense	26	6.65	6.38	29.11	21.09	17.90
Impairment on Financial Instruments	27	-	-	-	-	19.00
Finance Cost	28	22.93	20.54	84.76	81.92	87.09
Employee Benefit Expenses	29	980.38	888.26	3,398.56	3,066.50	3,207.56
Depreciation, amortisation and impairment	30	84.56	82.73	313.42	291.47	272.51
Other Expenses	31	383.93	370.33	1,629.30	2,435.50	2,569.12
Total Expenses		**1,478.45**	**1,368.24**	**5,455.15**	**5,896.48**	**6,173.18**
Profit/(Loss) before exceptional items and tax		**1,232.23**	**1,064.38**	**3,454.46**	**4,912.46**	**5,454.29**
Exceptional items		-	-	-	-	-
Profit Before Tax		**1,232.23**	**1,064.38**	**3,454.46**	**4,912.46**	**5,454.29**
Tax Expenses						
Current Tax		165.75	320.94	744.02	1,408.35	1,597.43
Tax adjustments for the earlier years		-	0.01	4.67	0.77	0.00
Deferred Tax		57.63	38.80	(54.01)	26.27	(188.95)
MAT Credit entitlement		(1.90)	(5.12)	(5.07)	(2.20)	(5.10)
Total Tax Expenses		**221.48**	**354.63**	**689.61**	**1,433.19**	**1,403.38**
Profit for the year		**1,010.75**	**709.75**	**2,764.85**	**3,479.27**	**4,050.91**
Profit attributable to:						
Owners of the Company		**1,005.54**	**715.30**	**2,730.30**	**3,528.31**	**3,642.05**
Less: Non-controlling interests		5.21	(5.55)	34.55	(49.04)	408.86
Other Comprehensive Income						
A i Items that will not be reclassified to profit & loss		(359.97)	(124.47)	(637.30)	(367.85)	(5.32)
ii Income Tax relating to items that will not be reclassified to profit and loss		-	-	-	-	-
B i Items that will be reclassified to profit & loss		-	-	-	-	-
ii Income Tax relating to items that will be reclassified to profit and loss		-	-	-	-	-
Total Other Comprehensive Income for the period		**(359.97)**	**(124.47)**	**(637.30)**	**(367.85)**	**(5.32)**
Profit for the year						
Other comprehensive income attributable to:						
Owners of the Company		(359.97)	(124.47)	(637.30)	(367.85)	(5.32)
Non-controlling interests		-				
Other comprehensive income for the year						
Total comprehensive income attributable to:						
Owners of the Company		645.57	590.83	2,093.00	3,160.46	3,636.73
Non-controlling interests		5.21	(5.55)	34.55	(49.04)	408.86
Total comprehensive income for the year		**650.78**	**585.28**	**2,127.55**	**3,111.42**	**4,045.59**
Earning per Equity Share						
Basic (in Rs.)		7.93	5.64	21.53	27.83	28.73
Diluted (in Rs.)		7.93	5.64	21.53	27.83	28.73

0.00 indicates amount less than Rs.0.005 Million

Refer note 2 of Annexure V

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 examination report of even date attached.

As per our Report of even date
For G.D. Apte & Co.
Chartered Accountants
FRN: 100515W

For and on behalf of the Board of Directors of UTI Asset Management Company Limited

D K Mehrotra
Non Executive Chairman
(DIN: 00142711)

Imtaiyazur Rahman
Chief Executive Officer
& Whole Time Director
(DIN: 01818725)

CA Chetan R. Sapre
Partner
MRN: 116952

Surojit Saha
Chief Financial Officer

Arvind Patkar
Company Secretary

Place: Mumbai
Date: 10/08/2020

UTI Asset Management Company Limited

Annexure III - Restated Consolidated Summary Statement of Cash Flows for the period ended

(Rs. In Million)

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
INDIRECT METHOD CASH FLOW FROM OPERATING ACTIVITIES					
Net profit & Loss Before Taxation	**1,232.23**	**1,064.38**	**3,454.46**	**4,912.46**	**5,454.29**
Adjustment for					
Depreciation, amortization and impairment	84.56	82.73	313.42	291.47	272.51
Finance Cost	22.93	20.54	84.76	81.92	87.09
Interest Income	(34.22)	(37.46)	(177.90)	(140.48)	(67.51)
Dividend Income	(0.12)	(0.28)	(2.52)	(4.89)	(5.72)
Rental Income	(24.39)	(14.42)	(75.16)	(62.54)	(102.56)
Expenses on the employee stock option scheme	(89.97)	-	(104.83)	-	-
Provision no longer required withdrawn (net)	(4.27)	-	32.07	46.68	5.31
Impairment on Financial Instruments	-	-	-	-	19.00
Amortisation of Other Financial Instrument	2.57	(0.47)	10.86	(6.86)	8.57
(Profit) / Loss on fair value changes	(901.21)	(167.48)	86.61	(931.73)	225.05
(Profit) / Loss on Sale of Investment	(60.15)	(87.09)	(501.85)	(459.19)	(1,881.20)
(Profit) / Loss on Sale of Property, Plant and Equipments	(0.06)	(0.17)	(1.76)	(0.73)	(0.69)
Operating Profit Before Working Capital Changes	**227.90**	**860.28**	**3,118.16**	**3,726.11**	**4,014.14**
Profit/(Loss) before exceptional items and tax					
(Increase)/ Decrease in Financial Assets Loans	10.35	4.53	(92.75)	75.17	18.22
(Increase)/ Decrease in other financial assets	4.27	(23.82)	(61.24)	(7.14)	(110.43)
(Increase)/ Decrease in Financial Assets Trade Receivable	35.26	(231.07)	(180.64)	224.87	(162.67)
(Increase)/ Decrease in Financial Assets Other Receivable	5.09	101.12	264.41	(313.05)	201.20
(Increase)/ Decrease in other Non Financial Assets	(35.69)	(44.31)	(4.51)	(22.82)	(67.23)
Increase/ (Decrease) in Financial Liabilities - Trade Payable	(236.28)	(248.04)	20.96	(941.59)	424.62
Increase/ (Decrease) in Other Financial Liabilities	18.44	87.50	290.61	81.99	37.42
Increase/ (Decrease) in Non Financial Provisions	467.21	219.29	(85.18)	420.46	267.50
Increase/ (Decrease) in Other Non Financial Liabilities	104.79	121.84	(8.24)	(27.06)	79.18
(Increase)/ Decrease in Other Comprehensive Income	(275.18)	(118.92)	(567.02)	(324.41)	(404.74)
	98.26	**(131.88)**	**(423.60)**	**(833.58)**	**283.07**
Cash Generated from Operations	**326.16**	**728.40**	**2,694.56**	**2,892.53**	**4,297.21**
Less : Income Tax Paid	(174.81)	(302.92)	(747.38)	(1,665.42)	(1,611.62)
Net cash generated from Operating Activities	**151.35**	**425.48**	**1,947.18**	**1,227.11**	**2,685.59**
CASH FLOW FROM INVESTING ACTIVITIES					
(Purchase) / Sale of Property, Plant and Equipments/ other intangible assets	(14.91)	(29.85)	(217.66)	(65.55)	(118.02)
(Purchase) / Sale of Financial Investment	(1,031.73)	(575.68)	(1,146.36)	(1,174.34)	(3,815.28)
Distribution from IIDF	-	-		(565.54)	565.54
Interest Income	34.22	37.46	177.90	140.48	67.51
Rental Income	24.39	14.42	75.16	62.54	102.56
Dividend Income	0.12	0.28	2.52	4.89	5.72
Profit / (Loss) on Sale of Investment	961.36	254.57	415.24	1,390.92	1,656.15
Increase/ (Decrease) in Other Financial Liabilities (ROU)	(135.62)	(98.56)	(365.42)	(51.24)	(2.03)
Net cash generated from Investing Activities	**(162.17)**	**(397.36)**	**(1,058.62)**	**(257.84)**	**(1,537.85)**
CASH FLOW FROM FINANCING ACTIVITIES					
Dividend Paid Previous year	-	-	(633.94)	(633.94)	(507.15)
Corporate Dividend Distribution Tax Paid Previous year	-	-	(58.36)	(130.31)	(78.81)
Effect of foreign exchange fluctuations	28.76	(102.80)	75.71	(21.22)	354.08
Repayment of lease liability	(54.79)	(45.76)	(191.08)	(165.21)	(167.66)
Increase/ (Decrease) in Other Financial Liabilities (lease liabilities)	76.32	34.79	133.90	51.24	2.04
(Increase)/ Decrease in Non Controlling Interest	6.57	(5.54)	(264.07)	(329.95)	(348.96)
Net cash generated from Financing Activities	**56.86**	**(119.31)**	**(937.84)**	**(1,229.39)**	**(746.46)**
Net Increase/ (Decrease) in cash and cash equivalent	**46.04**	**(91.19)**	**(49.28)**	**(260.12)**	**401.28**
Opening Cash and cash equivalents	1,192.52	1,241.80	1,241.80	1,501.92	1,100.65
Closing Cash and cash equivalents	**1,238.56**	**1,150.61**	**1,192.52**	**1,241.80**	**1,501.92**
Components of Cash and cash equivalent					
Cash and cash equivalents					
Balances with banks:					
On current accounts	752.72	958.43	707.69	486.82	1,329.27
Cash on hand	0.15	0.96	0.10	0.10	0.10
Other bank balances					
Deposits with Banks	485.69	191.22	484.73	754.88	172.55
	1,238.56	**1,150.61**	**1,192.52**	**1,241.80**	**1,501.92**

Refer note 2 of Annexure V

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 examination report of even date attached.

As per our Report of even date
For G.D. Apte & Co.
Chartered Accountants
FRN: 100515W

For and on behalf of the Board of Directors of UTI Asset Management Company Limited

D K Mehrotra
Non Executive Chairman
(DIN: 00142711)

Imtaiyazur Rahman
Chief Executive Officer
& Whole Time Director
(DIN: 01818725)

CA Chetan R. Sapre
Partner
MRN: 116952

Surojit Saha
Chief Financial Officer

Arvind Patkar
Company Secretary

Place: Mumbai
Date: 10/08/2020

Notes to Restated consolidated accounts annexed to and forming part of the financial statements for the period ended

Annexure IV : Restated Consolidated Summary Statement of Changes in Equity

(Rs. In Millions)

Balance at the beginning of the reporting period i.e. 1st April 2017	Changes in equity share capital during the FY 2017-18	Balance at the end of the reporting period i.e. 31st March 2018
1,267.87	-	1267.87

(Rs. In Millions)

Balance at the beginning of the reporting period i.e. 1st April 2018	Changes in equity share capital during the FY 2018-19	Balance at the end of the reporting period i.e. 31st March 2019
1,267.87	-	1267.87

(Rs. In Millions)

Balance at the beginning of the reporting period i.e. 1st April 2019	Changes in equity share capital during the FY 2019-20	Balance at the end of the reporting period i.e. 31st March 2020
1,267.87	-	1267.87

(Rs. In Millions)

Balance at the beginning of the reporting period i.e. 1st April 2019	Changes in equity share capital during the period 01st April 2019 to 30th June 2019	Balance at the end of the reporting period i.e. 30th June 2019
1,267.87	-	1267.87

(Rs. In Millions)

Balance at the beginning of the reporting period i.e. 1st April 2020	Changes in equity share capital during the period 01st April 2020 to 30th June 2020	Balance at the end of the reporting period i.e. 30th June 2020
1,267.87	-	1267.87

As per our Report of even date
For G.D. Apte & Co.
Chartered Accountants
FRN: 100515W

For and on behalf of the Board of Directors of UTI Asset Management Company Limited

D K Mehrotra
Non Executive Chairman
(DIN: 00142711)

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CA Chetan R. Sapre
Partner
MRN: 116952

Surojit Saha
Chief Financial Officer

Arvind Patkar
Company Secretary

Place: Mumbai
Date: 10/08/2020

Notes to Restated consolidated accounts annexed to and forming part of the financial statements for the period ended

Annexure IV : Restated Consolidated Summary Statement of Changes in Equity

Period : 1st April 2017 to 31st March 2018

(Rs. In Millions)

Particulars	Balance at the beginning of the Reporting period (01-04-2017)	Total comprehensive income for the year	Dividends	Transfer to retained earnings	Any other change	Restated balance at the end of the Reporting period (31-03-2018)	Figures at the beginning of the previous Reporting period (01-04-2016)
Reserves and Surplus							
i General Reserve	1,560.23	-	-	-	-	1,560.23	1,560.23
ii Security Premium Reserve	356.13	-	-	-	-	356.13	356.13
iii Foreign Currency Translation Reserve	(401.03)	354.08	-	-	-	(46.95)	28.76
iv Capital Redemption Reserve	4.50	-	-	-	-	4.50	4.50
v Retained Earnings	17,472.32	3,642.05	(585.96)	(0.58)	10.02	20,537.85	14,047.44
	18,992.15	**3,996.13**	**(585.96)**	**(0.58)**	**10.02**	**22,411.76**	**15,997.06**
Other Comprehensive Income						-	
i Opening Balances	0.02	-	-	-	-	0.02	-
ii Movement during the year	-	(5.32)	-	-	-	(5.32)	-
	0.02	**(5.32)**	**-**	**-**	**-**	**(5.30)**	-
	18,992.17	**3,990.81**	**(585.96)**	**(0.58)**	**10.02**	**22,406.46**	**15,997.06**

Period : 1st April 2018 to 31st March 2019

(Rs. In Millions)

Particulars	Balance at the beginning of the Reporting period (01-04-2018)	Total comprehensive income for the year	Dividends	Transfer to retained earnings	Any other change	Restated balance at the end of the Reporting period (31-03-2019)	Figures at the beginning of the previous Reporting period (01-04-2017)
Reserves and Surplus							
i General Reserve	1,560.23	-	-	-	-	1,560.23	1,560.23
ii Security Premium Reserve	356.13	-	-	-	-	356.13	356.13
iii Foreign Currency Translation Reserve	(46.95)	-	-	(21.22)	-	(68.17)	(401.03)
iv Capital Redemption Reserve	4.50	-	-	-	-	4.50	4.50
v Retained Earnings	20,537.85	3,528.31	(764.25)	-	(5.60)	23,296.31	17,472.32
	22,411.76	**3,528.31**	**(764.25)**	**(21.22)**	**(5.60)**	**25,149.00**	**18,992.15**
Other Comprehensive Income						-	
i Opening Balances	(5.30)	-	-	-	-	(5.30)	0.02
ii Movement during the year	-	(367.85)	-	-	-	(367.85)	-
	(5.30)	**(367.85)**	**-**	**-**	**-**	**(373.15)**	0.02
	22,406.46	**3,160.46**	**(764.25)**	**(21.22)**	**(5.60)**	**24,775.85**	**18,992.17**

Period : 1st April 2019 to 31st March 2020

(Rs. In Millions)

Particulars	Balance at the beginning of the Reporting period (01-04-2019)	Total comprehensive income for the year	Dividends	Transfer to retained earnings	Any other change	Restated balance at the end of the Reporting period (31-03-2020)	Figures at the beginning of the previous Reporting period (01-04-2018)
Reserves and Surplus							
i General Reserve	1,560.23	-	-	-	-	1,560.23	1,560.23
ii Security Premium Reserve	356.13	-	-	-	-	356.13	356.13
iii Share Option Outstanding Account	-	104.83	-	-	-	104.83	
iv Foreign Currency Translation Reserve	(68.17)	-	-	75.71	-	7.54	(46.95)
v Capital Redemption Reserve	4.50	-	-	-	-	4.50	4.50
vi Retained Earnings	23,296.31	2,730.30	(692.30)	-	-	25,334.31	20,537.85
	25,149.00	**2,835.13**	**(692.30)**	**75.71**	**-**	**27,367.54**	**22,411.76**
Other Comprehensive Income						-	
i Opening Balances	(373.15)	-	-	-	-	(373.15)	(5.30)
ii Movement during the year	-	(637.30)	-	-	-	(637.30)	-
	(373.15)	**(637.30)**	**-**	**-**	**-**	**(1,010.45)**	(5.30)
	24,775.85	**2,197.83**	**(692.30)**	**75.71**	**-**	**26,357.09**	**22,406.46**

Period : 1st April 2019 to 30th June 2019

(Rs. In Millions)

Particulars	Balance at the beginning of the Reporting period (01-04-2019)	Total comprehensive income for the year	Dividends	Transfer to retained earnings	Any other change	Restated balance at the end of the Reporting period (30-06-2019)	Figures at the beginning of the previous Reporting period (01-04-2018)
Reserves and Surplus							
i General Reserve	1,560.23	-	-	-	-	1,560.23	1,560.23
ii Security Premium Reserve	356.13	-	-	-	-	356.13	356.13
iii Foreign Currency Translation Reserve	(68.17)	-	-	(102.80)	-	(170.97)	(46.95)
iv Capital Redemption Reserve	4.50	-	-	-	-	4.50	4.50
v Retained Earnings	23,296.31	715.30	-	-	-	24,011.61	20,537.85
	25,149.00	**715.30**	**-**	**(102.80)**	**-**	**25,761.50**	**22,411.76**
Other Comprehensive Income						-	
i Opening Balances	(373.15)	-	-	-	-	(373.15)	(5.30)
ii Movement during the year	-	(124.47)	-	-	-	(124.47)	-
	(373.15)	**(124.47)**	**-**	**-**	**-**	**(497.62)**	(5.30)
	24,775.85	**590.83**	**-**	**(102.80)**	**-**	**25,263.88**	**22,406.46**

Period : 1st April 2020 to 30th June 2020

(Rs. In Millions)

Particulars	Balance at the beginning of the Reporting period (01-04-2020)	Total comprehensive income for the year	Dividends	Transfer to retained earnings	Any other change	Restated balance at the end of the Reporting period (30-06-2020)	Figures at the beginning of the previous Reporting period (01-04-2019)
Reserves and Surplus							
i General Reserve	1,560.23	-	-	(40.00)	-	1,520.23	1,560.23
ii Security Premium Reserve	356.13	-	-	-	-	356.13	356.13
iii Share Option Outstanding Account	104.83	90.00	-	-	-	194.83	-
iv Foreign Currency Translation Reserve	7.54	-	-	28.76	-	36.30	(68.17)
v Capital Redemption Reserve	4.50	-	-	-	-	4.50	4.50
vi Retained Earnings	25,334.31	1,005.54	-	-	-	26,339.85	23,296.31
	27,367.54	**1,095.54**	**-**	**(11.24)**	**-**	**28,451.84**	**25,149.00**
Other Comprehensive Income						-	
i Opening Balances	(1,010.45)	-	-	-	-	(1,010.45)	(373.15)
ii Movement during the year	-	(359.97)	-	-	-	(359.97)	-
	(1,010.45)	**(359.97)**	**-**	**-**	**-**	**(1,370.42)**	(373.15)
	26,357.09	**735.57**	**-**	**(11.24)**	**-**	**27,081.42**	**24,775.85**

As per our Report of even date
For G.D. Apte & Co.
Chartered Accountants
FRN: 100515W

For and on behalf of the Board of Directors of UTI Asset Management Company Limited

D K Mehrotra
Non Executive Chairman
(DIN: 00142711)

Imtaiyazur Rahman
Chief Executive Officer
& Whole Time Director
(DIN: 01818725)

CA Chetan R. Sapre
Partner
MRN: 116952

Surojit Saha
Chief Financial Officer

Arvind Patkar
Company Secretary

Place: Mumbai
Date: 10/08/2020

Annexure V - Significant Accounting Policies and Notes to Accounts annexed to and forming part of the Restated Consolidated Summary Financial Statements for the period ended 30th June 2020, 30th June 2019, and year ended 31st March 2020, 31st March 2019 and 31st March 2018.

1. Corporate Information & Proportion of ownership interest in subsidiaries included in consolidation

UTI Asset Management Company Limited

Corporate Information

UTI Asset Management Company Limited (The Company) was incorporated on 14th November, 2002 under the Companies Act, 1956 with the object to carry on activities of raising funds for and to render investment management services to schemes of UTI Mutual Fund and is registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996. In terms of the Investment Management Agreement, UTI Trustee Company Private Limited ('the Trustee') has appointed the Company to manage the Mutual Fund. The registered office of the Company is located at UTI Tower, GN Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

The Company is also undertaking portfolio management services to clients under Securities and Exchange Board of India (SEBI) (Portfolio Managers) Regulations, 1993 pursuant to a certificate granted by the SEBI. The Company is registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996. The said certificate is valid till it is suspended or cancelled by the Securities and Exchange Board of India.

The Company has four wholly owned subsidiaries viz. UTI Venture Funds Management Company Private Limited, UTI International Limited, UTI Retirement Solutions Limited and UTI Capital Private Limited. The Company also have investment in India Infrastructure Development Fund (IIDF) and has treated this investment made in IIDF as subsidiary, as per requirement of Ind AS 110 "Consolidated Financial Statements".

Proportion of ownership interest in subsidiaries included in consolidation

Name of the Company	Country of Incorporation	Proportion of Ownership Interest
UTI Venture Funds Management Company Private Limited	India	100%
UTI International Limited	Guernsey, Channel Islands	100%
UTI Retirement Solutions Limited	India	100%
UTI Capital Private Limited	India	100%
UTI International (Singapore) Private. Limited. (subsidiary of UTI International Limited, Guernsey)	Singapore	100%
UTI Investment Management Company (Mauritius) Limited. (subsidiary of UTI International Limited, Guernsey)	Mauritius	100%
UTI Private Equity Advisors (UPEA) (Subsidiary of UTI Venture Funds Management Company Private Limited)	Mauritius	100%

UTI Retirement Solutions Limited:

UTI Retirement Solutions Limited is a wholly owned subsidiary of UTI Asset Management Co. Limited. Incorporated on 14th December, 2007 under Companies Act, 1956 The Company is formed to carry out the operation as pension fund manager under National Pension System and as directed by the Pension Fund Regulatory and Development Authority (PFRDA) and the Board of Trustees of the National Pension Trust set up under the National Trust Act 1882. And to undertake wholesale asset management as prescribed by the Government or PFRDA.

UTI Venture Funds Management Company Private Limited:

UTI Venture Funds Management Company Private Limited Is a wholly owned subsidiary of UTI Asset Management Company Limited. The Company's business consists of managing Private Equity and Venture Funds. These Restated Consolidated Financial Statements relate to the Company and its wholly owned subsidiary, UTI Private Equity Limited, Mauritius (previously known as UTI Private Equity Advisors Limited, Mauritius) together referred to as the 'Group'.

UTI International Limited:

UTI International Limited (the 'Company' or 'UTI International') is a 100% subsidiary of UTI Asset Management Company Limited, a company incorporated in India ('UTI AMC'). UTI International operates from its head office (HO) in Guernsey and its branch in London. UTI International has two wholly owned subsidiaries UTI Investment Management Company (Mauritius) Limited ('UTI Mauritius') in Mauritius and UTI International (Singapore) Private Limited ('UTI Singapore') in Singapore. The Company, UTI Mauritius and UTI Singapore collectively form the UTI International Group (the 'Group').

The Group is principally engaged in administration and marketing of the Mauritius domiciled offshore funds setup by the erstwhile Unit Trust of India ('UTI') or UTI AMC, marketing of the offshore funds and the domestic mutual fund schemes of UTI AMC in overseas markets and acting as Manager / Advisor to those entities investing in India through the Foreign Portfolio Investor ('FP'I) route / regime.

The Company is licensed by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (the "POI Law") to carry on the restricted activities of promotion, subscription, registration, dealing, management, administration and advising in connection with Collective Investment Schemes and the restricted activities of promotion, subscription, dealing, management, administration, advising and custody in connection with General Securities and Derivatives.

UTI Capital Private Limited:

UTI Capital Private Limited is a wholly owned subsidiary of UTI Asset Management Company Limited incorporated on 13th May, 2011 under the then Companies Act, 1956 (now Companies Act, 2013). The Company's business consists of managing funds of India Infrastructure Development Fund (IIDF), UTI Structured Debt Opportunities Fund (SDOF) and providing advisory services to Pragati India Fund Limited (PIFL).

2.1 Preparation & Presentation of Financial Statements:

(a) Statement of compliance

The Restated Consolidated Summary Statement of Assets and Liabilities of the Group as at 30th June 2020, 30th June 2019, 31st March 2020, 31st March 2019 and 31st March 2018, Restated Consolidated Summary Statement of Profit and Loss, Restated Consolidated Summary Statement of Changes in Equity and Restated Consolidated Summary Statement of Cash Flows for the period ended 30th June 2020, 30th June 2019, 31st March 2020, 31st March 2019 and 31st March 2018, the summary of significant accounting policies and Restated Summary of Other Consolidated Financial Information from Annexure I to XI (hereinafter collectively referred to as "Restated Consolidated Summary Financial Information") have been prepared under Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 and other relevant provisions of the Act to the extent applicable. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations requires a different treatment.

(b) Basis of preparation

The Restated Consolidated Summary Financial Information has been prepared for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with proposed Initial Public Offering of its equity shares, in accordance with the requirements of:

(i) Section 26 of Chapter III of the Act of the Companies Act, 2013

(ii) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI') on 11 September 2018 in pursuance of the Securities and Exchange Board of India Act, 1992; and

(iii) Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI").

These Restated Consolidated Summary Financial Information and Other Consolidated Summary Financial Information have been extracted by the Management from the Audited Consolidated Financial Statements.

The financial statements up to year ended 31st March 2018 were prepared in accordance with the accounting standards notified under Companies (Accounts) Rules, 2014 as amended and other relevant provisions of the Act ("Indian GAAP" or "Previous GAAP").

Financial statements for the year ended 31st March 2019 were the first set of Ind AS financial statements issued by the Group, hence were covered by Ind AS 101, 'First Time Adoption of Indian Accounting Standards'. The transition to Ind AS has been carried out from the accounting principles generally accepted in India ('Indian GAAP'), which is considered as the Previous GAAP, for the purposes of Ind AS 101. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Group's Equity, Statement of Profit and Loss and Cash Flow Statement are provided in Note 37 to Annexure VI.

The financial statements of all subsidiaries considered in the restated consolidated financial statements, are drawn up to 30th June, 2020.

(c) Basis of Measurement

The Restated Consolidated Summary Financial Information have been prepared on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair value in accordance with Ind AS as below:

- Certain financial assets and liabilities measured at fair value,
- Assets and liabilities assumed on business combination measured at fair value,
- Net defined benefit (asset)/ liability - Fair value of plan assets less present value of defined benefit obligations.

(d) Basis of Consolidation

(i) The Restated Consolidated Summary Financial information incorporate the financial statements of the Parent Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. The Parent Company together with its subsidiaries constitute the Group. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

(ii) Consolidation of a subsidiary begins when the Parent Company, directly or indirectly, obtains control over the subsidiary and ceases when the Parent Company, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of Profit and Loss from the date the Parent Company, directly or indirectly, gains control until the date when the Parent Company, directly or indirectly, ceases to control the subsidiary.

(iii) The Restated Consolidated Summary Financial information of the Group combines financial statements of the Parent Company and its subsidiaries line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and unrealised profits/losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Parent Company. The Restated Consolidated Summary Financial information have been presented to the extent possible, in the same manner as Parent Company's standalone financial statements.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests and have been shown separately in the financial statements.

(iv) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Parent Company.

(v) The gains/losses in respect of part divestment/dilution of stake in subsidiary companies not resulting in ceding of control, are recognised directly in other equity attributable to the owners of the Parent Company.

(vi) The gains/losses in respect of divestment of stake resulting in ceding of control in subsidiary companies are recognised in the Statement of Profit and Loss. The investment representing the interest retained in a former subsidiary, if any, is initially recognised at its fair value with the corresponding effect recognised in the Statement of Profit and Loss as on the date the control is ceded. Such retained interest is subsequently accounted as an associate or a joint venture or a financial asset.

(vii) On consolidation, assets and liabilities relating to the non-integral foreign operations are translated at the exchange rate prevailing on the balance sheet date. Revenue and expenses are translated at the average rates prevailing in the period. Exchange differences arising out of these translations are included in the Balance sheet under Reserves and Surplus under the nomenclature "Foreign Currency Translation Reserve on Consolidation".

In Case of UTI International Limited, The financial statements of the subsidiaries are prepared for the same reporting year as the company, using consistent accounting policies. Where the company by itself or through its subsidiaries, holds management shared in underlying offshore funds (The UTI India Fund Limited ('India Fund'), The India Pharma Fund Limited ('Pharma Fund'), The India Debt Opportunities Fund Limited ('Debt Fund'), UTI Rainbow Fund Limited ('Rainbow Fund'), Shinsei UTI India Fund ('Mauritius') Limited (Shinsei Fund'), UTI International Wealth Creator Funds 1 to 6 ('Wealth Creator Funds') and UTI Spectrum Fund Limited has the power to govern their financial and operating policies but is not entitled to their economic benefits, such entities are not consolidated in these Restated consolidated Summary financial statements.

In case of UTI Venture Funds Management Company Private Limited, the Company has a wholly owned subsidiary, UTI Private Equity Limited, Mauritius. The subsidiary Company is a holder of 100 management shares having a face value of USD 1 each in the offshore pooling vehicle of Fund II viz Ascent India Limited . In addition to the management shares, Ascent India Limited has issued Class A and B Participating Shares at the face value of USD 100 each. The management shares do not carry any economic interest in the form of dividends, are not be redeemable but carry voting rights in the investment Company. Only the Participating shares carry the beneficial interest in the investment Company, are redeemable, entitled to dividends but are not entitled to voting rights in the investment Company. Upon liquidation of the investment Company, the management shareholders are entitled to receive their nominal capital only, subject to a maximum of $100. The management is of the opinion that since the management shares of the Company in Ascent India Limited do not have any economic benefits, consolidation of the financial statements of Ascent India Limited with UTI Private Equity Advisors as per Ind AS 110 will not be appropriate. Accordingly, the financial statements of Ascent India Limited have been excluded from consolidation.

2.2 Use of Estimates & Judgments:

2.2A: Key sources of estimation:

The preparation of the Restated Consolidated Summary Financial Information in accordance with Ind AS requires use of judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively. Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are as follows:

- **Useful lives of property, plant and equipment**

The Group estimates the useful lives of property, plant and equipment based on the period over which the assets are expected to be available for use. The estimation of the useful lives of property, plant and equipment is based on collective assessment of industry practice, internal technical evaluation and on the historical experience with similar assets. It is possible, however, that future results from operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected

by changes in these factors and circumstances. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

- **Use full life Intangible assets**

The useful life is based on a reasonable estimate.

- **Future obligations in respect of retirement benefit plans**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

- **Provision for income tax**

Provision for income taxes is the estimated amount that the Group expects to pay in income taxes for the current year. The amount of this provision is derived by adjusting the reported net income of the Group with a variety of permanent differences and temporary differences.

- **Measurement of deferred tax assets**

In determining the recoverability of deferred income tax assets, the Group primarily considers current and expected profitability of applicable operating business segments and their ability to utilize any recorded tax assets. The Group reviews its deferred income tax assets at every reporting period end, taking into consideration the availability of sufficient current and projected taxable profits, reversals of taxable temporary differences and tax planning strategies.

- **Provisions, contingent assets and liabilities**

Provisions are liabilities of uncertain amount or timing recognised where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic benefit is probable. Contingent liabilities are possible obligations that may arise from past event whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not fully within the control of the Group. The Group exercises judgment and estimates in recognizing the provisions and assessing the exposure to contingent liabilities relating to pending litigations. Judgment is necessary in assessing the likelihood of the success of the pending claim and to quantify the possible range of financial settlement. Due to this inherent uncertainty in the evaluation process, actual losses may be different from originally estimated provision.

- **Fair value measurement**

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/assets which are required to subsequently be measured at amortized cost, interest is accrued using the effective interest method.

- **Share based payments**

The fair value of options has been estimated as on the grant date using Black - Scholes model. The key assumptions used in Black – Scholes model for calculating the fair value of option under ESOS 2007 has been stipulated in note no 47.

- **Lease term**

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

2.2B: Critical Assumptions, estimation and uncertainties:

The following are the critical judgments, apart from those involving estimations, that the Management have made in the process of applying the Group's accounting policies and that have the significant effect on the amounts recognized in the Restated Consolidated Financial Statements:

Determination of control in case of investments held by the company:

Judgment is required in assessing the level of control obtained in a transaction to acquire an interest in another entity; depending upon the facts and circumstances in each case, the Company may obtain control, joint control or significant influence over the entity or arrangement. Transactions which give the Company control of a business are business combinations. If the Company obtains joint control of an arrangement, judgment is also required to assess whether the arrangement is a joint operation or a joint venture. If the Company has neither control nor joint control, it may be in a position to exercise significant influence over the entity, which is then classified as an associate.

The investment portfolio of the Holding Company includes investment in mutual Fund scheme, investment in IIDF investment in Ascent India Fund, Ascent India Fund III, investment in MF Utilities and investment in Institutional Investor Advisory Services India Limited and investment SDOF, which have been examined on the principles laid down in Ind AS 110, to assess whether control exist on the following parameters:

(a) Power over the investee

(b) Exposure, or rights to variable returns from its involvement with the investee and

(c) The ability to use its power over the investee to affect the amount of the investor's returns, in terms of delegated power, tradeoff between kick-out rights and aggregate economic interest.

Accordingly, the Company has concluded that it does not have control over investment in Mutual Fund, investment in SDOF, investment in Ascent India Fund, Ascent India Fund III, investment in MF Utilities and investment in Institutional Investor Advisory Services India Limited but has control in case of investment in IIDF and UTI Nifty Next 50 ETF, hence disclosed the same in line with the disclosure of the investment in subsidiaries. However control over UTI Nifty Next 50 ETF fund was for the financial year 2017-18 only.

In UTI International Limited:

Fair value of financial assets and financial liabilities that are traded in active markets are based on quoted prices or dealers price quotations.

For all other financial instruments, the Company determines fair values using valuation techniques. Valuation techniques include using trading multiples of comparable listed companies and other valuation models. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

The valuation techniques take into account the most updated information and estimates available to the company on the reporting date. Because of the uncertainties inherent in estimating fair value for private equity investments, care is applied in exercising judgment and making the necessary estimates. Techniques would be applied consistently from period to period, except where a change would result in better estimates of fair value.

The Company invests only in UTI India Dynamics Equity Fund, which is an open-end fund incorporated in Ireland and invests in a diversified portfolio of equities and equity related securities which are listed on the Bombay Stock exchange and the National Stock Exchange.

The Company uses the Net Asset Value (NAV) per share to evaluate the fair value of its investment as at year end. The NAV is calculated by State Street, who is the administrator, secretary and the custodian of the investee company. The NAV is calculated on a daily basis and is posted on Bloomberg.

2.3 Fair Value measurement

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above. 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:

(i) in the principal market for the asset or liability; or
(ii) in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the Restated Consolidated Summary Financial Information are categorized within the fair value hierarchy that categorizes into three levels, as described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (level 3 inputs).

- Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

For assets and liabilities that are recognised in the Restated Consolidated Summary Financial Information at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

2.4 Revenue Recognition:

The Group has adopted Ind AS 115 w.e.f. 1st April 2018 using the modified retrospective approach. For the special purpose of preparing the restated consolidated summary financial information the Group has followed the same accounting policy choices w.e.f. 1st April 2016 as initially adopted on its Ind AS 115 however, impact on the financial

statements upon adoption of Ind AS 115 is not material considering the natures and size of business of the group company.

The Group applies for the five - step approach for recognition of revenue.

- Identification of contract(s) with customer
- Identification of separate performance obligation in the contract
- Determination of transition price
- Allocation of transaction price to the separate performance obligation, and
- Recognition of revenue when (or as) each performance obligation is satisfied.

A. Revenue - Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that future economic benefits will flow to the Group. Revenue is measured based on the consideration specified in the contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over service to a customer.

a) Management fees are accounted over a period of time for each of the management and advisory agreement entered. Fees from advisory services are accounted as per the advisory mandates entered into with the clients on completion of the performance obligation.

b) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

- Interest income or expense is recognized using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortized cost of the financial liability.

c) Dividend income is recognised when the Group's right to receive dividend is established.

If the consideration promised in a contract includes a variable amount, an entity estimates the amount of consideration to which it will be entitled in exchange for transferring the promised services to a customer. An amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if an entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

B. Contract Costs - In accordance with Ind AS - 115, incremental costs to obtain a contract are capitalized and amortized over the contract term if the costs are expected to be recoverable. The Group does not capitalize incremental costs to obtain a contract where the contract duration is expected to be one year or less.

C. Arrangements with Multiple Performance Obligations

The Group’s contracts with customers may include multiple performance obligations. For such arrangements, the Group allocates revenue to each performance obligation based on its relative standalone selling price, which is generally determined based on the price charged to customers.

D. Contract assets and liabilities:

Contract assets relate primarily to the Group's rights to consideration for work completed but not billed at each reporting date. Contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to a customer.

Contract liabilities primarily relate to consideration received in advance from customers, for which the performance obligation is yet to be satisfied.

- **Nature of services:**

The group principally generates revenue from providing portfolio management services to its clients and from investment management fees earned from UTI Mutual Funds where UTI AMC is appointed as an investment manager.

Services	Nature, timing of satisfaction of performance obligations and significant payment terms
Investment Management Fees & Portfolio Management Fee	A. UTI AMC has been appointed as an investment manager for UTI Mutual Funds. The company receives investment management fees from the mutual funds which is charged as a percent of the Average Asset Under Management (AUM) on a weekly basis and is invoiced on a weekly basis to UTI Mutual Fund. The maximum amount of management fee that can be charged is subject to SEBI regulations. Management fees are accounted for on accrual basis in accordance with the Investment Management and Advisory Agreement with the UTI Trustee Company Private Limited, Services Agreement with the Administrator of the Specified Undertaking of Unit Trust of India (SUUTI) and the agreements with the clients of the Wealth Management Division of UTI Asset Management Company Limited. It is based on the audited net asset value as recorded by the Schemes of UTI Mutual Fund. Fees from SUUTI are charged based on mutual agreement. Management Fees from Portfolio Management Services is charged on the basis of agreements with the clients based on the audited portfolio values recorded by the Wealth Management Division of UTI Asset Management Company Limited. UTI AMC Ltd also receives AMC Fees from 3 Offshore funds floated in India (India Fund, India Pharma Fund & IDOF). UTI AMC Ltd a monthly fees from these offshore funds. UTI AMC Limited is registered with Pension Fund Regulatory & Development Authority (PFRDA), under NPS architecture providing Point of Presence service to subscribers, for which the company receives service charges as applicable. Therefore, the contract includes a single performance obligation (series of distinct services) that is satisfied over the time and the management fees and the performance fee earned are considered as variable consideration which are included in the transaction price only to the extent that no significant revenue reversal will occur (i.e. when the uncertainties related to the variability are resolved). Management fees recognized are in line with SEBI (Mutual Fund) Regulation, 1996 (SEBI Regulations) as amended from time to time, based on daily net asset value.

	B. Management fees of UTI Retirement Solutions are accounted for on accrual basis in accordance with the Investment Management Agreement with the NPS Trust (National Pension System Trust).
	C. Income from management fees of UTI Venture Funds Management Company Private Limited is recognised when they contractually accrue except when collectability is in doubt.
	D. Management fees, Investor service fees, advisory fees, marketing service fees and performance fees of UTI International Ltd are recognised on an accrual basis in accordance with the terms of relevant agreements.
	E. In case of UTI Capital Private Limited The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "Revenue from Contracts with Customers" related to revenue recognition which replaces all existing revenue recognition standards and provide a single, comprehensive model for all contracts with customers. The revised standard contains principles to determine the measurement of revenue and timing of when it is recognized. The amendment also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in those judgments as well as assets recognized from costs incurred to fulfil these contracts.

GST is not received by the Group on its own account. Rather, it is collected by UTI on behalf of the government. Accordingly, it is excluded from revenue.

2.5 Leases

The Group has adopted Ind AS 116 w.e.f. 1st April 2019 using the modified retrospective approach. For the special purpose of preparing the restated consolidated summary financial information the Group has followed the same accounting policy choices w.e.f. 1st April 2016 as initially adopted on its Ind AS 116 transition date and accordingly suitable restatement adjustments (both re-measurements and reclassifications) in the accounting heads have been made in the restated consolidated summary financial information.

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, deferred lease components of security deposits and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain

ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of- use assets are subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is premeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. For arrangements entered into prior to 1st April 2016, the Group has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment's that are low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense in statement of profit and loss.

2.6 Property, plant and equipment:

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation, and impairment losses, if any. The cost of acquisition is inclusive of duties, freight and other incidental expenses related to acquisition and installation of the assets. Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value, only if it increases the future benefits from existing asset beyond its previously assessed standard of performance. Capital work in progress is stated at cost.

For transition to Ind AS, the group has elected to adopt as deemed cost, the carrying value of PPE measured as per I-GAAP less accumulated depreciation and cumulative impairment on the transition date of 1st April 2016. In respect of revalued assets, the value as determined by valuers as reduced by accumulated depreciation and cumulative impairment is taken as cost on transition date.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Gains or losses arising from disposal of Property, Plant and Equipments are measured as the differences between the net disposal proceeds and carrying amount of asset and are recognized in the Statement of Profit and Loss when the asset is disposed.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work in progress and Capital advance".

Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

The group provides depreciation on Property, plant & equipment in the manner prescribed in schedule II to Companies Act, 2013 on straight line method (SLM) on pro-rata basis, based on prescribed useful life of assets which are as under:

Description of Assets	**Useful Lives in years**	
	As per the Companies Act, 2013	**As per management's estimate**
Building*	60	60
Server & Network	6	6
Computer & Laptop	3	3
Office Equipment	5	5
Furniture	10	10
Vehicle **	8	6

*In order to the determine the useful life of building, the Group has considered the total useful life as suggested in companies act, while determining the same we have taken into account the period for the underlying assets which has been used by the previous owner.

* The group, based on technical assessment and with best management estimate, depreciates certain items of building over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

** Management believes that the useful life of asset reflect the period over which it is expected to be used.

Assets costing individually Rs.5000 or less are depreciated at the rate of 100% on pro-rata basis.

Considering the materiality aspect, residual value 5 % of the cost has been taken only for buildings.

UTI International Limited:

All items of property, plant and equipment are initially recorded at cost and are recognised as an asset if, it is probable that future economic benefits associated with the items will flow to the company. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable.

Depreciation on tangible assets is calculated at 25% to 33% in respect of computers, furniture and fixtures and office equipment on a straight-line basis so as to write off the cost of fixed assets on a pro rata basis over their anticipated useful lives.

The residual values, useful life and depreciation method are reviewed at each financial year end to ensure the amounts, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodies in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gains or losses arising on de-recognition of the asset is included in profit or loss in the financial year the asset is derecognised.

2.7 Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. Such cost includes purchase price, borrowing cost, and cost directly attributable to brining the asset to its working condition for the intended use. Thereafter intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Software are amortised over a period of 3 years on straight line method (SLM) on pro-rata basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal value and the carrying amount of the asset and are recognised in the Statement of Profit & Loss. Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as “intangible assets under development”.
Intangible assets are amortized on straight line basis over the estimated useful life. The method of amortization and useful life is reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortization on impaired assets is provided by adjusting the amortization charge in the remaining periods so as to allocate the asset’s revised carrying amount over its remaining useful life.

2.8 Investment Properties:

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any,

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013 or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful lives are reviewed periodically and the effect of any change in the estimates of useful life/ residual value is accounted on prospective basis.

Though the group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of profit or loss in the period of de-recognition.

2.9 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial Assets:

1. Initial recognition and measurement

Financial assets, with the exception of loans, are initially recognised on the trade date, i.e., the date that the group becomes a party to the contractual provisions of the instrument. Loans are recognised when funds are transferred to the customers' account. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

2. Subsequent recognition and measurement

The group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

a) Amortised cost
b) FVOCI (Fair value through other comprehensive income).
c) FVTPL (Fair value through profit and loss).

As per Ind AS 109, Financial Assets have to be measured as follows:

a) Financial assets carried at amortised cost (AC)

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortized cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognized in the Statement of Profit and Loss.

b) Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss.

c) Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in FVOCI for equity instruments which are not held for trading. Debt instruments that do not meet the amortized cost or FVOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortized cost or FVOCI criteria but are designated as at FVTPL are measured at FVTPL. A debt instrument that meets the amortized cost or FVOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss is included in the "Revenue from Operations". The transaction cost directly attributable to the acquisition of financial asset at fair value through profit and loss is immediately recognized to profit and loss.

3. Investment in equity instruments issued by subsidiaries are measured at cost less impairment.

4. De-recognition

The Group has transferred its rights to receive cash flows from the asset or the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. On de-recognition of a financial asset in its entirety, the differences between the carrying amounts measured at the date of de-recognition and the consideration received is recognised in profit or loss.

5. Impairment

In accordance with Ind AS 36 at each reporting date, the Group assesses whether financial assets carried in the books are credit-impaired. Financial assets are said to be credit impaired, when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.

This process also includes, whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the net selling price and the value in use; and
(ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit’s net selling price and the value in use.

In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. Investment in IIDF, , is carried at deemed cost which was fair valued as on the transition date of Ind AS, i.e. on 01.04.2016, The Investment Managers of IIDF has got the extension for the fund for another 1 year i.e. till 12.05.2021. Since the investment in IIDF will get matured on May 2021, therefore the investment in IIDF has been faire valued to the NAV as on June 2020 according to the guidelines of Ind AS 36.

B. Financial Liabilities:

1. Initial recognition and measurement

As per Ind AS 32, a financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets & liabilities with another entity under conditions that are potentially unfavourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2. Subsequent recognition and measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial guarantee contracts, if not designated as at FVTPL, are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative income amortisation, whichever is higher.

3. De-recognition

A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.10 Offsetting of Financial Instruments:

Financial assets and financial liabilities are offset and the net amount reported in statement of financial position if, and only if:

- There is a current enforceable legal right to offset the recognised amounts; and
- There is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.11 Transactions in Foreign Currency:

Transactions in foreign currency are accounted for at the average rate of exchange prevailing for the period fees are payable. Exchange differences, if any, arising out of transactions settled during the year are recognized in the Statement of Profit and Loss. Monetary Assets and Liabilities denominated in foreign currencies as at the Balance Sheet date are translated at the closing exchange rate. The exchange differences, if any, are recognized in the Statement of Profit and Loss.

The company has a 100% owned subsidiary UTI International Limited, Guernsey, UTI Investment Management Company (Mauritius) Limited (subsidiary of UTI International Limited, Guernsey), UTI Private Equity Advisors (UPEA) Mauritius (P) Limited (Subsidiary of UTI Venture Funds Management Company (P) Limited) and UTI International (Singapore) Private Limited (subsidiary of UTI International Limited, Guernsey). The amount payable as business support / marketing fees to the subsidiary in respect of domestic funds is converted into INR for the period it is payable at the periodic average rate.

2.12 Employee Benefits Expenses:

Short Term Employee Benefits:

The undiscounted amount of short term employee benefits falling due within twelve months of rendering the service are classified as short term employee benefit and are expensed out in the period in which the employee renders the related service.

Defined Contribution Plans:

A defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions to a separate entity. Contributions to defined contribution schemes such as employees provident fund scheme is charged as an expenses based on the amount of contribution required to be made as when services are rendered by the employees. In case of The Group, Provident Fund for eligible employees is managed by the Group through trust "UTI AMC Employees Provident Fund". UTI AMC EPF is covered under "The Provident Funds Act, 1925.

In case of UTI International Limited, The Company participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Company makes contributions to the Central Provident Fund ("CPF") scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the financial period in which the related service is performed.

For UTI Capital Private Limited, defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to Public Provident Fund (PPF). The Company expenses its contribution to the statutory provident fund @ 10% of the basic salary and additional pay, wherever applicable, for each employee.

Defined Benefit Plans:

For defined benefit plans, the amount recognized as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognized immediately in the Statement of Profit and Loss). The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited to 'Finance costs' in the Statement of Profit and Loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognized immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss. In case of pension fund, If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. The Group expenses its contribution to the statutory Pension fund @ 10% of the basic salary and additional pay, wherever applicable, for each employee.

The defined benefit plan surplus or deficit on the Balance Sheet date comprises fair value of plan assets less the present value of the defined benefit liabilities (using a discount rate by reference to market yields on government bonds at the end of the reporting period).

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method.

Actuarial gains and losses are recognised in the Statement of Other Comprehensive Income (OCI) in the period in which they occur. Past service cost is recognised immediately. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost.

For UTI Capital Private Limited, Company's contribution in case of Gratuity and Compensated absences are funded annually with the Life Insurance Corporation of India under the respective schemes, based on the actuarial valuation as per IND AS -19 'Employee Benefits' Actuarial valuation is based on a number of assumptions. These assumptions are reviewed at each reporting date.

For UTI VFL, Gratuity, which is a defined benefit scheme, is not funded and the cost of providing services is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date.

Share-based payment transactions:

The Employee Stock Option Scheme provides for the grant of options to acquire equity shares of the Company to its eligible employees are measured at fair value of the equity instruments at the grant date. The period of vesting and period of exercise are as specified within the respective schemes. Details regarding the determination of the fair value of equity settled share based payments transactions are set out in Note 47.

The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revives its estimate of the number of equity instruments expected to vest. The impact of the revision of original estimates, if any, is recognised in Statement of profit and loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to Share based options outstanding account. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Other Long Term Employee Benefits:

Other long term employee benefits include accumulated compensated absences that are entitled to be carried forward for future availment subject to Group's policies. The Group's liability towards accumulated compensated absences are accrued and provided for on the basis of an actuarial valuation using Projected Unit Credit Method at the end of the reporting period.

For UTI International Limited, the net liability for the long term incentives is the aggregate of the present value of the defined benefit obligation (derived using a discount rate based on risk free rate) at the end of the reporting period.

2.13 Cash & Cash Equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

2.14 New fund offer expenses of mutual fund:

Expenses relating to new fund offer of mutual fund schemes are charged in the statement of profit & loss in the year in which such expenses are accrued.

Expenses incurred on behalf of schemes of UTI Mutual Fund are recognised as recoverable from the schemes in accordance with the provision of SEBI (Mutual Fund) Regulation, 1996.

2.15 Taxes on Income:

The tax expense for the period comprises current and deferred tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the comprehensive income or in equity. In which case, the tax is also recognized in other comprehensive income or equity.

Current Tax:

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax Act 1961, and based on the expected outcome of assessments/appeals.

Deferred Tax:

Deferred income taxes reflect the impact of current period temporary differences between taxable income and accounting income for the period and reversal of temporary differences of earlier periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax liabilities are generally recognised for all taxable temporary differences, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable those taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax relating to items recognized outside profit or loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

In UTI Capital Private Limited, Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realized.

2.16 Contingencies & Provisions:

In accordance with Ind AS 37, provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are not recognized in books of accounts. They are disclosed by way of notes, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in restated consolidated summary financial statements. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed, only where an inflow of economic benefits is probable.

2.17 Impairment of Assets (Other than Financial Assets):

At each Balance Sheet date, the management reviews the carrying amounts of assets to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the net selling price and the value in use; and
(ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss.

Reversal of impairment loss is recognized immediately as income in the Statement Profit and Loss.

2.18 Earnings per share

a) Basic earnings per share

Basic earnings per share is computed by dividing profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period.

a) Diluted earnings per share

Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

2.19 Business combination

In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when the control is transferred to the Group. The consideration transferred for the business combinations is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is premeasured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or OCI as appropriate.

2.20 Functional and presentation currency

The functional currency of the Company and its Indian subsidiaries is Indian Rupees (INR), whereas the functional currency of foreign subsidiaries are is GBP (UTI International Limited).

The presentation currency of the Group is Indian Rupees (INR). All figures appearing in the restated consolidated summary financial statements are rounded to the nearest million, unless otherwise indicated.

2.21 Explanation of transition to Ind AS:

As stated in Notes, these are the group's first Restated Consolidated summary Financial Statements prepared in accordance with Ind AS. For the year ended 31st March 2017, the group had prepared its Consolidated Financial Statements in accordance with companies (Accounting Standards) Rules, 2006, notified under section 133 of the Act and other relevant provisions of the Act (Previsions GAAP). As envisaged by the SEBI Circular, the Group has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on its Ind AS transition date (i.e. 1st April 2017) while preparing proforma financial information for the Financial Year 2016-17 and accordingly suitable restatement adjustments (both re-measurements and reclassifications) in the accounting heads have been made in the proforma financial information.

The Accounting policies set out in note 2 have been applied in preparing Consolidated Financial Statements for the year ended 31st March 2020 including the comparative information for the year ended 31st March 2019 and 31st March 2018.

In preparing its consolidated Ind AS balance sheet as at 1st April 2017 and in presenting the comparative information for the year ended 31st March 2018, the group has adjusted amounts reported previously in the financial statement prepared in accordance with previous GAAP. This note explains the principle adjustments made by the group is restating its Consolidated Financial Statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flows.

Optional exemptions availed and mandatory exceptions

In preparing these Consolidated financial statements, the Group has applied the below mentioned optional exemptions and mandatory exceptions:

A. Optional exemption availed:

(i) Business Combination:

As per Ind AS 101, at the date of transition, an entity may elect not to restate business combinations that occurred before the date of transition. If the entity restates any business combinations that occurred before the date of transition, then it restates all later business combinations, and also apply Ind AS 110, Consolidated Financial Statements, from that same date.

The Group has opted to apply Ind AS 103 prospectively to business combination occurring after the transition date. Business combination occurring prior to the transition date have not been restated

(ii) Property, Plant & Equipment:

As per Ind AS 101 an entity may elect to:

(i) Measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date

(ii) Use a previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost,

The elections under (i) and (ii) above are also available for intangible assets that meets the recognition criteria in Ind AS 38, Intangible Assets, (including reliable measurement of original cost);

(iii) use carrying values of property, plant and equipment, intangible assets and investment properties as on the date of transition to Ind AS (which are measured in accordance with previous GAAP and after making adjustments relating to decommissioning liabilities prescribed under Ind AS 101) if there has been no change in its functional currency on the date of transition.

As permitted by Ind AS 101, the Group has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets and investment property also. The carrying values of property, plant and equipment as aforesaid are after making adjustments relating to decommissioning liabilities.

(iii) Estimates:

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error.

However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Companies estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the Restated Consolidated Summary Financial Statements that were not required under the previous GAAP are listed below:

- Fair valuation of financial instruments carried at FVTPL and/ or FVOCI.
- Impairment of Investments and other financial assets.
- Determination of the discounted value for financial instruments carried at amortised cost.

(iv) De-recognition of financial assets and liabilities:

As per Ind AS 101, an entity should apply the de-recognition requirements in Ind AS 109, Financial Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the de-recognition requirements retrospectively from a date chosen by it, if the information needed to apply Ind AS 109 to financial assets and financial liabilities de-recognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Group has elected to apply the de-recognition principles of Ind AS 109 retrospectively as reliable information was available at the time of initially accounting for these transactions.

(v) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Group has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

UTI Asset Management Company Limited

Annexure VI - Notes to the Restated Consolidated Summary Financial Information annexed to and forming part of the financial statements for the period ended

(Rs. In Million)

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Financial Assets					
3. Cash and Cash Equivalents					
Balances with banks:					
Cash on hand	0.15	0.96	0.10	0.10	0.10
On current accounts	752.72	958.43	707.69	486.82	1,329.27
Deposits with Banks	485.69	191.22	484.73	754.88	172.55
	1,238.56	**1,150.61**	**1,192.52**	**1,241.80**	**1,501.92**
4. Receivables					
Trade Receivables					
Outstanding for a period exceeding six months from the date they are due for payment					
(Unsecured, considered good)	106.06	72.52	82.58	78.32	102.39
Significant increase in credit risk	-	-	-	1.97	2.16
Others					
(Unsecured, considered good)	314.86	434.09	373.60	195.25	395.86
	420.92	**506.61**	**456.18**	**275.54**	**500.41**
Other Receivables					
Others					
Receivable from Structures Debt Opportunities Fund	-	-	-	1.64	-
Other Advances (Secured, considered good)					
Receivable from UTI Mutual Fund	92.30	260.68	97.39	360.16	48.75
	92.30	**260.68**	**97.39**	**361.80**	**48.75**
	513.22	**767.29**	**553.57**	**637.34**	**549.16**
5. Loans					
Loans to Employees	179.81	213.75	186.30	226.88	281.67
Provision for loans & advances	(0.56)	(0.56)	(0.56)	(0.56)	(0.56)
Loan to UTI Employees Credit Co-operative Society Ltd.	-	12.19	3.55	12.26	18.57
Security Deposits	34.47	37.71	33.72	37.11	48.06
Advances recoverable in cash or kind	150.33	14.03	151.39	5.96	9.08
	364.05	**277.12**	**374.40**	**281.65**	**356.82**

(Rs. In Millions)

Details of Investments	30th June 2020			30th June 2019			31st March 2020			31st March 2019			31st March 2018		
Financial Assets	Amortised Cost	At Fair Value through Profit & Loss	Total	Amortised Cost	At Fair Value through Profit & Loss	Total	Amortised Cost	At Fair Value through Profit & Loss	Total	Amortised Cost	At Fair Value through Profit & Loss	Total	Amortised Cost	At Fair Value through Profit & Loss	Total
6. Investments															
Investments in Mutual Fund	-	18,969.09	18,969.09	-	17,574.14	17,574.14		18,364.83	18,364.83	-	17,378.55	17,378.55	-	16,800.60	16,800.60
Investments in Offshore Fund	-	2,479.65	2,479.65	-	2,557.71	2,557.71		2,114.73	2,114.73	-	2,590.88	2,590.88	-	2,153.06	2,153.06
Investment in Venture fund	-	2,947.18	2,947.18	-	2,506.13	2,506.13		2,907.24	2,907.24	-	2,106.54	2,106.54	-	1,758.29	1,758.29
Investments in Preference Shares	-	-	-	-	369.50	369.50		-	-	-	369.50	369.50	-	362.89	362.89
Investment in Equity Instruments	-	177.97	177.97	-	177.97	177.97		170.71	170.71	-	168.23	168.23	-	715.55	715.55
Total Gross Investments (A)	**-**	**24,573.89**	**24,573.89**	**-**	**23,185.45**	**23,185.45**		**23,557.51**	**23,557.51**		**22,613.70**	**22,613.70**		**21,790.39**	**21,790.39**
Investment outside India	-	2,479.65	2,479.65	-	2,557.71	2,557.71		2,114.73	2,114.73	-	2,590.88	2,590.88	-	-	-
Investment in India	-	22,094.24	22,094.24	-	20,627.74	20,627.74		21,442.78	21,442.78	-	20,022.82	20,022.82	-	21,790.39	21,790.39
Total (B)	**-**	**24,573.89**	**24,573.89**	**-**	**23,185.45**	**23,185.45**		**23,557.51**	**23,557.51**	**-**	**22,613.70**	**22,613.70**	**-**	**21,790.39**	**21,790.39**
Less : Allowance for Impairment (C)	-	-	-	-	-	-			-	-	-	-	-	1.90	1.90
Total Net Investments (D = A-C)	**-**	**24,573.89**	**24,573.89**	**-**	**23,185.45**	**23,185.45**		**23,557.51**	**23,557.51**	**-**	**22,613.70**	**22,613.70**	**-**	**21,788.49**	**21,788.49**

UTI Asset Management Company Limited

Notes to restated consolidated accounts annexed to and forming part of the financial statements for the period ended

(Rs. In Million)

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
7. Other Financial Assets					
Receivable from UTI Mutual Fund	0.66	0.66	0.66	0.66	0.66
Investor Education & Protection Fund	76.31	116.18	134.62	120.22	41.59
Offshore Development Fund	268.81	246.97	260.48	218.24	232.21
VSS Liability Fund	261.32	250.14	255.61	251.01	233.65
	607.10	**613.95**	**651.37**	**590.13**	**508.11**
Other Bank Balances					
Deposits pledged with bank	854.57	614.50	854.57	614.50	304.50
Interest accrued on fixed deposits	43.89	74.54	28.54	70.61	2.35
Fixed Deposits with Banks	7.90	3.35	7.90	3.35	32.48
	906.36	**692.39**	**891.01**	**688.46**	**339.33**
Deposits pledged with bank against Bank overdraft and Bank guarantee. Short term deposits with a carrying amount of Rs.500 million (Previous period & previous year Rs.500 million) are held as pledge for overdraft account, Performance bank guarantee to Employees Provident Fund Organisation(EPFO) Rs.200 million (Previous period Rs. 100 million & Previous year Rs.200 million), Pension Fund Regulatory and Development Authority (PFRDA) Rs.4.00 million (Previous period & Previous year Rs.4.00 million), Employee State Insurance Corporation (ESIC) Rs. 100 million (Previous period NIL & Previous year: 100 million) and Coal Mines Provident Fund Organization (CMPFO) Rs. 10 million (Previous period NIL & Previous year 10 million) .					
Others					
Application money - UTI Liquid Cash Fund	-	-	-	-	68.80
Interest accrued on investments	-	-	-	-	6.08
	-	**-**	**-**	**-**	**74.88**
	1,513.46	**1,306.34**	**1,542.38**	**1,278.59**	**922.32**
Non Financial Assets					
8 Current Tax Assets (Net)					
Advance Income Tax (Net of provision of tax)	498.00	431.61	456.96	320.56	170.55
MAT Credit entitlement	2.58	2.69	4.09	-	-
	500.58	**434.30**	**461.05**	**320.56**	**170.55**
0.00 indicates amount less than Rs.0.005 Million					

(Rs. In Million)

9. Investment Property

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK			
	Opening Cost 01.04.2017	Additions during the period	Deductions during the period	Closing Total Cost 31.03.2018	Opening Accumulated Depreciation 01.04.2017	For the period	Deductions during the period	Closing Accumulated Depreciation 31.03.2018	As at 31.03.2018	Translation Difference	As at 31.03.2018	As at 31.03.2017
Building	128.08	-	-	128.08	5.20	5.20	-	10.40	117.68	-	117.68	122.88
Total	**128.08**	**-**	**-**	**128.08**	**5.20**	**5.20**	**-**	**10.40**	**117.68**	**-**	**117.68**	**122.88**
	Opening Cost 01.04.2018	Additions during the period	Deductions during the period	Closing Total Cost 31.03.2019	Opening Accumulated Depreciation 01.04.2018	For the period	Deductions during the period	Closing Accumulated Depreciation 31.03.2019	As at 31.03.2019	Translation Difference	As at 31.03.2019	As at 31.03.2018
Building	128.08	-	-	128.08	10.40	5.21	-	15.61	112.47	-	112.47	117.68
Total	**128.08**	**-**	**-**	**128.08**	**10.40**	**5.21**	**-**	**15.61**	**112.47**	**-**	**112.47**	**117.68**
	Opening Cost 01.04.2019	Additions during the period	Deductions during the period	Closing Total Cost 31.03.2020	Opening Accumulated Depreciation 01.04.2018	For the period	Deductions during the period	Closing Accumulated Depreciation 31.03.2020	As at 31.03.2020	Translation Difference	As at 31.03.2020	As at 31.03.2019
Building	128.08			128.08	15.61	5.20		20.81	107.27	_	107.27	112.47
Total	**128.08**	**-**	**-**	**128.08**	**15.61**	**5.20**	**-**	**20.81**	**107.27**		**107.27**	**112.47**
	Opening Cost 01.04.2019	Additions during the period	Deductions during the period	Closing Total Cost 30.06.2019	Opening Accumulated Depreciation 01.04.2019	For the period	Deductions during the period	Closing Accumulated Depreciation 30.06.2019	As at 30.06.2019	Translation Difference	As at 30.06.2019	As at 31.03.2019
Building	128.08	-	-	128.08	15.61	1.28	-	16.89	111.19	- 0.01	111.18	112.47
Total	**128.08**	**-**	**-**	**128.08**	**15.61**	**1.28**	**-**	**16.89**	**111.19**	**- 0.01**	**111.18**	**112.47**
	Opening Cost 01.04.2020	Additions during the period	Deductions during the period	Closing Total Cost 30.06.2020	Opening Accumulated Depreciation 01.04.2020	For the period	Deductions during the period	Closing Accumulated Depreciation 30.06.2020	As at 30.06.2020	Translation Difference	As at 30.06.2020	As at 31.03.2020
Building	128.08	-	-	128.08	20.81	1.29	-	22.10	105.98	- 0.01	105.97	107.27
Total	**128.08**	**-**	**-**	**128.08**	**20.81**	**1.29**	**-**	**22.10**	**105.98**	**- 0.01**	**105.97**	**107.27**

i) Lease rent of Rs.2.93 million (Previous Period : 2.93 million, March 2020 : Rs.11.72 million, March 2019 : Rs.11.72 million, March 2018 : Rs.10.61 million) has been received during the year 01.04.2020 to 30.06.2020 for Investment property.

A. Reconciliation of carrying amount

	(Rs. in Million)
Cost or Deemed Cost (gross carrying amount)	
Balance as at 31 March 2018	128.08
Balance as at 31 March 2019	128.08
Balance as at 30 June 2019	128.08
Balance as at 31 March 2020	128.08
Balance as at 30 June 2020	**128.08**
Accumulated depreciation	
Balance as at 31 March 2018	10.40
Depreciation for the year ended 31 March 2019	5.21
Balance as at 31 March 2019	15.61
Depreciation for the period ended 30 June 2019	1.28
Balance as at 30June 2019	16.89
Depreciation for the period ended 31 March 2020	5.20
Balance as at 31 March 2020	20.81
Depreciation for the period ended 30 June 2020	1.29
Balance as at 30 June 2020	**22.10**
Carrying amounts	
As at 31 March 2018	117.68
As at 31 March 2019	112.47
As at 30 June 2019	111.18
As at 31 March 2020	107.27
Balance as at 30 June 2020	**105.97**
Fair value	
Balance as at 31 March 2018	323.24
Balance as at 31 March 2019	323.24
Balance as at 30 June 2019	323.24
Balance as at 31 March 2020	**364.10**
Balance as at 30 June 2020	**364.10**

B.Measurement of fair values

i. Fair value hierarchy

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

ii. Valuation techniques

Considering the locality, age, mode of construction, the fair and reasonable market value arrived by the independent valuer vide valuation report dated 22.10.2019 as at 30.06.2020 is Rs.364.10 million (30.06.2019: Rs.323.24 million & 31 March 2020: Rs.364.10 million). The value derived by the valuer for the property is after considering the economic usefulness to the prospective purchaser, functional and economic obsolescence, technical potentiality, financial bankruptcy, management lapses, technical in competency in running the unit. The factors will enable valuer to arrive at very realistic and reasonable figures of reliability in the present market.

10. Property, Plant and Equipments

(Rs. In Million)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK			
	Opening Cost 01.04.2017	Additions during the period	Deductions during the period	Closing Total Cost 31.03.2018	Opening Accumulated Depreciation 01.04.2017	For the period	Deductions during the period	Closing Accumulated Depreciation 31.03.2018	As at 31.03.2018	Translation Difference	As at 31.03.2018	As at 31.03.2017
Buildings	2,545.58	-	-	2,545.58	43.93	66.83	-	110.76	2,434.82	-	2,434.82	2,501.65
IT Equipment - Computers & Laptops	45.44	34.98	16.08	64.34	18.11	24.25	15.99	26.37	37.97	(0.05)	37.92	27.22
IT Equipment - Servers & Networks	46.22	1.32	9.28	38.26	12.10	11.07	9.28	13.89	24.37	-	24.37	34.12
Furniture & Fixtures	25.20	11.10	6.35	29.95	3.78	7.33	5.63	5.48	24.47	(0.00)	24.47	21.42
Vehicles	17.92	16.88	1.45	33.35	3.23	4.58	1.45	6.36	26.99	-	26.99	14.69
Office Equipment	39.08	11.25	7.58	42.75	(0.76)	13.28	6.74	5.78	36.97	(0.01)	36.96	39.82
Total	**2,719.44**	**75.53**	**40.74**	**2,754.23**	**80.39**	**127.34**	**39.09**	**168.64**	**2,585.59**	**(0.06)**	**2,585.53**	**2,638.92**

(Rs. In Million)

	Opening Cost 01.04.2018	Additions during the period	Deductions during the period	Closing Total Cost 31.03.2019	Opening Accumulated Depreciation 01.04.2018	For the period	Deductions during the period	Closing Accumulated Depreciation 31.03.2019	As at 31.03.2019	Translation Difference	As at 31.03.2019	As at 31.03.2018
Buildings	2,545.58	-	-	2,545.58	110.76	66.83	-	177.59	2,367.99	-	2,367.99	2,434.82
IT Equipment - Computers & Laptops	64.34	16.47	10.12	70.69	26.37	24.27	9.91	40.73	29.96	(0.05)	29.91	37.92
IT Equipment - Servers & Networks	38.26	2.38	1.35	39.29	13.89	11.54	1.35	24.08	15.21	-	15.21	24.37
Furniture & Fixtures	29.95	12.57	4.17	38.35	5.48	6.66	3.95	8.19	30.16	(0.00)	30.16	24.47
Vehicles	33.35	16.20	5.68	43.87	6.36	7.21	1.74	11.83	32.04	-	32.04	26.99
Office Equipment	42.75	35.31	13.07	64.99	5.78	17.45	12.34	10.89	54.10	0.01	54.11	36.96
Total	**2,754.23**	**82.93**	**34.39**	**2,802.77**	**168.64**	**133.96**	**29.29**	**273.31**	**2,529.46**	**(0.04)**	**2,529.42**	**2,585.53**

10. Property, Plant and Equipments (continued)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK			
	Opening Cost 01.04.2019	Additions during the period	Deductions during the period	Closing Total Cost 31.03.2020	Opening Accumulated Depreciation 01.04.2019	For the period	Deductions during the period	Closing Accumulated Depreciation 31.03.2020	As at 31.03.2020	Translation Difference	As at 31.03.2020	As at 31.03.2019
Buildings	2,545.58	-	-	2,545.58	177.59	66.83	-	244.42	2,301.16		2,301.16	2,367.99
IT Equipment - Computers & Laptops	70.69	13.46	20.60	63.55	40.73	20.67	20.43	40.97	22.58	(0.01)	22.57	29.91
IT Equipment - Servers & Networks	39.29	50.69	-	89.98	24.08	11.92	-	36.00	53.98	-	53.98	15.21
Furniture & Fixtures	38.35	15.20	6.80	46.75	8.19	8.82	6.17	10.84	35.91	-	35.91	30.16
Vehicles	43.87	18.08	13.51	48.44	11.83	8.57	8.80	11.60	36.84	-	36.84	32.04
Office Equipment	64.99	22.50	11.15	76.34	10.89	22.16	10.10	22.95	53.39	0.03	53.42	54.11
Total	**2,802.77**	**119.93**	**52.06**	**2,870.64**	**273.31**	**138.97**	**45.50**	**366.78**	**2,503.86**	**0.02**	**2,503.88**	**2,529.42**

(Rs. In Million)

	Opening Cost 01.04.2019	Additions during the period	Deductions during the period	Closing Total Cost 30.06.2019	Opening Accumulated Depreciation 01.04.2019	For the period	Deductions during the period	Closing Accumulated Depreciation 30.06.2019	As at 30.06.2019	Translation Difference	As at 30.06.2019	As at 31.03.2019
Buildings	2,545.58	-	-	2,545.58	177.59	16.62	-	194.21	2,351.38	-	2,351.38	2,367.99
IT Equipment - Computers & Laptops	70.69	3.01	4.77	68.93	40.73	4.82	4.68	40.87	28.06	(0.07)	27.99	29.91
IT Equipment - Servers & Networks	39.29	-	-	39.29	24.08	2.85	-	26.93	12.36	- 0.02	12.34	15.21
Furniture & Fixtures	38.35	1.94	3.76	36.53	8.19	1.70	3.57	6.32	30.21	-	30.21	30.16
Vehicles	43.87	5.86	2.09	47.64	11.83	2.12	0.70	13.25	34.39	0.01	34.40	32.04
Office Equipment	64.99	5.57	4.43	66.13	10.89	5.11	4.31	11.69	54.44	(0.03)	54.41	54.11
Total	**2,802.77**	**16.38**	**15.05**	**2,804.10**	**273.31**	**33.22**	**13.26**	**293.27**	**2,510.84**	**(0.11)**	**2,510.73**	**2,529.42**

10. Property, Plant and Equipments (continued)

	Opening Cost 01.04.2020	Additions during the period	Deductions during the period	Closing Total Cost 30.06.2020	Opening Accumulated Depreciation 01.04.2020	For the period	Deductions during the period	Closing Accumulated Depreciation 30.06.2020	As at 30.06.2020	Translation Difference	As at 30.06.2020	As at 31.03.2020
Buildings	2,545.58	-	-	2,545.58	244.42	16.66	-	261.08	2,284.51	-	2,284.51	2,301.16
IT Equipment - Computers & Laptops	63.55	0.38	0.05	63.88	40.97	4.39	0.05	45.31	18.57	(0.03)	18.54	22.57
IT Equipment - Servers & Networks	89.98	-	-	89.98	36.00	3.08	-	39.08	50.90	(0.03)	50.87	53.98
Furniture & Fixtures	46.75	-	-	46.75	10.84	1.78	-	12.62	34.13	- 0.01	34.12	35.91
Vehicles	48.44	-	-	48.44	11.60	2.15	-	13.75	34.69	0.01	34.70	36.84
Office Equipment	76.34	0.30	0.12	76.52	22.95	5.35	0.08	28.22	48.30	0.04	48.34	53.42
Total	**2,870.64**	**0.68**	**0.17**	**2,871.15**	**366.78**	**33.41**	**0.13**	**400.06**	**2,471.10**	**(0.02)**	**2,471.08**	**2,503.88**
Previous Year												

i) Buildings include an area admeasuring 1,28,997.73 sq. feet and 36,096.90 sq. feet in UTI Towers, Bandra Kurla Complex, Mumbai, acquired from SUUTI and Bank of Baroda respectively on outright basis in different years. The land on which the building is contracted belongs to MMRDA and the balance period of lease remaining is 52 years. The sale deed of UTI Tower is yet to be executed.

ii) Buildings include 2 flats under operating cancellable lease having acquisition value of Rs.82.90 million and Accumulated depreciation of Rs.29.31 million (Previous period : Rs.25.89 million & Previous year : Rs.28.46 million).

iii) Lease rent of Rs.1.81 million (Previous period: Rs. 1.73 million & Previous year : Rs.7.05 million) has been received during the year 01.04.2020 to 30.06.2020 for above 2 flats.

iv) With effect from 01.10.2016 based on the newly introduced company car policy for officers, the useful life of Vehicles is changed from 8 years to 6 years on straight line method. Further, no residual value would be considered for Vehicle. Depreciation has been charged w.e.f. 01.10.2016 based on the revised estimated useful life of Vehicles.

11. Right of use assets

(Rs. In Million)

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK			
	Opening Cost 01.04.2017	Additions during the period	Deductions during the period	Closing Total Cost 31.03.2018	Opening Accumulated Depreciation 01.04.2017	For the period	Deductions during the period	Closing Accumulated Depreciation 31.03.2018	As at 31.03.2018	Translation Difference	As at 31.03.2018	As at 31.03.2017
Leased premises	1,167.22	2.03	-	1,169.25	128.14	128.41	-	256.55	912.70	-	912.70	1,039.08
Total	**1,167.22**	**2.03**	**-**	**1,169.25**	**128.14**	**128.41**	**-**	**256.55**	**912.70**	**-**	**912.70**	**1,039.08**

	Opening Cost 01.04.2018	Additions during the period	Deductions during the period	Closing Total Cost 31.03.2019	Opening Accumulated Depreciation 01.04.2018	For the period	Deductions during the period	Closing Accumulated Depreciation 31.03.2019	As at 31.03.2019	Translation Difference	As at 31.03.2019	As at 31.03.2018
Leased premises	1,169.25	51.24	-	1,220.49	256.55	129.76	-	386.31	834.18	-	834.18	912.70
Total	**1,169.25**	**51.24**	**-**	**1,220.49**	**256.55**	**129.76**	**-**	**386.31**	**834.18**	**-**	**834.18**	**912.70**

	Opening Cost 01.04.2019	Additions during the period	Deductions during the period	Closing Total Cost 31.03.2020	Opening Accumulated Depreciation 01.04.2019	For the period	Deductions during the period	Closing Accumulated Depreciation 31.03.2020	As at 31.03.2020	Translation Difference	As at 31.03.2020	As at 31.03.2019
Leased premises	1,220.49	218.22	9.12	1,429.59	386.31	146.76		533.07	896.52	0.01	896.53	834.18
Total	**1,220.49**	**218.22**	**9.12**	**1,429.59**	**386.31**	**146.76**	**-**	**533.07**	**896.52**	**0.01**	**896.53**	**834.18**

	Opening Cost 01.04.2019	Additions during the period	Deductions during the period	Closing Total Cost 30.06.2019	Opening Accumulated Depreciation 01.04.2019	For the period	Deductions during the period	Closing Accumulated Depreciation 30.06.2019	As at 30.06.2019	Translation Difference	As at 30.06.2019	As at 31.03.2019
Leased premises	1,220.49	55.33	-	1,275.82	386.31	43.23		429.54	846.28	-	846.28	834.18
Total	**1,220.49**	**55.33**	**-**	**1,275.82**	**386.31**	**43.23**	**-**	**429.54**	**846.28**	**-**	**846.28**	**834.18**

	Opening Cost 01.04.2020	Additions during the period	Deductions during the period	Closing Total Cost 30.06.2020	Opening Accumulated Depreciation 01.04.2020	For the period	Deductions during the period	Closing Accumulated Depreciation 30.06.2020	As at 30.06.2020	Translation Difference	As at 30.06.2020	As at 31.03.2020
Leased premises	1,429.59	97.55		1,527.14	533.07	36.37	-	569.44	957.70	1.66	959.36	896.53
Total	**1,429.59**	**97.55**	**-**	**1,527.14**	**533.07**	**36.37**	**-**	**569.44**	**957.70**	**1.66**	**959.36**	**896.53**

12. Capital Work in Progress

(Rs. In Million)

Category Name	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
	5.71	24.28	2.84	8.78	22.91
Total	**5.71**	**24.28**	**2.84**	**8.78**	**22.91**

13. Intangible Assets under Development

Category Name	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Intangible Assets under Development	19.06	-	7.56	-	31.20
Total	**19.06**	**-**	**7.56**	**-**	**31.20**

(Rs. In Million)

14. Other Intangible Assets

Category Name	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK			
	Opening Cost 01.04.2017	Additions during the period	Deductions during the period	Closing Total Cost 31.03.2018	Opening Accumulated Depreciation 01.04.2017	For the period	Deductions during the period	Closing Accumulated Depreciation 31.03.2018	As at 31.03.2018	Translation Difference	As at 31.03.2018	As at 31.03.2017
Computer Software	37.74	21.57	-	59.31	22.84	11.56	-	34.40	24.91	-	24.91	14.90
Total	**37.74**	**21.57**	**-**	**59.31**	**22.84**	**11.56**	**-**	**34.40**	**24.91**	**-**	**24.91**	**14.90**
	Opening Cost 01.04.2018	Additions during the period	Deductions during the period	Closing Total Cost 31.03.2019	Opening Accumulated Depreciation 01.04.2018	For the period	Deductions during the period	Closing Accumulated Depreciation 31.03.2019	As at 31.03.2019	Translation Difference	As at 31.03.2019	As at 31.03.2018
Computer Software	59.31	33.77	0.30	92.78	34.40	22.55	0.30	56.65	36.13	-	36.13	24.91
Total	**59.31**	**33.77**	**0.30**	**92.78**	**34.40**	**22.55**	**0.30**	**56.65**	**36.13**	**-**	**36.13**	**24.91**
	Opening Cost 01.04.2019	Additions during the period	Deductions during the period	Closing Total Cost 31.03.2020	Opening Accumulated Depreciation 01.04.2019	For the period	Deductions during the period	Closing Accumulated Depreciation 31.03.2020	As at 31.03.2020	Translation Difference	As at 31.03.2020	As at 31.03.2019
Computer Software	92.78	104.37	-	197.15	56.65	22.49		79.14	118.01	-	118.01	36.13
Total	**92.78**	**104.37**	**-**	**197.15**	**56.65**	**22.49**	**-**	**79.14**	**118.01**	**-**	**118.01**	**36.13**
	Opening Cost 01.04.2019	Additions during the period	Deductions during the period	Closing Total Cost 30.06.2019	Opening Accumulated Depreciation 01.04.2019	For the period	Deductions during the period	Closing Accumulated Depreciation 30.06.2019	As at 30.06.2019	Translation Difference	As at 30.06.2019	As at 31.03.2019
Computer Software	92.78			92.78	56.65	5.00		61.65	31.13	-	31.13	36.13
Total	**92.78**	**-**	**-**	**92.78**	**56.65**	**5.00**	**-**	**61.65**	**31.13**	**-**	**31.13**	**36.13**
	Opening Cost 01.04.2020	Additions during the period	Deductions during the period	Closing Total Cost 30.06.2020	Opening Accumulated Depreciation 01.04.2020	For the period	Deductions during the period	Closing Accumulated Depreciation 30.06.2020	As at 30.06.2020	Translation Difference	As at 30.06.2020	As at 31.03.2020
Computer Software	197.15			197.15	79.14	13.49		92.63	104.52	-	104.52	118.01
Total	**197.15**	**-**	**-**	**197.15**	**79.14**	**13.49**	**-**	**92.63**	**104.52**	**-**	**104.52**	**118.01**

UTI Asset Management Company Limited

Notes to restated consolidated accounts annexed to and forming part of the financial statements for the period ended

(Rs. In Million)

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Non Financial Assets					
15. Other Non Financial Assets					
Capital Advances	0.74	8.76	0.64	6.99	0.32
Deferred Loans and Deposits					
Loans to Employees	42.87	56.77	45.44	56.30	49.44
Loan to UTI Employee Credit Co-operative Society Ltd	-	0.18	0.11	0.93	1.10
Rent Deposits	31.58	30.29	31.50	28.49	22.83
	74.45	**87.24**	**77.05**	**85.72**	**73.37**
Other Assets					
Prepaid expenses	189.59	183.65	153.84	140.71	-
Defined Benefit Assets - Gratuity / Leave Encashment	-	0.30	-	0.79	0.74
Goods and Service Tax Receivable	-	-	-	-	0.06
Prepaid expenses	-	-	-	-	71.77
Contract cost assets	-	-	-	3.80	53.32
Indirect Tax	-	2.84	0.13	-	8.75
	189.59	**186.79**	**153.97**	**145.30**	**134.64**
	264.78	**282.79**	**231.66**	**238.01**	**208.33**

UTI Asset Management Company Limited

Notes to restated consolidated accounts annexed to and forming part of the financial statements for the period ended

(Rs. In Million)

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Finance Liabilities					
Borrowings (Secured, considered good)					
16. Trade Payables					
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	8.43	24.94	14.22	37.77	111.10
Other Payables					
Total outstanding dues of micro enterprises and small enterprises	4.54	1.73	7.96	9.27	1.64
Total outstanding dues of creditors other than micro enterprises and small enterprises	2.44	0.74	2.15	1.78	0.80
Loans from Related Parties	-	-	-	-	-
Accrued benefits to employees	117.16	255.79	473.58	466.16	573.47
Payable to UTI Mutual Fund	-	-	-	49.21	655.55
Retention money	15.47	14.96	16.27	16.51	9.78
Advance Income	-	-	-	-	-
Other payables	183.68	167.84	148.06	133.34	256.61
	318.75	**439.33**	**640.06**	**667.00**	**1,496.21**
	331.72	**466.00**	**662.24**	**714.04**	**1,608.95**

In the opinion of the management, the balances of trade payables are stated at book value and are payable.

Dues to Micro, Small and Medium Enterprises

Trade payables do not include any amount payable to Micro, Small and Medium Enterprises. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) which came into force from October 02, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, who have registered with the competent authorities.

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Principal amount remaining unpaid to any supplier as at the year end	NIL	NIL	NIL	NIL	NIL
Interest due thereon	NIL	NIL	NIL	NIL	NIL
Amount of interest paid by the company in terms of section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	NIL	NIL	NIL	NIL	NIL
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMEDA	NIL	NIL	NIL	NIL	NIL
Amount of interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL	NIL	NIL	NIL
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL	NIL	NIL	NIL
17. Other Financial Liabilities					
VSS Liability Fund	261.32	250.14	255.61	251.01	233.65
Investor Education & Protection Fund	76.31	116.18	134.62	120.22	41.59
Offshore Development Fund	268.81	246.97	260.48	218.24	232.21
Payable to SUUTI towards security deposit	0.82	0.82	0.82	0.82	0.82
Statutory Dues	4.03	0.01	0.52	0.09	0.12
Lease Liability	1,170.94	1,033.60	1,103.70	1,003.49	1,035.54
	1,782.23	**1,647.72**	**1,755.75**	**1,593.87**	**1,543.93**

UTI Asset Management Company Limited

Notes to restated consolidated accounts annexed to and forming part of the financial statements for the period ended

(Rs. In Million)

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
18. Current Tax Liabilities					
Provision for Income Tax (Net of Advance Tax)	76.91	172.39	44.94	43.40	50.68
	76.91	**172.39**	**44.94**	**43.40**	**50.68**
19. Provisions					
Provision for employee benefits					
Provision for performance bonus/incentive	1.13	1.91	5.50	6.10	5.50
Provision for gratuity	265.48	548.63	181.05	496.62	296.58
Provision for leave encashment	185.11	221.22	99.97	150.55	103.06
Provision for pension	830.12	339.45	524.37	237.88	54.31
	1,281.84	**1,111.21**	**810.89**	**891.15**	**459.45**
Others					
Provision for litigations	3.90	3.90	3.90	3.90	3.90
Provision for Contingencies	-	3.00	-	3.00	2.64
Provision for Professional Charges	0.02	0.08	0.19	0.08	0.03
Provision for Audit fees	9.18	7.03	12.64	12.49	10.58
Provision for ROC Matters	0.04	0.02	0.03	0.03	0.03
Provision for Postage, mobile and others	3.12	6.60	3.24	1.90	15.35
Provision for onerous contracts	-	3.52	-	3.52	3.63
Distribution payable to investors	-	-	-	-	565.54
	16.26	**24.15**	**20.00**	**24.92**	**601.70**
	1,298.10	**1,135.36**	**830.89**	**916.07**	**1,061.15**

Provision for litigations

The canteen services were discontinued from 25 February 2004 against which a case was filed by The Contract Labour Udyog Kamgar Union in 2005. The company has made a provision of Rs. 3.90 million (Previous year Rs.3.90 million) in case the verdict is against the company.

20 Deferred Tax Liability (Net)					
Deferred tax liability:					
On account of depreciation on Property, plant and equipments	289.88	385.68	288.19	379.65	356.44
Provisions for mark to market on open contracts	15.16	-	-	-	8.54
Provision for onerous contract	-	-	-	(0.98)	(1.01)
Provision for Gratuity	-	-	-	(0.16)	(0.15)
Other disallowances	-	18.97	16.53	8.27	3.12
Net impact of IND-AS for investments	298.68	238.73	252.67	247.39	232.27
Net impact of IND-AS for loans	-	-	-	-	1.40
Net impact of IND-AS for loans to UTI ECCSL	-	(0.03)	0.01	0.09	0.07
Net impact of IND-AS for Gratuity Expenses	-	-	-	-	1.63
Net impact of IND-AS for prior period expenses	-	-	-	-	2.02
Net impact of IND-AS for Leave Encashment Expenses	-	-	-	-	3.61
Net impact of IND-AS for Pension Expenses	-	-	-	-	33.11
Net impact of IND-AS for Lease Liability	234.67	212.99	221.16	497.94	450.93
Total	**838.39**	**856.34**	**778.56**	**1,132.20**	**1,091.98**
Deferred tax asset:					
On account of expenditure	(9.50)	(8.25)	(8.71)	(6.48)	(7.05)
Depreciation and Amortisation	-	-	(0.00)	-	-
On account of timing difference in recognition of expenses	-	-	-	(0.00)	-
Employee retirement benefits obligation	-	-	-	(0.06)	(0.03)
Income Tax losses	(18.93)	(18.61)	(20.30)	(7.15)	-
Net impact of IND-AS for investments	(11.39)	(70.86)	(10.27)	(102.05)	(46.65)
Net impact of IND-AS for loans	-	(7.14)	(11.54)	(4.92)	-
Net impact of IND-AS for loans to UTIECCSL	-	-	-	-	-
Net impact of IND-AS for deposits	(2.35)	(1.92)	(2.32)	(1.93)	(1.86)
Net impact of IND-AS for Gratuity Expenses	(0.41)	(0.04)	(0.33)	-	(89.40)
Net impact of IND-AS for Leave Encashment Expenses	-	(4.52)	-	(4.52)	(8.13)
Net impact of IND-AS for pension expenses	-	(77.74)	-	(77.74)	-
Net impact of IND-AS for prior period expenses	-	-	-	-	(2.02)
Net impact of IND-AS for lease obligation	-	-	-	-	-
Net impact of IND-AS for right to use assets	(287.89)	(260.14)	(273.30)	(556.69)	(493.44)
Impact of Restated MAT Credit Entitlement	-	-	-	-	(5.10)
Provision for Mark to Market on open contracts	**(330.47)**	**(449.22)**	**(326.77)**	**(761.54)**	**(653.68)**
Advance MAT Credit Entitlement	**(9.15)**	**(7.30)**	**(7.25)**	**(7.30)**	**-**
Net Deferred tax liability	**498.77**	**399.82**	**444.54**	**363.36**	**438.30**
21. Other Non Financial Liabilities					
Goods and Service Tax payable	44.68	57.96	40.64	59.78	74.05
Accrual for expenses	-		-	23.11	-
TDS payable	138.10	150.10	37.35	3.26	39.24
Income received in Advance	-		-	0.08	-
	182.78	**208.06**	**77.99**	**86.23**	**113.29**

UTI Asset Management Company Limited

Notes to restated consolidated accounts annexed to and forming part of the financial statements for the period ended

(Rs. In Million)

Particulars	30th June 2020	30st June 2019	31st March 2020	31st March 2019	31st March 2018
22. Equity Share Capital					
Share Capital					
Authorised					
200.00 Million (30 June 2019,31 March 2020,31 March 2019,31 March 2018: 200.00 Million) equity shares of Rs.10/- each	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
Issued, subscribed and fully paid up					
126.79 Million (30 June 2019, 31 March 2020, 31 March 2019, 31 March 2018: 126.79 Million) equity shares of Rs.10/- each	1,267.87	1,267.87	1,267.87	1,267.87	1,267.87

Particulars	30th June 2020		30st June 2019		31st March 2020		31st March 2019		31st March 2018	
	No. of shares Million	Rs. in Million	No. of shares Million	Rs. in Million	No. of shares Million	Rs. in Million	No. of shares Million	Rs. in Million	No. of shares Million	Rs. in Million
Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year										
At the beginning of the year	126.787	1,267.87	126.787	1,267.87	126.787	1,267.87	126.787	1,267.87	126.787	1,267.87
Add: Share Issued on exercise of Employee Stock Options during the year	-	-	-	-	-	-	-	-	-	-
Add: Share issued during the year	-	-	-	-	-	-	-	-	-	-
Bought back during the reporting year	-	-	-	-	-	-	-	-	-	-
At the close of the year	**126.787**	**1,267.87**	**126.787**	**1,267.87**	**126.787**	**1,267.87**	**126.787**	**1,267.87**	**126.787**	**1,267.87**

Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

Details of shareholders holding more than 5% shares in the company:

Particulars	30th June 2020		30st June 2019		31st March 2020		31st March 2019		31st March 2018	
	No. of shares Million	% Holding	No. of shares Million	% Holding	No. of shares Million	% Holding	No. of shares Million	% Holding	No. of shares Million	% Holding
Equity shares of Rs.10 each fully paid										
State Bank of India	23.1250	18.24	23.1250	18.24	23.1250	18.24	23.1250	18.24	23.1250	18.24
Life Insurance Corporation of India	23.1250	18.24	23.1250	18.24	23.1250	18.24	23.1250	18.24	23.1250	18.24
Bank of Baroda	23.1250	18.24	23.1250	18.24	23.1250	18.24	23.1250	18.24	23.1250	18.24
Punjab National Bank	23.1250	18.24	23.1250	18.24	23.1250	18.24	23.1250	18.24	23.1250	18.24
T. Rowe Price International Limited	32.9647	26.00	32.9647	26.00	32.9647	26.00	32.9647	26.00	32.9647	26.00
At the close of the year	**125.4647**	**98.96**	**125.4647**	**98.96**	**125.4647**	**98.96**	**125.4647**	**98.96**	**125.4647**	**98.96**

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Share Based Payment to Employees under Employee Stock Option Scheme :

The Company introduced an Employee Stock Option Scheme called the "UTI AMC Employee Stock Option Scheme -2007. Each Employee on the rolls of the Company as on December 16, 2019 and few Employees from its subsidiaries were granted options. The vesting of the options is from expiry of one year from grant date till four years from grant date as per Plan. Under the scheme, 21,91,544 equity shares have been granted to the eligible employees and each option entitles the holder thereof to apply for and be allotted number of Equity Share granted of the Company having face value of Rs. 10 each for an exercise price of Rs. 728/- during the exercise period. Out of the 21,91,554 options granted 45,495 Options are lapsed, therefore, the total no of options outstanding as on 30.06.2020 is 21,46,059 options. Vesting of the options shall take place over a maximum period of 3 years with a minimum vesting period of 1 year from the date of grant i.e. 16th December 2019. The exercise period would be maximum of 4 years from the date of vesting of options.

UTI Asset Management Company Limited

Notes to restated consolidated accounts annexed to and forming part of the financial statements for the period ended

(Rs. In Million)

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
23. Other Equity					
General Reserve					
Balance as per the last financial statements	1,560.23	1,560.23	1,560.23	1,560.23	1,560.23
(Less): Transfer to Surplus	40.00	-		-	-
Closing Balance	**1,520.23**	**1,560.23**	**1,560.23**	**1,560.23**	**1,560.23**
Security Premium Account					
Balance as per the last financial statements	356.13	356.13	356.13	356.13	356.13
Closing Balance	**356.13**	**356.13**	**356.13**	**356.13**	**356.13**
Share Option Outstanding Account					
Balance as per the last financial statements	**104.83**	-	-	-	-
Add: Expenses on the employee stock option scheme during the year	90.00	-	104.83	-	-
Closing Balance	**194.83**	**-**	**104.83**	**-**	**-**
Foreign Currency Translation Reserve					
Balance as per the last financial statements	7.54	(68.17)	(68.17)	(46.95)	(401.03)
Add: Amount transferred during the year	28.76	(102.80)	75.71	(21.22)	354.08
Closing Balance	**36.30**	**(170.97)**	**7.54**	**(68.17)**	**(46.95)**
Capital Redemption Reserve	**4.50**	**4.50**	**4.50**	**4.50**	**4.50**
Retained Earnings					
Balance as per the last financial statements	25,334.31	23,296.31	23,296.31	20,537.85	17,472.32
Restated opening Balance	25,334.31	23,296.31	23,296.31	20,537.85	17,472.32
Add : Impact of change of % of holding during the year	-	-	-	-	(1.58)
Add : Net impact for fair valuation of investments	-	-	-	-	11.60
Less : Loss of control	-	-	-	(5.60)	-
Restated opening Balance	**25,334.31**	**23,296.31**	**23,296.31**	**20,532.25**	**17,482.34**
Less : Transfer to Unit Premium	**-**	**-**	**-**	**-**	- 0.58
Profit for the year	1,005.54	715.30	2,730.30	3,528.31	3,642.05
Less: Appropriations					
Final equity dividend	-	-	633.94	633.94	507.15
Tax on Equity dividend	-	-	58.36	130.31	78.81
Total appropriation	**-**	**-**	**692.30**	**764.25**	**585.96**
Net Surplus in the statement of Profit & Loss	**26,339.85**	**24,011.61**	**25,334.31**	**23,296.31**	**20,537.85**
Net balance	**28,451.84**	**25,761.50**	**27,367.54**	**25,149.00**	**22,411.76**
Other Comprehensive Income (OCI)					
Balance as per the last financial statements	(1,010.45)	(373.15)	(373.15)	(5.30)	0.02
Add: Movement in OCI (Net) during the year	(359.97)	(124.47)	(637.30)	(367.85)	(5.32)
	(1,370.42)	**(497.62)**	**(1,010.45)**	**(373.15)**	**(5.30)**
Total Other Equity	**27,081.42**	**25,263.88**	**26,357.09**	**24,775.85**	**22,406.46**

UTI Asset Management Company Limited

Notes to consolidated accounts annexed to and forming part of the financial statements for the period ended

(Rs. In Million)

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
24. Revenue from Operations					
Interest income on					
Loans to employees	2.75	3.16	12.63	14.09	16.08
Interest income from investments	9.87	21.86	111.43	96.89	2.14
Security Deposits carried at amortised cost	-	-	-	0.68	-
Bank deposits	17.13	16.93	65.91	50.19	31.04
Net impact of notional interest on employee loans	3.15	(6.84)	(17.75)	(24.98)	12.62
Net impact of notional interest on ECCSL	0.07	0.35	0.61	0.22	0.24
Net impact of notional interest on deposits	1.15	1.14	3.50	3.38	5.37
Other Interest Income	0.10	0.86	1.57	0.01	0.02
	34.22	**37.46**	**177.90**	**140.48**	**67.51**
Dividend Income on					
Investments	0.12	0.28	2.52	4.89	5.72
Rental Income	24.39	14.42	75.16	62.54	102.56
Net Gain/Loss on Fair Value Changes	901.21	167.48	(86.61)	931.73	(225.05)
Sale of Services					
Details of services rendered					
Management fees	1,594.28	2,033.75	7,864.72	8,813.83	9,353.54
Advisory fees	0.32	0.52	1.77	2.12	7.28
Marketing Fees	-	-	-	77.44	290.37
Setup Fees	-	1.00	1.70	3.26	8.28
Investor Service Fees	1.02	1.12	4.47	4.70	6.07
Other operating revenues					
Fees relating to point of presence under New Pension Scheme	2.22	1.98	6.21	4.90	3.04
	1,597.84	**2,038.37**	**7,878.87**	**8,906.25**	**9,668.58**
Others					
Net Gain/Loss on sale of Investments	60.15	87.09	501.85	459.19	1,881.20
Revenue from operations	**2,617.93**	**2,345.10**	**8,549.69**	**10,505.08**	**11,500.52**
25. Other Income					
Exchange differences (net)	0.02	13.75	42.54	0.06	-
Provision no longer required withdrawn (net)	(4.27)	-	32.07	46.68	5.31
Support service fees on inter branch billing GST	82.71	70.28	262.99	200.44	102.80
Other non operating income	14.29	3.49	22.32	56.68	18.84
	92.75	**87.52**	**359.92**	**303.86**	**126.95**
26. Fees and Commission Expense					
Marketing fees and Commission	6.65	6.38	29.11	21.09	17.90
27. Impairment on Financial Instruments					
Non Current Investments written off	-	-	-	-	19.00
	-	**-**	**-**	**-**	**19.00**
28. Finance Cost					
Interest on Loan	0.01	-	0.43	-	-
Interest on Lease Liability	22.92	20.54	84.33	81.92	87.09
	22.93	**20.54**	**84.76**	**81.92**	**87.09**

0.00 indicates amount less than Rs.0.005 million

UTI Asset Management Company Limited

Notes to consolidated accounts annexed to and forming part of the financial statements for the period ended

(Rs. In Million)

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
29. Employee Benefit Expenses					
Salaries and wages	686.96	705.98	2,655.96	2,566.69	2,516.53
Contribution to provident and other funds	32.03	29.95	130.14	110.78	94.49
Expenses on the employee stock option scheme	89.97	-	104.83	-	-
Gratuity expense	10.92	18.22	66.10	57.67	299.54
Leave encashment expense	85.28	72.00	159.57	137.92	80.09
Pension expense	31.64	21.67	86.68	51.81	52.80
Staff welfare expenses	41.01	40.91	184.42	148.49	155.54
Amortisation of employee loans	2.57	(0.47)	10.86	(6.86)	8.57
Impact for Gratuity, Leave encashment and pension expenses				-	-
	980.38	**888.26**	**3,398.56**	**3,066.50**	**3,207.56**
30. Depreciation, Amortisation and Impairment					
Depreciation of tangible assets	34.70	34.50	144.17	139.16	132.54
Amortization of intangible assets	13.49	5.00	22.49	22.55	11.56
Amortization of rights of use assets	36.37	43.23	146.76	129.76	128.41
	84.56	**82.73**	**313.42**	**291.47**	**272.51**
31. Other Expenses					
Power and fuel	5.79	13.75	57.09	53.97	57.76
Rent	1.67	3.59	15.01	19.43	21.63
Rates and taxes	11.54	10.31	42.98	34.48	33.41
Insurance	2.47	3.41	10.35	10.92	8.27
Repairs and maintenance					
Computer and Office Equipment	4.98	5.37	14.13	20.04	22.56
Buildings	31.78	33.63	144.09	137.65	118.43
Others	12.34	6.02	29.76	27.38	20.53
Advertising and business promotion	14.40	27.62	146.84	221.01	255.72
Travelling and conveyance	3.62	31.69	125.81	130.58	128.27
Communication costs	9.37	8.75	32.54	34.09	40.48
Printing and stationery	0.87	3.86	11.37	13.35	16.39
Legal and professional fees	134.16	123.54	503.73	409.49	247.81
Directors sitting fees	4.26	2.10	13.41	8.66	7.58
Payment to auditors (Refer (i) below)	4.66	4.13	15.94	16.52	13.33
Exchange differences (net)	2.66	0.04	-	0.08	83.99
Loss on sale of property, plant and equipments (net)	0.06	0.17	1.76	0.73	0.69
Membership Fees & Subscription	44.23	30.80	154.50	109.87	108.45
Scheme expenses	-	-	-	827.50	1,026.64
Computer consumables	1.72	1.32	4.73	7.09	8.90
Corporate Social Responsibility Expenses	42.21	1.04	55.04	83.21	32.65
Investment Advisory Fees	6.95	8.52	34.90	33.16	29.77
Trail Fees	23.23	25.72	131.59	0.99	0.27
Provision for Doubtful Debt and advances		-	-	-	0.08
Provision for contingencies & onerous contracts		-	(3.52)	0.29	2.68
Management Fees	6.67	7.17	22.08	173.49	222.71
Other expenses	14.29	17.78	65.17	61.52	60.12
	383.93	**370.33**	**1,629.30**	**2,435.50**	**2,569.12**
(i) Payment to auditors					
As auditors:					
Audit fee	3.23	3.50	13.59	13.74	11.44
Consolidation audit fee	0.13	0.13	0.50	0.50	0.50
Tax audit fee	0.15	0.15	0.58	0.58	0.58
Limited review fee	0.35	0.34	0.72	0.83	0.50
In other capacity					
Other services (certification fee)	0.80	0.01	0.55	0.87	0.31
Reimbursement of expenses	-	-	-	-	-
	4.66	**4.13**	**15.94**	**16.52**	**13.33**
0.00 indicates amount less than Rs.0.005 million					

32 Contingent liabilities & Capital and other commitments:

A UTI Asset Management Company Limited

(a) Contingent Liabilities

(To the extent not provided for)

(Rs. In Million)

Particulars	Period Ended	Period Ended	Year Ended	Year Ended	Year Ended
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Claims against the Company not acknowledged as debts (i)	33.62	27.87	30.90	26.99	27.81
Other money for which the company is contingently liable (ii)	0.10	0.10	0.10	-	-
Bank guarantee given Rs 4.00 million (including on behalf of a subsidiary Rs. 2.00 million) & Employees Provident Fund Organisation(EPFO) (Rs.200.00 million) (iii)	314.00	204.00	314.00	104.00	102.00

(i) Estimated liability for the Consumer Disputes Redressal Forum cases pending in courts for the dispute pertaining to the schemes of UTI Mutual Fund is Rs. 15.38 Million.

Ex-Registrars & Transfer Agents filed a recovery suit of Rs.31.95 Million against the Company, Administrators of SUUTI and UTI Trustee Company Private Limited in the year 2003 regarding termination of their agreement as registrars. The Company also filed a cross suit against them in the Hon'ble Bombay High Court for Rs.13.71 Million for lack of service. Honourable court directed both the parties to frame the issue for arguments. The company is hopeful of a positive outcome in its favour and there-fore no provision is made. Net liability is Rs 18.24 Million

(ii) The orders cum demand notices for Rs. 0.10 Million (Previous Year Rs 0.10 Million) is pending with Income Tax Office – TDS on various grounds. The company has filed appeals to the appellate authority on the said orders mentioning that all the payments have been duly complied. The grounds of appeal are well supported in law. As a result, the company does not expect the demand to crystalise into a liability.

(iii) Bank guarantee of Rs.4 Million issued to Pension Fund Regulatory and Development Authority (PFRDA) (including on behalf of a subsidiary Rs.2 Million), Rs.200. Million to Employees Provident Fund Organisation (EPFO), Rs. 100 Million to Employees State Insurance Corporation (ESIC) & Rs. 10 Million to Coal Mines Provident Fund Organisation (CMPFO)

(b) <u>Other Contingent Liabilities where impact is not ascertainable comprises:</u>

(i) A case was filed before the CGIT, Mumbai by AIUTEA against the company in respect of left over Class III and Class IV Staff on demanding pension option. The honourable presiding officer, CGIT, Mumbai pronounced the verdict dated 28th February 2007 for pension option. The matter was taken with the Government of India, which advised the company to seek legal option. The company filed an appeal in the High Court, Bombay challenging the order of CGIT. The Hon'ble High Court vide its order dated 05/05/17 allowed the appeal of AMC by quashing and setting aside the order of CGIT. AIUTEA has filed a Review Petition to review the order dated 05/05/2017 of Hon'ble Justice K K Tated in WP no. 1792 of 2007 filed by UTI AMC Ltd. Hon'ble Court vide its order dated 31/08/2017, rejected the review petition of the petitioner stating that "the only endeavor is to re-argue the entire matter, which is not permitted". AIUTEA has filed a petition before Hon'ble Supreme Court of India challenging the order of the Bombay High Court. Therefore, financial liability at this juncture cannot be crystallized.

(ii) In connection to UTI India Fund Unit Scheme 1986 managed by UTI Mutual Fund, as assessment order has been passed by the Income Tax Department, disallowing the exemption under section 10(23D) of Income Tax Act, for an aggregate amount of Rs. 418.24 million, as well as penalty notice. As appeal has been filed with CIT(A) against the demand order along with proper approval of GOI and the RBI and other documents. These appeal are presently pending. Our Company has deposited an amount of Rs. 18.24 million with Income Tax Department in this regards.

(iii) A case has been filed by UTI Retired and VSS Employees Social Association against the Company before the Hon'ble Bombay High Court for giving a fresh opportunity for pension option after pay revision 2001 and arrears of pension with 12% interest on the same. The case is pending for further proceedings.

(iv) A case has been filed by UTI Retired and VSS Employees Social Association against the Company before the Bombay High Court for payment of dearness allowance with pension or periodic review of the pension. At present the case is pending for further proceedings and the Company is disputing the case of the petitioners.

(v) There are 10 cases against UTI Mutual Fund or key personnel, relating to normal operation of UTI MF, pending for final outcome.

(vi) UTI Asset Management Company Ltd renders Point of Presence (POP) services. PFRDA has issued a Show Cause Notice (SCN) to UTI AMC Ltd in February 2020. This has been issued to show cause as to why inquiry should not be held under the PFRDA Act and the Adjudication Regulations against the Noticee and as to why suitable penalty as per sub-section (1)(c) & (5) of section 28 of PFRDA Act 2013 should not be recommended against the Noticee for the allegations/violations of the PFRDA Act and the POP Regulations. Under sub-section (1)(c) of section 28, penalty can be imposed which may extend to one crore rupees or five times the amount of profits made or losses avoided, whichever is higher. Under sub-section (5) of section 28, penalty can be imposed which may extend to one crore rupees or five times the amount of profits made or losses avoided, whichever is higher. UTI AMC has filed detailed reply to PFRDA in February 2020 denying all the allegations made in the SCN. The Company is hopeful of the outcome in it's favour and the liability cant be crystalised at this point of time.

(vii) In connection with India Debt Opportunities Fund Ltd. Mauritius and the India Debt Opportunities Scheme (Domestic Scheme), SEBI has issued a Show Cause Notice (SCN) to UTI Asset Management Company Limited and UTI Mutual Fund in January 2020 alleging violation of SEBI FPI Regulations and SEBI MF Regulations. The SCN has been issued to UTI AMC Ltd and UTI MF to show cause as to why inquiry should not be held under the Adjudication Rules for imposing penalty under section 15 HB of the SEBI Act 1992 which shall not be less than rupees one lac but which may extend to rupees one crore. UTI AMC Ltd and UTI MF have filed their detailed replies to SEBI in March 2020 denying all the allegations made in the SCN. The Company is hopeful of the outcome in it's favour and there-fore financial liability at this junction can't be crystalised.

(viii) The Income Tax re-assessment order for the Assessment Year 2009-10 has been passed raising a demand of Rs. 52.56 Million. We are in the process of filing an appeal before ITAT against such order.

The Income Tax assessment order for Assessment Year 2010-11 have been passed raising a demand of Rs. 22.77 Million. An Appeal have been filed against such order before CIT (A).

(c) Capital and other commitments

(Rs. In Million)

Particulars	Period Ended	Period Ended	Year Ended	Year Ended	Year Ended
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Estimated amount of contracts remaining to be executed on capital account (net of advances)	36.11	26.13	47.57	24.90	25.50
Uncalled liability on shares and other investments *	2,235.50	769.06	2,235.50	1,019.06	1,427.98

*The company has commitments as on 30th June 2020: Rs 485.50 million to LIC Housing Finance Ltd - Housing & Infrastructure Fund & Rs 1,750 million towards Structured Debt Opportunity Fund II. As on 30th June 2019: Rs 201.22 towards IIDF & Rs 567.84 towards Structured Debt Opportunity Fund II. As on 31st March 2020: Rs 485.50 towards LIC Housing Finance Ltd - Housing & Infrastructure Fund & Rs 1,750 million towards Structured Debt Opportunity Fund II. 31st March 2019 : 817.84 million towards Structured Debt Opportunity Fund I & Rs. 201.22 million towards IIDF. 31st March 2018: 1,226.76 million towards Structured Debt Opportunity Fund I & Rs. 201.22 million towards IIDF.

(d) Income Tax Related Matter

(i) The assessment of Assessment Year 2012-13 has been completed and there is a dispute of income tax amounting to Rs. 12.19 Million. An Appeal have been filed against the order before ITAT.

(ii) The assessment of Assessment Year 2013-14 has been completed and there is a dispute of income tax amounting to Rs. 13.28 Million. An Appeal have been filed against the order before ITAT.

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

B UTI Venture Funds Management Company Private Limited

(Rs. In Million)

Commitments & Contingent Liability	Period Ended	Period Ended	Year Ended	Year Ended	Year Ended
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Claims against the Company not acknowledged as debts - Disputed income tax demand towards certain adjustments by the authorities.	-	-	-	0.22	0.22
Towards non-registration as an NBFC with RBI as per section 45(IA) of RBI Act, 1934	0.50	0.50	0.50	-	-
Towards probable liability for provident fund of employees who retired on 31-08-2009 and freshly appointed on 01-09-2009, beyond Rs. 6500 salary per month threshold, covered with Ascent Capital Advisors India Pvt Ltd.	3.46	3.10	3.36	-	-

C UTI Retirement Solutions Limited

Contingent Liabilities

The company has no contingent liabilities.

Litigation

The company has no pending litigations.

Capital Commitments

The company has no capital commitments.

D UTI Capital Private Limited

Contingent Liabilities

The company has no contingent liabilities.

Litigation

The company has no pending litigations.

Capital Commitments

The company has no capital commitments.

E UTI International Limited

At the end of the reporting period, the Group has office rental and office equipment commitments under non-cancellable operating leases with a term within one financial year.

The minimum lease payments that will become due is GBP Nil as on 30th June 2020 (30th June 2019: Nil GBP, 31st March 2020 : Nil GBP, 31st March, 2019: 24,453 GBP, 31st March, 2018: 98,011 GBP)

33 Net dividend remitted in foreign exchange

UTI Asset Management Company Limited

(Rs. In Million)

Period to which it relates	30th June 2020	30th June 2019	31-Mar-20	31-Mar-19	31-Mar-18
Period/Year of remittance (ending on)	1st April 2020 to 30 June 2020	1st April 2019 to 30 June 2019	1 April 2019 to 31 March 2020	1 April 2018 to 31 March 2019	1 April 2017 to 31 March 2018
Number of non-resident shareholders	1	1	1	1	1
Number of equity shares held on which dividend was due (in Million)	32.96	32.96	32.96	32.96	32.96
Amount remitted	-	-	164.82	164.82	131.90

34 Earnings in foreign currency (accrual basis)

UTI Asset Management Company Limited

(Rs. In Million)

Particulars	Period Ended	Period Ended	Year Ended	Year Ended	Year Ended
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Management Fees	11.35	11.01	48.47	43.16	35.01

35 Expenditure in foreign currency (accrual basis)

UTI Asset Management Company Limited

(Rs. In Million)

Particulars	Period Ended	Period Ended	Year Ended	Year Ended	Year Ended
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Travelling Expenses	-	0.99	2.74	13.33	6.25
Professional fees and others	46.46	5.47	15.87	5.39	12.70
Marketing Fees	10.51	13.62	49.89	58.51	60.77
Total	**56.97**	**20.08**	**68.50**	**77.23**	**79.72**

36 Related party disclosures

In terms of Indian Accounting Standard 24 'Related Party Disclosures' , the company has entered into transactions with the following related parties in the ordinary courses of business.

a) Names of related parties where control exists with whom transactions have occurred

Investor with significant influence	T Rowe Price International Limited (26.00%)
Subsidiaries	UTI Venture Funds Management Company Private Limited (100%)
	UTI International Limited, Guernsey. (100%)
	UTI Retirement Solutions Limited, India (100%)
	UTI Capital Private Limited, India (100%)
	India Infrastructure Development Fund (25.87 %) ***
	UTI - Nifty Next 50 Exchange Traded Fund (42.32%) ***
Stepdown subsidiaries	UTI International (Singapore) Private Limited. (100% subsidiary of UTI International Limited, Guernsey)
	UTI Investment Management Company (Mauritius) Limited. (100% subsidiary of UTI International Limited, Guernsey)
	UTI Private Equity Limited (100% subsidiary of UTI Venture Funds Management Company (P) Limited)
Other Related Parties	UTI AMC Ltd Employees Provident Fund
	UTI AMC Ltd Pension Fund
Key management personnel	Mr. Imtaiyazur Rahman (CEO & WTD),
	Mr. Leo Puri (Managing Director)*,
	Mr. Dinesh Kumar Mehrotra (Chairman & Independent Director)
	Mr. Deepak Kumar Chatterjee (Independent Director)
	Mr. Edward Cage Bernard (Non - Executive Director)
	Mr. Flemming Madsen (Non - Executive Director)
	Mr. Narasimhan Seshadri (Independent Director)
	Ms. Uttara Dasgupta (Independent Director)
	Mr. Ashok Shah (Independent Director)
	Ms. Dipali Hemant Sheth (Independent Director)
	Ms. Jayashree Vaidhyanathan (Independent Director)
	Mr .Rajeev Kakar (Independent Director)
	Mr. Praveen Jagwani (CEO of UTI International Ltd.)
	Mr. Christopher M W Hill (Non – Executive Director of UTI International Ltd.)
	Mr. Surojit Saha (CFO)
	Mr. Kiran Vohra (CS)**,
	Mr. Arvind Patkar (CS),

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

** Mr. Kiran Vohra ceases to be company secretary w.e.f. 11th December 2019.

***The above mentioned fund have been consolidated as per the requirement of IND AS 110. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

b) Related parties transactions

Sr. No.	Name of Related Party	Nature of Transactions	Period ended 30th June 2020		Period ended 30th June 2019		Year ended 2019-20		Year ended 2018-19		Year ended 2017-18	
			Tranasations for the period	Outstanding at the period end	Tranasations for the period	Outstanding at the period end	Tranasations for the year	Outstanding at the year end	Tranasations for the year	Outstanding at the year end	Tranasations for the year	Outstanding at the year end
1	T Rowe Price International Limited	Reimbursement towards Expenses	4.67	-	-	-	4.25	-	7.46	-	8.46	-
		Dividend Paid	-	-	-	-	164.82	-	164.82	-	131.86	-
2	UTI AMC Ltd Employees Provident Fund	Contribution to the fund	65.84	-	50.31	18.33	203.70	6.44	193.21	-	177.01	-
3	UTI AMC Ltd Pension Fund	Contribution to the fund	13.12	-	9.28	3.36	37.55	-	35.47	-	31.57	-

*All transactions with these related parties are priced on an arm's length basis and resulting outstanding balances are to be settled in cash within six months of the reporting date. None of the balances is secured.

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

Sr. No.	Nature of Transactions	Period ended 30th June 2020	Period ended 30th June 2019	Year ended 2019-20	Year ended 2018-19	Year ended 2017-18
		Tranasations for the period	Tranasations for the period	Tranasations for the year	Tranasations for the year	Tranasations for the year
1	Short term employee benefits	53.56	37.30	106.12	144.81	146.93
2	Post employee benefits	0.39	0.39	8.74	3.69	2.21
3	Share Based Payments	11.60	-	9.33	-	-
4	Director Sitting Fees	2.99	0.87	8.27	3.81	3.07
5	Dividend on Equity Shares	-	-	0.02	0.04	0.04

UTI Asset Management Company Limited

Notes to consolidated accounts annexed to and forming part of the financial statements for the period ended 30th June 2020

Transaction with related party

Sr. No.	Name of Related Party	Nature of Transactions	Period ended 30th June 2020		Period ended 30th June 2019		Year ended 2019-20		Year ended 2018-19		Year ended 2017-18	
			Tranasations for the period	Outstanding at the period end	Tranasations for the period	Outstanding at the period end	Tranasations for the year	Outstanding at the year end	Tranasations for the year	Outstanding at the year end	Tranasations for the year	Outstanding at the year end
1	UTI International Limited	Marketing Fees Received	-	-	-	-	-	-	-	-	60.77	27.41
		Reimbursement towards IPO expenses	32.29	-	-	-	0.50	0.50	-	-	-	-
		Dividend Received	-	-	-	-	-	-	350.00	-	-	-
2	UTI International (Singapore) Private Limited	Reimbursement towards expenses	-	-	-	-	-	-	0.10	-	-	-
		Reimbursement towards IPO expenses	8.69	-	-	-	0.09	-	-	-	-	-
		Business Support Service Fees (Expense)	10.51	10.51	13.62	13.62	49.89	11.13	58.51	14.14	-	-
		PMS Fees (Income)	7.88	7.88	6.75	6.75	31.05	9.17	26.58	6.18	20.11	6.02
4	UTI Investment Company Mauritius Limited	PMS Fees (Income)	3.47	2.40	4.26	4.26	17.42	4.26	16.57	2.63	14.90	1.30
3	UTI Capital Private Limited	Reimbursement towards expenses	-	-	-	-	-	-	1.12	-	-	-
		Reimbursement towards IPO expenses	-	-	-	-	3.59	3.59	-	-	-	-
		Rent Income	0.42	-	1.27	-	5.07	-	5.07	-	4.78	-
		Reimbursement received towards administrative Expense	-	-	0.77	21.42	3.15	0.76	3.59	0.77	3.54	0.21
		Interest Income	1.20	1.11	0.09	0.09	3.71	1.08	-	-	-	-
		Loan given*	-	60.00	60.00	60.00	60.00	60.00	-	-	-	-
5	UTI Retirement Solutions Limited	Rent Income	0.49	-	-	-	1.95	-	0.01	-	0.01	-
		Reimbursement received towards employee benefit expenses & administrative Expenses	8.13	-	1.10	1.10	15.84	-	15.80	-	15.60	0.01
6	UTI Venture Funds Management Company Private Limited	Reimbursement towards Expenses	-	1.30	-	-	1.30	1.30	-	-	-	-
		Dividend Received	40.00	-	-	-	-	-	-	-	-	-
7	India Infrastructure Development Fund	Investment	-	-	-	-	-	-	-	-	17.10	-
		Redemption	-	-	-	-	104.19	-	-	-	372.18	-

* UTI Asset Management Company has given a short term loan for the period of 1 year to UTI Capital Private Limited @ 8% interest to be paid semi annually, which has been further extended for 1 year.

This table contains the intercompany transactions which got eliminated in the consolidated financial statement. This table has been shown separately in compliance with SEBI ICDR guidelines.

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 Standalone Financial Information appearing in Annexure VI and Statement on Adjustments to Audited Standalone Financial Statements appearing in Annexure VII.

UTI Asset Management Company Limited

Notes to Restated consolidated accounts annexed to and forming part of the financial statements as at

37. Effect of IND-AS on the consolidated balance sheet as at 31st March 2018

(Rs. In Million)

Particulars	As at 31st March 2018		
	Previous GAAP	Effect of IND AS and Restatement Adjustment	As per Restated
1 ASSETS			
Financial Assets			
Cash and cash equivalents	1,492.40	9.52	1,501.92
Receivables			
Trade Receivables	436.78	63.63	500.41
Other Receivables	-	48.75	48.75
Loans	1,049.62	(692.80)	356.82
Investments	19,324.78	2,463.71	21,788.49
Other Financial Assets	414.87	507.45	922.32
Total Financial Assets	**22,718.45**	**2,400.26**	**25,118.71**
2 **Non Financial Assets**			
Current Tax Assets (Net)	-	170.55	170.55
Deferred Tax Assets (Net)	-	-	-
Investment Property	-	117.68	117.68
Property, Plant and Equipments	2,703.23	(117.70)	2,585.53
Right of use assets		912.70	912.70
Capital work in progress	54.41	(31.50)	22.91
Intangible assets under development	-	31.20	31.20
Other Intangible Assets	24.91	-	24.91
Other Non Financial Assets	-	208.33	208.33
Total Non Financial Assets	**2,782.55**	**1,291.26**	**4,073.81**
TOTAL ASSETS	**25,501.00**	**3,691.52**	**29,192.52**
II EQUITY AND LIABILITIES			
Liabilities			
Financial Liabilities			
Trade Payables	168.00	1,440.95	1,608.95
Other Financial Liabilities	-	1,543.93	1,543.93
Total Financial Liabilities	**168.00**	**2,984.88**	**3,152.88**
Non Financial Liabilities			
Current Tax Liabilities (Net)	-	50.68	50.68
Provisions	263.60	797.55	1,061.15
Deferred Tax Liabilities (Net)	350.60	87.70	438.30
Other Non Financial liabilities	1,841.93	(1,728.64)	113.29
Total Financial Liabilities	**2,456.13**	**(792.71)**	**1,663.42**
Equity			
Equity Share Capital	1,267.87	-	1,267.87
Other Equity	21,609.00	797.46	22,406.46
Equity attributable to owners of the Company	**22,876.87**	**797.46**	**23,674.33**
Non-controlling interests	-	701.89	701.89
	22,876.87	**1,499.35**	**24,376.22**
TOTAL EQUITY AND LIABILITIES	**25,501.00**	**3,691.52**	**29,192.52**

Effect of IND-AS adoption on the Statement of Profit & Loss & Other Equity

Particulars	State of Profit & Loss	Other Equity
	For the year ended 31.03.2018	As on 31.03.2018
Net Profit / Other Equity* as per Previous India GAAP	4,016.71	21,608.96
1 Fair Valuation for Financial Assets	(356.87)	1,791.57
2 Deferred Tax on financial Asset	229.22	(131.65)
3 Prior Period Adjustment	5.82	-
4 Adjustment due to application of IND AS 116	(47.83)	(122.84)
5 Impact of Consolidation due to IND AS 110	335.25	(664.57)
6 Deferred Tax on Restated Adjustments	13.84	49.08
7 Change in Actuarial Assumption	(151.77)	(162.84)
8 Others	6.54	38.75
Net Profit before OCI / Other Equity as per IND-AS	**4,050.91**	**22,406.46**

Footnotes to the reconciliation of equity and profit or loss for the year ended 31st March 2018.

First time adoption of Ind AS

Financial statements for the year ended 31st March 2019 were the first set of Ind AS financial statements issued by the Group, hence were covered by Ind AS 101, 'First Time Adoption of Indian Accounting Standards'. The transition to Ind AS has been carried out from the accounting principles generally accepted in India ('Indian GAAP'), which is considered as the Previous GAAP, for the purposes of Ind AS 101. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Group's Equity, Statement of Profit and Loss and Cash Flow Statement. As envisaged by the SEBI Circular, the Group has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on its Ind AS transition date (i.e. 1st April 2017) while preparing Proforma financial information for the Financial Year 2016-17 and accordingly suitable restatement adjustments (both re-measurements and reclassifications) in the accounting heads have been made in the Proforma financial information. This Proforma consolidated financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended 31st March 2017.The exemptions availed by the company under Ind AS 101 are as follows:

(i) The company has adopted the carrying value determined in accordance with I-GAAP for all of its property plant & equipment and investment property as deemed cost of such assets at the transition date.

(ii) Ind AS 102 Share-based Payment has not been applied to equity instruments in share-based payment transactions that vested before April 1, 2017.

(iii) The estimates as at March 31, 2018 are consistent with those made for the same dates in accordance with I-GAAP

I. Investment Property:

Based on IND AS 40, the company has reclassified building worth Rs 122.88 Million in FY 16-17 to investment property. Under the previous GAAP, this was reported under the head 'Property, Plant & Equipment'

II. Loans:
Advances given to employees such as General Purpose Advances, Housing Advances, Vehicle Advances and Loans given to UTI Employee Credit Society and other loans & deposits are reclassified and premeasured based on Effective interest rate method (EIR Method) described in IND AS 109 , the differed part of these loans , advances & deposits are grouped with Other Non Financial Assets. These are a part of Short Term & Long Term Loans & advances in the audited GAAP financial for the year ended 31.03.2018

III. Investments:
In accordance with IND AS, financial assets representing investment in equity shares of entities other than subsidiaries, mutual funds have been fair valued. The company has classified these investment as fair value through profit & loss as per IND AS 109. Loans have been carried at amortised cost. Under the previous GAAP, the application of the relevant accounting standard resulted in all these investments being carried at cost.

IV. Intangible Assets under Development:
Intangible assets under development worth Rs. 29.91 Million in FY 16-17 were classified under Capital Work in Progress under Previous GAAP.

V. Other Financial Assets:
Difference in other financial assets is due to reclassification of fixed deposits , Interest accrued on fixed deposit & investments from other current assets to other financial assets. In addition to the above, VSS Liability Fund, Investor Education & Protection Fund, Offshore Development Fund are also reclassified from Long term loans & advances to other financial assets. Also, Prepaid expenses and advance income tax is has now been included in Other Current Assets.

VI. Other Non Financial Assets:
Prepaid expenses was classified under Short term loans & advances under IGAAP. Also Capital advances was a part of Capital Work in Progress in the financial of IGAAP has now reclassified separately under Other Non Financial Assets .

VII. Financial Liabilities:

Financial Liabilities include Payable to UTI Mutual Fund, Retention Money, Accrued Benefit to Employees & Trade Payables which was classified as Other Current Liabilities in the financial of IGAAP.

VIII. Other Financial Liabilities:
Liability on account of VSS Liability Fund, Investor Education & Protection Fund & Offshore Development Fund was classified as Other Long term Liabilities under IGGAP Financial now reclassified as Other Financial Liability.

IX. Other Non Financial Liabilities:
All Statutory Dues was classified under Other Current Liabilities, now reclassified under Other Non Financial Liabilities.

X. Other Equity:
Changes in Other Equity is explained above

XI. Other comprehensive income
Under Indian GAAP, the Group has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS. (Movement of OCI is explained in the table above).

XII. Deemed cost-Investment in subsidiaries
Ind AS 101 permits a first-time adopter to measure its investments in subsidiaries at deemed cost which is either the fair value as at the date of transition or previous GAAP carrying amount as at the date of transition. Accordingly, the Company has elected to measure all of its investments in subsidiaries at their previous GAAP carrying value except investment in India Infrastructure Development Fund (IIDF) where fair value is taken as the deemed cost as on the transition date.

XIII. IND AS 116 - Lease: (New Accounting Policy)
Group has applied IND AS 116 w.e.f. 01st April 2016 (Proforma) for the purpose of restated consolidated summary financial information. Accordingly, adjustments relating to IND AS 116 represents:
- Depreciation on Right-of-Use Assets, pertaining to lease arrangements recognised pursuant to implementation of Ind AS 116. The Right-of-Use assets are depreciated over the 'lease term' as defined under Ind AS 116 or economic life, whichever is lower.
- Interest element recognised on lease liabilities pursuant to implementation of Ind AS 116. Interest is measured using incremental borrowing rate.
- Lease rentals pertaining to lease arrangements accounted in accordance to erstwhile Ind AS 17, now reversed.

XIV. Prior Period Items:

Prior Period Expenses/ Income has been reversed from the financial year in which it has been shown as a prior period expenses/income and the same has been recognised in the financial year to which it pertains

XV. Deferred tax on IND AS/restatement adjustments:

Under previous GAAP, deferred taxes were recognized for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognized using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional / restatement adjustments lead to temporary differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings \ Profit or Loss or through other comprehensive income.

XVI. Material regroupings:

Appropriate adjustments have been made in the restated consolidated statements of assets and liabilities, restated consolidated statement of profit and loss and restated consolidated cash flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financials of the Group as at June 30, 2020, prepared in accordance with Schedule III (Division III) of Companies Act 2013 and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018.

XVII. Impact of Consolidation due to IND AS 110

The Group has adopted Ind AS 110 " Consolidated Financial Statement " from 1 April 2017. For the purpose of restatement, the change in accounting policy was given effect retrospectively from 1 April 2016 in the Restated Consolidated Financial Information of the Group. Consequently, Group has consolidated IIDF and relevant scheme fund from 1 April 2016 (Proforma) falling under the criteria of power over the investee, higher exposure to variable returns and ability to use its power over the investee.

XVIII. Change in actuarial assumption:
Change in actuarial assumption include change in discount, attrition and mortality rate.

UTI Asset Management Company Limited

Notes to restated consolidated accounts annexed to and forming part of the financial statements as at

38. Maturity Analysis

(Rs. In Million)

Year		As at 30th June 2020			As at 30th June 2019			As at 31st March 2020			As at 31st March 2019			As at 31st March 2018		
Particulars	**Note No**	**Within 12 Month**	**After 12 Month**	**Total**	**Within 12 Month**	**After 12 Month**	**Total**	**Within 12 Month**	**After 12 Month**	**Total**	**Within 12 Month**	**After 12 Month**	**Total**	**Within 12 Month**	**After 12 Month**	**Total**
I. ASSETS																
1 Financial Assets																
Cash and cash equivalents	3	1,238.46	0.10	1,238.56	1,150.51	0.10	1,150.61	1,192.42	0.10	1,192.52	1,241.70	0.10	1,241.80	1,501.82	0.10	1,501.92
Receivables	4	-	-								-	-		-	-	
Trade Receivables		407.14	13.78	420.92	504.70	1.91	506.61	442.51	13.67	456.18	273.94	1.60	275.54	500.15	0.26	500.41
Other Receivables		92.30	-	92.30	260.68	-	260.68	97.39	-	97.39	361.80	-	361.80	48.75	-	48.75
Loans	5	189.41	174.64	364.05	68.16	208.96	277.12	192.85	181.55	374.40	62.79	218.86	281.65	77.11	279.71	356.82
Investments	6	6,925.58	17,648.31	24,573.89	8,450.19	14,735.26	23,185.45	6,671.46	16,886.05	23,557.51	7,268.24	15,345.47	22,613.70	11,243.13	10,545.36	21,788.49
Other Financial Assets	7	26.98	1,486.48	1,513.46	5.08	1,301.26	1,306.34	17.50	1,524.88	1,542.38	29.51	1,249.08	1,278.59	79.43	842.89	922.32
Total Financial Assets		**8,879.87**	**19,323.31**	**28,203.18**	**10,439.32**	**16,247.49**	**26,686.81**	**8,614.13**	**18,606.25**	**27,220.38**	**9,237.98**	**16,815.10**	**26,053.08**	**13,450.39**	**11,668.32**	**25,118.71**
2 Non Financial Assets																
Current Tax Assets (Net)	8	478.90	21.68	500.58	413.21	21.09	434.30	438.88	22.17	461.05	301.18	19.38	320.56	158.77	11.78	170.55
Deferred Tax Assets (Net)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment Property	9	-	105.97	105.97	-	111.18	111.18	-	107.27	107.27	-	112.47	112.47	-	117.68	117.68
Property, Plant and Equipments	10	-	2,471.08	2,471.08	-	2,510.73	2,510.73	-	2,503.88	2,503.88	-	2,529.42	2,529.42	0.01	2,585.52	2,585.53
Right of use assets	11	-	959.36	959.36	-	846.28	846.28	4.59	891.94	896.53	-	834.18	834.18	-	912.70	912.70
Capital work in progress	12	5.71	-	5.71	24.28	-	24.28	2.84	-	2.84	8.78	-	8.78	22.91	-	22.91
Intangible assets under development	13	19.06	-	19.06	-	-	-	7.56	-	7.56	-	-	-	-	31.20	31.20
Other Intangible Assets	14	-	104.52	104.52	-	31.13	31.13	-	118.01	118.01	-	36.13	36.13	-	24.91	24.91
Other Non Financial Assets	15	158.25	106.53	264.78	145.88	136.91	282.79	116.72	114.94	231.66	78.95	159.06	238.01	72.16	136.17	208.33
Total Non Financial Assets		**661.92**	**3,769.14**	**4,431.06**	**583.37**	**3,657.32**	**4,240.69**	**570.59**	**3,758.21**	**4,328.80**	**388.91**	**3,690.64**	**4,079.55**	**253.85**	**3,819.96**	**4,073.81**
TOTAL ASSETS		**9,541.79**	**23,092.45**	**32,634.24**	**11,022.69**	**19,904.81**	**30,927.50**	**9,184.72**	**22,364.46**	**31,549.18**	**9,626.89**	**20,505.74**	**30,132.63**	**13,704.24**	**15,488.28**	**29,192.52**
II LIABILITIES AND EQUITY																
Liabilities																
1 Financial Liabilities																
Trade Payables	16															
Total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total outstanding dues of creditors micro enterprises and small enterprises		8.43	-	8.43	24.94	-	24.94	14.22	-	14.22	37.77	-	37.77	111.10	-	111.10
Other Payables					-	-					-	-		-	-	
Total outstanding dues of micro enterprises and small enterprises		4.54	-	4.54	1.73	-	1.73	7.96	-	7.96	9.27	-	9.27	1.64	-	1.64
Total outstanding dues of creditors micro enterprises and small enterprises		302.39	16.36	318.75	421.49	17.84	439.33	623.90	16.16	640.06	642.09	24.91	667.00	1,473.62	22.59	1,496.21
Borrowings		-	-	-	-	-		-	-	-	-	-	-	-	-	-
Other Financial Liabilities	17	207.88	1,574.34	1,782.23	175.46	1,472.26	1,647.72	194.85	1,560.90	1,755.75	171.21	1,422.66	1,593.87	158.54	1,385.39	1,543.93
Total Financial Liabilities		**523.25**	**1,590.70**	**2,113.95**	**623.62**	**1,490.10**	**2,113.72**	**840.93**	**1,577.06**	**2,417.99**	**860.34**	**1,447.57**	**2,307.91**	**1,744.90**	**1,407.98**	**3,152.88**
2 Non Financial Liabilities																
Current Tax Liabilities (Net)	18	76.91	-	76.91	172.39	-	172.39	44.94	-	44.94	43.40	-	43.40	50.68	-	50.68
Provisions	19	1,291.90	6.20	1,298.10	1,122.98	12.38	1,135.36	825.83	5.06	830.89	902.68	13.39	916.07	1,050.47	10.69	1,061.15
Deferred Tax Liabilities (Net)	20	-	498.77	498.77	-	399.82	399.82	-	444.54	444.54	-	363.36	363.36	-	438.30	438.30
Other Non Financial liabilities	21	182.78	-	182.78	208.06	-	208.06	77.99	-	77.99	63.12	23.11	86.23	113.29	-	113.29
Total Non Financial Liabilities		**1,551.60**	**504.97**	**2,056.56**	**1,503.43**	**412.20**	**1,915.63**	**948.76**	**449.60**	**1,398.36**	**1,009.21**	**399.85**	**1,409.06**	**1,214.43**	**448.99**	**1,663.42**
TOTAL LIABILITIES		**2,074.84**	**2,095.67**	**4,170.51**	**2,127.05**	**1,902.30**	**4,029.35**	**1,789.69**	**2,026.66**	**3,816.35**	**1,869.55**	**1,847.43**	**3,716.97**	**2,959.33**	**1,856.96**	**4,816.30**

Notes to Accounts annexed to and forming part of the Restated Consolidated Financial Summary Statements for the period ended 30th June 2020, 30th June 2019, and year ended 31st March 2020, 31st March 2019 and 31st March 2018.

39. Retirement Benefit

UTI Asset Management Company Limited.

(a) In accordance with the requirements of the Indian Accounting Standard 19 related to Employee Benefits, in regard to any future obligation related to Provident Fund, arising due to interest shortfall (i.e. interest rate prescribed by the government from time to time to be paid on provident fund scheme exceeds rate of interest earned on investment), the amount of shortfall, if any, will be borne by UTI Asset Management Company Limited. However, at present the fund does not have any existing deficit or interest shortfall.

(b) Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

Particulars	Employee Leave Encashment scheme				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Discount rate (per annum)	5.80%	7.05%	6.65%	7.50%	7.75%
Salary escalation rate (per annum)	6.00%	6.00%	6.00%	6.00%	3.50%
Withdrawal rate / Leaving Service rate	3.00%	3.00%	3.00%	3.00%	3.00%

Particulars	Employee Company Gratuity Fund				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Discount rate (per annum)	5.80%	7.05%	6.65%	7.50%	7.75%
Salary escalation rate (per annum)	6.00%	6.00%	6.00%	6.00%	3.50%
Withdrawal rate / Leaving Service rate	3.00%	3.00%	3.00%	3.00%	3.00%

Particulars	Employees Company Superannuation scheme				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Discount rate (per annum)	5.80%	7.05%	6.65%	7.50%	7.75%
Salary escalation rate (per annum)	6.00%	6.00%	6.00%	6.00%	3.50%
Withdrawal rate / Leaving Service rate	3.00%	3.00%	3.00%	3.00%	3.00%

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Demographic Assumption:

Mortality in Service: Indian Assured Lives Mortality (2006-08) Ultimate table

Mortality in Retirement: LIC Buy-out Annuity Rates prevailing as on the valuation date.

(c) As required by the Ind AS19, the discount rate used to arrive at the present value of the defined benefit obligation is based on the Indian government security yields prevailing as at the balance sheet date that have maturity date equivalent to the tenure of the obligation.

The expected return on plan assets is based on market expectation, at the beginning of the year, for returns over the entire life of the related obligation. The Gratuity scheme is invested in a Group Gratuity – Cum Life Assurance cash accumulation policy issued by Life Insurance Corporation (LIC) of India.

The investment return earned on the policy comprises bonuses declared by LIC having regard to LIC's investment earning. The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available.

(d) Re-measurements arising from defined plans comprises of actuarial gains and losses on benefits obligation. As required by the Ind AS19, the UTI Asset Management Company recognizes these items of re-measurements immediately in other comprehensive income and all the other expenses related to defined benefit plan as employee benefit expenses in their profit and loss account.

(e) Ind AS 19 does not require any specific disclosures except where expense resulting from Employee Leave Encashment scheme is of such size, nature or incidence that its disclosure is relevant under another standard.

(f) The following table sets out the status of the different employee welfare plans, reconciliation of opening and provisional closing balances of the present value of the defined benefit obligation.

(i) Movement in the Present value of Benefit obligations **(Rs.in Millions)**

Particulars	Employee's Gratuity Fund				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Opening of defined benefit obligation	1,237.59	1,096.99	1,096.99	891.29	606.82
Current Service cost	5.59	6.13	24.52	32.17	8.71
Past Service Cost	-	-	-	-	283.30
Interest on defined benefit obligation	19.29	19.56	78.23	65.54	41.47
Remeasurement due to:					
Actuarial loss/ (gain) arising from change in financial assumptions	58.41	29.03	54.21	93.10	(33.23)
Actuarial loss/ (gain) arising from change in demographic assumptions	-	-	-	(0.47)	-
Actuarial loss/ (gain) arising on account of experience changes	4.07	7.90	34.49	53.40	5.41
Benefits Paid	(8.55)	(11.73)	(50.85)	(38.04)	(21.19)
Liabilities assumed / (settled)	-	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-	-
Closing present value of defined benefit obligation	**1,316.40**	**1,147.87**	**1,237.59**	**1,096.99**	**891.29**

Particulars	Employee's Super Annuation Fund				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Opening of defined benefit obligation	2,565.83	1,887.03	1,887.03	1,616.15	1,496.91
Current Service cost	23.76	18.15	72.59	49.03	45.53
Past Service Cost	-	-	-	-	-
Interest on defined benefit obligation	41.85	34.58	138.33	121.84	105.73
Remeasurement due to:					
Actuarial loss/ (gain) arising from change in financial assumptions	201.15	77.88	174.05	291.81	(97.36)
Actuarial loss/ (gain) arising from change in demographic assumptions	-	-	-	-	-
Actuarial loss/ (gain) arising on account of experience changes	46.49	49.96	334.02	21.27	108.23
Benefits Paid	-	(3.64)	(40.19)	(213.07)	(42.89)
Liabilities assumed / (settled)	-	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-	-
Closing present value of defined benefit obligation	**2,879.08**	**2,063.96**	**2,565.83**	**1,887.03**	**1,616.15**

(ii) Movement in the Fair value of Plan Assets **(Rs.in Millions)**

Particulars	Employee's Gratuity Fund				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Opening fair value of plan assets	1,108.17	645.99	645.99	636.72	609.69
Employer contributions	-	-	447.41	0.96	1.70
Interest on plan assets	17.97	12.04	48.15	50.46	41.67
Administration expenses	-	-	-	-	-
Remeasurement due to:					
Actual return on plain assets less interest on plan assets	(10.03)	2.07	17.47	(4.11)	4.84
Benefits Paid	(8.55)	(11.73)	(50.85)	(38.04)	(21.18)
Assets acquired / (settled)	-	-	-	-	-
Assets distributed on settlements	-	-	-	-	-
Closing fair value of plan assets	**1,107.56**	**648.37**	**1,108.17**	**645.99**	**636.72**

Particulars	Employee's Super Annuation Fund				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Opening fair value of plan assets	2,041.46	1,649.15	1,649.15	1,530.26	1,395.21
Employer contributions	13.13	9.76	254.63	217.04	109.42
Interest on plan assets	33.96	31.06	124.24	119.06	98.45
Administration expenses	-	-	-	-	-
Remeasurement due to:		-	-	-	-
Actual return on plain assets less interest on plan assets	(39.59)	38.17	53.63	(4.14)	(29.93)
Benefits Paid	-	(3.64)	(40.19)	(213.07)	(42.89)
Assets acquired / (settled)	-	-	-	-	-
Assets distributed on settlements	-	-	-	-	-
Closing fair value of plan assets	**2,048.96**	**1,724.51**	**2,041.46**	**1,649.15**	**1,530.26**

(iii) Amount recognized in the Balance Sheet **(Rs.in Millions)**

Particulars	Employee's Gratuity Fund				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Present Value of funded / unfunded obligation	1,316.40	1,147.87	1,237.59	1,096.99	891.29
Fair value of Plan assets	1,107.56	648.37	1,108.17	645.99	636.72
Net Funded obligation	208.84	499.50	129.42	451.00	254.57
Net defined benefit liability / (Asset) recognized in balance Sheet	208.84	499.50	129.42	451.00	254.57
Non-Financial Liabilities	208.84	499.50	129.42	451.00	254.57

Particulars	Employee's Super Annuation Fund				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Present Value of funded / unfunded obligation	2,879.08	2,063.96	2,565.83	1,887.03	1,616.15
Fair value of Plan assets	2,048.96	1,724.51	2,041.46	1,649.15	1,530.26
Net Funded obligation	830.12	339.45	524.37	237.88	85.89
Net defined benefit liability / (Asset) recognized in balance Sheet	830.12	339.45	524.37	237.88	85.89
Non-Financial Liabilities	830.12	339.45	524.37	237.88	85.89

(iv) Amount recognised in Other Comprehensive Income **(Rs.in Millions)**

Particulars	Employee's Gratuity Fund				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Opening amount recognized in OCI outside profit and loss account	214.70	143.46	143.46	(32.66)	-
Re-measurement during the period due to					
Changes in financial assumptions	58.41	29.03	54.22	93.10	(33.23)
Changes in demographic assumptions	-	-	-	(0.47)	-
Experience adjustments	4.07	7.90	34.49	53.40	5.41
Actual return on plan assets less interest on plan assets	10.03	(2.07)	(17.47)	4.11	(4.84)
Adjustment to recognize the affect of asset ceiling	-	-	-	-	-
Closing amount recognized in OCI outside profit and loss account	**287.21**	**178.32**	**214.70**	**117.48**	**(32.66)**

Particulars	Employee's Super Annuation Fund				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Opening amount recognized in OCI outside profit and loss account	1,072.03	617.58	617.58	40.81	-
Re-measurement during the period due to					
Changes in financial assumptions	201.15	77.88	174.05	291.81	(97.35)
Changes in demographic assumptions	-	-	-	-	-
Experience adjustments	46.49	49.96	334.02	21.27	108.23
Actual return on plan assets less interest on plan assets	39.59	(38.17)	(53.62)	4.14	29.93
Adjustment to recognize the affect of asset ceiling	-	-	-	-	-
Closing amount recognized in OCI outside profit and loss account	**1,359.26**	**(707.25)**	**1,072.03**	**358.03**	**40.81**

(v) Components of Profit and Loss Account expense **(Rs.in Millions)**

Particulars	Employee's Gratuity Fund				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Current Service cost	5.59	6.13	24.52	32.17	8.71
Past Service cost	-	-	-	-	283.30
Administration expenses	-	-	-	-	-
Interest on net defined benefit liability / (assets)	1.32	7.52	30.07	15.08	(0.21)
(Gains) / losses on settlement	-	-	-	-	-
Total Expenses charged to profit and loss account	**6.91**	**13.65**	**54.59**	**47.25**	**291.80**

Particulars	Employee's Super Annuation Fund				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Current Service cost	23.75	18.15	72.59	49.03	45.53
Past Service cost	-	-	-	-	-
Administration expenses	-	-	-	-	-
Interest on net defined benefit liability / (assets)	7.89	3.52	14.09	2.78	7.27
(Gains) / losses on settlement	-	-	-	-	-
Total Expenses charged to profit and loss account	**31.64**	**21.67**	**86.68**	**51.81**	**52.80**

(vi) Reconciliation of Net Liability/ Asset:

a) Employee's Gratuity Fund:

(Rs.in Millions)

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Opening net defined benefit liability/ (asset)	129.42	451.00	451.00	254.57	(2.87)
Expenses charged to profit and loss account	6.91	13.65	54.59	47.26	291.80
Amount recognized outside profit and loss account	72.51	34.86	71.24	150.13	(32.66)
Employer contributions	-	-	(447.41)	(0.96)	(1.70)
Impact of liability assumed or (settled)*	-	-	-	-	-
Closing net defined benefit liability / (asset)	**208.84**	**499.50**	**129.42**	**451.00**	**254.57**

b) Employee's Super Annuation Fund

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Opening net defined benefit liability/ (asset)	524.37	237.88	237.88	85.89	101.69
Expenses charged to profit and loss account	31.64	21.67	86.68	51.81	52.80
Amount recognized outside profit and loss account	287.23	89.67	454.44	317.23	40.82
Employer contributions	(13.12)	(9.76)	(254.63)	(217.05)	(109.42)
Impact of liability assumed or (settled)*	-	-	-	-	-
Closing net defined benefit liability / (asset)	**830.12**	**339.45**	**524.37**	**237.88**	**85.89**

*Employee benefit of Key managerial personnel are not determined for the above fund & hence, we have not separately disclose the same.

(vii) Projected plan cash flow:

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date.

(Rs. Million)

Maturity Profile	Employee's Gratuity Fund				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Expected benefits for year 1	159.91	115.24	154.19	107.95	91.19
Expected benefits for year 2	149.44	119.42	137.19	114.10	74.02
Expected benefits for year 3	139.77	134.24	153.09	124.00	99.11
Expected benefits for year 4	158.56	128.92	148.37	140.69	107.24
Expected benefits for year 5	201.92	145.31	176.16	135.94	117.31
Expected benefits for year 6	202.23	189.21	207.59	166.00	113.24
Expected benefits for year 7	230.06	185.21	202.76	191.89	134.87
Expected benefits for year 8	171.68	216.45	188.28	188.29	148.87
Expected benefits for year 9	125.75	163.00	144.43	180.02	150.41
Expected benefits for year 10 and above	331.42	416.95	339.01	443.75	484.74

The weighted average duration to the payment of these cash flows is 5.42 years for the period ended June 2020, 5.73 years for the period ended June 2019, 5.35 years for the year ended March 2020 and 5.75 years for the year ended March 2019 and 6.04 years for the year ended March 2018.

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan (which in case of serving employees, if any, is based on service accrued by employee up to the valuation date).

Maturity Profile	Employee's Super Annuation Fund				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Expected benefits for year 1	102.33	83.56	97.07	85.22	88.13
Expected benefits for year 2	180.90	100.90	142.33	100.14	120.31
Expected benefits for year 3	139.33	141.13	164.56	112.74	55.36
Expected benefits for year 4	222.59	127.10	200.86	140.83	83.35
Expected benefits for year 5	210.58	171.61	215.65	161.18	91.97
Expected benefits for year 6	353.62	167.83	284.80	168.37	98.84
Expected benefits for year 7	276.51	279.30	262.41	225.27	128.89
Expected benefits for year 8	290.47	213.57	313.59	215.88	161.79
Expected benefits for year 9	415.71	224.23	332.74	245.08	161.34
Expected benefits for year 10	394.03	325.45	370.95	261.34	158.26

The weighted average duration to the payment of these cash flows is 8.58 years for the period ended June 2020, 8.62 years for the period ended June 2019, 8.41 years for the year ended March 2020 and 8.94 years for the year ended March 2019 and 10.12 years for the year ended March 2018

viii) Sensitivity Analysis:

The benefit obligation results of pension scheme and gratuity fund are particularly sensitive to discount rate, longevity risk, salary escalation rate and pension increases, if the plan provision do provide for such increases on commencement of pension.

The above table summarized the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account changes in these three key parameters.

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous period in the methods and assumption used in preparing the sensitivity analyses.

a) Employee's Super Annuation Fund

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Discount rate					
Impact of increase in 50 bps on DBO	(4.21)%	(4.18)%	(4.04)%	(4.12)%	(4.47)%
Impact of decrease in 50 bps on DBO	4.53%	4.50%	4.32%	4.42%	4.98%
Pension increase rate					
Impact of increase in 100 bps on DBO	9.11%	9.17%	8.71%	8.64%	13.72%
Impact of decrease in 100 bps on DBO	(9.11)%	(9.15)%	(8.71)%	(8.64)%	(13.72)%
Life expectancy					
Impact of increase in 1 year on DBO	2.20%	1.98%	2.11%	1.94%	2.76%
Impact of decrease in 1 year on DBO	(2.24)%	(2.04)%	(2.16)%	(2.01)%	(2.68)%

b) Employee's Gratuity Fund

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Discount Rate					
Impact of increase in 50 bps on DBO	(2.65)%	(2.80)%	(2.62)%	(2.81)%	(2.95)%
Impact of decrease in 50 bps on DBO	2.77%	2.93%	2.73%	2.94%	3.09%
Salary Escalation Rate					
Impact of increase in 50 bps on DBO	0.69%	1.03%	0.77%	1.09%	2.45%
Impact of decrease in 50 bps on DBO	(0.70)%	(1.08)%	(0.80)%	(1.17)%	(2.55)%

The company commenced operations from 01/02/2003 and formed a Pension Trust which inherited the Employees Group Superannuation Fund from the erstwhile Unit Trust of India. The company is making 10% of basic salary and additional pay, wherever applicable, as employer contribution to this trust and any shortfall in the fund size as per the scheme.

The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method. The Company makes regular contributions to these Employee Benefit Plans. Additional contributions are made to these plans as and when required.

Characteristics of defined benefits plans and associated risks:

1. Gratuity Plan:

The Company operates gratuity plan through a LIC wherein every employee is entitled to the benefit equivalent to fifteen days last salary drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service. The Company's scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972. There are no minimum funding requirements of these plans. The funding of these plans are based on gratuity funds actuarial measurement framework set out in the funding policies of the plan. These actuarial measurements are similar compared to the assumptions set out above.

2. Pension Plan:

The company commenced operations from 01/02/2003 and formed a Pension Trust which inherited the Employees Group Superannuation Fund from the erstwhile Unit Trust of India. The company is making 10% of basic salary and additional pay, wherever applicable, as employer contribution to this trust and any shortfall in the fund size as per the scheme. A small part of the pension fund is managed by the Company. The actuarial valuation has also duly considered the asset managed by the trustee of the pension fund as well as the fund maintained by LIC. The defined benefit plan for pension of the Company is administered by separate pension fund that are legally separate from the Company. The trustees nominated by the Company are responsible for the administration of the plan.

Characteristics of defined contribution plans and associated risks:

1. Provident Fund:

The Company manages provident fund plan through a provident fund trust for its employees which is permitted under the Provident Fund and Miscellaneous Provisions Act, 1952. The plan mandates contribution by employer at a fixed percentage of employee's salary. Employees also contribute to the plan at a fixed percentage of their salary as a minimum contribution and additional sums at their discretion. The plan guarantees interest at the rate notified by Employees' Provident Fund Organization. The contribution by employer and employee together with interest are payable at the time of separation from service or retirement whichever is earlier. The benefit under this plan vests immediately on rendering of service. The interest payment obligation of trust-managed provident fund is assumed to be adequately covered by the interest income on long term investments of the fund. The company voluntarily keeps the interest rate same as the rate declared by EPFO & in this process if & only if, there is any shortfall in the fund the company bears the same.

UTI Capital Private Limited

A) Defined Contribution Plans

"Contribution to provident and other funds" is recognized as an expense in the Statement of Profit and Loss.

B) Defined Benefit Plans

The Employees' Gratuity Fund Scheme managed by LIC of India is a defined benefit plan. The present value of obligation is based on actuarial valuation using the projected unit credit method. The obligation for leave benefits managed by LIC of India is a defined benefit plan.

(i) Actuarial Assumptions

Particulars	Employee's Gratuity Fund				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Discount rate (per annum)	5.80%	7.05%	6.65%	7.45%	8.00%
Salary escalation rate (per annum)	6.00%	6.00%	6.00%	6.00%	4.00%
Mortality	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)

(ii) Movement in the Present value of Benefit obligations **(Rs.in Millions)**

Particulars	Employee's Gratuity Fund				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Opening of defined benefit obligation	1.48	1.18	1.18	0.94	0.76
Current Service cost	0.09	0.08	0.33	0.29	0.11
Past Service Cost	-	-	-	-	-
Interest on defined benefit obligation	0.02	0.02	0.09	-	0.06
Remeasurement due to:	-	-	-	-	-
Actuarial loss/ (gain) arising from change in financial assumptions	0.17	0.05	0.12	0.27	-
Actuarial loss/ (gain) arising from change in demographic assumptions	-	-	-	(0.00)	-
Actuarial loss/ (gain) arising on account of experience changes	0.13	(0.13)	0.86	(0.12)	0.01
Benefits Paid	-	-	(1.10)	(0.20)	-
Closing present value of defined benefit obligation	**1.89**	**1.20**	**1.48**	**1.18**	**0.94**

(iii) Movement in the Fair value of Plan Assets **(Rs.in Millions)**

Particulars	Employee's Gratuity Fund				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Opening fair value of plan assets	1.07	1.48	1.48	1.18	0.93
Employer contributions	-	-	0.63	0.43	0.17
Interest on plan assets	0.02	0.03	0.11	-	0.08
Administration expenses	-	-	-	-	-
Remeasurement due to:			-	-	-
Actual return on plain assets less interest on plan assets	(0.01)	(0.01)	(0.05)	0.07	-
Benefits Paid	-	-	(1.10)	(0.20)	-
Closing fair value of plan assets	**1.08**	**1.50**	**1.07**	**1.48**	**1.18**

(iv) Amount recognized in the Balance Sheet **(Rs.in Millions)**

Particulars	Employee's Gratuity Fund				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Present Value of funded / unfunded obligation	(1.89)	1.20	(1.48)	1.18	0.94
Fair value of Plan assets	1.08	1.50	1.07	1.48	1.18
Net Funded obligation	-	-	-	-	-
Net defined benefit liability / (Asset) recognized in balance Sheet	**(0.81)**	**0.30**	**(0.41)**	**0.30**	**0.25**

(v) Amount recognised in Other Comprehensive Income **(Rs.in Millions)**

Particulars	Employee's Gratuity Fund				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Opening amount recognized in OCI outside profit and loss account	1.25	0.22	0.22	0.01	-
Re-measurement during the period due to	-	-	-	-	-
Changes in financial assumptions	0.17	0.05	0.12	0.27	-
Changes in demographic assumptions	-	-	-	(0.00)	-
Experience adjustments	0.13	(0.13)	0.86	(0.11)	0.01
Actual return on plan assets less interest on plan assets	0.01	0.00	0.05	(0.07)	-
Adjustment to recognize the affect of asset ceiling	-	-	-	-	-
Closing amount recognized in OCI outside profit and loss account	**1.56**	**0.14**	**1.25**	**0.10**	**0.01**

(vi) Components of Profit and Loss Account expense **(Rs.in Millions)**

Particulars	Employee's Gratuity Fund				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Current service cost	0.09	0.08	0.33	0.29	0.10
Interest cost	-	(0.00)	(0.02)	-	(0.02)
Benefits paid	-	-	-	-	-
Actuarial losses / (gains)	-	-	-	-	-
Total Expenses	**0.09**	**0.08**	**0.31**	**0.29**	**0.08**

(vii) Reconciliation of Net Liability/ Asset: **(Rs.in Millions)**

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Opening net defined benefit liability/ (asset)	0.41	(0.30)	(0.30)	(0.25)	(0.16)
Expenses charged to profit and loss account	0.09	0.08	0.31	0.29	0.08
Amount recognized outside profit and loss account	0.31	(0.08)	1.03	0.09	0.01
Employer contributions	-	-	(0.63)	(0.43)	(0.18)
Closing net defined benefit liability / (asset)	**0.81**	**(0.30)**	**0.41**	**(0.30)**	**(0.25)**

(viii) Sensitivity Analysis **(Rs.in Millions)**

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Discount Rate					
Impact of increase in 50 bps on DBO	(5.38)%	(4.99)%	(5.21)%	(5.02)%	--
Impact of decrease in 50 bps on DBO	5.79%	5.34%	5.59%	5.38%	--
Salary Escalation Rate					
Impact of increase in 50 bps on DBO	5.75%	5.37%	5.60%	5.43%	--
Impact of decrease in 50 bps on DBO	(5.40)%	(5.06)%	(5.27)%	(5.11)%	--

40. Financial Risk Management:

The Group has an exposure to the following risks arising from financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

Risk Management Framework:

The Management has the overall responsibility for the establishment and oversight of company's risk management framework. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Group's activities.

A. Credit Risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (mostly trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The carrying amount of the financial assets represents the maximum credit risk exposure.

Financial services business has a risk management framework that monitors and ensures that the business lines operate within the defined risk appetite and risk tolerance levels as defined by the senior management. The credit risk function independently evaluates proposals based on well-established sector specific internal frameworks, in order to identify, mitigate and allocate risks as well as to enable risk-based pricing of assets. Regulatory and process risks are identified, mitigated and managed by a separate group.

Trade receivables:

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

Trade Receivables (Rs.in Millions)	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
0-90 Days	287.18	429.52	381.24	251.65	490.66
91-180 Days	70.71	31.25	43.04	10.54	7.33
181-270 days	22.37	19.66	4.55	11.75	2.16
271-365 Days	26.88	24.27	13.68	-	-
More than 365 Days	13.78	1.91	13.67	1.60	0.26
Total	**420.92**	**506.61**	**456.18**	**275.54**	**500.41**

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 365 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk.

Financial Instruments & cash deposits:

The Investments of the Group are primarily in Mutual Fund schemes.

The Group holds cash & cash equivalents as on 30th June 2020 of Rs. 1,238.56 million, 30th June 2019: 1,150.61 million, 31st March 2020 : 1,192.52 million, 31st March 2019: 1,241.80 million, and 31st March 2018: 1,501.92 million. The cash and cash equivalents are held with banks which are rated AA- to AA+, based on CRISIL ratings. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Following is the exposure of the Group towards credit risk

Particulars	Carrying Amount	Total	Contractual Cash Flows		
			30th June 2020(Rs.in Millions)		
			Less than 1 year	1-3 years	More than 3 years
Financial Assets:					
Cash And Cash Equivalents	1,238.56	1,238.56	1,238.46	-	0.10
Receivables	513.22	513.22	499.44	13.78	-
Loans	364.05	364.05	189.41	61.24	113.40
Investments	24,573.89	24,573.89	6,925.58	11,938.87	5,709.44
Other Financial Assets	1,513.46	1,513.46	26.98	24.81	1,461.67
Total	**28,203.18**	**28,203.18**	**8,879.87**	**12,038.70**	**7,284.61**

Particulars	Carrying Amount	Total	Contractual Cash Flows		
			30th June 2019 (Rs.in Millions)		
			Less than 1 year	1-3 years	More than 3 years
Financial Assets:					
Cash And Cash Equivalents	1,150.61	1,150.61	1,150.51	-	0.10
Receivables	767.29	767.29	765.38	1.91	-
Loans	277.12	277.12	68.16	69.31	139.65
Investments	23,185.45	23,185.45	8,450.19	9,175.59	5,559.67
Other Financial Assets	1,306.34	1,306.34	5.08	42.46	1,258.80
Total	**26,686.81**	**26,686.81**	**10,439.32**	**9,289.27**	**6,958.22**

Particulars	Carrying Amount	Total	Contractual Cash Flows		
			31st March 2020 (Rs.in Millions)		
			Less than 1 year	1-3 years	More than 3 years
Financial Assets:					
Cash And Cash Equivalents	1,192.52	1,192.52	1,192.42	-	0.10
Receivables	553.57	553.57	539.90	13.67	-
Loans	374.40	374.40	192.85	72.35	109.20
Investments	23,557.51	23,557.51	6,671.46	11,525.65	5,360.40
Other Financial Assets	1,542.38	1,542.38	17.50	20.03	1,504.85
Total	**27,220.38**	**27,220.38**	**8,614.13**	**11,631.70**	**6,974.55**

Particulars	Carrying Amount	Total	Contractual Cash Flows		
			31st March 2019 (Rs.in Millions)		
			Less than 1 year	1-3 years	More than 3 years
Financial Assets:					
Cash And Cash Equivalents	1,241.80	1,241.80	1,241.70	-	0.1
Receivables	637.34	637.34	635.74	1.6	-
Loans	281.65	281.65	62.79	80.2	138.66
Investments	22,613.70	22,613.70	7,268.24	10,337.85	5,007.61
Other Financial Assets	1,278.59	1,278.59	29.51	614.6	634.48
Total	**26,053.08**	**26,053.08**	**9,237.98**	**11,034.25**	**5,780.85**

Particulars	Carrying Amount	Total	Contractual Cash Flows		
			31st March 2018 (Rs.in Millions)		
			Less than 1 year	1-3 years	More than 3 years
Financial Assets:					
Cash And Cash Equivalents	1,501.92	1,501.92	1,501.82	-	0.1
Receivables	549.16	549.16	548.90	0.26	-
Loans	356.82	356.82	77.11	120.48	159.23
Investments	21,788.49	21,788.49	11,243.13	5,992.89	4,552.47
Other Financial Assets	922.32	922.32	79.43	304.50	538.39
Total	**25,118.71**	**25,118.71**	**13,450.39**	**6,418.13**	**5,250.19**

B. Liquidity Risk:

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's investment policy and strategy are focused on preservation of capital and supporting the Group's liquidity requirements. The Group uses a combination of internal and external management to execute its investment strategy and achieve its investment objectives. The Group typically invests in money market funds, large debt funds, equity funds and other highly rated securities under a limits framework which governs the credit exposure to any one issuer as defined in its investment policy. The policy requires investments generally to be investment grade, with the primary objective of minimizing the potential risk of principal loss

Following is the exposure of the Group towards liquidity risk:

Particulars	Carrying Amount	Total	Contractual Cash Flows		
			30th June, 2020 (Rs.in Millions)		
			Less than 1 year	1-3 years	More than 3 years
Financial Liabilities :					
VSS Liability Fund.	261.32	261.32	-	-	261.32
Investor Education & Protection Fund.	76.31	76.31	-	-	76.31
Offshore Development Fund.	268.81	268.81	-	-	268.81
Payable to SUUTI towards security deposit.	0.82	0.82	-	-	0.82
Statutory Dues	4.03	4.03	4.03	-	-
Lease liability	1170.94	1170.94	203.86	332.82	634.26
Payable to Micro enterprises and small enterprises	4.54	4.54	4.54	-	-
Payable to other than Micro enterprises and small enterprises	10.87	10.87	10.87	-	-
Accrued benefits to employees.	117.16	117.16	117.16	-	-
Payable to UTI Mutual Fund.	-	-	-	-	-
Retention Money.	15.47	15.47	7.47	8.00	-
Other Payables.	183.68	183.68	175.32	-	8.36
Total	**2,113.95**	**2,113.95**	**523.25**	**340.82**	**1,249.88**

Particulars	Carrying Amount	Total	Contractual Cash Flows		
			30th June, 2019 (Rs.in Millions)		
			Less than 1 year	1-3 years	More than 3 years
Financial Liabilities :					
VSS Liability Fund.	250.14	250.14	-	-	250.14
Investor Education & Protection Fund.	116.18	116.18	-	-	116.18
Offshore Development Fund.	246.97	246.97	-	-	246.97
Payable to SUUTI towards security deposit.	0.82	0.82	-	-	0.82
Statutory Dues	0.01	0.01	0.01	-	-
Lease liability	1,033.60	1,033.60	175.44	292.93	565.23
Payable to Micro enterprises and small enterprises	1.73	1.73	1.73	-	-
Payable to other than Micro enterprises and small enterprises	25.68	25.68	25.68	-	-
Accrued benefits to employees.	255.79	255.79	255.79	-	-
Payable to UTI Mutual Fund.	-	-	-	-	-
Retention Money.	14.96	14.96	3.53	11.43	-
Other Payables.	167.84	167.84	161.44	-	6.40
Total	**2,113.72**	**2,113.72**	**623.62**	**304.36**	**1,185.74**

Particulars	Carrying Amount	Total	Contractual Cash Flows		
			31st March 2020 (Rs.in Millions)		
			Less than 1 year	1-3 years	More than 3 years
Financial Liabilities :					
VSS Liability Fund.	255.61	255.61	-	-	255.61
Investor Education & Protection Fund.	134.62	134.62	-	-	134.62
Offshore Development Fund.	260.48	260.48	-	-	260.48
Payable to SUUTI towards security deposit.	0.82	0.82	-	-	0.82
Statutory Dues	0.52	0.52	0.52	-	-
Lease liability	1,103.70	1,103.70	194.33	314.83	594.54
Payable to Micro enterprises and small enterprises	7.96	7.96	7.96	-	-
Payable to other than Micro enterprises and small enterprises	16.37	16.37	16.37	-	-
Accrued benefits to employees.*	473.58	473.58	473.58	-	-
Payable to UTI Mutual Fund.	-	-	-	-	-
Retention Money.	16.27	16.27	8.47	7.80	-
Other Payables.	148.06	148.06	139.70	-	8.36
Total	**2,417.99**	**2,417.99**	**840.93**	**322.63**	**1,254.43**

* Our non-managerial staff have a recognized trade union with whom we negotiate their compensation periodically. The last settlement signed with them expired on December 31, 2018. Negotiations regarding wage revision and settlement have been completed. Accordingly, an arrear amount of Rs 121.71 million has been charged in the Profit & Loss Account.

Particulars	Carrying Amount	Total	Contractual Cash Flows		
			31st March 2019(Rs.in Millions)		
			Less than 1 year	1-3 years	More than 3 years
Financial Liabilities :					
VSS Liability Fund.	251.01	251.01	-	-	251.01
Investor Education & Protection Fund.	120.22	120.22	-	-	120.22
Offshore Development Fund.	218.24	218.24	-	-	218.24
Payable to SUUTI towards security deposit.	0.82	0.82	-	-	0.82
Statutory Dues	0.09	0.09	0.09	-	-
Lease liability	1,003.49	1,003.49	171.12	282.9	549.47
Payable to Micro enterprises and small enterprises	9.27	9.27	9.27	-	-
Payable to other than Micro enterprises and small enterprises	39.55	39.55	39.55	-	-
Accrued benefits to employees.	466.16	466.16	466.16	-	-
Payable to UTI Mutual Fund.	49.21	49.21	49.21	-	-
Retention Money.	16.51	16.51	6.12	10.39	-
Other Payables.	133.34	133.34	118.82	-	14.52
Total	**2,307.91**	**2,307.91**	**860.34**	**293.29**	**1,154.28**

Particulars	Carrying Amount	Total	Contractual Cash Flows		
			31st March 2018 (Rs.in Millions)		
			Less than 1 year	1-3 years	More than 3 years
Financial Liabilities :					
VSS Liability Fund.	233.65	233.65	-	-	233.65
Investor Education & Protection Fund.	41.59	41.59	-	-	41.59
Offshore Development Fund.	232.21	232.21	-	-	232.21
Payable to SUUTI towards security deposit.	0.82	0.82	-	-	0.82
Statutory Dues	0.12	0.12	0.12	-	-
Lease liability	1,035.54	1,035.54	158.41	287.13	590
Payable to Micro enterprises and small enterprises	1.64	1.64	1.64	-	-
Payable to other than Micro enterprises and small enterprises	111.90	111.90	111.9	-	-
Accrued benefits to employees.	573.47	573.47	573.47	-	-
Payable to UTI Mutual Fund.	655.55	655.55	655.55	-	-
Retention Money.	9.78	9.78	-	9.78	-
Other Payables.	256.61	256.61	243.81	-	12.80
Total	**3,152.88**	**3,152.88**	**1,744.90**	**296.91**	**1,111.07**

C. Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's financial Instruments. All of the Group's interest rate risk exposure is at a fixed rate. Therefore, a change in interest rates at the reporting date would not affect statement of profit and loss for any of these fixed interest bearing financial instruments. Fair value can change due to change in interest rate.

The interest rate profile of the Group's interest-bearing financial instruments is as follows:

Particulars	Carrying amount as on (Rs.in Millions)				
	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Fixed Rate Instruments					
Financial Assets	28,203.18	26,686.81	27,220.38	26,053.08	25,118.71
Financial Liabilities	2,113.95	2,113.72	2,417.99	2,307.91	3,152.88
Total	**26,089.23**	**24,573.09**	**24,802.39**	**23,745.17**	**21,965.83**

The Group does not have variable rate instruments.

Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (wherever revenue or expense is denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

The Group may enter into foreign currency forward and option contracts with financial institutions to protect against foreign exchange risks associated with certain existing assets and liabilities, certain firmly committed transactions, forecasted future cash flows and net investments in foreign subsidiaries. In addition, and may enter in the future, into non-designated foreign currency contracts to partially offset the foreign currency exchange gains and losses on its foreign denominated debt issuances.

Equity price risk:

The Group has invested as on 30th June 2020: Rs. 24.75 million, 30th June 2019: 24.75 million, 31st March 2020: 24.75 million, 31st March 2019: 15.00 million and 31st March 2018: 15.00 million in Institutional Investor Advisory Services India Limited & has invested as on 30th June 2020 : Rs. 0.50 million, 30th June 2019 : 0.50 million, 31st March 2020 : 0.50 million, 31st March 2019 : 0.50 million, 31st March 2018 : 0.50 million in MF Utilities India Private Limited, which are susceptible to market price risk arising from uncertainties about future values of the investment securities.

The Investment in subsidiaries has been shown at cost.

41. Fair Value Hierarchy:

A. Accounting classifications & Fair values:

The Following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

30th June, 2020 (Rs.in Millions)	Carrying Amount			Fair Value		
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial Assets:						
Investments	24,573.89	-	24,573.89	24,547.54	-	26.35**
Loans*	-	364.05	364.05	-	364.05	-
Trade Receivables	-	420.92	420.92	-	-	-
Cash & Cash Equivalents	-	1,238.56	1,238.56	-	-	-
Other Financial Assets	-	1,605.76	1,605.76	-	-	-
Total	**24,573.89**	**3,629.29**	**28,203.18**	**24,547.54**	**364.05**	**26.35**
Financial Liabilities:						
Financial Liabilities	-	2,113.95	2,113.95	-	-	-
Total	**-**	**2,113.95**	**2,113.95**	**-**	**-**	**-**

30th June, 2019 (Rs.in Millions)	Carrying Amount			Fair Value		
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial Assets:						
Investments	23,185.45	-	23,185.45	23,156.25	-	29.20
Loans*	-	277.12	277.12	-	277.12	-
Trade Receivables	-	506.61	506.61	-	-	-
Cash & Cash Equivalents	-	1,150.61	1,150.61	-	-	-
Other Financial Assets	-	1,567.02	1,567.02	-	-	-
Total	**23,185.45**	**3,501.36**	**26,686.81**	**23,156.25**	**277.12**	**29.20**
Financial Liabilities:						
Financial Liabilities	-	2,113.72	2,113.72	-	-	-
Total	**-**	**2,113.72**	**2,113.72**	**-**	**-**	**-**

31st March, 2020 (Rs.in Millions)	Carrying Amount			Fair Value		
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial Assets:						
Investments	23,557.51	-	23,557.51	23,531.16	-	26.35**
Loans*	-	374.40	374.40	-	374.40	-
Trade Receivables	-	456.18	456.18	-	-	-
Cash & Cash Equivalents	-	1,192.52	1,192.52	-	-	-
Other Financial Assets	-	1,639.77	1,639.77	-	-	-
Total	**23,557.51**	**3,662.87**	**27,220.38**	**23,531.16**	**374.40**	**26.35**
Financial Liabilities:						
Financial Liabilities	-	2,417.99	2,417.99	-	-	-
Total	**-**	**2,417.99**	**2,417.99**	**-**	**-**	**-**

31st March, 2019 (Rs.in Millions)	Carrying Amount			Fair Value		
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial Assets:						
Investments	22,613.70	-	22,613.70	22,594.25	-	19.45
Loans*	-	281.65	281.65	-	281.65	-
Trade Receivables	-	275.54	275.54	-	-	-
Cash & Cash Equivalents	-	1,241.80	1,241.80	-	-	-
Other Financial Assets	-	1,640.39	1,640.39	-	-	-
Total	**22,613.70**	**3,439.38**	**26,053.08**	**22,594.25**	**281.65**	**19.45**
Financial Liabilities:						
Financial Liabilities	-	2,307.91	2,307.91	-	-	-
Total	**-**	**2,307.91**	**2,307.91**	**-**	**-**	**-**

31st March, 2018 (Rs.in Millions)	Carrying Amount			Fair Value		
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial Assets:						
Investments	21,788.49	-	21,788.49	21,772.29	-	16.20
Loans*	-	356.82	356.82	-	356.82	-
Trade Receivables	-	500.41	500.41	-	-	-
Cash & Cash Equivalents	-	1,501.92	1,501.92	-	-	-
Other Financial Assets	-	971.07	971.07	-	-	-
Total	**21,788.49**	**3,330.22**	**25,118.71**	**21,772.29**	**356.82**	**16.20**
Financial Liabilities:						
Financial Liabilities	-	3,152.88	3,152.88	-	-	-
Total	**-**	**3,152.88**	**3,152.88**	**-**	**-**	**-**

* Loans are carried at amortized cost which is a reasonable approximation of its fair value.

** Investment in Mutual fund utilities and IIAS valued at NAV as at 31st March 2020.

B. Fair value measurement using significant unobservable inputs (level 3)

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values

(Rs. In Million)

Name of the Fund	Balance as at	Amount invested	Amount redeemed	Mark to Mark gain/ (Loss)	Balance as at
Particulars	**1st April 2020**	**1st April 2020 to 30th June 2020**			**30th June 2020**
MF Utilities India Private Limited	2.50	-	-	-	2.50
Institutional Investor Advisory Services India Limited	23.85	-	-	-	23.85

Name of the Fund	Balance as at	Amount invested	Amount redeemed	Mark to Mark gain/ (Loss)	Balance as at
Particulars	**1st April 2019**	**1st April 2019 to 30th June 2019**			**30th June 2019**
MF Utilities India Private Limited	1.75	-	-	-	1.75
Institutional Investor Advisory Services India Limited	17.70	9.75	-	-	27.45

Name of the Fund	Balance as at	Amount invested	Amount redeemed	Mark to Mark gain/ (Loss)	Balance as at
Particulars	**1st April 2019**	**1st April 2019 to 31st March 2020**			**31st March 2020**
MF Utilities India Private Limited	1.75	-	-	0.75	2.50
Institutional Investor Advisory Services India Limited	17.70	9.75	-	-3.60	23.85

Name of the Fund	Balance as at	Amount invested	Amount redeemed	Mark to Mark gain/ (Loss)	Balance as at
Particulars	**1st April 2018**	**1st April 2018 to 31st March 2019**			**31st March 2019**
MF Utilities India Private Limited	1.20	-	-	0.55	1.75
Institutional Investor Advisory Services India Limited	15.00	-	-	2.70	17.70

Name of the Fund	Balance as at	Amount invested	Amount redeemed	Mark to Mark gain/ (Loss)	Balance as at
Particulars	**1st April 2017**	**1st April 2017 to 31st March 2018**			**31st March 2018**
MF Utilities India Private Limited	0.80	-	-	0.40	1.20
Institutional Investor Advisory Services India Limited	15.00	-	-	-	15.00

C. Valuation Techniques and significant unobservable inputs:

The following table shows the valuation techniques used in measuring level 2 and level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as significant unobservable inputs used.

Type	Valuation Technique	Significant Unobservable inputs	Interrelation between Significant Unobservable inputs & fair value measurement
Loans to Employees and UTI Employee Cooperative Credit Society, Rental Deposits	Measured at amortized cost, which is the present value of all future cash flows discounted at prevailing market rates.	Assumed market rate is 8.50% for loans. the average of last three year's Marginal Cost of Lending Rate of SBI, considering the differential interest rate issued by SBI) (For previous year the market rate is 8.5%. & 12 % for Rental Deposits. Since the nature of rent deposit is more or less similar to zero coupon bond, hence we have taken a higher rate for rent deposit than loans)	-
Investments in Institutional Investor Advisory Services & MF Utilities India Private Limited	The valuation of IIAS has been done on weighted average of Discounted Cash Flow Method and Comparative Transaction Multiple by giving equal weight to both the methods. Net Asset Value (NAV) Method under Cost Approach has been used for the valuation of MFU. Moreover the valuation of IIAS has been using the financial available with management as on 31.03.2020 and using the relevant assumption by the valuer.	The Equity value of IIAS was calculated based on weighted average of Discounted Cash Flow Method and Comparative Transaction Multiple by giving equal weight to both the methods, MF Utilities Private Limited based on NAV Method. Since the company is unlisted, the equity value of the company is adjusted for an illiquidity discount on account of lack of marketability and restrictions on the transfer of the shares.	-

42. Capital Management:

The primary objective of the Group's capital management is to maximize the shareholder value as well as to maintain investor, creditor and market confidence and to sustain future development of the Group.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital using the ratio of 'net adjusted debt' to 'Total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest bearing loans and borrowings and obligations under finance lease(if any), less cash and cash equivalents. Total Equity comprises of share capital and all reserves.

Calculation of this ratio is given below:

Particulars (Rs.in Millions)	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Total Liabilities	4,170.51	4,029.35	3,816.35	3,716.97	4,816.30
Less: Cash & Cash equivalents	(1,238.56)	(1,150.61)	(1,192.52)	(1,241.80)	(1,501.92)
Adjusted Net Debt	**2,931.95**	**2,878.74**	**2,623.83**	**2,475.17**	**3,314.38**
Total Equity	**28,349.29**	**26,531.75**	**27,624.96**	**26,043.72**	**23,674.33**
Adjusted Net Debt to Total Equity Ratio	**0.10**	**0.11**	**0.09**	**0.10**	**0.14**

43. Interests in other entities:

(a) Subsidiaries

The group's subsidiaries as 30th June 2020 are set out below. Unless otherwise stated, they have share capital consisting solely of equity share that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ Country of incorporation	Ownership interest held by the group					Ownership interest held by non-controlling interests					Principal activities
		30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018	
		%	%	%	%	%	%	%	%	%	%	
UTI International Limited	GURNSEY	100	100	100	100	100	-	-	-	-	-	Investment management and providing advisory services
UTI Venture Funds Management Company Private Limited	INDIA	100	100	100	100	100	-	-	-	-	-	Management of venture fund investment
UTI Retirement Solutions Limited	INDIA	100	100	100	100	100	-	-	-	-	-	Managing the funds of PFRDA
UTI Capital Private Limited	INDIA	100	100	100	100	100	-	-	-	-	-	Investment management
India Infrastructure Development Fund	INDIA	25.87	25.87	25.87	25.87	25.87	74.13	74.13	74.13	74.13	74.13	Investment management
UTI - Nifty Next 50 Exchange Traded Fund	INDIA	-	-	-	-	42.32	-	-	-	-	57.68	Investment

44. Non-controlling interests (NCI) (IND AS 112 Disclosers)

Set out below is summarized financial information for subsidiary that has non-controlling interest that are material to the group. The amounts disclosed for subsidiary are before inter – company eliminations.

(i) India Infrastructure Development Fund

Summarized balance sheet (Rs.in Millions)	30th June 2020 (74.13)	30th June 2019 (74.13)	31st March 2020 (74.13)	31st March 2019 (74.13)	31st March 2018 (74.13)
Current assets	0.26	0.35	0.15	0.08	0.01
Current liabilities	2.12	30.32	2.66	24.40	580.09
Net current assets	(1.86)	(29.97)	(2.51)	(24.32)	(580.08)
Non-current assets	-	-	-	-	-
Non-current liabilities	-	-	-	-	-
Net non-current assets	-	-	-	-	-
Net assets	(1.86)	(29.97)	(2.51)	(24.32)	(580.08)
Accumulate NCI	**(1.38)**	**(22.22)**	**(1.86)**	**(18.03)**	**(430.01)**

Summarized statement of profit and loss (Rs.in Millions)	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Revenue	0.02	0.09	60.78	3.18	850.80
Profit for the period/year	7.02	(7.48)	48.44	(66.15)	535.31
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
Profit allocated to NCI	5.20	(5.54)	35.91	(49.04)	396.83
Dividends paid to NCI	-	-	-	-	-

Summarized cash flows (Rs.in Millions)	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Cash flow from operating activities	(0.89)	(1.92)	400.33	(590.50)	524.20
Cash flow from investing activities	1.00	1.92	2.55	590.58	859.40
Cash flow from financing activities	-	-	(402.81)	-	(1,383.60)
Net increase/(decrease) in cash and cash equivalents	0.11	0.00	0.07	0.07	(0.00)

(ii) UTI - Nifty Next 50 Exchange Traded Fund

Summarized balance sheet (Rs.in Millions)	30th June 2020*	30th June 2019*	31st March 2020*	31st March 2019	31st March 2018* (57.68%)
Current assets	-	-	-	-	62.68
Current liabilities	-	-	-	-	84.08
Net current assets	-	-	-	-	(21.40)
Non-current assets	-	-	-	-	-
Non-current liabilities	-	-	-	-	-
Net non-current assets	-	-	-	-	-
Net assets	-	-	-	-	(21.40)
Accumulate NCI	-	-	-	-	**(12.34)**

Summarized statement of profit and loss (Rs.in Millions)	30th June 2020*	30th June 2019 *	31st March 2020*	31st March 2019	31st March 2018*
Revenue	-	-	-	-	35.70
Profit for the period/year	-	-	-	-	20.82
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
Profit allocated to NCI	-	-	-	-	12.01
Dividends paid to NCI	-	-	-	-	-

* The above mentioned scheme have been consolidated as per the requirement of Ind AS 110, For the FY 2017-18. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

(iii) Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of consolidated financial statements' of Division II of Schedule III

(Rs. In Million)

Name of the entity in the Group (30th June 2020)	Net Asset i.e. Total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent:								
UTI Asset Management Company Limited	92.26	26,261.02	67.01	677.29	99.94	(359.74)	48.80	317.55
Subsidiaries:								
Indian								
UTI Venture Funds Management Company Private Limited	0.36	101.41	0.16	1.66	-	-	0.26	1.66
UTI Retirement Solutions Limited	1.44	410.66	1.04	10.47	-	-	1.61	10.47
UTI Capital Private Limited	1.03	294.23	0.56	5.63	0.06	(0.23)	0.83	5.40
India Infrastructure Development Fund	0.14	39.93	0.18	1.82	-	-	0.28	1.82
Foreign								
UTI International Limited	12.73	3,624.58	35.72	361.07	-	-	55.48	361.07
Non-Controlling Interest in all subsidiaries	0.40	114.43	0.51	5.20	-	-	0.80	5.20
Associates								
Eliminations	8.37	2,382.53	5.18	52.39	-	-	8.05	52.39
As at June 2020	**100.00**	**28,463.73**	**100.00**	**1,010.75**	**100.00**	**(359.97)**	**100.00**	**650.78**

(Rs. In Million)

Name of the entity in the Group (30th June 2019)	Net Asset i.e. Total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent:								
UTI Asset Management Company Limited	91.05	24,489.65	91.54	649.70	100.05	(124.53)	89.73	525.17
Subsidiaries:								
Indian								
UTI Venture Funds Management Company Private Limited	0.56	151.17	0.93	6.62	-	-	1.13	6.62
UTI Retirement Solutions Limited	1.37	368.35	1.83	13.01	-	-	2.22	13.01
UTI Capital Private Limited	1.07	287.38	(1.89)	(13.42)	(0.05)	0.06	(2.28)	(13.36)
India Infrastructure Development Fund	0.48	127.86	(0.27)	(1.94)	-	-	(0.33)	(1.94)
Foreign								
UTI International Limited	13.52	3,635.50	8.69	61.68	-	-	10.54	61.68
Non-Controlling Interest in all subsidiaries	1.36	366.37	(0.78)	(5.55)	-	-	(0.95)	(5.55)
Associates								
Eliminations	9.40	2,528.13	0.05	0.36	-	-	0.06	0.36
As at June 2019	**100.00**	**26,898.15**	**100.00**	**709.75**	**100.00**	**(124.47)**	**100.00**	**585.28**

(Rs. In Million)

Name of the entity in the Group (31st March 2020)	Net Asset i.e. Total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent:								
UTI Asset Management Company Limited	93.22	25,853.48	112.59	3,113.00	99.88	(636.53)	116.40	2,476.47
Subsidiaries:								
Indian								
UTI Venture Funds Management Company Private Limited	0.50	139.75	(0.17)	(4.74)	-	-	(0.22)	(4.74)
UTI Retirement Solutions Limited	1.44	399.22	1.55	42.75	-	-	2.01	42.75
UTI Capital Private Limited	1.03	286.88	(0.56)	(15.37)	0.12	(0.77)	(0.76)	(16.14)
India Infrastructure Development Fund	0.14	38.12	0.45	12.53	-	-	0.59	12.53
Foreign								
UTI International Limited	11.75	3,259.76	(18.91)	(522.93)	-	-	(24.58)	(522.93)
Non-Controlling Interest in all subsidiaries	0.39	109.22	1.30	35.91	-	-	1.69	35.91
Associates								
Eliminations	8.49	2,353.60	(3.75)	(103.70)	-	-	(4.87)	(103.70)
As at March 2020	**100.00**	**27,732.83**	**100.00**	**2,764.85**	**100.00**	**(637.30)**	**100.00**	**2,127.55**

(Rs. In Million)

Name of the entity in the Group (31st March 2019)	Net Asset i.e. Total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent:								
UTI Asset Management Company Limited	90.72	23,964.48	99.12	3,448.49	99.99	(367.82)	99.01	3,080.67
Subsidiaries:								
Indian								
UTI Venture Funds Management Company Private Limited	0.55	144.54	(0.25)	(8.66)	(0.01)	0.02	(0.28)	(8.64)
UTI Retirement Solutions Limited	1.35	355.34	0.75	26.10	-	-	0.84	26.10
UTI Capital Private Limited	1.14	300.74	0.06	2.18	0.01	(0.05)	0.07	2.13
India Infrastructure Development Fund	0.49	129.79	(0.49)	(17.11)	-	-	(0.55)	(17.11)
Foreign								
UTI International Limited	14.29	3,775.31	12.23	425.55	-	-	13.68	425.55
Non-Controlling Interest in all subsidiaries	1.41	371.92	(1.41)	(49.04)	-	-	(1.58)	(49.04)
Associates								
Eliminations	9.94	2,626.46	10.01	348.24	-	-	11.19	348.24
As at March 2019	**100.00**	**26,415.66**	**100.00**	**3,479.27**	**100.00**	**(367.85)**	**100.00**	**3,111.42**

(Rs. In Million)

Name of the entity in the Group (31st March 2018)	Net Asset i.e. Total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent:								
UTI Asset Management Company Limited	88.81	21,648.05	83.65	3,388.78	(100.19)	(5.33)	83.63	3,383.45
Subsidiaries:								
Indian								
UTI Venture Funds Management Company Private Limited	0.63	153.20	(0.13)	(5.44)	0.38	0.02	(0.13)	(5.42)
UTI Retirement Solutions Limited	1.35	329.24	0.51	20.74	-	-	0.51	20.74
UTI Capital Private Limited	1.23	298.62	0.30	10.46	(0.19)	(0.01)	0.26	10.45
India Infrastructure Development Fund	0.60	146.91	3.42	138.48	-	-	3.42	138.48
UTI - Nifty Next 50 Exchange Traded Fund	0.86	210.22	3.64	147.29	-	-	3.64	147.29
Foreign								
UTI International Limited	15.14	3,689.70	7.42	300.58	-	-	7.43	300.58
Non-Controlling Interest in all subsidiaries	2.90	707.48	10.09	408.83	-	-	10.11	408.83
Associates								
Eliminations	11.52	2,807.20	8.86	358.82	-	-	8.87	358.82
As at March 2018	**100.00**	**24,376.22**	**100.04**	**4,050.91**	**100.00**	**(5.32)**	**100.00**	**4,045.59**

45. Business Combination:

UTI AMC has a 25.87 per cent investment in the India Infrastructure Development Fund where UTI Capital is the investment manager. The investment manager through the Investment management agreement (IMA) has a right to carry out all other relevant activities as per its discretion and the investment manager can only be removed with cause. The combination of zero kick out rights together with the aggregate economic interest (remuneration and other interests) creates exposure to variability of returns from the activities of the fund that is of such significance that it indicates that the Group is a principal.

46. Lease disclosures:

Company as a lessee:

Effective 1st April 2016, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April 2016 using the modified retrospective method on the date of initial application. Consequently, the Group recorded the lease liability and right of use at the present value of the lease payments discounted at the incremental borrowing rate.

The following is the break-up of current and non-current lease liabilities.

(Rs.in Millions)

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Current lease liabilities	203.86	175.45	194.33	171.12	158.41
Non-current lease liabilities	967.08	858.15	909.37	832.37	877.13
Total	**1,170.94**	**1,033.60**	**1,103.70**	**1,003.49**	**1,035.54**

The following is the movement in lease liabilities.

(Rs.in Millions)

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Balance as of	1,103.70	1,003.49	1,003.49	1,035.54	1,114.08
Additions	99.24	55.33	218.23	51.24	2.04
Finance cost accrued during the period	22.79	20.54	84.33	81.92	87.09
Payment of lease liabilities	(54.79)	(45.76)	(191.08)	(165.21)	(167.67)
Adjustments	-	-	(11.27)	-	-
Balance as at	**1,170.94**	**1,033.60**	**1,103.70**	**1,003.49**	**1,035.54**

The following is the movement in right-of-use asset.

(Rs.in Millions)

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Balance as of	896.46	834.18	834.18	912.70	1,039.08
Additions	99.24	55.33	218.23	51.24	2.03
Depreciation charge during the period	(36.34)	(43.23)	(146.76)	(129.76)	(128.41)
Adjustments	-	-	(9.12)	-	-
Balance as at	**959.36**	**846.28**	**896.53**	**834.18**	**912.70**

The table below provides details regarding the contractual maturities of lease on an undiscounted basis

(Rs.in Millions)

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Less than one year	197.45	188.21	201.28	183.93	164.94
One to Five years	673.10	720.74	655.25	638.48	683.53
More than Five years	905.12	1053.82	832.31	691.93	830.81

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases and low value item was Rs. 1.67 million for the period ended 30th June 2020, (for Period ended 30th June 2019 : 3.59 million, for year ended 31st March 2020: 15.01 million, for year ended 31st March 2019: 19.43 million and 31st March 2018: 21.63 million)

The weighted average incremental borrowing rate applied to lease liabilities is 8.50% in case of UTI AMC Limited and 3.25% in case of UTI International Limited.

Company as a lessor:

The Group leases out its properties of which details of the same are as follows:

i) Future minimum lease payments:

The future minimum lease payments receivable under non-cancellable leases are as follows:

(Rs.in Millions)

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Receivable in less than one year	105.02	84.64	83.4	79.16	72.73
Receivable between one & three years	101.77	190.29	103.68	163.94	160.44
Receivable after more than 3 years	32.98	49.48	36.94	85.98	168.64

ii) Amounts recognized in Profit or Loss:

(Rs.in Millions)

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Lease Income	24.39	14.42	75.16	62.54	102.56

47. Employee Share Based Payments

Employee stock option scheme (Equity settled)

The Company introduced an Employee Stock Option Scheme called the "UTI AMC Employee Stock Option Scheme - 2007. Each Employee on the rolls of the Company as on December 16, 2019 and few Employees from its subsidiaries were granted options. The vesting of the options is from expiry of one year from grant date till four years from grant date as per Plan. Under the scheme, 21,91,544 equity shares have been granted to the eligible employees and each option entitles the holder thereof to apply for and be allotted no of Equity Share granted of the Company having face value of Rs 10 each for an exercise price of INR 728/- during the exercise period. Vesting of the options shall take place over a maximum period of 3 years with a minimum vesting period of 1 year from the date of grant i.e. 16th December 2019. The exercise period would be maximum of 4 years from the date of vesting of options.

Details of ESOS 2007

Particulars	ESOS 2007
Date of Grant	16/12/2019
Price of Underlying Stock (In INR)	728
Exercise / Strike Price (In INR)	728
The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions:	
Risk Free Interest Rate	6.33%
Expected Dividend	INR 5 per share
Expected Life (years)	4 Years (mid - way between option vesting and expiry)
Expected Volatility	39.78%
Weighted Average Fair Value of options (In INR)	276

The information covering stock options granted, exercised, forfeited and outstanding at the period end is as follows:

Particulars	No. of stock options as at 30th June 2020
Date of Grant	16/12/2019
Outstanding at the beginning of the year	21,91,554
Granted during the period	0
Exercised during the period	0
Forfeited during the period	0
Lapsed/expired during the period	45,495
Outstanding at the end of the period	21,46,059
Vested and exercisable	0

Share options outstanding at the end of the period have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price	Outstanding as at 30th June 2020
16/12/2019	17/12/2022	728	21,46,059

Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend per share and the risk free interest rate for the term of the option.

The model inputs for options granted during the period ended 30th June 2020 included:

Assumptions	Period ended 30th June 2020
Expected - Weighted average volatility	39.78%
Expected dividends	INR 5 per share
Expected term (In years)	4 Years (mid - way between option vesting and expiry)
Risk free rate	6.33%
Exercise price	728
Market price	728
Grant date	16/12/2019
Expiry date	17/12/2022
Fair value of the option at grant date	276

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Expense arising from share-based payment transactions **(Rs.in Millions)**

Assumptions	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Employee stock option scheme (equity settled) (Rs. In Million)	89.97	-	104.83	-	-

48. Segment Reporting:

The company is primarily engaged in the investment management business and providing wealth management services. The wealth management services are not a 'reportable segment' as per the definition contained in Ind AS 108 'Operating Segments'. Hence there is no separate reportable segment.

49. Managerial Remuneration

a) The particulars of the remuneration of the Key Management Personnel for the current period is as under.

(Rs.in Millions)

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Salary & Allowance (including perquisite & Contribution to Retirement benefits)	53.95	37.69	114.86	148.50	149.14
Total	**53.95**	**37.69**	**114.86**	**148.50**	**149.14**

a) The Computation of profits under Section 198 of the Companies Act, 2013 has not been given as no commission is payable to the Managing Director.

50. Corporate Social Responsibility Expenses:

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

(Rs.in Millions)

Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Amount required to be spent during the period / Year.	23.43	22.88	91.51	85.15	69.00

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

(Rs.in Millions)

S.N.	Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
(i)	Construction/acquisition of any asset	NIL	NIL	NIL	NIL	NIL
(ii)	On purposes other than (i) above	42.21	1.04	55.04	83.21	32.65
	Total	**42.21**	**1.04**	**55.04**	**83.21**	**32.65**

51. Impact of COVID-19

The directors have, at the time of approving the financial statements, assessed the potential impact of the COVID-19 global pandemic on the Company and the Group. The coronavirus outbreak is a new emerging risk to the global economy. The Group's business may be impacted by falling revenues as a result of decreases in the NAVs of the underlying funds on which the management fees for the Group are calculated. Business continuity plans have been invoked to help ensure the safety and well-being of staff thereby retaining the ability to maintain business operations following lockdowns in both India and Mauritius. These actions help to ensure business resilience. The situation is changing so rapidly that the full impact cannot yet be understood, but the Group will continue to monitor the situation closely.

The directors consider that the Group have adequate financial resources to continue in operational existence for the foreseeable future and therefore, continue to adopt the going concern basis of accounting in preparing the financial statements.

52. Pursuant to approval granted by shareholders, the company has initiated the Initial Public Offer by way of Offer for Sale subject to regulatory and other approvals. In this connection, currently the company is in the process of filing of Red Herring Prospectus (RHP) with SEBI.

53. Earnings per share

The Board has recommended a dividend of Rs. 7 per share for the year ended 31st March 2020 (31st March 2019: Rs. 5 per share and 31st March 2018: Rs. 4 per share) to the shareholders. Accordingly, an amount in accordance to provision of Companies Act 2013 will be accounted in the F Y 2020-21, which is subject to the approval of shareholders at the ensuing Annual General Meeting.

Earnings per share (EPS)

(Rs. in Millions)

	Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
1	**Profit attributable to equity shareholders**	1,005.54	715.30	2,730.30	3,528.31	3,642.05
	Net profit for the period/year (Restated), attributable to equity shareholders	1,005.54	715.30	2,730.30	3,528.31	3,642.05
2	**Calculation of weighted average number of equity shares - Basic**					
	Number of shares at the beginning and end of the period/year	126.79	126.79	126.79	126.79	126.79
	Less : Effect of share options exercised	-	-	-	-	-
	Weighted average number of equity shares for the period/year	**126.79**	**126.79**	**126.79**	**126.79**	**126.79**
3	**Calculation of weighted average number of equity shares - Diluted**					
	Number of shares at the beginning and end of the period/year	126.79	126.79	126.79	126.79	126.79
	Less : Effect of share options exercised	-	-	-	-	-
	Add : Effect of share options dilution	-	-	-	-	-
	Weighted average number of equity shares for the period/year	**126.79**	**126.79**	**126.79**	**126.79**	**126.79**
4	**Earnings per share**					
	Basic (Rs.)	7.93	5.64	21.53	27.83	28.73
	Diluted (Rs.)	7.93	5.64	21.53	27.83	28.73
	Not annualised in 30th June 2020 and 30th June 2019					
5	**Nominal value of shares (Rs.)**	10.00	10.00	10.00	10.00	10.00

Note:

Weighted average number of shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during period/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 period/year.
Share under ESOP scheme are not considered in the calculations of Diluted EPS because they are antidilutive for the current year. Basic earnings per share and Diluted earnings per share are the same.

54 Previous period's / year's figures have been regrouped / reclassified wherever necessary, to confirm to current period's / year's classification

As per our Report of even date
For G.D. Apte & Co.
Chartered Accountants
FRN: 100515W

For and on behalf of

D K Mehrotra
Non Executive Chairman
(DIN: 00142711)

Imtaiyazur Rahman
Chief Executive Officer
& Whole Time Director
(DIN: 01818725)

CA Chetan R. Sapre
Partner
MRN: 116952

Surojit Saha
Chief Financial Officer

Arvind Patkar
Company Secretary

Place: Mumbai
Date: 10/08/2020

UTI Asset Management Company Limited

Annexure VII - Statement on Adjustments to Audited Consolidated Financial Statements

Summarised below are the restatement adjustments made to the audited financial statements for the years mentioned below and their impact on the equity of the Company:

(Rs. in Million)

Particulars	Note	30-Jun-20	30-Jun-19	31-Mar-20	31-Mar-19	31-Mar-18
A. Total equity as per audited financial statements as per previous GAAP		**27,187.67**	**25,566.57**	**26,455.17**	**24,890.60**	**21,609.00**
B. Total Ind AS Adjustments (refer note 37 of Annexure VI)		NA	NA	NA	NA	868.50
C. Total equity as per Ind AS (A+B)		**27,187.67**	**25,566.57**	**26,455.17**	**24,890.60**	**22,477.50**
D. Adjustments:						
Material restatement adjustments						
(i) Audit qualifications	4	-	-	-	-	-
Total		-	-	-	-	-
(ii) Adjustments due to prior period items / other adjustments						
Adjustment for prior period items	3(b)	-	-	-	-	-
Impact of Consolidation due to IND AS 110	3(e)	-	-	-	(5.60)	5.60
Change in Actuarial Assumption		-	(124.47)	-	-	-
Other Adjustments	3(f)	(1.01)	(17.04)	(2.02)	(7.73)	(2.88)
Total		**(1.01)**	**(141.51)**	**(2.02)**	**(13.33)**	**2.72**
(iii) Adjustments due to change in accounting policies						
Adjustment due to application of Ind AS 116	3(a)	(153.75)	(222.56)	(138.04)	(169.31)	(122.84)
Total		**(153.75)**	**(222.56)**	**(138.04)**	**(169.31)**	**(122.84)**
(iv) Deferred tax impact on adjustments in (i), (ii) and (ii), as applicable	3(c)	48.51	61.38	41.98	67.89	49.08
Total		48.51	61.38	41.98	67.89	49.08
E. Total impact of adjustments (i + ii + iii+ iv)		**(106.25)**	**(302.69)**	**(98.08)**	**(114.75)**	**(71.04)**
F. Total equity as per restated Consolidated financial statements (C+D)		**27,081.42**	**25,263.88**	**26,357.09**	**24,775.85**	**22,406.46**

Summarised below are the restatement adjustments made to the audited financial statements for the years mentioned below and their impact on the profit/(loss) of the Company:

(Rs. in Million)

Particulars	Note	30-Jun-20	30-Jun-19	31-Mar-20	31-Mar-19	31-Mar-18
A. Net profit after tax as per audited financial statements prepared under previous GAAP		**NA**	**NA**	**NA**	**NA**	**4016.20**
B. Total Ind AS Adjustments (refer note 38 of Annexure VI)		NA	NA	NA	NA	(443.85)
C. Net profit as per Ind AS (A+B)		**1,018.79**	**774.41**	**2,749.21**	**3,519.43**	**3,572.35**
D. Adjustments:						
Material Restatement adjustments	4	-	-	-	-	-
(i) Audit Qualifications						
Total		-	-	-	-	-
(ii) Adjustments due to prior period items / other adjustments						
Adjustment for prior period items	3(b)	-	-	-	-	5.82
Fair value of Financials Assets	3(e)	-	-	-	-	-
Impact of Consolidation due to IND AS 110	3(d)	-	-	-	-	415.04
Other Adjustments	3(f)	0.93	(49.13)	10.28	(12.51)	91.69
Total		**0.93**	**(49.13)**	**10.28**	**(12.51)**	**512.55**
(iii) Adjustments due to change in accounting policies						
Adjustment due to application of Ind AS 116	3(a)	(15.50)	(9.02)	31.28	(46.47)	(47.83)
Total		**(15.50)**	**(9.02)**	**31.28**	**(46.47)**	**(47.83)**
(iv) Deferred tax impact on adjustments in (i), (ii) and (ii), as applicable	3(c)	6.53	(6.51)	(25.92)	18.82	13.84
Total		**6.53**	**(6.51)**	**(25.92)**	**18.82**	**13.84**
E. Total impact of adjustments (i + ii + iii+ iv)		**(8.04)**	**(64.66)**	**15.64**	**(40.16)**	**478.56**
F. Net profit as restated (C+D)		**1,010.75**	**709.75**	**2,764.85**	**3,479.27**	**4,050.91**

Notes to adjustments:

1. Adjustments for Audit Qualification: None

2. Material regrouping

Appropriate adjustments have been made in the Restated Summary Statements of Assets and Liabilities, Profit and Cash Flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited Consolidated financial statements of the Company for the period ended 30 June 2020.

3. Material restatement adjustments

a) IND AS 116 - Lease: (New Accounting Policy)

Group has applied IND AS 116 w.e.f. 01st April 2016 for the purpose of restated consolidated summary financial information. Accordingly, adjustments relating to IND AS 116 represents:

- Depreciation on Right-of-Use Assets, pertaining to lease arrangements recognised pursuant to implementation of Ind AS 116. The Right-of-Use assets are depreciated over the 'lease term' as defined under Ind AS 116 or economic life, whichever is lower.
- Interest element recognised on lease liabilities pursuant to implementation of Ind AS 116. Interest is measured using incremental borrowing rate.
- Lease rentals pertaining to lease arrangements accounted in accordance to erstwhile Ind AS 17, now reversed.

b) Prior Period Items:

Prior Period Expenses/ Income has been reversed from the financial year in which it has been shown as a prior period expenses/income and the same has been recognised in the financial year to which it pertains

c) Deferred tax on IND AS/restatement adjustments:

Under previous GAAP, deferred taxes were recognized for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognized using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional / restatement adjustments lead to temporary differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings \ Profit or Loss or through other comprehensive income.

d) Impact of Consolidation due to IND AS 110

The Group has adopted Ind AS 110 " Consolidated Financial Statement " from 1 April 2017. For the purpose of restatement, the change in accounting policy was given effect retrospectively from 1 April 2016 in the Restated Consolidated Financial Information of the Group. Consequently, Group has consolidated IIDF and relevant scheme fund from 1 April 2016 falling under the criteria of power over the investee, higher exposure to variable returns and ability to use its power over the investee.

e) Fair value of Financials Assets

In accordance with IND AS, financial assets representing investment in equity shares of entities other than subsidiaries, mutual funds have been fair valued. The company has classified these investment as fair value through profit & loss as per IND AS 109. Loans have been carried at amortised cost. Under the previous GAAP, the application of the relevant accounting standard resulted in all these investments being carried at cost.

f) Other Adjustments

Other adjustments includes reclassification of fair value on investments from FVOCI to FVTPL, change in actuarial assumptions and other adjustments.

g) Material regroupings:

Appropriate adjustments have been made in the restated consolidated statements of assets and liabilities, restated consolidated statement of profit and loss and restated consolidated cash flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financials of the Group as at June 30, 2020, prepared in accordance with Schedule III (Division III) of Companies Act 2013 and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

UTI Asset Management Company Limited

Annexure VII - Statement on Adjustments to Audited Consolidated Financial Statements

4. Non-adjusting items

a. Qualification / modifications in the Auditors' report which do not require any corrective adjustments in the Restated Consolidated Summary Financial Information

UTI Venture Fund Management Company Private Limited

For the year ended 31 March 2018 and 31 March 2019 the auditors' report was qualified for satisfaction of principal business criteria test for non banking financial companies by the Company prescribed by Reserve bank of India (RBI) and consequent requirement of registration under section 45-IA of the Reserve Bank of India Act,1934. The auditors' are unable to ascertain the impact of such non-registration on the financial statements for the year ended on that date.

For the year ended 31 March 2019 and 31 March 2020 the auditors' report was qualified regarding fair value of investments in certain funds as at March 31,2019 and 31 March 2020 being based on unaudited statements provided by its management. The auditor is unable to ascertain the impact of such non-audit of the same on these Ind AS financial statements for the year ended on that date

b. Audit Qualifications in Annexure to Auditors' Report, which do not require any corrective adjustments in the Restated Consolidated Summary Financial Information

In addition to the audit opinion on the financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2016 ('CARO') issued by the Central Government of India under sub-section (11) of Section 143 of the Companies Act, 2013. Certain statements /comments included in CARO, which do not require any adjustments in the Restated Consolidated Summary Financial Information are reproduced below in respect of the financial statements presented:

UTI Asset Management Company Limited (Parent company)

For the year ended 2018
(i) Clause (vii)(b) of CARO
The particulars of dues of Income Tax as at 31st March 2018, which have not been deposited on account of a dispute, are as under:

Nature of Status	Nature od dues	Period to which it relates	Amount (In Mn.)	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax and Interest	A.Y. 2009-10	52.56	CIT Appeals
Income Tax Act, 1961	Income Tax and Interest	A.Y. 2010-11	22.77	CIT Appeals

For the year ended 2019
(i) Clause (vii)(b) of CARO
The particulars of dues of Income Tax as at 31st March 2019, which have not been deposited on account of a dispute, are as under:

Nature of Status	Nature od dues	Period to which it relates	Amount (In Mn.)	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax and Interest	A.Y. 2009-10	52.56	CIT Appeals
Income Tax Act, 1961	Income Tax and Interest	A.Y. 2010-11	22.77	CIT Appeals

For the year ended 2020
(i) Clause (vii)(b) of CARO
The particulars of dues of Income Tax as at 31st March 2020, which have not been deposited on account of a dispute, are as under:

Nature of Status	Nature od dues	Period to which it relates	Amount (In Mn.)	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax and Interest	A.Y. 2009-10	52.56	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax and Interest	A.Y. 2010-11	22.77	CIT Appeals

UTI Retirement Solution Limited (Subsidiary Company)

For the year ended 2018
(i) Clause (vii)(b) of CARO

Nature of Status	Nature od dues	Period to which it relates	Amount (In Mn.)	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax and Interest	A.Y. 2013-14	1.50	CIT Appeals

UTI Venture Fund Management Company Private Limited (Subsidiary Company)

For the year ended 2018
(i) Clause (vii)(b) of CARO

Nature of Status	Nature od dues	Period to which it relates	Amount (In Mn.)	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax and Interest	A.Y. 2010-11	0.20	Deputy Commissioner of Income Tax

For the year ended 2019
(i) Clause (vii)(b) of CARO

Nature of Status	Nature od dues	Period to which it relates	Amount (In Mn.)	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax and Interest	A.Y. 2010-11	0.20	Deputy Commissioner of Income Tax

UTI Asset Management Company Limited

Annexure VIII - Restated Consolidated Summary Statement of Accounting Ratios

Sr. No.	Particulars	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
1	Restated profit after tax (Rs. in Million)	1,005.54	715.30	2,730.30	3,528.31	3,642.05
2	Weighted average number of basic equity shares outstanding during the period/year (Rs. in Million)	126.79	126.79	126.79	126.79	126.79
3	Weighted average number of diluted equity shares outstanding during the period/year (Rs. in Million)	126.79	126.79	126.79	126.79	126.79
4	Number of equity shares outstanding at the end of the period/year (Rs. in Million)	126.79	126.79	126.79	126.79	126.79
5	Net worth for equity shareholders (Rs. in Million)	28,349.29	26,531.75	27,624.96	26,043.72	23,674.33
6	Accounting ratios: (refer note vi. below)					
	Earnings per share (refer note 34)					
	Basic earnings per share (Rs.) (1)/(2)	**7.93**	**5.64**	**21.53**	**27.83**	**28.73**
	Diluted earnings per share (Rs.) (1)/(3)	**7.93**	**5.64**	**21.53**	**27.83**	**28.73**
	Return on net worth for equity shareholders (1)/(5)	**3.55%**	**2.70%**	**9.88%**	**13.55%**	**15.38%**
	Net Asset Value per share (Rs.) (5)/(4)	**223.60**	**209.26**	**217.88**	**205.41**	**186.72**

Notes:

i) 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.

ii) 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 (Rs.) = Restated net worth at the end of the period/year / Number of equity shares outstanding at the end of the period/year

iii) Net worth for calculating ratios = Equity share capital + Other equity (including Securities premium, General reserve, Employee stock options outstanding and Retained earnings).

iv) 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.

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

vi) Ratios calculated for 30th June 2020 & 30th June 2019 is not annualised.

UTI Asset Management Company Limited

Annexure IX - Restated Consolidated Summary Statement of Capitalisation

(Rs in Million)

Particulars	Pre-issue as at 30th June 2020	As adjusted for issue
		(Refer note ii below)
Debt:		
Long term borrowings	-	-
Short term borrowings	-	-
Current portion of secured long term borrowings, included in other current liabilities	-	-
Total Debt (A)	**-**	**-**
Shareholders' Funds:		
Equity share capital	1,267.87	1,267.87
Reserves and surplus	27,081.42	27,081.42
Total Shareholders' Funds (B)	**28,349.29**	**28349.29**
Total Debt / Shareholders' Funds (A/B)	**-**	**-**

* We have charged finance cost in statement of profit and loss in compliance with Ind AS 116 "Leases". However lease liabilities have not considered as a part of debt since it is notional liabilities to company.

Notes:

i) 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.

ii) Company is proposing to offer the equity shares of Company through offer for sale to the public by way of an initial public offering. Hence there will not be any change in the Shareholders' funds.

UTI Asset Management Company Limited

Annexure X - Restated Consolidated Summary Statement of Dividend

Particular	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Number of equity shares (Million)	126.79	126.79	126.79	126.79	126.79
Face value (Rs.)	10.00	10.00	10.00	10.00	10.00
Dividend per equity share (in Rs.)	-	-	7.00	5.00	4.00
Rate of dividend	-	-	70%	50%	40%
Dividend tax rate*	-	-	-	20.56%	15.54%
Total dividend (in Rs. Million)	-	-	887.53**	633.94	507.15
Dividend tax (in Rs. Million)	-	-	-	130.34	78.81

Notes:

i) Dividend of Re. 7 per equity share was proposed by the directors in their board meeting dated 29th April 2020 for the financial year 2019-20, is subject to approval by shareholders at the annual general meeting.

ii) 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 .

* Dividend tax rate implies the effective dividend tax rate after making relevant adjustment allowed under Income TAx Act, 1961

** The Board has recommended a dividend of Rs. 7 per share for the year ended 31st March 2020 to the shareholders, Subject to the approval of shareholders at the ensuing Annual General Meeting.

UTI Asset Management Company Limited

Annexure XI - Restated Consolidated Summary Statement of Other Income

(Rs in Million)

Particulars	Nature (Recurring/ Non-recurring)	30th June 2020	30th June 2019	31st March 2020	31st March 2019	31st March 2018
Exchange differences (net)	Non-recurring	0.02	13.75	42.54	0.06	-
Provision no longer required withdrawn (net)	Non-recurring	(4.27)	-	32.07	46.68	5.31
Support service fees on inter branch billing GST	Recurring	82.71	70.28	262.99	200.44	102.80
Other non operating income	Recurring	14.29	3.49	22.32	56.68	18.84
Total Other income as per audited financial statements		**92.75**	**87.52**	**359.92**	**303.86**	**126.95**
Add/Less: Ind AS adjustments		-	-	-	-	-
Total other adjustments		**-**	**-**	**-**	**-**	**-**
Total Restated Other Income		**92.75**	**87.52**	**359.92**	**303.86**	**126.95**

Notes:

i) The classification of Other income as recurring / non-recurring business activity is based on the current operations and business activity of the Company as determined by the management.

ii) The amounts disclosed above are based on the Restated Consolidated Summary Statement of Profit and Loss of the Company.

iii) 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.

OTHER FINANCIAL INFORMATION

The audited standalone financial statements of our Company as at and for the year ended March 31, 2020, March 31, 2019, and March 31, 2018 and the reports thereon dated April 29, 2020, April 27, 2019 and April 26, 2018, respectively ("**Standalone Financial Statements**") are available at https://www.utimf.com/. Further, the audited financials of our Company's Material Subsidiary as at and for the year ended March 31, 2020, March 31, 2019, and March 31, 2018 and the reports thereon dated May 6, 2020, April 18, 2019 and April 23, 2018, respectively, are available at https://www.utimf.com/ Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Standalone Financial Statements do not constitute, (i) a part of the Red Herring Prospectus; or (ii) this 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 Standalone 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 (collectively, the "**Group**") and should not be relied upon or used as a basis for any investment decision. Due caution is advised when accessing and placing reliance on any historic or other information available in the public domain. None of the Group or any of its advisors, nor any 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 Standalone Financial Statements, or the opinions expressed therein.

For details of accounting ratios, see "*Restated Financial Information – Annexure VIII: Restated Consolidated Summary Statement of Accounting Ratios*" on page 307.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at June 30, 2020, on the basis of our Restated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Restated Financial Information*" and "*Risk Factors*" on pages 314, 213 and 24, respectively.

(₹ in million)

Particulars	Pre-Offer as at June 30, 2020	As adjusted for the proposed Offer[#]
Total borrowings		
Short term borrowings	-	-
Long term borrowings (including current maturity)	-	-
Total borrowings**(A)	-	-
Total equity		
Share capital*	1,267.87	1,267.87
Reserves and surplus*	27,081.42	27,081.42
Total Equity (B)	28,349.29	28,349.29
Total Capital (A) + (B)	**28,349.29**	**28,349.29**
Ratio: Total borrowings/ total equity (A)/(B)	-	-
Total long term borrowings / total equity	-	-

**There has been no change in capital structure post Offer, as the Offer is an "initial public offering by way of an offer for sale by existing shareholders of the Company.*

*** Our Company has charged finance cost in its statement of profit and loss account and has shown lease liability under other financial liabilities in the balance sheet, so as to comply with Ind AS 116 "Lease". However, the same has not been considered in the table above, since the same is considered as the notional liability.*

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 on the date of this Prospectus, our Company does not have any outstanding or sanctioned fund-based facilities. However, our Company has availed of certain bank guarantee facilities from Axis Bank Limited and Punjab National Bank, amounting to ₹ 204 million and ₹ 110 million, respectively (i) in favour of the PFRDA pursuant to the PFRDA Act and the Point of Presence Regulations; (ii) in favour of the EPFO pursuant to our arrangement with the EPFO to provide services as a portfolio manager; (iii) in favour of ESIC pursuant to our arrangement with the ESIC to provide services as a portfolio manager; and (iv) in favour of the Board of Trustees, Coal Mines Provident Fund Organisation ("**BoT CMPFO**"), pursuant to our arrangement with the BoT CMPFO to provide services as a portfolio manager. The bank guarantees availed by our Company are fully secured against fixed deposit lien.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with the Restated Financial Information, the notes and significant accounting principles thereto and the report thereon, which appear in pages 213 to 310. Our Restated Financial Information are prepared in accordance with Ind AS, which differ in certain significant respects from US GAAP and IFRS, and are restated as per the ICDR Regulations.

Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.

The following discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the section titled "Risk Factors" on page 24 and elsewhere in this Prospectus. See "Forward-Looking Statements" on page 18.

We have included various operational and financial performance indicators in this Prospectus, some of which may not be derived from our Restated Financial Information or otherwise subjected to an examination, audit or review by our auditors. 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 categorisations 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, which may also be reflected in our Restated Financial Information. 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 Financial Information and other information relating to our business and operations included in this Prospectus.

*Unless otherwise specified in this section, references to "our quarterly average assets under management ("**QAAUM**")" as of a given date or words of similar import refers to the average assets under management for the quarter ended on the specified date of the our domestic mutual funds, and references to our "Other AUM" as of a given date refer to the total closing AUM as of that date for all our other businesses. Unless otherwise specified in this section, references to "our schemes", "our funds" or words of similar import refers to the mutual fund schemes of the Company.*

Overview

We are the second largest asset management company in India in terms of Total AUM and the eighth largest asset management company in India in terms of mutual fund QAAUM as of June 30, 2020, according to CRISIL. As of June 30, 2020 we also had the largest share of our monthly average AUM attributable to B30 cities of the top ten Indian asset management companies by QAAUM as of June 30, 2020, according to CRISIL. We cater to a diverse group of individual and institutional investors through a wide variety of funds and services. We manage the domestic mutual funds of UTI Mutual Fund, provide portfolio management services ("**PMS**") to institutional clients and high net worth individuals ("**HNIs**"), and manage retirement funds, offshore funds and alternative investment funds. As of June 30, 2020, our total QAAUM for our domestic mutual funds ("**Domestic Mutual Fund QAAUM**") was ₹1,336.3 billion, while our Other AUM was ₹8,493.9 billion. With 10.9 million Live Folios as of March 31, 2020, our client base accounts for 12.2% of the approximately 89.7 million folios that, according to CRISIL, are managed by the Indian mutual fund industry. Our history and track record in the mutual fund industry, strong brand recognition, distribution reach, performance and client relationships provide a platform for future growth.

We and our predecessor (Unit Trust of India) have been active in the asset management industry for more than 55 years, having established the first mutual fund in India. We are a professionally managed company led by our Board of Directors and a dedicated and experienced management team. For purposes of the SEBI Mutual Fund Regulations, the four sponsors are the State Bank of India ("**SBI**"), Life Insurance Corporation of India ("**LIC**"), Punjab National Bank ("**PNB**") and Bank of Baroda ("**BOB**") (collectively, the **"Sponsors"**), each of which has the Government of India as a majority shareholder. T. Rowe Price Group, Inc., a global asset management company, is our other major shareholder (through its subsidiary T. Rowe Price International Ltd. ("**TRP**")).

We have a national footprint and offer our schemes through a diverse range of distribution channels. As of June 30, 2020, our distribution network includes 163 UTI Financial Centres ("**UFCs**"), 257 Business Development Associates ("**BDAs**") and Chief Agents ("**CAs**") (40 of whom operate Official Points of Acceptance ("**OPAs**")) and 43 other OPAs, most of which are in each case located in B30 cities. Our IFAs channel includes approximately 53,000 Independent Financial Advisors ("**IFAs**") as of June 30, 2020. We believe that our BDA and CA network distinguishes us from other asset management companies in India, as our BDAs and CAs, who are engaged by us on an exclusive basis primarily in B30 cities, allow us to efficiently and effectively develop, maintain and service our relationships with our distributors and investors. Our banks and distributors ("**BND**") channel involves distribution arrangements with domestic and foreign banks, as well as with national and regional distributors. In addition, we have dedicated sales teams for institutional and public sector undertaking ("**PSU**") clients and also offer products directly through our UFCs, digital applications and website. Our distribution channels are supported by 459

relationship managers ("**RMs**") (as of June 30, 2020), who interact with clients and distributors and help generate new business and maintain our existing relationships. Investors are also able to directly invest in our mutual funds through our mobile applications for customers. We also have offices in London, Dubai, Guernsey and Singapore, through which we market our offshore and domestic mutual funds to offshore investors who seek to invest in India.

Our clients include domestic individual investors (which represented 43.8% of the total closing AUM for our domestic mutual funds ("**Domestic Mutual Fund Closing AUM**") as of June 30, 2020), corporate and other institutional investors (which represented 45.4% of our Domestic Mutual Fund Closing AUM as of June 30, 2020), and banks and other financial institutions (which represented 3.5% of our Domestic Mutual Fund Closing AUM as of June 30, 2020). Trusts (5.7%) and non-resident Indians ("**NRIs**") (1.7%) represented the remainder of our Domestic Mutual Fund Closing AUM as of June 30, 2020.

We manage 153 domestic mutual fund schemes, comprising equity, hybrid, income, liquid and money market funds as of June 30, 2020. Our Domestic Mutual Fund QAAUM was ₹1,336.3 billion as of June 30, 2020, which accounted for approximately 5.4%, or the eighth largest amount, of the total QAAUM invested in all mutual funds in India as of June 30, 2020, according to CRISIL. Set forth below is the breakdown of our Domestic Mutual Fund QAAUM (in absolute amounts and as a percentage of the total) by category of mutual funds:

(₹ in billions, except percentages)	**As of June 30,**				**As of March 31,**					
	2020		**2019**		**2020**		**2019**		**2018**	
Category of Fund	**QAAUM**	**% of Total**	**QAAUM**	**% of Total**	**QAAUM**	**% of Total**	**QAAUM**	**% of Total**	**QAAUM**	**% of Total**
Active	332.7	24.9%	387.5	24.6%	381.9	25.2%	372.6	23.3%	366.7	23.7%
Passive[(1)]	244.5	18.3%	198.0	12.5%	252.2	16.7%	167.4	10.5%	92.1	5.9%
Total Equity	577.2	43.2%	585.5	37.1%	634.1	41.9%	540	33.8%	458.8	29.6%
Hybrid	187.9	14.1%	221.5	14.0%	209.6	13.8%	219.3	13.7%	219.1	14.1%
Income	193.3	14.5%	318.3	20.2%	213.5	14.1%	391.9	24.5%	487.5	31.5%
Liquid / Money Market[(2)]	377.9	28.2%	453.3	28.7%	457.9	30.2%	445.8	27.9%	384.0	24.8%
Total	**1,336.3**	**100%**	**1,578.7**	**100%**	**1,515.1**	**100%**	**1,596.9**	**100%**	**1,549.4**	**100%**

[(1)] Includes the UTI Gold Exchange Traded Fund, which had QAAUM of ₹4.8 billion as of June 30, 2020.
[(2)] Includes the UTI Overnight Fund and the UTI Floater Fund, which had QAAUM of ₹48.9 billion and ₹13.9 billion, respectively, as of June 30, 2020.

Our investment philosophy endeavours to deliver investment outperformance against benchmarks and competitors, and our investment strategy is to have a balanced and well-diversified portfolio within each of our funds, which are subject to internal norms governing asset allocation, sectoral allocation and security selection. Our domestic equity mutual fund management team includes 19 members, with an average of more than 11 years of experience with us, while our domestic fixed income mutual fund management team is composed of 13 members, with an average of over 12 years of experience with us. Many of our equity mutual funds have demonstrated strong performance through economic cycles. For example, schemes representing 92.3% of the closing AUM invested as of June 30, 2020 in our six core equity strategies (being the SEBI-prescribed product categories of multi cap, large cap, large and mid cap, mid cap, value/contra and ELSS, which according to CRISIL collectively accounted for 78.1% of industry open-ended equity scheme closing AUM as of June 30, 2020) have outperformed their respective benchmark indices (by an average of 1.3% per annum, weighted by AUM as of June 30, 2020) for an average return (weighted by AUM as of June 30, 2020) of 9.6% per annum in the ten-year period ended June 30, 2020. We believe that our professional and disciplined investment approach contributes to the efficient management of our funds. We have a rigorous internal control structure with emphasis on risk management, internal audit systems and regulatory compliance.

Our PMS business provides portfolio management services to institutional clients and HNIs. We provide Discretionary PMS to the Employees' Provident Fund Organization ("**EPFO**"), the Coal Mines Provident Fund Organisation ("**CMPFO**"), the Employees' State Insurance Corporation ("**ESIC**"), the National Skill Development Fund ("**NSDF**") and to HNIs, Non-Discretionary PMS to Postal Life Insurance ("**PLI**"), and Advisory PMS to various offshore and domestic accounts. We were approved to manage 55.0% of the total corpus on October 31, 2019 of the Central Board of Trustees, EPF ("**CBT, EPF**"), accounting for ₹5,916.6 billion, or 84.9% of our PMS AUM as of June 30, 2020. Our AUM for our PMS business increased from ₹1,158.5 billion as of March 31, 2018 to ₹6,890.6 billion as of March 31, 2020, representing a CAGR of 143.9%, and to ₹6,970.5 billion as of June 30, 2020.

We also manage retirement funds (in our retirement solutions business, which manages the National Pension System ("**NPS**") funds), offshore funds (including the Shinsei UTI India Fund, a co-branded fund with Shinsei Bank of Japan) and alternative investment funds. These other businesses (excluding our domestic mutual funds and our PMS business) had an aggregate closing AUM of ₹ 1523.4 billion as of June 30, 2020.

The following table sets forth the breakdown of our Other AUM (in absolute amounts and as a percentage of the total) by category of business:

(₹ in billions, except percentages)	As of June 30,				As of March 31,					
	2020		2019		2020		2019		2018	
Category	**AUM**	**% of Total**	**AUM**	**% of Total**	**AUM**	**% of Total**	**AUM**	**% of Total**	**AUM**	**% of Total**
PMS[(1)]	6,970.5	82.1%	4,849.8	80.4%	6890.6	83.2%	1,332.7	55.6%	1,158.5	56.6%
Retirement Solutions	1,355.9	15.9%	1,020.9	16.9%	1,222.0	14.7%	937.1	39.1%	694.8	33.9%
Offshore Funds	156.9	1.8%	147.2	2.4%	157.7	1.9%	118.7	5.0%	187.9	9.2%
Alternative Investment Funds	10.6	0.1%	9.7	0.2%	10.5	0.1%	8.3	0.4%	7.0	0.3%
Total	**8,493.9**	**100%**	**6,027.6**	**100%**	**8,280.8**	**100%**	**2,396.9**	**100%**	**2,048.2**	**100%**

(1) Includes assets under advisory services.

Our consolidated total income equalled ₹2.7 billion and ₹2.4 billion for the three-month periods ended June 30, 2020 and 2019, respectively, and ₹8.9 billion, ₹10.8 billion and ₹11.6 billion for the fiscal years ended March 31, 2020, 2019 and 2018, respectively. Our consolidated profit after tax equalled ₹1.0 billion and ₹0.7 billion for the three-month periods ended June 30, 2020 and 2019, respectively, and ₹2.8 billion, ₹3.5 billion and ₹4.1 billion for the fiscal years ended March 31, 2020, 2019 and 2018, respectively.

Factors Affecting Our Results of Operations

Our results of operations have been, and will continue to be, affected by a number of events and actions, some of which are beyond our control. However, there are some specific items that we believe have impacted our results of operations and, in some cases, will continue to impact our results on a consolidated level and at our individual companies. In this section, we discuss several factors that we believe have, or could have, an impact on these results. We also discuss the ways in which we generate income and incur the main expenses associated with generating this income. Please also see the sections titled "*Our Business*" and "*Risk Factors*", beginning on pages 146 and 24, respectively.

Macroeconomic, Political and Social Conditions in India

Our business, financial condition, results of operations and prospects are significantly affected by general economic, social and political conditions and particularly conditions in India, where we conduct most of our business and generate substantially all of our income. Adverse macroeconomic, political and social 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 results of operations. Key factors affecting the performance of our business include overall economic growth parameters and demographics, household savings rates, urbanization rates, consumer preferences towards financial savings and financial products (particularly in B30 cities), and the impact of political and regulatory developments on the Indian economy. Fiscal and monetary dynamics such as volatility in interest rates, inflation and foreign exchange rates are also factors that affect the performance of our schemes. These factors in varying degrees affect the quantum of household savings and the proportion thereof invested in mutual funds relative to other competing products, such as physical assets (including real estate and gold) and financial savings products such as bank deposits, provident funds and insurance. Macroeconomic conditions in India affect the performance of our schemes, which in turn may affect our AUM and consequently affect our income and profitability.

Developments Related to the COVID-19 Pandemic

Beginning in December 2019, a new strain of the coronavirus (COVID-19) has spread rapidly throughout the world, including in India (where the majority of our operations are located), Singapore, Mauritius, the United Kingdom, the United Arab Emirates and Guernsey (where we also have operations). The World Health Organisation has declared the COVID-19 outbreak a health emergency of international concern and has categorised the COVID-19 virus outbreak as a pandemic. The COVID-19 pandemic and associated responses have adversely affected workforces, consumer sentiment, economies and financial markets around the world, including in India, and have created significant uncertainty for our business. 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, including severe travel and transport restriction and a directive to all citizens to shelter in place. 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 behaviour, preferences and needs of our customers, including consequential reductions in our AUM. Following the outbreak of the pandemic we have experienced meaningful falls in our Domestic Mutual Fund QAAUM due to market volatility, with our Domestic Mutual Fund QAAUM decreasing by ₹178.8 billion, or 11.8%, in

the three-month period ended June 30, 2020 compared to the fiscal year ended March 31, 2020. There has also been some reduction in inflows and SIP Live Folios and the mutual fund industry has also experienced SIP stoppages. 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 behaviour (including as to saving, investment and redemption decisions), and our AUM size and composition, revenues and profitability.

In response to the outbreak of the COVID-19 pandemic, we promptly undertook a number of temporary initiatives to safeguard our employees, ensure business continuity and reduce our operating costs, including a rapid transition to remote working, a reduction to discretionary spending and implementation of workforce-based savings. For example, approximately 90% of our employees are working from home as of June 30, 2020. In order to ensure our employees' ability to work remotely in a productive and efficient manner, we have increased our investments in IT systems and procured additional IT infrastructure to help employees continue performing their duties, such as providing laptops and internet data cards. We have also been proactively engaging with our clients to maintain strong and mutually beneficial relationships. Some of the measures we have implemented include processing all commercial transactions over e-mail and ensuring continued investor and distributor support through our contact centres, and we have been successful in timely delivering all required management information system, business intelligence, regulatory and statutory reports and in enabling our full spectrum of digital initiatives (including our online platform and our mobile applications) to continue working without interruptions. Although travel restrictions and constraints on our ability to hold physical meetings with our clients during the COVID-19 pandemic have impaired our ability to engage with our distributors, and our and their ability to engage with investors, we have also continued to conduct our distributor training and investor education programs remotely following the outbreak of the COVID-19 pandemic and have been conducting monthly "live" market outlook sessions on our social media.

Due to the national and regional lockdown measures imposed, physical transactions stopped at our offices and those of our distributors, and seven out of our 163 UFCs remained closed as of June 30, 2020. Furthermore, the disruption in postal services affected the delivery of cheques, account statements and other documents to our customers and the KYC process for new investors also suffered some delays, especially due to difficulties experienced in certain cases for completing offline KYC, including submission of self-attested/verified documents. Despite the above, however, overall investor servicing has not been materially adversely affected to date, as most of our customers have shifted to online transactions, and we have to date managed to provide generally uninterrupted services to existing investors.

Given the dynamic nature of the outbreak, the extent to which the COVID-19 pandemic will in the future impact our business, results of operations and financial condition will depend on future developments, which remain highly uncertain and cannot be accurately predicted at this time. As a precaution, we continue to closely monitor the impact of the COVID-19 pandemic on our business, including how it will impact our income, liquidity and operations, and we continue to pragmatically assess the industry landscape and prioritise cash management and liquidity. *See "Risk Factors — 1. Our income and profit are largely dependent on the value and composition of our AUM, which may decline because of factors outside our control.", "— 4. Concentration in our investment portfolio could have a material adverse effect on our business, financial condition and results of operations.", "— 10. Credit risks related to the debt portfolio of our funds may expose our funds to significant losses, which may have a material adverse effect on our business, results of operations and financial condition.", "— 11. Credit risks related to our investments, loans and advances may expose us to significant losses.", "— 12. Our investment activities are also exposed to investment, liquidity, operational, market, regulatory and other risks and limitations in our risk management system, and our ability to adequately and effectively identify or mitigate our risk exposure may expose us to material unanticipated losses.", "— 18. We may not be able to successfully implement our growth strategies.", "— 22. As we expand our business infrastructure with, among others, additional branches, improved systems and better compensated fund managers and other professionals, we may not be able to generate sufficient additional income to offset our higher incremental costs.", "— 23. We depend on third-party distribution channels and other intermediaries, and issues 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.", "— 25. Our business is highly dependent upon IT systems to process transactions, and any weaknesses, disruptions, failures or inadequacies in our IT systems and related risk management strategies may limit our growth, disrupt our business and result in a material adverse effect on our business, financial position and prospects.", "— 33. Employee misconduct or failure of our internal processes or procedures could harm us by impairing our ability to attract and retain clients and subject us to significant legal liability and reputational harm.", "— 35. The insurance policies we maintain may be insufficient to cover future costs and losses, the incurrence or magnitude of which are unforeseen or unpredictable, and such insufficient coverage could result in an adverse effect on our business operations, financial condition, results of operations and cash flows.", "— 37. We undertake certain business operations outside of India and we may not be able to grow our overseas business in accordance with our growth plans or at all.", "— 43. Our business and results of operations have been, and may continue to be, adversely affected by the ongoing COVID-19 outbreak and associated responses.", "— 44. AUM and the future of the asset management industry are dependent on the performance of the Indian economy and securities market, and any slowdown, decline or volatility in the economy and markets may adversely affect our business and financial results.", "— 50. Economic, political and social developments in India could adversely affect our business." and "— 56. Volatile conditions in the Indian securities market may affect the price or liquidity of the Equity Shares."*, beginning on pages 24, 26, 32, 33, 33, 36, 39, 40, 41, 44, 46, 47, 49, 50, 53 and 55, respectively.

Value and Composition of AUM and Management Fee Levels

Management fees are our main source of income. Management fees are usually calculated as a percentage of AUM, and vary based on the value and composition of AUM. Accordingly, the value and composition of AUM are key drivers of our income. Aggregate management fee income as a percentage of AUM may change over time, as management fee income may be affected by market conditions and competitive pressures. Management fee income for the three fiscal years ended March 31, 2020, 2019 and 2018 was ₹7.9 billion, ₹8.8 billion and ₹9.4 billion, representing 88.3%, 81.5% and 80.4% of our total income, respectively. Management fee income for the three-month periods ended June 30, 2020 and June 30, 2019 was ₹1.6 billion and ₹2.0 billion, representing 58.8% and 83.6% of our total income, respectively.

Fee rates differ between fund types and products. For example, the fee levels for equity and hybrid funds are generally higher than the fee levels for income and liquid and money market funds, and fee levels for active funds are generally higher than fee levels for passive funds. In general, we are able to charge relatively stable fees for equity funds, whereas fees for debt funds vary significantly depending on market conditions as well as fund duration and type. SEBI caps the level of expenses, including management fees, that can be incurred by schemes. See "*—Fee and Expense Limits and Fund Accounting*", beginning on page 320.

Set forth below is a table indicating the QAAUM as of, and the amount and percentage of management fee income generated in the three-months or fiscal year (as applicable) ended on, the dates indicated, by each category of our domestic mutual funds:

QAAUM Amount and Percentage of Management Fee Income from Domestic Mutual Funds

(₹ in billions, except percentages)	**June 30,**						**March 31,**								
Category of Funds	**2020**			**2019**			**2020**			**2019**			**2018**		
Active	332.7	0.8	57.1%	387.5	1.0	55.6%	381.9	4.0	58.0%	372.6	4.3	54.4%	366.7	4.7	55.3%
Passive[1]	244.5	0.0	0.0%	198.0	0.0	0.0%	252.2	0.1	1.4%	167.4	0.1	1.3%	92.1	0.0	0.0%
Total Equity	577.2	0.8	57.1%	585.5	1.0	55.6%	634.1	4.1	59.4%	540.0	4.4	55.7%	458.8	4.7	55.3%
Hybrid	187.9	0.3	21.4%	221.5	0.5	27.8%	209.6	1.8	26.1%	219.3	2.1	26.6%	219.1	2.2	25.9%
Income	193.3	0.1	7.1%	318.3	0.2	11.1%	213.5	0.7	10.1%	391.9	1.3	16.5%	487.5	1.5	17.6%
Liquid / Money Market[2]	377.9	0.1	7.1%	453.3	0.1	5.6%	457.9	0.4	5.8%	445.8	0.2	2.5%	384.0	0.0	0.0%
Total	**1,336.3**	**1.4**	**100.0%**	**1,578.7**	**1.8**	**100.0%**	**1,515.1**	**6.9**	**100.0%**	**1,596.9**	**7.9**	**100.0%**	**1,549.4**	**8.5**	**100.0%**

(1) *Includes the UTI Gold Exchange Traded Fund, which had QAAUM of ₹4.8 billion as of June 30, 2020.*

(2) *Includes the UTI Overnight Fund and the UTI Floater Fund, which had QAAUM of ₹48.9 billion and ₹13.9 billion, respectively, as of June 30, 2020.*

We encounter competitive pricing pressures in our business. For example, although total expense ratios and, historically, fee levels for our equity and hybrid funds (except passive funds) have generally been commensurate with prescribed limits for such funds, the fee levels and total expense ratios for our income, liquid and passive funds have usually been considerably lower than applicable prescribed limits. Asset management fees tend to be low for pension funds and Government-sponsored business generally, such as the portfolio management services we provide to EPFO, PLI and NSDF.

In addition, we may on occasion review management fees, or limit total expenses, on certain products or services for particular time periods to improve fund performance, manage fund expenses, help retain or increase managed assets, or for other reasons. If our income declines without a commensurate reduction in our expenses, our profit will be reduced.

The payment of our management fees is governed by investment management agreements we have with trustees or our clients, as the case may be, and offer documents for our funds or portfolio management contracts. In general, trustees and other clients may terminate our investment management agreements for any reason (or no reason) on short notice, typically ranging from 30 to 180 days prior to termination. Upon termination, management fees are pro-rated for the period when we provided services.

Attraction and Retention of AUM

Our ability to attract and retain AUM has a significant impact on our financial results. As of March 31, 2018, 2019 and 2020, our Domestic Mutual Fund QAAUM was ₹1.5 trillion, ₹1.6 trillion and ₹1.5 trillion, respectively. As of June 30, 2020, our Domestic Mutual Fund QAAUM was ₹1.3 trillion.

Our AUM are the key factor driving our income because our management fees are based on AUM. The level of our AUM is determined by:

- asset inflows and outflows; and
- asset appreciation and depreciation.

In order to increase our AUM and grow our business, we must attract new clients and retain and expand our relationships with existing clients. Among other things, this will depend on:

- our investment performance compared to competing products and market indices;
- the success of our sales efforts and the breadth and efficiency of our distribution network;
- customer experience, client sentiment and confidence; and
- our ability to introduce new investment products that suit the needs of our target clients.

Domestic individual clients represented 43.8% by closing AUM of our domestic mutual fund client base as of June 30, 2020. This helps insulate us from excessive short-term churn and volatility in our funds as more than 50.0% of the equity mutual fund closing AUM of our individual clients had a holding period of more than three years as of June 30, 2020. Individual investors in our solution-oriented schemes (such as the UTI Retirement Benefit Pension Fund and the UTI Children's Career Fund) are generally long-term investors, with lock-in periods of at least five years. A small number of funds represent a significant portion of our total AUM. For example, as of June 30, 2020, our top six active equity funds constituted 75.3% of our total QAAUM for active equity funds, and our top six hybrid funds constituted 94.3% of our total QAAUM for such funds. Our top five income funds represented 35.9% of our total QAAUM for income funds, and we have only four liquid and money market funds (including the UTI Overnight Fund and the UTI Floater Fund). Underperformance by any of these funds may have a disproportionate adverse impact on our AUM and income.

Governmental and other institutional clients are an increasingly important source of our AUM, particularly in our PMS business. Our continued ability to retain and attract AUM from such clients is subject to heightened regulatory risk, particularly following the reduction of the shareholdings of our Government-owned sponsors upon completion of the offering.

Our open-ended funds accounted for 89.4% of our Domestic Mutual Fund QAAUM as of June 30, 2020 and our clients from such funds can redeem their investments at any time for any (or no) reason. Clients may subscribe to new units of the fund or sell their units back to the fund at any point of time at a price that is linked to the net asset value of the fund. Some of our income and hybrid closed-ended funds have a short duration, so, after the life of the fund, clients may choose not to reinvest in our funds and seek alternative forms of savings. Clients to whom we provide portfolio management services may, subject to the terms of our investment management or advisory agreements, instruct us to redeem their investments at any time for any (or no) reason.

Investment and Market Performance

Our ability to attract and retain AUM, as well as our profitability, is heavily impacted by investment performance, which drives the value of AUM (in terms of capital appreciation, as well as client attraction and retention) on which the management fees are calculated.

The investment performance of our schemes is and will continue to be influenced by a variety of factors, including:

- general economic conditions and fluctuations in global and Indian financial markets;
- the quality of our investment decision-making process and research;
- our investment strategies;
- fluctuations in the valuation of our portfolio holdings;
- the effectiveness of our risk management framework; and
- our ability to attract and retain qualified, high-quality investment professionals.

Poor investment performance, either on an absolute or relative basis, could impair our income and growth because:

- 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.

Macro-economic conditions and industry dynamics, as well as the performance of equity and debt markets, also have a significant effect on our investment performance and therefore our business and results.

The Indian equity markets have over the last decade experienced varying upward and downward price trends. The start of the decade was characterised by the global financial crisis which cut short the upward trend which the Indian markets were witnessing at that point in time. Since then there have been three general elections and 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 "*Risk Factors – 43. Our business and results of operations have been, and may continue to be, adversely affected by the ongoing COVID-19 outbreak and associated responses*." and "*Risk Factors —44. AUM and the future of the asset management industry are dependent on the performance of the Indian economy and securities market, and any slowdown, decline or volatility in the economy and markets may adversely affect our business and financial results*.", beginning on pages 49 and 50, respectively. Despite the various factors impacting the markets over the last decade, the broader Indian equity markets have still given a CAGR return of 5.6% (based on the NSE 50 price return index ("**PRI**") from January 1, 2011 to June 30, 2020). 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. For example, returns for the NSE Nifty 50 PRI have varied from 3.2% (for the 2018 calendar year) to -15.3% (for the six-month period ended June 30, 2020), annual returns for NSE Midcap 100 Index PRI have varied from -15.4% (for the 2018 calendar year) to -14.0% (for the six-month period ended June 30, 2020) and annual returns for the NSE Small Cap 100 Index PRI have varied from -29.1% (for the 2018 calendar year to -20.9% (for the six-month period ended June 30, 2020). The Indian mutual fund industry, including our funds, 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.

The value of the fixed income securities in our portfolio has in the past declined, and may in the future decline, as a result of changes in interest rates, an issuer's actual or perceived creditworthiness, an issuer's ability to meet its obligations or a more general deterioration of credit markets as a whole. For example, in September 2018, a leading Indian non-banking financial institution defaulted on its loan repayment obligations, which led to a wave of defaults throughout the Indian economy and a sustained deterioration in Indian credit markets. More specifically, this default resulted in difficulties for other non-banking financial institutions to secure new financing or refinance their existing financial indebtedness, leading to successive defaults, including by companies to which our income funds have significant exposures.

Some of our funds have not delivered strong or consistent investment performance, on a relative basis, compared to the relevant industry benchmark and competing funds, and in some cases, on an absolute basis. In particular, the recent performance of our income funds has been adversely affected by defaulted companies to which our income funds have exposures. For further details, see "*Risk Factors — 10. Credit risks related to the debt portfolio of our funds may expose our funds to significant losses, which may have a material adverse effect on our business, results of operations and financial condition*", beginning on page 32. Some of our equity and hybrid funds have underperformed against their respective benchmarks in recent years. See "*Our Business — Domestic Mutual Fund Management — Investment Performance*", beginning on page 154.

India has a high rate of household savings as a percentage of GDP, with a gross domestic savings rate of 30.1% in the fiscal year ended March 31, 2019, compared to a global average of 25.0%; household savings have grown in absolute terms in each fiscal year during the period from March 31, 2013 to March 31, 2019, and at a CAGR of 7.5% over that period, in each case according to CRISIL. In addition, over that period the proportion of financial savings in gross household savings increased from 41.5% to 47.4%, according to CRISIL. The mutual fund industry, and therefore our business, benefits immensely from such a high rate of savings, and the growing proportion of financial savings. Any decline in the rate of savings, or proportion of financial savings, including as a result of the COVID-19 pandemic, may adversely affect our growth and business.

Fee and Expense Limits and Fund Accounting

A specified percentage of our mutual funds' daily AUM is accrued to cover (i) management fees and (ii) other expenses, based on SEBI-prescribed or lower internally determined maximum limits regarding those items. Management fees are paid by our funds to us on a weekly basis. The remaining expenses accrued are used by the funds to offset other permissible expenses.

SEBI prescribes maximum total expense ratios ("**TERs**") for schemes, which are calculated by dividing the total costs of the fund by its total average assets, as described below. Aggregate scheme expenses, including all management fees, distributor and agent commissions, RTA fees, custodian fees, audit fees, insurance costs, bank service charges, marketing and selling expenses, and investor communication costs, must not exceed the applicable TER for the relevant scheme. However, initial issue expenses incurred in connection with the launch of a new scheme are required to be fully borne by us.

For passive funds, the maximum TER limit is 1.0% of daily net assets. For closed-ended and interval funds, the maximum TER limit is 1.25% of daily net assets for equity-oriented schemes (which invest at least 65% of their portfolio in equity securities),

and 1.0% of daily net assets for other schemes. For open-ended funds (other than passive funds and funds of funds), the maximum TER limits (as a percentage of daily net assets) vary by AUM band, as set forth in the table below:

AUM band	Equity-oriented schemes	Other schemes
On the first ₹5 billion of daily net assets	2.25%	2.00%
On the next ₹2.5 billion of daily net assets	2.00%	1.75%
On the next ₹12.5 billion of daily net assets	1.75%	1.50%
On the next ₹30 billion of daily net assets	1.60%	1.35%
On the next ₹50 billion of daily net assets	1.50%	1.25%
On the next ₹400 billion of daily net assets	TER reduction of 0.05% for every increase of ₹50 billion of daily net assets or part thereof	
On any additional daily net assets	1.05%	0.80%

Incremental increases in TER of up to 0.05% of daily net assets are permitted for schemes where an exit load is charged in respect of redemptions. Incremental increases in TER of up to 0.30% of daily net assets are permitted for sales to certain individual investors in B30 cities.

From time to time these TER limits may be reviewed and revised. For example, with effect from April 1, 2019, permitted 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%. These reductions resulted in a reduction in the weighted average base TER of our open-ended active equity and hybrid schemes by approximately eight basis points. As the mutual fund industry in India increases in size, there may be a greater likelihood that TER limits will be reduced further. SEBI also issued new regulations in February 2018 prohibiting the charging of additional TER of 0.05% in respect of schemes where an exit load is not charged. As a result, our management fee income has been adversely affected, in particular for our equity-oriented and closed-ended schemes.

To date, the TERs and, historically, management fee levels for all our equity and hybrid funds, except passive funds, have generally equalled the SEBI-prescribed limits, whereas the TERs and, historically, management fee levels for our income, liquid and passive funds usually have been considerably lower than SEBI-prescribed limits.

The fees we are able to charge for portfolio management services vary depending on our contractual agreements with investors and are generally lower than our fees for our mutual fund management services. The management fees for Government mandates such as the ones from the EPFO, PLI and the National Skill Development Fund are generally lower than fee levels in our other businesses.

Compensation, Marketing and Other Costs

Our business requires us to attract and retain investment professionals and provide competitive compensation. For the years ended March 31, 2020, 2019 and 2018, our employee benefit expenses, as a percentage of our total consolidated income, equalled 38.1%, 28.4% and 27.6%, respectively. For the three-month periods ended June 30, 2020 and 2019, our employee benefit expenses, as a percentage of our total income, equalled 36.2% and 36.5%, respectively. Variable compensation costs tend to increase with increases in our income, AUM and other improvements in our financial or operational performance. We hired 128 management trainees in the fiscal year ended March 31, 2020; we currently plan to hire approximately 55 management trainees, and 100 graduate trainees nationwide in the remainder of the current fiscal year. We expect our compensation expenses to increase as we expand our operations and given the competitive market conditions. All compensation expenses are paid by us and not by our individual funds.

Our funds incur marketing, distribution, administrative and registrar and transfer ("**R&T**") expenses. Marketing expenses vary from year to year for each fund depending on market conditions and other factors. Additional marketing costs are usually incurred in connection with the launch of a fund. Our funds also incur distribution expenses, which primarily consist of commissions paid to third-party agents. Distribution expenses vary according to funds, product types, the different distribution arrangements within each fund, and market conditions. Administrative costs incurred by the funds include costs relating to client services such as information kiosks at our UFCs and postage. The funds also pay for the fees and expenses charged by R&T agencies.

As described above, although our funds pay for their marketing, distribution, administrative and R&T expenses, the amounts payable by the funds are capped by SEBI, or by us internally based on competitive dynamics, and prior to April 1, 2019 we reimbursed the fund for expenses that exceeded such limits. During the fiscal years ended March 31, 2019 and 2018, we reimbursed ₹827.5 million and ₹1,026.64 million, respectively, in expenses incurred in excess of the then-applicable limits. We reimbursed no such expenses in the three-month periods ended June 30, 2020 and 2019, or in the fiscal year ended March 31, 2020, as, pursuant to SEBI's circular dated October 22, 2018, SEBI has prohibited such reimbursement arrangements. Future challenges with controlling expenses incurred by our schemes may therefore limit the management fees we are able to charge in compliance with applicable TER limits.

It is particularly important to maintain low expenses for our passive, income and liquid funds, and the internal expense limits we set for such funds are often well below prescribed limits. Increased competition may mean that our funds will incur more

marketing and distribution costs in future, which may reduce the management fees that can be paid to us in compliance with applicable TER limits or our internal expense limits.

We also conduct marketing activities for the promotion of the general UTI brand. Expenses for such activities are paid by us and not by the funds. Our general marketing activities may not generate sufficient additional business to offset their costs.

We are in the process of refurbishing and expanding our infrastructure, which includes opening a number of new branches and improving our information technology systems in order to improve and expand the reach of our distribution system. We also incur costs relating to the value-added services we provide, including our interactive website and online tools. Other expenses as a percentage of total income were 18.3%, 22.5% and 22.1% in each of the years ended March 31, 2020, 2019 and 2018, respectively. The decrease in our other expenses from the year ended March 31, 2019 to the year ended March 31, 2020 primarily reflected the introduction by SEBI of new regulations in October 2018 that require certain scheme-related expenses to be borne directly by schemes, rather than borne by us and then reimbursed through management fees paid to us by the schemes. Other expenses as a percentage of total income were 14.2% and 15.2% for the three-month periods ended June 30, 2020 and 2019, respectively. The decrease in other expenses for the three-month period ended June 30, 2020 primarily reflected reductions in employees' travelling expenses and maintenance expenses of our UFCs due to the COVID-19 pandemic and associated measures.

We have a high proportion of fixed costs, such as compensation expenses. Excluding distribution expenses, our operating expense structure is comprised of costs which generally do not vary directly with AUM or income. As a result, operating margins may fluctuate at a higher percentage than changes in income, and any decline in our income will result in a greater decline in our profit margin.

Industry Competition

The financial services industry is rapidly evolving and is intensely competitive. Our fee structure and our expenses depend on the competitive landscape in which we operate. We face significant competition from companies seeking to attract customers' financial assets, including traditional and online brokerage firms, other mutual fund companies and larger financial institutions, and may face difficulty competing with mutual fund providers affiliated with diversified financial services groups. Mutual funds also compete with products such as insurance, bank deposits, pension products, small savings schemes, as well as gold and real estate. Increased competition may either result in a decrease in market share of our AUM or increase distribution and other acquisition costs, which could reduce our profits.

Other Businesses

Our businesses other than our domestic mutual funds business may be subject to additional or different factors affecting our results of operations therefrom. Set forth below is a discussion of the key trends in, and factors affecting, each of our other businesses.

Portfolio Management Services

Our PMS business offers discretionary and non-discretionary portfolio management services and research-based advisory services. Although the fee levels and profit margins for PMS are generally lower compared to our other domestic funds, PMS tends to have higher client volumes, making it an attractive business with growth potential. The following table sets forth total income (in absolute amounts and as a percentage of total consolidated income) and total AUM (in absolute amounts and as a percentage of our Other AUM) as of and for the three years ended March 31, 2020, 2019 and 2018 and the three-month periods ended June 30, 2020 and 2019, for our PMS business:

(₹ in millions, except percentages)	As of and for the three-month period ended June 30,				As of and for the year ended March 31,					
	2020		2019		2020		2019		2018	
Income	40.6	1.5%	32.1	1.3%	147.3	1.7%	110.1	1.0%	95.2	0.8%
Total AUM (₹ in billions)[(1)]	6,970.5	82.1%	4,849.8	80.5%	6,890.6	83.2%	1,332.7	55.6%	1,158.5	56.6%

[(1)] Includes assets under advisory services.

Total income for PMS was ₹40.6 million and ₹32.1 million, representing 1.5% and 1.3% of our total consolidated income, for the three-month periods ended June 30, 2020 and 2019, and ₹147.3 million, ₹110.1 million and ₹95.2 million, representing 1.7%, 1.0% and 0.8% of our total consolidated income, for the fiscal years ended March 31, 2020, 2019 and 2018, respectively. These increases in our PMS income primarily reflect our increasing PMS AUM. Our total AUM for PMS increased from ₹1,158.5 billion as of March 31, 2018 to ₹1,332.7 billion as of March 31, 2019, reflecting additional inflows in each fiscal year from our EPFO and PLI mandates, and further increased to ₹6,890.6 billion as of March 31, 2020, primarily reflecting the expanded mandate obtained from the EPFO and the new mandate obtained from the CMPFO. From June 30, 2019 to June 30,

2020, our total AUM for PMS increased from ₹4,849.8 billion to ₹6,970.5 billion, again largely due to the expanded mandate obtained from the EPFO and the new mandates obtained from ESIC and CMPFO.

UTI International Limited

We market overseas funds through our wholly owned subsidiary, UTI International Limited ("**UTI International**"), a Guernsey-registered company. The following table sets forth total income, total operating expenses and profit after tax data (in absolute amounts and as a percentage of total consolidated income) and total AUM (in absolute amounts and as a percentage of our Other AUM) as of and for the fiscal years ended March 31, 2020, 2019 and 2018, and for three-month periods ended June 30, 2020 and June 30, 2019, for UTI International (on a consolidated basis):

(₹ in millions, except percentages)	As of and for the three-month period ended June 30,				As of and for the fiscal year ended March 31,					
	2020		2019		2020		2019		2018	
Income	517.1	19.1%	207.2	8.5%	117.9	1.3%	1,015.5	9.4%	952.3	8.2%
Expenses	156.1	5.8%	147.2	6.0%	634.9	7.1%	587.9	5.4%	635.7	5.5%
Profit/(Loss) After Tax	361.1	13.3%	61.7	2.5%	(522.9)	(5.9%)	425.6	3.9%	300.6	2.6%
Total AUM (₹ in billions)	156.9	1.8%	147.2	2.4%	157.7	1.9%	118.7	5.0%	187.9	9.2%

UTI International has offices in London, Dubai, Guernsey and Singapore, and two subsidiaries, UTI Investment Management Company Mauritius Limited and UTI International (Singapore) Private Limited. We plan to further expand our international activities by expanding our presence and distribution capabilities in Europe and the Americas. Our overseas funds have a very limited number of investors and the loss of any such investors can lead to a substantial reduction in our overseas AUM. Total consolidated income for UTI International increased to ₹517.1 million from ₹207.2 million, representing 19.1% and 8.5% of our total consolidated income, for the three-month periods ended June 30, 2020 and 2019, primarily as a result of fair value gains on investments. Total consolidated income from UTI International increased from ₹952.3 million for the fiscal year ended March 31, 2018, representing 8.2% of our total consolidated income, to ₹1,015.5 million for the fiscal year ended March 31, 2019, representing 9.4% of our total consolidated income, but decreased to ₹117.9 million for the fiscal year ended March 31, 2020, representing 1.3% of our total consolidated income. These fluctuations in our total income for UTI International were largely due to the fair value gains/losses on account of investments made by UTI International. From March 31, 2018 to March 31, 2019, our total AUM for UTI International decreased from ₹187.9 billion to ₹118.7 billion, largely due to a large institutional client redeeming ₹73.8 billion from the India Debt Opportunities Fund in such period. From March 31, 2019 to March 31, 2020, our total AUM for UTI International increased from ₹118.7 billion to ₹157.7 billion, largely due to additional inflows into our Phoenix Fund. From June 30, 2019 to June 30, 2020, our total AUM for UTI International increased from ₹147.2 billion to ₹156.9 billion, again largely due to additional inflows into our Phoenix Fund.

UTI Capital Private Limited and UTI Venture Funds Management Company Private Limited

We conduct our alternative investment fund management activities through our wholly owned subsidiaries, UTI Capital Private Limited ("**UTI Capital**") and UTI Venture Funds Management Company Private Limited ("**UTI VF**"). UTI VF and UTI Capital currently manage three funds. We have co-invested in each such fund, including ₹1.6 billion in respect of the UTI Structured Debt Opportunities Fund I and uncalled commitments of USD 25.0 million (₹1.8 billion as on June 30, 2020) in respect of the proposed UTI Structured Debt Opportunities Fund II as of June 30, 2020. Many of the investments held by these funds are illiquid and volatile, and would result in losses for the funds and us depending on market, economic and other conditions. We plan to launch additional alternative investment funds. The following tables set forth total income (in absolute amounts and as a percentage of total consolidated income) and total AUM (in absolute amounts and as a percentage of our Other AUM) as of and for the fiscal years ended March 31, 2020, 2019 and 2018 and the three-month periods ended June 30, 2020 and 2019, for each of UTI Capital and UTI VF (each on a consolidated basis):

	As of and for the three-month period ended June 30,				As of and for the fiscal year ended March 31,					
UTI Capital	2020		2019		2020		2019		2018	
Income (₹ in millions, except percentages)	26.1	1.0%	20.4	0.8%	80.5	0.9%	89.9	0.8%	100.4	0.9%
Total AUM (₹ in billions)	10.6	0.1%	9.2	0.2%	10.5	0.1%	7.6	0.3%	5.5	0.3%

(₹ in millions, except percentages)	As of and for the three-month period ended June 30,				As of and for the fiscal year ended March 31,					
UTI VF	**2020**		**2019**		**2020**		**2019**		**2018**	
Income	2.7	0.1%	8.5	0.3%	7.4	0.1%	7.7	0.1%	8.1	0.1%
Total AUM (₹ in billions)	0	-	0.5	0.00%	0	-	0.7	0.0%	1.5	0.1%

Total income for UTI Capital was ₹26.9 million and ₹20.4 million, representing 1.0% and 0.8% of our total consolidated income, for the three-month periods ended June 30, 2020 and 2019, and ₹80.5 million, ₹89.9 million and ₹100.4 million, representing 0.9%, 0.8% and 0.9% of our total consolidated income, for the fiscal years ended March 31, 2020, 2019 and 2018, respectively. These fluctuations in our total income for UTI Capital were primarily due to the timing of the consummation of exits from investments during the relevant periods. From March 31, 2018 to March 31, 2019, our total AUM for UTI Capital increased from ₹5.5 billion to ₹7.6 billion, largely due to additional investor commitments in respect of the UTI Structured Debt Opportunities Fund I. From March 31, 2019 to March 31, 2020, our total AUM for UTI Capital increased from ₹7.6 billion to ₹10.5 billion, largely due to an increase in the AUM of the UTI Structured Debt Opportunities Fund I. From June 30, 2019 to June 30, 2020, our total AUM for UTI Capital increased from ₹9.2 billion to ₹10.6 billion, again largely due to an increase in the AUM of the UTI Structured Debt Opportunities Fund I.

Total income for UTI VF was ₹2.7 million and ₹8.5 million, representing 0.1% and 0.3% of our total consolidated income, for the three-month periods ended June 30, 2020 and 2019, and ₹7.4 million, ₹7.7 million and ₹8.1 million, representing 0.1%, 0.1% and 0.1% of our total consolidated income, for the fiscal years ended March 31, 2020, 2019 and 2018, respectively. From March 31, 2018 to March 31, 2019, our total AUM for UTI VF decreased from ₹1.5 billion to ₹0.7 billion, primarily reflecting the fact that the fund managed by UTI VF, the Ascent India Fund, had deployed all of its capital and was in the process of realising its investments. Since all investments made by the fund have been realised, the Ascent India Fund has been closed and therefore UTI VF had nil AUM as of March 31, 2020. From June 30, 2019 to June 30, 2020, our total AUM for UTI VF decreased from ₹0.5 billion to nil, due to the closure of the Ascent India Fund in February 2020.

UTI Retirement Solutions Limited

We conduct our retirement solutions business through UTI Retirement Solutions Limited ("**UTI RSL**"). UTI RSL manages NPS contributions from government employees and other citizens who join the NPS on a voluntary basis. The following table sets forth total income (in absolute amounts and as a percentage of total consolidated income) and total AUM (in absolute amounts and as a percentage of our Other AUM) as of and for the three years ended March 31, 2020, 2019 and 2018 and the three-month periods ended June 30, 2020 and 2019, for UTI RSL (on a consolidated basis):

(₹ in millions, except percentages)	As of and for the three-month period ended June 30,				As of and for the fiscal year ended March 31,					
	2020		**2019**		**2020**		**2019**		**2018**	
Income	51.1	1.9%	50	2.1%	142.5	1.6%	103.0	1.0%	84.6	0.7%
Total AUM (₹ in billions)	1,355.9	16.0%	1,020.9	16.9%	1,222	14.8%	937.1	39.1%	694.8	33.9%

As of June 30, 2020, UTI RSL managed 11 schemes with total AUM of ₹1.3 trillion. Total income for UTI RSL was ₹51.1 million and ₹50.0 million, representing 1.9% and 2.1% of our total consolidated income, for the three-month periods ended June 30, 2020 and 2019, and ₹142.5 million, ₹103.0 million and ₹84.6 million, representing 1.6%, 1.0% and 0.7% of our total consolidated income, for the fiscal years ended March 31, 2020, 2019 and 2018, respectively. These increases in our UTI RSL income primarily reflect our increasing UTI RSL AUM. Our total AUM for UTI RSL increased from ₹694.8 billion as of March 31, 2018 to ₹937.1 billion as of March 31, 2019, and further increased to ₹1,222.0 billion as of March 31, 2020. From June 30, 2019 to June 30, 2020, our total AUM for UTI RSL increased from ₹1,020.9 billion to ₹1,355.9 billion. These increases in our UTI RSL AUM primarily reflect a steady increase in the number of individuals enrolled in both our Government and non-Government NPS schemes during the relevant periods.

Third-Party Intermediaries

Our ability to reach clients is highly dependent on our access to the distribution systems and client bases of third-party intermediaries, including independent financial advisors, banks, and fintech, payments and ecommerce platforms, and corporate distribution houses. Maintaining good relations with these intermediaries is key to attracting and retaining clients. A large portion of our AUM is attributable to accounts that we access, directly or indirectly, through third-party intermediaries. We also depend on referrals from investment consultants, financial planners and other professional advisors, as well as from our existing clients.

Periodicity

Our AUM levels generally decline at the end of each fiscal year quarter (*i.e.*, at the end of June, September, December and March), especially for our liquid funds, due to corporate tax payment periods. In addition, at the end of March and September, banks typically make redemptions to address funding and regulatory requirements.

Technology

The complex nature of our business requires us to invest in technologically sophisticated equipment, such as various IT systems and software. The equipment and software is expensive, complex and forms a significant component of our annual capital expenditures budget. We aim to strengthen and upgrade our equipment periodically as the technology for such equipment becomes obsolete. Our existing equipment may become obsolete more quickly than anticipated.

We rely on communications links connecting various offices across the country, centralized applications and an integrated software with fund management, dealing, accounting and risk management functions. The growing dependence on technology for managing our business (especially since the outbreak of the COVID-19 pandemic, with most of our employees working remotely and our offices closed) exposes us to substantial IT security risks. As a result of the COVID-19 pandemic and associated responses, most of our employees have been working remotely, which has resulted in an increase in our investments in IT systems and infrastructure, as we have procured additional IT infrastructure in order to help employees continue performing their duties remotely, such as providing laptops and internet data cards. We also redesigned our system architecture in order to enable access through a distributed delivery model, and deployed agile development operations to help our RTA run all critical processes on a business-as-usual model and deliver all core outcomes expected by our investors, distributors and regulators. See "*Risk Factors — 43. Our business and results of operations have been, and may continue to be, adversely affected by the ongoing COVID-19 outbreak and associated responses.*", beginning on page 49. We have implemented a comprehensive IT security policy, as well as disaster recovery and business continuity plans, which are in each case subject to periodic internal review.

Our digital platforms, including our website and customer- and distributor-facing apps and systems, are an increasingly important part of our distribution mix, particularly since the outbreak of the COVID-19 pandemic. The growing importance of such platforms further increases our dependency on our IT systems and infrastructure, and our exposure to IT security risks, including with respect to data security and privacy.

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 Restated Financial Information 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 ended on the dates indicated therein.

	As of and for the three-month period ended June 30,		As of and for the fiscal year ended March 31,		
	2020	2019	2020	2019	2018
Domestic Mutual Fund QAAUM (₹ in billions)	1,336.3	1,578.7	1,515.1	1,596.9	1,549.4
Other AUM (₹ in billions)	8,493.9	6,027.6	8,280.8	2,396.9	2,048.3
SIP AUM (₹ in billions)	99.8	91.5	78.6	90.2	73.6
Gross SIP inflows (₹ in billions)	7.2	7.5	29.6	28.3	23.8
Average SIP transaction size (₹)	2,680.4	2,772.4	2,731.7	2,786.8	2,763.2
SIP Live Folios (millions)	1.2	1.1	1.2	1.1	0.9
Total number of digital purchase transactions (millions)	0.8	0.6	2.6	2.0	1.5
Aggregate digital purchase transaction amount (₹ in billions)	1,918.1	3,715.4	11,349.2	17,411.2	16,423.1
Total number of physical purchase transactions (millions)	3.4	4.4	18.1	19.1	18.8
Aggregate physical purchase transaction amount (₹ in billions)	76.0	742.6	2,259.8	2,218.6	1,956.3

The following table sets forth the breakdown of our domestic mutual fund investor base and closing AUM by investor and distribution relationship type (in absolute amounts and as a percentage of the relevant total) as of and for the periods ended on the dates indicated therein.

	June 30,				March 31,					
	2020		2019		2020		2019		2018	
Individual and NRI Live Folios (thousands)	10,855.5	99.3%	11,013.8	99.7%	10,837.3	99.3%	10,980.1	99.7%	10,676.5	99.7%
Institutional Live Folios (thousands)	76.9	0.7%	35.4	0.3%	77.8	0.7%	35.7	0.3%	35.8	0.3%
Total Live Folios (thousands)	**10,932.5**	**100.0%**	**11,049.3**	**100.0%**	**10,915.1**	**100.0%**	**11,015.8**	**100.0%**	**10,712.4**	**100.0%**
Individual and NRI account closing AUM (₹ billion)	653.4	45.5%	772.2	50.7%	580.4	49.3%	789.7	55.5%	711.0	52.3%
Institutional account closing AUM (₹ billion)	782.1	54.5%	752.3	49.3%	597.7	50.7%	633.6	44.5%	648.6	47.7%
Domestic Mutual Fund Closing AUM (₹ billion)	**1,435.5**	**100.0%**	**1,524.6**	**100.0%**	**1,178.1**	**100.0%**	**1,423.3**	**100.0%**	**1,359.6**	**100.0%**

Domestic Mutual Fund QAAUM and Other AUM

Domestic Mutual Fund QAAUM is defined as the aggregate average assets under management for the three-month period ending on the relevant date across our domestic mutual fund schemes. Our Domestic Mutual Fund QAAUM increased by ₹47.5 billion, or 3.1%, from ₹1,549.4 billion as of March 31, 2018 to ₹1,596.9 billion as of March 31, 2019. These increases were primarily due to increases in the QAAUM of our passive, liquid and money market and, to a lesser extent, active equity and hybrid schemes, partly offset by a decrease in the QAAUM of our income funds. However, our Domestic Mutual Fund QAAUM decreased by ₹81.8 billion, or 5.1%, to ₹1,515.1 billion as of March 31, 2020, primarily due to a decrease in the QAAUM of our income funds. Our Domestic Mutual Fund QAAUM decreased by ₹242.4 billion, or 15.4%, from ₹1,578.7 billion as of June 30, 2019 to ₹1,336.3 billion as of June 30, 2020, primarily due to a decrease in the QAAUM of our income funds and liquid and money market funds following the outbreak of the COVID-19 pandemic.

Other AUM is defined as the aggregate closing AUM across our PMS, overseas, retirement solutions and alternative investment funds businesses. Our Other AUM increased by ₹348.5 billion, or 17.0%, from ₹2,048.3 billion as of March 31, 2018 to ₹2,396.9 billion as of March 31, 2019. These increases were primarily due to increases in the AUM of our PMS business as a result of the expanded EPFO mandate and the new ESIC and CMPFO mandates we obtained. Our Other AUM further increased by ₹5,883.9 billion, or 245.5%, from ₹2,396.8 billion as of March 31, 2019 to ₹8,280.8 billion as of March 31, 2020, primarily due to increases in the AUM of PMS and retirement solutions business. Our Other AUM increased by ₹2,466.3 billion, or 40.9%, from ₹6,027.6 billion as of June 30, 2019 to ₹8,493.9 billion as of June 30, 2020, again primarily due to increases in the AUM of our PMS business as a result of the expanded EPFO mandate and the new ESIC and CMPFO mandates. For further details, see "*Our Business—Portfolio Management Services*", beginning on page 169.

Systematic investment plans

Systematic investment plans ("**SIPs**") are plans that allow for regular investments in our funds through a one-time mandate given by clients at the beginning of their investments. For further details, see "*Our Business—Investment Approach, Fund Types and Product Cycles—Systematic Plans*", beginning on page 165.

SIP AUM is defined as the closing AUM of our domestic mutual funds attributable to customers investing through SIPs. Our SIP AUM increased by ₹16.6 billion, or 22.5%, from ₹73.6 billion as of March 31, 2018 to ₹90.2 billion as of March 31, 2019,

but decreased by ₹11.6 billion, or 12.8%, to ₹78.6 billion as of March 31, 2020, largely due to the impact of the COVID-19 pandemic and associated measures on asset valuations and investor redemption levels. Our SIP AUM increased by ₹8.3 billion, or 9.1%, from ₹91.5 billion as of June 30, 2019 to ₹99.8 billion as of June 30, 2020. These trends were primarily due to gross SIP inflows of ₹23.8 billion, ₹28.3 billion and ₹29.6 billion, respectively, during the fiscal years ended March 31, 2018, March 31, 2019 and March 31, 2020, and gross SIP inflows of ₹7.5 billion and ₹7.2 billion, respectively, during the three-month periods ended June 30, 2019 and June 30, 2020.

SIP Live Folios are Live Folios established as SIPs. The number of SIP Live Folios increased from 0.9 million as of March 31, 2018 to 1.1 million as of March 31, 2019, and further increased to 1.2 million as of March 31, 2020; similarly, the number of SIP Live Folios increased from 1.1 million as of June 30, 2019 to 1.2 million as of June 30, 2020.

These increases in our SIP AUM, gross SIP inflows and number of SIP Live Folios are primarily a result of increased awareness of systematic investment products among individual investors, and the focus of our sales force during the relevant periods on driving higher SIP sales to such investors.

Average SIP transaction sizes increased from ₹2,763.2 for the fiscal year ended March 31, 2018 to ₹2,786.8 for the fiscal year ended March 31, 2019, but decreased to ₹2,731.7 for the fiscal year ended March 31, 2020. They also decreased from ₹2,772.4 for the three-month period ended June 30, 2019 to ₹2,680.4 for the three-month period ended June 30, 2020. These movements in average SIP transaction sizes were broadly in line with changes in investor sentiment over the respective periods, including in response to the outbreak of the COVID-19 pandemic since the start of the 2020 calendar year.

Digital and physical transactions

Digital transactions are purchase transactions effected by customers through any kind of online or digital platform, including our website and mobile apps, KFin's digital platforms, and other online distribution platforms and intermediaries. Physical transactions are purchase transactions effected by our customers through any other means.

The number of digital transactions has increased from 1.5 million, representing gross inflows of ₹16.4 trillion, for the fiscal year ended March 31, 2018 to 2.6 million, representing gross inflows of 11.3 trillion, for the fiscal year ended March 31, 2020; similarly, digital transactions have increased in number but have decreased in average size from 0.6 million, representing gross inflows of ₹3.7 trillion, for the three-month period ended June 30, 2019 to 0.8 million, representing gross inflows of ₹1.9 trillion, for the three-month period ended June 30, 2020. These increases in digital transaction activity and total volumes reflect broader consumer trends towards increasing adoption of digital investment platforms, and the relaunch of our website and introduction of new customer-facing applications in the fiscal year ended March 31, 2018 while the reduction in average transaction sizes reflects an increase in the number of online transactions by individual investors (whose average ticket size is generally smaller than that of institutional investors), especially in index funds and exchange traded funds (the average ticket size of which is usually also lower than that of fund types). By contrast, physical transactions have decreased in number and average size from 18.8 million, representing gross inflows of ₹2.0 trillion, in the fiscal year ended March 31, 2018 to 18.1 million, representing gross inflows of ₹2.3 trillion, for the fiscal year ended March 31, 2020, and similarly decreased from 4.4 million, representing gross inflows of ₹0.7 trillion, for the three-month period ended June 30, 2019 compared to 3.4 million, representing gross inflows of ₹0.1 trillion, for the three-month period ended June 30, 2020.

Live Folios and client base

A Live Folio refers to a positive balance investment by an investor in a domestic mutual fund scheme. Live Folios are generally indicative of the number of customers that have invested in a scheme, although a customer may have more than one Live Folio.

Our total Live Folios have been generally stable in recent periods. Our Live Folios increased by 2.8% from 10.7 million as of March 31, 2018 to 11.0 million as of March 31, 2019, but decreased by 0.9% to 10.9 million as of March 31, 2020; we had 10.9 million Live Folios as of June 30, 2020, a decrease of 1.1% as compared to 11.0 million as of June 30, 2019. The changes in the number of Live Folios from period to period were broadly in line with changes in individual investor sentiment over the respective periods, and also reflect the increasing adoption of digital transactions by our customers resulting in the creation of fewer duplicate portfolios for existing customers, in each case including as a result of the COVID-19 pandemic.

Domestic Mutual Fund Closing AUM is the aggregate closing assets under management of our domestic mutual fund schemes as of the relevant date. Our Domestic Mutual Fund Closing AUM increased by ₹63.7 billion, or 4.7%, from ₹1,359.6 billion as of March 31, 2018 to ₹1,423.3 billion as of March 31, 2019, but decreased by ₹245.2 billion, or 17.2%, to ₹1,178.1 billion as of March 31, 2020. Our Domestic Mutual Fund Closing AUM decreased by ₹89.1 billion, or 5.8%, from ₹1,524.6 billion as of June 30, 2019 to ₹1,435.5 billion as of June 30, 2020. These changes in our Domestic Mutual Fund Closing AUM largely reflect the same drivers as the changes in our Domestic Mutual Fund QAAUM in the relevant periods, particularly in respect of individual and NRI accounts; see "*—Domestic Mutual Fund QAAUM and Other AUM*", beginning on page 326.

Critical Accounting Policies

The discussion and analysis of our financial condition and results of operations is based upon our financial statements, which have been prepared in accordance with Ind AS. The notes to the financial statements 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

We have set forth in this Prospectus, Restated Financial Information as of and for the three-month periods ended June 30, 2020 and June 30, 2019, and the fiscal years ended March 31, 2020, March 31, 2019 and March 31, 2018, of the Company. The Restated Financial Information has been compiled by management from the respective audited consolidated financial statements of our Company as of and for the three-month periods ended June 30, 2020 and June 30, 2019, and the fiscal years ended March 31, 2020, March 31, 2019 and March 31, 2018, which were originally approved by the Board of Directors of our Company at the relevant times.

The Financial Year 2019 and Financial Year 2020 audited consolidated financial statements of our Company were prepared in accordance with the Companies Act and Ind AS as notified under the Companies Act, including the Accounting Standards as prescribed by Section 133 of the Companies Act read with rule 3 of the Companies (India Accounting Standards) Rules, 2015 and the Companies (India Accounting Standards) Amendment Rules 2016. The Financial Year 2018 audited consolidated financial statements were prepared in accordance with the Companies Act and Indian GAAP as previously notified under the Companies Act, including the Accounting Standards as previously prescribed by Section 133 of the Companies Act read with the Companies (Accounts) Rules, 2014. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India are also applied except where compliance with other statutory promulgations requires a different treatment. The Restated Financial Information was prepared using the historical cost convention on an accrual basis, except for certain financial instruments that are measured at fair value in accordance with Ind AS. The carrying value of all the items of property, plant and equipment and investment property as on the date of transition to Ind AS is considered as the deemed cost.

The Restated Financial Information has been prepared specifically for the inclusion in the offer document to be filed or registered by the Company with SEBI, the stock exchanges where our Equity Shares are proposed to be listed (the "**Stock Exchanges**") and the relevant Registrar of Companies in India (the "**ROC**") in connection with the proposed initial public offering of the Company. The Restated Financial Information has been prepared to comply in all material respects with Chapter III of the Companies Act and the ICDR Regulations. Further, the Restated Financial Information has been prepared using presentation and disclosure requirements of Schedule III of Companies Act 2013 and Ind AS 7, as applicable.

In accordance with the SEBI ICDR Regulations, the restatement in the Restated Financial Information adjusts the income and expense items which are not accounted for in our audited financial statements under the respective periods they relate to (due to, among other things, subsequent changes in our accounting policies or payments relating to prior periods), so that they are accounted for under the applicable periods. The effect of the restatement is presented below the profit after tax line item in the respective financial statements, with no adjustment to the individual income and operating expense line items, and therefore the discussion of the line items in this section does not reflect the effect of adjustments due to the restatement. Because the discussion of the line items in this section does not reflect the effect of prior period items adjusted by the restatement, you should not place undue reliance on the discussion below and should review carefully all the financial statements and other information included herein.

Principles of Consolidation

The consolidated financial statements incorporate the financial statements of our Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by our Company is treated as a subsidiary. The Company together with its subsidiaries constitutes the "Group". Control exists when our Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns. Consolidation of a subsidiary begins when the Company, directly or indirectly, obtains control over the subsidiary and ceases when the Company, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed of during a fiscal year or period are included in the relevant consolidated statement of profit and loss from the date the Company, directly or indirectly, gains control until the date when the Company, directly or indirectly, ceases to control the subsidiary.

The consolidated financial statements of our Company combine standalone financial statements of our Company and its subsidiaries line by line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and unrealised profits/losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonised to ensure consistency with the policies adopted by the Company. The consolidated financial statements have been presented to the extent possible, in the same manner as the Company's standalone financial statements. Profit or loss and each component of other comprehensive income are attributed to the owners of our Company and to the non-controlling interests and have been shown separately in the financial statements. Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by our Company.

In the case of UTI International, the financial statements of the subsidiaries are prepared for the same reporting year as the company, using consistent accounting policies. Where our Company by itself or through its subsidiaries holds management shares in underlying offshore funds and has the power to govern their financial and operating policies but is not entitled to their economic benefits, such entities are not consolidated in the consolidated financial statements. The financial statements of UTI International and its subsidiary (being non-integral foreign operations) have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expense. The intra-group balances, intra-group transactions and unrealised profits or losses have been eliminated fully. On consolidation, assets and liabilities relating to the non-integral foreign operations are translated at the exchange rate prevailing on the balance sheet date. Revenue and expenses are translated at the average rates prevailing in the period. Exchange differences arising out of these translations are included in the relevant balance sheet under Reserves and Surplus under the nomenclature "Foreign Currency Translation Reserve on Consolidation". Figures pertaining to the subsidiary have been reclassified wherever necessary to bring them in line with the Company's financial statements.

In the case of UTI VF, our Company has a wholly owned subsidiary, UTI PEL. The subsidiary is a holder of 100 management shares having a face value of USD 1 each in the offshore pooling vehicle of Fund II (*i.e.*, Ascent India Limited). In addition to the management shares, Ascent India Limited has issued Class A and B participating shares at the face value of USD100 each. The management shares do not carry any economic interest in the form of dividends, are not redeemable but carry voting rights in the investment Company. Only the participating shares carry the beneficial interest in the investment company, are redeemable and are entitled to dividends but are not entitled to voting rights in the investment company. Upon liquidation of the investment Company, the management shareholders are entitled to receive their nominal capital only, subject to a maximum of USD100. Management is of the opinion that since the management shares of our Company in Ascent India Limited do not have any economic benefits, consolidation of the financial statements of Ascent India Limited with UTI PEL pursuant to Ind AS 110 would not be appropriate. Accordingly, the financial statements of Ascent India Limited have been excluded from consolidation.

Use of Estimates

The preparation of financial statements in conformity with Ind AS requires that the management of the group makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Actual outcomes could differ from the estimates and assumptions used. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Key sources of judgments, assumptions and estimation uncertainty in the preparation of the Restated Financial Information which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are with respect to useful lives of property, plant and equipment, intangible assets, future obligations with respect to retirement benefit plans, impairment, provision for income tax, measurement of deferred tax asset, provisions, contingent assets and liabilities, fair value measurement, share-based payments and lease terms.

Revenue Recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that future economic benefits will flow to the Group. Revenue is measured based on the consideration specified in the contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over the relevant service to a customer.

Management fees are accounted over a period of time for each of the management and advisory agreements entered.

Fees from advisory services are accounted as per the advisory mandates entered into with the clients on completion of the performance obligation.

Interest income from a financial asset is recognised using the effective interest method when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Dividend income is recognised when the Group's right to receive dividends is established.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease—that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets (in respect of which it applies the relevant recognition exemptions). The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of- use assets are subject to impairment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, deferred lease components of security deposits and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straightline basis over the shorter of its estimated useful life and the lease term. Right-of- use assets are subject to impairment.

Lease liabilities are initially measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option), as well as leases of low-value assets, including office equipment.

In the financial years ended March 31, 2019 and 2018, as a lessee, the Group classified leases that transfer substantially all of the risks and rewards of ownership as finance leases. When this was the case, the leased assets used to be measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent. Subsequently, the assets were accounted for in accordance with the accounting policy applicable to that asset. Assets held under other leases were classified as operating leases and were not recognised in the Group's statement of financial position. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation, and impairment losses, if any. The cost of acquisition is inclusive of duties, freight and other incidental expenses related to acquisition and installation of the assets. Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from existing assets beyond its previously assessed standard of performance. Capital work in progress is stated at cost.

Gains or losses arising from disposal of property, plant and equipment are measured as the differences between the net disposal proceeds and carrying amount of asset and are recognised in the statement of profit and loss when the asset is disposed of.

The group provides depreciation on property, plant and equipment in the manner prescribed in Schedule II to the Companies Act on a straight-line method on a pro rata basis, based on the prescribed useful life of assets (other than with respect to vehicles, as management believes that the useful life of such assets is six years, rather than the eight years contemplated by the Companies Act). Our assets costing individually ₹5,000 or less are depreciated at the rate of 100% on a pro rata basis. In the case of UTI International, depreciation on tangible assets is calculated at 25% to 33% in respect of computers, furniture and fixtures and office equipment on a straight-line basis so as to write off the cost of fixed assets on a pro rata basis over their anticipated useful lives.

Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Such cost includes purchase price, borrowing cost, and cost directly attributable to bringing the asset to its working condition for the intended use. Thereafter intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Software is amortised over a period of three years on a straight-line method on a pro rata basis, and other intangible assets are amortised on a straight-line basis over the estimated useful life. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal value and the carrying amount of the asset and are recognised in the statement of profit and loss.

Investment Properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Depreciation is recognised using a straight-line method so as to write off the cost of the investment property less their residual values over their useful

lives specified in Schedule II to the Companies Act or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets, with the exception of loans, are initially recognised on the trade date, *i.e.*, the date that the group becomes a party to the contractual provisions of the instrument. Loans are recognised when funds are transferred to the customers' account. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

The group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

a) Amortised cost. Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest are subsequently measured at amortised cost using the effective interest rate ("**EIR**") method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any, is recognised in the statement of profit and loss.

b) Fair value through other comprehensive income ("**FVOCI**"). Financial assets that are held within a business model whose objective is achieved by both selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income. Interest income measured using the EIR method and impairment losses, if any are recognised in the statement of profit and loss.

c) Fair value through profit and loss ("**FVTPL**"). Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in FVOCI for equity instruments which are not held for trading. Debt instruments that do not meet the amortised cost or FVOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost or FVOCI criteria but are designated as at FVTPL are measured at FVTPL. A debt instrument that meets the amortised cost or FVOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss is included in the "Revenue from Operations" line item. The transaction cost directly attributable to the acquisition of a financial asset at fair value through profit and loss is immediately recognised to profit and loss.

Transactions in Foreign Currency

Transactions in foreign currency are accounted for at the average rate of exchange prevailing for the period fees are payable. Exchange differences, if any, arising out of transactions settled during the year are recognised in the statement of profit and loss. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate. The exchange differences, if any, are recognised in the statement of profit and loss.

Employee Benefits Expenses

The undiscounted amount of short-term employee benefits falling due within 12 months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the related service.

Our Company contributes to a provident fund for its employees. UTI International also makes contributions to the Central Provident Fund ("**CPF**") scheme in Singapore, a defined contribution pension scheme. In each case, contributions to defined contribution pension schemes are recognised as an expense in the financial period in which the related service is performed. UTI Capital pays specified contributions to the Public Provident Fund ("**PPF**"), expensed at 10% of the basic salary and additional pay, wherever applicable, for each employee.

For the Company's defined benefit plans, the amount recognised as "Employee benefit expenses" in the statement of profit and loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the statement of profit and loss). The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited to "Finance costs" in the statement of profit and loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and

subsequently not reclassified to the statement of profit and loss. All defined benefit plans obligations are determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method.

Actuarial gains and losses are recognised in the statement of other comprehensive income in the period in which they occur. Past service cost is recognised immediately.

UTI Capital's contributions in respect of gratuity and leave encashment are funded annually with the Life Insurance Corporation of India under the respective schemes.

The Company's employee stock option scheme provides for the grant of options to acquire equity shares of our Company to its eligible employees, which are measured at the fair value of the equity instruments at the grant date. The period of vesting and period of exercise are as specified within the scheme. The fair value determined at the grant date of the equity settled share-based payments is expensed on a straight line basis over the vesting period, based on our Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, our Company revives its estimate of the number of equity instruments expected to vest. The impact of the revision of original estimates, if any, is recognised in the statement of profit and loss, such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to share-based options outstanding account. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Other long-term employee benefits include accumulated compensated absences that are entitled to be carried forward for future utilisation subject to the Company's policies. The Company's liability towards accumulated compensated absences is accrued and provided for on the basis of an actuarial valuation using the projected unit credit method at the end of the reporting period.

Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

New Fund Offer Expenses

Expenses relating to new fund offers of mutual fund schemes are charged in the statement of profit and loss in the year in which such expenses are accrued.

Expenses incurred in fiscal years or periods ended on or before March 31, 2019 on behalf of schemes of UTI Mutual Fund were recognised as recoverable from the schemes in accordance with the provision of SEBI (Mutual Fund) Regulation, 1996.

Taxes on Income

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the comprehensive income or in equity, *i.e.*, in which case, the tax is also recognized in other comprehensive income or equity.

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961, and based on the expected outcome of assessments/appeals.

Deferred income taxes reflect the impact of current period temporary differences between taxable income and accounting income for the period and reversal of temporary differences of earlier periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax liabilities are generally recognised for all taxable temporary differences, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future, and to the extent that is probable those taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

In respect of UTI Capital, deferred tax assets include Minimum Alternative Tax ("**MAT**") paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future income tax liability.

Accordingly, MAT is recognised as a deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

Contingencies and Provisions

In accordance with Ind AS 37, provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are not recognised in books of accounts. They are disclosed by way of notes, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognised in financial statements. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed only where an inflow of economic benefits is probable.

Impairment of Assets

At each balance sheet date, the management reviews the carrying amounts of assets to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss.

Recoverable amount is determined: (i) in the case of an individual asset, at the higher of the net selling price and the value in use; and (ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss.

Reversal of impairment loss is recognised immediately as income in the statement of profit and loss.

Valuation of AUM

Management fees (and expense limits) are generally based on a percentage of the market value of AUM and are calculated as a percentage of the daily average asset balance in accordance with the agreements with the trustees for our funds. AUM primarily include equity and debt securities. Where available, we use prices from independent sources such as listed market prices or broker or dealer price quotations to determine the fair value of our AUM. For investments in illiquid and privately held securities that do not have readily determinable fair values, we estimate the value of the securities based upon available information. However, even where the value of a security is derived from an independent market price or broker or dealer quote, some assumptions may be required to determine the fair value. For example, we generally assume that the size of positions in securities that we hold would not be large enough to affect the quoted price of the securities when sold, and that any such sale would happen in an orderly manner. However, these assumptions may be incorrect and the actual value realised on sale could differ from the current carrying value.

Overview of Statement of Profit and Loss

The following descriptions set forth information with respect to the key components of our restated profit and loss statements.

Income

Revenue from Operations: We generate income mainly from management fees that are based on contractually specified percentages of the net asset value of the funds we manage. Our management fees cover fund management and support services such as fund accounting and certain other administrative functions, and include fees for providing support services to SUUTI. Our revenue from operations also includes revenue earned from advisory, investor service and performance fees generated by our offshore and alternative investment fund businesses. Our revenue from operations also includes revenue earned from interest and dividend income on investments, interest income from investments, bank deposits and loans to employees, dividend income from investments, and net gain or loss on fair value changes and on sale of investments.

Other Income: Other income primarily consists of support service fees for inter-branch billing in relation to GST, the reversal of provisions, and other miscellaneous non-operating income primarily relating to PoP fees.

Operating Expenses

Our operating expenses consist primarily of employee benefit expenses, as well as general and administrative expenses. Our operating expenses may fluctuate due to a number of factors, including the following:

- variations in the level of total compensation expenses due to, among other things, bonuses, competitive factors and changes in our employee count and mix;
- changes in the level of our general and administrative expenses in response to market conditions and other factors;
- changes in the level of our marketing and promotion expenses in response to market conditions, including our efforts to further expand our distribution channels;
- expenses and capital costs for technology assets, depreciation, amortization and investments in new investment products incurred to maintain and enhance our administrative and operating services infrastructure;
- unanticipated costs that may be incurred to protect client accounts and the goodwill of our clients; and
- changes in the costs of services, including those provided by third parties, such as facilities, communications, power, custody, RTA and accounting systems.

Fees and Commission Expense: Fees and commission expense consists of marketing fees and commissions paid in connection with our PMS business.

Impairment on Financial Instruments: Impairment on financial instruments reflects our assessment at each reporting date of any difference between the carrying value of financial assets and the recoverable amount thereof, to the extent there are any indications of impairments of such assets.

Finance Cost: Finance cost primarily reflects interest expense on lease liabilities recognised in accordance with Ind AS 116 (*Leases*).

Employee Benefit Expenses: Our largest operating expenses have been employee benefit expenses, which include salaries and wages, incentive compensation and related benefits costs. Our salaries and wages, incentive compensation and related benefits, including the compensation of our senior managerial staff, are benchmarked against industry compensation standards. In order to attract and retain qualified personnel, we must maintain competitive employee compensation and benefits. We have established an employee stock option plan ("**ESOP**") as part of this offering. The expenses for the ESOP will be recognised as a charge to our profit and loss account, which will be amortised over the vesting period of the relevant option grant. The quantum of this compensation expense will be calculated pursuant to Ind AS 102 (*Share Based Payments*).

Depreciation and Amortisation Expenses: Depreciation and amortisation expenses include depreciation of our property, plant and equipment over their useful life and amortisation of our intangible assets which have determinable useful lives. Depreciation and amortisation expenses generally vary based on the amount and timing of our capital expenditures and transactions that include intangible assets. We are required to make subjective assessments as to the useful lives of our assets for purposes of determining the amount of depreciation and amortisation to record on an annual basis with respect to our assets. These assessments have a direct impact on our profit after tax because, if we were to shorten the expected useful lives of our assets or impair the value of the assets, we would depreciate these assets over fewer years or record an impairment charge, resulting in more depreciation or impairment expense and lower profit after tax.

Other Expenses: Other expenses include advertising and business promotion, trail fees (or annual distribution commissions) paid to intermediaries, management and investment advisory fees paid in respect of our offshore funds, and CSR expenses. Our other expenses otherwise include expenses that are generally administrative in nature, including occupancy-related costs and third-party professional and business services fees (including IT and communications, information and data service providers, travel costs, insurance expenses and legal and professional fees, including in respect of support service fees for inter-branch billing in relation to GST), and generally increase and decrease in relative proportion to the number of employees retained by us and the overall size and scale of our business operations. Following this offering, we expect that we will incur additional expenses as a result of becoming a public company for, among other things, additional SEBI reporting and compliance, additional staffing, professional fees and similar expenses. Other expenses are borne by us and not our funds. With the exception of initial offering expenses incurred by us in connection with the launch of new schemes, marketing expenses (including advertisements relating to funds and costs of sales materials), distribution expenses (including fees paid to broker-dealers and other intermediaries for selling our funds), client servicing and R&T expenses are, to the extent within the limits prescribed by SEBI and our internal guidelines, paid by our funds, and not by us. Historically, where such expenses exceeded SEBI's or our then-applicable limits, we reimbursed the relevant fund for the excess expenses; with effect from April 1, 2019, such reimbursement arrangements have been prohibited by SEBI. A significant amount of our other expenses for the fiscal years and periods ended on or before March 31, 2019 therefore consisted of expenses we incurred on behalf of our schemes which were not recoverable from the schemes in accordance with the then-applicable provisions of the SEBI (Mutual Fund) Regulation,

1996. These expenses are influenced by new fund sales, redemptions and market appreciation or depreciation of AUM in these funds. Marketing expenses incurred to enhance our brand name, training expenses for our marketing staff and expenses relating to our internal distribution network, such as our UFCs, are borne by us, and not by the funds.

Tax Expenses

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961, and based on the expected outcome of assessments and appeals.

Deferred income tax reflects the impact of current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years. Deferred tax assets and liabilities are measured based on the tax rates and the tax laws that have been enacted or substantively enacted by the balance sheet date.

MAT credit entitlement is recognised where there is convincing evidence that the same can be realised in the future.

Results of Operations

The following table sets forth certain profit and loss data in Rupees and as a percentage of total income for the three-month periods ended June 30, 2020 and June 30, 2019, and the fiscal years ended March 31, 2020, 2019 and 2018:

(₹ in millions, and as a percentage of total income)	**Three months ended June 30,**				**Year ended March 31,**					
	2020		**2019**		**2020**		**2019**		**2018**	
Income										
Interest Income	34.2	1.3%	37.5	1.5%	177.9	2.0%	140.5	1.3%	67.5	0.6%
Dividend Income	0.1	0.0%	0.3	0.0%	2.5	0.0%	4.9	0.0%	5.7	0.0%
Rental Income	24.4	0.9%	14.4	0.6%	75.2	0.8%	62.5	0.6%	102.6	0.9%
Net Gain/ (Loss) on Fair Value Changes	901.2	33.2%	167.5	6.9%	(86.6)	(1.0)%	931.7	8.6%	(225.1)	(1.9)%
Sale of Services	1,597.8	58.9%	2,038.4	83.8%	7,878.9	88.4%	8,906.3	82.4%	9,668.6	83.2%
Net Gain/ (Loss) on Sale of Investments	60.2	2.2%	87.1	3.6%	501.9	5.6%	459.2	4.3%	1,881.2	16.2%
Total Revenue from Operations	2,617.9	96.6%	2,345.1	96.4%	8,549.7	96.0%	10,505.1	97.2%	11,500.5	98.9%
Other Income	92.8	3.4%	87.5	3.6%	359.9	4.0%	303.9	2.8%	127.0	1.1%
Total Income	2,710.7	100.0%	2,432.6	100.0%	8,909.6	100%	10,808.9	100.0%	11,627.5	100.0%
Expenses										
Fees and Commission Expenses	6.7	0.2%	6.4	0.3%	29.1	0.3%	21.1	0.2%	17.9	0.2%
Impairment on Financial Instruments	-	-	-	-	-	-	-	-	19.0	0.2%
Finance Cost	22.9	0.8%	20.5	0.8%	84.8	1.0%	81.9	0.8%	87.1	0.7%
Employee Benefit Expense	980.4	36.2%	888.3	36.5%	3,398.6	38.1%	3,066.5	28.4%	3,207.6	27.6%
Depreciation and	84.6	3.1%	82.7	3.4%	313.4	3.5%	291.5	2.7%	272.5	2.3%

(₹ in millions, and as a percentage of total income)	Three months ended June 30,				Year ended March 31,					
	2020		2019		2020		2019		2018	
Amortisation Expense										
Other Expenses	383.9	14.2%	370.3	15.2%	1,629.3	18.3%	2,435.5	22.5%	2,569.1	22.1%
Total Expenses	**1,478.5**	**54.5%**	**1,368.2**	**56.2%**	**5,455.15**	**61.2%**	**5,896.5**	**54.6%**	**6,173.2**	**53.1%**
Profit Before Tax	**1,232.2**	**45.5%**	**1,064.4**	**43.8%**	**3,454.5**	**38.8%**	**4,912.5**	**45.5%**	**5,454.3**	**46.9%**
Current Tax	165.8	6.1%	320.9	13.2%	744.0	8.4%	1,408.4	13.0%	1,597.4	13.7%
Tax Adjustments for Earlier Periods	-	-	0.0	0.0%	4.7	0.1%	0.8	0.0%	0.0	0.0%
Deferred Tax	57.6	2.1%	38.8	1.6%	(54.0)	(0.6)%	26.3	0.2%	(189.0)	(1.6)%
MAT Credit Entitlement	(1.9)	(0.1)%	(5.1)	(0.2)%	(5.1)	(0.1)%	(2.2)	(0.0)%	(5.1)	(0.0)%
Total Tax Expenses	**221.5**	**8.2%**	**354.6**	**14.6%**	**689.6**	**7.7%**	**1,433.2**	**13.3%**	**1,403.4**	**12.1%**
Profit After Tax Before Share of Minority Interest	**1,010.8**	**37.3%**	**709.8**	**29.2%**	**2,764.9**	**31.0%**	**3,479.3**	**32.2%**	**4,050.9**	**34.8%**
Share of Minority Interest	(5.2)	(0.2)%	5.6	0.2%	(34.6)	(0.4)%	49.0	0.5%	(408.9)	(3.5)%
Profit After Tax	**1,005.5**	**37.1%**	**715.3**	**29.4%**	**2730.3**	**30.6%**	**3,528.3**	**32.6%**	**3,642.1**	**31.3%**

Three Months Ended June 30, 2020 Compared to Three Months Ended June 30, 2019

Income

Total income for the three-month period ended June 30, 2020 was ₹2,710.7 million, an increase of ₹278.1 million, or 11.4%, from ₹2,432.6 million for the three-month period ended June 30, 2019. This increase was primarily due to increased net gains on fair value changes, partially offset by reduced revenue from sale of services.

Revenue from Operations: Revenue from operations increased by ₹272.8 million, or 11.6%, from ₹2,345.1 million, in the three-month period ended June 30, 2019 to ₹2,617.9 million in the three-month period ended June 30, 2020, primarily reflecting increased net gains on fair value changes (mainly due to a partial recovery of financial markets after their initial deterioration following the outbreak of the COVID-19 pandemic), partially offset by reduced revenue from sale of services. Revenue from operations as a percentage of total income was 96.6% for the three-month period ended June 30, 2020, compared to 96.4% for the three-month period ended June 30, 2019.

Revenue from sale of services decreased by ₹440.5 million, or 21.6%, from ₹2,038.4 million in the three-month period ended June 30, 2019 to ₹1,597.8 million in the three-month period ended June 30, 2020. Revenue from sales of services as a percentage of total income was 58.9% for the three-month period ended June 30, 2020 compared to 83.8% for the three-month period ended June 30, 2019. This decrease primarily reflected decreases in our management fee revenue due to continued falls in our Domestic Mutual Fund QAAUM resulting from continued effects of the COVID-19 pandemic and associated measures, as well as increased redemptions from our income and liquid/money market funds.

Other Income: Other income increased by ₹5.3 million, or 6.1%, from ₹87.5 million in the three-month period ended June 30, 2019 to ₹92.8 million in the three-month period ended June 30, 2020. This increase was primarily due to higher support service fees for inter branch billing relating to GST. Other income as a percentage of total income was 3.4% for the three-month period ended June 30, 2020 compared to 3.6% for the three-month period ended June 30, 2019.

Expenses

Fees and Commission Expenses: Fees and commission expenses increased by ₹0.3 million, or 4.2%, from ₹6.4 million in the three-month period ended June 30, 2019 to ₹6.7 million in the three-month period ended June 30, 2020. This was primarily a result of an increase in the AUM of our PMS business arising from the expanded EPFO mandate and new ESIC and CMPFO mandates we obtained. Fees and commission expenses as a percentage of total income were 0.2% in the three-month period ended June 30, 2020, compared to 0.3% in the three-month period ended June 30, 2019.

Finance Cost: Finance cost increased by ₹2.4 million, or 11.6%, from ₹20.5 million in the three-month period ended June 30, 2019 to ₹22.9 million in the three-month period ended June 30, 2020, primarily as a result of new leases and the modification of existing lease agreements entered into by the company in respect of its UFCs. Finance costs as a percentage of total income were 0.8% in both the three-month period ended June 30, 2020 and the three-month period ended June 30, 2019.

Employee Benefit Expenses: Employee benefit expenses increased by ₹92.1 million, or 10.4%, from ₹888.3 million in the three-month period ended June 30, 2019 to ₹980.4 million in the three-month period ended June 30, 2020, primarily reflecting expenses related to our employee stock option scheme, and to a lesser extent, increased leave encashment expenses and pension expenses, partially offset by reduced salary and wage expenses as a result of the retirement of employees. Employee benefit expenses as a percentage of total income were 36.2% in the three-month period ended June 30, 2020, compared to 36.5% in the three-month period ended June 30, 2019.

Depreciation and Amortisation Expenses: Depreciation and amortisation expenses increased by ₹1.9 million, or 2.3%, from ₹82.7 million in the three-month period ended June 30, 2019 to ₹84.6 million in the three-month period ended June 30, 2020, primarily as a result of an increase in amortisation of intangible assets due to the implementation of our enterprise architecture and digital transformation program, partially offset by a reduction in amortisation of right of use assets due to the modification and early termination of existing leases. Depreciation and amortisation expenses as a percentage of total income were 3.1% in the three-month period ended June 30, 2020, compared to 3.4% in the three-month period ended June 30, 2019.

Other Expenses: Other expenses increased by ₹13.6 million, or 3.7%, from ₹370.3 million in the three-month period ended June 30, 2019 to ₹383.9 million in the three-month period ended June 30, 2020, reflecting an increase in CSR expenses, membership fees and subscription expenses and legal and professional fees, partially offset by reduced traveling and conveyance, advertising and business promotion and power and fuel expenses due to the effects of the COVID-19 pandemic and associated responses. Other expenses as a percentage of total income were 14.2% in the three-month period ended June 30, 2020, compared to 15.2% in the three-month period ended June 30, 2019.

Profit Before Tax

Profit before tax for the three-month period ended June 30, 2020 was ₹1,232.2 million, an increase of ₹167.8 million, or 15.8%, from ₹1,064.4 million for the three-month period ended June 30, 2019. As a percentage of total income, profit before tax was 45.5 % for the three-month period ended June 30, 2020 and 43.8% for the three-month period ended June 30, 2019. This increase was primarily due to increased net gains on fair value changes, partially offset by reduced revenue from sale of services and increased employee benefit expenses.

Tax Expenses

In the three-month period ended June 30, 2020, our tax expenses decreased by ₹133.2 million, or 37.5%, to ₹221.5 million from ₹354.6 million in the three-month period ended June 30, 2019. Current tax decreased by ₹155.1 million, or 48.3%, from ₹320.9 million in the three-month period ended June 30, 2019 to ₹165.8 million in the three-month period ended June 30, 2020, primarily due to a reduction in the corporate tax rate by the Indian Government from 34.9% to 25.2%. Our effective tax rate in the three-month periods ended June 30, 2020 and 2019 equalled 18.0% and 33.3%, respectively.

Profit After Tax

Profit after tax increased by ₹290.2 million, or 40.6%, from ₹715.3 million in the three-month period ended June 30, 2019 to ₹1,005.5 million in the three-month period ended June 30, 2020. This increase was primarily due to the increase in total income and the reduction in tax expenses. As a percentage of total income, profit after tax was 37.1% in the three-month period ended June 30, 2020 and 29.4% in the three-month period ended June 30, 2019.

Fiscal Year Ended March 31, 2020 Compared to Fiscal Year Ended March 31, 2019

Income

Total income for the fiscal year ended March 31, 2020 was ₹8,909.6 million, a decrease of ₹1,899.3 million, or 17.6%, from ₹10,808.9 million for the fiscal year ended March 31, 2019. This decrease was primarily due to a reduction in revenue from the sale of services and lower net gains on fair value changes.

Revenue from Operations: Revenue from operations decreased by ₹1,955.4 million, or 18.6%, from ₹10,505.1 million in the fiscal year ended March 31, 2019 to ₹8,549.7 million in the fiscal year ended March 31, 2020, primarily reflecting a reduction in revenue from sales of services and lower net gains on fair value changes. Revenue from operations as a percentage of total income was 96.0% for the fiscal year ended March 31, 2020 compared to 97.2% for the fiscal year ended March 31, 2019.

Revenue from sale of services decreased by ₹1,027.4 million, or 11.5%, from ₹8,906.3 million in the fiscal year ended March 31, 2019 to ₹7,878.9 million in the fiscal year ended March 31, 2020. Revenue from sale of services as a percentage of total income was 88.4% for the fiscal year ended March 31, 2020 compared to 82.4% for the fiscal year ended March 31, 2019. The decrease in revenue from sale of services primarily reflected decreases in our management fee revenue due to a reduction in our AUM, primarily in our credit funds, resulting from adverse Indian credit market conditions and the effects of the COVID-19 pandemic and associated measures towards the end of the fiscal year. This decrease also reflected the introduction of new regulations in October 2018 that require certain scheme-related expenses to be borne directly by schemes, rather than borne by us and then reimbursed through management fees paid to us by the schemes, resulting in a large decrease in our management fees and marketing fees.

Other Income: Other income increased by ₹56.0 million, or 18.5%, from ₹303.9 million in the fiscal year ended March 31, 2019 to ₹359.9 million in the fiscal year ended March 31, 2020. This increase was primarily due to higher support service fees for inter-branch billing relating to GST following the introduction of the new Indian GST with effect from July 1, 2017 and positive foreign exchange differences. Other income as a percentage of total income was 4.0% for the fiscal year ended March 31, 2020 compared to 2.8% for the fiscal year ended March 31, 2019.

Expenses

Fees and Commission Expenses: Fees and commission expenses increased by ₹8.0 million, or 38.0%, from ₹21.1 million in the fiscal year ended March 31, 2019 to ₹29.1 million in the fiscal year ended March 31, 2020. This was primarily a result of the incremental commission paid for the new fund raised in UTI Structured Debt Opportunities Fund by UTI Capital.

Finance Cost: Finance cost increased by ₹2.9 million, from ₹81.9 million in the fiscal year ended March 31, 2019 to ₹84.8 million in the fiscal year ended March 31, 2020, primarily reflecting an increase in interest on lease liabilities due to changes in existing lease agreements. Finance costs as a percentage of total income were 1.0% in the fiscal year ended March 31, 2020 and 0.8% in the fiscal year ended March 31, 2019.

Employee Benefit Expenses: Employee benefit expenses increased by ₹332.1 million, or 10.8%, from ₹3,066.5 million in the fiscal year ended March 31, 2019 to ₹3,398.6 million in the fiscal year ended March 31, 2020. This increase was primarily due to expenses incurred in respect of the employee stock option scheme and an increase in salaries and wages of non-managerial employees due to the wage settlement we entered into with our employees on March 6, 2020, pursuant to which arrears on salaries for the period from January 2019 to December 2019 were paid in March 2020. Employee benefit expenses as a percentage of total income was 38.1% for the fiscal year ended March 31, 2020 compared to 28.4% for the fiscal year ended March 31, 2019, primarily as result of the fall in our total income.

Depreciation and Amortisation Expenses: Depreciation and amortisation expenses increased by ₹21.9 million, or 7.5%, from ₹291.5 million in the fiscal year ended March 31, 2019 to ₹313.4 million in the fiscal year ended March 31, 2020. This increase was primarily due to the increase in amortisation of right-of-use assets as a result of our entry into new leases relating to UFCs. Depreciation and amortisation expenses as a percentage of total income were 3.5% for the fiscal year ended March 31, 2019 compared to 2.7% for the fiscal year ended March 31, 2019.

Other Expenses: Other expenses decreased by ₹806.2 million, or 33.1%, from ₹2,435.5 million in the fiscal year ended March 31, 2019 to ₹1,629.3 million in the fiscal year ended March 31, 2020. This decrease was primarily due to a decrease in scheme expenses following the introduction of new SEBI regulations in October 2018 generally prohibiting the reimbursement of scheme-related expense initially borne by mutual fund asset managers, as well as decreases in advertisement and business promotion expenses, legal and professional fees and membership and subscription charges, partially offset by an increase in trail fees. Other expenses as a percentage of total income were 18.3% for the fiscal year ended March 31, 2020 compared to 22.5% for the fiscal year ended March 31, 2019.

Profit Before Tax

Profit before tax for the fiscal year ended March 31, 2020 was ₹3.454.5 million, a decrease of ₹1,458.0 million, or 29.7%, from ₹4,912.5 million for the fiscal year ended March 31, 2019. This decrease was primarily due to reductions in revenue from the sale of services and lower net gains on fair value changes, partly offset by a decrease in scheme expenses and management fees. As a percentage of total income, profit before tax was 38.8% in the fiscal year ended March 31, 2020 and 45.5% in the fiscal year ended March 31, 2019.

Tax Expenses

In the fiscal year ended March 31, 2020, our tax expenses decreased by ₹743.6 million, or 51.9%, to ₹689.6 million from ₹1,433.2 million in the fiscal year ended March 31, 2019. Current tax decreased by ₹664.5 million, or 47.2%, from ₹1,408.5 million in the fiscal year ended March 31, 2019 to ₹744.0 million in the fiscal year ended March 31, 2020, primarily due to a reduction in our profit before tax and a reduction in the corporate tax rate by the Government from 34.9% to 25.2%. Our deferred tax expense decreased by ₹80.3 million, or 305.3%, from ₹26.3 million in the fiscal year ended March 31, 2019 to deferred tax income of ₹54.0 million in the fiscal year ended March 31, 2020, primarily due to a reduction in our effective tax rate. Our effective tax rate in the fiscal year ended March 31, 2020 and 2019 equalled 20.0% and 29.2%, respectively.

Profit After Tax

Profit after tax decreased by ₹798.2 million, or 22.6%, from ₹3,528.3 million in the fiscal year ended March 31, 2019 to ₹2730.1 million in the fiscal year ended March 31, 2020. This decrease was primarily due to the decrease in total income compared to the fiscal year ended March 31, 2019. As a percentage of total income, profit after tax was 30.6% in the fiscal year ended March 31, 2020 and 32.6% in the fiscal year ended March 31, 2019.

Fiscal Year Ended March 31, 2019 Compared to Fiscal Year Ended March 31, 2018

Income

Total income for the fiscal year ended March 31, 2019 was ₹10,808.9 million, a decrease of ₹818.6 million, or 7.0%, from ₹11,627.5 million for the fiscal year ended March 31, 2018. This decrease was primarily due to a reduction in revenue from sale of services and lower net gains on fair value changes and sale of investments.

Revenue from Operations: Revenue from operations decreased by ₹995.4 million, or 8.7%, from ₹11,500.5 million in the fiscal year ended March 31, 2018 to ₹10,505.1 million in the fiscal year ended March 31, 2019, primarily reflecting a reduction in revenue from sale of services. Revenue from operations as a percentage of total income was 97.2% for the fiscal year ended March 31, 2019 compared to 98.9% for the fiscal year ended March 31, 2018.

Revenue from sale of services decreased by ₹762.3 million, or 7.9%, from ₹9,668.6 million in the fiscal year ended March 31, 2018 to ₹8,906.3 million in the fiscal year ended March 31, 2019. Revenue from sale of services as a percentage of total income was 82.4% for the fiscal year ended March 31, 2019 compared to 83.2% for the fiscal year ended March 31, 2018. These decreases primarily reflected the reduction in revenue from sale of services following the introduction of new SEBI regulations in October 2018 prohibiting the reimbursement of scheme-related expenses initially borne by mutual fund asset managers, additional decreases in our management fee revenue due to a reduction in our AUM, primarily in our credit funds, resulting from adverse Indian credit market conditions and lower net gains from the sale of investments, partially offset by increased net gains on fair value changes resulting from the impact of the declining interest rate environment on mark-to-market valuations of our fixed-income investments.

Other Income: Other income increased by ₹176.9 million, or 139.3%, from ₹127.0 million in the fiscal year ended March 31, 2018 to ₹303.9 million in the fiscal year ended March 31, 2019. This increase was primarily due to higher support service fees for inter-branch billing relating to GST following the introduction of the new Indian GST with effect from July 1, 2017, and an increase in other non-operating income as a consequence of increased NPS PoP activity. Other income as a percentage of total income was 2.8% for the fiscal year ended March 31, 2019 compared to 1.1% for the fiscal year ended March 31, 2018.

Expenses

Fees and Commission Expenses: Fees and commission expenses increased by ₹3.2 million, or 17.9%, from ₹17.9 million in the fiscal year ended March 31, 2018 to ₹21.1 million in the fiscal year ended March 31, 2019. This was primarily a result of an increase in AUM of our PMS business. Fees and commission expenses as a percentage of total income were 0.2% in both the fiscal years ended March 31, 2019 and March 31, 2018.

Impairment on Financial Instruments: We did not recognise any impairment on financial instruments in the fiscal year ended March 31, 2019 compared to an impairment of ₹19.0 million recognised in the fiscal year ended March 31, 2018 relating to the write-off of an equity investment in a micro pension company that entered liquidation in the fiscal year ended March 31, 2018.

Finance Cost: Finance cost decreased by ₹5.2 million, or 6.0%, from ₹87.1 million in the fiscal year ended March 31, 2018 to ₹81.9 million in the fiscal year ended March 31, 2019, reflecting the aging of our lease portfolio. Finance costs as a percentage of total income were 0.8% in both the fiscal year ended March 31, 2019 and the fiscal year ended March 31, 2018.

Employee Benefit Expenses: Employee benefit expenses decreased by ₹141.1 million, or 4.4%, from ₹3,207.6 million in the fiscal year ended March 31, 2018 to ₹3,066.5 million in the fiscal year ended March 31, 2019. This decrease was primarily due to an unusually high level of gratuity expenses in the fiscal year ended March 31, 2018 resulting from an actuarial review of our employee gratuity plan requiring a one-off increase in our contributions to such plan. Employee benefit expenses as a

percentage of total income was 28.4% for the fiscal year ended March 31, 2019 compared to 27.6% for the fiscal year ended March 31, 2018, primarily as result of the fall in our total income.

Depreciation and Amortisation Expenses: Depreciation and amortisation expenses increased by ₹19.0 million, or 7.0%, from ₹272.5 million in the fiscal year ended March 31, 2018 to ₹291.5 million in the fiscal year ended March 31, 2019. This increase was primarily due to an increase in our intangible assets due to the implementation of our enterprise architecture and digital transformation program. Depreciation and amortisation expenses as a percentage of total income were 2.7% for the fiscal year ended March 31, 2019 compared to 2.3% for the fiscal year ended March 31, 2018.

Other Expenses: Other expenses decreased by ₹133.6 million, or 5.2%, from ₹2,569.1 million in the fiscal year ended March 31, 2018 to ₹2,435.5 million in the fiscal year ended March 31, 2019. This decrease was primarily due to decreased scheme expenses as a result of the new SEBI regulations referred to above, a decline in management fees paid by our offshore business primarily due to the maturity of one of our offshore funds and decreased sales activity and lower foreign exchange differences, partially offset by increased legal and professional fees as a result of the implementation of our enterprise architecture and digital transformation program. Other expenses as a percentage of total income was 22.5% for the fiscal year ended March 31, 2019 compared to 22.1% for the fiscal year ended March 31, 2018.

Profit Before Tax

Profit before tax for the fiscal year ended March 31, 2019 was ₹4,912.5 million, a decrease of ₹541.8 million, or 9.9%, from ₹5,454.3 million for the fiscal year ended March 31, 2018. This decrease was primarily due to a reduction in revenue from the sale of services, increases and legal and professional fee expenses and lower net gains from the sale of investments, partially offset by higher net gains on fair value changes and decreases in gratuity expenses and scheme expenses. As a percentage of total income, profit before tax was 45.4% in the fiscal year ended March 31, 2019 and 46.9% in the fiscal year ended March 31, 2018.

Tax Expenses

In the fiscal year ended March 31, 2019, our tax expenses increased by ₹29.8 million, or 2.1%, to ₹1,433.2 million from ₹1,403.4 million in the fiscal year ended March 31, 2018. Current tax decreased by ₹188.9 million, or 11.8%, from ₹1,597.4 million in the fiscal year ended March 31, 2018 to ₹1,408.5 million in the fiscal year ended March 31, 2019, primarily due to a reduction in our profit before tax. However, this was more than offset by our recognition of deferred tax expense of ₹26.3 million in the fiscal year ended March 31, 2019, compared to deferred tax income of ₹189.0 million in the fiscal year ended March 31, 2018, as a result of the elevated level of our gratuity expense in the fiscal year ended March 31, 2018. Our effective tax rate in the fiscal years ended March 31, 2019 and 2018 equalled 29.2% and 7.4%, respectively.

Profit After Tax

Profit after tax decreased by ₹113.8 million, or 3.1%, from ₹3,642.1 million in the fiscal year ended March 31, 2018 to ₹3,528.3 million in the fiscal year ended March 31, 2019. This decrease was primarily due to the decrease in total income compared to the fiscal year ended March 31, 2018. As a percentage of total income, profit after tax was 32.6% in the fiscal year ended March 31, 2019 and 31.3% in the fiscal year ended March 31, 2018.

Liquidity and Capital Resources

Cash Flow

The table below summarizes our cash flow for the three-month periods ended June 30, 2020 and 2019 and the fiscal years ended March 31, 2020, 2019 and 2018.

(₹ in millions)	Three months ended June 30,		Year ended March 31,		
	2020	2019	2020	2019	2018
Net Cash Generated from (Used in) Operating Activities	151.4	425.5	1,947.2	1,227.1	2,685.6
Net Cash Generated from (Used in) Investing Activities	(162.2)	(397.4)	(1,058.6)	(257.8)	(1,537.9)
Net Cash Generated from (Used in) Financing Activities	56.9	(119.3)	(937.8)	(1,229.4)	(746.5)

Net Cash Generated from (Used in) Operations. Our net cash generated from operating activities decreased by ₹274.1 million from ₹425.5 million in the three-month period ended June 30, 2019 to ₹151.4 million in the three-month period ended June 30, 2020, primarily due to a decrease in operating profit before working capital changes and an increase in other comprehensive income, partially offset by a decrease in income tax paid, a decrease in trade receivables and an increase in non-financial provisions.

Our net cash generated from operating activities increased by ₹720.1 million from ₹1,227.1 million in the fiscal year ended March 31, 2019 to ₹1,947.2 million in the fiscal year ended March 31, 2020, primarily due to a reduction in income tax paid, as well as a decrease in receivables and a smaller decrease in trade payables, partly offset by a decrease in operating profit before working capital changes, a decrease in non-financial provisions, and a large increase in other comprehensive income.

Our net cash generated from operating activities decreased by ₹1,458.5 million from ₹2,685.6 million in the fiscal year ended March 31, 2018 to ₹1,227.1 million in the fiscal year ended March 31, 2019, primarily due to a decrease in operating profit before working capital changes and unfavourable working capital changes, particularly decreases in trade payables and increases in receivables.

Net Cash Generated from (Used in) Investing Activities. Our net cash used in investing activities decreased by ₹235.2 million from ₹397.4 million in the three-month period ended June 30, 2019 to ₹162.2 million in the three-month period ended June 30, 2020, primarily due to increased profit on sale of investments, offset by increased purchase of financial investment.

Our net cash used in investing activities increased by ₹800.8 million from ₹257.8 million in the fiscal year ended March 31, 2019 to ₹1,058.6 million in the fiscal year ended March 31, 2020, primarily due to a decrease in profits on sale of investments and an increase in purchases of property, plant and equipment and other intangible assets, partially offset by a lower increase in investments, an increase in interest income and a decrease in other financial liabilities.

Our net cash used in investing activities decreased by ₹1,280.1 million from ₹1,537.9 million in the fiscal year ended March 31, 2018 to ₹257.8 million in the fiscal year ended March 31, 2019, primarily due to reduced purchases of financial investments and increased profits on sale of investments, partially offset by a capital call by the India Infrastructure Development Fund.

Net Cash Generated from (Used in) Financing Activities. Our net cash generated from financing activities increased by ₹176.2 million from ₹(119.3) million in the three-month period ended June 30, 2019 to ₹56.9 million in the three-month period ended June 30, 2020, primarily due to positive foreign exchange differences and an increase in lease liabilities.

Our net cash used in financing activities decreased by ₹291.6 million from ₹1,229.4 million in the fiscal year ended March 31, 2019 to ₹937.8 million in the fiscal year ended March 31, 2020, primarily due to an increase in non-controlling interest and repayment of lease liability, partly offset by decreases in lease liabilities, positive foreign exchange fluctuations and corporate dividend distribution tax paid.

Our net cash used in financing activities increased by ₹482.9 million from ₹746.5 million in the fiscal year ended March 31, 2018 to ₹1,229.4 million in the fiscal year ended March 31, 2019, primarily due to unfavourable foreign exchange fluctuations and an increase in dividend paid and corporate dividend distribution tax paid.

Capital Expenditures Our capital expenditures for the fiscal year ended March 31, 2019 were ₹116.7 million, an increase of ₹19.6 million from ₹97.1 million for the fiscal year ended March 31, 2018. The increase was primarily due to increased spending on computer software in connection with our digital transformation and enterprise architecture program.

Our capital expenditures for the fiscal year ended March 31, 2020 were ₹224.3 million, an increase of ₹107.6 million from ₹116.7 million for the fiscal year ended March 31, 2019. The increase was primarily due to increased spending on computer software in connection with our digital transformation and enterprise architecture program.

Our capital expenditures for the three-month period ended June 30, 2020 were ₹0.7 million, a decrease of ₹15.7 million from ₹16.4 million for three-month period ended June 30, 2019. The decrease was primarily due to reduced spending on property, plant and equipment and computer software.

We expect that our capital expenditures for the fiscal year ending March 31, 2021 will be higher than our capital expenditures for the fiscal year ended March 31, 2020, and we expect to finance such expenditures primarily from cash flows from operating activities. Our capital expenditures will primarily relate to spending on computer software in connection with our digital transformation and enterprise architecture program.

We have not made any commitments to incur these planned capital expenditures and the amounts and purpose of these expenditures may change in accordance with our business requirements. To date, we have funded our short-term working capital requirements and financed our expansion projects primarily through cash flows from operating activities and we expect to continue to do so in the foreseeable future. However, as we continue to expand our business and pursue new strategic opportunities, both in India and overseas, our financing needs may change and we may issue additional equity or raise debt to help finance our expansion and strategic growth.

Our funding and treasury policies focus mainly on maintaining our liquidity and avoiding significant concentration of credit risk. Our approach to managing liquidity is to ensure, as far as possible, that we will have sufficient liquidity to meet our liabilities when they are due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. Funding and treasury activities are controlled based on the main objectives of managing capital to safeguard our ability to continue as a going concern, maintaining our operations and meeting regulatory requirements, and ensuring that cash

transactions are limited to high-credit-quality financial institutions. Our investment policy and strategy are focused on the preservation of capital and supporting our liquidity requirements. We use a combination of internal and external management to execute our investment strategy and achieve our investment objectives. We typically invest in money market funds, large debt funds, equity funds and other highly rated securities under a limits framework which governs the credit exposure to any one issuer as defined in our investment policy. The policy requires investments generally to be investment grade, with the primary objective of minimising the potential risk of principal loss.

Management believes that cash flows from operations and financing activities will be sufficient to meet expected liquidity needs during the next 12 months.

Financial Indebtedness

As of June 30, 2020, we had no borrowings. We have a line of credit from Axis Bank Limited with available capacity of ₹500.0 million, which is fully secured against fixed deposits with that bank and which may only be utilised in accordance with SEBI regulations to meet fund redemptions; as of June 30, 2020, this line of credit remained undrawn. In connection with its PMS business, our Company has entered into certain bank guarantee facilities (i) with Axis Bank Limited, under which bank guarantees in favour of the PFRDA, in an aggregate amount of ₹4.0 million, and the EPFO, in an aggregate amount of ₹200.0 million, had been issued and were outstanding as of June 30, 2020, and (ii) with Punjab National Bank, under which bank guarantees in favour of ESIC, in an aggregate amount of ₹100.0 million, and the Board of Trustees, Coal Mines Provident Fund Organisation ("**BoT CMPFO**"), in an aggregate amount of ₹10.0 million, had been issued and were outstanding as of June 30, 2020. The bank guarantees from Axis Bank Limited and Punjab National Bank are fully secured against fixed deposits with the respective banks.

Contractual Obligations

The table below sets forth our contractual obligations with definitive payment terms as of June 30, 2020:

(₹ in millions)	Total	Less than 1 year	1-3 years	More than 3 years
VSS Liability Fund	261.3	-	-	261.3
Investor Education and Protection Fund	76.3	-	-	76.3
Offshore Development Fund	268.8	-	-	268.8
Payable to SUUTI towards security deposit	0.8	-	-	0.8
Lease liability	1,170.9	203.9	332.8	634.3

Contingent Liabilities

The following table sets forth our contingent liabilities as of June 30, 2020:

(₹ in millions)	
Claims against our Company not acknowledged as debts	33.6
Other money for which our Company is contingently liable	0.1
Bank guarantees	314.0
Estimate of contracts to be executed	36.1
Uncalled liability on shares and other investments	2,235.5
Disputed income tax demands	25.5
Statutory dues	4.0

Assets and Liabilities

The table below summarises our total assets, our total financial liabilities and our total non-financial liabilities for the three-month periods ended June 30, 2020 and 2019 and the fiscal years ended March 31, 2020, 2019 and 2018.

(₹ in millions)	Three months ended June 30,		Year ended March 31,		
	2020	2019	2020	2019	2018
Total Assets	32,634.2	30,927.5	31,549.2	30,132.6	29,192.5
Total Financial Liabilities	2,114.0	2,113.7	2,418.0	2,308.0	3,152.9
Total Non-Financial Liabilities	2,056.6	1,915.6	1,398.4	1,409.1	1,663.4

Total Assets

Total assets increased by ₹1,706.7 million, from ₹32,634.2 million in the three-month period ended June 30, 2020 to ₹30,927.5

million in the three-month period ended 30 June 2019, primarily due to increases in investments in mutual funds and venture funds and right of use assets, partly offset by decreases in trade receivables and other receivables.

Total assets increased by ₹1,416.6 million, from ₹30,132.6 million in the fiscal year ended March 31, 2019 to ₹31,549.2 million in the fiscal year ended March 31, 2020, primarily due to increases in investments in mutual funds and venture funds, other financial assets and trade receivables, partly offset by decreases in other receivables and cash and cash equivalents.

Total assets increased by ₹940.1 million, from ₹29,192.5 million in the fiscal year ended March 31, 2018 to ₹30,132.6 million in the fiscal year ended March 31, 2019, primarily due to increases in investments in mutual funds, receivables from UTI Mutual Fund and current tax assets, partly offset by decreases in cash and cash equivalents and in investments in equity instruments.

Total Financial Liabilities

Total financial liabilities increased by ₹0.3 million, from ₹2,113.7 million in the three-month period ended June 30, 2019 to ₹2,114.0 million in the three-month period ended June 30, 2020, primarily due to increases in lease liabilities, partly offset by decreases in trade payables and other payables.

Total financial liabilities increased by ₹110.0 million, from ₹2,308.0 million in the fiscal year ended March 31, 2019 to ₹2,418.0 million in the fiscal year ended March 31, 2020, primarily due to increases in lease liabilities.

Total financial liabilities decreased by ₹844.8 million, from ₹3,152.8 million in the fiscal year ended March 31, 2018 to ₹2,308.0 million in the fiscal year ended March 31, 2019, primarily due to decreases in total outstanding dues of creditors other than micro enterprises and small enterprises.

Total Non-Financial Liabilities

Total non-financial liabilities increased by ₹141.0 million, from ₹1,915.6 million in the three-month period ended June 30, 2019 to ₹2,056.6 million in the three-month period ended June 30, 2020, primarily due to increases in provisions for pensions and deferred tax liabilities partly offset by decreases in current tax liabilities and provision for gratuities.

Total non-financial liabilities decreased by ₹10.7 million, from ₹1,409.1 million in the fiscal year ended March 31, 2019 to ₹1,398.4 million in the fiscal year ended March 31, 2020, primarily due to decreases in provisions, partly offset by increases in deferred tax liabilities.

Total non-financial liabilities decreased by ₹254.3 million, from ₹1,663.4 million in the fiscal year ended March 31, 2018 to ₹1,409.1 million in the fiscal year ended March 31, 2019, primarily due to a decrease in provisions.

Quantitative and Qualitative Disclosures About Market Risks

Interest Rate Risk

As of June 30, 2020, approximately 48.7 % of our Domestic Mutual Fund Closing AUM was invested in fixed income debt securities. 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. 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.

Foreign Currency Risk

Our subsidiary UTI International generates income in US Dollars and incurs expenses in Pound Sterling, Euro and Singapore Dollar. Depreciation of the US Dollar against those other currencies will adversely affect UTI International's financial results, which are part of our consolidated results. UTI International has not historically hedged any of its foreign currency exposure.

UTI International's functional reporting currency is the Pound Sterling. As part of its financial reporting process, UTI International converts its income generated in US Dollars to Pound Sterling. Appreciation by the Pound Sterling against the US Dollar will adversely affect the Pound Sterling value of the revenues reported by UTI International in its financial statements. Likewise, in consolidating UTI International's financial results with those of the Company, we convert UTI International's financial results reported in Pounds Sterling to Rupees, our functional reporting currency. Appreciation of the Rupee will adversely affect the Pound Sterling value of income and any earnings reported by UTI International.

Expenditures in currencies other than Rupees incurred with respect to our UFCs, other infrastructure or subsidiaries located outside of India may be adversely affected by fluctuations in the exchange rates. We have not historically entered into foreign currency hedging arrangements; however, we may in the future enter into foreign currency forward and option contracts with

financial institutions to protect against foreign exchange risks associated with certain existing assets and liabilities, certain firmly committed transactions, forecasted future cash flows and net investments in foreign subsidiaries. In addition, we may in the future enter into non-designated foreign currency contracts to partially offset the foreign currency exchange gains and losses on foreign-denominated debt issuances.

Market Risk

Our results of operations are affected by cyclical fluctuations in the performance of the corporate sector, financial markets, and economic conditions generally, both in India and elsewhere around the world. The Indian securities markets, and the equity markets in particular, have experienced significant market appreciation, which has, in turn, contributed to an increase in AUM and income for us. Indian credit markets have experienced significant dislocations in recent years, including a wave of high-profile defaults. Any decline in the securities market, in general, and the equity markets, in particular, could reduce our AUM and consequently our income. 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 neighbouring 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. See "*Risk Factors — 43. Our business and results of operations have been, and may continue to be, adversely affected by the ongoing COVID-19 outbreak and associated responses.*", beginning on page 49.

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, such as liquidity risk or risk of client and counter-party losses.

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. We are exposed to credit risk from our operating activities (mostly trade receivables) and from our financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The carrying amount of our financial assets represents the maximum credit risk exposure.

The underlying investments in our fixed income schemes also 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.

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 "*—Factors Affecting Our Results of Operations*" and the uncertainties described in "*Risk Factors*", beginning on pages 316 and 24, respectively. To our knowledge, except as discussed 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 24, 146 and 314, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

Related Party Transactions

We have engaged in the past, and may engage in the future, in transactions with related parties. For details of our related party transactions, see "*Restated Financial Information — Annexure VI —Notes to Restated Financial Information—Note 36—Related party disclosures*", beginning on page 266.

New Products or Business Segments

Other than as disclosed in this section and in "*Our Business*", beginning on page 146, 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.

Dependence on a Few Customers

Given the nature of our business operations, we do not believe our business is dependent on any single or a few customers except as described in "*Risk Factors— 1. Our income and profit are largely dependent on the value and composition of our AUM, which may decline because of factors outside our control" and "Risk Factors— 14. Our investment management agreements and other business commitments may generally be terminated by the counterparties on little or no notice, making our future client and income base unpredictable*", beginning on pages 24 and 34, respectively.

Competitive Conditions

We operate in a competitive environment. Please refer to "*Our Business*", "*Industry Overview*" and "*Risk Factors*", beginning on pages 146, 95 and 24, respectively for further information on our industry and competition.

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.

Significant Developments Subsequent to June 30, 2020

UTI PEL: UTI VF, the sole shareholder of UTI PEL, has, pursuant to a resolution dated June 29, 2020, resolved to remove UTI PEL from the register of companies in Mauritius (the "**Register**"), since UTI PEL has ceased to carry on its business, has discharged its liabilities in full to all its known creditors and has distributed its surplus assets in accordance with applicable law. Accordingly, the requisite procedure prescribed by applicable law for such removal from the Register has been initiated and UTI PEL shall be removed from the Register when a notice signed by the Registrar of Companies stating that the Company has been removed from the Register is issued, and will cease to be registered and exist as a company under the Companies Act 2001.

UTI RSL: Pursuant to the Pension Fund Regulatory and Development Authority (Pension Fund) (Second Amendment) Regulations, 2020 issued by the PFRDA by its notification dated February 4, 2020, sponsors of pension funds are now required to ensure that the existing pension funds achieve minimum tangible net worth of ₹500.0 million, or such higher amount as prescribed by the PFRDA from time to time, within such time as may be decided by the PFRDA. In view of the above, and as a step towards meeting the aforementioned net worth criteria, UTI RSL, pursuant to a resolution of its board of directors dated July 21, 2020 and a resolution of its shareholders dated July 28, 2020, has increased its authorised share capital from ₹250.0 million to ₹350.0 million.

UTI Capital and UTI VF: The board of directors of UTI Capital has, pursuant to its resolution dated July 21, 2020, accorded its in-principle approval to the merger of UTI VF with UTI Capital.

Except as disclosed above and in this Prospectus, there have not arisen since June 30, 2020, the date of the last Restated Financial Information included in this Prospectus, any circumstances which materially and adversely affect, or are likely to affect our profitability, our operations, the value of our consolidated assets or our ability to pay our material liabilities within the next 12 months.

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 or Subsidiaries ("**Relevant Parties**").*

*For the purpose of (iv) above, our Board in its meeting held on July 22, 2020, has considered and adopted a policy of materiality for identification of material litigation involving the Relevant Parties ("**Materiality Policy**"). In terms of the Materiality Policy, any outstanding litigation involving the Relevant Parties which exceeds the amount equivalent to one percent of the profit after tax of our Company as per the Restated Financial Information for Fiscal 2020 would be considered 'material' for disclosure in this Prospectus. Our profit after tax as per the Restated Financial Information is ₹ 2,730.30 million. Accordingly, disclosures of the following types of litigation involving the Relevant Parties have been included:*

(a) where the aggregate amount involved in such individual litigation exceeds ₹ 27.30 million individually;

(b) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation may not exceed ₹ 27.30 million;

(c) 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, prospects or reputation of our Company; and

(d) where such matter involves our Directors, the outcome of such matter would materially and adversely affect the business, operations, prospects, financial position or reputation of our Company, irrespective of the amount involved.

*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 July 22, 2020, 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 ₹ 0.42 million, which is five percent of the trade payables of our Company as per the Restated Financial Information as at June 30, 2020 shall be considered as 'material'. Accordingly, as on June 30, 2020, any outstanding dues exceeding ₹ 0.42 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 is 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 the Relevant Parties 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 the Relevant Parties, as applicable, is impleaded as a defendant or respondent in litigation proceedings before any judicial forum.

Our Company is also impleaded as a proforma party to various litigation, wherein our Company has been directed by judicial authorities to, among others, release amounts on production of succession certificates and issuing certificates in favour of either of the litigating parties, and such directions have been complied with by our Company. It is clarified that the outcome of such litigation would not have a material adverse impact on our Company. Accordingly, such litigation has not been disclosed herein.

I. Litigation involving our Company

Litigation against our Company

A. *Criminal proceedings*

1. A criminal complaint has been filed against our Company and certain of its officials before the Additional Chief Metropolitan Magistrate, Ballard Estate, Mumbai ("**Complaint**") by S.P. Aspingekar, an inspector in the Security Guard Board for Greater Mumbai & Thane District ("**Complainant**"). The Complainant has alleged that our Company had violated the Maharashtra Private Security Guards (Regulation of Employment & Welfare) Act, 1981 ("**Security Guards Act**") and the Private Security Guards (Regulation of Employment and Welfare) Scheme, 2002 ("**Security Guards Scheme**"), by appointing security guards other than those allotted under the Security Guards Scheme.

   Our Company, along with certain of its officials, has filed an application under section 482 of the Code of Criminal Procedure, 1973 before the Bombay High Court for quashing of the Complaint on the grounds, among others, that the Security Guards Scheme is not applicable to our Company and that officers of our Company are not liable to be prosecuted under the Security Guards Act. The Bombay High Court has, pursuant to its order dated July 22, 2010, stayed the proceedings under the Complaint. The matter is presently pending.

2. Two criminal complaints have been filed by Father Mathew Muttumanna and D.H. Shanthamma against certain former

and present employees of our Company under Sections 34, 120B, 403, 405, 406, 409, 411, 415, 419, 420, 423 and 468 of the IPC in relation to, among others, alleged misappropriation of amounts invested by investors in certain schemes and dividends allegedly payable to them, and issuance of false acknowledgements. In one of the matters, the former and present accused employees of our Company have filed criminal revision petitions challenging the framing of charges. The matters are presently pending.

3. There are seven criminal cases filed against the Erstwhile UTI before various courts for matters including non-receipt of certificates, non-receipt of maturity proceeds, non-receipt of dividend, non-receipt of statement of account, alleged misappropriation of amounts and non-receipt of units. These matters are pending at various stages. Our Company has filed applications / petitions for quashing of some of these cases. These matters are presently pending.

B. *Civil proceedings*

M. N. Dastur & Company Private Limited ("**Plaintiff**") has filed a suit against our Company, SUUTI and the Trustee Company (collectively, the "**Defendants**") before the Bombay High Court seeking recovery of certain dues. The Plaintiff has alleged that the Defendants are required to pay to the Plaintiff certain unpaid dues amounting to approximately ₹ 31.95 million along with interest at the rate of 18% per annum from the date of filing of the suit until payment or realisation, for services provided by the Plaintiff as a registrar and transfer agent and dematerialization services, in relation to certain schemes of the Trustee Company and SUUTI. The Plaintiff had discontinued its services to the Defendants by its letters dated January 1, 2001. The Trustee Company and SUUTI have also filed a suit against the Plaintiff before the Bombay High Court alleging deficiencies in the services rendered by the Plaintiff claiming an amount of ₹ 13.71 million along with interest at the rate of 18% per annum from the date of filing of the suit until payment or realization as compensation. The matters are currently pending.

C. *Other Matters*

1. The All India UTI AMC Officers' Association ("**Petitioner**") has filed a writ petition ("**Writ**") against the Union of India, our Company, the Trustee Company, the chairmen of each of the Sponsors and others, before the Bombay High Court alleging, among others, that the service conditions stipulated in the Unit Trust of India Asset Management Company (Staff) Rules, 2003 in relation to, among others, seniority, grade system, promotions, pay scales, perquisites and allowances have been violated. The writ petition was disposed of without any direction against the Company. The GoI was directed to consider the grievances of the Petitioner. The Petitioner has now contended that the liability arising due to this litigation would be approximately ₹ 500 million. However, the Company believes this liability does not have any basis since there are no reliefs granted by the Bombay High Court.

In January 2010, the Sponsors had transferred 26% of their shareholding in our Company and the Trustee Company to TRP (the "**Transfers**"). The Petitioner has also challenged the Transfers on the grounds that they were allegedly made in violation of the UTI Repeal Act and the Transfer Agreement and were allegedly made without prior intimation to the officers or employees of the Erstwhile UTI and without any public invitation of bids. The Petitioner has, among others, prayed for a declaration that the Transfers are null and void, and for a prohibition on the listing of the equity shares of our Company or disinvestment of the shareholding of our Company by the Sponsors. Our Company has filed its reply to the writ petition, among others, denying the allegations made by the Petitioner. The Petitioner has also filed an interim application, before the Bombay High Court, seeking, among other things, to implead TRP in the Writ as a respondent and a necessary party. The Petitioner has also made certain allegations against DIPAM, SEBI, the Comptroller and Auditor General of India, the Sponsors and our Company, including that certain affirmations made by our Company in a reply affidavit filed in the matter are contrary to declarations made in the Draft Red Herring Prospectus. The Petitioner has filed another interim application seeking, inter alia, an injunction to restrain our Company from proceeding with the Offer until final disposal of the Writ. The interim application has not been heard by the Bombay High Court during the Bid/Offer Period and as on the date of this Prospectus. The matter is presently pending.

2. The All India UTI AMC Officers' Association ("**Petitioner**") has filed a writ petition against the Union of India, and our Company before the Bombay High Court ("**Court**"). Pursuant to a directive of the GoI, the Erstwhile UTI had amended the UTI (Staff) Rules, 1978 and enhanced the age of superannuation of all category of employees and officers and issued an administrative circular bearing no. AC-9/1998-99 dated October 23, 1998. Thereafter, in 2001, the board of trustees of the Erstwhile UTI had, pursuant to an administrative circular bearing no. AC-4/2001-02 dated October 18, 2001 (the "**Administrative Circular**"), reduced the age of superannuation for certain officers from 60 years to 58 years. The Petitioner has alleged, among other things, that pursuant to an office memorandum dated August 22, 2001 ("**Office Memorandum**") issued by the GoI, such reduction in the superannuation age was applicable only to sick or unviable Central Public Sector Undertakings and the Minister-in-charge of the respective administrative Ministry would have the authority to approve such proposals for roll back of the age of superannuation from 60 years to 58 years, if the same is approved by the board of directors in accordance with the law. The Petitioner has further alleged that the board of trustees of the Erstwhile UTI had issued the Administrative Circular pursuant to the wrongful implementation of the Office Memorandum, which, the Petitioners have claimed, was not applicable to the Erstwhile UTI. The Petitioner has prayed, among other things, that the Court (i) declares the Administrative Circular as *void ab*

initio as regards the Petitioner; and (ii) issues a direction to our Company to retain the services of the members of the Petitioner until the age of 60. The matter is presently pending at the admission stage.

3. The All India UTI AMC Officers' Association ("**Petitioner**") has filed a writ petition against the Union of India, and our Company. The Petitioner has, among other things, alleged that our Company has wrongfully discontinued the sick leaves and other leave facilities that certain classes of officers of our Company were entitled to, since April 1, 2004, pursuant to administrative circulars bearing nos. AC-52/2003-04 dated March 31, 2004 and AC-5/2004-05 dated May 4, 2004 (the "**Administrative Circulars**"). A committee of senior officials of the DIPAM was constituted to hear the grievances of the employees of our Company, and had issued a report in this regard (the "**DIPAM Report**"). The Petitioner has alleged that our Company has failed to comply with the directions of the said committee in the manner specified in the DIPAM Report and that our Company has wrongfully decided that officers opting for restoration of sick leave should be allowed to forego enhanced house rental allowance ("**HRA**") and that the HRA paid to such officers in the past should be recovered in case such officer opts to forego enhanced HRA. The Petitioner has prayed for, among other things, a declaration that the Administrative Circulars are void ab initio as regards the members of the Petitioner and a direction to our Company to restore or credit sick leave and other leave facilities for the members of the Petitioner. The matter is presently pending at the admission stage.

4. Anil Kumar Anand ("**Petitioner**") has filed a civil writ petition in 2015 ("**Petition**") before the Delhi High Court against our Company, certain of its officials, the Sponsors and others, raising grievances in relation to, among others, promotion, pay scale and certain historic ESOP allotments. The Petitioner had originally also challenged the transfers of Equity Shares by the Sponsors to TRP (the "**Transfers**"), and the appointment of two nominees of TRP on our Board. A Single Judge of the Delhi High Court ("**Single Judge**") dismissed the Petition and on appeal, the Division Bench of the Delhi High Court remanded the matter in 2018 to the Single Judge for consideration of certain prayers. Subsequently, pursuant to an order of the Single Judge, TRP has been deleted as a respondent. The matter is presently pending.

5. Our Company is involved in two cases in connection with whether it is a 'public authority' under the Right to Information Act, 2005 ("**RTI Act**"). The Central Information Commission, Delhi ("**CIC**") had, in its order ("**Order**") pursuant to an application filed by a complainant requesting certain information from our Company, held that our Company is a 'public authority' under the RTI Act. Our Company, together with the Trustee Company and UTI Mutual Fund, has filed a writ petition before the Bombay High Court against the CIC and the Union of India, challenging the Order on the grounds, among others, that our Company is not owned, controlled or funded by the Central Government or any State Government. Our Company has prayed for a declaration that our Company is not a 'public authority' under the RTI Act. The Bombay High Court, pursuant to an order dated September 10, 2008, has stayed the operation of the Order.

   Subsequently, Yogeshwar Chaware ("**Petitioner**") had filed a writ petition before the Bombay High Court against our Company, UTI Mutual Fund, the Trustee Company, SEBI and the GoI. The Petitioner had by way of an application, sought certain information in relation to the pay scale, pay grade, executive allowance paid etc. in respect of the officers of our Company, and certain additional documents, under the RTI Act, and has alleged among others, that certain employees of our Company were arbitrarily being paid higher remuneration. Our Company declined to provide the information on the grounds that the RTI Act is not applicable to our Company. The Petitioner has prayed, among others, for a direction to our Company to furnish the information sought by way of his application. Our Company has filed its reply to the writ petition, among others, claiming that the RTI Act is not applicable to our Company. Both the matters have been tagged and are presently pending.

6. Between 1994 and 1997, the Erstwhile UTI had given two options to certain categories of the employees of the Erstwhile UTI to accept a newly introduced pension scheme or continue to avail the existing provident fund scheme, in accordance with the options granted by RBI and IDBI to their employees. However, in 2001, a memorandum of settlement was entered into by the Erstwhile UTI with the All India Unit Trust Employees Association ("**Employees' Association**") whereunder, among other things, the compensation package of its employees was delinked from those of the RBI employees with effect from January 1, 2001.

   A reference was made to the Central Government Industrial Tribunal, Mumbai ("**CGIT**") in relation to the Employees' Association seeking, among others, to exercise the option to avail pension benefits with effect from 2001 at par with the employees of RBI and IDBI. The CGIT allowed the Employees' Association to avail such benefits. In a writ petition filed by the Company, the Bombay High Court set aside the award of the CGIT, and a review petition filed by the Employees' Association was rejected by the Bombay High Court. The Employees' Association has filed a special leave petition before the Supreme Court of India seeking special leave to appeal against the order of the Bombay High Court. There is no order granting leave to the Employees' Association as on date and the matter is presently pending.

   On similar grounds as above, the UTI Retired and VSS Employees' Social Association ("**Petitioner**") has also filed two writ petitions before the Bombay High Court, among other things, demanding an additional option or 3rd option to switch from the provident fund scheme to the pension scheme. These writ petitions are pending. As on date, the Petitioners contend that the liability arising from such an additional option would be over ₹ 10,000 million basis a

letter dated February 5, 2015 which the Company had written to the Government of India ("**GoI**") with a proposal to resolve the issue and for that purpose had indicated the potential actuarial liability for the GoI. This liability was calculated by a third party agency inter alia on the basis of various assumptions including the following: (i) all employees on behalf of whom the litigation is filed would exercise the option, (ii) recovery of provident fund contribution by employees exercising the option, (iii) escalation in pensionable salary over time; and (iv) escalation in pension post retirement. The Company indicated to the GoI that the GoI's liability could range from ₹ 3,650.5 million to ₹7,219. 5 million, as on December 2013. The Company disputes that the liability is quantifiable at this stage inter alia, because even if the 3rd option is to be granted, it is not possible to predict at this stage how many officers would exercise such an option. Further, the Company believes that any liability in terms of the pension option is to be borne by the GoI as the Sponsors have been indemnified from such liability pursuant to the Transfer Agreement dated January 15, 2003 and letter dated September 30, 2005 to SBI, which has also been communicated by our Company to the GoI including by way of letters dated May 8, 2007 and February 5, 2015. The said writ petitions are pending.

Further, the Petitioner has filed a writ petition before the Bombay High Court against our Company, among others, challenging the legality of the UTI AMC Pension Regulations 2003, and demanding, among others, that its members be paid pension under the Unit Trust of India Pension Regulations 1994 and not under the UTI Asset Management Company Pension Regulations 2003, with arrears of pension from their respective dates of retirement. The Petitioner has asserted that the liability would be ₹ 2,000 million. Our Company has filed its reply, among others, challenging the maintainability and seeking dismissal of the petition. The Company disputes this liability inter alia on the basis that pending the writ petition, revisions in pension have already taken place on two occasions wherein substantial increments in the pension were granted and therefore, even if the writ petition is allowed, the liability alleged is completely inaccurate. The matter is presently pending.

7. The All India Unit Trust SC / ST Neo Buddhist & OBC Employees Welfare Association (the "**Petitioner**") has filed a writ petition against the Union of India, the Trustee Company, our Company and the chairmen of each of the Sponsors. The Petitioner has alleged, among other things, that our Company (i) falls within the definition of "State" within the meaning of Article 12 of the Constitution of India; (ii) has wrongfully done away with established government policies , including reservation policy; (iii) has wrongfully given increments in remuneration selectively to some employees by way of executive allowances / special allowances and arbitrary increments to certain employees without following the prescribed policy in this regard; (iv) has not made structural revisions to the salaries nor paid dearness allowances to the officers cadres employees and (v) has followed discriminatory practices in relation to salaries of its employees by introducing arbitrary bands. The Petitioner has further alleged that the Sponsors have failed to protect the interests of the employees of the Company. Some members of the Petitioner had approached the National Commission for Scheduled Castes in this regard, which, pursuant to its order/recommendations dated May 11, 2016, recommended to the Sponsors to consider passing a resolution for implementation of a reservation policy in our Company. The Petitioner has prayed for, among other things, a direction for a resolution to be passed by our Board for continuation of the reservation policy which was followed by the Erstwhile UTI. The matter is presently pending.

8. In addition to the above, our Company is involved in various labour and employment related proceedings pending before various fora including civil courts, High Courts and the Central Government Industrial Tribunal, in connection with disputes relating to, among others, regularisation of employment, payment of final legal dues, arrears of salaries, restoration of increments, demands for higher salaries, objections to transfers of employees, dismissal or termination from service, challenges to departmental enquiries/proceedings against employees, fraudulent encashment of cheques, restoration to posts, claims for service benefits, promotions, claims for or recomputation of gratuity amounts, medical facilities, benefits and reimbursement of expenses under the UTI Employees Voluntary Health Scheme, 1991 and the Scheme for Medical Assistance for Serving and Retired Employees and Constitution of Medical Assistance Fund, 1998 of the Erstwhile UTI etc. and other service related matters. These matters have been filed by various parties including contract workmen, Bharatiya Kamgar Karmachari Mahasangh, Contract Laghu Udyog Kamgar Union, Atul Kumar Jain, Mukesh Kapoor, Om Prakash Lakhina, Yogesh Singh, Samir Kumar Saha, Sneha Prava Parida, Biswa Ranjan Mishra, Rakesh Kheskwani, Prasanta Ghosh, Anil Kumar Anand, Dr. Khajan Singh, P.G. Shunmugam and Amit Gupta. Some of the aforementioned litigants have filed multiple petitions against our Company, on various causes of action. The outcome of any of these proceedings would not have a material adverse impact on our Company.

9. Our Company is involved in certain consumer related proceedings before various fora such as consumer district redressal fora and state commissions, in relation to, among others, non-receipt or delay in receipt of maturity proceeds, non-receipt, less receipt or delay in receipt of redemption amounts, non-receipt of investment amounts, non-receipt of statements of accounts, non-receipt of insurance coverage, non-receipt of repurchase amounts, non-receipt of pension under UTI Retirement Benefit Pension Fund, non-settlement of hospitalization bills under SCUP, allegedly fraudulent encashment of redemption cheques, alleged dishonour of warrants, misappropriation of invested amounts, and non-allotment of units. The matters are presently pending.

D. *Actions by regulatory and statutory authorities involving our Company*

1. SEBI has issued a show-cause notice dated January 21, 2020 ("**January SCN**") to our Company and UTI Mutual Fund (together, the "**Noticees**"), in connection with providing management and advisory services to a foreign portfolio

investor, India Debt Opportunities Fund ("**IDOF**"), alleging that the Noticees have violated certain provisions of the SEBI Mutual Funds Regulations by: (i) facilitating investment by IDOF in the India Debt Opportunities Fund Scheme ("**IDOF Scheme**"), which is not a domestic mutual fund scheme. (ii) The investments made by IDOF in the IDOF Scheme are not covered under the SEBI FPI Regulations as investments in mutual funds; (iii) vesting the management of IDOF in UTI International Limited, resulting in non-compliance with conditions stated in the in-principle approval letter dated September 20, 2004 issued by SEBI; and (iv) failing to segregate the activities of management and advisory services and fund manager provided to IDOF from that of the domestic mutual fund schemes. SEBI has directed the Noticees to show cause as to why an inquiry should not be held against the Noticees as in terms of the Rule 4 of the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 and why a penalty should not be imposed under Section 15 HB of the SEBI Act. Our Company has responded to the January SCN on March 3, 2020 denying all the allegations and submitting, among other things, that (i) the investigation report relied upon by SEBI has not been provided; (ii) that the in-principle approval dated September 20, 2004 and approval dated May 17, 2005 issued by SEBI ("**May Approval**") were distinct in form and substance from the standard approval letters issued by SEBI in respect of other schemes under the SEBI Mutual Fund Regulations, including that they did not require filing the draft and final scheme information or submission of filing fees receipt and compliance with standard observations which are standard practices in cases of mutual fund schemes being approved under the SEBI Mutual Fund Regulations; (iii) UTI International Limited was always proposed to be the manager of the IDOF Scheme since its inception and this had been duly intimated to SEBI; (iv) in light of unambiguous correspondences with SEBI, our Company was operating under the *bona fide* understanding that it was compliant with the applicable regulatory framework; and (v) adequate systems and controls had been put in place to ensure that interests of investors are not endangered and suitable disclosures were made to investors in this regard. For details on show-cause notices issued by SEBI to IDOF, see "*-IV. Other Matters"* on page 352.

Further, UTI Mutual Fund has responded to the January SCN on March 3, 2020 denying all the allegations and making similar submissions as our Company, and additionally submitting, among other things, that the specific provisions of the SEBI Mutual Fund Regulations which are alleged to have been violated are not applicable to mutual funds. The proceedings in relation to the January SCN are currently pending.

2. PFRDA has issued a show-cause notice dated February 7, 2020 under Section 30 of the PFRDA Act read with Regulation 4 of the Pension Fund Regulatory and Development Authority (Procedure for Inquiry by Adjudicating Officer) Regulations, 2015 ("**PFRDA Notice**") to our Company, in connection with performance of our obligations as an operator of point of presence for the activities under National Pension System, alleging that our Company has violated certain provisions of the PFRDA Act and the Point of Presence Regulations by: (i) outsourcing the functions of Point of Presence to KFin Technologies Private Limited ("**KFin**") without PFRDA's prior written consent; and (ii) failing to comply with PFRDA's instructions, including by not filing a first information report ("**FIR**") in the matter, submitting indemnity bonds indemnifying two NPS subscribers in respect of alleged fraudulent or irregular withdrawal claims processed by KFin. PFRDA has directed our Company to show cause, among others, as to why penalty should not be imposed under Section 28(1)(c) and Section 28(5) of the PFRDA Act.

Our Company has responded to the PFRDA Notice on February 27, 2020 denying all allegations and submitting, among other things, that (i) the primary functions as a Point of Presence were carried out by our Company and not outsourced to KFin, which was merely carrying out data entry functions and would not fall within the definition of a Point of Presence-Sub Entity under the Point of Presence Regulations. (ii) an FIR has been filed by KFin on behalf of our Company in this regard, (iii) that the fraudulent encashment of the units has been restored to the relevant accounts of the NPS subscribers by our Company, including payment for the difference in the net asset value between the relevant periods and therefore, there was no requirement to provide any indemnity to the NPS subscribers, and (iv) our Company has discontinued the handling of data entry functions by KFin with effect from February 1, 2019. The matter is presently pending.

E. *Complaints received in connection with the DRHP*

Post the filing of the DRHP, our Company has received letters from its employees associations including UTI Retired and VSS Employees Social Association ("**URVES Association**"), All India UTI AMC Officers Association and All India UTI SC/ST/Neo Buddhist & OBC Employees Welfare Association and from former employees of our Company, in the context of this Offer alleging certain inaccurate disclosures made in the Draft Red Herring Prospectus (collectively, the "**Complaints**"). The Complaints were also addressed to SEBI, the Registrar and Share Transfer Agent and the Book Running Lead Managers. The Complaints alleged, amongst other things (i) that our Company failed to quantify the contingent liability of approximately ₹ 10,000 million, in the DRHP in relation to the adverse outcome of the litigation filed by the URVES Association where the URVES Association has, amongst others, demanded the opportunity to exercise options to avail pension and claimed dearness allowance; (ii) that our Company is promoted by the GoI and accordingly the declaration that our Company does not have an identifiable promoter is incorrect; (iii) that the transfer of equity shares by the Sponsors to TRP, in 2009, is sub-judice before the Bombay High Court and accordingly SEBI's decision to clear the Draft Red Herring Prospectus should be made after the Bombay High Court has provided its final order in the matter; (iii) that our Company had kept in abeyance and delayed

the implementation of the recommendations of the committee of senior officials of the DIPAM in relation to matters regarding conditions of service of the employees such as settling pay and allowance of officers (including of past periods), sick leaves and other leaves, making adequate provisions for retirement benefits like gratuity, increased pension and family pension, providing third pension option, restoring leave and medical facilities and also revisiting / re-allotting past options under ESOP 2007, and that these could have a considerable financial impact on our Company; and (iv) that our Company has not complied with the order passed by the National Commission of Scheduled Caste to adopt the reservation policy. We have examined such Complaints and have responded to the complainants and to SEBI, in accordance with applicable law. For details see, "*Risk Factors – 34. We have received multiple complaints from various employees' associations of our Company regarding inadequate disclosures in the DRHP; labour unrest could harm us by impairing our ability to attract and retain clients and subject us to significant legal liability and reputational harm*" on page 45.

Litigation filed by our Company

A. *Other matters*

Our Company is litigating certain recovery matters before various fora, on behalf of UTI Mutual Fund, schemes of UTI Mutual Fund, the Trustee Company, Erstwhile UTI and/or SUUTI and certain PMS clients. None of the above mentioned suits have an impact on the business operations or financial status of our Company or Subsidiaries as any recovery or non-payment in respect of the concerned debt recovery matters will accrue to or be borne by UTI Mutual Fund, SUUTI or the respective scheme.

II. Litigation involving our Subsidiaries

UTI International (Singapore) Private Limited

Two cases have been filed in the State Courts of the Republic of Singapore against UTI International (Singapore) Private Limited ("**UTI Singapore**") and certain of its officials (together, the "**Defendants**") by one of the ex-employees of UTI Singapore. The nature of the claim is in respect of employment, conspiracy, breach of the Personal Data Protection Act (No. 26 of 2012) of Singapore, and harassment. The matters are presently pending.

UTI RSL

UTI RSL, being one of the pension fund managers of National Pension System Trust ("**NPS Trust**"), is litigating on behalf of the NPS Trust to seek recovery of funds in respect of various debt securities in which investments were made on behalf of the NPS Trust. Any recovery or non-payment in respect of the present matter will accrue to or be borne by the funds of the NPS Trust. The matter is currently pending.

UTI Capital

UTI Structured Debt Opportunities Fund-1 ("**SDOF**"), an AIF managed by UTI Capital had made certain investments in secured redeemable non-convertible debentures ("**NCDs**") issued by Mercator Limited ("**Mercator**"). Two admiralty suits have been filed before the Bombay High Court, one by Axis Trustee Services Limited ("**Axis**"), in its capacity as the debenture trustee of the NCDs, and the other by the State Bank of India ("**SBI**"). Certain working capital facilities were granted by SBI to Mercator. Subsequently, the account of Mercator was declared as a 'non-performing asset' by SBI. The matters relate to the dispute regarding the priority of the mortgage claim over certain secured property of Mercator.

Further, SBI has also filed an original application before the Debts Recovery Tribunal-1, Mumbai, against Mercator, certain directors and guarantors of Mercator, UTI Capital, Axis and others, seeking, among other things, recovery of ₹ 2,243.99 million in relation to the facilities granted by SBI to Mercator, and a decree restraining Mercator from dealing with, disposing of and / or creating third party rights in respect of its secured property. The matters are presently pending.

III. Taxation matters

A summary table of the claims relating to direct and indirect taxes involving our Company, Directors and Subsidiaries is set forth below:

Nature of case	Number of cases	Amount involved (in ₹ million)
Our Company		
Direct Tax	5*	90.55
Indirect Tax	Nil	Nil
Directors		

Nature of case	Number of cases	Amount involved (in ₹ million)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Subsidiaries		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil

**includes the transfer pricing order against our Company, which has been set out below S. No. 3 under "Material taxation matters against our Company" below.*

Material taxation matters against our Company

1. Our Company received an assessment order ("**Assessment Order**") from the Deputy Commissioner of Income Tax Circle 10(1), Mumbai ("**Deputy CIT**") under the Income Tax Act, in relation to the returns filed by our Company for the AY 2009-10. Pursuant to the Assessment Order, the Deputy CIT issued a notice raising a demand of ₹ 52.56 million with interest and penalty, on our Company alleging, among others, that (i) our Company had not paid any sum out of the outstanding provision for leave encashment within the prescribed period and (ii) deductions had been wrongly claimed in respect of investments made in UTI India Technology Venture and Ascent India Fund (together, the "**Funds**"), which are venture capital funds.

   Our Company has filed an application requesting the Deputy CIT to, among others, keep the demand in abeyance and grant a stay against the initiation of recovery proceedings until the matter is disposed of. Our Company has also filed an appeal against the Assessment Order before the Commissioner of Income-Tax (Appeal) ("**CIT-A**") claiming, among others, that the Assessment Order was issued without obtaining the approval of the Additional Commissioner of Income Tax, that the amounts have been erroneously disallowed and that the Assessing Officer has wrongfully levied interest upon our Company. The CIT-A has, pursuant to order dated January 29, 2020 ("**Order**"), partially allowed our appeal by directing the deletion of the disallowance of ₹ 69.80 million on account of unpaid provision of leave encashment. Our Company has filed an appeal against the Order seeking, among other things, that the disallowance of proportionate share of expenses amounting to ₹ 41.53 million from the Funds, which was confirmed pursuant to the Order, be deleted. The matter is presently pending.

2. The Income Tax Department has passed three assessment orders against our Company in respect of AY 2010-11, AY 2012-13 and AY 2013-14, making disallowances in relation to, among others, club expenses, expenses incurred in respect of investments made by our Company resulting in dividend income, and losses incurred by our Company in respect of investments made in Ascent India Fund and / or Ascent India Fund III, which are venture capital funds. Demands aggregating to ₹ 37.99 million, with interest and penalty if imposed, have been raised against our Company for the above AYs. Our Company has filed appeals against each of the assessment orders and demand notices, two of which are pending before the ITAT and one before the Commissioner of Income Tax (Appeals).

3. In addition to the above proceedings, the Deputy Commissioner of Income Tax, Transfer Pricing ("**DCIT-TP**") has passed an order dated March 29, 2019 against our Company in relation to investments made by our Company in UTI International Limited ("**UTI International**" and such investments the "**Transaction**") in Fiscal 2016. The DCIT-TP has held that the fair value of the equity shares of UTI International was £ 9.82 each while our Company had purchased such equity shares at £ 5.13 each. The DCIT-TP made an upward adjustment of ₹ 1,170.46 million and directed that the income of our Company be computed accordingly and penalty proceedings be initiated against our Company. Thereafter, the office of the Assistant Commissioner of Income Tax, Mumbai had issued a draft assessment order dated December 6, 2019 ("**AO**") to our Company proposing the upward adjustment of ₹ 1,170.46 million and disallowing prior period expenses of ₹ 4.72 million. Our Company has filed objections against the upward adjustment and disallowances made pursuant to the AO, on grounds, among others, that the relevant sections of the Income Tax Act are not applicable to the Transaction and the Transaction is a capital account transaction. Our Company has further claimed that the valuation for the Transaction was carried out by a merchant banker registered with SEBI, as required under the applicable law, and that there has been non-application of mind and inherent infirmity in the revised computation. Our Company has not received any assessment order or demand notice with regard to this matter. The matter is presently pending.

IV. Other matters

1. SEBI has issued show cause notices dated (i) June 26, 2019 under the SEBI Act ("**First SCN**"); (ii) September 13, 2019 under the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 ("**Inquiry Rules SCN**"); and (iii) September 13, 2019 under the SEBI Intermediaries Regulations ("**Intermediaries Regulations SCN**"), and together with the First SCN and the Inquiry Rules SCN, the "**SCNs**"), to India Debt Opportunities Fund ("**IDOF**"), a fund managed by UTI International Limited, which is registered as a Category II FPI under the SEBI FPI Regulations, in relation to the India Debt Opportunities Fund Scheme ("**IDOF Scheme**"). IDOF had been set up pursuant to an in-principle approval dated September 20, 2004 and approval dated

May 17, 2005 issued to our Company by SEBI. The SCNs allege that (i) the IDOF Scheme is not a domestic mutual fund scheme under the SEBI Mutual Fund Regulations and the investments made by IDOF in the IDOF Scheme are in contravention of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 ("**2014 FPI Regulations**"); (ii) investments made by IDOF through the IDOF Scheme in government securities were made without purchasing debt limits under the auction route, in contravention of circulars issued by SEBI and the 2014 FPI Regulations, allegedly causing a notional loss of ₹ 244.34 million to the GoI; (iii) investments made by IDOF through the IDOF Scheme in liquid and money market instruments were in contravention of circulars issued by SEBI and the 2014 FPI Regulations; and (iv) IDOF made incorrect statements to the designated depository participant regarding its compliance with the 2014 FPI Regulations in relation to being a 'broad based' fund for the purpose of registration as a Category II FPI. IDOF has responded to the First SCN and the Intermediaries Rules SCN, among others, denying all the allegations. Further, IDOF has responded to the Inquiry Rules SCN requesting SEBI to provide legible copies of certain documents and requesting that the proceedings under the Inquiry Rules SCN be kept in abeyance until the conclusion of the proceedings under the First SCN. Pursuant to the SCNs, SEBI has directed IDOF to, among others, show cause as to why directions to disgorge the allegedly undue profit of ₹ 244.34 million should not be issued to IDOF, and why action under the SEBI Intermediaries Regulations and the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 should not be taken against IDOF.

Pursuant to a hearing before SEBI in respect of the First SCN, IDOF had filed detailed written submissions on January 10, 2020 to SEBI, once again denying all the allegations in the First SCN and praying that the First SCN be set aside in its entirety. The matter is presently pending.

Additionally, in relation to the Inquiry Rules SCN, SEBI had issued a letter dated February 6, 2020, among other things, directing IDOF to submit written representations in respect of the allegations levelled in the Inquiry Rules SCN. IDOF has, on February 28, 2020 responded to SEBI denying all the allegations and submitting, among other things, that the inspection report has not been provided to IDOF, that the investments made by IDOF were not in government securities but were corporate debt investments the IDOF Scheme, which is a debt oriented mutual fund, and praying that no inquiry should be held and no penalty should be imposed against IDOF. IDOF has further submitted that the Inquiry Rules SCN be kept in abeyance until the conclusion of the proceedings under the First SCN. The matter is presently pending.

2. UTI India Fund Unit Scheme 1986 ("**Scheme**"), a scheme managed by UTI Mutual Fund, has, pursuant to assessment orders passed by the Income Tax Department with respect to AY 2014-15, AY 2016-17 and AY 2017-18, (together, the "**Assessment Orders**"), received demand notices for an aggregate amount of ₹ 418.24 million with interest, as well as penalty notices, (collectively, the "**Notices**"). The Notices and the Assessment Orders allege that the Scheme is not entitled to exemption benefits under Section 10(23D) of the Income Tax Act, on the grounds, among others, that such exemption is only available to schemes registered with SEBI, and that since the Scheme has a different permanent account number as that of UTI Mutual Fund, the exemptions available to UTI Mutual Fund are not available to the Scheme. Appeals have been filed before the Commissioner of Income Tax (Appeals) against the Assessment Orders on the grounds, among others, that no registration with SEBI was required for the Scheme since it was launched prior to the enactment of the SEBI Mutual Fund Regulations with the approval of the GoI and the RBI, and that pursuant to the UTI Repeal Act, the Scheme, along with other schemes of the Erstwhile UTI, was vested in UTI Mutual Fund, and that a separate permanent account number was obtained for administrative convenience and for the purpose of making remittances abroad. These appeals are presently pending. Our Company has deposited an amount of ₹ 18.24 million with the Income Tax Department, and any further tax, interest or penalty imposed may have to be borne by our Company.

3. UTI Mutual Fund and certain other mutual funds were beneficiaries of the various series of Indian Corporate Loan Securitisation Trust ("**ICLST**") and ICLST had issued pass-through certificates ("**PTCs**") to its beneficiaries. The Assessing Officer ("**AO**") issued an assessment order ("**AO Order**") for AY 2009-10 and held, among others, that ICLST was not a validly constituted trust and was an association of persons ("**AOP**"), and that the income of ICLST was taxable as business income. On the failure of ICLST to pay the amounts demanded, garnishee notices were issued to the beneficiaries of ICLST, including UTI Mutual Fund. An aggregate demand of ₹ 267.07 million was raised against UTI Mutual Fund. On appeal, the Commissioner of Income Tax (Appeals) ("**CIT(A)**") upheld the AO Order and recomputed the amount payable. Cross appeals were filed against the order of the CIT(A) and the Income Tax Appellate Tribunal ("**ITAT**") held that ICLST is a valid and revocable trust and not an AOP, and that its income should be taxed in the hands of its beneficiaries which purchased the PTCs. The Income Tax Department has filed a review petition against the ITAT order, which is presently pending and has also initiated appeal proceedings before the Bombay High Court.

Any tax, interest or penalty imposed in the matter may have to be borne by our Company.

V. Outstanding dues to creditors

As of June 30, 2020, we had 12 creditors on a consolidated basis. The aggregate amount outstanding to such creditors as on June 30, 2020 was ₹ 8.43 million, on a consolidated basis.

As per the materiality policy, outstanding dues to any creditor of our Company having monetary value which exceeds ₹ 0.42 million, which is five percent of the trade payables of our Company as per the Restated Financial Information as at June 30, 2020 shall be considered as 'material'. Accordingly, the creditors to whom an amount exceeding ₹ 0.42 million was owed as on June 30, 2020, were considered 'material' creditors.

Based on the above, there are two material creditors of our Company as on June 30, 2020, to whom an aggregate amount of ₹ 7.38 million was outstanding on such date.

Details of outstanding dues owed as at June 30, 2020 to MSMEs, Material Creditors and other creditors are set out in the table below:

Type of Creditor	**Number of Creditors**	**Amount involved (in ₹ million)**
MSMEs	Nil	Nil
Material creditors	2	7.38
Other creditors	10	1.05
Total	**12**	**8.43**

The details pertaining to outstanding over-dues to material creditors are available on the website of our Company at the following link: https://www.utimf.com/about/statutory-disclosures/company-financials. It is clarified that such details available on our website do not form a part of this Prospectus and investors should not make any investment decision based on information available on the website of our Company. Anyone placing reliance on any other source of information except for this Prospectus, including our Company's website, would be doing so at their own risk.

VI. Material developments

There have not arisen since June 30, 2020, the date of the last Restated Financial Information included in this Prospectus, any circumstances which materially and adversely affect, or are likely to affect our profitability, our operations, the value of our consolidated assets or our ability to pay our material liabilities within the next 12 months. However, UTI PEL is currently in the process of being wound up and removed from the Registrar of Companies, Mauritius. Further, UTI RSL, pursuant to the resolution of its board of directors dated July 21, 2020 and the resolution of its shareholders dated July 28, 2020, has increased its authorised share capital from ₹ 250 million to ₹ 350 million. Additionally, the board of directors of UTI Capital has, pursuant to its resolution dated July 21, 2020, accorded its in-principle approval to the merger of UTI VF with UTI Capital. For further details, see "*History and Certain Corporate Matters - Our Subsidiaries*" and "*Management's Discussion and Analysis of Financial Conditional and Results of Operations - Significant Developments Subsequent to June 30, 2020"* on pages 190 and 345 respectively.

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 and our Material Subsidiary which are considered material and necessary for the purpose of undertaking their business activities and operations ("**Material Approvals**"). In view of these Material Approvals, our Company can undertake this Offer. In addition, certain of our Material Approvals may have lapsed or may lapse in their normal course and our Company and our Material Subsidiary have either already made applications to the appropriate authorities for renewal of such Material Approvals or are in the process of making such renewal applications. Unless otherwise stated, Material Approvals as set out below, are valid as on date of this Prospectus.*

We have also disclosed below (i) the Material Approvals applied for, including renewal applications made, but not received; (ii) the Material Approvals which have expired and renewal yet to be applied for; and (iii) the Material Approvals which are required but not obtained or applied for, to the extent applicable. For further details in connection with the regulatory and legal framework within which we operate, see "Key Regulations and Policies in India" beginning on page 179.

Approvals in relation to our Company and Material Subsidiary

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 357.

II. Incorporation details

Our Company

1. Certificate of incorporation dated November 14, 2002 issued by the RoC to our Company, in its former name, being 'UTI Asset Management Company Private Limited'.

2. Fresh certificate of incorporation dated November 14, 2007 issued by the RoC to our Company consequent upon change of name on conversion to public limited company to 'UTI Asset Management Company Limited'.

Material Subsidiary

1. Certificate of registration dated January 30, 1996 issued by the office of HM Greffier in Guernsey in the former name of our Material Subsidiary, 'UTI (Guernsey) Limited'.

2. Certificate of change of name from 'UTI (Guernsey) Limited' to 'UTI International Limited' dated July 16, 1999 issued by the office of HM Greffier in Guernsey.

II. Material Approvals in relation to the business operations of our Company

The Material Approvals obtained by our Company in relation to its business operations are set forth below:

Domestic Mutual Funds

1. Certificate of registration dated January 14, 2003 granted by SEBI to 'UTI Mutual Fund' under the SEBI Mutual Fund Regulations.

2. Approval dated January 14, 2003 from SEBI to our Company to act as the asset management company for UTI Mutual Fund under the SEBI Mutual Fund Regulations.

3. Our Company has received final observation letters from SEBI, in relation to launching all its subsisting mutual fund schemes.

Portfolio Management Services

1. Certificate of registration dated January 29, 2019 granted by SEBI for acting as a portfolio manager under the SEBI Portfolio Managers Regulations.

2. No objection letter dated April 13, 2004 from SEBI to our Company in accordance with the SEBI Mutual Fund Regulations permitting our Company to undertake portfolio management activities.

Point of Presence for Pension Funds

'Certificate of Registration and Commencement of Business as a Point of Presence for NPS and/or other Pension Schemes' dated September 5, 2018 (bearing registration number 28092018) granted by the PFRDA under Pension Fund Regulatory and Development Authority (Point of Presence) Regulations, 2018 to transact in pension schemes and/or under the National Pension System and/or other pension schemes.

Overseas Funds

1. Approval dated November 9, 1995 granted for setting up of wholly owned subsidiary in Channel Island in the field of offshore fund administration by Ministry of Commerce, Government of India to the Erstwhile UTI.

2. Approval dated January 16, 1996 granted by the RBI to the erstwhile UTI for setting up of wholly owned subsidiary in Channel Island in the field of offshore fund administration.

3. Approval dated September 2, 2003 addressed to Administrator of SUUTI granted by the Overseas Investment Division, Exchange Control Department, RBI for the transfer of the entire shareholding of UTI International Limited, held by the Erstwhile Unit Trust of India to our Company.

4. 'In-principle' approval dated September 20, 2004 from SEBI to our Company for providing management and advisory services in respect of the offshore funds - India Pharma Fund and India Debt Opportunities Fund, for investment in India.

5. Approval dated May 17, 2005 issued by SEBI in respect of the launch of the India Debt Opportunities Fund.

6. Approval dated September 23, 2016 issued to our Company as an ETF manufacturer in relation to investments in ETFs for UTI-ETF Sensex and UTI-ETF NIFTY 50, issued by the Employees' Provident Fund Organisation, was extended till September 30, 2020 or till the time new ETF manufacturers are appointed, whichever is earlier.

III. Material Approvals in relation to the business operations of our Material Subsidiary

1. License dated February 15, 1996 (as extended from time to time) issued by the Guernsey Financial Services Commission pursuant to the Protection of Investors (Bailiwick of Guernsey), Law 1987 authorising our Material Subsidiary to carry out the restricted activities in respect of Category 1 and Category 2 controlled investments.

IV. Tax related approvals

Our Company

1. Permanent account number AAACU6260F issued by the Income Tax Department under the Income Tax Act;

2. Tax deduction account number MUMU03355C issued by the Income Tax Department under the Income Tax Act;

3. GST registration have been obtained by our Company for each state where our Company has UFCs;

4. Professional tax registrations have been obtained by our Company for the states where applicable.

V. Approvals relating to labour, employees and UFCs

1. Certificates of registration of establishment issued under the relevant shops and establishment legislations of the respective states in which our UFCs are located, as applicable;

2. Trade licenses issued to our UFCs by the local municipal corporations of the states where the UFCs are located, as applicable.

Our Company has obtained these approvals, in the normal course of business, for its branch offices located across various states. Certain approvals may have lapsed in their normal course and our Company has either made an application to the appropriate authorities for renewal of such registration or is in the process of making such applications.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer for Sale has been authorised by our Board pursuant to a resolution passed at its meetings held on August 22, 2019 and October 23, 2019 under section 62(1)(c) of the Companies Act. Further, our Board has taken on record the consent for the Offer for Sale by the Selling Shareholders and approved the Draft Red Herring Prospectus pursuant to its resolution dated December 16, 2019. Our Board has approved the Red Herring Prospectus pursuant to its resolution dated September 21, 2020. Our Board has approved this Prospectus pursuant to its resolution dated October 3, 2020.

The Offer for Sale has been authorised by the Selling Shareholders as follows:

Selling Shareholder	Number of Offered Shares in the Offer for Sale	Date of consent	Date of corporate authorization / board resolution
SBI	10,459,949	December 16, 2019	December 4, 2019
LIC	10,459,949	December 9, 2019	October 14, 2019
BOB	10,459,949	December 9, 2019	December 9, 2019
PNB	3,803,617	December 11, 2019	November 27, 2019
TRP	3,803,617	December 12, 2019	November 18, 2019

The Department of Economic Affairs, Ministry of Finance, Government of India by its letter No. 7/3/2003-ECB&UTI dated September 30, 2005 clarified that none of the existing shareholders could transfer their shares in future either amongst themselves or to any outsider without the prior approval of the Government. DIPAM has by its letter dated September 12, 2019 approved the proposal letter dated August 3, 2019 of our Company and approved the divestment by the Selling Shareholders by way of the Offer.

Pursuant to its letters dated April 8, 2020 and August 25, 2020, the PFRDA has provided its approval in relation to the Offer, under the Pension Fund Regulations and under Section 24 of the PFRDA Act and the circular dated August 13, 2020 issued thereunder.

Our Company received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated December 26, 2019 and January 1, 2020, respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, Directors and the persons in control of our Company 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 Company or 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 Directors have not been declared as fugitive economic offenders.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company and each of the Selling Shareholders, severally and not jointly confirms that it is in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to each of them as on the date of this Prospectus.

Directors associated with the Securities Market

None of our Directors or entities with which our Directors are associated, are associated with the securities market in any manner including securities market related business. There has been no action initiated by SEBI against the Directors of our Company in the five years preceding the date of this Prospectus.

Other regulatory matters

Pursuant to an order dated December 6, 2019, the whole time member of SEBI, has issued certain directions against LIC, SBI and BOB (collectively, the "**Noticees**"), to ensure strict compliance with the requirements prescribed under Regulation 7B of the SEBI Mutual Fund Regulations, including the following: (i) the shareholding and voting rights of the Noticees in our Company and the Trustee Company is required to be reduced below 10% on or prior to December 31, 2020; (ii) the Noticees are required to take suitable steps to ensure compliance with Regulation 7B of SEBI Mutual Fund Regulations as regards board composition, on or prior to December 31, 2020; and (iii) in the event of non-compliance with the aforesaid directions, the shareholding and voting rights of the Noticees in our Company and the Trustee Company in excess of 9.99% and corporate benefits thereon shall stand frozen until such time the Noticees comply with the aforesaid directions. Further, in a separate

proceeding in connection with the same issue, the adjudicating officer of SEBI, has levied a penalty of ₹ 1 million on each of the Noticees for violation of Regulation 7B of the SEBI Mutual Fund Regulations, by separate orders each dated August 14, 2020. The Noticees are in discussions for the divestment and may undertake such divestment subject to receipt of requisite approvals**.**

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations which states the following:

"*An issuer shall be eligible to make an initial public offer only if:*

a) it has net tangible assets of at least three crore rupees, calculated on a restated and consolidated basis, in each of the preceding three full years (of twelve months each), of which not more than fifty per cent. are held in monetary assets:

Provided that if more than fifty per cent. of the net tangible assets are held in monetary assets, the issuer has utilised or made firm commitments to utilise such excess monetary assets in its business or project;

Provided further that the limit of fifty per cent. on monetary assets shall not be applicable in case the initial public offer is made entirely through an offer for sale.

b) it has an average operating profit of at least fifteen crore rupees, calculated on a restated and consolidated basis, during the preceding three years (of twelve months each), with operating profit in each of these preceding three years;

c) it has a net worth of at least one crore rupees in each of the preceding three full years (of twelve months each), calculated on a restated and consolidated basis;

d) if it has changed its name within the last one year, at least fifty per cent. of the revenue, calculated on a restated and consolidated basis, for the preceding one full year has been earned by it from the activity indicated by its new name.".

We are an unlisted company, satisfying the conditions specified in Regulation 6(1) of the SEBI ICDR Regulations in the following manner:

(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. As the Offer is being made entirely through Offer for Sale, the limit of not more than 50% of net tangible assets being monetary assets, is not applicable as per Regulation 6(1) of the ICDR Regulations;

(b) Our Company has an average operating profit of at least ₹ 150 million calculated on a restated basis during the preceding three years, with operating profit earned 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 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 Financial Information included in this Prospectus as at, and for the last three Financial Years 2020, 2019, and 2018, are set forth below:

(*₹ in million, unless otherwise stated*)

	Consolidated		
	Financial Year 2020	**Financial Year 2019**	**Financial Year 2018**
Net tangible assets, as restated[(1)]	27,607.26	26,379.53	24,320.11
Monetary assets, as restated[(2)]	1,192.52	1,241.80	1,501.92
Monetary assets[(2)], as a percentage of net tangible assets[(1)], as restated	4.32%	4.71%	6.18%
Operating profit, as restated[(3)]	3,179.30	4,690.52	5,414.43
Net worth, as restated[(4)]	27,624.96	26,043.72	23,674.33

(1) "Restated consolidated net tangible assets" are defined as the sum of total assets excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38 notified under Section 133 of the Companies Act, 2013, intangible assets under development and net deferred tax assets, deducted by total non-current liabilities and current liabilities, each on a restated basis.

(2) "Monetary Assets" comprises of balance with banks in current and deposit accounts. Bank deposits pledged with banks against bank overdrafts and bank guarantees are not considered as Monetary Assets.
(3) "Operating Profits" are calculated after adjusting Other Income, Exceptional Item and Finance Cost from Net Profit Before Tax.
(4) "Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, each as applicable for the Company on a restated consolidated basis.

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 were 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.

Further, our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and has ensured compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, 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. The details of our compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

(a) Neither our Company, the Directors, nor the Selling Shareholders are debarred from accessing the capital markets by SEBI.

(b) None of the Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI.

(c) Our Company is not a wilful defaulter.

(d) None of our Directors are Fugitive Economic Offenders.

(e) Other than the options granted pursuant to ESOP 2007, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or any other right which would entitle any person any option to receive Equity Shares, as on the date of the Red Herring Prospectus.

Each of the Selling Shareholders, severally and not jointly, confirm that they are in compliance with Regulation 8 of the SEBI ICDR Regulations.

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 BOOK RUNNING LEAD MANAGERS, KOTAK MAHINDRA CAPITAL COMPANY LIMITED, AXIS CAPITAL LIMITED, DSP MERRILL LYNCH LIMITED, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED, ICICI SECURITIES LIMITED, JM FINANCIAL LIMITED AND SBI CAPITAL MARKETS LIMITED, 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 BIDDERS 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 FOR THE OFFERED SHARES, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY AND THE SELLING SHAREHOLDER DISCHARGE THEIR

RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 18, 2019, 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 THIS 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 LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THIS PROSPECTUS.

Disclaimer from our Company, the Selling Shareholders and the Book Running Lead Managers

Our Company, the Directors, the Selling Shareholders and the Book Running Lead Managers accept no responsibility for statements made otherwise than those confirmed 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://www.utimf.com/, would be doing so at his or her own risk. Each of the Selling Shareholders, their respective directors, affiliates, associates and officers accept or undertake no responsibility for any statements other than those specifically undertaken or confirmed by the respective Selling Shareholders in relation to themselves and the Offered Shares.

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement entered into among the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, each of the Selling Shareholders (to the extent of themselves and the Offered Shares), 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 Centers or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate shall be liable for any failure in uploading the Bids due to faults in any software or hardware system or otherwise.

Bidders confirm and have been deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, 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, 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 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.

Further, SBI has participated as a Selling Shareholder in the Offer for Sale. SBICAP has signed the due diligence certificate and has been disclosed as a BRLM for the Offer. SBI and SBICAP are associates in terms of the SEBI Merchant Bankers Regulations. Accordingly, in compliance with the proviso to Regulation 21A of the SEBI Merchant Bankers Regulations and Regulation 23(3) of the SEBI ICDR Regulations, SBICAP was involved only in the marketing of the Offer.

Disclaimer in Respect of Jurisdiction

The Offer has been 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 the 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 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, FVCIs, 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. 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 has been filed with the RoC. 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 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 have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any other applicable law of the United States (or any state or other jurisdiction therein), and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the U.S. Securities Act ("**Regulation S**")) ("**U.S. Persons**") except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Our Company has not registered and does not intend to register under the U.S. Investment Company Act of 1940, as amended (the "**U.S. Investment Company Act**"), and investors will not be entitled to the benefits of the U.S. Investment Company Act. Accordingly, the Equity Shares are only being offered and sold (a) to persons in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act ("**Rule 144A**") and referred to in this Prospectus as "U.S. QIBs" and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as QIBs) and "qualified purchasers" (as defined under the U.S. Investment Company Act and referred to in this Prospectus as "QPs") in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act in reliance on Rule 144A and of the U.S. Investment Company Act in reliance on Section 3(c)(7) thereof; and (b) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in "offshore transactions" (as defined in Regulation S) in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any 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 were advised to ensure that any Bid from them did not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required has agreed 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 December 26, 2019 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 this 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 this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter dated January 1, 2020, 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.

Eligibility and Transfer Restrictions

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States (or any state or other jurisdiction therein), unless so registered, and may not be offered or sold in the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the U.S. Securities Act ("Regulation S")) ("U.S. Persons") except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Our Company has not registered and does not intend to register under the U.S. Investment Company Act. Accordingly, the Equity Shares are only being offered and sold (a) to persons in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act ("Rule 144A") and referred to in this Prospectus as "U.S. QIBs" and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as QIBs) and "qualified purchasers" (as defined under the U.S. Investment Company Act and referred to in this Prospectus as "QPs") in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act in reliance on Rule 144A and of the U.S. Investment Company Act in reliance on Section 3(c)(7) thereof; and (b) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in "offshore transactions" (as defined in Regulation S) in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares may not be re-offered, re-sold, pledged or otherwise transferred except in an offshore transaction in accordance with Regulation S to a person outside the United States and not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (including, for the avoidance of doubt, a bona fide sale on BSE Limited or National Stock Exchange of India Limited).

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any 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.

The Red Herring Prospectus or this Prospectus will not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Red Herring Prospectus and/or this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

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 has been filed with the RoC. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and the Red Herring Prospectus 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 the Red Herring Prospectus or this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company and the Selling Shareholders and their respective affiliates from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Until the expiry of 40 days after the commencement of this Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in this Offer) may violate the registration requirements of the U.S. Securities Act.

Our Company is not and will not be registered under the U.S. Investment Company Act, and investors will not be entitled to the benefits of the U.S. Investment Company Act.

Eligible Investors

The Equity Shares are being offered and sold:

(1) in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both U.S. QIBs and QPs, in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act in reliance on Rule 144A and the U.S. Investment Company Act in reliance on section 3(c)(7) of the U.S. Investment Company Act; and

(2) outside the United States to investors that are not U.S. Persons, nor persons acquiring for the account or benefit of U.S. Persons, 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;

(3) and in each case who are deemed to have made the representations set forth immediately below.

Equity Shares Offered and Sold within the United States

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer within the United States, by its acceptance of the Red Herring Prospectus, this Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented to and agreed with our Company, the Selling Shareholders and the Underwriters that it has received a copy of the Red Herring Prospectus, this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

(1) the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;

(2) the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

(3) the purchaser (i) is a U.S. QIB and a QP, (ii) is aware that the sale to it is being made in a transaction exempt from or not subject to the registration requirements of the U.S. Securities Act, (iii) was not formed for the purpose of investing in the Equity Shares and (iv) is acquiring such Equity Shares for its own account or for the account of one or more persons, each of which is a U.S. QIB and a QP, with respect to which it exercises sole investment discretion;

(4) the purchaser acknowledges that our Company has not registered, and does not intend to register, as an "investment company" (as such term is defined under the U.S. Investment Company Act) and that our Company has imposed the offering and transfer restrictions with respect to persons in the United States and U.S. Persons described herein so that our Company will qualify for the exception provided under section 3(c)(7) of the U.S. Investment Company Act and will have no obligation to register as an investment company. The purchaser, and each person for which it is acting, also understands and agrees that our Company and the Underwriters shall have the right to request and receive such additional documents, certifications, representations and undertakings, from time to time, as they may deem necessary in order to comply with applicable legal requirements;

(5) the purchaser is not a broker-dealer which owns and invests on a discretionary basis less than U.S.$25 million in securities of issuers unaffiliated with such broker-dealer;

(6) the purchaser understands that, subject to certain exceptions, to be a QP, entities must have U.S.$25 million in "investments" (as defined in Rule 2a51- 1 of the U.S. Investment Company Act);

(7) the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

(8) the purchaser is not a participant-directed employee plan, such as a 401(k) plan, or a trust holding the assets of such plan, unless the investment decisions with respect to such plan are made solely by the fiduciary, trustee or sponsor of such plan;

(9) the purchaser is not managed as a device for facilitating individual investment decisions of beneficial owners, but rather is managed as a collective investment vehicle;

(10) the purchaser, and each account for which it is purchasing or otherwise acquiring Equity Shares, will purchase, hold or transfer Equity Shares amounting to at least U.S.$250,000 or its equivalent in another currency;

(11) it, and each person for which it is acting, was not formed, reformed or recapitalized for the purpose of investing in the Equity Shares and/or other securities of the Company;

(12) if the purchaser, or any person for which it is acting, is an investment company excepted from the U.S. Investment Company Act pursuant to section 3(c)(1) or section 3(c)(7) thereof (or a foreign investment company under section 7(d) thereof relying on section 3(c)(1) or 3(c)(7) thereof with respect to its holders that are U.S. Persons) and was formed on or before April 30, 1996, it has received the consent of its beneficial owners who acquired their interests on or before April 30, 1996, with respect to its treatment as a QP in the manner required by section 2(a)(51)(C) of the U.S. Investment Company Act and the rules promulgated thereunder;

(13) the purchaser, and each person for which it is acting, is not a partnership, common trust fund, or corporation, special trust, pension fund or retirement plan, or other entity, in which the partners, beneficiaries, beneficial owners, participants, shareholders or other equity owners, as the case may be, may designate the particular investments to be made, or the allocation thereof unless all such partners, beneficiaries, beneficial owners, participants, shareholders or other equity owners are both QIBs and QPs;

(14) the purchaser, and each person for which it is acting, has not invested more than 40.0% of its assets in the Equity Shares (or beneficial interests therein) and/or other securities of our Company after giving effect to the purchase of the Equity Shares (or beneficial interests therein) (unless all of the beneficial owners of such entity's securities are both QIBs and QPs);

(15) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only outside the United States in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act to a person outside the United States and not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (including, for the avoidance of doubt, a bona fide sale on BSE Limited or National Stock Exchange of India Limited). The purchaser agrees not to effect any sale, pledge or other transfer of any Equity Shares in a transaction unless the purchaser first executes a US Resale Letter in the form of Annexure A to this Prospectus and delivers such letter to our Company prior to the settlement if any, of the sale, pledge or other transfer of the Equity Shares that is not consummated on BSE or NSE. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them;

(16) is not subscribing to, or purchasing, the Equity Shares with a view to, or for the offer or sale in connection with, any distribution thereof (within the meaning of the U.S. Securities Act) that would be in violation of the securities laws of the United States or any state thereof;

(17) the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any such Equity Shares;

(18) the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;

(19) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares or any "general solicitation" or "general advertising" (as defined in Regulation D under the U.S. Securities Act) in the United States in connection with any offer or sale of the Equity Shares;

(20) the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company and the Selling Shareholders determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE ISSUER HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "U.S. INVESTMENT COMPANY ACT"). THIS SECURITY HAS BEEN INITIALLY PLACED PURSUANT TO EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT AND THE U.S. INVESTMENT COMPANY ACT AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE TRANSFEROR TO BE A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT) BY PRE-ARRANGEMENT OR OTHERWISE (INCLUDING, FOR THE AVOIDANCE OF DOUBT, A BONA FIDE SALE ON BSE LIMITED OR NATIONAL STOCK EXCHANGE OF INDIA LIMITED). THIS SECURITY MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITORY RECEIPT FACILITY IN RESPECT OF THE ISSUER'S SECURITIES ESTABLISHED OR MAINTAINED BY A DEPOSITORY BANK. THIS SECURITY IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN.

THE ISSUER AND ITS AGENTS WILL NOT BE REQUIRED TO ACCEPT FOR REGISTRATION OF TRANSFER ANY SECURITIES MADE OTHER THAN IN COMPLIANCE WITH THESE RESTRICTIONS. THE ISSUER MAY REQUIRE ANY PERSON THAT HOLDS, DIRECTLY OR

INDIRECTLY, ANY EQUITY SHARES (1) WHOSE OWNERSHIP OF EQUITY SHARES MAY CAUSE THE ISSUER TO BE REQUIRED TO HAVE THE ISSUER COMPLY WITH ANY REGISTRATION OR FILING REQUIREMENTS IN ANY JURISDICTION, WITH WHICH IT WOULD NOT OTHERWISE BE REQUIRED TO COMPLY, (2) WHOSE OWNERSHIP OF EQUITY SHARES MAY CAUSE THE ISSUER TO BE REQUIRED TO REGISTER AS AN "INVESTMENT COMPANY" UNDER THE U.S. INVESTMENT COMPANY ACT, OR (3) WHO IS A U.S. PERSON BUT WHO IS NOT A QUALIFIED PURCHASER (AS DEFINED IN SECTION 2(A)(51) OF THE U.S. INVESTMENT COMPANY ACT), TO TRANSFER ALL OR A SPECIFIED PORTION OR THE SECURITIES OR ANY SUCH BENEFICIAL INTEREST IMMEDIATELY IN A MANNER CONSISTENT WITH THESE RESTRICTIONS, AND IF THE OBLIGATION TO TRANSFER IS NOT MET, THE ISSUER AND ITS AGENTS ARE IRREVOCABLY AUTHORIZED, WITHOUT ANY OBLIGATION, TO TRANSFER THE SECURITIES IN A MANNER CONSISTENT WITH THESE RESTRICTIONS AND, IF SUCH SECURITIES ARE SOLD, THE ISSUER SHALL BE OBLIGED TO DISTRIBUTE THE NET PROCEEDS TO THE ENTITLED PARTY.

EACH TRANSFEROR OF THIS SECURITY AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE ISSUER'S OFFER DOCUMENTS TO THE TRANSFEREE AND TO ANY EXECUTING BROKER.

(21) the purchaser agrees, upon a proposed transfer of the Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Equity Shares being sold and agrees not to act as a swap counterparty or other type of intermediary whereby any other party will acquire an economic interest or beneficial interest in the Equity Shares acquired or reoffer, resell, pledge or otherwise transfer the Equity Shares or any beneficial interest therein, to any person except to a person that meets all of the requirements above and who agrees not to subsequently transfer the Equity Shares or any beneficial interest therein except in accordance with these transfer restrictions;

(22) the purchaser understands and acknowledges that (i) our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; (ii) any acquisition of a beneficial interest in the Equity Shares by any U.S. Person or any person within the United States who is required under these restrictions to be a QP but is not a QP at the time it acquires a beneficial interest in the Equity Shares, shall be null and void ab initio and will not be honored by our Company and in no event will the Company, its directors, officers, employees or agents, including any broker or dealer, have any liability whatsoever to the purchaser by reason of any act or failure to act by any person authorized by our Company in connection with the foregoing;

(23) the purchaser understands and acknowledges that our Company may be considered a "covered fund" for purposes of the Volcker Rule. The definition of "covered fund" in the Volcker Rule includes (generally) any entity that would be an investment company under the U.S. Investment Company Act, but for the exceptions provided under section 3(c)(1) or 3(c)(7) thereunder. Because our Company relies on section 3(c)(7) of the U.S. Investment Company Act for its exclusion from registration thereunder, it may be considered to be a "covered fund". Accordingly, "banking entities" that are subject to the Volcker Rule may be prohibited under the Volcker Rule from, among other things, acquiring or retaining our Equity Shares, absent any applicable exclusion or exemption. Each purchaser must make its own determination as to whether it is a banking entity subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain our Equity Shares;

(24) the purchaser is knowledgeable, sophisticated and experienced in business and financial matters, fully understands the limitations on ownership and transfer and the restrictions on sales of the Equity Shares and is aware that there are substantial risks incidental to the purchase of the Equity Shares and is able to bear the economic risk of such purchase; and

(25) the purchaser acknowledges that the Company, the Selling Shareholders, the Underwriters, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company and the Selling Shareholders, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

All Other Equity Shares Offered and Sold in this Offer

Each purchaser that is a non-U.S. Person and acquiring the Equity Shares sold pursuant to this Offer outside the United States, by a declaration included in the Bid cum Application Form and its acceptance of this Prospectus and of the Equity Shares sold pursuant to this Offer, will be deemed to have acknowledged, represented to and agreed with the Company, the Selling Shareholders and the Underwriters that it has received a copy of the Red Herring Prospectus, this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

(1) the purchaser is authorized to consummate the purchase of the Equity Shares sold pursuant to this Offer in compliance with all applicable laws and regulations;

(2) the purchaser acknowledges that the Equity Shares issued pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons (not relying on Rule 902(k)(1)(viii)(B) or Rule 902(k)(2)(i)) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

(3) the purchaser is not purchasing the Equity Shares as a result of any "directed selling efforts" (as such term is defined in Rule 902 of Regulation S under the U.S. Securities Act);

(4) the purchaser is purchasing the Equity Shares issued pursuant to this Offer in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the U.S. Securities Act;

(5) the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares issued pursuant to this Offer, is a non-U.S. Person and was located outside the United States at each time (i) the offer was made to it and (ii) when the buy order for such Equity Shares was originated, and continues to be a non-U.S. Person and located outside the United States and has not purchased such Equity Shares for the account or benefit of any U.S. Person or any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any U.S. Person or any person in the United States;

(6) the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

(7) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only outside the United States in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act to a person not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (including, for the avoidance of doubt, a bona fide sale on BSE Limited or National Stock Exchange of India Limited). The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them, and confirms that the proposed transfer of the Equity Shares is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act or the U.S. Investment Company Act;

(8) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;

(9) the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company and the Selling Shareholders determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE ISSUER HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "U.S. INVESTMENT COMPANY ACT"). THIS SECURITY HAS BEEN INITIALLY PLACED PURSUANT TO EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT AND THE U.S. INVESTMENT COMPANY ACT AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE TRANSFEROR TO BE A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT) BY PRE-ARRANGEMENT OR OTHERWISE (INCLUDING, FOR THE AVOIDANCE OF DOUBT, A BONA FIDE SALE ON THE LIMITED OR NATIONAL STOCK EXCHANGE OF INDIA LIMITED). THIS SECURITY MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITORY RECEIPT FACILITY IN RESPECT OF THE ISSUER'S SECURITIES ESTABLISHED OR MAINTAINED BY A DEPOSITORY BANK. THIS SECURITY IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN.

THE ISSUER AND ITS AGENTS WILL NOT BE REQUIRED TO ACCEPT FOR REGISTRATION OF TRANSFER ANY SECURITIES MADE OTHER THAN IN COMPLIANCE WITH THESE RESTRICTIONS. THE ISSUER MAY REQUIRE ANY PERSON THAT HOLDS, DIRECTLY OR INDIRECTLY, ANY EQUITY SHARES (1) WHOSE OWNERSHIP OF EQUITY SHARES MAY CAUSE THE ISSUER TO BE REQUIRED TO HAVE THE ISSUER COMPLY WITH ANY REGISTRATION OR

FILING REQUIREMENTS IN ANY JURISDICTION, WITH WHICH IT WOULD NOT OTHERWISE BE REQUIRED TO COMPLY, (2) WHOSE OWNERSHIP OF EQUITY SHARES MAY CAUSE THE ISSUER TO BE REQUIRED TO REGISTER AS AN "INVESTMENT COMPANY" UNDER THE U.S. INVESTMENT COMPANY ACT, OR (3) WHO IS A U.S. PERSON BUT WHO IS NOT A QUALIFIED PURCHASER (AS DEFINED IN SECTION 2(A)(51) OF THE U.S. INVESTMENT COMPANY ACT), TO TRANSFER ALL OR A SPECIFIED PORTION OR THE SECURITIES OR ANY SUCH BENEFICIAL INTEREST IMMEDIATELY IN A MANNER CONSISTENT WITH THESE RESTRICTIONS, AND IF THE OBLIGATION TO TRANSFER IS NOT MET, THE ISSUER AND ITS AGENTS ARE IRREVOCABLY AUTHORIZED, WITHOUT ANY OBLIGATION, TO TRANSFER THE SECURITIES IN A MANNER CONSISTENT WITH THESE RESTRICTIONS AND, IF SUCH SECURITIES ARE SOLD, THE ISSUER SHALL BE OBLIGED TO DISTRIBUTE THE NET PROCEEDS TO THE ENTITLED PARTY.

EACH TRANSFEROR OF THIS SECURITY AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE ISSUER'S OFFER DOCUMENTS TO THE TRANSFEREE AND TO ANY EXECUTING BROKER.

(10) our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions;

(11) the purchaser agrees, upon a proposed transfer of the Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Equity Shares being sold;

(12) the purchaser understands and acknowledges that (i) our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; (ii) any acquisition of a beneficial interest in the Equity Shares by any U.S. Person or any person within the United States who is required under these restrictions to be a QP but is not a QP at the time it acquires a beneficial interest in the Equity Shares, shall be null and void ab initio and will not be honoured by our Company and in no event will the Company, its directors, officers, employees or agents, including any broker or dealer, have any liability whatsoever to the purchaser by reason of any act or failure to act by any person authorized by our Company in connection with the foregoing;

(13) the purchaser understands and acknowledges that our Company may be considered a "covered fund" for purposes of the Volcker Rule. The definition of "covered fund" in the Volcker Rule includes (generally) any entity that would be an investment company under the U.S. Investment Company Act, but for the exceptions provided under section 3(c)(1) or 3(c)(7) thereunder. Because our Company relies on section 3(c)(7) of the U.S. Investment Company Act for its exclusion from registration thereunder, it may be considered to be a covered fund. Accordingly, "banking entities" that are subject to the Volcker Rule may be prohibited under the Volcker Rule from, among other things, acquiring or retaining our Equity Shares, absent any applicable exclusion or exemption. Each purchaser must make its own determination as to whether it is a "banking entity" subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain our Equity Shares; and

(14) the purchaser acknowledges that the Company, the Selling Shareholders, the Underwriters, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, the Selling Shareholders and the Underwriters, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

The Company, the Underwriters, and their affiliates, and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreements.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or the maximum number of Equity Shares that can be held by them under applicable law.

Listing

Applications have been 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 the Red Herring 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 six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI. If our Company does not allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as

prescribed by the 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. For avoidance of doubt, 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 any of the Selling Shareholders.

Consents

Consents in writing of each of the Selling Shareholders, our Directors, our Statutory Auditor, our Company Secretary and Compliance Officer, legal counsels, 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, Monitoring Agency, Bankers to the Offer/ Escrow Bank and Refund Bank to act in their respective capacities, have been obtained, and filed along with a copy of the Red Herring Prospectus with the RoC and this Prospectus as required under the Companies Act and such consents shall not be withdrawn up to the time of delivery of this Prospectus with the RoC for filing.

Experts to the Offer

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

Our Company has received written consent from our Statutory Auditors, G. D. Apte & Co., Chartered Accountants, to include their name in this Prospectus as required under Section 26(1) of the Companies Act read with SEBI ICDR Regulations and as "expert" as defined under Section 2(38) of the Companies Act to the extent and in their capacity as an auditor and in respect of the examination report dated August 29, 2020 on the Restated Financial Information and the statement of special tax benefits dated August 29, 2020 and such consents have 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.

Particulars regarding public or rights issues by our Company during the last five years

Our Company has not undertaken any public or rights issue in the five years preceding the date of this Prospectus.

Capital issue during the preceding three years by our Company

Our Company has not made any capital issues during the three years preceding the date of this Prospectus.

Performance vis-à-vis Objects

Our Company has not undertaken any public or rights issue in the five years preceding the date of this Prospectus.

Stock Market Data of the Equity Shares

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Commission or brokerage on previous issues in last five years

Since this is the initial public issue of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for the Equity Shares since our Company's inception.

Price information of past issues handled by 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 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]- 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.	Computer Age Management Services Limited	22,421.05	1,230[1]	October 1, 2020	1,518.00	-	-	-
2.	SBI Cards And Payment Services Limited	103,407.88	755[2]	March 16, 2020	661.00	-33.05% [-2.21%]	-21.79% [+8.43%]	+12.50%[+24.65%]
3.	Ujjivan Small Finance Bank Limited	7,459.46	37[3]	December 12, 2019	58.75	+41.08% [+2.38%]	+10.27% [-12.70%]	-16.62% [-15.07%]
4.	Polycab India Limited	13,452.60	538[4]	April 16, 2019	633.00	+15.36% [-5.35%]	+14.70% [-1.99%]	+23.76% [-4.09%]
5.	Metropolis Healthcare Limited	12,042.88	880	April 15, 2019	958.00	+3.75% [-4.01%]	+21.39% [-1.18%]	+45.93% [-3.30%]
6.	CreditAccess Grameen Limited	11,311.88	422	August 23, 2018	390.00	-21.16% [-3.80%]	-14.91% [-8.00%]	-5.71% [-8.13%]
7.	HDFC Asset Management Company Limited	28,003.31	1,100	August 6, 2018	1,726.25	+58.04% [+1.17%]	+30.61% [-7.32%]	+23.78% [-4.33%]
8.	TCNS Clothing Co. Limited	11,251.25	716	July 30, 2018	716.00	-9.29% [+3.70%]	-19.74% [-11.39%]	-1.00% [-4.76%]
9.	Varroc Engineering Limited	19,549.61	967[5]	July 6, 2018	1,015.00	+1.62% [+5.46%]	-7.29% [+0.79%]	-24.01% [+1.28%]
10.	IndoStar Capital Finance Limited	18,440.00	572	May 21, 2018	600.00	-0.96% [+1.84%]	-16.28% [+9.07%]	-39.97% [+1.57%]

Source: www.nseindia.com and www.bseindia.com

Notes:

1. *In Computer Age Management Services Limited, the issue price to eligible employees was ₹ 1,108 after a discount of ₹ 122 per equity share*
2. *In SBI Cards and Payment Services Limited, the issue price to eligible employees was ₹ 680 after a discount of ₹ 75 per equity share*
3. *In Ujjivan Small Finance Bank Limited, the issue price to eligible shareholders of Ujjivan Financial Services Limited was ₹ 35 per equity share*
4. *In Polycab India Limited, the issue price to employees was ₹ 485 after a discount of ₹ 53 per equity share.*
5. *In Varroc Engineering Limited, the issue price to employees was ₹ 919 after a discount of ₹ 48 per equity share.*
6. *In the event any day falls on a holiday, the price/index of the immediately preceding trading day has been considered.*
7. *The 30th, 90th, 180th calendar days from listed day have been taken as listing day plus 29, 89 and 179 calendar days.*
8. *Nifty is considered as the benchmark index, except for Computer Age Management Services Limited where SENSEX is considered as the benchmark index.*
9. *Restricted to last 10 equity initial public issues.*

2. Summary statement of price information of past issues 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%
2020-21	1	22,421.05	-	-	-	-	-	-	-	-	-	-	-	-
2019-20	4	136,362.82	-	1	-	-	1	2	-	-	1	-	1	1
2018-19	6	98,942.90	-	-	3	1	1	1	-	1	3	-	-	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. Axis Capital Limited

1. Price information of past issues handled by Axis Capital 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]- 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.	Route Mobile Limited	6,000.00	350.00	21-Sep-20	717.00	-	-	-
2.	Rossari Biotech Limited	4,962.50	425.00	23-Jul-20	669.25	+87.25%, [+1.39%]	-	-
3.	SBI Cards and Payment Services Limited	103,407.88	755.00[@]	16-Mar-20	661.00	-33.05%, [-2.23%]	-21.79%, [+8.41%]	+12.50%, [+24.66%]
4.	CSB Bank Limited	4,096.77	195.00	04-Dec-19	275.00	+8.36%, [+2.03%]	-12.18%, [-7.51%]	-36.95%, [-20.41%]
5.	Sterling And Wilson Solar Limited	28,809.42	780.00	20-Aug-19	706.00	-21.88%, [-1.60%]	-48.63%, [+7.97%]	-64.78%, [+9.95%]
6.	Spandana Sphoorty Financial Limited	12,009.36	856.00	19-Aug-19	825.00	-0.56%, [-2.14%]	+52.76%, [+7.61%]	+17.32%, [+9.59%]
7.	Polycab India Limited	13,452.60	538.00^	16-Apr-19	633.00	+15.36%, [-5.35%]	+14.70%, [-1.99%]	+23.76%, [-4.09%]
8.	Chalet Hotels Limited	16,411.80	280.00	07-Feb-19	294.00	+1.14%, [-0.31%]	+24.41%, [+3.87%]	+10.77%, [-1.87%]
9.	Ircon International Limited	4,667.03	475.00*	28-Sep-18	412.00	-27.04%, [-8.24%]	-6.60%, [-1.84%]	-15.71%, [+5.06%]
10.	HDFC Asset Management Company Limited	28,003.31	1,100.00	06-Aug-18	1,726.25	+58.04%, [+1.17%]	+30.61%, [-7.32%]	+23.78%,[-4.33%]

Source: www.nseindia.com
[@] Offer Price was *₹ 680.00 per equity share to Eligible Employees*
** Offer Price was ₹ 465.00 per equity share to Retail Individual Bidders and Eligible Employees*
^Offer Price was ₹ 485.00 per equity share to Eligible Employees

Notes:
a. Issue Size derived from Prospectus/final post issue reports, as available.
b. The CNX NIFTY is considered as the Benchmark Index.
c. Price on NSE is considered for all of the above calculations.
d. In case 30th/90th/180th day is not a trading day, closing price on NSE of the previous trading day has been considered.
e. 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:

Fiscal	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*	2	10,962.50	-	-	-	1	-	-	-	-	-	-	-	-
2020	5	161,776.03	-	1	2	-	-	2	1	1	-	-	-	3
2019	4	54,206.94	-	1	-	1	-	2	-	-	2	-	-	2

** 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.

C. Citigroup Global Markets India Private Limited

1. Price information of past issues 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]- 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.	Polycab India Limited	13,452.60	538.00	April 16, 2019	633.00	+15.29%[(-)5.35%]	+14.70%[(-)1.99%]	+23.76%[(-)4.09%]
2.	Aavas Financiers Limited	16,403.17	821.00	October 8, 2018	750.00	(-)19.32%[+1.76]	+2.42%[+3.66%]	+38.41%[+12.91%]
3.	HDFC Asset Management Company Limited	28,003.31	1,100.00	August 6, 2018	1,726.25	+58.04%[+1.17%]	+30.61%[(-)7.32%]	+23.78%[(-)4.33%]
4.	TCNS Clothing Co. Limited	11,251.25	716.00	July 30, 2018	716.00	(-)9.29%[+3.70%]	(-)19.74%[(-)11.39%]	(-)1.00%[(-)4.76%]
5.	Varroc Engineering Limited	19,549.61	967.00	July 6, 2018	1,015.00	+1.62%[+5.46%]	(-)7.29%[+0.79%]	(-)24.01%[+1.27%]
6.	ICICI Securities Limited	35,148.49	520.00	April 4, 2018	435.00	(-)27.93%[+5.44%]	(-)38.63%[+5.64%]	(-)44.39%[+7.92%]

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:

Fiscal	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	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2020	1	13,452.60	-	-	-	-	-	1	-	-	-	-	-	1
2019	5	110,355.83	-	1	2	1	-	1	-	1	2	-	1	1

D. DSP Merrill Lynch Limited

1. Price information of past issues handled by DSP Merrill Lynch Limited:

Sr. No.	Issue Name	Issue Size (₹ million)	Issue 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	SBI Cards and Payment Services Limited	103,407.8	755.00	16-March-20	661.00	-33.16% [-2.96%]	-21.52% [6.70%]	12.50% [24.65%]
2	HDFC Asset Management Company Limited	28,003.31	1,100.00	6-Aug-18	1,726.25	+58.04% [+1.17%]	+29.60% [-7.58%]	+23.78% [-4.33%]
3	ICICI Securities Limited[8]	34,801.16	520.00	4-Apr-18	435.00	-27.93% [+5.44%]	-37.26% [+5.22%]	-46.17% [+8.69%]

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.*
8. *Calculated offer size based on final allotment after technical rejections which is 66,925,305 Equity Shares.*

2. Summary statement of price information of past issues handled by DSP Merrill Lynch Limited:

Fiscal	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*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2020	1	103,407.80	-	1	-	-	-	-	-	-	-	-	-	1
2019	2	62,804.47	-	1	-	1	-	-	-	1	-	-	-	1

Notes:

1. *The information is as on the date of this Prospectus.*
2. *Based on the day of listing*

E. ICICI Securities Limited

1. Price information of past issues handled by ICICI Securities Limited:

S. No.	Issue Name	Issue Size (₹ million)	Issue Price (in ₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % 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	Creditaccess Grameen Limited	11,311.88	422.00	23-Aug-18	390.00	-21.16%,[-3.80%]	-14.91%,[-8.00%]	-5.71%,[-8.13%]
2	Aavas Financiers Ltd	16,403.17	821.00	08-Oct-18	750.00	-19.32%,[+1.76%]	+2.42%,[+3.67%]	+38.82%,[+12.74%]
3	IndiaMart InterMesh Ltd	4,755.89	973.00(1)	04-Jul-19	1,180.00	+26.36%,[-7.95%]	+83.82%,[-4.91%]	+111.64%,[+2.59%]
4	Affle (India) Limited	4,590.00	745.00	08-Aug-19	926.00	+13.09%,[-0.78%]	+86.32%,[+8.02%]	+135.49%,[+6.12%]
5	Spandana Sphoorty Financial Limited	12,009.36	856.00	19-Aug-19	824.00	-0.56%,[-2.14%]	+52.76%,[+7.61%]	+17.32%,[+9.59%]
6	Sterling and Wilson Solar Limited	28,496.38	780.00	20-Aug-19	706.00	-21.88%,[-1.60%]	-48.63%,[+7.97%]	-64.78%,[+9.95%]
7	Rossari Biotech Limited	4,962.50	425.00	23-July-20	669.25	+87.25%,[+1.39%]	NA*	NA*
8	Happiest Minds Technologies Limited	7,020.20	166.00	17-Sep-20	350.00	NA*	NA*	NA*
9	Route Mobile Limited	6,000.00	350.00	21-Sep-20	717.00	NA*	NA*	NA*
10	Computer Age Management Services Limited	2,242.10	1,230.00	1-Oct-20	1,518.00	NA*	NA*	NA*

**Data not available*

(1) Discount of ₹ 97 per equity share offered to Eligible Employees. All calculations are based on Issue Price of ₹ 973.00 per equity share.

Notes:

1. *All data sourced from www.nseindia.com, except for Computer Age Management Services Limited, which 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*

2. Summary statement of price information of past issues handled by ICICI Securities Limited:

Fiscal	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*	3	20,224.80	-	-	-	1	-	-	-	-	-	-	-	-
2020	4	49,850.66	-	-	2	-	1	1	1	-	-	2	-	1
2019	4	60,843.16	-	-	2	1	-	1	-	-	2	-	1	1

** This data covers issues upto YTD*

F. JM Financial Limited

1. Price information of past issues handled by JM Financial 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]- 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.	Prince Pipes and Fittings Limited	5,000.00	178.00	December 30, 2019	160.00	+0.14% [-1.63%]	-44.33% [-29.34%]	-35.00% [-15.28%]
2.	Ujjivan Small Finance Bank Limited	7,459.46	37.00	December 12, 2019	58.75	+41.08% [+2.38%]	+10.27% [-12.70%]	-16.62% [-15.07%]
3.	Spandana Sphoorty Financial Limited	12,009.36	856.00	August 19, 2019	825.00	-0.56% [-2.14%]	+52.76% [+7.61%]	+17.32%[+9.59%]
4.	Metropolis Healthcare Limited	12,042.88	880.00	April 15, 2019	958.00	+3.75% [-4.01%]	+21.39% [-1.18%]	+45.93% [-3.30%]
5.	Chalet Hotels Limited	16,411.80	280.00	February 7, 2019	294.00	+1.14% [-0.31%]	+24.41% [+3.87%]	+10.77% [-1.87%]
6.	HDFC Asset Management Company Limited	28,003.31	1,100.00	August 6, 2018	1,726.25	+58.04% [+1.17%]	+30.61% [-7.32%]	+23.78% [-4.33%]
7.	Fine Organic Industries Limited	6,001.69	783.00	July 2, 2018	815.00	+5.72% [+6.56%]	+35.20% [+2.56%]	+50.21% [+1.90%]
8.	IndoStar Capital Finance Limited	18,440.00	572.00	May 21, 2018	600.00	-0.96% [+1.84%]	-16.28% [+9.07%]	-39.97% [+1.57%]
9.	Bandhan Bank Limited	44,730.19	375.00	March 27, 2018	499.00	+31.81% [+3.79%]	+42.96% [+6.26%]	+51.89% [+9.42%]
10.	Aster DM Healthcare Limited	9,801.00	190.00	February 26, 2018	183.00	-13.66% [-3.77%]	-4.97% [+0.21%]	-8.16% [+9.21%]

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 a listing date plus 179 calendar days.*
6. *Restricted to last 10 issues.*
7. *A discount of ₹ 2 per Equity Share was offered to Eligible Ujjivan Financial Services Limited Shareholders bidding in Ujjivan Financial Services Limited Shareholders Reservation Portion*

2. Summary statement of price information of past issues handled by JM Financial Limited:

Fiscal	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	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2020	4	36,400.83*	-	-	1	-	1	2	-	1	1	-	1	1
2019	4	68,856.80	-	-	1	1	-	2	-	1	-	1	-	2

**Spandana Sphoorty Financial Limited raised ₹ 11,898.49 million as against the issue size of Rs. 12,009.36 million.*

G. SBI Capital Markets Limited

1. Price information of past issues handled by SBI Capital Markets 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]- 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	SBI Cards & Payment Services Ltd.[1]	1,03,407.88	755.00	March 16, 2020	661.00	-33.05% [-2.21%]	-21.79% [+8.43%]	12.50% [+24.65]
2	Indian Railway Catering and Tourism Corporation Limited[2]	6,379.60	320.00	October 14, 2019	626.00	191.53% [+5.05%]	186.64% [+8.07%]	291.84% [-19.66%]
3	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%]
4	Ircon International Limited[3]	4,667.03	475.00	September 28, 2018	412.00	-27.04% [+8.24%]	-6.60% [-1.84%]	-15.71% [+5.06%]
5	RITES Limited[4]	4,604.40	185.00	July 02, 2018	190.00	34.97% [+6.56%]	33.03% [+2.56%]	49.70% [+1.90%]
6	ICICI Securities Limited	35,148.49	520.00	April 04, 2018	435.00	-27.93% [+5.44%]	-37.26% [+5.22%]	-44.39% [+7.92%]
7	Mishra Dhatu Nigam Limited[5]	4,328.96	90.00	April 04, 2018	87.00	67.89% [+5.44]	40.44% [+5.22%]	29.50% [+7.92%]

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*

1. *Price for eligible employees was Rs. 680.00 per equity share*
2. *Price for retail individual bidders bidding in the retail portion and to eligible employees was Rs. 310.00 per equity share*
3. *Price for retail individual bidders bidding in the retail portion and to eligible employees was Rs. 465.00 per equity share*
4. *Price for retail individual bidders bidding in the retail portion and to eligible employees was Rs. 179.00 per equity share*
5. *Price for retail individual bidders bidding in the retail portion and to eligible employees was Rs. 87.00 per equity share*

2. Summary statement of price information of past issues handled by SBI Capital Markets Limited:

Fiscal	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*	0	-	-	-	-	-	-	-	-	-	-	-	-	-
2020	3	138,283.86	-	1	1	1	-	-	1	-	-	1	-	1
2019	4	48,748.88	-	1	1	1	1	-	-	1	-	-	2	1

* *The information is as on the date of this Prospectus.*

Date of Listing for the issue is used to determine which financial year that particular issue falls into.

Track record of past issues handled by the Book Running Lead Managers

For details regarding the track record of 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 Book Running Lead Managers, as provided in the table below:

Sr. No.	Name of the Book Running Lead Manager	Website
1.	Kotak Mahindra Capital Company Limited	www.investmentbank.kotak.com
2.	Axis Capital Limited	www.axiscapital.co.in
3.	Citigroup Global Markets India Private Limited	www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm
4.	DSP Merrill Lynch Limited	www.ml-india.com
5.	ICICI Securities Limited	www.icicisecurities.com
6.	JM Financial Limited	www.jmfl.com
7.	SBI Capital Markets Limited	www.sbicaps.com

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 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 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. 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 for addressing any clarifications or grievances of ASBA Bidders. Our Company, 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 the 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 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 10 Working 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 as expeditiously as possible. Our Company has also appointed Arvind Patkar, Company Secretary of our Company, as the Compliance Officer for the Offer. For details, see "*General Information*" beginning on page 66. The Selling Shareholders have authorized the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of their respective portion of the Offered Shares. Our Company has constituted a Stakeholders' Relationship Committee comprising Edward Cage Bernard, Uttara Dasgupta, and Deepak Kumar Chatterjee 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 204.

Our Company has obtained authentication on the SCORES and shall comply with the SEBI circulars bearing number CIR/OIAE/1/2013 dated April 17, 2013 and 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 date of this Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of this Prospectus.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA, SCRR, the Memorandum of Association and Articles of Association, the terms of the Red Herring Prospectus, this Prospectus, the abridged prospectus, the Bid cum Application Form, any Revision Form, the CAN or Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice 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 GoI, the Stock Exchanges, the RBI, 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 the SEBI, the RBI, the GoI, the Stock Exchanges, the RoC or any other authority while granting its approval for the Offer.

The Offer

The Offer comprises of an Offer for Sale by the Selling Shareholders. This being an Offer for Sale, all expenses with respect to the Offer (other than listing fees which shall be payable by our Company) will be borne by the Selling Shareholders in the manner mutually agreed upon amongst them, in accordance with applicable law For details in relation to Offer expenses, see "*Objects of the Offer*", beginning on page 85.

Ranking of the Equity Shares

The Equity Shares being transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the 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. The Allottees upon Allotment of Equity Shares under the Offer, will be entitled to dividend for the entire year and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act and Articles of Association. For further details, see "*Description of Equity Shares and Terms of Articles of Association*" beginning on page 409.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum of Association and Articles of Association and the provisions of the SEBI Listing Regulations, and any other guidelines, policies or directions which may be issued by the GoI in this regard. For details in relation to dividends, see "*Dividend Policy*" and "*Description of Equity Shares and Terms of Articles of Association*" beginning on pages 212 and 409, respectively.

Face Value and Offer Price

The face value of each Equity Share is ₹ 10 and the Floor Price is ₹ 552 per Equity Share and the Cap Price is ₹ 554 per Equity Share. The Anchor Investor Offer Price is ₹ 554 per Equity Share.

The Price Band and the minimum Bid Lot were decided by our Company and the Selling Shareholders in consultation with the BRLMs and advertised in all editions of Financial Express, all editions of Jansatta and Mumbai edition of Navshakti (which are widely circulated English national daily, Hindi national daily and Marathi newspapers respectively, Marathi being the regional language of Maharashtra, where our Registered Office is located), 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 respective 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.

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.

Compliance with SEBI Mutual Fund Regulations

Change in controlling interest of an asset management company

Under the SEBI Mutual Fund Regulations, no change in the controlling interest of an asset management company 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 one English daily newspaper having nationwide circulation and in a newspaper published in the language of the region where the head office of the mutual

fund is situated, 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.

The SEBI Mutual Fund Regulations defines "control" to mean, (i) in the case of a company any person or combination of persons who directly or indirectly own, control or hold shares carrying not less than 10% of the voting rights of such company; or (ii) as between two companies, if the same person or combination of persons 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 asset management company;

Accordingly, in case of Bids for such number of Equity Shares, which may result in the shareholding of a Bidder (either directly or indirectly, by himself or acting in concert with other persons and including existing shareholding, if any) representing 10% or more of the post-Offer paid-up Equity Share capital of the Company, such allotment to the Bidder would be subject to our Company obtaining prior approval of the trustees of UTI Mutual Fund and SEBI, as well as completion by our Company of the procedures stated above with respect to providing written communication to unitholders of the schemes of UTI Mutual Fund, publishing advertisements in newspapers, and providing an exit option to unitholders of the schemes of UTI Mutual Fund. Further, all Allotments to such Bidders shall be in accordance with, and subject to, the conditions contained in such SEBI approval.

The Basis of Allotment is expected to be finalised on or around October 7, 2020. In case of any failure by our Company to obtain such requisite approvals or complete other procedural requirements within the above time period, the Company may Allot the maximum number of Equity Shares, as adjusted for the Bid Lot (and in case of over-subscription in the Offer, after making applicable proportionate allocation for the Equity Shares Bid for), that will limit the aggregate shareholding of the Bidder (either directly or indirectly, by itself or acting in concert with other persons and including existing shareholding, if any) to below 10% of the post-Offer paid-up Equity Share capital of the Company.

Please note that the Company, the BRLMs and the Registrar will rely strictly and solely on the SEBI approvals received by our Company for making any Allotments to any Bidders together with persons acting in concert for 10% or more of the post-Offer paid up Equity Share capital of the Company. The Company, the Registrar to the Offer and the BRLMs will not exercise any discretion or judgment in identifying the group of any Bidder and will not be responsible, directly or indirectly, for the consequences of any Bidder and persons acting in concert with such Bidder, acquiring any Equity Shares representing 10% or more of the post-Offer paid-up Equity Share capital of the Company, without a valid and subsisting SEBI and other approvals set out above.

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, shall 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, shall make Bids for such number of Equity Shares which may result such person(s), individually or collectively, directly or indirectly, holding 10% or more of the shareholding or voting rights in our Company.

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 shall not 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 (other than our Company) or the trustee company of any other mutual fund in India, has made Bids for such number of Equity Shares which may result such person, directly or indirectly, holding 10% or more of the shareholding or voting rights in our Company.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the 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 or "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, subject to applicable laws; 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 the 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 "*Description of Equity Shares and Terms of Articles of Association*" beginning on page 409.

Allotment only in Dematerialised Form

Pursuant to Section 29 of the Companies Act 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 February 5, 2008 amongst our Company, CDSL and the Registrar to the Offer; and
- Tripartite agreement dated February 11, 2008 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 27 Equity Shares.

Joint Holders

Subject to the provisions contained in the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be deemed 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 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 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 moneys 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 applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective Depository Participant.

Withdrawal of the Offer

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserves the right not to proceed with the Offer 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 BRLMs, through the Registrar to

the Offer, shall notify the SCSBs and the Sponsor Bank, in case of RIBs using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders and the BRLMs 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 the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, within six Working Days of the Bid/Offer Closing Date or such other time period as prescribed under applicable law.If our Company withdraws the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with an issue or offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges.

Bid/Offer Programme

BID/OFFER OPENED ON	September 29, 2020*
BID/OFFER CLOSED ON	October 1, 2020

* *The Anchor Investor Bid/Offer Period was one Working Day prior to the Bid/Offer Opening Date i.e. September 28, 2020.*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/Offer Closing Date	October 1, 2020
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about October 7, 2020
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about October 8, 2020
Credit of Equity Shares to demat accounts of Allottees	On or about October 9, 2020
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about October 12, 2020

** 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 BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.*

The above timetable is indicative and does not constitute any obligation on our Company or the Selling Shareholders or the BRLMs.

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 period as may be prescribed, with reasonable support and co-operation of the Selling Shareholders, the timetable may be extended due to various factors, such as delay in receiving the final listing and trading approval from the Stock Exchanges. 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. The Selling Shareholders confirm that they shall extend reasonable co-operation required by our Company and the BRLMs 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 period as may be prescribed.

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

On the Bid/Offer Closing Date, the Bids have been uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion.

On Bid/Offer Closing Date, extension of time was granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion after taking into account the total number of Bids received and as reported by the BRLMs 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 in the relevant ASBA Account, 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 have been uploaded due to lack of sufficient time. Such Bids that would not have been uploaded would not be considered for allocation under the Offer. Bids were accepted only during Working Days. None of our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software or hardware system or blocking of application amount by SCSBs on receipt of instructions from the Sponsor Bank due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in the UPI Mechanism.

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, including through devolvement of Underwriters, if any, within 60 days from the date of Bid/Offer Closing Date, our Company and the Selling Shareholders shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company and the Selling Shareholders shall pay interest at the rate as prescribed under the applicable law. 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 Selling Shareholders, respectively.

Further, our Company and the Selling Shareholders shall 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, our Company and the Selling Shareholders 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 treated in dematerialised form only, and the market lot for the Equity Shares will be one Equity Share, there are no arrangements for disposal of odd lots.

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, the Anchor Investor lock-in as provided in "*Capital Structure – Details of Equity Shares locked-in for three years*" on page 77 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 "*Description of Equity Shares and Terms of Articles of Association*" beginning on page 409.

OFFER STRUCTURE

Initial public offer of 3,89,87,081* Equity Shares for cash at price of ₹ 554 per Equity Share (including a share premium of ₹ 544 per Equity Share) aggregating to ₹ 21,598.84 million through an Offer of Sale of 38,987,081* Equity Shares by the Selling Shareholders aggregating to ₹ 21,598.84 million. The Offer and the Net Offer would constitute at least 30.75% and 30.59% of our post-Offer paid-up Equity Share capital, respectively.
** Subject to finalisation of Basis of Allotment.*

The face value of the Equity Shares is ₹ 10 each.

The Offer is being made through the Book Building Process.

Particulars	Eligible Employees	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment or allocation*[(2)]	200,000* Equity Shares	Not more than 19,393,540* Equity Shares	Not less than 5,818,062* Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than 13,575,479* Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment or allocation	The Employee Reservation Portion constituted 0.57% of the Offer Size	Not more than 50% of the Net Offer was made available for allocation to QIB Bidders. However, up to 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 included to the Net QIB Portion (excluding the Anchor Investor Portion)	Not less than 15% of the Net Offer or the Net Offer less allocation to QIB Bidders and Retail Individual Bidders	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[#], the value of allocation to an Eligible Employee shall not exceed ₹ 200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for value exceeding ₹ 200,000, subject to total Allotment to an Eligible Employee not exceeding ₹ 500,000 (net of Employee Discount)	Proportionate as follows (excluding the Anchor Investor Portion): (a) 387,871* Equity Shares were made available for allocation on a proportionate basis to Mutual Funds only; and (b) 7,369,545* Equity Shares were made available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving	Proportionate	The allotment to each Retail Individual Bidder 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 Allotted on a proportionate basis. For further details, see "*Offer Procedure*" beginning on page 392.

Particulars	Eligible Employees	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders
		allocation as per (a) above. 11,636,124 Equity Shares were allocated on a discretionary basis to Anchor Investors of which one-third was available for allocation to Mutual Funds only		
Mode of Bid	Through ASBA Process only (except in case of Anchor Investors)			
Minimum Bid	27 Equity Shares and in multiples of 27 Equity Shares thereafter.	Such number of Equity Shares in multiples of 27 Equity Shares such that the Bid Amount exceeds ₹ 200,000.	Such number of Equity Shares in multiples of 27 Equity Shares such that the Bid Amount exceeds ₹ 200,000.	27 Equity Shares and in multiples of 27 Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of 27 Equity Shares, so that the maximum Bid Amount by each Eligible Employee in Eligible Employee Portion does not exceed ₹ 500,000	Such number of Equity Shares in multiples of 27 Equity Shares not exceeding the size of the Net Offer, subject to applicable limits	Such number of Equity Shares in multiples of 27 Equity Shares not exceeding the size of the Net Offer, (excluding the QIB Portion) subject to limits applicable to the Bidder	Such number of Equity Shares in multiples of 27 Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Mode of Allotment	Compulsorily in dematerialised form			
Bid Lot	27 Equity Shares and in multiples of 27 Equity Shares thereafter			
Allotment Lot	27 Equity Shares and in multiples of one Equity Share thereafter			
Trading Lot	One Equity Share			
Who can apply[3]	Eligible Employees	Public financial institutions as specified in Section 2(72) of the Companies Act, scheduled commercial banks, multilateral and bilateral development financial institutions, Mutual Funds, Eligible FPIs (other than Category II FPIs), VCFs, AIFs, FVCIs, state industrial development corporation, insurance company registered with IRDAI, provident funds with minimum corpus of ₹ 250 million, pension funds with minimum corpus of ₹ 250 million, National Investment Fund set up by the GoI, insurance funds set up and managed by army, navy or air force of the	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions, societies, trusts, family offices and FPIs who are individuals, corporate bodies and family offices which are recategorised as Category II FPIs and registered with SEBI.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)

Particulars	Eligible Employees	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders
		Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs		
Terms of Payment	**In case of Anchor Investors**: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[(4)] **In case of all other Bidders**: Full Bid Amount shall be 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*

\# *Eligible Employees Bidding in the Employee Reservation Portion could Bid up to a Bid Amount of ₹ 500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹ 200,000. In the event of under-subscription in the Employee Reservation Portion the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000. Further, an Eligible Employee Bidding in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription has been permitted from the Employee Reservation Portion. Further, Eligible Employees bidding in the Employee Reservation Portion could also 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 BRLMs, have allocated up to 60% of the QIB Category 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 up to ₹ 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 up to ₹ 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 up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof have been permitted, subject to minimum allotment of ₹ 50 million per Anchor Investor. An Anchor Investor has made a minimum Bid of such number of Equity Shares, that the Bid Amount is 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, which price has been determined by our Company in consultation with the BRLMs.

(2) This Offer is being made in accordance with Rule 19(2)(b) of the SCRR and Regulation 6(1) of the SEBI ICDR Regulations.

(3) In case of joint Bids, the Bid cum Application Form could contain only the name of the first Bidder whose name should also appear 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 has been deemed to have signed on behalf of the joint holders.

(4) 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.

Subject to valid Bids having been received at or above the Offer Price, undersubscription, if any, in any category except the QIB Portion, is 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 BRLMs, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion is not allowed to be met with spill over from other categories or a combination of categories. Further, in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion shall be added to the Net Offer.

OFFER PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, 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 and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

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 CAN and Allotment in the Offer; (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, vide 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), issued by SEBI, 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 will continue 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/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID- 19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by RIBs ("**UPI Phase III**") and modalities of the implementation of UPI Phase III may be notified and made effective subsequently, as may be prescribed by SEBI. The Offer has been 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.*

Our Company, the respective Selling Shareholders and the BRLMs 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 the Red Herring 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 and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer has been made 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 made available for allocation on a proportionate basis to QIBs, provided that our Company and the Selling Shareholders, in consultation with the BRLMs, have allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third 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. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) was made available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the 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 Offer was made available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer was made available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price.

The unsubscribed portion, if any, in the Employee Reservation Portion, shall be added back to the Net Offer. Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category except 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 BRLMs, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. Further, in the event of an

under-subscription in the Employee Reservation Portion, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion shall be added to the Net Offer. In accordance with Rule 19(2)(b) of the SCRR, the Net Offer will constitute at least 30.59% of the post Offer paid-up Equity Share capital of our Company.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors 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, PAN and UPI ID, as applicable, 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.

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 upto 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, an 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 the continuation of this phase has been extended until March 31, 2020. 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 is replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. Further, pursuant to SEBI circular dated March 30, 2020, this phase has been extended till further notice.

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 is proposed to 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 BRLMs.

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 Bidding Centres, and our Registered 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. The Bid cum Application Forms for Eligible Employees bidding in the Employee Reservation Portion was made available only at our offices and branches in India.

All Bidders (other than Anchor Investors) were mandatorily required to participate in the Offer only through the ASBA process. ASBA Bidders provided either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that did not contain such details are liable to be rejected. Applications made by the RIBs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors were not permitted to participate in the Offer through the ASBA process. ASBA Bidders were required to ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase II of the UPI Circulars, ASBA Bidders could submit the ASBA Form in the manner below:

(i) RIBs (other than the RIBs using UPI Mechanism) could submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) RIBs using the UPI Mechanism, could submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(iii) QIBs and NIBs could submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

ASBA Bidders were also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

For Anchor Investors, the Anchor Investor Application Form were made available at the offices of the BRLMs.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis^	White
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis^	Blue
Anchor Investors	White
Eligible Employees bidding in the Employee Reservation Portion	Pink

**Excluding the electronic Bid cum Application Form*

^Electronic Bid cum Application Form were made available for download on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com)

The relevant Designated Intermediaries were required to upload the relevant bid details in the electronic bidding system of the Stock Exchanges. For RIBs using the UPI Mechanism, the Stock Exchanges were required to share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds.

In case of ASBA forms, the relevant Designated Intermediaries were required to capture and 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.

For RIBs Bidding using UPI Mechanism, the Stock Exchanges were required to share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs, for blocking of funds. The Sponsor Bank was required to initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank was required to initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Offer Closing Date ("**Cut-Off Time**"). Accordingly, RIBs Bidding using through the UPI Mechanism were required to accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

For ASBA Forms (other than RIBs Bidding using UPI Mechanism), Designated Intermediaries (other than SCSBs) were required to submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and has not submitted it to any non-SCSB bank or any Escrow Collection Bank.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States (or any state or other jurisdiction therein), unless so registered, and may not be offered or sold in the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the U.S. Securities Act ("**Regulation S**")) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Our Company has not registered and does not intend to register under the U.S. Investment Company Act. Accordingly, the Equity Shares are only being offered and sold (a) to persons in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act ("**Rule 144A**") and referred to in this Prospectus as "U.S. QIBs" and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as **QIBs**) and "qualified purchasers" (as defined under the U.S. Investment Company Act and referred to in this Prospectus as "**QPs**") in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act in reliance on Rule 144A and of the U.S. Investment Company Act in reliance on Section 3(c)(7) of the U.S. Investment Company Act; and (b) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in "offshore transactions" (as defined in Regulation S) in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any 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.

Compliance with SEBI Mutual Fund Regulations

Change in controlling interest of an asset management company

Under the SEBI Mutual Fund Regulations, no change in the controlling interest of an asset management company 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 one English daily newspaper having nationwide circulation and in a newspaper published in the language of the region where the head office of the mutual fund is situated, 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.

The SEBI Mutual Fund Regulations defines "control" to mean, (i) in the case of a company any person or combination of persons who directly or indirectly own, control or hold shares carrying not less than 10% of the voting rights of such company; or (ii) as between two companies, if the same person or combination of persons 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 asset management company;

Accordingly, in case of Bids for such number of Equity Shares, which may result in the shareholding of a Bidder (either directly or indirectly, by himself or acting in concert with other persons and including existing shareholding, if any) representing 10% or more of the post-Offer paid-up Equity Share capital of the Company, such allotment to the Bidder would be subject to our Company obtaining prior approval of the trustees of UTI Mutual Fund and SEBI, as well as completion by our Company of the procedures stated above with respect to providing written communication to unitholders of the schemes of UTI Mutual Fund, publishing advertisements in newspapers, and providing an exit option to unitholders of the schemes of UTI Mutual Fund. Further, all Allotments to such Bidders shall be in accordance with, and subject to, the conditions contained in such SEBI approval.

The Basis of Allotment is expected to be finalised on or around October 7, 2020. In case of any failure by our Company to obtain such requisite approvals or complete other procedural requirements within the above time period, our Company may Allot the maximum number of Equity Shares, as adjusted for the Bid Lot (and in case of over-subscription in the Offer, after making applicable proportionate allocation for the Equity Shares Bid for), that will limit the aggregate shareholding of the Bidder (either directly or indirectly, by itself or acting in concert with other persons and including existing shareholding, if any) to below 10% of the post-Offer paid-up Equity Share capital of the Company.

Please note that the Company, the BRLMs and the Registrar will rely strictly and solely on the SEBI approvals received by our Company for making any Allotments to any Bidders together with persons acting in concert for 10% or more of the post-Offer paid up Equity Share capital of the Company. The Company, the Registrar to the Offer and the BRLMs will not exercise any discretion or judgment in identifying the group of any Bidder and will not be responsible, directly or indirectly, for the consequences of any Bidder and persons acting in concert with such Bidder, acquiring any Equity Shares representing 10% or more of the post-Offer paid-up Equity Share capital of the Company, without a valid and subsisting SEBI and other approvals set out above.

Participation by the BRLMs, the Syndicate Members and their associates and affiliates

The BRLMs and the Syndicate Members have not been allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their respective underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may have Bid for Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, were treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the BRLMs nor any persons related to the BRLMs could apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the BRLMs;

(ii) insurance companies promoted by entities which are associate of the BRLMs;

(iii) AIFs sponsored by the entities which are associate of the BRLMs; or

(iv) FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the BRLMs.

Further, an Anchor Investor shall be deemed to be an "associate of the BRLM" 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 and the BRLMs.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate was required to be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof. 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 are made.

In case of a Mutual Fund, a separate Bid could 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 the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of our Company's paid-up share capital carrying voting rights.

The Schemes of UTI Mutual Fund have not applied 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, shall 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, shall make Bids for such number of Equity Shares which may 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 UTI 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 shall not 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, shall make Bids for such number of Equity Shares which may 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 could obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident forms should authorize their SCSB to block their Non-Resident External ("**NRE**") accounts (including UPI ID, if activated), or Foreign Currency Non-Resident ("**FCNR**") accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using resident forms should authorize their 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 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).

Participation of Eligible NRIs in the Offer is subject to the FEMA Rules. Only bids accompanied by payment in Indian rupees or fully convertible foreign exchange have been considered for allotment.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder was required to specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs may be considered at par with Bids from individuals.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI including its investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must 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 shall be below 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 wished 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) and 4.1.4.2 (c)(iv) of the General Information Document, it was 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 utilized 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 did 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, were required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilized the MIM Structure and indicated 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. However, our Company has not decreased such limit and accordingly the applicable limit with respect to our Company is 49%.

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 is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

(a) each offshore derivative instruments are transferred to persons subject to fulfilment of 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 is subject to the FEMA Rules.

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, and the BRLMs 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 is subject to the FEMA Rules.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be 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, in consultation with the BRLMs reserved 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, in consultation with the BRLMs, reserved 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 are 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 required to be used solely for the purpose of making application in public issues and clear demarcated funds should have been 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, in consultation with the BRLMs reserved 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 were 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, in consultation with the BRLMs reserved the right to reject any Bid, without assigning any reason thereof.

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, in consultation with the BRLMs, reserved the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Offer were 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 is given for the benefit of the Bidders. Our Company, the Selling Shareholders, and the BRLMs 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. 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 can be held by them under applicable law or regulations, or as specified in the Red Herring Prospectus and this Prospectus.

Bids by Anchor Investors

(a) In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below. Anchor Investor Application Forms were required to be made available for the Anchor Investor Portion at the offices of the BRLMs.

(b) The Bid was required to be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid could not be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund were aggregated to determine the minimum application size of ₹ 100 million.

(c) One-third of the Anchor Investor Portion was reserved for allocation to domestic Mutual Funds.

(d) Bidding for Anchor Investors opened one Working Day before the Bid/ Offer Opening Date i.e. September 28, 2020, and was completed on the same day.

(e) Our Company, in consultation with the BRLMs has finalised allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion was not be less than:

  (i) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 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 up to ₹ 2,500 million, 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 up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.

(f) Allocation to Anchor Investors was completed on the Anchor Investor Bid/Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation was made i.e. ₹ 554 per Equity Share was made available in the public domain by the BRLMs before the Bid/ Offer Opening Date, through intimation to the Stock Exchange.

(g) Anchor Investors could not withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

(i) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLMs) were permitted to apply in the Offer under the Anchor Investor Portion. For details, see "- *Participation by the BRLMs, the Syndicate Members and their associates and affiliates*" beginning on page 395.

(j) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion were not considered multiple Bids.

Bids by Eligible Employees

The Bid must be for a minimum of 27 Equity Shares and in multiples of 27 Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee did not exceed ₹ 500,000. Allotment in the Employee Reservation Portion is as detailed in the section "*Offer Structure*" beginning on page 389. However, Allotments to Eligible Employees in excess of ₹ 200,000 up to ₹ 500,000 were required to be considered on a proportionate basis, in the event of under subscription in the Employee Reservation Portion. Subsequent undersubscription, if any, in the Employee Reservation Portion will be added back to the Net Offer. Eligible Employees Bidding in the Employee Reservation Portion could have Bid at the Cut-off Price.

Bids under the Employee Reservation Portion by Eligible Employees were required to be:

- Made only in the prescribed Bid cum Application Form or Revision Form.
- Only Eligible Employees (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) were eligible to apply in this Offer under the Employee Reservation Portion.
- In case of joint bids, the sole/ First Bidder shall be the Eligible Employee.
- Bids by Eligible Employees was permitted to be made at Cut-off Price.
- Only those Bids, which were received at or above the Offer Price, were considered for allocation under this portion.
- The Bids must be for a minimum of 27 Equity Shares and in multiples of 27 Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee subject to a maximum Bid Amount of ₹ 500,000 on a net basis.
- Eligible Employees were required to mention their employee number at the relevant place in the Bid cum Application Form.
- Bids by Eligible Employees in the Employee Reservation Portion and in the Net Offer portion shall not be treated as multiple Bids. Our Company reserved the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.
- If the aggregate demand in this portion was less than or equal to 200,000 Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- Under-subscription, if any, in any portion, including Employee Reservation Portion, except in the QIB Portion, would be allowed to be met with spill-over from any other portion or a combination of portions at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange.

If the aggregate demand in this portion was greater than 200,000 Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of Allotment, see "*Offer Procedure*" beginning on page 392.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs 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. Bidders are advised to make their independent investigations and ensure that

any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

General Instructions

Please note that QIBs and Non-Institutional Bidders 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 could 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. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. 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) and PAN in the Bid cum Application Form;

5. 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;

6. RIBs 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 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;

7. 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;

8. 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;

9. 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;

10. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

12. 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;

13. 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;

14. 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;

15. 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;

16. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

17. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such bids by FPIs involve (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.

18. 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 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 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 bidding through UPI mechanism) and PAN available in the Depository database;

19. 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);

20. 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 Bidding through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

21. Ensure that the Demographic Details are updated, true and correct in all respects;

22. 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;

23. Bidders (except RIBs 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;

24. 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 Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the RIB 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;

25. RIBs 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; and

26. RIBs 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.

27. 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.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, were not complied with.

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;
3. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders) and ₹ 500,000 for Bids by Eligible Employees Bidding in the Employee Reservation Portion;
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 and Non-Institutional Bidders);
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 the respective Stock Exchanges for each category;
16. In case of ASBA Bidders (other than RIBs using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;
17. If you are RIB and are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;
18. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;
19. Anchor Investors should not bid through the ASBA process;
20. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;
21. 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;
22. Do not submit the GIR number instead of the PAN;
23. Anchor Investors should submit Anchor Investor Application Form only to the BRLMs;
24. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;
25. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid / Offer Closing Date;
26. 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;

27. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are RIB and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;

28. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a RIB 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 using the UPI Mechanism;

31. Do not Bid if you are an OCB;

32. RIBs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/or mobile applications which are not mentioned in the list provided on 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 Bidding using the UPI Mechanism.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, were not complied with.

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 Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see "*General Information*" beginning on page 66.

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 BRLMs 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 BRLMs and the Registrar to the Offer, 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 offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Net Offer to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the RIBs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be 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 shares in RIB category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Payment into Anchor Investor Escrow Account

Our Company, in consultation with the BRLMs decided the list of Anchor Investors to whom the CAN were sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names were notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account were required to be drawn in favour of:

(a) In case of resident Anchor Investors: "UTI AMC LTD IPO ANCHOR R"

(b) In case of Non-Resident Anchor Investors: "UTI AMC LTD IPO ANCHOR NR"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been 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 Financial Express, all editions of Jansatta and Mumbai edition of Navshakti (which are widely circulated English national daily, Hindi national daily and Marathi newspapers respectively, Marathi being the regional language of Maharashtra, where our Registered Office is located).

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.

The information set out above is given for the benefit of the Bidders/applicants. Our Company, the respective Selling Shareholders, and the BRLMs 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. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do 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 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 the Prospectus. The 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;

- that if our Company or the Selling Shareholders do 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 our Company and the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the even our Company or the Selling Shareholders subsequently decide to proceed with the Offer;

- except for any exercise of options vested pursuant to ESOP 2007, no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus and the 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 the following severally and not jointly in respect of itself as a Selling Shareholder and their respective portion of the Offered Shares offered by it in the Offer for Sale :

- the Equity Shares offered for sale by it in the Offer are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations;

- it is the legal and beneficial owner of, and have the full title to, its respective portion of the Offered Shares which are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances or transfer restrictions and shall be in dematerialised form at the time of transfer;

- all necessary steps shall be taken to transfer the Equity Shares being sold by it in the Offer for Sale to the eligible investors within the time specified under applicable law;

- it shall deposit the Equity Shares offered by it in the Offer in an escrow account opened with the Registrar to the Offer in accordance with the share escrow agreement executed between the parties to such share escrow agreement;

- 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 until final approvals for listing and trading of the Equity Shares from the Stock Exchanges have been received; and

- it will take all such steps as may be required to ensure that the Equity Shares being sold by it in the Offer are available for transfer in the Offer for Sale.

Further, it confirms that it is not restrained from buying, selling or dealing in securities, in any case under any order or direction passed by SEBI or any other governmental or regulatory authority or any court of appropriate forum.

The decisions with respect to (i) the Price Band and revisions thereof, and (ii) the minimum Bid lot, were taken by our Company and Selling Shareholders in consultation with the BRLMs.

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 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 D/o IPP F. No. 5(1)/2017-FC-1 dated the August 28, 2017, which with effect from August 28, 2017, 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 August 28, 2017. 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 a financial services company regulated by sectoral regulator (in our case, being SEBI). However, in terms of the FDI Policy, upto 49% under the automatic route is permitted in a company operating in the pension sector and ownership and control of an Indian pension fund remains with resident Indian entities as determined by the Government / PFRDA. Accordingly, foreign investment in our Company is permitted upto 49% under the automatic route. Further, FPI investment in our Company's total paid-up Equity Share capital is currently restricted to 10% on an individual and 49% on an aggregate basis, beyond which FPI investment would be reclassified as FDI, in respect of which different regulatory requirements apply. For further details, see "*Risk Factors – 61. Foreign investors are subject to restrictions prescribed under Indian laws that may limit their ability to transfer shares and thus our ability to attract foreign investors, which may have an adverse impact on the market price of the Equity Shares*" on page 57.

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.

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 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 ("**Restricted Investors**"), will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Offer Period.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933 (of the "U.S. Securities Act") any other applicable law of the United States (or any state or other jurisdiction therein), unless so registered, and may not be offered or sold in the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the U.S. Securities Act ("Regulation S")) ("U.S. Persons") except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Our Company has not registered and does not intend to register under the U.S. Investment Company Act of 1940 (the "U.S. Investment Company Act"). Accordingly, the Equity Shares are only being offered and sold (a) to persons in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act ("Rule 144A") and referred to in this Prospectus as "U.S. QIBs" and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as QIBs) and "qualified purchasers" (as defined under the U.S. Investment Company Act and referred to in this Prospectus as "QPs") in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act in reliance on Rule 144A and of the U.S. Investment Company Act in reliance on Section 3(c)(7) thereof; and (b) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in "offshore transactions" (as defined in Regulation S) in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any 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.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments, modification, or changes in applicable laws or regulations, which have occured after the date of the Red Herring Prospectus and will 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 which did not exceed the applicable limits under laws and regulations.

SECTION VIII: DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

Capitalized terms used in this section have the meanings that have been given to such terms in the Articles of Association of our Company. The Articles of Association of our Company comprise two parts, Part A and Part B, of which Part A shall be effective immediately upon the listing and commencement of trading of Equity Shares of our Company on a recognized stock exchange pursuant to the Offer. Until the listing and commencement of trading of Equity Shares of our Company on a recognized stock exchange pursuant to the Offer, provisions of Part B shall be applicable. However, on and from the date of listing of the Equity Shares of our 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 our Company or its Shareholders.

Pursuant to Schedule I of the Companies Act and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below.

PART A

AUTHORISED SHARE CAPITAL

The authorised share capital of the Company shall be such amount, divided into such class(es) denomination(s) and number of shares in the Company as stated in the Memorandum of Association, with power to increase or reduce such capital from time to time and power to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the Articles of the Company or the provisions of applicable law for the time being in force.

FURTHER ISSUE OF SHARES

Where at any time the Board or the Company, as the case may be, propose to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:

(i) 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 paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in the Act;

(ii) to employees under any scheme of employees' stock option subject to special resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under applicable law; or

(iii) to any person(s), if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (i) or clause (ii) 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 such conditions as may be prescribed under the Act and the rules made thereunder.

LIEN

The Company shall subject to applicable law have a first and paramount lien on every share/debenture (not being a fully paid share/debenture) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share/debenture and no equitable interest in any share shall be created upon the footing and condition that this Article will have full effect. Unless otherwise agreed the registration of a transfer of shares/debenture shall operate as a waiver of the Company's lien, if any, on such shares/debenture.

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The fully paid up shares shall be free from all lien and in case of partly paid up shares the Company's lien shall be restricted to money called or payable at a fixed time in respect of such shares. The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares/debentures."

CALL ON SHARES

The Board may subject to the provisions of the Act and any other applicable law, from time to time, make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. A call may be revoked or postponed at the discretion of the Board. The power to call on shares shall not be delegated to any other person except with the approval of the shareholders' in a General Meeting.

Each Member shall, subject to receiving at least fourteen (14) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares. The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more Members as the Board may deem appropriate in any circumstances.

The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no such date is so determined a call shall be deemed to have been made at the date when the resolution authorizing such call was passed at the meeting of the Board and may be required to be paid in instalments.

The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. If a 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 such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member. The Board shall be at liberty to waive payment of any such interest wholly or in part.

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 share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. In case of non-payment of such sum, all the relevant provisions of these Articles as to 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.

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; 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 as may be agreed upon between the Board and the Member paying the sum in advance. Nothing contained in this Article shall confer on the Member (i) any right to participate in profits or dividends; or (ii) any voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable by him.

The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

FORFEITURE OF SHARES

If a Member fails to pay any call, or installment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.

Any share forfeited in accordance with these Articles, shall be deemed to be the property of the Company and may be sold, re-allocated or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board thinks fit.

A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall 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. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. 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.

The Board may at any time before any share so forfeited shall have them sold, reallotted or otherwise disposed of, cancel the forfeiture thereof upon such conditions at it thinks fit. The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering them on such terms as they think fit. The provisions of these Articles as to forfeiture shall apply in the case of non payment of any sum which, by the terms of 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.

GENERAL MEETINGS

The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year. An Annual General Meeting of the Company shall be held in accordance with the provisions of the Act. All General Meetings shall be convened by giving not less than clear twenty one (21) days notice, in such manner as is prescribed under the Act, specifying the place, date and hour of the meeting and a statement of the business proposed to be transacted at such a meeting, in the manner mentioned in the Act. All General Meetings other than the Annual General Meeting shall be called "Extraordinary General Meeting". Provided that, the Board may, whenever it thinks fit, call an Extraordinary General Meeting.

Five (5) Members or such other number of Members as required under the Act or the applicable law for the time being in force prescribes, personally present shall be quorum for a General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the meeting.

PROCEEDINGS AT GENERAL MEETINGS

Subject to the provisions of the Act, all business shall be deemed special that is transacted at the Annual General Meeting with the exception of declaration of any dividend, the consideration of financial statements and reports of the Directors and auditors, the appointment of Directors in place of those retiring and the appointment of and fixing of the remuneration of the auditors. In case of any other meeting, all business shall be deemed to be special. In case of special business as aforesaid, an explanatory statement as required under the applicable provisions of the Act shall be annexed to the notice of the meeting. The chairman, if any, of the Board of Directors shall preside as chairman at every General Meeting of the Company.

Subject to the provisions of the Act, the chairman of a General Meeting may, with the consent given in the meeting at which a quorum is present (and shall if so directed by the meeting) adjourn that 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 from which the adjournment took place. When the meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of the original meeting, as may be possible. Save as aforesaid and as provided in Section 103 of the Act, it shall not be necessary to give any notice of adjournment of the business to be transacted at an adjourned meeting.

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting, a quorum is not present, the meeting, if called upon the requisition of Members, shall be cancelled and 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 day and at such other time and place as the Board may determine.

VOTING RIGHTS

Subject to any rights or restrictions for the time being attached to any class or classes of shares:

(a) On a show of hands every Member holding equity shares and present in person shall have one vote.

(b) On a poll, every Member holding equity shares therein shall have voting rights in proportion to his share in the paid up equity share capital.

(c) A Member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

In case of joint holders the vote of first named of such joint holders in the Register of Members who tender a vote whether in person or by proxy shall be accepted, to the exclusion of the votes of other joint holders. 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 legal guardian may, on a poll, vote by proxy. No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised any right of lien.

PROXY

Any Member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Any corporation which is a Member of the Company may, by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Member of the Company (including the right to vote by proxy).

BOARD OF DIRECTORS

Unless otherwise determined by General Meeting, the number of Directors shall not be less than three (3) and not more than fifteen (15), and at least one (1) Director shall be resident of India in the previous year. Provided that the Company may appoint more than fifteen (15) directors after passing a Special Resolution. Notwithstanding anything contained in the Articles, the composition of the Board and the appointment of Directors (including independent directors) shall be subject to applicable laws including the Act, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.

Any person whether a Member of the Company or not may be appointed as Director and no qualification by way of holding shares shall be required of any Director. Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

Subject to Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable law, each Member of the Company shall have a right to nominate Director(s) to the Board, excluding the Chairman, in the following manner:

(i) if such Member, together with its Affiliates, holds 10% or more but less than 20% of the issued, subscribed and paid-up equity share capital of the Company, they shall collectively be entitled to nominate one (1) Director;

(ii) if such Member, together with its Affiliates, holds 20% or more but less than 30% of the issued, subscribed and paid-up equity share capital of the Company, they shall collectively be entitled to nominate two (2) Directors; and

(iii) for every multiple of additional 10% of the issued, subscribed and paid-up equity share capital held by such Member (together with its Affiliates) thereafter, they shall collectively be entitled to nominate one (1) Director.

Provided that, the above right to nominate Director(s) under this Article shall be subject to approval by the Members of the Company by way of a Special Resolution in the first General Meeting convened after the listing and commencement of trading of the Equity Shares on stock exchanges.

The Board may from time to time and with such sanction of the Central Government as may be required by the Act, appoint one or more of the Directors to the office of the managing Director and/ or whole time Directors for such term and subject to such remuneration, terms and conditions as they may think fit. The managing Director/whole time Director shall subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under these Articles by the Board of Directors, as they may think fit and confer such power for such time and to be exercised as they may think expedient and they may confer such power either collaterally with or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The managing Directors/ whole time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's direction.

PROCEEDINGS OF BOARD OF DIRECTORS

The Board of Directors shall meet at least once in every three (3) months with a maximum gap of four (4) months between two (2) meetings of the Board for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every year. The chairman may, at any time, and the secretary or such other Officer of the Company as may be authorised in this behalf on the requisition of Director shall at any time summon a meeting of the Board. Notice of at least seven (7) days in writing of every meeting of the Board shall be given to every Director and every alternate Director at his usual address whether in India or abroad, provided always that a meeting may be convened by a shorter notice in accordance with the provisions of the Act.

Questions arising at any time at a meeting of the Board shall be decided by majority of votes and in case of equality of votes, the Chairman, in his absence the Vice Chairman or the Director presiding shall have a second or casting vote. The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act or any other applicable law, or by the Memorandum or by the Articles required to be exercised by the Company in a General Meeting, subject nevertheless to these Articles, to the provisions of the Act or any other applicable law and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in a General Meeting; but no regulation 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.

The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such members of its body as it thinks fit. Any committee so formed shall, in the exercise of the power so delegated conform to any regulations that may be imposed on it by the Board.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

Subject to the provisions of the Act, a chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses, if required. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. Further, an individual may be appointed or reappointed as the chairperson of the Company as well as the managing Director or chief executive officer of the Company at the same time. A provision of the Act or the Articles requiring or authorising a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as a Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

DIVIDEND

The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit. The profits of the Company, subject to any special rights, relating thereto created or authorized to be created by these Articles and subject to the provisions of these Articles as to the reserve fund, shall be divisible among the Members in proportion to the amount of capital paid up on the shares held by them respectively. However, if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

(a) Where capital is paid in advance of calls, such capital, whilst carrying interest, shall not confer a right to dividend or to participate in the profits.

(b) Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account".

(c) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under the Act.

(d) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

(e) All other provisions under the Act will be complied with in relation to the unpaid or unclaimed dividend.

The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends and pending such application, may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time think fit. The Board may also carry forward any profits when it may consider necessary not to divide, without setting them aside as a reserve.

Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

ACCOUNTS

The Books of Account shall be kept at the Office or at such other place in India as the Directors think fit in accordance with the applicable provisions of the Act. The books of account and other books and papers of the Company, or any of them, shall be open to the inspection of Board in accordance with the applicable provisions of the Act**.** No Member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorised by the Board.

WINDING UP

Subject to the applicable provisions of the Act–

(a) If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

(c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

(d) Any person who is or has been a Director or manager, whose liability is unlimited under the Act, shall, in addition to his liability, if any, to contribute as an ordinary member, be liable to make a further contribution as if he were at the commencement of winding up, a member of an unlimited company, in accordance with the provisions of the Act.

Subject to the provisions of the Act as to preferential payment the assets of the Company shall, on its winding up, be applied in satisfaction of its liabilities *pari passu* and, subject to such application shall be distributed among the Members according to their rights and interests in the Company.

INDEMNITY

Subject to the provisions of the Act, every Director and Officer of the Company shall be indemnified by the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the tribunal. Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the negligence, willful misconduct or bad faith acts or omissions of such Director.

INSURANCE

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

PART B

Part B of the Articles of Association of the Company provide for the rights and obligations of the parties to the Shareholders' Agreement dated November 7, 2009 ("**Existing SHA**"), as amended by the Amendment Agreement.

In case of any conflict or inconsistency between Part A on the one hand and Part B on the other hand, Part B shall at all times prevail. Part B of the Articles shall automatically terminate and cease to have any force and effect and shall be deemed to fall away on and from the date of listing and trading of the equity shares of the Company on a stock exchange in India, subsequent to an initial public offering of its equity shares without any further action by the Company or its shareholders.

If the Equity Shares do not get listed and commence trading on the Stock Exchanges, the Company shall take all steps to amend the Articles of Association to reflect the terms of the Existing SHA.

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 and includes contracts entered into until the date of the Red Herring Prospectus) which are material and have been attached to the Red Herring Prospectus which has been filed with the RoC and will also be attached to the copy of this Prospectus which will be delivered to the RoC for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, were provided for inspection at the 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.

Any of the contracts or documents mentioned in the Red Herring Prospectus and 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 the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material Contracts for the Offer

1. Offer Agreement dated December 18, 2019 entered into between our Company, the Selling Shareholders and the Book Running Lead Managers.

2. Registrar Agreement dated December 16, 2019 entered into between our Company, the Selling Shareholders and the Registrar to the Offer.

3. Escrow and Sponsor Bank Agreement dated September 8, 2020 entered into between our Company, the Selling Shareholders, the Registrar to the Offer, the Book Running Lead Managers and the Banker(s) to the Offer.

4. Share Escrow Agreement dated September 8, 2020 entered into between our Company, the Selling Shareholders, and the Share Escrow Agent.

5. Syndicate Agreement dated September 19, 2020 entered into between our Company, the Selling Shareholders, Book Running Lead Managers, the Syndicate Members and the Registrar to the Offer.

6. Underwriting Agreement dated October 3, 2020 entered into between our Company, the Selling Shareholders, the Underwriter(s), and the Registrar to the Offer.

B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of our Company, as amended from time to time.

2. Certificate of incorporation dated November 14, 2002 issued by the Registrar of Companies, Maharashtra at Mumbai in the name of 'UTI Asset Management Company Private Limited'. Fresh certificate of incorporation dated November 14, 2007 issued by the RoC upon change of name consequent to conversion from private company to public company.

3. Copies of annual reports of our Company for Fiscals 2020, 2019 and 2018 and the audit report for the three months ended June 30, 2020.

4. Resolutions of our Board of Directors dated August 22, 2019 and October 23, 2019 authorising the Offer and other related matters.

5. Resolution dated December 4, 2019 passed by the executive committee of the central board of SBI approving the Offer for Sale for the Equity Shares offered by it.

6. Resolution dated October 14, 2019 passed by the investment committee of LIC approving the Offer for Sale for the Equity Shares offered by it.

7. Resolution dated December 9, 2019 passed by the investment committee of BOB approving the Offer for Sale for the Equity Shares offered by it.

8. Resolution dated November 27, 2019 passed by the board of directors of PNB approving the Offer for Sale for the Equity Shares offered by it.

9. Resolution dated November 18, 2019 passed by the board of directors of TRP approving the Offer for Sale for the Equity Shares offered by it.

10. Resolution of our Board of Directors dated December 16, 2019 and the resolution of the committee of Directors dated December 18, 2019 approving the Draft Red Herring Prospectus.

11. Resolution of our Board of Directors dated September 21, 2020 approving the Red Herring Prospectus filed with the RoC and subsequently with SEBI and the Stock Exchanges.

12. Resolution of our Board of Directors dated October 3, 2020 approving this Prospectus filing with the RoC and subsequently with SEBI and the Stock Exchanges.

13. Share Purchase Agreement dated November 7, 2009 amongst SBI, LIC, BOB, PNB, TRP, the Trustee Company and our Company, subsequently amended pursuant to an Amendment Agreement dated December 22, 2009.

14. Shareholders' Agreement dated November 7, 2009 amongst SBI, LIC, BOB, PNB, TRP and our Company, subsequently amended pursuant to an Amendment Agreement dated December 16, 2019 and the letter dated September 14, 2020 executed by SBI, LIC, BOB, PNB, TRP and our Company.

15. Services Agreement dated November 14, 2019 between the Administrator of Specified Undertaking and our Company.

16. Investment Management Agreement dated December 9, 2002 between our Company and UTI Mutual Fund acting through the Trustee Company, as amended by the note dated March 17, 2003 and first supplemental investment management agreement dated July 6, 2004

17. Consent letter from the Statutory Auditors dated August 29, 2020 for inclusion of their name as experts.

18. The Statement of Tax Benefits of our Company dated August 29, 2020 issued by the Statutory Auditors.

19. Examination report dated August 29, 2020 by the Statutory Auditors in relation to the Restated Financial Information included in this Prospectus.

20. Consents in writing of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, Legal Counsel to our Company as to Indian Law, Legal Counsel to the Book Running Lead Managers as to Indian Law, Legal Counsel to the Lead Managers as to U.S. Law, Bankers to our Company, 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.

21. Report entitled "*Assessment of mutual fund industry in India*" dated August, 2020 issued by CRISIL.

22. In-principle listing approvals dated December 26, 2019 and January 1, 2020 issued by BSE and NSE, respectively.

23. Tripartite agreement dated February 5, 2008 between our Company, CDSL and the Registrar to the Offer.

24. Tripartite agreement dated February 11, 2008 between our Company, NSDL and the Registrar to the Offer.

25. ESOP 2007, as amended.

26. List of Equity Shares allotted pursuant to conversion of employee stock options into Equity Shares under the ESOP 2007.

27. Due diligence certificate dated December 18, 2019 addressed by the BRLMs to SEBI.

28. SEBI observation letter no. SEBI/HO/CFD/DIL2/ADM/AB/OW/P/2020/5296 dated February 7, 2020 and final observation letter no. SEBI/HO/CFD/DIL II/OW/2020 dated June 16, 2020 along with our *in-seriatim* replies dated February 20, 2020 and August 31, 2020, respectively.

DECLARATION

We hereby 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 SCRR, 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

Dinesh Kumar Mehrotra
(Non-Executive Chairman and Independent Director)

Imtaiyazur Rahman
(Whole-time Director and Chief Executive Officer)

Edward Cage Bernard
(Non-Executive Director)

Flemming Madsen
(Non-Executive Director)

Narasimhan Seshadri
(Independent Director)

Uttara Dasgupta
(Independent Director)

Deepak Kumar Chatterjee
(Independent Director)

Ashok Shah
(Independent Director)

Dipali H Sheth
(*Independent Director*)

Jayashree Vaidhyanathan
(*Independent Director*)

Rajeev Kakar
(*Independent Director*)

SIGNED BY THE CHIEF FINANCIAL OFFICER

Surojit Saha
(Chief Financial Officer)

Place: Mumbai

Date: October 3, 2020

DECLARATION BY STATE BANK OF INDIA

We, State Bank of India, hereby confirm that all statements, disclosures and undertakings specifically made by us in this Prospectus in relation to ourselves, as a Selling Shareholder and our 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.

Signed for and on behalf of State Bank of India

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Authorised Signatory

Name:
Designation:
Date: October 3, 2020

DECLARATION BY LIFE INSURANCE CORPORATION OF INDIA

We, Life Insurance Corporation of India, hereby confirm that all statements, disclosures and undertakings specifically made by us in this Prospectus in relation to ourselves, as a Selling Shareholder and our 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.

Signed for and on behalf of Life Insurance Corporation of India

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Authorised Signatory

Name:
Designation:
Date: October 3, 2020

DECLARATION BY BANK OF BARODA

We, Bank of Baroda, hereby confirm that all statements, disclosures and undertakings specifically made by us in this Prospectus in relation to ourselves, as a Selling Shareholder and our 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.

Signed for and on behalf of Bank of Baroda

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Authorised Signatory

Name:
Designation:
Date: October 3, 2020

DECLARATION BY PUNJAB NATIONAL BANK

We, Punjab National Bank, hereby confirm that all statements, disclosures and undertakings specifically made by us in this Prospectus in relation to ourselves, as a Selling Shareholder and our 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.

Signed for and on behalf of Punjab National Bank

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Authorised Signatory

Name:
Designation:
Date: October 3, 2020

DECLARATION BY T. ROWE PRICE INTERNATIONAL LTD

We, T. Rowe Price International Ltd, hereby confirm that all statements, disclosures and undertakings specifically made by us in this Prospectus in relation to ourselves, as a Selling Shareholder and our 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.

Signed for and on behalf of T. Rowe Price International Ltd

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Authorised Signatory

Name:
Designation:
Date: October 3, 2020

ANNEXURE A — U.S. RESALE LETTER

[*On the letterhead of an investor who is a U.S. Person or a person in the United States; to be executed after resale of the Equity Shares outside the United States; to be delivered to the Company prior to the settlement of any sale or other transfer of Shares*.]

UTI ASSET MANAGEMENT COMPANY LIMITED (the "**Company**")
UTI Tower, 'Gn' Block
Bandra-Kurla Complex
Bandra (East), Mumbai – 400 051
India

Ladies and Gentlemen:

This letter ("**Resale Letter**") relates to the sale or other transfer by us of equity shares (the "**Shares**") of the Company, which is required to be in an offshore transaction pursuant to Regulation S ("**Regulation S**") under the Securities Act of 1933, as amended (the "**U.S. Securities Act**"). Capitalized terms used but not defined in this Resale Letter shall have the meaning given to them in the Prospectus of the Company dated October 3, 2020.

We hereby represent and warrant to you as follows:

(a) We previously purchased the Shares for our own account (or for one or more beneficial owners for which we have acted as fiduciary or agent, with complete investment discretion and with authority to bind each such person), as both a "qualified institutional buyer" (as defined in Rule 144A under the U.S. Securities Act) and a "qualified purchaser" (as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended, and the rules thereunder (the "**U.S. Investment Company Act**"). We understand that the Shares have not been and will not be registered under the U.S. Securities Act and that the Company has not registered and will not register as an investment company under the U.S. Investment Company Act).

(b) The offer and sale of the Shares by us was not made to a person in the United States or to a "U.S. person" (as defined in Regulation S).

(c) Either:

  (i) at the time the buy order for the sale of the Shares by us was originated, the buyer was outside the United States or we and any person acting on our behalf reasonably believed that the buyer was outside the United States; or

  (ii) the transfer of the Shares by us was executed in, on or through the facilities of BSE Limited or National Stock Exchange of India Limited, and neither we nor any person acting on our behalf has reason to believe that the transaction was pre-arranged with a buyer in the United States.

(d) Neither we, nor any of our affiliates, nor any person acting on our or their behalf, has made any directed selling efforts (as such term is defined in Regulation S) in the United States with respect to the Equity Shares.

(e) The transfer of the Equity Shares by us was not and is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act or the U.S. Investment Company Act.

(f) None of the Company, any of its agents nor any of their respective affiliates participated in the sale of the Equity Shares by us.

(g) We agree that the Company, its agents and their respective affiliates may rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

Where there are joint transferors, each must sign this Resale Letter. A Resale Letter of a corporation must be signed by an authorized officer or be completed otherwise in accordance with such corporation's constitution (and evidence of such authority may be required).

Yours sincerely,
(Name of Transferor)

By:
Title:
Date: